

## Meeting of the South Bank Academies Board

2.30 pm on Monday, 27 July 2020  
in MS Teams

### Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
1.	Welcome and apologies		HT
2.	Declarations of interest <i>Directors are required to declare any interest in any item of business.</i>		HT
<b>Items to approve</b>			
3.	Sir Simon Milton Westminster UTC business case	3 - 56	FM
4.	Draft budget, 2020/21	57 - 66	HA
5.	Pay policy	67 - 78	DC
<b>Items to discuss</b>			
6.	Management accounts to end June 2020	79 - 92	HA

**Date of next meeting**  
**4.00 pm on Thursday, 1 October 2020**

**Members:** Hitesh Tailor (Chair), Richard Flatman (Vice-Chair), Tony Giddings, Hilary McCallion, Chris Mallaband, Fiona Morey, Lesley Morrison and David Phoenix

**Apologies:** Nicole Louis

**In attendance:** Helena Abrahams, Michael Broadway, Dan Cundy and Dominique Phipp

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# Agenda Item 3

	INTERNAL
Paper title:	Sir Simon Milton Westminster UTC business case
Board/Committee:	SBA Board
Date of meeting:	27 July 2020
Author(s):	Baker Dearing Trust
Sponsor(s):	Fiona Morey, SBA CEO
Purpose:	For Approval
Recommendation:	The Board is requested to approve the draft business case for submission to the Regional Schools Commissioner

## **Executive summary**

The first draft business case has been produced by the Baker Dearing Trust and is attached for review by the Board.

Initial financial, legal and governance due diligence has been undertaken and high-level reports are included as appendices.

The Board is requested to approve the draft business case for submission to the Regional Schools Commissioner.

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Business Case for the re-brokerage of:

**Sir Simon Milton (Westminster) UTC**



**Confidential**

Version 1.7. – Draft to Stakeholders  
July 2020

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## 1. Executive Summary

South Bank Academies Trust (“SBA”) is ideally suited to become the MAT partner for Sir Simon Milton (Westminster) UTC (“SSMW”). The two trusts share broadly the same vision, SBA has existing knowledge of SSMW’s target market, the proposed offer for SSMW will complement that of SBA’s existing schools, and the very close proximity of both trust’s schools (c.3 miles apart) will strengthen the combined entity. The enlarged group will benefit from all the MAT operating efficiencies well known to the DfE which are only possible with nearby academies.

Furthermore, SBA already has a central staffing structure with the capacity to grow. This will ensure not only that its existing schools continue to develop and deliver the educational outcomes targeted in their school improvement plans, but also that the rapid improvement necessary at SSMW can be achieved. In addition, SBA benefits from being part of the much larger LSBU group, which has the capacity and capability to assist SBA with a wide variety of activities from student enrichment and recruitment through to the employer management necessary for the successful implementation of both T-Levels and a UTC offer more generally.

The timing for SSMW to join SBA is appropriate too. As well as being able to provide T-Levels, the opportunity to introduce a Year 14 Level 4 digital qualification at SSMW will reduce the cost to students wishing to continue on to higher education. This is particularly appropriate for the local market of students, most of whom have ambitions to progress to higher study. London South Bank University, with its strong focus on technical and vocational courses and longstanding employer partnerships, is well-placed to support the implementation of these student pathways from SSMW. Recent government announcements introducing new Level 4+ technical qualifications also create an alternative route to degree courses and higher apprenticeships.

The original vision for SSMW to *inspire and develop a new generation of engineers, technicians and business leaders with the life skills, confidence, and knowledge to succeed in their careers* was sound. However, since opening there have been a number of challenges: including the frequent turnover of leadership and finance staff, a lack of deep engagement by its university sponsor, and the nature of its specialisms, which are evidently not appealing to the aspirational local market. Creating a successful UTC is not easy and now is the right time for SSMW’s board to pass this responsibility to SBA, and the LSBU group, who have a clear plan to deliver on the original vision of SSMW.

The substantive changes that would be required for SSMW are:

- The headline specialism would change from *Transport Engineering and Construction* to *Digital Technologies*. Engineering would remain as a subordinate specialism. Existing employer partners will be invited to remain, provided they can deliver the new requirements of sponsorship. Employer sponsors from different sectors of the digital economy would be recruited.
- The UTC curriculum would be adapted to provide appropriate digital pathways for young people. In particular, Digital and IT T-Levels and BTECs would be introduced. However, the overall offer would narrow (e.g. the removal of physical delivery of A Levels in Spanish, Geography), to provide for a more efficient and cost-effective timetable.
- University sponsorship would move from the University of Westminster to London South Bank University.

- The governing body would be re-aligned in accordance with the change of University sponsor and new specialisms. The current board of trustees would be dissolved, and a new local governing body appointed.
- Strengthened senior leadership will promote and deliver a highly effective and aspirational educational offer. The market positioning of SSMW sits in between the ultra-academic offer of some of the local sixth forms and further education colleges. SSMW's 'hybrid' offer should appeal to students looking for a combination of good examination results and the right preparation for their journey after the UTC.
- Back office support would migrate to SBA at the earliest possible time. This could happen ahead of the legal re-brokerage via an SLA agreement. Other specialist staff required for a successfully functioning UTC (technicians, employer engagement lead, marketing professionals) would be shared across the MAT, thus reducing the unit cost to SSMW.
- A Year 14 provision would be introduced to offer Level 4 qualifications, thereby providing clear pathways to LSBU and other universities. This would give SSMW a distinctive, aspirational, and cost-effective offer when compared with other local sixth forms.
- In line with SBA's vision, local community engagement and a focus on support for students with deprived backgrounds would be an important element of the UTC's mission. SBA wishes to work closely with the Sir Simon Milton Foundation to achieve these aims.
- SBA believes that as part of a 'fresh start' for the UTC and its offer, it would be appropriate to consider a name change. The suggested title is "UTC Westminster".
- SBA calculates cost and efficiency savings of **£400,000+** per annum through shared teaching, curriculum changes, back office efficiencies by SSMW joining its MAT, compared with the UTC remaining a standalone entity.
- In line with normal practice with other UTC re-brokerages, SBA requests that the ESFA write off all historic debts at the UTC at the point of transfer (**projected to be £635,000**), and further requests **£390,000** of non-recoverable deficit funding through to the end of academic year 2021/22. Thereafter, SBA is prepared to take all financial risk.
- In addition to the above, SBA requests **£90,000** of re-brokerage transfer funding, which is in line with amounts received by other MATs which have taken on a UTC. This is needed to ensure that the re-brokerage can proceed in a timely manner, the rebranding process can take place, and most importantly rapid educational and operational improvements at SSMW can take place during academic year 2020/21.

If this re-brokerage proposal is approved, SBA will move quickly to support SSMW with back office, education, and student recruitment support in the autumn term of academic year 2020/21, in advance of a target date for completion of MAT re-brokerage of **1<sup>st</sup> January 2021**. In order to meet this ambitious but realistic deadline, the board of SBA is seeking support in principle for this proposal before the end of August 2020.

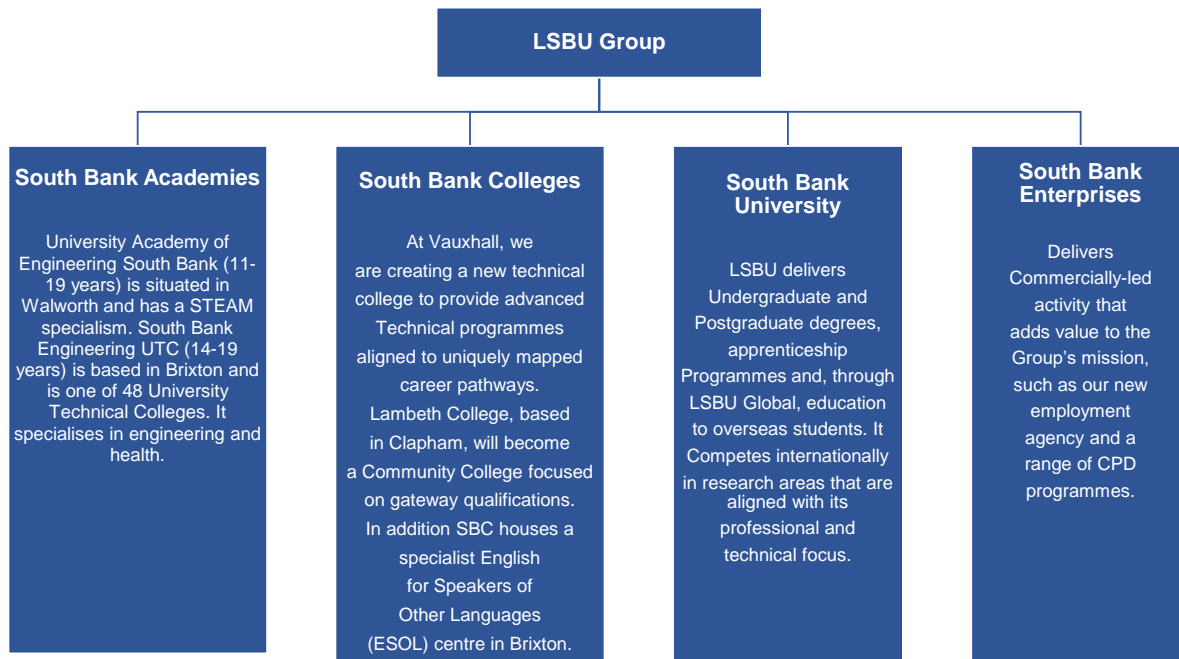


## 2. Background

### 2.1. South Bank Academies Trust (“SBA”)

#### 2.1.1. London South Bank University (“LSBU”) Group

LSBU Group comprises SBA, South Bank Colleges, South Bank Enterprises and London South Bank University. The Group works to one vision (to transform lives, communities, businesses and society through applied education and insight), and one groupwide strategy.



SBA's objectives, incorporated within LSBU Group's new five-year strategy through 2025, are as follows:

**Access to Opportunity:** SBA institutions will become recognised as career academies providing expert advice and guidance as well as exposure to employment sectors. SBA will look to increase access by opening two new schools to strengthen learner choice. Bridges will be further developed to provide greater ability to move between SBA schools or to SBC at age 14 and 16, enabling learners to focus on more theoretical routes (A levels), more applied routes (BTECs) or vocational routes (NVQs), based upon learner aptitude and ambition.

**Student Success:** Innovation in pedagogy; use of resources; and the creation and application of insight and research will support all learners to secure strong outcomes in terms of attainment and progress. Personalised guidance and support, with targeted strategies for groups including SEN and disadvantaged, will close examination and progress gaps. Sector-leading advice and guidance will support students through and beyond the Group into successful pathways and high-value careers. A high-quality curriculum in its widest sense will support student development, wellbeing and employability, with excellent feedback from students and parents.

**Real World Impact:** A learning and research culture will be fully embedded across SBA, with all staff participating in research and development activity. Research and insight will be published

and shared, enabling collaborations and learning to improve pedagogy and outcomes. These collaborations will range in scale from local to international and will enhance SBA's reputation as

contributing to thought leadership. Curriculum leadership in the technical and professional realm will be sector-leading in the area, enriching the local offer. As a consequence, SBA will be able to recruit, develop and retain staff of a very high calibre, further enhancing provision and strategic development.

## 2.1.2. SBA Track Record

### (a) Background

South Bank Academies Trust (SBA) was established in January 2016, and currently contains two academies: University Academy of Engineering (UAE) South Bank in Southwark, and South Bank UTC in Lambeth.

SBA has ambitions to grow the number of academies within the group, in order to take advantage of the economies of scale this will bring. It is well-placed to achieve future growth given the group structure of LSBU. Furthermore, SBA has a central team of experienced staff to support future growth.

SBA provides career-focused and creative education for young people. It works with local communities and industry sponsors to provide a unique experience for both students and staff. The approach is different to that of many schools, focusing on more than just academic education so that students have real world experience and gain all-important skills needed for work, apprenticeships or higher education.

### (b) South Bank UTC

South Bank UTC, which opened in 2016, endured a very challenging first year. On-going delays to completion of its new building meant that students were housed in temporary accommodation (portacabins) throughout their first year, which had a detrimental impact on student recruitment and student learning. Indeed, the UTC's inability to showcase its unique offering to prospective students in the Autumn of 2016 impacted the quality and quantity of student intake for academic year 2017/18. This is not uncommon across free schools and the UTC programme but is an important factor when reviewing the progress of the UTC to date.

South Bank UTC posted its second set of results in 2019, and this year is forecast to show a strong improvement in performance. Year 11 performance at South Bank UTC has significantly improved in 2020 despite a weaker cohort, on average, based on KS2 data. Improvements are shown in the table below<sup>1</sup>:

UTC progress is measured from baseline testing at the start of Year 10 through GL Assessment, recognised as reliable by DfE and Ofsted. Student progress is measured against outcomes at the end of Year 11, benchmarked against students nationally. South Bank UTC's progress score in 2020 of +0.51 is half a grade higher than that of all students nationally, across all secondary schools who sat the GL baseline, and represents strong progress.

Data	2019	2020	Change
Progress from starting point (GL Assessment)	-0.17	+0.51	Improved +0.68
Attainment 8	34	39	Improved 5 points
Grade 4+ in Eng/Maths	44%	74%	Improved 30%

At Year 13, A level grades have also improved for the third year in succession: with the average grade has increased from D to C; average points have increased; and positive 'value add' has

been achieved in all subjects. BTEC outcomes remain strong and destinations data are overwhelmingly positive.

Student destinations for Year 13 leavers from the UTC have been impressive with no young people becoming NEET after leaving. Apprenticeship destinations are broadly in line UTC averages but c.4 times higher than for other Level 3 mainstream school and college leavers. University destinations were very high in 2019/20 with a significant minority progressing to London South Bank University.

Year 13 Destinations	University	Apprenticeship	Other Training / FE / Gap/ Y14 HNC	Employment	NEET
South Bank UTC: 2019/20	68%	25%	7%	0%	0%
South Bank UTC: 2018/19	52%	28%	10%	10%	0%

South Bank UTC was inspected in January 2019 by Ofsted for the first time. Whilst it received an overall judgement of 'Requires Improvement', it was found to be 'Good' for leadership and management, and 'Good' for personal development, behaviour and welfare.<sup>ii</sup>

As noted, the first few years proved difficult for student recruitment as a consequence of the UTC's temporary accommodation (note, for example, the drop in post-16 entry in 2017/18 vs 2016/17). Thereafter, however, recruitment has started to rise, particularly at post-16 entry, where experience across the UTC programme<sup>iii</sup> in London shows the highest demand:

South Bank UTC Student Recruitment	Actual				Expected 2020/21
	2016/17	2017/18	2018/19	2019/20	
Y10	26	55	40	26	45
Y11	0	33	54	35	30
Y12	67	54	79	97	120
Y13	0	44	44	62	100
<b>Total</b>	<b>93</b>	<b>186</b>	<b>217</b>	<b>220</b>	<b>295</b>

### (c) UAE South Bank

UAE South Bank is an 11-18 academy which opened in 2014, and posted its first set of results in 2019. It has 711 students on roll. It received its first Ofsted inspection in May 2017 and was found to be 'Good' in all areas. The report found that leaders at all levels, including governors, have high expectations and ambitions for pupils, and students make good progress.

Academic outcomes in the summer of 2020<sup>iv</sup> are forecast to show an improvement on the first set of results in 2019. At Year 11, grades have significantly improved in 2020 in attainment, progress and threshold measures. At Year 13, grades have also significantly improved, with 100% pass rate in all A levels, 50%+ A\*-C in all A levels and strong BTEC outcomes supporting strong destinations data.

Data	2019	2020	Change
Progress 8	-0.53	0.0	Improved +0.53
Attainment 8	41.3	47.9	Improved 6.6 points
Grade 5+ in Eng/Ma	31%	38%	Improved 7%

Year 13 Destinations	University	Apprenticeship	Other Training / FE / Gap/ Y14 HNC	Employment	NEET
UAE South Bank 2019/20	90%	0%	5%	5%	0%
UAE South Bank 2018/19	81%	15%	0%	4%	0%

### 2.1.3. Leadership and Governance

SBA through the support of LSBU has a strong central leadership team, including a Chair of Governors, CEO and Executive Principal whose biographies are shown below. Each school within the trust has its own head teacher, and trust finances are managed centrally. SBA's scheme of delegation<sup>v</sup> sets out clearly the authority devolved to each school within the trust.

SBA and its schools are governed by a Board of Directors with overall responsibility for the Multi Academy Trust. The Board is supported by an Audit Committee. The Board appoints School Advisory Boards to provide local governance for each school. Each School Advisory Board has its own governors in different specific areas. The School Advisory Boards meet six times each academic year. In addition, the governors make a minimum of two school visits in an academic year.

The Chair of Governors of SBA is David Phoenix, who is also the Vice Chancellor of London South Bank University.

#### **David Phoenix (Principal Accounting Office, LSBU Group)**

Professor David Phoenix, OBE, DL, DUniv, AcSS, DSc is the Vice Chancellor of London South Bank University, former Chair of million+, and a member of the HEFCE Strategic Committee for Teaching Quality and the Student Experience. He was elected to Fellowship of the Royal College of Physicians (Edinburgh) for his contribution to medical research and education, and recognized as an Academician by the Academy of Social Sciences for his work in areas linked to educational policy. He currently represents Universities UK on the UK Performance Indicator Steering Group.

In 2015 the Prime Minister appointed him as a trustee of the Science Museum Group. He is also a trustee of Universities UK and a Director of the National Centre for Universities and Business. In 2010 he was made an Officer of the Most Excellent Order of the British Empire for services to Science and Higher Education and appointed as a Deputy Lieutenant of Greater London in 2015.

#### **Hitesh K Tailor (Chair of SBA)**

Hitesh is a highly experienced finance and management professional and a Fellow of the Institute of Chartered Accountants of England and Wales. He has extensive experience as a Trustee. At LSBU (2001 to 2010) he was Vice Chair of Board and served on all major committees (Chairman of the Audit Committee, Member of the Property Committee, Equality and Diversity Committee, Nominations Panel for Vice chancellor and Chancellor selection; and at Age UK (2009-2018) he served as Deputy Chairman of the Audit and Risk Committee. From 1988 until its sale in 2004 Hitesh was Managing Director of a private property group with interests in Belgium, Canada and Italy. He is now Chairman and CEO of Upper Montagu Investments Ltd, a private property & investment company based in Central London.

#### **Fiona Morey (CEO)**

Fiona is the CEO of SBA and Executive Principal of Lambeth College. She has worked in further education in London and the South-East for over 25 years, initially as a Lecturer in Creative Arts and more recently in a number of senior leadership roles at Abingdon & Witney College and Aylesbury College, where as Deputy Principal Curriculum and Quality she supported the merger of Amersham and Wycombe College creating the newly formed Buckinghamshire College Group (BCG). Fiona is also a member of Laser Awarding Body Corporation and Chair of the Quality Committee. Fiona sits on the Education and Training Foundation Group for Technical Education.

## Dan Cundy (Executive Principal)

Dan supports both South Bank Engineering UTC and UAE South Bank, and has been focusing on developing the MAT strategically in line with the vision of LSBU. In particular, he leads on developing educational opportunities with industry partners in engineering and health. Previously, Dan was the founding Principal of South Bank Engineering UTC, which opened in September 2016 in Brixton.

Before joining SBA, Dan worked as Interim Principal at St. Mark's CofE Academy, a role which included strategic development of teaching and learning, assessment, prediction and student management, as well as the development of inclusion provision. Before joining St. Mark's, Dan worked as an Assistant Principal for seven years at the Harris Academy in Merton.

## 2.2. Sir Simon Milton UTC (“SSMW”)

### 2.2.1. Rationale for Joining SBA

There are many good reasons why SBA wishes SSMW to join its MAT at the current time:

- The UTC model is fully aligned with LSBU's, and in turn, SBA's vision.
- SBA's strategy is to “*establish two more schools within South London boroughs by 2020 to enhance collaborative learning opportunities for students.*”. Because of this ambition, SBA has a central staffing structure already in place with capacity to grow.
- The addition of this SSMW will strengthen SBA. This is, in part, due to the proximity of the existing schools in SBA to SSMW. The enlarged group of schools would benefit not only from all of the well-known MAT operating efficiencies (i.e. sharing SLT, teaching staff, and back office staff), but also from sharing some of the capabilities that are more commonly required in UTCs, including student recruitment expertise, technicians, and employer engagement liaison. In addition, an opportunity exists to develop a campus-style teaching structure for post-16 students to broaden the offer at SSMW in a cost-effective way. This approach would provide students, particularly those with a disadvantaged background, with the confidence to consider a university destination in which a similar style of teaching is employed.
- The 3 schools within the SBA group would complement each other with different strands of ‘STEAM’ learning: UAE has a particular focus on the creative arts, the ‘A’ in the acronym; South Bank Academies has a strong engineering focus (‘E’), and has now added health care as a specialism; and SSMW has a vision to focus on digital pathways (‘T’). All three schools already prioritise mathematics and the sciences.
- There is a shared understanding, through experience and knowledge of the local market, of what it takes to make a UTC successful in the centre of London. SBA is better-placed than any other MAT to make SSMW a success. Furthermore, SSMW's journey to date is very well-known to SBA. In particular, Dan Cundy has continually supported the UTC and its staff on an informal basis, through its initial establishment until the present time.
- The recent government announcements raising the profile of technical education and introducing new qualifications for Level 4+, as well as the growing realisation

amongst young people of the value of degree and higher apprenticeships, are good reasons for SBA to be considering another employer-focused school at the current time.

- SSMW adds to the portfolio of qualifications and alternatives available to students across LSBU, enabling young people to progress through their education with directed pathways towards a particular career.
- Within another MAT, SSMW could become SBA's 'competitor'. This has proven to be problematic in other cases, for example at BTEA UTC and SGS Berkeley Green UTC as a result of their proximity.

## 2.2.2. Analysis of SSMW Track Record

### (a) Background

SSMW opened in September 2017 supported by Network Rail, as lead employer sponsor, and the University of Westminster. Its ambition was to “*provide an excellent educational experience for 14 to 18 year olds of all abilities across London, ensuring learners fulfil their potential and progress with sound academic outcomes*”. SSMW sought to educate and train young Londoners for jobs in the transport and construction industries, and to inspire and develop a new generation of engineers, technicians and business leaders.<sup>vi</sup>

### (b) Outcomes

**1. Post-16:** SSMW has only had one year of examination results. Post-16 exam attainment outcomes were in summer 2019. The Year 13 cohort consisted of only 47 students. Average attainment for A Levels, Academic Qualifications and Level 3 Technical Levels were the **lowest across all UTCs**. As a consequence, the value added 'progress' score across these categories of qualifications has been labelled as '**well-below average**'. Unless a compelling narrative for these outcomes exists, or the UTC can demonstrate vastly improved progress and standards for the new Year 13 cohort, then this 'quality of education' category poses a **very high risk** for future Ofsted inspection.

**2. Pre-16:** in summer 2019, outcomes for Year 11 present a more favourable position. Attainment in English, maths and EBacc subjects (which include science), although below national averages, sits at around the **upper quartile for UTCs**. The average score for the 'open' set of subjects contrasted significantly with the scores for English, maths and EBacc. This 'open' set of 'best three other subjects' was reported at an average of only 8.8 points, which is the **lowest for all UTCs**. This corresponds to an average Grade 3 across three subjects and across all pupils. In particular, this is the category in which **engineering and technical grades** would appear.

### (c) Student Recruitment

Student recruitment has fallen short of the expectations cited in the UTC's original application. SSMW had expected to be full by year 3 after opening, compared with current capacity utilisation of just under 40%.

Three main reasons have caused this shortfall, all of which can be remedied:

**1. Specialisms:** SSMW's specialisms focus on the transport engineering and construction industries. Experience over time, not only at SSMW but also at other UTCs



across the programme, has demonstrated that construction-related UTCs struggle to recruit. The 6 UTCs which cite construction as one of their specialisms have, on average, 100 fewer students than those UTCs without construction specialisms. Furthermore, the local market for SSMW is highly aspirational: over 60% of students progress to university. Unfortunately, the construction industry is not viewed as a sufficiently ambitious career path.

**2. University Engagement:** As 60% of the local market progresses to university and two-thirds of UTC students across London are in post-16 study, strong university engagement is a vital ingredient for student recruitment at SSMW. However, the feedback from Baker Dearing's Director of Education during a monitoring visit in September 2019 stated "*The contribution made by the lead sponsor University of Westminster appears at best underwhelming, especially when compared to the commitments made in the original UTC application.*"

Some published commitments have not been fully implemented, for example:

"▪ *We will provide opportunities for UTC students to engage with University life by taking part in seminars, workshops and talks at our West End campuses.*"

▪ *Westminster Student Ambassadors will mentor UTC students, providing CV and application letter review advice.*"

▪ *Westminster academic tutors will contribute to UTC learning activities and give specialist guest presentations.*"

### **3. Principal Changes**

Three Principals have led SSMW since its opening in 2017. With an average duration of just one year, SSMW has had the lowest average Principal tenure of any UTC across the programme, significantly below the three-year average of other UTCs. This has clearly had a detrimental impact on student recruitment and teaching staff retention: in the early years following their formation, all new schools rely on the track record of their leader to 'sell' their vision to all stakeholders.

Clearly, in addition to the three points above, the academic results from last summer will undoubtedly impact student recruitment for academic year 2020/21.

### **(d) Financial Management**

Tight financial management is vital for all UTCs to balance budgets. Evidence across the programme demonstrates that it is not easy to achieve this aim with the requirement to deliver a curriculum with more teaching hours and costly technical subjects.

Whilst lower than expected student recruitment has contributed to a forecast deficit position in the current year and going forward, high turnover of finance staff (4 since opening - John Macdonald, Kay Tandy, Suzanne Lyne, and Mark Harris) and the relative inexperience in financial matters of the UTC's three Principals/Accounting Officers have also played a part. Benchmarking of staff and non-staff costs has identified many categories which are higher than would be expected, when compared with other UTCs.

The combination of lower than expected recruitment and poor cost management has led to a forecast deficit position at the end of academic year 2019/2020 of **£511,000**. The size of this deficit places SSMW amongst a small number of UTCs with debts to the ESFA above £500k. Cost management needs to be addressed urgently.

### 3. Re-brokerage Plan

#### 3.1. Approach

SSMW requires a fresh start: educational outcomes, as judged by post-16 examination results last year, are below what is acceptable and attractive for the local market; sponsor engagement, especially university support, needs to be improved; the current specialisms, with a focus on transport engineering and construction, need to change; and financial management must be significantly tightened. If rapid progress can be achieved with all of these, then SSMW will both recruit the right number of students over time and become financially sustainable.

SBA's approach would achieve the following:

- The headline specialism would change from *Transport Engineering and Construction* to *Digital Technologies*. Engineering would remain as a subordinate specialism. Existing employer partners are also expected to remain, provided they can deliver the new requirements of sponsorship.
- Additional employer sponsors from different sectors of the digital economy would be recruited.
- The UTC curriculum would be adapted to provide appropriate digital pathways for young people. In particular, digital and IT T-Levels and BTEC qualifications would be introduced.
- University sponsorship would move from the University of Westminster to London South Bank University.
- The governing body would be re-aligned in accordance with the change of University sponsor and new vision. The current board of trustees would be dissolved, and a new local governing body appointed.
- Strengthened senior leadership will promote and deliver a highly effective and aspirational educational offer. The market positioning of a UTC in this part of London sits in between the ultra-academic offer of some of the local sixth forms at one end, and further education colleges at the other. SSMW should appeal to students looking for a combination of good examination results and the right preparation for their journey after the UTC.
- Back office support would migrate to SBA at the earliest possible opportunity. This could take place prior to the legal finalisation of re-brokerage, via a SLA agreement. Other specialist staff required for a successfully functioning UTC (technicians, employer engagement lead, marketing professionals) would be shared across the MAT, thus reducing the unit cost to SSMW.
- A Year 14 offering would be introduced to deliver Higher National Certificates. This additional year would set SSMW apart from other post-16 provisions in the area. Alignment with London South Bank University's higher education courses would allow students to progress to Level 5 and higher study at the university.



- A broader curriculum would be offered at SSMW, facilitated by the close proximity of SBA's other schools, and delivered through blended learning and some split site teaching, where appropriate.
- A particular focus would be placed on programmes of support for students from deprived backgrounds (in particular in conjunction with the Sir Simon Milton Foundation), and raising the percentage of girls at the UTC, aided by the introduction of a Creative iMedia qualification.
- Community engagement would be an important element of the UTC's mission, in line with LSBU's groupwide strategy.
- Changes would be introduced to the SSMW's staff and non-staff cost structures, forecast to lead to a breakeven position by academic year 2023/24.
- SSMW's historic debts would be written off at the point of transfer, in order to give the UTC the best chance of success, and non-recoverable deficit funding would be required for the rest of academic year 2020/21 and 2021/22. Thereafter, SBA would be willing to take further financial risk.
- SBA would require £90k of re-brokerage funding to enable SSMW to join SBA by 1<sup>st</sup> January 2020.

SBA aims to obtain support in principle for this approach before the end of the current academic year. It is prepared to commence support for SSMW, on the basis of a Service Level Agreement, from the start of academic year 2020-21.

## 3.2. Education Plan

### 3.2.1. Rationale for Change of Specialism

Analysis above has highlighted the challenges to student recruitment for UTCs with a construction specialism. At the same time, changes in the workplace as a consequence of the digital revolution suggest that Digital Technologies should be introduced as a new headline specialism. Engineering would remain but in a subordinate role. However, it is important to note that the current strong support provided to SSMW by certain employer partners, such as Network Rail, Landsec, Keltbray, d2e, David Miller etc. must remain. Many digital skills are transferable across industries and the focus of SSMW will be to address that demand rather than focus solely on the needs of digital and software companies.

This is the case for other UTCs with a digital specialism across the programme. For example, UTC Reading, which has digital and engineering specialisms, counts Cisco (hardware), Microsoft (software), Network Rail (transport engineering), and Peter Brett Associates (now Stantec – infrastructure design) as its partners, and also offers introductions to other aspects of digital, such as cyber.

There is sound logic for introducing digital as the headline specialism at SSMW:

- According to a recent study by the RSA<sup>vii</sup> which analysed Labour Force Survey data on the fastest growing / shrinking jobs between 2011-19 by the net change in total employment, the future requirements for work will be greatest for coders and carers. The fastest growing occupations over this period were programmers and software developers, with a 72% increase from 2011. IT business analysts, architects and systems

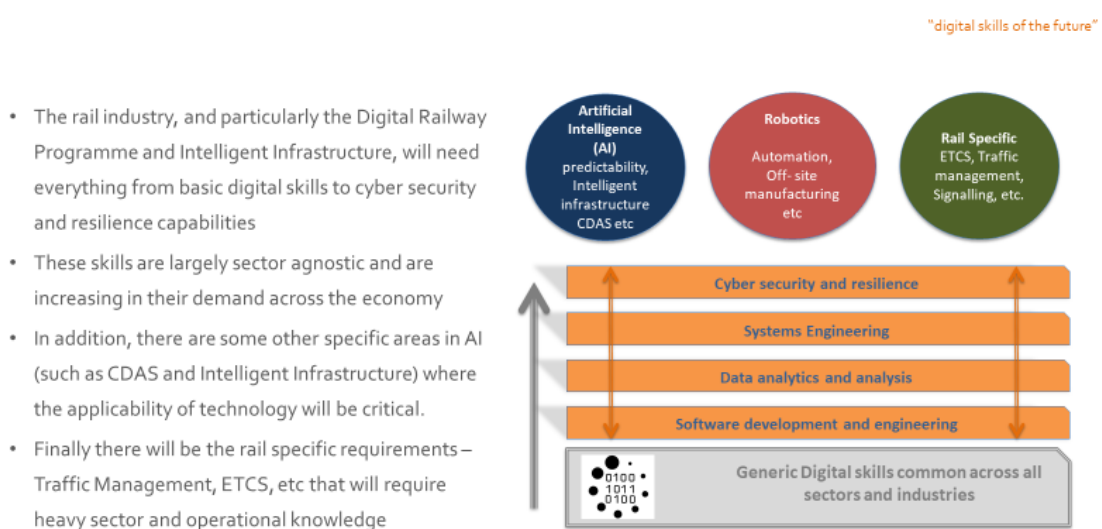
designers, etc. also featured near the top of the list. Whilst some types of jobs are clearly at risk due to the digital revolution, technology will create new careers, such as those related to the development, maintenance and upgrading of artificial intelligence (AI) technologies and big data infrastructure. According to the Industry Strategy Council, of 7 million workers who could be under-skilled for their job requirements (about 20% of the labour market), about 5 million of such roles are in basic digital, with a further 1.5 million in STEM.

- London has a thriving tech community. More than a third of all Europe’s tech giants are based in London and contribute over £56 billion to the UK economy.
- Recognising the shortage in digital professionals, particularly at pre-degree levels, the government is introducing T-Levels with a digital focus and has recently announced new Level 4 & 5 digital qualifications for which SSMW can be a pathway.
- Evidence across the UTC programme suggests that UTCs with digital specialisms recruit 25% more students than UTCs without such specialisms. Survey data suggests that ‘digital’, associated with high profile social media companies, entrepreneurial start-ups, and more broadly a ‘younger’ industry’, is deemed to be aspirational by young people.
- Existing employer feedback suggests the introduction Digital Technologies at SSMW to feed the needs of various industries would be well received and would gain strong support, which can be found in Appendix 5.1. However, the headlines are below:

*“Technically we lack digital design and construction skills aligned to the industry standard software packages eg/ Revit, NavisWorks, Revizto etc – the basic tools we use to design and develop buildings in practice.” – Land Securities.*

*“For those we hire as engineering graduates, usually directly from university, we see a skills gap in ... BIM and 3D modelling” – D2E Consulting.*

*Network Rail’s digital need, through the research conducted by the National Skills Academy (Rail) is summarised as follows (See Appendix 5.2.)*



### 3.2.2. Curriculum Approach

Upon integration into SBA, emphasis at SSMW would be placed on the benefits of a multi-Key Stage UTC curriculum, supporting entry into Year 10 but with the aim of retaining students for up to 5 years. The Key Stage 4 curriculum design supports progression and success in Key Stage 5 and beyond, and the development of employability skills follows a pathway through both Key Stages.

Year 10	Level 2 curriculum	Employability development through skills builder	Curriculum enrichment through contributions from University and employer partners, and from other parts of the LSBU group.	Wider enrichment through offers including local enterprise and community engagement.
Year 11	Level 2 curriculum			
Year 12	Level 2/3 curriculum			
Year 13	Level 3 curriculum			
Year 14	Level 3/4 curriculum Apprenticeships			

The proposed academic curriculum would be narrower and more focused than SSMW’s existing curriculum and would be aligned to the new specialism.

There are two further features of the curriculum, which are only achievable as part of the LSBU group:

(i) **Augmentation of student options at Key Stages 4 & 5:** SBA intends to deliver certain courses, e.g. Spanish or Geography GCSEs & A Levels, by utilising teaching staff from other SBA schools. This might be achieved via blended learning (a mixture of physical and on-line teaching), and/or split site delivery, where appropriate. The close proximity of the schools makes this possible, and its achievement would require curriculum delivery to be aligned across the schools.

(ii) **LSBU curriculum enrichment:** Existing LSBU schools and colleges have access to the following, which SSMW also would be offered in both Key Stages: employer projects in ethical hacking, app development, and Internet of Things using hydroponics garden. Enrichment at a group level would be achieved through activities such as Python Code Club for KS5, Coder Dojo for primary school liaison, visits to LSBU for access to DAR Lab (robotics) and Digital Engineering Suite.

In addition, the BTEC unit in cyber security would be adopted and delivered across all of LSBU Group’s schools and colleges.

### 3.2.2. Proposed Pre-16 Offer

The current KS4 curriculum offered at SSMW is not materially different from that found in most schools. With current student numbers, the wide range of options is not efficient, cost effective or fully aligned to the UTC’s specialism. In addition, as structured the courses do not meet the needs of students with varied levels of ability. The current subjects offered do not provide sufficient accessibility to meet the needs of pupils with different levels of ability.

In line with its revised specialism SSMW would offer an academic core supplemented by technical courses in a narrow, specialist curriculum designed to support specific pathways, meet threshold measures and address accountability and performance tables. All students would be required to complete 8.5 GCSEs or equivalents, with coverage of all Attainment 8 categories.

To make the curriculum cost-effective, minimal choice would be available to students for course selection, limited to engineering or digital BTEch pathways. The curriculum would be tailored to suit ability and the interests of learners: computer science or iMedia course. Statutory RSE and PE would be included.

This narrower, more focused curriculum would facilitate efficient timetabling and staffing, creating a cost-effective and lean model closely aligned with SSMW's new specialism.

Varied additional activities and qualifications would be offered to extend and enrich the core curriculum, including employer-led projects, work experience, and professional qualifications, as well as an employability development programme designed to enhance students' networks, pathways and prospects. Excellent progression routes into 6<sup>th</sup> Form would be available, as well as other educational opportunities throughout and beyond the LSBU Group.

## **14-16 Curriculum**

### **Core GCSEs**

English Language and Literature  
Mathematics

### **EBacc**

Triple Science  
Computer Science (for students of higher ability)

### **Open**

BTEC Tech Level 2 Award – Digital Information Technology or Engineering  
Cambridge iMedia (as alternative to Computer Science for students of lower ability)  
RS short course + compulsory RSE  
=8.5 GCSE qualifications and equivalent

### **+ Professional qualifications**

such as Autodesk, Microsoft Office Certification, to provide qualifications recognised by industry

### **+ Non-qualification delivery**

Statutory PE and RSE

### **+ Employer-led projects**

Linked to specialism through UTC sponsors. Delivered through Enrichment Days held each Half Term to support equality of access and uptake. BTEC units 'adopted' by employer partners to link to skills demand

### **+ Employability Development**

Work experience led by sponsor partners, including in-person and remote (virtual) work experience incorporated into school calendar. Development of Skillsbuilder<sup>viii</sup> portfolio leading to certification through LSBU

### 3.2.3. Proposed Post-16 Offer

In line with its revised digital specialism, SSMW would offer a range of pathways and courses, with students able to complete an A Level programme combined with or replaced by technical BTEC qualifications. These courses all offer excellent avenues into LSBU Group such as Higher National Certificates, undergraduate degree programmes, or apprenticeships, including apprenticeships with sponsor and partner employers.

The main course of study would entail completion of a BTEC in ICT at Level 3 at either two or three A Level equivalents. Compulsory unit selection would be based on labour market intelligence and input from employer sponsors, who would be expected to link projects to unit assignments. Non-compulsory units would change over time depending on demand, and would include, for example, 2D and 3D software, cyber security or web design. In addition to SSMW's digital specialism, SBA would be able to offer students links to the fields of engineering and health, two major focuses of other schools within SBA, for example through NHS partner projects on health informatics and the Internet of Things.

The narrower A Level course range at SSMW would be supplemented by access to the wider SBA subject portfolio, leveraging the geographical proximity of its other schools and benefiting from proven blended and remote delivery models. This would facilitate leaner timetabling and staffing within SSMW, as above, thereby generating efficiency savings.

The BTEC alternative would benefit from being inclusive: entry criteria will be set at 5 GCSE qualifications at grades 5-9, including English and Maths at 4+. This would support the recruitment of a greater number of students. In addition, a one-year Level 2 programme which leads to a Level 3 apprenticeship would be offered, further broadening alternatives and increasing student numbers.

SSMW would also offer T-Level qualifications in digital at the earliest possible opportunity. As part of LSBU Group, SSMW would have access to a wide range of employers in the digital and engineering industries. This is particularly important for the programme management of T-Levels, which require students to experience up to 45 days' worth of employer placements. In order to admit a high number of students onto T-Level courses, schools must recruit and manage numerous employer partners. As a result, very few schools and/or UTCs will be able to deliver T-Level qualifications without the support of a college or university partner which has the capacity to handle employer relationships and placements. This would be a significant positive differentiating factor for SSMW.

SSMW would provide a Higher National Certificate ("HNC") programme at Level 4, dovetailing into a wider offer across LSBU and further supporting alternatives such as apprenticeships delivered through LSBU.

As in Key Stage 4, the curriculum would be extended and enhanced significantly through a range of initiatives to support employability and the development of technical skills. These include work experience, projects, community and enterprise activities and professional qualifications, all tailored to the specialism and labour market information.

## Post 16 Curriculum

### Pearson Edexcel BTECs

BTEC National Level 3 Extended Diploma (3 A Level equivalent) in Information Technology or Diploma (2 A Level equivalent)

BTEC National Level 3 Extended Certificate in Engineering (1 A Level equivalent)

### A Levels

Maths (and potentially Further Maths)

Computer Science

Chemistry

Physics

+ wider access to SBA portfolio through blended learning

Extended Project Qualification

### Level 2 pathway (one year)

Resit English and/or maths GCSE

BTEC ICT Level 3 standalone units

**Level 4 pathway (one year)** Higher National Certificate: Pearson Level 4 Computing

### + Professional qualifications

such as Autodesk, Adobe, Microsoft Office Certification, Open University, LinkedIn Learning courses

### + Employer-led projects

Linked to specialism through sponsors. Delivered through Enrichment Days each half term to support equality of access and uptake. BTEC units 'adopted' by employer partners to link to skills demand.

### + Employability Development

Set of 'entitlements' to develop employability, including enterprise and community projects, work experience, development of Skillsbuilder portfolio leading to certification through LSBU.

### 3.2.4. Meeting the Needs of Particular Groups

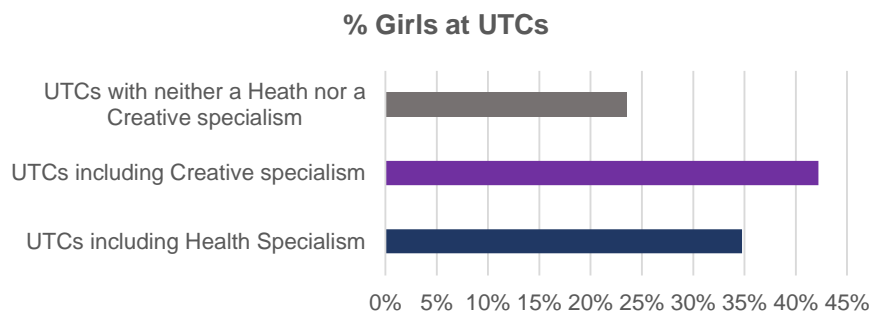
The local market is well-known to SBA. A core element of its strategy, as articulated in the LSBU groupwide plan, is to provide personalised guidance and support, with targeted strategies for groups including SEN and disadvantaged, in order to close examinations and progress gaps.

SSMW has a higher than average %age of students requiring SEN support, while the percentage of students on free schools at 56% is broadly in line with other inner city UTCs.

UTC	%Girls	%Boys	%EHC Plan	%SEN Support	%FSM6
Secondary Schools	50%	50%	1.7%	11%	28%
UTCs	28%	72%	1.4%	14%	18%
Inner City UTCs	30%	70%	1.4%	10%	51%
SSMW	18%	83%	1.2%	20%	56%
LDE	25%	75%	0.2%	7%	48%
South Bank	16%	84%	2.3%	13%	45%
Mulberry	81%	19%	3.1%	13%	59%
Aston	24%	76%	1.3%	7%	51%

SBA recognises the challenges of encouraging girls to study STEM subjects. This is evident across the UTC programme, in which 72% of students are male. For this reason, South Bank UTC has recently introduced a health specialism to augment its engineering focus.

Those UTCs which offer a creative or health specialism (42% and 35% respectively) recruit a much higher percentage of girls than those UTCs which do not (24%). Therefore, introducing the Cambridge National Creative iMedia Level 2 qualification at SSMW will encourage a greater number of girls to apply at Year 10.



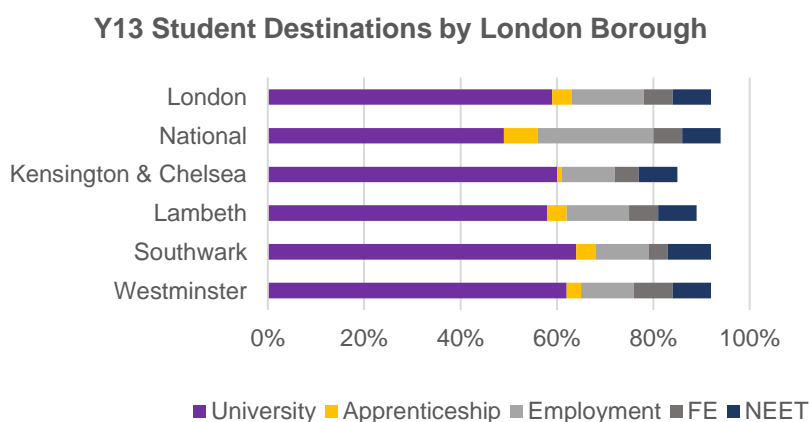
SBA would introduce a number of measures, common to its other schools, to support learners from deprived backgrounds at SSMW. In particular, SBA is keen to maintain and build upon the existing relationship with the Sir Simon Milton Foundation, and to raise the profile of this charity's support for disadvantaged students at the UTC (e.g. through bursaries etc.).

The introduction of a Level 4 HNC offer would help to provide a route for students, particularly those with disadvantaged backgrounds, to access higher education.

### 3.2.6. SSMW Leaver Alternatives

All UTCs provide young people with an educational journey that has a destination at its end. As a consequence, UTCs are rightly judged by the quality of the destinations that their students achieve when leaving at 16 or 18 years of age, as well as their academic outcomes.

Within SSMW's local market, a greater percentage of young people progress into university education than the national average (60% vs 50%). Thus, SSMW must clearly signpost this option; however, through the support of LSBU, the school would be able to broaden students' understanding of other 'higher' options such as degree apprenticeships, Higher National Certificates, and, in time, the newly-announced higher technical qualifications in digital.

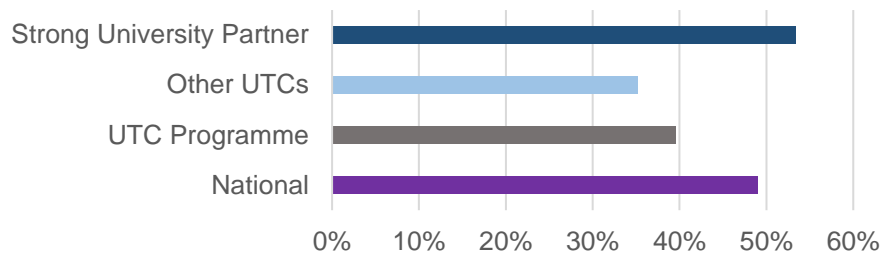


Because a greater-than-average percentage of students in London progress into higher education, it is vital that SSMW has a strong university partner which LSBU Group, through South Bank University, would provide. Indeed, across the UTC network, those UTCs which have



such a partner, such as Aston or Liverpool Life Sciences, send a greater percentage of their students to university compared with the UTC national average.

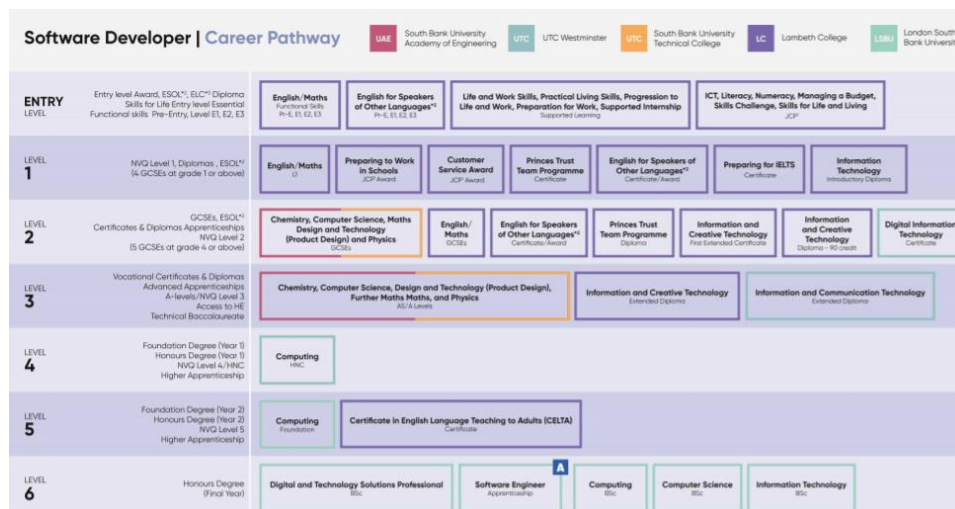
### % Y13 Leavers to University Destination



In addition, for 18-year-old leavers across the UTC programme, the National Foundation for Education found that *“Many of the highest performing UTCs (those with the highest % of students moving to higher education & higher apprenticeships) have high rates of FSM students and high IDACI scores.”* This demonstrates that the UTC model can be used successfully to support social mobility by increasing higher level opportunities to students.

LSBU has a strong track record in the delivery of apprenticeships at varied higher levels. In particular, it offers a range of higher and degree apprenticeships in Digital Technology Solutions and Rail Systems Engineering, (<https://www.lsbu.ac.uk/study/apprenticeships/apprenticeship-standards>), which are natural pathways from SSMW. Existing employer relationships already in place at SSMW could also be enhanced for the benefit of its leavers, particularly if students are able to take a Level 4 HNC whilst there. For example, 47 apprentices from Network Rail started Level 5 higher and Level 6 degree level Rail and Rail Systems Engineer apprenticeships at LSBU in July 2020, and LSBU is the only university/college in England offering these qualifications.

LSBU has always placed a particular emphasis on graduate employment. As a consequence, it has longstanding relationships with businesses across London, both directly and through its alumni network. In fact, it is the only university to be awarded University of the Year for Graduate Employment for two years in a row. Therefore, as part of LSBU Group, SSMW would have access not only to its direct employer partners, but also to a wide range of employers in digital and engineering industries. Access to the entire group of institutions within LSBU would also permit SSMW students to embark on directed “career pathways” in an array of fields. A diagram, below, illustrates this for software applications developers, one of many options. This career ‘signposting’ and choice of qualifications would be impossible to achieve in a co-ordinated manner without the group structure and cohesiveness of vision provided by LSBU.





### **3.3. Employer, University and Community Engagement**

#### **3.3.1. Proposed Partners and Support**

The following partners are proposed:

- Continued support from existing employer partners would be welcomed, provided that they would deliver the new requirements of sponsorship.
- Employer sponsors from different sectors of the digital economy would be recruited.
- University sponsorship would move from the University of Westminster to London South Bank University.

Analysis from Baker Dearing shows that partner engagement is most effective when there is a dedicated individual, supernumerary to a UTC's teaching staff, responsible for employer and university engagement. This is an incremental cost, but has the benefit of ensuring well-structured partner engagement, and in turn higher levels of student recruitment. This would be particularly important for SSMW if it is to deliver T-Levels, which require maintaining a profound level of engagement with numerous employer partners. Dan Cundy, Executive Principal, leads on employer partnerships across SBA, and would be responsible both for developing stronger relationships with existing employers, and for recruiting new digital partners at SSMW with the support of LSBU and Baker Dearing.

#### **3.3.2. Ensuring Strong Community Engagement**

A stated aim of LSBU Groups corporate strategy is to 'build community' through inspiring and enabling students, alumni and staff to engage together and with the local and wider community to raise aspirations, increase achievement and improve resilience. Within SBA, this community focus is conducted in many ways, particularly through the Day 10 curriculum at UAE which requires students to take part in community projects (such as working with the Notting Hill Trust to support the regeneration of the Aylesbury Estate) every other week.

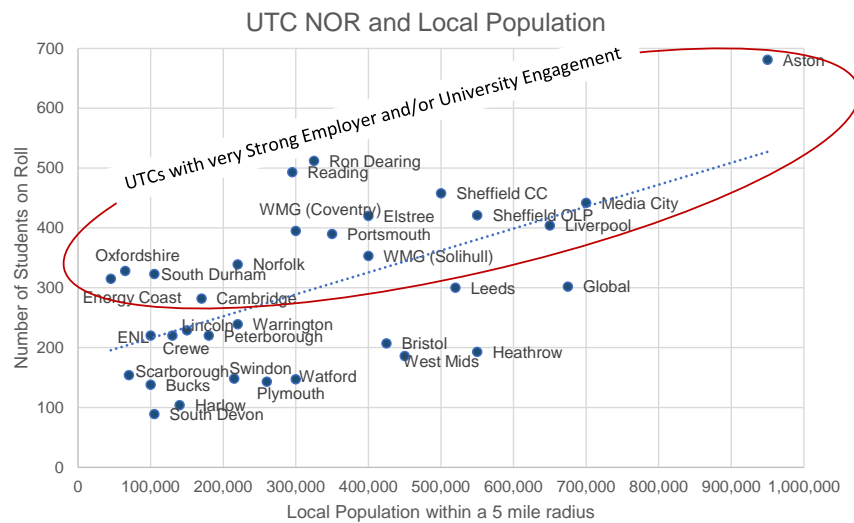
SBA would ensure a similar level of community engagement for students at SSMW. Adult learning could also be offered to local residents at SSMW, and facilities could be hired out. Bringing members of the community into SSMW would help to raise awareness and understanding of the unique educational offer, thereby also serving a marketing function.

### **3.4. Student Recruitment**

#### **3.4.1. Approach**

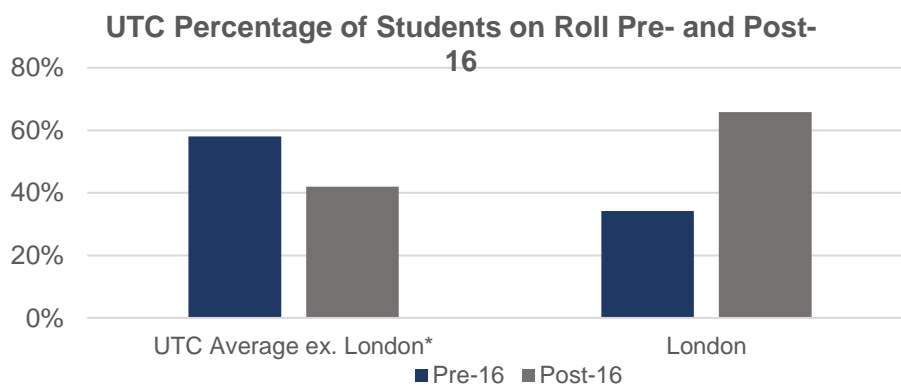
UTCs which have recruited successfully have certain similar characteristics: 'right' location (typically areas of high population density), solid educational track record (Ofsted 'Good' or better), and most importantly strong partner engagement (see chart below – which excludes central London UTCs). Students joining a UTC are looking for something different from that offered by other local schools; the relationship between a UTC and employers and a university is its 'unique selling proposition'. Furthermore, time is an important factor when judging the success

of student recruitment. The two oldest UTCs (Aston and JCB) are now full, and a number of the UTCs which opened in 2013 (Reading, Silverstone, Sheffield, Liverpool) are close to full capacity, as well. Establishing a track record in education takes time.



By starting at 14 years of age, a UTC provides the opportunity for many young learners to have a fresh start to their education. Whilst there are often challenges associated with an intake at this age (students often come with a track record of poor attendance and behaviour), many thrive after joining the UTC. The DfE acknowledges that, on average, students joining UTCs at age 14 achieve better outcomes in terms of destinations at 16 years of age than would have been the case had they remained at their previous school.

The London market for student recruitment is somewhat different to that in most other parts of England. Cross-borough student mobility is significant; a greater percentage of students are looking to progress to higher education at age 18; the private school market (which changes school at Year 9) takes a significant minority of students; and typically, UTCs in London recruit a greater percentage of students aged post-16 years than pre-16. Indeed, two-thirds of students at the eight London UTCs are post-16.

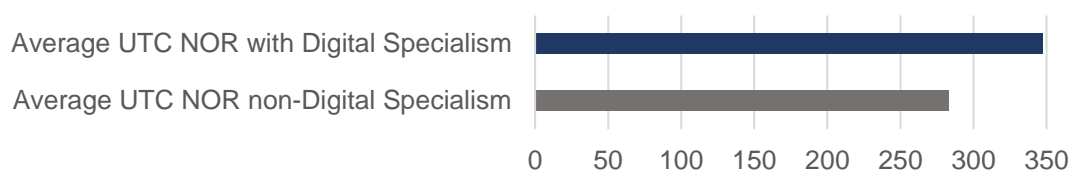


\* Excluding Y9 recruitment to compare like-with-like

Another important factor which is linked to the number of students on roll is the choice of specialism. There are now 15 UTCs (about one third of the programme) which count 'digital' in all its forms as one of their two specialisms. These UTCs have, on average, recruited more students than the average across the programme (see below). This is unsurprising in light of the digital revolution, and the more attractive (to students) nature of companies in digital industries

compared with other sectors such as construction. Baker Dearing anticipates that more UTCs will migrate towards clear digital offerings in the years ahead.

### Average UTC Student Recruitment: Digital vs Non-Digital



In summary, the pre-requisites for SSMW to recruit successfully are (a) a change of primary specialism to digital, (b) strong partner engagement and profile, particularly the proposed university sponsor LSBU; (c) a compelling and differentiated post-16 offer, including a Y14 which would provide a Digital HNC, as this will represent 2/3rds of the student base; (d) improved education outcomes (particularly post-16 qualifications); (e) marketing and promotion in the boroughs from which the school typically ‘imports’ students, such as Lambeth and Southwark.

SSMW’s target market is those young people seeking a combination of good examination results *and* the right preparation for their journey after the UTC. Local sixth forms place a greater emphasis on the former, and further education providers are not academically aspirational for many students in the target market. The ‘hybrid’ offer of a UTC sits in between these two competing educational offers.

#### 3.4.2. Local Supply / Demand Characteristics

The Atkins travel map (see appendix) shows that SSMW is well-placed to recruit students from a wide catchment area. Furthermore, data from Westminster City council<sup>ix</sup> show there is significant ‘import’ of secondary school pupils into Westminster schools: non-resident pupils currently account for just under half (c.4000 students) of all students at school in the borough. Given the location of SSMW, students from Lambeth, Southwark, and Royal Borough of Kensington and Chelsea would form the target market.

The secondary school population (young people up to 16 years of age) across London is anticipated to increase over the coming years as larger numbers of primary school pupils feed through the system. Within Westminster, a shortfall of c 4% of places is forecast by 2023/24; this is below the recommended surplus of 5-10% which allows for LAs to meet the fluctuating need for school places to accommodate new arrivals, etc. By the end of the current decade, this deficit is expected to normalise to a surplus of 8-10%, in line with LA targets.

Data for the post-16 student market, which has even greater mobility than the secondary schools market, are only captured at a pan-London level<sup>x</sup>. High pupil growth experienced at the secondary school level will feed through to the post-16 population in the 2020s. The age 16 to 19 population is expected to increase by 23% from 2020 to 2030 based on long-term population projections. In this analysis, the London Councils highlight:

*“Secondary school places take four years to create, and timescales can be longer for technical and vocational provision given the often-complex capital requirements involved. Therefore, it is important that central government, local government and providers work together well in advance to access capital funding and put in place plans to meet demand.”*

Given the demographic need for SSMW; the challenges of sourcing new school sites in London; and time scales required to establish technical and vocational offerings, it is imperative that SSMW remains a school, and is not transformed into another type of institution (i.e. becoming a teaching training provision, etc.).

The impact of the Covid-19 pandemic on the London economy, and in turn demand for school places, has yet to be determined. Approximately one-third of secondary school-aged pupils who are resident in Westminster are enrolled in schools in the independent sector<sup>xi</sup>. The risk that some of this demand is shifted to the state sector has increased as a consequence of the inevitable economic downturn which will be caused by the pandemic.

### 3.4.3. Competitor Analysis

The local market is comprised of mainly successful schools as judged by Ofsted. Nonetheless, in some of the outstanding schools near to SSMW, the leaver NEET rate is almost 50% higher than the national average. Furthermore, a number of local schools have a zero %age progression into apprenticeships (which includes higher and degree routes). For UTCs in general, higher and degree apprenticeship destinations accounted for 12% of Level 3 leavers at age 18 last year.<sup>xii</sup>

Local Schools/Colleges	Location	Distance from SSMW (miles)	Ofsted Rating	Destinations						
				Leavers	Any	HE	Apprentice	Job	NEET	
<b>Local Schools with 6th Form</b>										
Pimlico Academy	Westminster - South Planning Area	0.36	1	75	83%	63%	4%	15%	11%	
Grey Coat Hospital (Girls)	Westminster - South Planning Area	0.70	1	121	89%	69%	0%	10%	7%	
Westminster City School (Boys)	Westminster - South Planning Area	0.71	2	50	94%	72%	0%	8%	2%	
<b>Westminster Post-16</b>										
Harris Westminster 6th Form	Westminster - South Planning Area	0.98	1	228	89%	70%	1%	8%	7%	
City of Westminster College	Westminster - South Planning Area	2.10	3	668	85%	54%	4%	13%	9%	
<b>Closest Schools outside Westminster</b>										
Lilian Baylis Technology	Lambeth	1.21	1	81	88%	72%	1%	12%	7%	
Harris Battersea	Wandsworth	1.22	1	101	87%	64%	3%	9%	11%	
Archbishop Tenisons	Lambeth	1.34	4	42	93%	64%	0%	12%	7%	
Saint John Bosco	Wandsworth	1.50	2	23	91%	74%	0%	4%	0%	
Kings College Maths	Lambeth	1.61	1	61	97%	92%	2%	2%	2%	
<b>National Schools and Colleges Level 3</b>				<b>379,441</b>	<b>88%</b>	<b>49%</b>	<b>7%</b>	<b>24%</b>	<b>8%</b>	

None of the local schools, with the exception of Kings College Maths school, has a particular emphasis on STEM learning. Indeed, Lilian Baylis Technology School, despite its name, offers a very broad post-16 curriculum (including BTEC in IT and Creative Media).

Therefore, a STEM-focused post-16 offer, with clear avenues into higher and degree apprenticeships to complement the university route, would be sufficiently differentiated from the broader curriculum offers at local schools and colleges to attract students. In addition, the NEET rate at certain local schools is surprisingly high; this suggests that a greater emphasis on employability would resonate with the local community.

At pre-16 a much lower percentage of students compared with the national average move school, as most local schools have their own Sixth Form. This is especially true for disadvantaged students, for whom the percentage remaining at their current school is more than twice the national average (see table below).

Destinations of 16 Year Old Leavers by Local School	%Disadv pupils	Further Education			School 6th Form			Sixth Form College		
		Disadv pupils	All other	Total	Disadv pupils	All other	Total	Disadv pupils	All other	Total
Pimlico Academy	55%	36%	27%	32%	49%	50%	49%	4%	7%	5%
Westminster City School	48%	29%	15%	22%	42%	54%	48%	19%	20%	19%
The Grey Coat Hospital	20%	N/A	N/A	9%	67%	78%	76%	7%	9%	9%
Lilian Baylis Technology School	91%	23%	18%	23%	58%	36%	56%	8%	27%	10%
Harris Academy Battersea	73%	8%	31%	14%	90%	66%	83%	0%	0%	0%
Archbishop Tenison's School	45%	38%	26%	31%	11%	30%	22%	27%	28%	28%
Saint John Bosco College	43%	33%	34%	34%	52%	59%	56%	0%	0%	0%
<b>Local Schools</b>		<b>25%</b>	<b>18%</b>	<b>23%</b>	<b>56%</b>	<b>58%</b>	<b>57%</b>	<b>8%</b>	<b>11%</b>	<b>10%</b>
<b>Nationally</b>		<b>45%</b>	<b>34%</b>	<b>37%</b>	<b>26%</b>	<b>42%</b>	<b>38%</b>	<b>9%</b>	<b>12%</b>	<b>11%</b>

### 3.4.4. Rebranding

Sir Simon Milton was an extraordinary individual and his name must remain associated with this UTC and its building. SBA is committed to this in three ways: firstly, by retaining his name on the building; secondly, by working with the Sir Simon Milton Foundation to raise the profile of the on-going support the charity provides to the UTC, particularly for disadvantaged students; and thirdly, by ensuring that the Sir Simon Milton Foundation has an appropriate voice on the local governing body.

Nonetheless, SBA believes that changing the name of the UTC would be appropriate as part of the re-brokerage, to recognise the 'fresh start', ambition, and change of specialisms. Furthermore, the currently governing body of the UTC is also aware of the challenges associated with marketing a school with a very long name, particularly on social media.

In order to maintain the association with Westminster, a word which is synonymous with strong education; to not deviate too far from the existing name; and to improve the practicalities of using the brand on social media etc., SBA is proposing a name change to "UTC Westminster". On the advice of Baker Dearing, the name "Westminster UTC" has been ruled out, as it might conflict with the University of Westminster trademarks.

It is clear from the competitor analysis above that whilst many young people's plans on leaving SSMW may change, particularly if they stay for the full five years, parental expectations at the outset for a strong academic education are high and therefore, to compete successfully, SSMW must have high academic ambitions for all students.

A new website, materials and signage is required as part of the rebranding exercise. The cost of this is outlined in section 4.3.

### 3.4.5. Student Recruitment Activities

The most effective student recruitment activity for any school is parental and student word of mouth. UTCs with a high quality, authentic offer and a strong track record let these stakeholders 'sell' the school. SSMW does not currently have this luxury. Therefore, approaches employed over the next three to five years would be:

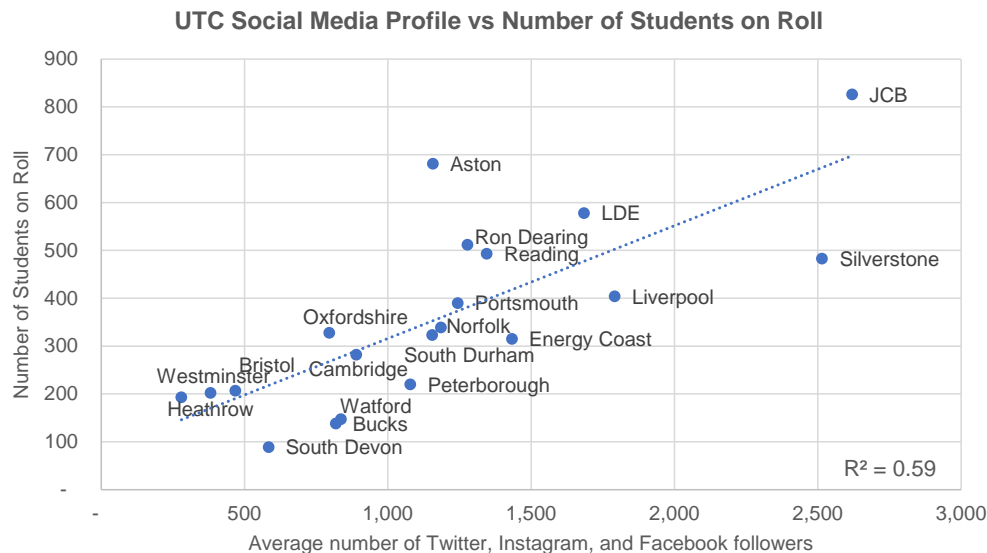
**(i) Engagement with the four local authorities** (Westminster, Lambeth, Southwark, RBKC) to support the local authority letter in Autumn 2020 for recruitment in 2021. This is most effective when co-written with the local authority to signpost an October Open Evening to kickstart student recruitment for the following September.

**(ii) Active use of the Baker Clause** to visit young people across neighbouring schools to provide careers advice and guidance and to explain the UTC offer. Because the local schools landscape has a higher percentage of students remaining at their incumbent school for Sixth Form, an approach from SSMW would be treated with greater hostility than in other parts of the country. To counteract this, some UTCs deploy their careers' lead rather than the Principal to establish relationships with local schools. This has worked effectively at other UTCs, e.g. Lincoln, Norfolk.

**(iii) Inclusion of employer and university partners on all marketing materials**, used by UTCs which are successful at student recruitment to 'de-risk' the UTC proposition. A student might not know SSMW, for example, but will be aware of London South Bank University. A related point is the need to promote clear and granular student pathways and choice, and LSBU is well-placed to do this. The alternatives currently referenced on the SSMW website are very 'matter of fact': higher education, apprenticeship, and

employment; these do little to help young people understand the benefit of the education they will receive there.

**(iv) Increased use of social media** as UTCs which have more social media followers typically recruit better than those with fewer followers. In some cases, UTCs have more followers *because* they have more students; however, in others an active on-line presence has been shown to increase student interest in the UTC.



**(v) Leverage of support, experience and insight across LSBU Group** which recruits over 15,000 students per annum to its university, college and academies, and has the internal capability and capacity to support the recruitment initiatives at SSMW.

**(vi) On-line and physical open days**, especially since SSMW's building is one of the most impressive across the UTC network. Experience shows that by visiting a UTC, not only on-line but also physically, student conversion rates can be very high. SSMW would run a series of engaging open events starting in the autumn term, with high profile employer and university engagement in these events. Not all UTCs do this successfully; the contrast between historic events held at SSMW and LDE highlights this point:



**(vii) Insight from across the UTC Network** received through regular on-line events for UTC marketing leads facilitated by Baker Dearing. This has proven to be an effective way of sharing 'best practice' across the network. A recommendation from the recent Public Accounts Committee hearing into UTCs suggested that even greater sharing of student recruitment expertise across the programme would benefit some UTCs.



**(vii) Community engagement** achieved by reaching out to the local community for use of the building's facilities, will raise awareness of the UTC. Schools mistakenly believe that the hiring of facilities solely brings in additional income. Experience across the UTC network shows that this often does not generate a material profit, but is an effective way of marketing the UTC to parents within the local community.

**(viii) People**, in particular the 'right' leader for the school – whose track record will inspire confidence and who knows the local area. Active engagement is vital at all open events for student recruitment, especially by employer partners.

**(ix) Focus on recruiting girls** who account for just 30% of students across the UTC programme. This is, sadly, unsurprising given the STEM nature of curriculums offered. This is also reflected in the low percentage of UTC Principals across the programme who are female: only 35%. However, of the 15 UTCs which have an above average percentage of girls, 60% of Principals are female. Whilst the number of girls can be linked, in part, to the nature of the specialisms at these schools (e.g. health specialisms attract more girls as well as a greater number of female Principals), it can also be linked to the language used (and colours, etc.) in marketing materials, and the benefit of having a female role model in the Principal, e.g. Energy Coast and Ron Dearing UTCs.

**(x) Promotion of programmes of support for disadvantaged students** particularly through the unique association with the Sir Simon Milton Foundation. In its simplest form this would include travel bursaries and other financial support. However, it is well-known that many young people, especially from disadvantaged backgrounds, drop out of higher education before completing their degree courses. LSBU Group is well-placed to ensure all students at SSMW are sufficiently prepared for the next stage of their studies, and this can be promoted as a point of difference to other local sixth forms.

**(xi) Emphasis on the benefits of a Year 14 offer.** The proposed Y14 offer of a Higher National Certificate in Computing would be unique within the local landscape and provide students with a cost-effective way of progressing into higher study.

### 3.4.6. Recruitment Targets

The following are the student recruitment targets for SSMW:

Student Recruitment Actuals and	Actual			Predicted*				
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Total	123	255	197	150	190	275	365	465
Capacity	550	550	550	550	550	550	550	550
Capacity Utilisation	22%	46%	36%	27%	35%	50%	66%	85%

\* The student recruitment forecasts above for September 2020 are materially below SSMW's forecast. SSMW currently forecasts 62 students for KS4 (vs 59 above) but 123 students for KS5 (vs 90 above). ***The big difference at KS5 is both in the number of students forecast to join at Y12 and the number progressing to a Year 13. The above recruitment targets conservatively assume the same number of students arriving at Y12 as last year, and broadly the same Y13 retention rate (from Year 12) as between academic year 2018/19 and 2019/20.***

Looking further into the future, the above forecasts assume the following:

- The digital specialism is approved for launch in September 2021 and recruitment, led by SBA, for this specialism starts in Autumn 2020.

- The full re-brokerage is completed before the anticipated Ofsted inspection window for SSMW (expected Spring 2021) and therefore Ofsted does not inspect the UTC until Spring 2024.
- Support is forthcoming from all 4 local councils to write a letter to parents in their borough.
- A Year 14 provision is introduced.

### **3.5. Plan Implementation**

#### **3.5.1. Governance Structure**

The proposed governance structure for SSMW would mirror that of other SBA academies. SBA and its schools are governed by a Board of Directors with the overall responsibility for SBA. The Board is supported by an Audit Committee.

SBA would intend to re-align the existing governing body of SSMW with the new vision and membership.

In recognition of the on-going support and relationship with the Sir Simon Milton Foundation, the local governing body would retain two places for governors nominated by the charity.

At the outset, the existing employer alliance governors (Bill Templeton, Jeremy Lucas, Marc Cadwaladr, and Anna Kennedy) would remain on the local governing body.

Consistent with the Model 3 Articles of Association for Multi-Academy Trusts containing one or more UTCs, the local governing body would be comprised of a majority of individuals nominated by the university and employer partners.

#### **3.5.2. School Improvement**

SBA has worked with SSMW to obtain a clear understanding of the current position in terms of quality of education first-hand, triangulated against leaders' self-evaluation and external monitoring visits. The following is a brief outline of the proposed school improvement activities, which assumes that SSMW transfers to SBA on January 1<sup>st</sup> 2021. Following an in principle decision of support for this re-brokerage, a more detailed development plan would be developed, linked to responsibilities, KPIs and interim milestones.

##### **1. Attainment and progress**

###### **Autumn 2020**

- Support for self-evaluation and improvement planning through training leaders, introducing standardised templates based on 'best practice' in sector.
- Support for leaders in managing course portfolio, ensuring appropriate course choices for learners
- Discussion and agreement on assessment and feedback model with CATS baseline, rigorous data analysis to generate high quality management information to inform target setting and interventions. SBA familiar with UTC 'progress from starting points' model with strong central data skillset.
- Support for leaders on mock examination cycle for Year 11 and 13, with support for standardisation and moderation to ensure accurate, robust grading and reporting.

###### **Spring – Summer 2021**



- Implementation of robust, information-driven self-evaluation and improvement planning
- Implementation of assessment and feedback model
- Extension of existing Quality Committee model to provide scrutiny, support and challenge
- Triangulation of self-evaluation with external review including School Improvement Advisor (serving Ofsted inspector and Principal of Outstanding UTC) and DfE Education Advisor.
- Support for high quality blended delivery model with proven expertise in remote learning

## **2. Improving quality of engineering**

### **Autumn 2020**

- Support for targeted engineering specialism – SBA well-placed to train and mentor engineering staff, share planning, resourcing and curriculum design to improve engineering outcomes

### **Spring – Summer 2021**

- Agreement of shared BTEC unit delivery model with planning beginning for Sept 2021 delivery
- Sharing of some teaching in relation to engineering enrichment, e.g. CAD, 3D print
- Sharing of employer- and university-led projects run across both UTCs
- Sharing of access to specialist equipment across both UTCs, creating efficiencies
- Sharing of technical support, including training and maintenance packages
- Assessment of health and safety / risks supported by SBA

## **3. Reducing inconsistency in quality of teaching.**

### **Autumn 2020**

- Support for SSMW leaders with training and capacity in relation to introduction to cognitive science and research-driven pedagogies, including principles of direct instruction and a knowledge-rich curriculum
- Work with leaders to frame and refine curriculum intent
- Establishment of middle leader networks across the trust to support curriculum conversations, particularly in relation to curriculum implementation
- Commencement of development of ICT infrastructure to support high quality blended and remote learning seamlessly across group

### **Spring – Summer 2021**

- Development of staff training and resourcing to implement high quality knowledge-rich curriculum based on cognitive science principles such as spaced retrieval, aligned to Ofsted thinking on knowledge.
- Establishment of subject networks across group to add expertise, eg. in standardisation and moderation of grades to mitigate risks of small department size and limited expertise: access to examiners in-house to generate robust assessment data.
- Implementation of quality assurance systems and processes aligned to Ofsted Deep Dive methodology to increase strength in middle leadership and provide high quality management information to feed improvement planning.

- Establishment of mentoring and professional development programmes from across the group for staff.
- Design of pathways through to QTS through group – new engineering PGCE to grow own teachers.
- Enhancement of opportunities for cross-group teaching; increased development opportunities to assist recruitment and retention of high calibre teaching staff.
- Creation of cross-group pedagogy research and joint practice development (JPD) to enhance expertise and share strongest practice

#### **4. Curriculum extension and ‘UTCness’**

##### **Autumn 2020**

- Exploration of potential shared enrichment and extension models, such as Skillsbuilder employability development, and professional qualifications framework

##### **Spring – Summer 2021**

- Sharing of use of facilities to extend curriculum offer e.g. composites units through South Bank
- Development of high quality advice and guidance and employability through existing SBA and group structures to support high quality destinations
- Leverage of blended delivery model to extend curriculum offer e.g. English A level
- Enhancement of group ‘value add’ offer to include mentoring, UCAS and apprenticeship support, pathways model, projects, access to employer partner network
- Increase of group capability for support functions, e.g. health and safety, HR, legal, governance.
- Enhancement of central expertise and capacity available within core SBA team: Executive Principal, Business Management, HR, marketing.

#### **5. Leadership and Management**

##### **Autumn 2020**

- Input from existing SBA SLT to support leadership at all levels: leveraging expertise within group to shape thinking and planning
- Support for SLT from SBA Executive Principal on all school improvement-related matters
- Support to plan and implement robust target-setting model cascaded to performance management model and system

##### **Spring – Summer 2021**

- Commencement of implementation of shared middle leadership model, for example with one Director of Engineering overseeing managers at both UTCs and shared careers/SEN provision
- Support for capacity of leadership team through existing Executive Principal on interim basis to support development
- Exploration of potential for substantive shared senior leadership structure across both UTCs.

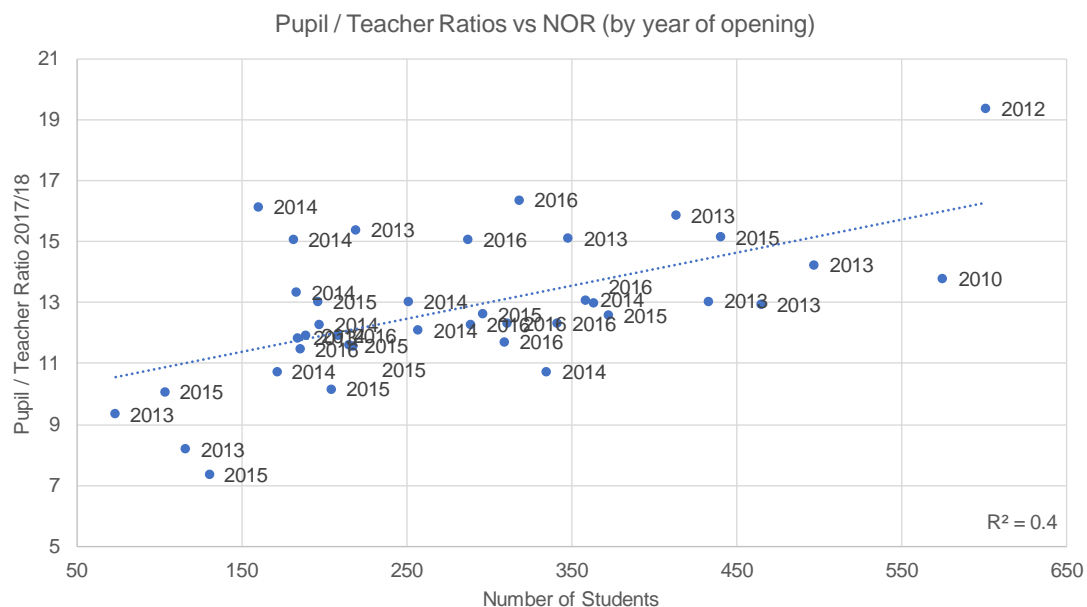
### 3.5.3. Timeline and Actions for Implementation

Activities and Timeline	Pre-Rebrokerage			SSMUTC within SBA										
	Academic Year	2019/20	2020/21		2021/2			2022/3			2023/4			
	Academic Term	Aug-20	Autumn	Spring	Summer	Autumn	Spring	Summer	Autumn	Spring	Summer	Autumn	Spring	Summer
<b>Rebrokerage Mechanics</b>														
- In Principle Support from RSC		█												
- Re-calibrate plan if recruitment different		█												
- Agree Financial Package with ESFA		█												
- SBA Board Approval		█												
- SSMMW Board Approval		█												
- RSC and Head Teacher Board Approval		█												
- Baker Dearing/SSM Foundation Approval		█												
- Ministerial Approval		█												
- Rebrokerage Complete			█											
<b>Education Improvement</b>														
- Implement Attainment & Progress Measures		█	█	█	█	█	█	█	█	█	█	█	█	█
- Improve Quality of Engineering		█	█	█	█	█	█	█	█	█	█	█	█	█
- Reduce Inconsistency of Teaching		█	█	█	█	█	█	█	█	█	█	█	█	█
█ Curriculum Extension and UTCness		█	█	█	█	█	█	█	█	█	█	█	█	█
- Reduce Inconsistency of Teaching		█	█	█	█	█	█	█	█	█	█	█	█	█
- Section 5 inspection								█	█	█				
<b>Leadership and Management</b>														
- New Principal search		█												
- New Principal informally active			█											
- New Principal in post				█	█	█	█	█	█	█	█	█	█	█
- Current Head & Deputy Final Term				█	█	█	█	█	█	█	█	█	█	█
- Governing Body Changes				█	█	█	█	█	█	█	█	█	█	█
- Finance Support SLA		█												
- Staff restructuring Consultation		█												
<b>Curriculum</b>														
- Introduce Digital Specialism					█	█	█	█	█	█	█	█	█	█
- Other Curriculum Changes					█	█	█	█	█	█	█	█	█	█
- T Level Digital Pathway														
- Introduce Y14 Level 4 Qualifications								█	█	█	█	█	█	█
<b>Student Recruitment</b>														
- Rebranding				█										
- Promote new specialism			█											
- Engage Local Authorities	█													
<b>Sponsor Engagement</b>														
- University changed to LSBU				█										
- Recruit New Digital Partners		█	█	█										
- Determine support from existing employers		█												



Teaching Staffing Metric	Old Curriculum		Transition Year: Old to New Curriculum	New Curriculum	
	2019/20	2020/21	2021/22	2022/23	2023/24
NOR	197	150	190	275	365
FTE Teachers	19.7	19.7	16.7	21.2	28.1
Average Teacher Cost (£)	62,789	61,884	62,741	62,102	60,000
<b>PTR Actual/Target</b>	<b>10</b>	<b>8</b>	<b>11</b>	<b>13</b>	<b>13</b>
Income (£)	2,064,163	1,781,077	1,957,311	2,456,478	3,077,566
Core (Repeatable Income) (£)	1,848,184	1,560,827	1,833,791	2,426,305	3,040,357
<b>Teacher Costs% Core Income</b>	<b>67%</b>	<b>78%</b>	<b>58%</b>	<b>55%</b>	<b>56%</b>

A pupil / teacher ratio of 13+ is achievable for a UTC with c.300 students, as can be seen in the chart below, which plots the pupil/teacher ratio against the number of students. The labels represent the year of opening of the UTC. Another measure of total teacher cost is a comparison with on-going ('core') income which takes the total income of the UTC and adjusts for hypothecated income (uniforms, trips etc.) and non-recurring income (such as Transitional Funding). Successful UTCs keep this ratio of teacher costs to Core Income just below 60%. The close proximity of SBA's schools and SSMW give confidence that this this target can be achieved in this case.



## 4.2. Projected Budget

<b>Pupil Forecasts</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Total Students on Roll	197	150	190	275	365
<b>INCOME</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
20% Rates Relief	141,971	141,971	141,971	141,971	141,971
GAG (excl. 16-19 Allocation and Student Service Grant)	554,030	363,557	431,339	585,388	770,248
16-19 Allocation	681,904	666,453	878,840	1,245,023	1,574,588
Student Services Grant (Acad. Post 16 Bursary Funding)		15,519	15,519	15,519	15,519
HNC Allocation				45,315	112,688
Start Up Grants	120,000	32,500			
Pupil Premium	41,388	39,927	47,371	64,289	84,590
Lump Sum	129,989	129,989	129,989	129,989	129,989
MFG	16,144	-	-	-	-
Prior Attainment		16,493	19,568	26,556	34,943
EAL & Deprivation		5,763	6,837	9,279	12,209
UTC Transitional Funding	200,000	200,000	100,000		
Lettings Income	6,000	20,000	20,600	21,218	21,855
Sponsorship/Donations	51,964	50,000	50,000	50,000	50,000
Other DfE family revenue Grants	85,139	59,000	59,000	59,000	59,000
Local Authority Revenue Income	19,655	19,655	32,758	32,758	32,758
Uniform/Equipment Sales	9,060	9,000	9,270	9,548	9,835
Other Income	6,919	11,250	14,250	20,625	27,375
<b>TOTAL REVENUE INCOME</b>	<b>2,064,163</b>	<b>1,781,077</b>	<b>1,957,311</b>	<b>2,456,478</b>	<b>3,077,566</b>
<b>EXPENDITURE</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
<b>Staffing</b>					
Leadership staff		310,571	213,265	217,530	221,880
Teaching staff	1,183,965	888,545	834,505	1,096,156	1,462,735
Supply/Agency teaching staff	52,972	20,000	20,000	20,000	20,000
Educational support staff	73,716	31,740	65,101	96,551	99,520
Administrative staff	128,507	177,931	168,263	172,560	177,172
Other staff	70,642	10,000	10,000	10,250	10,506
Staff development	7,500	2,500	2,500	2,500	2,500
Recruitment	45,200	25,125	12,563	12,877	13,198
<b>Staffing Total</b>	<b>1,564,002</b>	<b>1,467,912</b>	<b>1,327,696</b>	<b>1,629,924</b>	<b>2,009,012</b>
<b>Facilities Management</b>					
Service Charge	51,398	40,795	40,795	40,795	40,795
Rates	141,971	141,971	141,971	141,971	141,971
Maintenance: Grounds	3,000	2,000	1,000	1,000	1,000
Maintenance: Building	24,890	5,100	5,202	5,332	5,465
Maintenance: Security	10,777	3,060	3,121	3,199	3,279
Maintenance: Refuse Disposal	3,075	3,600	3,708	3,819	3,934
Cleaning: Contract	76,247	72,672	72,672	72,672	72,672
Facilities Management Contract	15,249	13,855	14,271	14,699	15,140
Other Premises (inc Water/Sewerage Charges)	10,000	5,474	5,621	5,762	5,906
<b>Facilities Management Total</b>	<b>341,125</b>	<b>290,468</b>	<b>290,341</b>	<b>291,278</b>	<b>292,242</b>
<b>Business Services</b>					
Post-16 Bursary Costs	10,000	15,519	15,519	15,519	15,519
Catering	70,924	110,000	52,630	54,209	55,835
Marketing	49,500	50,000	25,000	25,750	26,523
Photocopier Consumables	11,000	8,000	8,000	8,200	8,405
Trip Costs		5,000	5,000	5,125	5,253
Exam Fees	53,820	43,750	50,750	75,250	92,750
Books and Equipment	30,000	36,750	45,000	46,125	47,278
Education Professional Fees	17,450	10,000	5,000	5,000	5,000
Office/Administrative Stationery	500	1,000	1,030	1,061	1,093
Other Non-Educational Support Costs	7,241				
Operating Leases (Include BDT Annual Fee)		10,000	10,000	10,250	10,506
Risk Protection Arrangements		3,000	3,800	5,500	7,300
MAT Costs	158,004	91,435	116,779	158,956	200,781
Governance Costs: Auditors Remuneration	15,700	7,500	7,500	7,500	7,500
Governance Costs: Finance / Leadership services	30,494				
Governance Costs: Legal & Professional	9,300	5,000	5,462	5,599	5,739
Governance Costs: Governor Training & Expenses	1,250	1,250	1,250	1,250	1,250
<b>Business Services Total</b>	<b>465,183</b>	<b>399,201</b>	<b>352,720</b>	<b>425,294</b>	<b>490,732</b>
<b>Information Communication Technology</b>					
Broadband	6,840	6,977	7,116	7,258	7,403
Photocopier Leasing	6,195	6,400	6,592	6,790	6,993
IT Support - 3rd Party	27,604				
Other Systems (IT Consumables - Educational)	14,210	18,708	18,708	18,708	18,708
SIMS & Other IT Licensing	30,313	18,360	18,360	18,360	18,360
<b>ICT Total</b>	<b>85,162</b>	<b>50,445</b>	<b>50,776</b>	<b>51,116</b>	<b>51,465</b>
<b>Utilities</b>					
Water	12,000	6,120	6,426	6,747	7,085
Electricity	500	70,000	70,000	72,100	74,263
Gas (management accounts included with electricity)	65,000	510	536	562	590
<b>Utilities Total</b>	<b>77,500</b>	<b>76,630</b>	<b>76,962</b>	<b>79,410</b>	<b>81,938</b>
<b>TOTAL REVENUE EXPENDITURE</b>	<b>2,532,972</b>	<b>2,284,656</b>	<b>2,098,494</b>	<b>2,477,021</b>	<b>2,925,389</b>
<b>Net revenue income/(expenditure) for the period</b>	<b>-468,809</b>	<b>-503,579</b>	<b>-141,183</b>	<b>-20,543</b>	<b>152,177</b>
Balance B/Fwd from previous period	-43,112	-511,921	-1,015,500	-1,156,683	-1,177,226
<b>Balance C/Fwd to next period</b>	<b>-511,921</b>	<b>-1,015,500</b>	<b>-1,156,683</b>	<b>-1,177,226</b>	<b>-1,025,049</b>

### 4.3 MAT Integration Savings

The table below compares the above budget forecasts with the outturn expected for 2019/20. By comparing the cost bases for 2019/20 with 2021/22 (which have similar student numbers), an estimate of the forecast MAT integration savings can be made. This is calculated at c.£320k.

Line Item	2019/20 Actual	2020/21 Estimate	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	Note
Students	197	150	190	275	365	
<b>Income</b>	<b>2,064,163</b>	<b>1,781,077</b>	<b>1,957,311</b>	<b>2,456,478</b>	<b>3,077,566</b>	Income loses Transitional Funding line.
Staffing	1,564,001	1,467,912	1,327,696	1,629,924	2,009,012	PTR goes from 10 to 11.5, smaller leadership and narrower curriculum. 3 fewer teachers equates to £200k. Lower supply costs too.
Facilities	341,125	290,468	290,341	291,278	292,242	SBA achieves UTC benchmarks by 2021/22. Lots of small downward adjustments add up to £50k. Some economies of scale assumed.
Business Services	465,183	399,201	352,720	425,294	490,732	MAT services rather SLA with Fulham Boys and UTC benchmarks achieved. Some other economies of scale
ICT	85,162	50,445	50,776	51,116	51,465	IT support removed (part of MAT)
Utilities Total	77,500	76,630	76,962	79,410	81,938	No substantive changes
<b>Total Expenditure</b>	<b>2,532,971</b>	<b>2,284,656</b>	<b>2,098,494</b>	<b>2,477,021</b>	<b>2,925,389</b>	Cost base used to calculate MAT integration savings
<b>Outturn</b>	<b>-468,808</b>	<b>-503,579</b>	<b>-141,183</b>	<b>-20,543</b>	<b>152,177</b>	

% Income	2019/20 Actual	2020/21 Estimate	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	Note
Staffing	76%	82%	68%	66%	65%	This shows the percentage of income each cost group accounts for over time. The cost base is reduced by over 20% of income between 2019/20 and 2022/23.
Facilities	17%	16%	15%	12%	9%	
Business Services	23%	22%	18%	17%	16%	
ICT	4%	3%	3%	2%	2%	
Utilities	4%	4%	4%	3%	3%	
Total	123%	128%	107%	101%	95%	

Mat Integration Savings: Diffence in 2019/20 and 2021/22 cost base      **£434,477**

### 4.4. Re-brokerage Costs

The following are the forecast incremental costs to SBA, excluding any staff restructuring costs, the funding of which is requested from the Regional Schools Directorate as part of the re-brokerage of SSMW into SBA.

Action	Description	Cost
Legal Services and project management costs	To include the legal costs of transfer to SBA. Review of all legal contracts including suppliers, leases and consultants and potential contingent liabilities (e.g. contractual conditions attached to grant funding received).Scrutiny of all legal documents, insurance, H&S audits, Audit outcomes, lease, and potential liability claims.	<b>£20,000</b>
Human resources professional and payroll	Analysis of all HR contracts including any existing TUPE requirements and special conditions/clauses relating to SSMW.  To support the TUPE process and to include work relating to reducing the staff headcount at the academy	<b>£5,000</b> to support TUPE process <b>£5,000</b> for external support for staff contracts
School Improvement work	Bring in external SIP. Working with other UTC leaders and core subjects leads	<b>£20,000</b>

	Employer engagement and development of curriculum	
Finance	Review of all Internal processes and controls Implementation of MAT finance systems and financial system licences Assistance with financial planning, implementation and monitoring working closely with the ESFA	<b>£10,000</b>
Re-Branding	To include: <ul style="list-style-type: none"> <li>● Advertising and re-brand</li> <li>● Website</li> <li>● Press &amp; PR</li> <li>● External Signage</li> <li>● Partner Communication</li> <li>● Parent &amp; Student Communication</li> <li>● Photography/Video</li> </ul>	<b>£30,000</b>
<b>Total</b>		<b>£90,000</b>

#### 4.5. Summary of Financial Request

Item	Amount Requested (£)
Historic Debt write off (estimated figure at 31.08.20)	£511,921
Anticipated increase in debt in academic year 2020/21 – budget outturn for 2020/21 based on no staff changes as currently budgeted but 150 pupils. This does assume some non-staff cost savings when joining SBA (termination of SLAs etc.).	£503,579
Expected cost saving through reduction of staff realised in 2020/21 if student numbers are 150. This equates to roughly ¼ of the projected loss for the year.	<b>-£125,000</b>
Adjusted increase in debt during academic year 2020/21 (rounded).	£375,000
Anticipated addition to Debt during Term 1 2020/21 = 1/3 of debt increase for the year	£125,000
<b>Total Debts to be written off at point of re-brokerage (01.01.2021)</b>	<b>£636,921</b>
Non-recoverable deficit funding requested for terms 2&3 2020/21	£250,000
Non-recoverable deficit funding requested for academic year 2021/22	£141,183
<b>Total Non-recoverable funding requested (rounded)</b>	<b>£391,183</b>
<b>Re-brokerage transfer grant requested</b>	<b>£90,000</b>
TUPE & staff restructuring costs	<b>To be added</b>
<b>Total Re-brokerage Costs (ex. staff restructuring)</b>	<b>£1,118,104</b>



## 5. Appendices

### 5.1. Letters of Support

#### 5.1.1. Employer Alliance Partners SSMW

**Keltbray**

<https://www.keltbray.com/>



At Keltbray we are acutely aware of the skills gap in our industry and recognise the need to be proactive in addressing this. The skills gap is something that is often mentioned and discussed but we need to see more collective action for a very real and immediate problem. Supporting the UTC and being part of the Employer Alliance is a fantastic example of a solution.

The two issues we find are people not having the skills and not knowing enough about routes into our industry. Working with the UTC combines these perfectly as they focus on skills and qualifications hugely relevant to construction and engineering whilst having embedded links with a number of employers.

Early engagement is key for us as it allows us to support, inform and encourage students through their studies so that they are best prepared for the labour market. We can also use this, as we have, to identify vacancies and development opportunities for them once they have completed their studies.

**Landsec**

<https://www.landsec.com/>



At Landsec, our ambition is to deliver positive impact in our communities, creating opportunities for local people to ensure we have an inclusive industry with the skills we need, both now and in the future. A big part of this is engaging students from diverse socio-economic backgrounds to inspire them about careers in property, and develop their skills and ambitions, ensuring we open up opportunities to the young people who would most benefit.

We align our programmes to address the current and future skills gaps in property, construction and beyond to ensure we have the people and skills that our industry needs to evolve and thrive. As we shift more towards modern methods of construction and sustainable design, we're looking at skills in technology, innovation (including in design and construction), and sustainability to support our commitments to address the climate crisis. We're also looking to attract more young people into property professions like project management, engineering, investment and portfolio management, and wider business areas including marketing, finance and tech.

As an Employer Alliance partner at the Westminster UTC, we can be proactive in inspiring students about careers in our industry through business insights projects, work experience and actual pathways into employment like apprenticeships. We know it's important that young people in our communities are aware of the routes into work in our industry throughout their time at school, and supporting the UTC means we can be part of achieving this through collaboration with our great network of employers.



For those we hire as engineering graduates, usually directly from university, we see a skills gap in a couple of key areas:

- Commercial understanding – whilst they will have an excellent understanding of engineering, there is no understanding of commercial side of the industry they are working within. A focus on the customer/end user/various stakeholders is a key and an area we particularly focus on building skills.
- Understanding of the built environment including design and construction phases, post-construction lifecycle of the building etc. As engineering graduates have not necessarily specialised in anything building related, they do not have an understanding of these (and we find it difficult to recruit people who do). There is often a focus on one small project rather than how it may need to fit into a much larger environment.
- BIM and 3D modelling

We work closely with new joiners who may be new to the industry to build these skills and knowledge as we do not expect them to come with this but it would certainly provide an advantage to students.

There are also skills gap in our industries related to those with practical experience, generally learnt and gained through apprenticeships – not something I think the curriculum can cover but possibly for career planning after leaving school:

- Qualified lift engineers – compared to years gone by, there are significantly less lift servicing and installation apprenticeships being offered by the Lift Companies which has seen a significant skills gap for the industry. Whilst we see many young people going to university to gain engineering qualifications, there is not the same uptake to gain the practical, 'hands-on' qualifications and experience. Whilst D2E cannot offer these apprenticeships as we are only consultants, we do hire lift engineers a lot. I think the encouragement for students to undertake practical apprenticeships is extremely important and examples being shown of where this can take you in your career e.g. 2 of the Directors of our company started as lift apprentices and have has careers taking them both to Executive Director roles within large Lift companies before joining us.
- Lack of good engineers in more niche engineering areas that we work in; façade access and fire. Again, signposting of students to the vast range of engineering disciplines and specialising.

- Technically we lack digital design and construction skills aligned to the industry standard software packages eg/ Revit, NavisWorks, Revizto etc – the basic tools we use to design and develop buildings in practice.
- Also knowledge of the virtual and augmented reality software to communicate design ideas accurately and clearly eg/ Enscape, Twin Motion (gaming technology essentially)
- Lack of understanding of how buildings are actually constructed eg/ how to make a building watertight
- Lack of understanding of what BIM actually is – it's not just a software package – it's about designing a virtual prototype of the building in the computer together with all disciplines and members of the supply chain to drive efficiencies, quality, reduce carbon etc
- NB students coming out of traditional architectural degree courses unfortunately lack these skills – so if they can teach them to UTC students that would be very appealing!

- From a personal skill set point of view, there is always room for people with more developed interpersonal skills, eg, empathy and collaboration.
- Finally we see a lot of young people with a great ability to problem solve through innovation/trial and error which is to be encouraged.

I am not sure if they have a connection with South Bank Uni at Southbank Academies, but if so I'd really encourage a connection with their Architecture Apprenticeship offer - Part 1 and Part2/3 – we've looked in to them and were very impressed – sadly U of Westminster don't offer this access to the profession, and currently no other London Universities do.

### **5.1.2. New Digital Partners**

[requested- Cisco have already confirmed support]

### **5.1.3. Sir Simon Milton Foundation**

[requested]

### **5.1.4. Nickie Aiken MP**

[requested]

### **5.1.5. London South Bank University**

[requested]

### **5.1.6. Baker Dearing Educational Trust**

[requested]

### **5.1.7. Westminster City Council**

[requested]

## 5.2. NASR Research – Digital Skills Shortage

"digital skills of the future"

# Impact of Digital Changes on the Workforce

July 2020

**SOUTH BANK ACADEMIES**  
A Multi-Academy Trust

The National Skills Academy  
**RAIL**

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The National Skills Academy  
**RAIL**

"digital skills of the future"

- **Automation will accelerate the shift in required workforce skills** we have seen over the past 15 years.
- Research finds that the **strongest growth** in demand **will be for technological skills**.
- This surge will affect **demand for basic digital skills as well as advanced technological skills** such as programming.
- Demand for **social and emotional skills such as leadership and managing others will rise by 24 percent**
- **Basic cognitive skills**, which include basic data input and processing, **will decline by 15 percent**
- **Demand for physical and manual skills**, which include general equipment operation, **will also drop, by 14 percent**
- **Companies will need to make significant organisational changes** at the same time as addressing these skill shifts to stay competitive
- **Competition for high-skill workers will increase**
- **All stakeholders will need to work together** to manage the large-scale retraining and other transition challenges ahead. **Firms can collaborate with educators** to reshape school and college curricula. **Industry associations can help build talent pipelines**, while labour unions can help with cross-sector mobility.

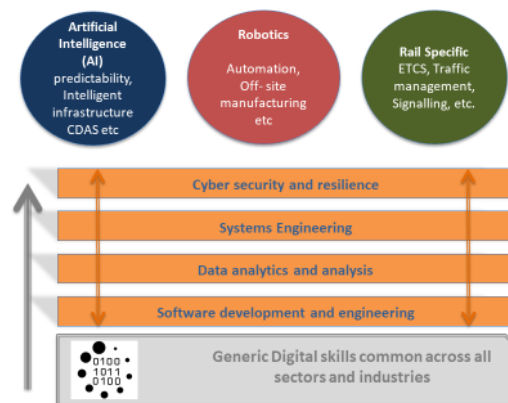
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### the global situation (research from McKinsey Global Institute in May 2018)

The National Skills Academy  
**RAIL**

"digital skills of the future"

- The rail industry, and particularly the Digital Railway Programme and Intelligent Infrastructure, will need everything from basic digital skills to cyber security and resilience capabilities
- These skills are largely sector agnostic and are increasing in their demand across the economy
- In addition, there are some other specific areas in AI (such as CDAS and Intelligent Infrastructure) where the applicability of technology will be critical.
- Finally there will be the rail specific requirements – Traffic Management, ETCS, etc that will require heavy sector and operational knowledge



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### the overall rail industry demand

The National Skills Academy  
**RAIL**

- How many people will be affected?
- Approximately **250,000 workers** (Includes operations (both train and infrastructure), asset maintenance, and relevant parts of corporate services and renewals / enhancements)
- Assume all need either:
  - Upskilling (modest training - 55% of the requirement ) or
  - Reskilling (more training - 40% of the requirement ) or
  - As a new entrants (apprenticeships - 5% of the requirement)
- So **137,500 need upskilling, 100,000 need re-skilling and 12,500 new Apprenticeships**
- Which equates to approximately **£650m** of training and education cost to the industry, with **£250m** recoverable via the Apprenticeship Levy, so a net position of **£400m**, or less than 5% of our annual investment levels
- It's a small price to pay

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### what's the scale of the challenge in UK Rail?



- New jobs, in the areas of:
  - Software development and engineering
  - Data analytics and analysis
  - Systems engineering
  - Cyber security and resilience
  - Diagnostics and monitoring
- However, almost every existing role in the railway will require new skills:
  - Better IT skills
  - Better analytical skills
  - Better communication skills
  - Skills on the application of digital information to customers
  - Better and more agile management and leadership skills

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### what type of jobs and skills do and will we need?



Approved Apprenticeship Standard	Level	Duration (months)	Funding (Max)	Apprenticeship Standard in Development	Level	Duration (months)	Funding (Max)
Cyber security technician	3	18	£11,000	Data technician	3	24	TBC
Digital support technician	3	15	£13,000	Radio network technician	3	24	TBC
Infrastructure technician	3	12	£15,000	Digital accessibility specialist	4	24	TBC
IT solutions technician	3	18	£13,000				
Network cable installer	3	12	£9,000				
Software development technician	3	18	£15,000				
Unified communications technician	3	24	£15,000				
Cyber intrusion analyst	4	24	£18,000				
Cyber security technologist	4	24	£18,000				
Data analyst	4	24	£15,000				
DevOps engineer	4	24	£17,000				
Digital community manager	4	24	£13,000				
IS business analyst	4	18	£18,000				
Network engineer	4	24	£17,000				
Software developer	4	24	£18,000				
Software tester	4	24	£18,000				
Unified communications trouble shooter	4	24	£18,000				
Creative digital design professional	6	36	£25,000				
Cyber security technical professional (integrated degree)	6	48	£24,000				
Data scientist (integrated degree)	6	36	£19,000				
Digital and technology solutions professional (integrated degree)	6	36	£25,000				
Digital user experience (UX) professional (integrated degree)	6	48	£24,000				
Artificial intelligence (AI) data specialist	7	24	£17,000				
Digital and technology solutions specialist (integrated degree)	7	18	£21,000				

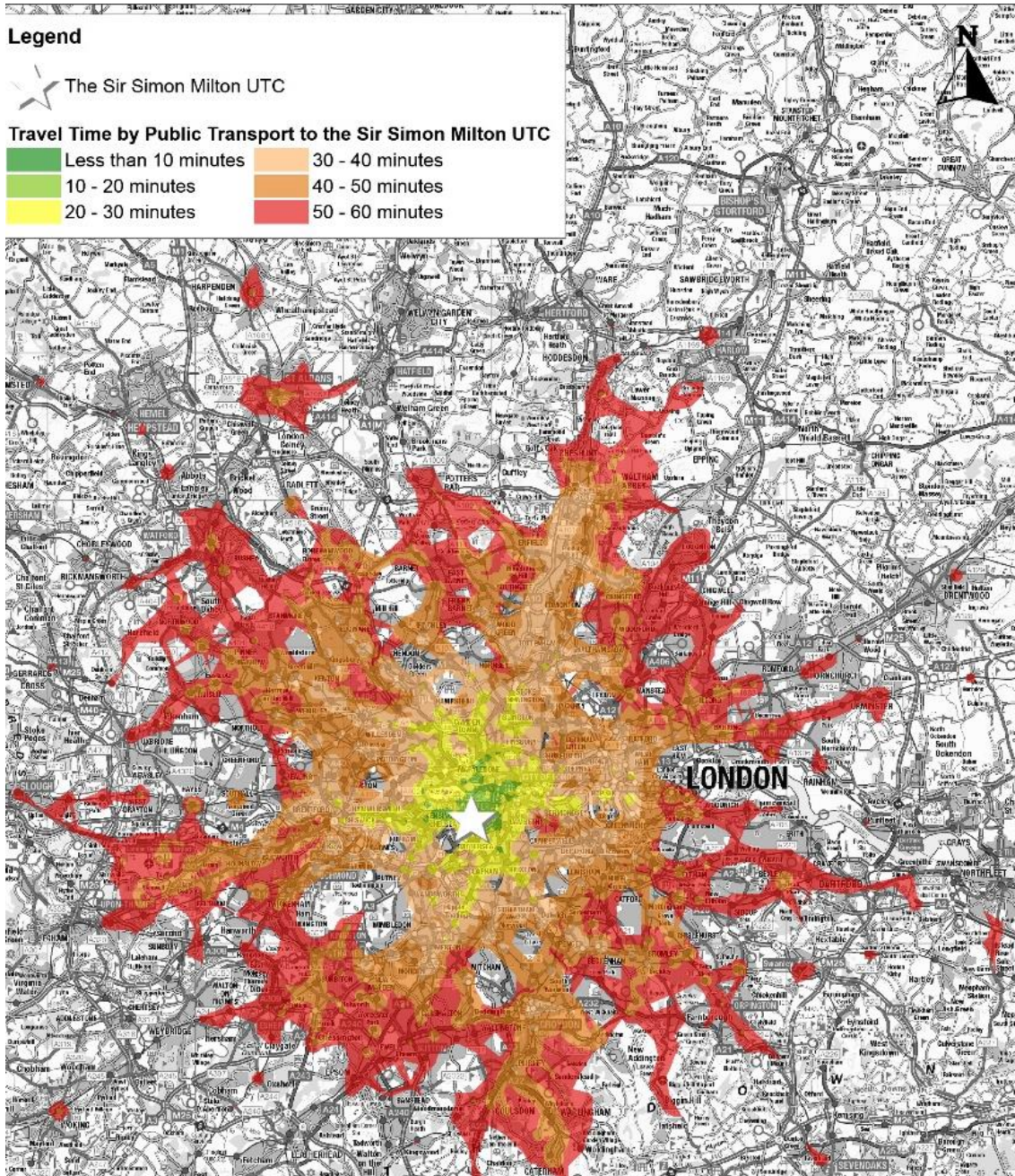
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### the 'make' – current digital apprenticeships (July 2019)



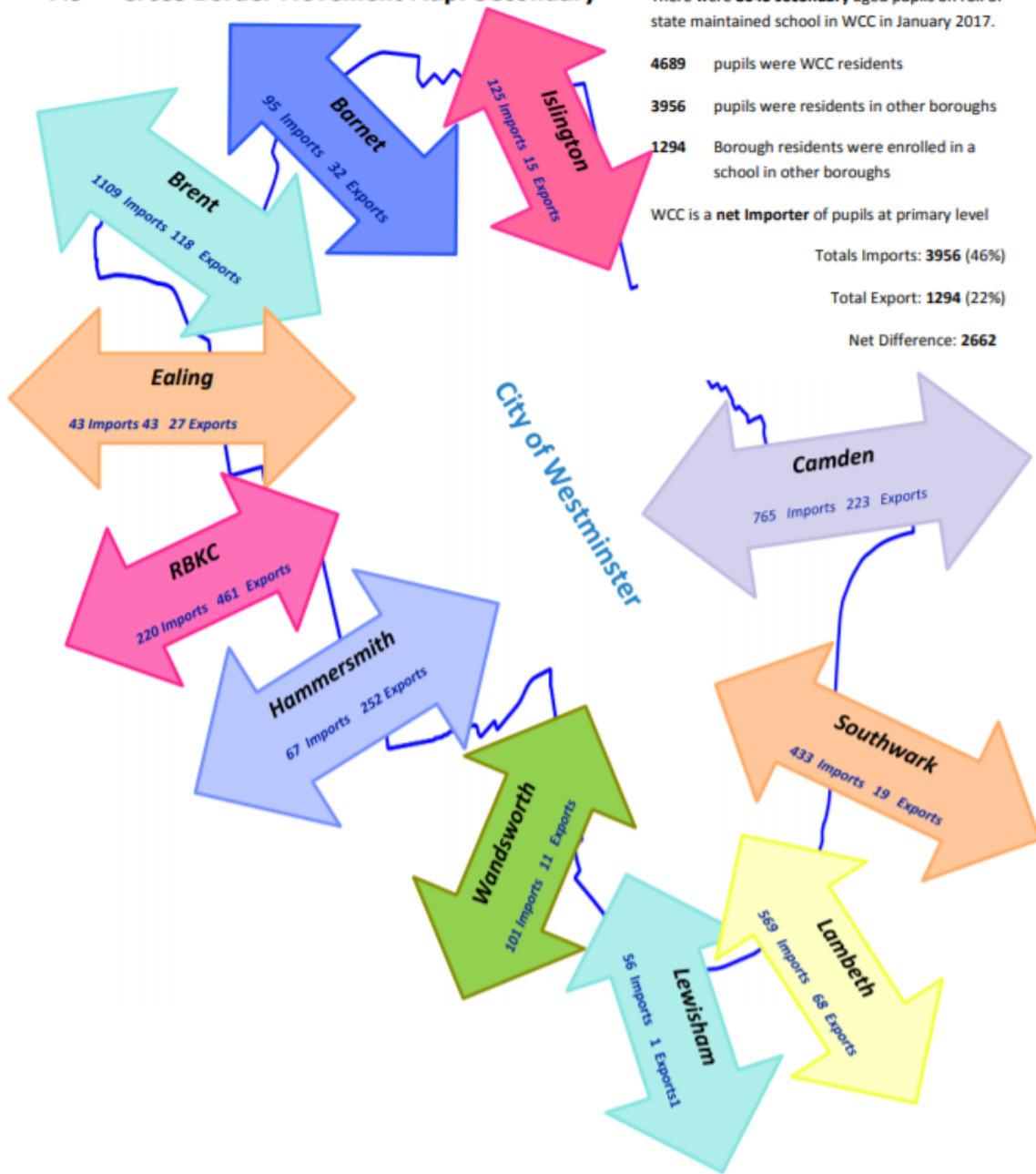


### 5.3. Atkins Travel Map



## 5.4. Westminster Borough Secondary 'Imports' and 'Exports'

### 7.9 Cross Border Movement Map: Secondary



There were **8645** secondary aged pupils on roll of state maintained school in WCC in January 2017.

**4689** pupils were WCC residents

**3956** pupils were residents in other boroughs

**1294** Borough residents were enrolled in a school in other boroughs

WCC is a **net importer** of pupils at primary level

Totals Imports: **3956** (46%)

Total Export: **1294** (22%)

Net Difference: **2662**

## 5.5. References

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<sup>i</sup> **Notes on summer 2020 grades:** Nationally, schools have been asked to submit centre-assessed grades for GCSEs in lieu of a conventional examination cycle. In each subject, grades have been submitted within a rank order list of students based on assessment information to indicate the grade they would be most likely to achieve if there was a summer examination series as normal. This data is subject to national moderation and standardisation by subject, based on a number of measures including students' prior performance in the previous key stage and the prior performance of schools. In this system, History grades for a school may be moderated up while those in English may be moderated down. The exact methodology and weighting has not been published, however. We do know that centre-assessed grades (CAG) indicate a national increase in performance over 2019 data – so many schools are likely to have assessed generously. At both SBA schools, the process to arrive at CAG has been thorough and robust, with grades and ranking reached through thorough data collection, weighted towards firm assessment evidence which has itself been standardised and moderated. Department heads have scrutinised CAG data and moderated, while senior leaders have evaluated data at student level, identifying and moderating between subjects. Full training has been given to staff to ensure the process is robust as far as possible. It is important to reinforce that no 2020 data will be published at national level: there will be no league tables, so future Ofsted inspections will consider 2019 performance when arriving at key lines of enquiry.

<sup>ii</sup> <https://files.ofsted.gov.uk/v1/file/50059145>

<sup>iii</sup> Source: Baker Dearing

<sup>iv</sup> See note on this summer's grades

<sup>v</sup> [http://www.southbankmat.org.uk/uploads/Documents/Governance/Scheme%20of%20Delegation%20-%20FINAL%20%20approved%2023%20March%202019%20\(1\).pdf](http://www.southbankmat.org.uk/uploads/Documents/Governance/Scheme%20of%20Delegation%20-%20FINAL%20%20approved%2023%20March%202019%20(1).pdf)

<sup>vi</sup> Sir Simon Milton UTC application

<sup>vii</sup> RSA – Labour Force Survey 2011-2019

<sup>viii</sup> <https://www.skillsbuilder.org/>

<sup>ix</sup> School Organisation and Investment Strategy 2018 – Westminster City Council

<sup>x</sup> London Councils – 'Do the maths' 2018/2020

<sup>xi</sup> School Organisation and Investment Strategy 2018 – Westminster City Council

<sup>xii</sup> Baker Dearing – Destination Insights 2019



## Appendix 1

### **Project Fern initial financial due diligence**

A summary of the key issues noted from our initial review of the latest statutory accounts to 31/8/19 and the most recent management accounts to 31/5/20 is provided below.

Further review is required regarding any potential financial impact of:

- Legal issues
- Complications regarding the current lease for the buildings occupied by the School
- Unwinding arrangements with Fulham Boys school and future accounting support required
- The financial accounting treatment of 125 lease for the buildings (which are not capitalised and depreciated)

Subject to further review in these areas, our assessment (based on the review of the statutory accounts and latest management accounts) is that acquisition of Fern would present low *financial* risk to the LSBU group.

The assessment reflects:

- No significant regularity issues that we are aware of
- Total forecast income for 2019/20 of c£2m (approx. 1% of total group income) of which £1.7m is from ESFA
- Total net assets at 31/8/19 of c£500k (which will be eliminated based on forecast result for 2019/20)
- No significant capex plans /commitments that we are aware of
- No significant contingent liabilities reported (requires more recent legal review)
- No charges over the assets
- The most significant risk would seem to be forecast student numbers (which is the purpose of the business case)
- The other key risk is around cashflow. The cashflow shows a forecast of only £1k at 31/8 and hence future financial support will be required
- Based on the current cash position and the current deficit forecast for 2019/20 of £500k, future financial support will be required. Our preliminary estimate, subject to review of the business case is that support required during the business turnaround period will be in the region of £1m - £2m.

### **Fern Analysis of financial accounts and latest management accounts**

#### Financial Statements

- New senior management team since Sept 19
- Auditors Buzzacott. They are aware of our interest in the Westminster UTC as reference was made to it at our recent audit planning meeting.
- Discloses that the UTC is looking to join a trust and mentions discussion with Fulham Boys School. Discussions must have been at an advanced stage as they say they are waiting for DFE approval which was expected in March 2020 and refers to this merger in the going concern and future activities section
- the make-up of the governing body is described on pages 4 onwards
- professional services (which we assume includes accounting) is provided by Fulham Boys school under the direction of their schools Director of Finance and Operations. This ends at 31<sup>st</sup> August

## Appendix 1

- the Sir Simon Milton Foundation provides financial support of £53k Per year as scholarship funding. No other income from members/sponsors is disclosed apart from a small amount of lettings income.
- key risks include recruitment and retention of students, as expected. Consultation has been undertaken to admit at year 9 and year . We believe this to be complete and year 9 entry is possible.
- No matters in relation to regularity reported (p 18) and the auditor's report on regularity confirms this
- Auditors report brings to the governors' attention the position of net liabilities and negative general reserves, but have not altered their audit opinion
- Excluding movement in the fixed asset fund, the UTC made a loss for the year of £193k
- 125 lease on building is not included on balance sheet and needs review
- Pension scheme liability of £167k
- Net cash outflow for the year of £233k with a closing bank balance of £190k.
- There were not borrowings at last year end or charges over assets.
- Average wages and salaries costs risen from £33.2k in 2018 to £39.6k in 2019, an increase of 19.2%. total pay costs went up by 24.4% reflecting increases in agency, social security and pension costs.
- Tangible fixed assets do not include the land and buildings that the school occupies as owned by Westminster council and occupied under a lease agreement
- No capital commitments or contingent liabilities at year end.
- LPFA pension liabilities were £167k at 31<sup>st</sup> Aug 2019, an increase of £122k since the previous year end. The movement is almost all driven by changes in actuarial assumptions.

### Management Accounts to 31 May 2020

- Forecasting a deficit of £499k for this year
- Clawback based on student numbers of £280k confirmed relating to this year, mostly relating to under recruitment of KS4, although the variance to budget is split almost equally between KS and accounts for most of the income variance to budget.
- Some pay and non pay cost savings as a result of Covid19 closure, offset against additional £20k for summer marketing campaign. Seems that the school had expected some non pay savings as a result of joining a MAT which haven't materialised, resulting in a £45k variance to budget. Otherwise a range of adverse and favourable variances to budget as we would expect in any organisation.
- Cashflow tight over the summer, especially in June and August with Estate service charges and rates going out. May have negotiated late payment of service charges and there may be a suspension of rates. These two items will improve the cash position by £250k. But cash looking tight and 31/8 forecast is for balance of only £1k. Likely to require cash support of some kind (especially as I&E shows deficit forecast of c£500k. However, unaware of any significant capital plans.

### Governance and legal initial due diligence

Initial governance and legal due diligence on Sir Simon Milton Westminster (SSMW) UTC has been carried out. SSMW has responded to a due diligence questionnaire covering the company, assets, the business including contracts, consents required, insurance, litigation, compliance, and data and information. No material issues have been identified at this stage. A more detailed review will be carried out prior to final approval and transfer of the SSMW undertaking to SBA.

### Sir Simon Milton lease report

Below is a light-touch analysis of the current lease. No material issues have been identified. Further review will be required in due course.

1.	Premises	Sir Simon Milton Westminster UTC, Ebury Bridge, Westminster
2.	Landlord  Name and address  Details of Managing agents	Westminster City Council  None
3.	Guarantee	None
4.	Term  Length of term and date from which the term is calculated	125 years from and including 1 September 2017
5.	Break rights and options	Provided that the Tenant produces to the Landlord evidence of the consent of the Secretary of State for Education to it doing so the Tenant may terminate this lease on any Break Date (the 25 <sup>th</sup> , 50 <sup>th</sup> , 75 <sup>th</sup> and 100 <sup>th</sup> anniversaries of the lease) by serving a Break Notice on the Landlord at least nine months before the Break Date as stated in the Break Notice
6.	Landlord and Tenant Act 1954	Not referred to



12.	User	Not defined
13.	Alterations	Tenant not to erect any buildings or other structures on the Property nor make any structural or external alterations additions or variations to any structures for the time being on the Property without the Landlord's prior written consent (such consent not to be unreasonably withheld or delayed)
14.	<p>Dealings</p> <p>Assignment</p> <p>Restrictions</p> <p>Charging</p>	<p>the Tenant is permitted to assign or transfer the whole of the Property to:-</p> <p>(a) the Relevant Secretary of State a proprietor or proposed proprietor of an Academy or a successor charitable or public body without the consent of the Landlord where the Secretary of State for Education has given approval in writing to such an assignment or transfer; and</p> <p>(b) any other party with the written consent of the Landlord (not to be unreasonably withheld or delayed;</p> <p>No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a written consent signed by The Secretary of State for Education of Sanctuary Buildings, Great Smith Street, London SW1P 3BT</p>

		The Tenant may charge the Property without Landlord's consent
15.	<p>Insurance and reinstatement</p> <p>Responsibility for insurance and payment of premiums</p> <p>Insured risks</p> <p>Reinstatement</p>	<p>The landlord insures and the tenant reimburses the premium.</p> <p>fire, lightning, explosion, earthquake, storm, tempest, flood, subsidence, landslip, heave, impact, terrorism, bursting or overflowing of water tanks and pipes, damage by aircraft and other aerial devices or articles dropped therefrom, riot and civil commotion, labour disturbance and malicious damage and such other risks as the Landlord insures against from time to time, subject in all cases to any exclusions or limitations as may from time to time be imposed by the insurers or underwriters, provided that if in respect of any period of time the Landlord is unable to effect insurance against any one or more of such risks upon terms or at a premium which the Landlord considers reasonable then during such period such risk or risks are deemed to be excluded from the definition of "Insured Risks";</p> <p>Landlord to ensure superior landlord reinstates if premises damaged by insured risk</p>
16.	Service charge	N/A
17.	Supplemental documents	Superior lease referred to (not seen)

18.	Other material provisions or omissions	<p>Any liability under Environmental Law (including, without limitation, any liability under the Contaminated Land Regime) arising in respect of Hazardous Substances in, on, under or emanating from the Property, on or before the date of this Lease, shall be the sole responsibility of the Landlord</p> <p>City West Homes has a right of access through UTC demise</p>
19.	Agreement for lease	
	Payments due under agreement	<ul style="list-style-type: none"> <li>• the Rent (if demanded);</li> <li>• the Maintenance Charge payable within five working days after written demand;</li> <li>• the sums payable in connection with insurance pursuant to Clause 4.2:</li> <li>• all other sums (including VAT) due under this Lease from the Tenant to the Landlord.</li> </ul>

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# Agenda Item 4

	CONFIDENTIAL
Paper title:	South Bank Academies 2020-21 Budget including 5 year financial forecast up to 2024-25
Board/Committee:	South Bank Academies Board
Date of meeting:	27 July 2020
Author(s):	Helena Abrahams – Trust Business Manager
Sponsor(s):	Fiona Morey - CEO
Purpose:	For approval – 2020-21 Budget
Recommendation:	The Board is requested to: - approve the 2020-21 Draft Budget - note the financial forecasts to 2024-25

## **Executive summary**

The draft 2020-21 budget has been prepared using assumptions on student numbers, income and expenditure detailed in the attached documents. Board approval is required for the assumptions that have been made.

The Board is requested to approve the draft 2020-21 budget.

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## Executive Summary

We are requesting approval of the consolidated 2020-21 budget for South Bank Academies.

The five-year forecast has been produced for strategic planning purposes and looking at the sustainability of the Trust, even though the ESFA normally request a three-year budget forecast.

Our strategic planning has been done with the best information available to us at this time. We have had to make assumptions about the 'known unknowns' in order to present the most informed picture of the financial landscape and how this will impact on the sustainability of the Trust

Due to the impact of the coronavirus (COVID-19) outbreak on education settings, the ESFA's BFR3Y 2020 has some one-off changes made to it.

The changes include:

- extending the deadline by 2 months to 29 September 2020
- removing the need to submit forecasts for academic years 2021/22 and 2022/23 for this year only
- including 8 summary revenue fields for 2018/19

We are planning to submit our 2020-21 budget in mid-September, as soon as the ESFA portal is open.

We are requesting approval from the Board for the assumptions that have been made in setting the 2020-21 budget.

These include:

### • Student Numbers Projections

We have worked closely with the Principals and Executive Principal to forecast the student numbers for future years taking into account their student number trends

This is always challenging, but their remit was not to be overly optimistic especially where growth is going to be difficult because of the local demographic and changes outside of our control

There are separate worksheets for student numbers for UAE and UTC included in this workbook

We will revisit the budget forecasts in the 3rd week of September 2020 ahead of the Autumn census to review whether the student number projections have materialised

### • GAG Income

GAG Funding is driven by student numbers and is funded for future years from the number of students on roll in the previous October.

Our GAG funding for 2020-21 is based on the number of students on roll in October 2019

We are still awaiting the outcome of the government's Spending Review, but on 20th July, the government announced secondary per-pupil funding will be at least £5,150 in 2021-22

***We have assumed a 2% increase to GAG funding from 2020-21***

• **Other Grant Income**

Pupil Premium rate for 2020-21 has slightly increased from £935 to £955 per pupil

For the Teachers' Pay and Teachers' Pensions Grant we have assumed that these grants will continue until they can be factored into budget allocations

***We have assumed no increase to these grants from 2020-21 to 2024-25***

• **16-19 Programme Funding**

The national funding rate for full-time 16 and 17 year old has increased to £4,188 for 2020-21 only. We are expecting further announcements in the government Spending Review

The national funding formula, through which minimum funding levels are guaranteed, will not fully come into effect until April 2022.

***We have assumed no increase to this funding from 2020-21 to 2024-25***

• **Staffing Costs (Teaching and Support Staff)**

This week's announcement from the government is that starting salaries for new teachers will rise by 5.5 per cent next year, with the upper and lower boundaries of the pay ranges for all other teachers to rise by 2.75 per cent

Their recommendations amount to a 3.1 per cent increase in the overall pay bill for 2020-21 – 'which will be funded by schools'

The government says this is affordable as schools will get £2.6 billion extra funding next year as part of the government's three-year funding increase.

Support staff were offered a 2.75% increase applicable from April 2020. NJC committee met in June 2020 and the Local Government Association rejected a request to approach the government for further funding. Unions have not accepted this offer yet

***We have assumed a 3% (unfunded) increase to teaching and support staff pay for 2020-21 and 2% for future years***

• **Non-pay expenditure**

Forecasting in the midst of a pandemic has to be more speculative than ever

We are looking into negotiating reviews and renewals for the larger contracts like catering, cleaning, ICT and energy costs

***We have assumed a 1.5% increase to the majority of our non pay expenditure from 2020-21 to 2024-25***

• **Top Slice - 8% of GAG Income**

Last year, the top slice was reported as 5%. This was calculated against all income

Of 19-20 GAG income – 5.8% (6.2% - UTC and 5.7% - UAE)

Increase from 19-20 to 20-21 is to incorporate all central staffing costs

If we compare how we top sliced 19-20 against all income, in 20-21, this amounts to 7%

8% sounds high and is difficult to benchmark as this information is not collected in ESFA submissions, only in the Annual Accounts. Using the DfE benchmarking tool, I found 2 similar academies to us - Tudor Park Education Trust, 2 academies - 9%, King James Academy Royston, now part of The Diamond Learning Partnership, 12 schools - 6%

We do have a central team that allows us to take on growth of the Trust which is a benefit for the situation with SSWUTC.

As more school joins the Trust, we may be able to reduce the top slicing %, but this will depend on a number of factors including how many central staff are inherited

## South Bank Academies - Draft 20-21 Budget

Income		UAE	UTC	Trust	Consolidated		
	Detail	2020 - 21					
IL 101	20% Rates Relief	65,000	0	0	65,000		
IL 102	GAG (excluding 16-19 Allocation and Student Service Grant)	5,500,689	620,847	0	6,121,537	Top Slice 8%	
IL 103	Student Services Grant (Academy Post 16 Bursary Funding)	6,303	19,928	0	26,231	Top Slice 8%	
IL 105	Start Up Grants	0	19,000	0	19,000	Top Slice 8%	
IL 108	Pupil Premium	340,935	26,800	0	367,735		
IL 116	(2016) 16-19 Allocation	442,188	1,166,291	0	1,608,479	Top Slice 8%	
IL 132	Pupil Number Adjustment	0	350,000	0	350,000		
IL 134	(2016) Other non-GAG grants	126,326	60,635	0	186,961		
IL 200	Local authority: Revenue income	140,000	47,000	0	187,000		
IL 204	(2016) Voluntary Income Other	122,000	26,250	0	148,250		
IL 205	Other Government Grant revenue income	0	100,000	0	100,000		
IL 209	(2016) Other Income	0	0	650,019	650,019	Top Slice 8%	
	<b>Income Revenue Total</b>	<b>6,743,441</b>	<b>2,436,751</b>	<b>650,019</b>	<b>9,830,211</b>	Actual income = £9,180	

Expenditure		UAE	UTC	Trust	Consolidated		
	Detail	2020 - 21					
EL 300	Teaching staff	3,343,678	1,493,105	164,861	5,001,645		
EL 301	Supply/Agency Teaching staff	104,000	30,000	0	134,000		
EL 302	Educational support	616,615	123,331	0	739,946		
EL 303a	Premises Staff	80,194	35,914	0	116,108		
EL 303b	Administrative Staff	321,479	179,908	349,639	851,026		
EL 303c	Catering Staff	0	0	0	0		
EL 303d	Extended School	0	0	0	0		
EL 303e	Other Staff	31,870	0	0	31,870		
EL 304	Indirect employee expenses	44,706	18,395	20,599	83,700		
EL 305	Staff development	40,000	6,000	0	46,000		
EL 311	Social Security Costs	0	0	0	0		
EL 320	Transfer of revenue deficit from LA	0	0	0	0		
EL 330	Premises - Rent	0	0	0	0		
EL 331	Premises - Rates	65,000	0	0	65,000		
EL 332	Premises - Maintenance and services	178,500	42,030	0	220,530		
EL 333	Other Premises	218,700	44,025	0	262,725		
EL 334	Operating leases	0	0	0	0		
EL 340	Insurance	0	0	0	0		
EL 341	Risk Protection Arrangement (RPA)	12,663	3,906	0	16,569		
EL 345	Supplies and Services - Educational IT	188,000	34,160	0	222,160		
EL 346	Supplies and Services - Educational Other (exclude IT)	526,566	114,291	0	640,857		
EL 347	Supplies and Services - Non Educational	240,702	97,770	65,900	404,373		
EL 360	Other Support costs (recoverable)	475,934	174,085	0	650,019	Top Slice 8%	
EL 361	Bank interest and charges	0	0	0	0		
EL 362	PFI charge	0	0	0	0		
EL 370	Interest on loans	0	0	0	0		
EL 375	Governance costs - Auditors remuneration	0	0	25,000	25,000		
EL 376	Governance costs - Legal & Professional	0	0	0	0		
EL 377	Depreciation Costs	180,000	0	0	180,000		
EL 420	(2016) Transfers to capital fund	0	0	0	0		
	<b>Expenditure Revenue Total</b>	<b>6,668,608</b>	<b>2,396,920</b>	<b>625,999</b>	<b>9,691,527</b>		

In Year Surplus / (Deficit)	74,833	39,831	24,020	138,684	Trust surplus of £25k for unexpected costs
Add back depreciation (non-cash)	180,000	0	0	180,000	
In Year Surplus / (Deficit) exc depreciation	254,833	39,831	24,020	318,684	
Surplus / (Deficit) Brought Fwd	0	0	0	0	19-20 reserves will be pooled
Cumulative Surplus / (Deficit) C/Fwd exc depreciation	254,833	39,831	24,020	318,684	
Surplus as a % total income	1%	2%	4%	1%	
Surplus at 1.5% of total income	101,152	36,551	9,750	147,453	Not added as an expenditure line

## DECLARATIONS

This budget was/will be\* considered by the Governing Body at their meeting on:  
Delete as Appropriate

Head Teacher: \_\_\_\_\_

Chair of Governors: \_\_\_\_\_

South Bank Academies - 5 Year Forecast

VE Group	2020-21				2021-22				2022-23				2023-24				2024-25			
<b>Revenue</b>																				
<b>Income</b>	<b>UAE</b>	<b>UTC</b>	<b>Trust</b>	<b>Consolidated</b>	<b>UAE</b>	<b>UTC</b>	<b>Trust</b>	<b>Consolidated</b>	<b>UAE</b>	<b>UTC</b>	<b>Trust</b>	<b>Consolidated</b>	<b>UAE</b>	<b>UTC</b>	<b>Trust</b>	<b>Consolidated</b>	<b>UAE</b>	<b>UTC</b>	<b>Trust</b>	<b>Consolidated</b>
Total DfE revenue Income	6,481,441	2,263,501	0	8,744,942	6,533,654	2,512,396	0	9,046,050	6,624,086	2,874,147	0	9,498,233	6,912,991	2,983,376	0	9,896,367	7,153,346	3,068,960	0	10,222,306
Local Authority	140,000	47,000	0	187,000	140,000	47,000	0	187,000	140,000	47,000	0	187,000	140,000	47,000	0	187,000	140,000	47,000	0	187,000
Voluntary Income	122,000	26,250	0	148,250	105,000	26,250	0	131,250	105,000	26,250	0	131,250	105,000	26,250	0	131,250	105,000	26,250	0	131,250
Other Govn Grant rev inc	0	100,000	0	100,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	650,019	650,019	0	0	663,019	663,019	0	0	676,280	676,280	0	0	689,805	689,805	0	0	703,602	703,602
Transfer in Revenue from Capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Income:</b>	<b>6,743,441</b>	<b>2,436,751</b>	<b>650,019</b>	<b>9,830,211</b>	<b>6,778,654</b>	<b>2,585,646</b>	<b>663,019</b>	<b>10,027,319</b>	<b>6,869,086</b>	<b>2,947,397</b>	<b>676,280</b>	<b>10,492,763</b>	<b>7,157,991</b>	<b>3,056,626</b>	<b>689,805</b>	<b>10,904,422</b>	<b>7,398,346</b>	<b>3,142,210</b>	<b>703,602</b>	<b>11,244,158</b>
<b>Expenditure</b>																				
Staff Costs	4,582,542	1,886,653	535,099	7,004,294	4,644,359	2,061,749	565,972	7,272,080	4,829,692	2,176,539	581,299	7,587,530	5,005,115	2,238,180	599,185	7,842,480	5,135,709	2,286,347	604,594	8,026,650
Risk Protection Arrangement (RPA)	12,663	3,906	0	16,569	12,853	3,965	0	16,818	13,046	4,024	0	17,070	13,241	4,084	0	17,325	13,440	4,146	0	17,586
Other Non - Staff Costs	2,073,403	506,361	90,900	2,670,664	2,001,192	509,417	85,574	2,596,183	1,947,831	516,746	86,257	2,550,834	1,957,061	525,403	86,951	2,569,415	1,966,498	534,207	87,655	2,588,360
Transfer to capital fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenditure:</b>	<b>6,668,608</b>	<b>2,396,920</b>	<b>625,999</b>	<b>9,691,527</b>	<b>6,658,404</b>	<b>2,575,131</b>	<b>651,546</b>	<b>9,885,081</b>	<b>6,790,569</b>	<b>2,697,309</b>	<b>667,556</b>	<b>10,155,434</b>	<b>6,975,417</b>	<b>2,767,667</b>	<b>686,136</b>	<b>10,429,220</b>	<b>7,115,647</b>	<b>2,824,700</b>	<b>692,249</b>	<b>10,632,596</b>
In Year Surp/(Def):	74,833	39,831	24,020	138,684	120,250	10,515	11,473	142,238	78,517	250,088	8,724	337,329	182,574	288,959	3,669	475,202	282,699	317,510	11,353	611,562
Surp/(Def) B/Fwds:	0	0	0	0	74,833	39,831	24,020	138,684	195,083	50,346	35,493	280,922	273,600	300,434	44,217	618,251	456,174	589,393	47,886	1,093,453
Cumulative C/Fwds:	74,833	39,831	24,020	138,684	195,083	50,346	35,493	280,922	273,600	300,434	44,217	618,251	456,174	589,393	47,886	1,093,453	738,873	906,903	59,239	1,705,015

## Pupil Numbers Report

University Academy of Engineering South Bank

Age	Year	Key Stage	Oct 2019	Oct 2020	Oct 2021	Oct 2022	Oct 2023
12	Year 7	KS3	127	110	130	150	150
13	Year 8	KS3	144	128	110	130	150
14	Year 9	KS3	137	144	128	110	130
15	Year 10	KS4	143	137	144	128	110
16	Year 11	KS4	138	143	137	144	128
Post 16	Year 12	KS5	42	60	60	75	75
Post 16	Year 13	KS5	25	42	60	60	75
<b>Total</b>			<b>756</b>	<b>764</b>	<b>769</b>	<b>797</b>	<b>818</b>



## Pupil Numbers Report

South Bank Engineering UTC

Age	Year	Key Stage	Oct 2019	Oct 2020	Oct 2021	Oct 2022	Oct 2023
15	Year 10	KS4	24	40	50	55	55
16	Year 11	KS4	37	25	40	50	55
Post 16	Year 12	KS5	93	150	150	150	150
Post 16	Year 13	KS5	63	85	140	140	140
<b>Total</b>			<b>217</b>	<b>300</b>	<b>380</b>	<b>395</b>	<b>400</b>

Key Performance Indicators	UAE				
	2020 - 21	2021 - 22	2022 - 23	2023 - 24	2024 - 25
Total Staff Costs (£)	4,497,836	4,558,103	4,741,416	4,914,972	5,043,854
Total Staff Costs to EFA Revenue Income(%)	69%	70%	72%	71%	71%
Total Staff Costs to Total Income (%)	67%	67%	69%	69%	68%
Total Staff Costs as Proportion of Total Expense (%)	67%	68%	70%	70%	71%
FTE Teaching Staff	55.2	54.3	54.1	54.1	54.1
FTE Support Staff	32.3	32.3	32.3	32.3	32.3
Total FTE	87.5	86.6	86.4	86.4	86.4
Total Pupil Numbers by Lagged Pupil Numbers	756	764	769	797	818
Pupil Teacher Ratio as per Lagged Pupil Numbers	13.7	14.07	14.21	14.73	15.12
Average Teacher Cost (£)	60,574	62,358	65,721	68,171	69,983
Proportion of budget spent on the Leadership team (%)	11%	10%	10%	10%	10%
Spend per pupil for non-pay expenditure lines (£)	2871.39	2749.09	2664.7	2585.25	2532.76

Key Performance Indicators	UTC				
	2020 - 21	2021 - 22	2022 - 23	2023 - 24	2024 - 25
Total Staff Costs (£)	1,862,258	2,036,328	2,150,350	2,211,428	2,259,075
Total Staff Costs to EFA Revenue Income(%)	82%	81%	75%	74%	74%
Total Staff Costs to Total Income (%)	76%	79%	73%	72%	72%
Total Staff Costs as Proportion of Total Expense (%)	78%	79%	80%	80%	80%
FTE Teaching Staff	21.3	22	22	22	22
FTE Support Staff	9.5	11.2	12.1	12.1	12.1
Total FTE	30.8	33.2	34.1	34.1	34.1
Total Pupil Numbers by Lagged Pupil Numbers	217	300	380	395	400
Pupil Teacher Ratio as per Lagged Pupil Numbers	10.19	13.64	17.27	17.95	18.18
Average Teacher Cost (£)	70,099	72,667	75,583	77,671	79,211
Proportion of budget spent on the Leadership team (%)	14%	13%	12%	12%	12%
Spend per pupil for non-pay expenditure lines (£)	2463.88	1796.01	1439.36	1408.2	1414.06

	CONFIDENTIAL
Paper title:	Teachers' Pay Policy
Board/Committee:	SBA Board
Date of meeting:	27 July 2020
Author(s):	Jacqui Collins, Trust HR Manager
Sponsor(s):	Dan Cundy, Executive Principal
Purpose:	For Approval
Recommendation:	To ratify the proposed teachers' pay policy in time for 1st September 2020 deployment.

## **Executive summary**

At the meeting of the Board on 6<sup>th</sup> July, it was requested that a number of suggested amendments were followed up in detail with two trustees and that the proposed pay policy be considered in more detail at a meeting of the Remuneration Committee. Having considered and incorporated a number of these changes, an amended document was presented to the Remuneration Committee on 23<sup>rd</sup> July 2020.

Following a detailed presentation to the committee, and a particular discussion around the governance processes for pay decisions and appeals, the updated and final document has been included with this paper. Therefore, in light of the recommendation from the Remuneration Committee, the Board is asked to agree and ratify the policy in time for 1<sup>st</sup> September 2020 deployment.

In consideration of the above, the following documents have been provided:

1. Teachers' pay policy – final document.
2. Teachers' pay scales (including re-benchmarked leadership scales, Summer 2020).

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# Teachers' Pay Policy

## Introduction

This policy sets out the framework for making decisions on teachers' pay. It has been developed to comply with current legislation. Whilst South Bank Academies operates pay and conditions which are broadly in line with the School Teachers' Pay and Conditions Document (STPCD), we are not bound by it (including national pay award) nor the Burgundy Book. South Bank Academies operates its own pay scales and terms and conditions and, in setting its budget, will set its own annual pay award.

Pay decisions are made by the SBA Board, remuneration committee, CEO, Executive Principal and Principals, as set out in this policy.

## Aims

In adopting this policy the aim is to:

- maximise the quality of teaching and learning, and the wider student experience.
- support the recruitment and retention of a high quality teacher workforce.
- enable the Trust to recognise and reward teachers appropriately for their contribution.
- ensure that decisions on pay are managed in a fair, just and transparent way whilst eliminating unnecessary bureaucracy for all concerned.

Whilst 1265 hours of 'directed time' is recognised as a significant benchmark, and work-life balance will be an important consideration, the school will not be bound by the 1265 hour limit. Teachers are expected to take part in the school's enrichment programme and work such hours as may be needed to enable the effective discharge of the teacher's professional duties and to meet the educational needs of our students.

All teaching staff will be paid in accordance with the qualified, unqualified or leadership scales dependent upon qualifications and experience. We will ensure all teachers in middle leadership posts receive a clear pay differential for their additional leadership responsibilities by way of an addendum to the main contract of employment.

Those staff on the senior leadership scale will receive a leadership contract and are entitled to an annual holiday entitlement as described in their contract of employment.

South Bank Academies will not expect employees to cover for long-term employee absence. In these circumstances the school may choose at its discretion to rewrite part of, or the entire, timetable or employ additional teaching staff. The school endeavours to work towards a rarely cover situation by using a range of strategies to cover short-term absences. However, the school reserves the right to use teaching staff for cover where it believes they can employ their professional skills effectively to deliver a worth-while learning experience for students in the absence of their usual teacher.

The school will ensure PPA (planning, preparation and assessment time) is preserved and that distribution of such teaching as outlined above is applied fairly and monitored so as not to overburden individual employees.

The school reserves the right to restructure the timetable during periods of gained time or to use gained time for the use of cover where it believes teaching staff can employ their professional skills effectively to deliver a worthwhile learning experience for students.

### **Minimising workload through the appraisal and pay process**

We are committed to minimising the impact on workload for all parties involved. Our processes will be proportionate, facilitating robust evidence based decisions which are readily available from day to day practice. Our teaching staff will be treated fairly and objectives will be challenging and achievable, based on success criteria which are within their control. Furthermore, the wellbeing of our teaching staff will be considered when setting objectives and when making performance related pay arrangements and decisions. Whilst each school will organise its own distinct performance management and appraisal arrangements, these processes will be in line with this commitment.

### **Pay Reviews**

Teachers' salaries will be reviewed annually and not later than 31<sup>st</sup> October. Any changes in salary will take effect from 1<sup>st</sup> September. A written statement setting out salary and any other financial benefit will be provided to all employees.

Reviews may take place at other times of the year to reflect changes in circumstances or job description that lead to a change in the basis for calculating an individual's pay. A written statement will be given after review and where applicable will give information about the basis on which it was made.

Where pay determination leads or may lead to the start of a period of safeguarding, the Trust will give the required notification as soon as possible and no later than one month after the date of the determination. We will adopt a safeguarding period of two years in those circumstances.

### **Basic pay determination on appointment**

The Principal will determine the starting salary of a teacher, within the appropriate prescribed range. In the case of determining the starting salary of the Executive Principal or Principal, the CEO will make the decision regarding the pay range for these posts. In making such determinations, the decision makers may take into account a range of factors, including:

- the nature of the post (ie. shortage subject);
- the level of qualifications, skills and experience (including number of years' experience) required (ie. A-level teaching experience);
- market conditions;
- the wider school context.

There is no assumption that a teacher will be paid at the same rate as they were being paid in a previous school.

### **Pay progression based on performance**

At South Bank Academies, all teachers can expect to receive regular, constructive feedback on their performance and are subject to annual appraisal which recognises their strengths, informs plans for their future development, and helps to enhance their professional practice. The arrangements for teacher appraisal are set out in the school's appraisal policy.

Decisions regarding pay progression will be made with reference to appraisal reports and the pay recommendations they contain. In the case of NQTs, whose appraisal arrangements are different, pay decisions will be made by means of the statutory induction process. It will be possible for a 'no progression' determination to be made without recourse to the capability procedure.

To be fair and transparent, assessments of performance will be properly rooted in evidence whilst being proportionate to be able to support robust decisions. At South Bank Academies, we will ensure fairness by ensuring objectives are set in line with teachers' standards. We will minimise the impact on workload for individual teachers, line managers and Principals throughout the process. Objectives and performance management discussions will not be based on teacher generated data and predictions, or solely on the assessment data for a single group of pupils.

The evidence we will use will be proportionate and include: regular dialogue through line management meetings and other such communications; quality assurance of marking and assessment; and observations of teaching.

Teachers' appraisal reports will contain pay recommendations from the appraiser. The decision about whether to accept a pay recommendation will be made by the Principal, having regard to the appraisal report and in taking into account other factors as listed below. An overview of the process each year, will be reported to the remuneration committee, who will make recommendations to the SBA Board.

In the case of the Principal, the Executive Principal will carry out the appraisal and will make recommendation about pay. The decision about whether to accept pay recommendation will be made by a panel comprising the Chair of the School Advisory Board, the CEO and the School Improvement Partner, having regard to the appraisal report and in taking into account other factors as listed below. The Remuneration Committee, in considering a report from this panel, will make recommendations to the SBA Board in terms of ratification of the decision making process.

In the case of the Executive Principal, the CEO will carry out the appraisal and will make recommendation about pay. The decision about whether to accept pay recommendation will be made by a panel comprising the Chair of the SBA Board, a member of the Remuneration Committee and a School Improvement Partner, having regard to the appraisal report and in taking into account other factors as listed below. The Remuneration Committee, in considering a report from this panel, will make recommendations to the SBA Board in terms of ratification of the decision making process.

In setting the school's budget, the SBA Board will ensure appropriate funding is allocated for pay progression at all levels, subject to affordability.

Judgments of performance will be made against the extent to which teachers have met their individual objectives and the relevant standards and how they have contributed to:

- impact on pupil progress;
- impact on wider outcomes for pupils;
- improvements in specific elements of practice, such as behaviour management or lesson planning;
- impact on effectiveness of teachers or other staff; and
- wider contribution to the work of the school.

In the case of the Principal or Executive Principal, judgments of performance will also be considered against the school's development plan.

The rate of progression may be differentiated according to an individual teacher's performance and will be on the basis of absolute criteria. Ordinarily, a teacher meeting their performance management targets may expect to move one increment point (unless at the top of the scale) unless their performance has been assessed to be exceptional, i.e. by exceeding the relevant standards, all teaching being exceptional, showing a strong commitment to the school, being prepared to go above and beyond the call of duty, acting as an exemplar for others and showing a commitment to improving their own performance and to continuing professional development.

There is however no obligation to increase an individual's pay unless it is warranted by performance. There are other considerations at large such as attendance and punctuality, warnings on file, and these will be factored into the final decision. Where an employee has a live warning on file, pay progression will not be granted during the first year of such a warning, but may be granted in year 2. For any employees with a live investigation in progress during pay review, pay progression will be suspended until the outcome of the investigation is known. In the case that there is no further action, and if the employee was eligible for pay progression, this would be awarded retrospectively with backpay. In such circumstances, it may be considered that such a level of performance will result in no pay progression that year.

### **Pay progression timeline**

In order to be eligible for consideration of pay progression on 1<sup>st</sup> September, an employee must have been in post for six months, ie. have commenced employment with South Bank Academies before 1<sup>st</sup> March of that appraisal cycle. Employees who join the school after 1<sup>st</sup> March will be considered in the pay progression round in the following academic year.

### **Appraisal Pay and Determination Cycle**

South Bank Academies undertakes to manage its pay and determination cycle as follows (the appraisal policy should be considered alongside this section).

#### Autumn term

- All objectives and success criteria to be finalised.
- Performance is monitored as set out in the appraisal policy (such as through ongoing professional dialogue between the relevant parties, mid-year reviews and observation).

#### Spring/Summer terms

- Performance continues to be monitored as set out in the school's appraisal policy.

#### Autumn term

- Appraisal cycles should be completed by 31<sup>st</sup> October.
- Teachers will attend an appraisal meeting with their appraiser and receive a report which includes an assessment against their objectives and success criteria, the relevant standards and a recommendation on pay progression.
- The Principal will consider recommendations and make decisions regarding pay progression for individual teachers (relevant panels for Principal and Executive Principal).
- The Principal (or panels) will present a report to the Remuneration Committee for consideration around the decision making process.
- The SBA Board shall consider the recommendations of the Remuneration Committee in ratifying the decision making processes.
- Teachers will receive an annual pay statement and a copy of the Trust's pay policy by 1<sup>st</sup> November, including the appeals procedure.
- South Bank Academies' pay and appraisal policies will be reviewed in the light of any changes to STPCD or other such considerations, including annual pay award.
- Appraisal objectives and success criteria, linked to pay progression are set for the next appraisal period.



## **Movement to the Expert Teacher Scale (ETS)**

### Application and Evidence

There are three scales within the South Bank Academies' Expert Teacher Scale. Teachers who are situated on scale M6 on the qualified teacher scale will be eligible for the expert teacher scale after two years on M6 (application should be made during year 2). Any such application must be assessed in line with this policy and it is the responsibility of the teacher to decide whether they wish to pursue an application to this scale. Applications may be made at least once a year within the following timeline:

- 31<sup>st</sup> May – Expert Teacher Pay Range application window opens – it is advised that teachers who are about to enter this process inform their department lead and associated senior leader.
- 10<sup>th</sup> July – Expert Teacher Pay Range application window closes – submissions after this date will not be considered.

If a teacher is simultaneously employed at (an)other school(s), they may submit separate applications if they wish to apply to be paid on the upper pay range in that school or schools. South Bank Academies will not be bound by any pay decision made by another school.

All applications will likely include the results of reviews or appraisals, references or testimonials from the head of department and attached senior leader, and evidence from the duration of a teacher's continuous service with South Bank Academies amounting to two years or more. If an employee's tenure is less than two years, evidence should be sought from the previous school which should include performance management/appraisal reports, and a reference from the Principal of that institution. Further information regarding this process will be published by 1<sup>st</sup> April each year.

### The Assessment

An application will be successful where the Principal is satisfied: (a) that the teacher is highly competent in all elements of the relevant standards; and (b) with the teacher's achievements and contribution. For the purposes of this pay policy:

- 'highly competent' means performance which is not only good but also good enough to provide coaching and mentoring to other teachers, give advice to them and demonstrate to them effective teaching practice in order to help them meet the relevant standards and develop their teaching practice in the wider school context. We expect our expert teachers to take on the role of developing the skills of others.
- 'substantial' means of real importance, validity or value to the school; play a critical role in the life of the school; provide a role model for teaching and learning; make a distinctive contribution to the raising of pupil standards; take advantage of appropriate opportunities for professional development and use the outcomes effectively to improve pupils' learning). We expect our expert teachers to contribute to wider school life and the success of the school.
- 'sustained' means maintained continuously over a long period (two years or more). Progression through ETS2 and ETS3 is dependent upon the teacher being routinely exceptional and contributing to the school and profession at a local and/or national level.

The application will be assessed by the Principal. The SBA Board reserves the right to limit the number of applications to the Expert Teacher Scale in any given year, subject to affordability. Information regarding the number of places, if limited, will be published by 1<sup>st</sup> April each year.

### Processes and procedures

The assessment will be considered by the Principal and applicants will be informed of the outcome by 31<sup>st</sup> October. If successful, applicants will move to the expert teacher scale with effect from 1<sup>st</sup> September (the September immediately following application). Successful applicants will be

automatically placed on ETS1. A teacher will be eligible for the next scale on the expert teacher scale after two years, if they pass the appraisal process. There is no further movement after a teacher has reached ETS3.

Feedback will be provided by the Principal within 20 working days of the decision.

Any appeal will be heard under the school's general appeals arrangements.

### **Allowances and other payments**

#### Teaching and Learning, and SEND Responsibilities

South Bank Academies will award Teaching and Learning and SEND points for responsibility roles for teachers across its schools. These roles will be advertised, with allowance values weighted and differentiated at the time according to the responsibilities and accountabilities of the posts.

The national pay award will be taken into account in relation to any potential uplift of these values each year.

#### Additional Responsibility Allowances

South Bank Academies will award points for responsibility roles for teachers and support staff across its schools. These roles will be advertised, with allowance values weighted and differentiated at the time according to the responsibilities and accountabilities of the posts, and will be open to support staff as well as teaching staff where the person specification of the role does not require that the postholder is a teacher or holds a teaching qualification.

The national pay award will be taken into account in relation to any potential uplift of these values each year.

#### Recruitment and Retention Allowances

In order to recruit or retain teachers, in particular in shortage subject areas or in the case of sustained outstanding performance, we will consider the payment of a one-off recruitment or retention payment, not exceeding 5% of a teacher's salary. This payment may also be used in recruiting teachers to roles where relocation is necessary.

The Executive Principal will make any decision in agreeing the payment of such an allowance (the CEO in the case of the Executive Principal or Principal). Any teacher receiving such a payment would receive it in monthly instalments over the first term of employment and, if leaving SBA after less than two full years of employment, would be liable to repay the entirety of its value.

### **Part time Teachers**

Teachers employed on an ongoing basis at the school but who work less than a full working week are deemed to be part-time. South Bank Academies will provide a written statement detailing their working time obligations and the standard mechanism used to determine their pay, subject to the provisions of the statutory pay and working time arrangements and by comparison with the school's timetabled teaching week for a fulltime teacher in an equivalent post.

### **Short notice/Supply Teachers**

Teachers employed on a day-to-day or other short notice basis will be paid on a daily basis calculated on the assumption that a full working year consists of 195 days; periods of employment for less than a day being calculated pro-rata.

## Appeals

If a teacher wishes to appeal a decision regarding pay determination, they would be advised to give initial consideration to the following criteria as to the validity of such an appeal.

- Was any provision of this policy incorrectly applied?
- Did the school fail to have proper regard for statutory guidance?
- Did the school fail to take proper account of relevant evidence?
- Did the school take account of irrelevant or inaccurate evidence;
- Did the school show bias; or
- otherwise unlawfully discriminate against the teacher.

They should seek to resolve this firstly by writing to the Principal within ten working days of the decision (the Executive Principal in the case of the Principal and the CEO in the case of the Executive Principal). A meeting will be arranged with the employee within twenty working days of receipt of the written grounds to consider their representations. The decision will be given in writing within ten working days and, where the appeal is rejected, will include reasons for the decision.

Following this process, where the employee continues to be dissatisfied, they may follow a formal appeal process.

- The employee should set down in writing the grounds for questioning the pay decision and send it to the Executive Principal (CEO in the case of the Principal and the SBA Board in the case of the Executive Principal) via the HR department, within ten working days of the outcome.
- A hearing shall be convened within twenty working days of receipt of the written grounds. In the case of the Executive Principal, a panel of three trustees will be convened.
- The employee shall be given the opportunity to make representations and is entitled to be accompanied by a colleague or union representative.
- The decision of the appeal panel will be given in writing, within ten working days and, where the appeal is rejected, will include a note of the evidence considered and the reasons for the decision.
- The appeal panel's decision is final.

## Monitoring, Review and National Framework

This policy shall be reviewed annually by the South Bank Academies Board, at which time consideration shall be given to the national framework. We will review our pay and appraisal policies annually to clarify our approach to making performance-based pay decisions and to set out the extent to which any uplift to the national framework will be taken into account when making any pay decisions.

Policy reviewed by Remuneration Committee 23/07/2020

Policy reviewed and ratified by SBA Board: ..... (date)

Next review: ..... (date)

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# Teachers' Pay Scales

## Current SBA Scales 2019/20

(alongside current NJC equivalent)

NJC EQUIVALENT	SBA ROLE TYPE	PAY GRADE	SALARY	
UQ1	Teacher	TS1	£ 22,229	
UQ2	Teacher	TS2	£ 24,346	
UQ3	Teacher	TS3	£ 26,463	
UQ4	Teacher	TS4	£ 28,580	
UQ5	M1	Teacher	TS5	£ 30,504
	M2	Teacher	TS6	£ 31,756
UQ6	Teacher	TS7	£ 33,344	
	M3	Teacher	TS8	£ 34,932
	M4	Teacher	TS9	£ 35,990
		Teacher	TS10	£ 37,314
	M5	Lead Teacher	TS11	£ 39,166
		Lead Teacher	TS12	£ 40,753
	M6	Lead Teacher	TS13	£ 42,341
		Lead Teacher	TS14	£ 43,929
UPS1	Lead Teacher	TS15	£ 45,517	
UPS2	Lead Teacher	TS16	£ 47,105	
UPS3	Lead Teacher	TS17	£ 49,222	
		Lead Teacher	TS18	£ 50,598
		Lead Teacher	TS19	£ 51,868
		Lead Teacher	TS20	£ 52,927
		Lead Teacher	TS21	£ 53,985
	Director	TS22	£ 56,896	
	Director	TS23	£ 58,219	
	Director	TS24	£ 59,542	
	Director	TS25	£ 60,866	
	Director	TS26	£ 62,453	
	Director	TS27	£ 64,041	
	AVP	TS29	£ 67,217	
	AVP	TS30	£ 68,275	
	AVP	TS31	£ 69,863	
	AVP	TS32	£ 71,451	
	AVP	TS32B	£ 73,039	
	VP	TS33	£ 76,214	
	VP	TS34	£ 77,802	
	VP	TS35	£ 79,390	
	VP	TS36	£ 81,507	
	VP	TS37	£ 83,624	
	Principal	TS38	£ 86,800	
	Principal	TS39	£ 89,975	
	Principal	TS40	£ 93,151	
	Principal	TS41	£ 96,326	
	Principal	TS42	£ 99,502	
	Principal	TS43	£ 102,677	
EP	Principal	TS44	£ 105,853	
EP	Principal	TS45	£ 110,087	
EP	Principal	TS46	£ 114,321	
	Exec Principal	TS47	£ 118,430	
	Exec Principal	TS48	£ 123,670	
	Exec Principal	TS49	£ 128,910	
	Exec Principal	TS50	£ 134,150	
	Exec Principal	TS51	£ 139,391	
	Exec Principal	TS52	£ 144,631	
	Exec Principal	TS53	£ 149,871	

## Proposed SBA Scales Sep 2020

(Values are subject to pay award which has not yet been announced)

### UNQUALIFIED

UQ1	£ 22,237
UQ2	£ 24,293
UQ3	£ 26,350
UQ4	£ 28,405
UQ5	£ 30,460
UQ6	£ 32,515

### MAIN PAY SCALE (MPS)

M1	£ 30,480
M2	£ 32,070
M3	£ 33,741
M4	£ 35,499
M5	£ 38,230
M6	£ 41,483

### EXPERT TEACHER SCALE (ETS)

ETS1 Min	£ 45,713
ETS2	£ 47,960
ETS3 Max	£ 49,571

### TEACHING & LEARNING

#### RESPONSIBILITY ALLOWANCES (TLRs)

TLR1	£ 10,000
	£ 8,069
TLR2	£ 5,000
TLR3	£ 2,500

#### ADDITIONAL RESPONSIBILITY

##### ALLOWANCES (ARAs)

Minimum	£ 1,000
Maximum	£ 3,500

##### SEND ALLOWANCES

Minimum	£ 2,209
Maximum	£ 4,359

### LEADERSHIP SCALE

AVP	L14	£64,344
	L15	£65,747
	L16	£67,295
	L17	£68,663
	L18	£70,194
	L19	£71,742
	L20	£73,328
VP	L21	£74,949
	L22	£76,618
	L23	£78,318
	L24	£80,074
	L25	£81,867
	L26	£83,699
P	L27	£85,579
	L28	£87,512
	L29	£89,491
	L30	£91,522
	L31	£93,594
	L32	£95,722
	L33	£97,911
	L34	£100,140
	L35	£102,436
EP	L36	£104,776
	L37	£107,194
	L38	£109,648
	L39	£112,131
	L40	£114,742
	L41	£117,416
	L42	£120,156
	L43	£121,749

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# Agenda Item 6

	CONFIDENTIAL
Paper title:	South Bank Academies Management Accounts June 2020
Board/Committee:	South Bank Academies Board
Date of meeting:	27 July 2020
Author(s):	Om Parkash – Schools Finance Manager Helena Abrahams – Trust Business Manager
Sponsor(s):	Fiona Morey - CEO
Purpose:	For review
Recommendation:	The Board is requested to: - review the June 20 Management Accounts

## **Executive summary**

The June 2020 Management Accounts have been presented in a slightly amended format.

Depreciation has been removed from the in year income and expenditure figures and moved to below the line so to eliminate confusion raised by Principals about the management of depreciation costs in year.

There are comments added for each line of expenditure for the Trust, UAE and UTC and consolidated report for all entities.

We have added the revised budget for 19-20 so the split between each area of income and expenditure will have moved from the March 2020 reports.

The Board is requested to review the June 2020 Management Accounts and approve the amended format for future reports.

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## Executive Summary of Management Accounts as at 20<sup>th</sup> July 2020

### Consolidated Position of Income and Expenditure to end of FY19-20

	FY19-20 Agreed Budget	Current Forecast to end of year - August 2020	Current Variance
<b>Total Income</b>	<b>£9,417,354</b>	<b>£9,121,001</b>	<b>-£296,353 (negative)</b>

**Variance explanation:**

**UTC** - Total of -£59k reduction made up of:

(-£83k) Budgeted General Annual Grant (GAG) income for Pupil Number Adjustment will not materialise  
 £93k Other Gov Grants (FSM vouchers, reduction in SEN income and claim for capital equipment purchases)  
 (-£69k) Other Income (reduction in lettings, reduction in catering income due to COVID-19 offset by reduction in expenditure)

**UAE** - Total of -£237k reduction made up of:

(-£391k) Budgeted General Annual Grant (GAG) income for Pupil Number Adjustment will not materialise, ESFA Insurance claim, reduction in Teachers Pay Award/Pension Grants,  
 £114k Other Government Grants (£128k Tailored Support Grant not budgeted, £4k insurance claim and (-£13k) associated with FSM and clawback from SEN income)  
 £40k Other Income (£30k external grants, reclaim for FSM vouchers and reduction in catering income due to COVID-19 offset by reduction in expenditure)

<b>Total Staffing</b>	<b>6,414,512</b>	<b>6,238,066</b>	<b>176,446 positive</b>
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**Variance explanation:**

**MAT** - £5.9k overspend on agency staff brought in by previous business manager for project related work

**UTC** - £8k underspend on staffing offset by overspend in agency staff

**UAE** - £174k underspend on staffing (substantive posts not filled and due to turnover of staff and delays in recruitment resulting in an overspend in agency staff)

<b>Total Other Expenditure</b>	<b>£3,010,510</b>	<b>£2,828,779</b>	<b>£181,731 positive</b>
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**Variance explanation:**

**MAT** - Net overspend of £-7k

**UTC** - Net overspend of £-2k

**UAE** - Net underspend of £194k

Principal items over £20k (+/-)

(-£49k) overspend in Other Occupational Costs ((-£10k) cleaning contract and materials, (-£26k) Building Management System upgrade, (-£14k) electricity costs, £15k insurance claim expenditure offset by claim income, (-£14k) H&S checks relating to kitchen, fire alarm & security)

£125k underspend in Educational Supplies & Services (£46k Student Rewards, £80k Equipment (not IT) - movement of some expenditure to capital, (-£13k) for stationery, (-£18k) for Photocopying costs, £72k for Professional Services, (-£24k) for Subscriptions budget understated, (-£25k on Examination Fees due to 18/19 invoice paid in 19/20, £8k on IT equipment)

£73k underspend in Other Supplies & Services (£10k for catering costs - saving on catering contract, (-£10k) for telephones, £14k for advertising costs, (-£4k) for postage due to more postal communication with parents/carers due to COVID-19, £17k for photocopying leasing, £34k for IT services due to accrual reversal for outstanding Southwark IT invoice, (-£15k) for Professional Services - non-educational, £21k for general office costs, £8k for furniture and equipment

<b>Total Expenditure</b>	<b>£9,425,022</b>	<b>£9,066,845</b>	<b>£358,177</b>
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<b>Surplus/(Deficit) inc depreciation</b>	<b>-£7,668</b>	<b>£54,156</b>	<b>-£61,824</b>
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<b>Add back depreciation</b>	<b>£161,793</b>	<b>£192,298</b>	<b>-£30,505</b>
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<b>Surplus/(Deficit) exc depreciation (non-cash)</b>	<b>£154,125</b>	<b>£246,454</b>	<b>-£92,329</b>
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**Notes for Board members:**

1. More detailed explanations of variances can be found on Pages 4-12 in the reports produced by Finance Manager.

2. Understanding the context of the budget setting process for 19-20 was a little problematic.
3. The budget setting process for 2020-21 has been more detailed and with close consultation with Principals and Executive Principal to ensure that the variances for next year should be narrower.

Helena Abrahams

Introduction

This document provides a position of management accounts as at Jun20, and a forecast of Outturn position for the 19/20 Financial Year covering the 12 months Sep19 to Aug20. The financial position is shown at both consolidated level and at Trust, UTC, and UAE level against the approved budget agreed by the Board.

Consolidated Position £

Selection Criteria:

Company(s) - South Bank Academies ; Location(s) - As Selected ; Period - 2019/20.10 ; Year End Period(s) - None ; Budget - Budget 1920 ; Comparative Budget - None ; Cost Type(s) - As Selected ; Activities - As Selected ; Include Commitments - All Commitments in the System ; Show Detail Lines - Hide ; Show Current Period Section - Yes ; Show Location As - Consolidated

	Consolidated										Fcast by Om	Var: Om Fcast-Bud
	CURRENT PERIOD				YTD TOTALS				FULL YEAR	SPENT		
	Actual	Commitments	Budget 1920	Variance	Actual	Commitments	Budget 1920	Variance	Budget 1920	(%)		
<b>Income</b>												
A0 - GAG funding	593,971.23	-	698,755.00	(104,783.77)	6,548,439.33	-	6,987,550.00	(439,110.67)	8,385,048.00	78.10 %	7,910,240.88	(474,807.12)
A2 - Other Govt Grants	156,484.76	-	34,226.00	122,258.76	625,935.97	-	342,260.00	283,675.97	410,708.00	152.40 %	618,268.00	207,560.00
A3 - Private Sector Funding	-	-	17.00	(17.00)	-	-	370.00	(370.00)	400.00	-	203.00	(197.00)
A4 - Other Income	38,562.66	-	51,759.00	(13,196.34)	429,355.11	11,180.00	517,665.00	(77,129.89)	621,198.00	70.92 %	592,289.71	(28,908.29)
<b>Total Income</b>	<b>789,018.65</b>	<b>-</b>	<b>784,757.00</b>	<b>4,261.65</b>	<b>7,603,730.41</b>	<b>11,180.00</b>	<b>7,847,845.00</b>	<b>(232,934.59)</b>	<b>9,417,354.00</b>	<b>80.86 %</b>	<b>9,121,001.59</b>	<b>(296,352.41)</b>
<b>Total Staffing Expenditure</b>	<b>569,279.58</b>	<b>-</b>	<b>491,264.00</b>	<b>(78,015.58)</b>	<b>5,215,907.44</b>	<b>-</b>	<b>5,302,172.00</b>	<b>86,264.56</b>	<b>6,414,512.00</b>	<b>81.31 %</b>	<b>6,238,066.88</b>	<b>176,445.12</b>
<b>Total Budgeted Surplus</b>									<b>169,830.00</b>		<b>0.00</b>	<b>169,830.00</b>
C0 - Maintenance of Premises	1,420.66	2,240.78	6,395.00	2,733.56	59,678.42	35,016.67	63,950.00	(30,745.09)	76,730.00	123.41 %	95,966.28	(19,236.28)
C1 - Other Occupational Costs	(6,946.32)	4,710.53	37,539.00	39,774.79	260,914.18	15,031.93	375,390.00	99,443.89	450,471.00	61.26 %	475,996.98	(25,525.98)
D0 - Educational Supplies and Services	20,298.58	13,808.48	67,710.00	33,602.94	627,764.74	94,055.67	677,875.00	(43,945.41)	815,940.00	88.46 %	727,013.41	88,926.59
E0 - Other Supplies and Services	(82,858.48)	2,528.00	95,070.00	175,400.48	836,509.92	15,882.66	947,256.00	94,863.42	1,166,307.00	73.08 %	1,047,961.20	118,345.80
F0 - ICT Costs (Non Capital)	(22,129.84)	89.44	4,928.00	26,968.40	108,145.23	10,816.38	49,280.00	(69,681.61)	59,144.00	201.14 %	125,468.59	(66,324.59)
G0 - Staff Development	2,345.34	-	7,849.00	5,503.66	138,726.04	13,124.99	90,577.00	(61,274.03)	110,295.00	137.68 %	164,075.07	(53,780.07)
H0 - Other GAG Expenses	-	-	-	-	-	-	-	-	-	-	0.00	0.00
I0 - Depreciation	14,855.54	-	13,483.00	(1,372.54)	157,113.19	-	134,830.00	(22,283.19)	161,793.00	259.76 %	192,298.27	(30,505.27)
<b>Total Other Expenditure</b>	<b>(73,014.52)</b>	<b>23,377.23</b>	<b>232,974.00</b>	<b>282,611.29</b>	<b>2,188,851.72</b>	<b>183,928.30</b>	<b>2,339,158.00</b>	<b>(33,622.02)</b>	<b>3,010,510.00</b>	<b>92.79 %</b>	<b>2,828,779.80</b>	<b>181,730.20</b>
<b>Total Expenditure</b>	<b>496,265.06</b>	<b>23,377.23</b>	<b>724,238.00</b>	<b>204,595.71</b>	<b>7,404,759.16</b>	<b>183,928.30</b>	<b>7,641,330.00</b>	<b>52,642.54</b>	<b>9,425,022.00</b>	<b>84.84 %</b>	<b>9,066,846.68</b>	<b>358,175.32</b>
<b>Surplus / (Deficit) excl. Capital</b>	<b>292,753.59</b>	<b>(23,377.23)</b>	<b>60,519.00</b>	<b>208,857.36</b>	<b>198,971.25</b>	<b>(172,748.30)</b>	<b>206,515.00</b>	<b>(180,292.05)</b>	<b>(7,668.00)</b>		<b>54,154.91</b>	<b>61,822.91</b>

The Consolidated Income & Expenditure position shows a £-7k deficit against a £Nil budgeted surplus, an adverse movement of £-61k. By entity this is mainly attributed to;

	19/20 Surplus/(Deficit) £K	19/20 Outturn Forecast £K	Variance £K
<b>MAT</b>	0.0	(13)	(13)
<b>UTC</b>	(61)	(114)	(53)
<b>UAE</b>	54	181	127
	<b>(7)</b>	<b>54</b>	<b>61</b>

In addition to the revenue budgeted surplus above, the UTC has £7k budgeted for Capital income. This off-sets the £-7k deficit shown within the table.

Major variances between the budgeted Surplus/(Deficit) and Outturn Forecast are explained below by each entity.

## MAT – Financial Summary £

<b>Selection Criteria:</b> Company(s) - <b>South Bank Academies</b> ; Location(s) - <b>MAT - South Bank Academies</b> ; Period - <b>2019/20.10</b> ; Year End Period(s) - <b>None</b> ; Budget - <b>Budget 1920</b> ; Comparative Budget - <b>None</b> ; Cost Type(s) - <b>As Selected</b> ; Activities - <b>As Selected</b> ; Include Commitments - <b>All Commitments in the System</b> ; Show Detail Lines - <b>Hide</b> ; Show Current Period Section - <b>Yes</b> ; Show Location As - <b>Non-Consolidated</b>													
MAT - South Bank Academies Trust													
	CURRENT PERIOD				YTD TOTALS				FULL YEAR	SPENT	Fcast by Om	Var: Om Fcast-Bud	
	Actual	Commitments	Budget 1920	Variance	Actual	Commitments	Budget 1920	Variance	Budget 1920	(%)			
<b>Income</b>													
A4 - Other Income	37,787.90	-	37,768.00	19.90	377,889.22	-	377,680.00	209.22	453,214.00	83.38 %	453,465.02	251.02	
<b>Total Income</b>	<b>37,787.90</b>	<b>-</b>	<b>37,768.00</b>	<b>19.90</b>	<b>377,889.22</b>	<b>-</b>	<b>377,680.00</b>	<b>209.22</b>	<b>453,214.00</b>	<b>83.38 %</b>	<b>453,465.02</b>	<b>251.02</b>	
<b>Expenditure</b>													
<b>Staffing Expenditure</b>													
B0 - Teaching Staff	2,255.96	-	13,370.00	11,114.04	33,011.70	-	133,700.00	100,688.30	160,437.00	20.58 %	37,523.62		
B3 - Admin Staffing	24,567.54	-	13,372.00	(11,195.54)	236,483.80	-	133,720.00	(102,763.80)	160,471.00	147.37 %	285,618.88		
B5 - Agency Staff	-	-	-	-	3,682.00	-	-	(3,682.00)	-	-	3,682.00		
<b>Total Staffing Expenditure</b>	<b>26,823.50</b>	<b>-</b>	<b>26,742.00</b>	<b>(81.50)</b>	<b>273,177.50</b>	<b>-</b>	<b>267,420.00</b>	<b>(5,757.50)</b>	<b>320,908.00</b>	<b>85.13 %</b>	<b>326,824.50</b>	<b>(5,916.50)</b>	
C1 - Other Occupational Costs	-	-	-	-	353.22	-	202.72	(555.94)	-	-	555.94	(555.94)	
D0 - Educational Supplies and Services	83.08	190.06	-	(273.14)	(1,385.33)	-	8,040.89	(6,655.56)	1,200.00	554.63 %	8,955.56	(7,755.56)	
E0 - Other Supplies and Services	1,588.31	-	6,291.00	4,702.69	12,199.22	-	6,156.42	59,466.00	41,110.36	100,906.00	18.19 %	68,364.06	32,541.94
F0 - ICT Costs (Non Capital)	345.68	-	458.00	112.32	20,971.87	-	4,580.00	(16,391.87)	5,500.00	381.31 %	22,200.23	(16,700.23)	
MAT5300 - IT Equipment - Non-Educational	-	-	-	-	2,348.46	-	-	(2,348.46)	-	-	2,348.46	(2,348.46)	
MAT5310 - IT Licensing	345.68	-	458.00	112.32	18,623.41	-	4,580.00	(14,043.41)	5,500.00	338.61 %	19,851.77	(14,351.77)	
G0 - Staff Development	-	-	2,042.00	2,042.00	35,155.50	-	1,550.00	(16,135.50)	24,700.00	148.61 %	39,213.84	(14,513.84)	
I0 - Depreciation	-	-	-	-	-	-	-	-	-	-	0.00	0.00	
<b>Total Other Expenditure</b>	<b>2,017.07</b>	<b>190.06</b>	<b>8,791.00</b>	<b>6,583.87</b>	<b>67,294.48</b>	<b>15,950.03</b>	<b>84,616.00</b>	<b>1,371.49</b>	<b>132,306.00</b>	<b>62.92 %</b>	<b>139,289.63</b>	<b>(6,983.63)</b>	
<b>Total Expenditure</b>	<b>28,840.57</b>	<b>190.06</b>	<b>35,533.00</b>	<b>6,502.37</b>	<b>340,471.98</b>	<b>15,950.03</b>	<b>352,036.00</b>	<b>(4,386.01)</b>	<b>453,214.00</b>	<b>78.64 %</b>	<b>466,114.13</b>	<b>(12,900.13)</b>	
<b>Surplus / (Deficit) excl. Capital</b>	<b>8,947.33</b>	<b>(190.06)</b>	<b>2,235.00</b>	<b>6,522.27</b>	<b>37,417.24</b>	<b>(15,950.03)</b>	<b>25,644.00</b>	<b>(4,176.79)</b>	<b>-</b>	<b>-</b>	<b>(12,649.11)</b>	<b>(12,649.11)</b>	

The MAT outturn position is £-12.6k deficit against a breakeven budget. In the main this is a result of increase on expenditure.

### Expenditure

- £-5.9k overspend on agency staff brought in by the previous Business Manager to assist on project related work.
- £-7.8k overspend on Educational Supplies & Services relating to PS Financial link, and Lambeth School Partnership.
- £32k underspend on Advertising which was partly due to £18k Branding & Marketing, and £3k Catering Consumable accruals from 18/19 reversing out in 19/20 and not being offset by expenditure in 19/20.
- £-16.7k overspend in ICT Costs associated with additional purchase of PSF Cloud Licences necessary to roll out E Procurement.
- £-14.5k overspend on Staff Development. A combination of £5k underspend on Course Fees for staff, and overspend of £22k on Recruitment of Trust Business Manager and Schools Finance Manager.

## UTC - Financial Summary £

Management Accounts Report													
Selection Criteria:													
Company(s) - South Bank Academies; Location(s) - UTC - South Bank Engineering UTC; Period - 2019/20.10; Year End Period(s) - None; Budget - Budget 1920; Comparative Budget - None; Cost Type(s) - As Selected; Activities - As Selected; Include Commitments - All Commitments in the System; Show Detail Lines - Hide; Show Current Period Section - Yes; Show Location As - Non-Consolidated													
UTC - South Bank Engineering UTC													
CURRENT PERIOD				YTD TOTALS				FULL YEAR	SPENT				
	Actual	Commitments	Budget 1920	Variance	Actual	Commitments	Budget 1920	Variance	Budget 1920	(%)	Fcast by Om	Var: Om Fcast-Bud	
<b>Income</b>													
A0 - GAG funding	144,457.15	-	163,253.00	(18,795.85)	1,586,929.10	-	1,632,530.00	(45,600.90)	1,959,029.00	81.01 %	1,875,828.32	(83,200.68)	
A2 - Other Govt Grants	110,974.30	-	20,599.00	90,375.30	347,984.90	-	205,990.00	141,994.90	247,185.00	140.78 %	340,318.00	93,133.00	
A3 - Private Sector Funding	-	-	-	-	-	-	200.00	(200.00)	200.00	-	203.00	3.00	
A4 - Other Income	2.68	-	4,208.00	(4,205.32)	(18,634.24)	-	42,155.00	(60,789.24)	50,600.00	(36.83) %	-18,624.00	(69,224.00)	
<b>Total Income</b>	<b>255,434.13</b>	<b>-</b>	<b>188,060.00</b>	<b>67,374.13</b>	<b>1,916,279.76</b>	<b>-</b>	<b>1,880,875.00</b>	<b>35,404.76</b>	<b>2,257,014.00</b>	<b>84.90 %</b>	<b>2,197,725.32</b>	<b>(59,288.68)</b>	
<b>Expenditure</b>													
<b>Staffing Expenditure</b>													
B0 - Teaching Staff	77,257.16	-	105,023.00	27,765.84	863,723.01	-	1,040,230.00	176,506.99	1,250,270.00	69.08 %	1,018,237.33		
B1 - Educational Support Staff	9,923.52	-	14,355.00	4,431.48	94,497.20	-	143,550.00	49,052.80	172,248.00	54.86 %	114,344.24		
B2 - Premises Staffing	2,911.48	-	1,204.00	(1,707.48)	18,536.01	-	12,040.00	(6,496.01)	14,450.00	128.28 %	24,358.97		
B3 - Admin Staffing	22,395.96	-	17,196.00	(5,199.96)	199,468.65	-	171,960.00	(27,508.65)	206,350.00	96.67 %	244,260.57		
B4 - Other Staff	-	-	-	-	568.75	-	-	(568.75)	-	-	568.75		
B5 - Agency Staff	39,360.21	-	-	(39,360.21)	218,790.96	-	10,000.00	(208,790.96)	10,000.00	2,187.91 %	243,790.96		
<b>Total Staffing Expenditure</b>	<b>151,848.33</b>	<b>-</b>	<b>137,778.00</b>	<b>(14,070.33)</b>	<b>1,395,584.58</b>	<b>-</b>	<b>1,377,780.00</b>	<b>(17,804.58)</b>	<b>1,653,318.00</b>	<b>84.41 %</b>	<b>1,645,560.82</b>	<b>7,757.18</b>	
<b>KO - Budgeted Surplus</b>									<b>67,710.00</b>		<b>0.00</b>	<b>67,710.00</b>	
C0 - Maintenance of Premises	522.79	-	167.00	(355.79)	15,610.93	997.39	1,670.00	(14,938.32)	2,000.00	830.42 %	16,907.51	(14,907.51)	
C1 - Other Occupational Costs	(23,394.53)	-	11,167.00	34,561.53	31,978.95	5,535.70	111,670.00	74,155.35	134,015.00	27.99 %	110,235.65	23,779.35	
D0 - Educational Supplies and Services	14,369.07	36.86	13,620.00	(785.93)	160,732.32	12,874.31	136,975.00	(36,631.63)	164,140.00	105.77 %	192,433	(28,292.63)	
E0 - Other Supplies and Services	29,787.43	-	22,950.00	(6,837.43)	222,020.33	5,072.48	229,500.00	2,407.19	275,388.00	82.46 %	262,579	12,808.59	
F0 - ICT Costs (Non Capital)	(203.32)	89.44	250.00	363.88	30,719.48	3,667.44	2,500.00	(31,886.92)	3,000.00	1,146.23 %	37,930.44	(34,930.44)	
G0 - Staff Development	1,507.75	-	237.00	(1,270.75)	38,161.83	4,857.75	14,307.00	(28,712.58)	18,747.00	229.47 %	46,406	(27,659.28)	
H0 - Other GAG Expenses	-	-	-	-	-	-	-	-	-	-	0.00	0.00	
I0 - Depreciation	78,855.78	-	-	(78,855.78)	263,155.77	-	-	(263,155.77)	-	-	423,865.33	(423,865.33)	
<b>Total Other Expenditure</b>	<b>22,589.19</b>	<b>126.30</b>	<b>48,391.00</b>	<b>25,675.51</b>	<b>499,223.84</b>	<b>33,005.07</b>	<b>496,622.00</b>	<b>-35,606.91</b>	<b>665,000.00</b>	<b>133.17 %</b>	<b>666,491.92</b>	<b>-1,491.92</b>	
<b>Total Expenditure</b>	<b>174,437.52</b>	<b>126.30</b>	<b>186,169.00</b>	<b>11,605.18</b>	<b>1,894,808.42</b>	<b>33,005.07</b>	<b>1,874,402.00</b>	<b>(53,411.49)</b>	<b>2,318,318.00</b>	<b>97.35 %</b>	<b>2,312,052.74</b>	<b>6,265.26</b>	
<b>Surplus / (Deficit) excl. Capital</b>	<b>80,996.61</b>	<b>(126.30)</b>	<b>1,891.00</b>	<b>78,979.31</b>	<b>21,471.34</b>	<b>(33,005.07)</b>	<b>6,473.00</b>	<b>(18,006.73)</b>	<b>(61,304.00)</b>		<b>(114,327.42)</b>	<b>(53,023.42)</b>	

The UTC outturn position is £-114k Deficit against a £-53k Budget Deficit. This is a result of £-59k reduction in income and £6k decrease in expenditure.

### £-59k Reduction in Income

- £-83k adverse in GAG income primarily due to Pupil Number Adj receipt which is not expected to materialise.
- £93k Other Gov Grants Income a net result of;
  - £27k FSM Voucher claims associated with COVID-19, and the Government scheme to claim for those entitled/hardship students.

- £31k reduction in SEN income. £24k has been invoiced to Lambeth BC for 18/19 and 19/20 but despite chasing monies have not been received and accordingly £24k reduction has been reflected within the forecast.
- £97k claim for capital receipts associated with specialist equipment purchases.
- £-69k reduction in Other Income;
  - £-9k reduction in lettings
  - £-60k reduction in catering income, a combination of £21k Parent Pay debtor reversal from 18/19 and the £40k absence of any parent pay income budget in 19/20.

#### **£6k Net decrease in Expenditure**

- £8k underspend in staff related expenditure, a net result of savings in substantive posts offset by overspend in agency.
- £67k underspend against “Budgeted Surplus” line (agreed at budget setting).
- £-15k overspend in Maintenance of Premises – largely associated with £10k new flooring funded by an insurance claim, and the remainder being general maintenance of premises.
- £24k underspend on Other Occupational Costs
  - £9k reduction associated with cleaning contract
  - £17k reduction on gas & electricity invoices from Trinity (£5k gas, £12k electricity). During the course of the year Trinity have failed to invoice the UTC in a timely manner, however Finance Manager has worked with the Trinity office to a way forward and has agreed and paid for invoices to end of Jun20.
- £-28k overspend on Educational Supplies and Services
  - £-16k overspend on subscriptions where the budget was simply understated. e.g. Baker Dearing
  - £-15K examination fees – again the budget was simply understated. £19k was incurred for Sep19 IQS exams alone.
- £13k underspend on Other Supplies & Services, a net result of;
  - £14k underspend on Catering
  - £-17k overspend on FSM Voucher Scheme (will be claimed for).
  - £16k underspend on Advertising
- £-35k overspend on ICT costs largely associated with IT licences which were not adequately budgeted. E.g. Virgin Broadband, SIMS, HOC, RULER, Net Threat, Parent Pay, Right Click, CPOMS.
- £-28K on Staff Development largely associated with recruitment/placement fees for new staff (5 staff) and TES advertising/subscription.



## UAE – Financial Summary £

Selection Criteria:													
Company(s) - South Bank Academies; Location(s) - ACA - University Academy of Engineering; Period - 2019/20.10; Year End Period(s) - None; Budget - Budget 1920; Comparative Budget - None; Cost Type(s) - As Selected; Activities - As Selected; Include Commitments - All Commitments in the System; Show Detail Lines - Hide; Show Current Period Section - Yes; Show Location As - Non-Consolidated													
ACA - University Academy of Engineering													
	CURRENT PERIOD				YTD TOTALS				FULL YEAR	SPENT	Fcast by Om	Var: Om	Fcast-Bud
	Actual	Commitments	Budget 1920	Variance	Actual	Commitments	Budget 1920	Variance	Budget 1920	(%)			
<b>Income</b>													
A0 - GAG funding	449,514.08	-	535,502.00	(85,987.92)	4,961,510.23	-	5,355,020.00	(393,509.77)	6,426,019.00	77.21%	6,034,412.56	(391,606.44)	
A2 - Other Govt Grants	45,510.46	-	13,627.00	31,883.46	277,951.07	-	136,270.00	141,681.07	163,523.00	169.98%	277,950.00	114,427.00	
A3 - Private Sector Funding	-	-	17.00	(17.00)	-	-	170.00	(170.00)	200.00	-	0.00	(200.00)	
A4 - Other Income	772.08	-	9,783.00	(9,010.92)	70,100.13	11,180.00	97,830.00	(16,549.87)	117,384.00	69.24%	157,448.69	40,064.69	
<b>Total Income</b>	<b>495,796.62</b>	<b>-</b>	<b>558,929.00</b>	<b>(63,132.38)</b>	<b>5,309,561.43</b>	<b>11,180.00</b>	<b>5,589,290.00</b>	<b>(268,548.57)</b>	<b>6,707,126.00</b>	<b>79.33%</b>	<b>6,469,811.25</b>	<b>(237,314.75)</b>	
<b>Expenditure</b>													
<b>Staffing Expenditure</b>													
B0 - Teaching Staff	239,791.85	-	204,488.00	(35,303.85)	2,363,750.44	-	2,434,412.00	70,661.56	2,973,223.00	79.50%	2,843,334.14		
B1 - Educational Support Staff	25,027.47	-	71,308.00	46,280.53	258,499.22	-	713,080.00	454,580.78	855,698.00	30.21%	308,554.16		
B2 - Premises Staffing	7,905.97	-	6,485.00	(1,420.97)	88,277.68	-	64,850.00	(23,427.68)	77,822.00	113.44%	104,089.62		
B3 - Admin Staffing	74,042.81	-	35,686.00	(38,356.81)	640,611.15	-	356,860.00	(283,751.15)	428,227.00	149.60%	788,696.77		
B5 - Agency Staff	43,839.65	-	8,777.00	(35,062.65)	196,006.87	-	87,770.00	(108,236.87)	105,316.00	186.11%	221,006.87		
<b>Total Staffing Expenditure</b>	<b>390,607.75</b>	<b>-</b>	<b>326,744.00</b>	<b>(63,863.75)</b>	<b>3,547,145.36</b>	<b>-</b>	<b>3,656,972.00</b>	<b>109,826.64</b>	<b>4,440,286.00</b>	<b>79.89%</b>	<b>4,265,681.56</b>	<b>174,604.44</b>	
<b>KO - Budgeted Surplus</b>											0	102,120.00	
C0 - Maintenance of Premises	897.87	2,240.78	6,228.00	3,089.35	44,067.49	34,019.28	62,280.00	(15,806.77)	74,730.00	104.49%	79,058.77	(4,328.77)	
C1 - Other Occupational Costs	16,448.21	4,710.53	26,372.00	5,213.26	228,582.01	9,293.51	263,720.00	25,844.48	316,456.00	75.17%	365,205.39	(48,749.39)	
D0 - Educational Supplies and Services	5,846.43	13,581.56	54,090.00	34,662.01	468,417.75	73,140.47	540,900.00	(658.22)	650,600.00	83.24%	525,625.22	124,974.78	
E0 - Other Supplies and Services	(114,234.22)	2,528.00	65,829.00	177,535.22	602,290.37	4,653.76	658,290.00	51,345.87	790,013.00	76.83%	717,018	72,995	
F0 - ICT Costs (Non Capital)	(22,272.20)	-	4,220.00	26,492.20	56,453.88	7,148.94	42,200.00	(21,402.82)	50,644.00	125.59%	65,337.92	(14,693.92)	
G0 - Staff Development	837.59	-	5,570.00	4,732.41	65,408.71	6,717.24	55,700.00	(16,425.95)	66,848.00	107.90%	78,454.95	(11,606.95)	
<b>Total Other Expenditure</b>	<b>(97,620.78)</b>	<b>23,060.87</b>	<b>175,792.00</b>	<b>250,351.91</b>	<b>1,622,333.40</b>	<b>134,973.20</b>	<b>1,757,920.00</b>	<b>613.40</b>	<b>2,213,204.00</b>	<b>83.24%</b>	<b>2,022,998.25</b>	<b>190,205.75</b>	
<b>Total Expenditure</b>	<b>292,986.97</b>	<b>23,060.87</b>	<b>502,536.00</b>	<b>186,488.16</b>	<b>5,169,478.76</b>	<b>134,973.20</b>	<b>5,414,892.00</b>	<b>110,440.04</b>	<b>6,653,490.00</b>	<b>80.97%</b>	<b>6,288,679.81</b>	<b>364,810.19</b>	
<b>Surplus / (Deficit) excl. Capital</b>	<b>202,809.65</b>	<b>(23,060.87)</b>	<b>56,393.00</b>	<b>123,355.78</b>	<b>140,082.67</b>	<b>(123,793.20)</b>	<b>174,398.00</b>	<b>(158,108.53)</b>	<b>53,636.00</b>		<b>181,131.44</b>	<b>127,495.44</b>	

The UAE Outturn position is a surplus of £181k against a budgeted surplus of £54k. This favourable movement of £127k has been made possible by deferring £37.5k Visionaries invoices (3 invoices of £12.5k associated with The Changemaker Prog for Students) from the current 19/20 financial year to 20/21. The costs have been deferred as a result of non-delivery of service following COVID-19. Furthermore Southwark IT invoice which was accrued for in 18/19 at £175k actually came in at £146k resulting in an accrual reversal benefit of £29k in 19/20. Had these transactions not taken place the outturn would be at £114.5k surplus against a £54k budgeted surplus.

The main movements are £-237k reduction in income, and £365k reduction in expenditure.

### £-237k Reduction in Income

- £-391k reduction in GAG Funding;

- £-308k reduction in Pupil Number Adj as budgeted income unlikely to be received.
- £-12k deduction for ESFA insurance scheme (offset by £15k favourable variance on expenses)
- £-79k reduction in ESFA Teachers Pay Award/ TPS partly offset by £131k Tailored Support Grant (see below).
- £114k favourable on Other Government Grants;
  - £128k due to Tailored Support Grant that was not budgeted, and £4k insurance claim for break in at school – both unbudgeted.
  - £-9k reduction in Other EFA Grants associated with FSM
  - £-4k shortfall in SEN income due to clawback for funds paid by Southwark.
- £40k increase in Other Income;
  - £30k external grants/funding i.e. £20 Restore The Music Grant , £6k Hopewell Grant, £1.2k PGCE Students income, £1.2k Youth Games.
  - £83k potential claim for FSM vouchers for students entitled to Governments scheme following COVID-19.
  - £-74k reduction in Parent Pay income made worse by school closures as a result of COVID-19.

### **£365k Reduction in Expenses**

- £174k underspend in Staffing, a net result of underspend on substantive posts (due to turnover of staff, delays in recruitment), and overspend on agency staff.
- £102k underspend against budgeted surplus” line (agreed at budget setting).
- £-49k overspend on Other Occupational Costs
  - £-10k overspend on cleaning contract and cleaning materials
  - £-26k overspend on Building Management System including £18.5k upgrade over the summer.
  - £-14k overspend on Electricity is expected a net result of colder winter, and less usage of summer due to school closure.
  - £15k favourable on Insurance (offsets fully the reduction in £12k insurance income)
  - £-14k overspend on as a result of H&S checks ( gas, kitchen, fumigation, filters), fire alarm, and security.
- £125k underspend in Educational Supplies & Services;
  - £46k on Student Rewards, primarily a result of £37.5k deferment of Change Maker Prog costs from 19/20 to 20/21 following covid-19.
  - £80k underspend on Equipment (not IT). Those assets that were approved as part of the capital programme have been capitalised. However, £44k internally funded assets are still sitting within revenue accounts and although a notional adj has been made for forecasting these assets need to be moved and depreciated.
  - £-13k overspend on stationery required to deliver the curriculum.
  - £-18k overspend on Photocopying costs. This is offset with Photocopying Leasing costs below (see Other Supplies & Services)
  - £72k underspend on Prof Services – Educational (Sports Coaching, Alternative Prov, Mentoring, Education Welfare, SEND, Access Proj, Music Tuition), possibly a result of budget being overstated, and impact of covid-19.
  - £-24k overspend on Subscriptions (London Network Membership, PIXCEL, VIVA, Newspaper, School Learning Partnership, NQTT, MCT membership, Oliver Hosting) as a result of budget being understated.

- £-25k overspend on Examination fees following receipt of £35k invoice (partly relates to 18/19).
- £8k underspend in IT Equipment – Educational (£4k), and Trips (£4k).
- £73k Reduction in Other Supplies and Services. A net result of;
  - £10k underspend in catering costs, a combination of savings arising from Meals contract, and overspend due to FSM vouchers Government Scheme (allowed £90k for FSM entitled pupils and for Hardship students, but will only submit a claim for £83k FSM entitled pupils).
  - £-10k overspend on Telephones
  - £14k underspend on Advertising – marketing of 6<sup>th</sup> form, and open evenings.
  - £-4k overspend on Postage – result of additional costs associated with communication with pupils and parents following covid-19.
  - £17k underspend on Photocopying/Printing Leasing. This offsets £18k overspend on Photocopying costs above (under Education Supplies & Services).
  - £34k underspend in IT Services, largely a result of £29k accrual reversal of payment of Southwark IT invoice of £146k (had accrued £175k in 18/19).
  - £-15k overspend on Prof Services – Non Educational. Costs associated with e.g. Text Messages, FSM Checker, Payroll, Ed Website Design, Free Soul Councelling. Absence of budget led to overspend.
  - £21k underspend on general Office Costs. Allowance for Mar20 to Aug20 Credit Cards has been made at £5915 (estimate) as statements are still in course of delivery.
  - £8k underspend on Furniture & Equipment (less than £2k de-minimus).
- £-15k overspend on ICT Costs. This is largely a result of IT Licence needs essential to normal running of the UAE and where the budget was understated. E.g. CAPITA, SENSO, Seneca, Award Scheme, E-Learning, Zoom, IRIS Connect.
- £-12k overspend on Staff Development costs, a net result of;
  - £13k underspend on courses
  - £-28k overspend on Recruitment Fees – placement fees for 6 staff, and TES subscription. The high level of staff turnover warrants a higher budget than £20k.
- £-30k overspend on Depreciation for Furniture & Equip, and IT Equip. Due to timing of budget setting, it is often difficult to predict what the next years depreciation budget will be as during Jul and Aug additional asset purchases are often made.

## Risks and Concerns

In making this forecast the following need to be taken into consideration.

- Although substantive staffing costs can be forecast accurately, it is often difficult to predict Agency Staffing with any degree of certainty. Often Budget Holders have committed to spend without raising a Purchase Requisition within the Accounting System.
- Although a forecast has been made for Depreciation, the incorrect treatment initially of Capital funded assets for the UTC has delayed the posting of “actual depreciation charge” month by month. Furthermore, £44k internally funded assets still are sitting on revenue accounts of UAE that need to be moved and capitalised and be subject to depreciation. Accordingly the depreciation outturn is a best estimate based on actuals and potential assets.
- Utility invoices for Gas and Elec for the UTC. These invoices have been outstanding from Trinity for the best part of this year. Finance Manager has liaised with the Trinity Finance Team and agreed on invoices for 19/20, and any credits. These have been included within the current Forecast.
- Water charges from Trinity still remain outstanding for 17/18, 18/19, and 19/20. However, an estimate of charges has been made within the current forecast.
- Postage charges have been included in forecast but there is a chance that these may change as the Covid-19 position changes (second wave).
- There is a chance that budget holders may raise further Purchase Requisitions for 20/21 academic year in the current financial year 19/20, but the ledgers will be closed on 24<sup>th</sup> July. This may increase the current expenditure forecast position.
- Although an estimate has been made for forecasting Credit Card transactions remain outstanding for Mar20 to Jun20.