

# **2016 -2017 Schools and Academies Budget Consultation**

**Consultation Budgetary  
options influenced by the  
Cost of Provision report.**

**2016-17**

## **Introduction**

The School Forum jointly with the Council commissioned an independent consultant to examine what the average cost of a Primary and Secondary school are in Slough.

After reviewing the draft report produced by the independent consultant, the Council carefully reviewed the information and produced a table of 7 areas of spend comparing Primary costs to Secondary costs, which the independent consultant updated with the data collected from schools.

This information was then used to address some anomalies in the formula and to produce an evidence based budget for 2016-17. The Department for Education (DfE) requires each local authority to consult on any changes to the Funding formula that affects schools and academies to all Schools, academies as well as the School Forum. The council are now consulting you on the 3 most appropriate options and seek your views on which one you think is best.

Please be aware the Council will make the final decision and this will be communicated via the School Forum paper in January 2016.

You will find at the end of this document the consultation response form and this should be returned to Coral Miller, Interim Principal Accountant, Schools Finance, by **Tuesday 8th December 2015**.

Responses can be by email to [coral.miller@slough.gov.uk](mailto:coral.miller@slough.gov.uk) or by post to:

Schools Finance  
Slough Borough Council  
St. Martins Place  
Ground Floor East  
Bath Road  
Slough  
SL1 3UF

**Please see below.**

### **Options to consider, proposed by Slough Borough Council**

<b>1</b>	
Option 1	<b>Do nothing</b>
This option effectively ignores the Cost of provision report and continue to base the 2016-17 budget on historical factors which may not be relevant now.	

<b>2</b>	
Option 2	<b>Evidence based data</b>
<p>Based on the Cost of Provision report, a table of the cost was produced and a weighting between Primary and Secondary was produced. This weighting was applied to the Basic pupil entitlement only (AWPU).</p>	

<b>3</b>	
Option 3	<b>Evidence based data with different lump sums</b>
<p>As per above but compensating the Secondary schools for some losses occurred in the pupil led formula by applying differential lump sums. This formula seeks to address anomalies with the Lump sum being significantly lower than our comparative group by increasing both sectors from £55,000 to £100,000 for Primary schools and for Secondary schools to £150,000.</p>	

**The council's preferred option is Option 3 as it incorporates the evidence based report while compensating the Secondary schools slightly for losses incurred by using an evidence based funding model.**

Please see the attached Spreadsheet which show the effect on your school for each option.

Please note these are estimated figures, there will be some adjustments in the final figures due to the spending review and the DFE deciding how the council should treat the 2015-16 underpayment of £500,000 in 2016-17 budget.

**The spreadsheet consist of the following:**

1. Cost of Provision analysis table, the graphs are to follow.
2. 2016-17 formula summary which shows the overall affect in factors of the proposed changes on all 3 options.
3. Top level summary which shows the estimated total budget and the effect on your school for each option.
4. Shows an extract from the DFE modelling tool. Info. only.
5. Shows 2015-16 budget including minimum funding guarantee.
6. Shows the effect of option 1 of the Minimum funding guarantee and capping.
7. Sheet 7 and 8 is the same as above for option 2 and 3.
8. Sheet 9 Provides you with benchmarking information from similar authorities.

**2016-17 Schools and Academies – Consultation Response Form**

<b>Name</b>	
<b>School</b>	
<b>Role</b>	

**Please tick to agree or disagree as suggested in the narrative above.**

<b><u>Suggested Change</u></b>	<b><u>Agree: Yes/No?</u></b>
<p><b>1</b>     <b>Option 3</b> is the council's preferred option, as it uses the evidence based information and compensates the secondary schools for some losses incurred by using the evidence based approach. The Minimum funding and capping amount is more affordable than using option 2.</p> <p>Most schools receive more funding than option 2. The ratio split in this option is 1:1.33 Primary and Secondary split. Do you agree with the Council? If not please comment.</p> <p><b>Comments:</b></p>	

<p><b>2</b></p>	<p><b>Option 2</b> is an evidence based funding model but produces a higher minimum funding guarantee (MFG) level than Option 3. The MFG needs to be funded first. It also provides less funding for most schools than option 3 and doesn't compensate the Secondary schools for losses accrued . Hence why this is not the preferred option. This option produces a ratio split of 1:1.32 Primary and Secondary split. Do you agree with the Council? If not please comment.</p> <p><b>Comments:</b></p>	
<p><b>3</b></p>	<p><b>Option 1</b> is not an option based on any evidence, therefore it is not the Council's preferred option. Do you agree with the council? If not please comment.</p> <p><b>Comments:</b></p>	
<p><b><u>If you disagree with the Council's preferred option state clearly which option you prefer. Option .....</u></b></p> <p><b><u>Any other Comments:</u></b></p>		

**Please return by Tuesday 8<sup>th</sup> December 2015**  
**Consultees on Changes to the 16-17 Funding formula**  
 Heads and Chairs of Governors for All Slough Schools and Academies.

