



THE FINANCIAL IMPACT OF CORONAVIRUS

The pandemic brought unavoidable financial pressures to schools and academies. Two ISBL members provide an insight into the associated costs as schools operate in the 'new normal'.





On 7 April, as the UK entered the third week of full lockdown, the Department for Education (DfE) published guidance¹ that set out the financial support it would give up to the end of the summer term to ensure schools could focus on the vital role they were playing during the pandemic.

The report stated that schools would continue to receive their core funding allocations, regardless of any periods of partial or complete closure, so that they could pay staff and meet other financial commitments. This may have been positive news in a worrying time, but schools were accommodating unforeseen financial pressures that affected their budgets because of:

1. staying open for vulnerable children and those of keyworkers during term time and also during the Easter and Whitsun half-term
2. the provision of free school meals (FSM) for eligible children who were not attending school
3. the need for increased cleaning, handwashing and sanitising to maintain strict hygiene, and
4. the loss of income from renting out facilities.

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"Our finances have been strong because of careful management and monitoring," explains Helen Child, Regional Business Leader – North for E-ACT multi-academy trust, who is responsible for the finances of five academies in her region. "However, this doesn't mean that the trust hasn't been financially affected by coronavirus. Three of the five academies in our North region were open every day from the beginning of lockdown, and two of our neighbouring academies merged to form a single hub for the small number of children who needed our support.

"Ensuring the safety and wellbeing of everyone came with a cost: the cost of FSM until the Government's voucher scheme could be used, the cost of staff to care for pupils, and the cost of additional cleaning."

Of course, to ensure there was as little disruption to learning as possible, the majority of schooling up and down the country was done virtually. For Helen, this meant ensuring that all staff and pupils could access the trust's existing online learning, but this came with a further expense. "With more than 40 per cent of pupils across the trust classed as disadvantaged, we have a large number who do not have access to IT. We therefore covered the cost of laptops and dongles for those who needed them."

Debra Moore, School Business Leader at Ancaster C of E Primary School in Grantham, explains that her school also incurred costs associated with home schooling. "We purchased exercise books for the children to use at home and set up an online learning platform so that the children could interact with each other and their teachers. This was partly funded through a DfE grant, but we also used funds that would have helped purchase additional equipment and learning resources over the next few years."

The closure of facilities that would normally be hired out to the local community has also affected budgets.

"The trust has community lettings for activities such as football, badminton, Saturday schools and drama," explains Helen. "However, because we have been unable to let these out during this period, we have seen a fall in income of approximately 50 per cent in this area."

The Government has pledged extra funding to schools that have incurred unavoidable costs they can't fund themselves, but the lack of income from private hire is not supported. According to Julia Harnden, Funding Specialist at the Association of School and College Leaders, "This can be quite a significant element of their finances... and we are continuing to discuss with the Government how this might be addressed."²



Helen Child

The cost of returning to 'normal'

As schools opened again for certain year groups late in the summer term and prepared for a full reopening this term, creating a safe environment has come with a cost. "We have made sure the classrooms remain within bubbles by providing TA support for each class and have purchased additional tables to accommodate social distancing and extra resources so the children are not sharing," explains Debra. "Additional cleaning and sanitising will obviously continue, and we also have a washing machine and drier to use on site."

"We have purchased extra cleaning materials, hand sanitisers, large signage, and social distancing markers," says Helen. "We have also bought barriers for playgrounds and one-way system signage. It is hard to quantify how much the pandemic has cost us because income and expenditure are still being closely monitored, but I am hoping that it will have had a neutral impact given that closure resulted in additional costs in some areas and reductions in others. For example, we made savings on energy in academies that were closed, but this was offset by increased energy consumption for those that were open over the holidays. Nevertheless, we took the view that our pupils' learning and safeguarding, as well as the health and safety of our staff, was not compromised in any way."

"For us, the long-term financial impact is not yet known," says Debra, "although I think the figure will be close to £10,000. For a small primary school, this is an amount that will cumulatively have an impact on the school. However, more important is the concern of the long-term impact on the children and their education." ■

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1 School funding: Exceptional costs associated with coronavirus (COVID-19) for the period March to July 2020 (www.gov.uk/government/publications/coronavirus-covid-19-financial-support-for-schools/school-funding-exceptional-costs-associated-with-coronavirus-covid-19-for-the-period-march-to-july-2020)

2 Coronavirus: Schools can only claim back if extra spend 'threatens financial stability' (<https://schoolsweek.co.uk/coronavirus-schools-can-only-claim-back-if-extra-spend-threatens-financial-stability>)