



## CRICH CARR CHURCH OF ENGLAND PRIMARY SCHOOL

### REPORT TO GOVERNING BODY

### COST BENCHMARKING

#### Background

It is a DCC Audit recommendation that all primary and secondary schools should benchmark their financial performance against appropriate, similar sized schools across Derbyshire. We first undertook this analysis in July, 2014, employing information available from DCC at that time.

This report details the second analysis based upon the latest DCC data.

#### Available Data

The latest DCC data enables us to compare the school's financial performance against similar sized Derbyshire primary schools. The data is presented as cost per pupil in various budget categories, particularly:

- Staff – teachers, TAs, supply teachers and admin.
- Utilities – electricity, gas, oil, solid fuels and water.
- Building maintenance.

#### Costs in perspective

Before examining the DCC data, it is relevant to remind ourselves of the school's cost structure. The DCC data is for the financial year 2015/16. The school's budgeted expenditure 2015/16 was £367k which can be allocated as follows:

2015/16 BUDGET		
	Costs	%
Staff Related Costs	£250,612	68
Premises Related Costs	£66,992	18
Bought in Goods & Services	£38,200	10
Other	£11,423	3
<b>Total Costs</b>	<b>£367,227</b>	<b>100</b>
Income	<b>-£36,280</b>	
<b>Net Costs</b>	<b>£330,947</b>	

Over two thirds of the school's total costs are represented by Employee Costs. Premises, at 18% of total costs, was relatively high because of the money budgeted to be spent on securing and landscaping the purchased land adjacent to the school. (In the past, premises related costs would be around 10%.) This has the effect of reducing the relative proportion of staff related costs to 68% which would more usually account for around 80% of total costs.

### Performance against DCC Data

For the year 2015/16, we had 53 pupils. The published DCC data enables us to compare our school's performance with similar sized primary schools. 8 local, smaller primary schools have been selected with which to compare our relative performance in the various categories, namely: Crich Junior, Fritchley, Brassington, Kirk Ireton, Lea, Cromford, Ambergate and Bonsall.

The largest school is Lea (with 113 pupils), the smallest, Cromford (41 pupils), with an average school size of 67.

#### 1: Teachers' Costs

In 2015/16, our budgeted teaching costs were £2,536 (£2.5k) per pupil which was below the average for our comparator group of £2.7k, positioning us at the 47<sup>th</sup> percentile.

The highest teaching costs of £3.1k/pupil were at Cromford, with the lowest, Bonsall. at £1.9/pupil.

## 2: Teaching Assistants' Costs

In 2015/16, our budgeted TA costs were £754 per pupil which was well below the average for our comparator group of £902, positioning us at the 24<sup>th</sup> percentile.

The highest TA costs of £1536/pupil were again at Cromford, with the lowest, again, Bonsall. at £615/pupil.

## 3: Supply Teachers' Costs

In 2015/16, our budgeted Supply Teachers' costs were £397 per pupil which was by far the highest for our comparator and versus an average of £150/pupil.

We had the highest Supply Teachers' costs of £397/pupil, with the lowest, Crich Junior. at just £4/pupil and the average of the comparator group of £150/pupil. This reflects the school's teaching strategy at that time which was to employ two full-time teachers – one (the Headteacher) responsible for the junior class and the other for the reception and infant class. The two teachers were supported by supply teachers, as necessary. Other schools elected to employ more teaching staff, with fewer supply teachers. Over the past year, with lower pupil numbers, we have significantly reduced the reliance of the school on supply teachers.

## 4: Total Teaching Costs

The table below provides the costs (£k/pupil) of the three categories of staff teaching costs and total staff teaching costs. In each category, it shows the highest and lowest costs in our comparator group and the average. Crich Carr's relative positioning is highlighted in red.

Costs (£k/pupil)				
	Teachers	TA	Supply	Total
High	3.13	1.54	0.4	4.8
Average	2.69	0.9	0.15	3.7
	3.54	0.75		
Low	1.93	0.62	0.04	2.8

As noted above, our Teacher and TA costs were below average but our Supply Teacher costs were easily the highest in the comparator group. However, our overall teaching costs, at £3.7k/pupil position the school exactly at the average of the group.

#### 5: Admin Costs

In 2015/16, our budgeted Admin Costs were £430 per pupil which was the highest but one for our comparator group and versus an average of £325/pupil.

#### 5: Overall Staff Costs

Overall, we were below the average of the comparator group for Teaching and Teaching Assistant costs. However, we had the highest Supply Teacher and the highest but one Admin Staff costs for the group. The table below shows how our total staff costs (highlighted in red) are positioned versus the comparator group:

Costs (£k/pupil)					
	Teachers	TA	Supply	Admin	Total
High	3.13	1.54	0.4	0.46	5.3
				0.43	
Average	2.69	0.9	0.15	0.33	4.1
	3.54	0.75			
Low	1.93	0.62	0.04	0.20	3.1

Total Staff Costs range from a low of £3.1k per pupil to a high of £5.3k per pupil across our comparator group, with an average of £4.1k. Recognising that staff costs are by far the largest component of the school's annual budget, which can account for over 80%, Crich Carr came in at the average of £4.1k per pupil for our comparator group.

## 6: Other Cost Areas

In terms of other significant cost categories:

- The average cost of **utilities** (water, solid fuel, oil, gas and electricity) was £74/pupil across all schools in Derbyshire. Crich Carr's total utility costs were marginally (10%) above this at £80/pupil.
- Lea school incurred extremely high **maintenance** costs of £423/pupil, versus an average of £28/pupil for the remainder of our comparator group. Crich Carr's maintenance costs were £26/pupil, slightly below the comparator average, excluding Lea.

## In Conclusion

- We believe that, underpinned by the Finance Committee and established Financial Regulations and Procedures, financial management and controls within the school are strong and effective. This is supported by the analysis of the DCC supplied benchmarking data for 2015/16.
- By far the most significant element of the school's cost budget is staff related costs. The school's teaching and admin staff costs, of £4.1k/pupil, compare well with the similar sized local schools.

It should be noted that the school's staffing strategy has been rebalanced, with the high dependence on supply teachers being replaced by permanent teaching staff. Future benchmarking data should reflect this change.

- In terms of other significant cost areas, utility and maintenance costs remain competitive.

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