



Oak Wood School

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29th June 2018

Mr P Malewicz
London Borough of Hillingdon
Civic Centre 2S/05
High Street
Uxbridge
Middx
UB8 1UW

Dear Mr Malewicz,

OAK WOOD SCHOOL 2018/19 – REQUEST FOR LICENCE TO RUN IN DEFICIT

1. The Interim Executive Board of Oak Wood School need to request a licence from LBH to run in deficit for the 2018/19 financial year. The CFR report for the 2018/19 budget is attached.

The school asked for a licence to run at a deficit of £1,066,759 in 2017/18; the actual outturn was £1,101,783, up by £35,024 this overspend was primarily due the cost of interim arrangements for the school's first Co-ed intake - involving the hire of a temporary block of toilets and block of changing rooms for girls. In addition, there was a reduction the projected growth contingency funding.

2. The school is forecasting a deficit of £1,100,486 down by £1,297 compared to previous year. The school will not just rely on increased numbers to reduce the deficit but also keeping a tight rein on costs where possible.
3. The school is currently financially dependent on receiving funding from LBH but continues to take steps to ensure strict financial prudence. The communications strategy embarked on in the previous year seeking to raise the profile of the school, promote the new build and maximise recruitment continues to help increase Year 7 intake with 208 confirmed places compared to 53 Year 11 boys leaving and a further 11 offered admission by the Local Authority on behalf of the school.



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and follow us on Twitter/Instagram @oak_wood_school

This is a significant rise in pupil numbers that will create extra costs including recruitment for extra staff. Obviously the school will not get funding for these students until the next financial year. In addition to this the school has moved into new school buildings with higher fixed premises costs.

4. As part of our efforts to review the schools' expenditure line by line we have taken the following measures:
 - a. Reviewed the school's curriculum model for September 2018 and we plan on further reviewing this next academic year to ensure that curriculum is as financially efficient of as possible, this review will include 6th form provision
 - b. Not replacing an Assistant Headteacher who leaves in August 2018 and further reviewing the staffing model
 - c. Reviewed all contracts, including some in the current year for maximum financial efficiencies; some of which have the potential to reduce cost in future years. All contracts will be reviewed at completion to ensure the school gets the best value for money.
 - d. A reorganisation of the Admin team which has resulted in savings in this financial year and subsequent years.
 - e. A freeze on recruitment across the school
 - f. We also continue to increase income by using a lettings company to rent out the school buildings out of hours and by allowing the school's catering provider to transport meals to local primary schools.
5. Attached is a projection of the deficit position up to and including 2020/21. Increasing pupil numbers, will provide the opportunity to significantly start reducing the deficit budget.
6. While we do know that in the long term the school role will increase significantly and we currently predict that the school will be financially sustainable from 2021, the Headteacher and the Interim Executive Board feel that in order for us to continue, the deficit will be a significant issue that will hamper the development of the school.

We would welcome a discussion on how to resolve this issue.

Yours Sincerely,

Allóysius Frederick

Chair, Interim Executive Board

CFR Report

29 June 2018 12:41

Oak Wood School

Main Budget 2018/19-3rd

Section	Description	2018-19	2019-20	2020-21
Revenue				
Income				
I01	Funds Delegated by the LA	2,862,754	3,788,095	4,641,117
I02	Funding for Sixth Form Students	428,661	428,661	428,661
I03	SEN Funding	159,741	159,741	159,741
I04	Funding for Minority Ethnic Pupils	0	0	0
I05	Pupil Premium	132,435	132,435	132,435
I06	Other Government Grants	0	0	0
I07	Other Grants and Payments	0	0	0
I08	Income from Facilities & Services	103,735	118,226	135,405
I09	Income from Catering	0	0	0
I10	Supply Teacher Insurance Claims	0	0	0
I11	Other Insurance Claims	0	0	0
I12	Contributions to Educational Visits	0	0	0
I13	Donations and/or Voluntary Funds	0	0	0
I15	Pupil Ext Sch Funding and/or Grants	0	0	0
I16	Community Focused Funding and/or Grants	0	0	0
I17	Community Focused Facilities Income	0	0	0
I18	Additional Grant for Schools	0	0	0
I19	New Income Code	0	0	0
Total Income:		3,687,326	4,627,158	5,497,359

Section	Description	2018-19	2019-20	2020-21
Expenditure				
E01	Teaching Staff	2,509,593	2,937,887	3,294,287
E02	Supply Teaching Staff	0	0	0
E03	Education Support Staff	416,727	445,229	456,679
E04	Premises Staff	62,764	66,502	67,805
E05	Administrative Staff	272,905	281,420	287,629
E06	Catering Staff	0	0	0
E07	Other Staff	34,431	34,691	34,691
E08	Indirect Employee Expenses	85,548	89,731	94,121
E09	Development and Training	19,560	20,526	21,540
E10	Supply Teacher Insurance	0	0	0
E11	Other Staff Related Insurance	0	0	0
E12	Building Maintenance and Improvement	57,388	57,582	60,431
E13	Grounds Maintenance and Improvement	13,380	16,380	16,708
E14	Cleaning and Caretaking	158,434	166,185	174,319
E15	Water and Sewerage	19,500	20,670	21,910
E16	Energy	105,120	111,427	118,113
E17	Rates	26,952	26,952	26,952
E18	Other Occupation Costs	42,648	43,815	45,023
E19	Learning Resources (not ICT)	124,684	124,283	125,914
E20	ICT Learning Resources	2,450	2,499	2,549
E21	Exam Fees	32,223	33,834	35,526
E22	Administrative Supplies	85,239	81,600	84,656
E23	Other Insurance Costs	17,622	17,974	18,334
E24	Special Facilities	0	0	0
E25	Catering Supplies	28,658	31,016	33,600
E26	Agency Supply Teaching Staff	123,208	172,481	204,472
E27	Bought in Prof Services - Curric	240,952	252,337	268,873
E28	Bought in Prof Services - Other	262,827	224,782	233,860
E29	Loan Interest	45,000	55,000	70,000
E30	Revenue Contributions to Capital	0	0	0
E31	Community Focused School Staff	0	0	0
E32	Community Focused School Costs	0	0	0
Total Expenditure:		4,787,812	5,314,804	5,797,992

Section	Description	2018-19	2019-20	2020-21
In Year Surplus/Deficit		(1,100,486)	(687,647)	(300,633)
Surplus/Deficit B/Fwds		(2,656,122)	(3,756,607)	(4,444,254)
Cumulative C/Fwds		(3,756,607)	(4,444,254)	(4,744,887)

Capital

Income

CI01	Capital Income	12,398	12,398	12,398
CI03	Voluntary or Private income	0	0	0
CI04	Direct revenue financing (revenue contributions to capital)	0	0	0
Total Income:		12,398	12,398	12,398

Section	Description	2018-19	2019-20	2020-21
Expenditure				
CE01	Acquisition of Land and Existing Buildings	0	0	0
CE02	New Construction Conversion and Renovation	12,398	12,398	12,398
CE03	Vehicles, Plant, Equipment and Machinery	181,324	0	0
CE04	Information and Communication Technology	0	0	0
Total Expenditure:		193,722	12,398	12,398

Section	Description	2018-19	2019-20	2020-21
In Year Surplus/Deficit		(181,324)	0	0
Surplus/Deficit B/Fwds		181,324	0	0
Cumulative C/Fwds		0	0	0

DECLARATIONS

This budget was ~~will be~~ considered by the
Governing Body at their meeting on:
Delete as appropriate

Date: 25.6.2018

Mark Bland

Date: 2/7/18

Chair of Governors

Date: 2.7.2018