

Case Study: Moving from a Deficit to Establishing Financial Stability and Increasing Educational Performance

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About Me



Joined education in 2008 as Business Manager after qualifying as a Chartered Accountant

Moved to the role of FD in 2014 and then Deputy CEO in 2016

Some highlights:

- Supported a number of schools/Trusts that have been put into category and/or issued FNtl
- Supported Governing Bodies since 2004
- Accredited as a SLE in Business Management
- Spent three years as Assistant Head in a large Secondary School



About Us



THINKING
SCHOOLS
ACADEMY TRUST

- TSAT was originally formed in 2010 with a single outstanding school (Rochester Grammar School)
- Partnered with an outstanding primary school to form a MAT
- Since Summer 2014 the Trust has grown and now supports 15 schools over 2 hubs
- Budget 17/18 c£33 million



THINKING SCHOOLS
ACADEMY TRUST

5 Key Steps

1. Establish the facts and learn from the past
2. Enable clear decision making and accountability structures
3. Zero based budget informed by curriculum
4. Use the economies of scale with MAT
5. Develop a marketing strategy for new pupils



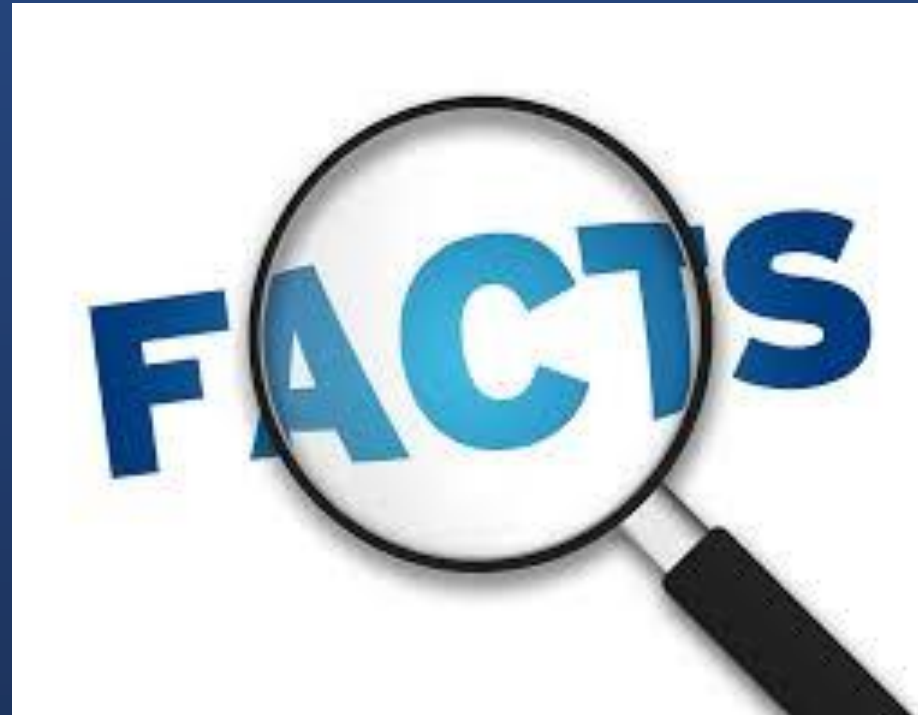
Case Study

The Bishop of Rochester Academy (BORA)

Date	Event
January 2015	RSC asked TSAT to provide support to the standalone Trust BORA following FNtl and high risk of special measures
February 2015	Consultation starts on major staffing restructure
March 2015	Principal of BORA resigns and recovery plan submitted to EFA
April 2015	BORA trustees resigned and agreed to re-broker into TSAT from 1 st September 2015
June 2015	OFSTED judges Academy as Requires Improvement
July 2015	EFA review progress and lift FNtl
August 2015	Redundancies take effect
September 2015	BORA renamed 'The Victory Academy' and opens as a TSAT Academy



Establish the Facts and Learn from the Past



The Bishop of Rochester Academy (BORA)

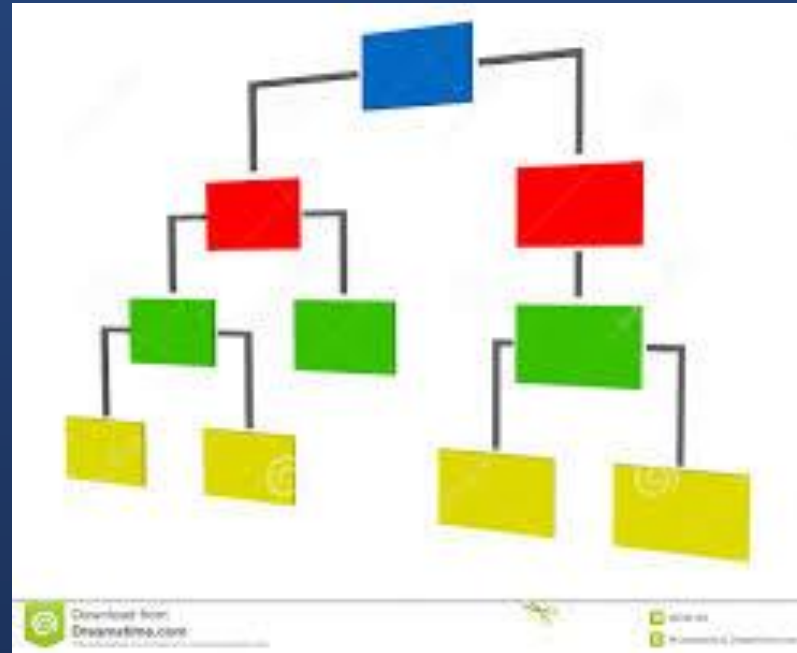
- 2014/15 outcomes:
 - Recognised as at risk of special measures by RSC
 - GCSE outcome “significantly below for 5 A*-C against national average
 - Attainment of disadvantage pupils below that of others in the Academy and nationally
 - Year 7 first choices only 15% and surplus of over 50% pupil spaces from a 240 PAN
 - Opening balance sheet as at 1st September 2014 £220k deficit
 - Budget position for 14/15 forecasting a further in-year deficit of £582k (cumulative deficit of £802k)
 - Model for 15/16 suggested a total year end deficit at £1.9 million



What Had They Got Wrong

- GAG income levels were not budgeted correctly
- Staffing running at 93% of GAG
- Curriculum was too broad and pupil ratios were not monitored and were too low
- Staff planning for the following year was happening too late
- Year 7 curriculum was inappropriate in relation to prior attainment
- The relationship between the Business Manager and the Principal was not effective
- Too many decision makers for non-staffing spend

Enable Clear Decision Making and Accountability Structures



Linking Governance Structures Around Support



Introduce 'Responsibility Accounting'

- Every transaction is linked to a cost centre
- Every cost centre is linked to a manager
- Every manager has a budget
- Every budget added together comes back to the overall budget

The Manager reviews a monthly transaction report linked to the cost centres they are responsible for

The Principal meets monthly with the Business Manager to review cost centre spend against budget

Zero Based Budget Informed by Curriculum



Curriculum Design Informing Staffing

- Decide on a timetable model (2 weekly is most efficient)
- Start with pupils per year group
- List subjects taught
- Identify number of periods and classes taught by year group
- List staff by subject and periods they can be directed to teach
- Allocate staff to subject
- Identify surpluses
- Work with HR and Unions



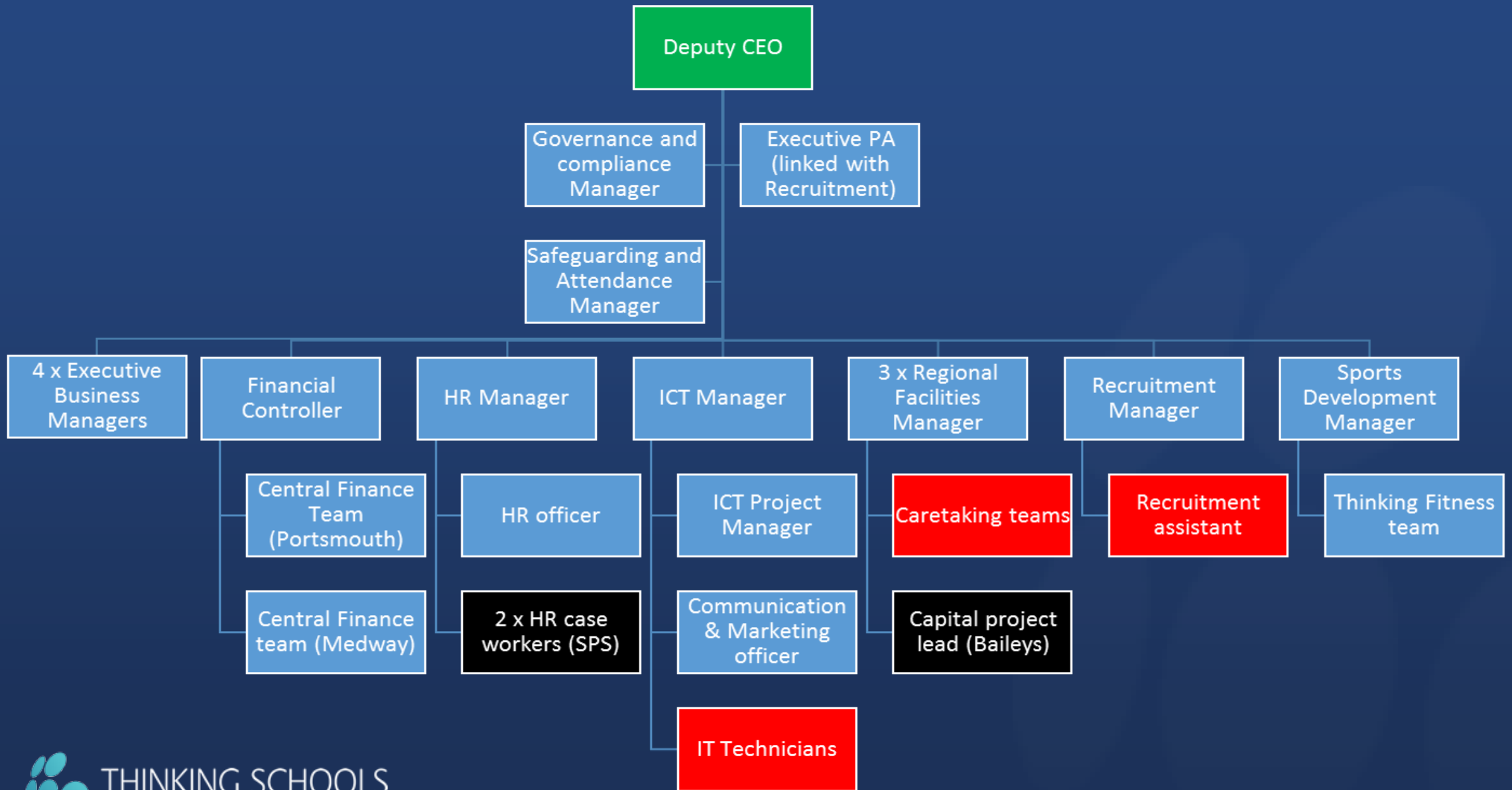
Example model						
Roll	240	50	pd cycle		English	Maths
Studs	110	Pds	64	Y7	32	32
				Classes	4	4
				Periods	8	8
Studs	130	Pds	108	Y8	54	54
				Classes	6	6
				Periods	9	9
			TAR	ACT	English	Maths
		REQD	172	172	86	86
		AVBL	235	191	100	91
Suplus	-44.00	SURP	63	19	14	5
	STAFF	REM	TAR	ACT	English	Maths
ENGLISH	Head of Eng	-10	35	25	25	
ENGLISH	A	-5	45	40	40	
ENGLISH	B	-10	45	35	35	
MATHS	Head of Maths	-4	35	31		31
MATHS	E	0	45	45		45
OTHER	Principal	-5	10	5		5
OTHER	VP	-10	20	10		10

Use the Economies of Scale with MAT



Bringing the Academy into the MAT

- Standard top slice providing strategic and compliance leadership
- Provide access to roles like:
 - HR
 - IT Manager
 - Estates Manager
 - Safeguarding Manager
- Move procurement decisions away from Academy to MAT
- Remove all finance staff from Academy and provide a full central service



Develop a Marketing Strategy for New Pupils

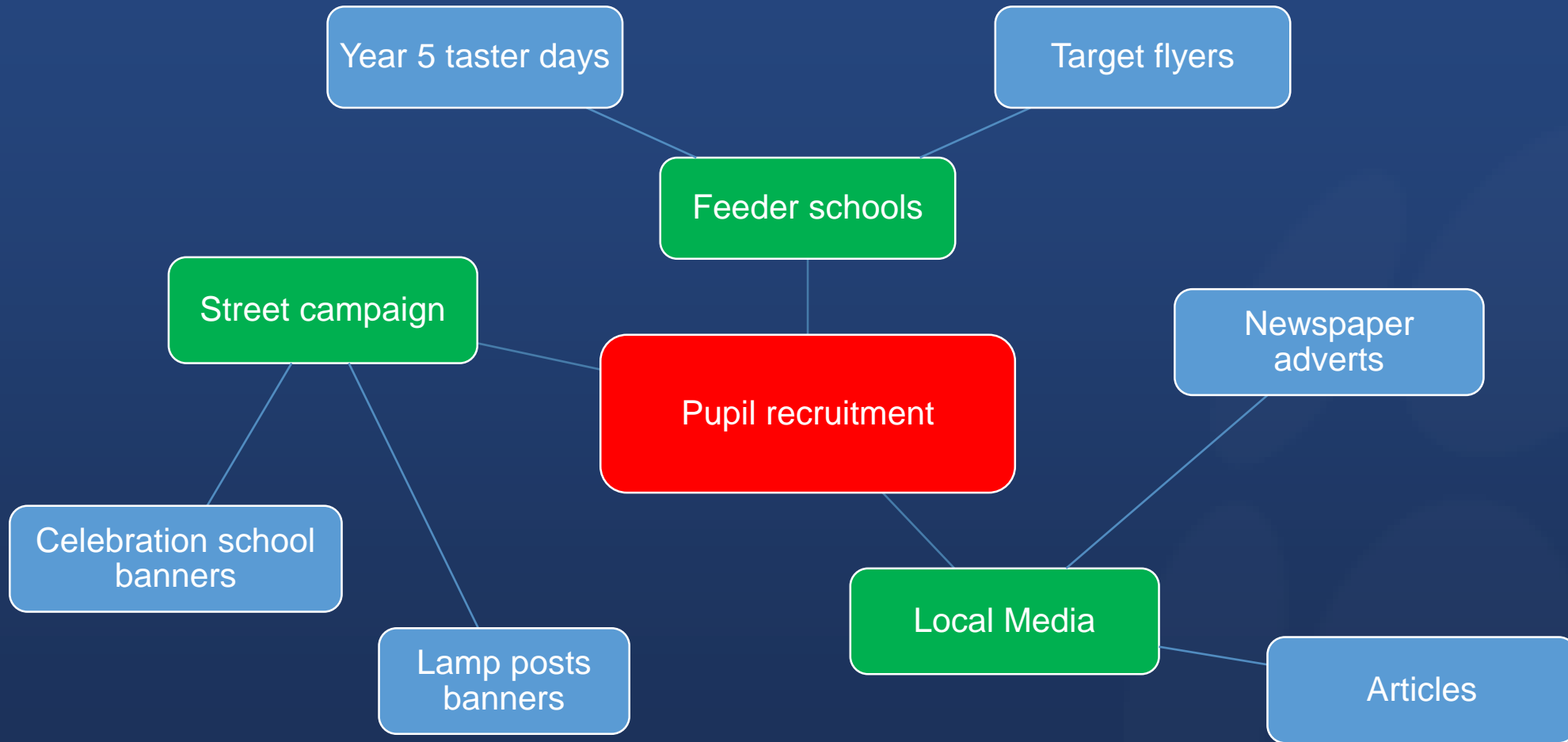


Marketing Strategy Used



- Rebranded from BORA to Victory
- Considered the 'unique selling point' and focused offer on vocational and sports
- Conducted SWOT analysis to understand what features to focus on

Marketing strategy used



Impact Statement

The Victory Academy

- 2016/17 outcomes:
 - OFSTED in June 2017 “Good” in all areas
 - GCSE outcome has progress at +0.32
 - A-Level outcomes has progress at +0.23
 - Pupil premium outcomes has progress at +0.28
 - Year 7 first choices over 60% and surplus down to 15% pupil spaces from a 240 PAN
 - No deficit
 - Budget for 17/18 set as an in-year balanced position



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Questions?

