

Kreston Academies Benchmark Report

Key highlights

Static funding, rising costs and ongoing uncertainty continue to increase the pressure on the sector and hamper Trusts' financial management and governance.

Funding concerns



No promises of long-term funding which is only serving to fuel uncertainty.



Additional income streams are proving negligible.



£400m for 'little extras' will boost income but this is only a one off.



The tough decision that Trusts have made has bought the sector more time but has not solved the problem. At the current level of in-year deficits the sector has 5 to 6 years of reserves remaining.

Positive steps or simply 'less negative'?



5 out of 10

Academies with an in-year deficit, an improvement on 2017.

5.9% → 7.7% ↑

More Trusts continue to show cumulative deficits for 2018, 7.7% up from 5.9% in 2017.

MATs: Strength in depth?

+60%

Average number of schools per MAT has risen from 3.5 to 5.6 in just two years.

£ 2017

£ 2018

Average cash balances have increased from £1.72m in 2017 to £1.84m in 2018.



Larger, more centralised MATs are operating more efficiently, which suggests economies of scale are being realised.

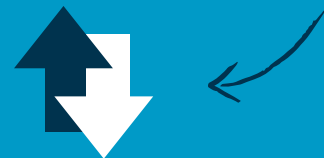
+5

20% of MATs expect to add 5+ schools in the next 12 months.

Staffing issues

← 72% →

% Staff costs of total costs, have remained static



Staff Changes

Reductions in staffing more likely to impact non-teaching staff rather than Teachers.



No current guarantee of pensions or salary increases being funded by DfE post 2020.



Supply costs are on the increase

An uncertain future?



The ability of Trusts to effectively plan is severely restricted by the landscape of uncertainty within which they operate.