

TRIUMPH IN ADVERSITY?



HOW FINANCIAL CONSTRAINTS
ARE DRIVING SCHOOLS TO
DO THINGS DIFFERENTLY

TRIUMPH IN ADVERSITY?



**HOW FINANCIAL CONSTRAINTS
ARE DRIVING SCHOOLS TO
DO THINGS DIFFERENTLY**

About SSAT

At SSAT, the Schools, Students and Teachers network, we pride ourselves on giving fresh ideas to ambitious schools. Our membership, training programmes, events and publications help teachers carry out their vital job even better, more confidently and more professionally than before. As the hub of the largest and longest-standing network of school leaders and forward-looking teachers in England, the SSAT network helps schools collaborate meaningfully – learning from peers, measuring improvements and celebrating achievements.

About Arcadis

Arcadis is the leading global Design & Consultancy firm for natural and built assets. Applying our deep market sector insights and collective design, consultancy, engineering, project and management services we work in partnership with our clients to deliver exceptional and sustainable outcomes throughout the lifecycle of their natural and built assets. We are 28,000 people active in over 70 countries that generate more than €3 billion in revenues. We support UN-Habitat with knowledge and expertise to improve the quality of life in rapidly growing cities around the world.

Published September 2016
Editor: Peter Chambers
Design: SSAT Creative

Copyright © SSAT (The Schools Network) Ltd and Arcadis LLP, 2016
Abstracting permitted with full acknowledgement to the source.

TRIUMPH IN ADVERSITY?



HOW FINANCIAL CONSTRAINTS
ARE DRIVING SCHOOLS TO
DO THINGS DIFFERENTLY



4

Foreword

Sue Williamson, SSAT

8

SSAT/Arcadis funding survey: key findings

16

Policy context: what are the most likely structural changes schools must face?

Tom Middlehurst, SSAT

22

The 3 Rs of improving educational outcomes in times of austerity

Louise Robinson, Arcadis

28

The importance of sound financial management to maximise the potential of every child

Sue Baldwin, Education Funding Agency

34

Outstanding financial performance for the best pupil experience: the role of the governing board in monitoring financial performance

Gillian Allcroft, National Governors' Association

40

Tackling a £1.4m deficit

Jane Durkin, Blue Coat Church of England School and Music College

46

Doing things differently – and it's not just about the money

Caroline Barlow, Heathfield Community College

52

How Leigh Academies Trust is facing up to the financial challenges ahead

Steve Avis FCMA, Leigh Academies Trust

58

Facing the funding challenge

Tracey Jones, Lord Grey School

62

Collaborative mathematics via Skype

Mark Dawes, Comberton Village College

68

Curriculum-led budget planning

Peter Woodman, The Weald School

72

Conclusion



Foreword

Sue Williamson

Chief Executive, SSAT

Foreword

It will come as no surprise to anyone that budgets are currently high on schools' priorities list. The government has made a commitment to protect the core schools budget and to ensure 'fairer school funding', probably through the introduction of a national funding formula for schools in England. It was originally proposed that the changes would be implemented from 2017-18, but following Brexit and the resulting cabinet changes, this has now been delayed until 2018-19.

While the decision to delay is understandable in the circumstances, this obviously leaves schools with continued uncertainty about their likely budgetary position in the next few years. Schools have now been on a 'flat cash per pupil' funding formula for five years, but their costs have increased due to general inflation and a 1% pay award to staff. In April 2016, a report by the Institute of Financial Studies suggested that schools are now facing the most severe budget cuts since the 1970s; forecasting a funding cut of at least 7% per pupil by 2020, and colleges being even harder hit. Some estimates suggest that schools will see a 10-12% decrease in their budget in real terms between 2015 and 2020.

So, times are tough and schools are being forced to make very difficult decisions to balance the books, while simultaneously being under ongoing pressure to improve pupil outcomes. Some are already considering redundancies; most are having to review their curriculum offer, look at ways to generate income and cut any non-essential spending.

There can be no magic solutions to these challenges. However, there is some practical advice and guidance that can help schools to navigate their way through. In particular we wanted to capture some of the creative solutions that schools have found – finding ways to approach familiar challenges in a different way. Whether it is finding ways to maximise the potential for your premises to generate income or finding ways to reduce your costs – it may be that small changes can make a significant difference.

We hope you find this publication useful. Thank you to all of our contributors for sharing their expertise, to all of the schools that responded to the survey and to Arcadis for making this publication possible.

Sue Williamson

Chief Executive, SSAT

SSAT

SSAT is the most vibrant and longest-standing network of schools in the UK. With 30 years of experience, our mission is to create opportunities for schools to collaborate and share knowledge, inspiration and best practice. From speaking to our members across the country, we understand the challenges schools are facing and the need for practical advice and guidance on managing reduced budgets. This publication brings together tried and tested ideas from our member schools as well as guidance from a number of key organisations. We are extremely grateful to Arcadis for making this publication possible and hope that you find it useful.

ARCADIS

At Arcadis we work with hundreds of schools across the country; from individual schools to multi academy trusts and Diocesan Boards, from nursery and SEN providers to local authority-wide programmes. We understand the challenges that schools are facing; not just in terms of having to save money, but in having to sustain and improve outcomes while doing so, and all in an environment of increasing legislative and management pressures. So we are delighted to support SSAT in producing this report to share the best practice and advice from schools that are managing to make a difference by doing things differently.

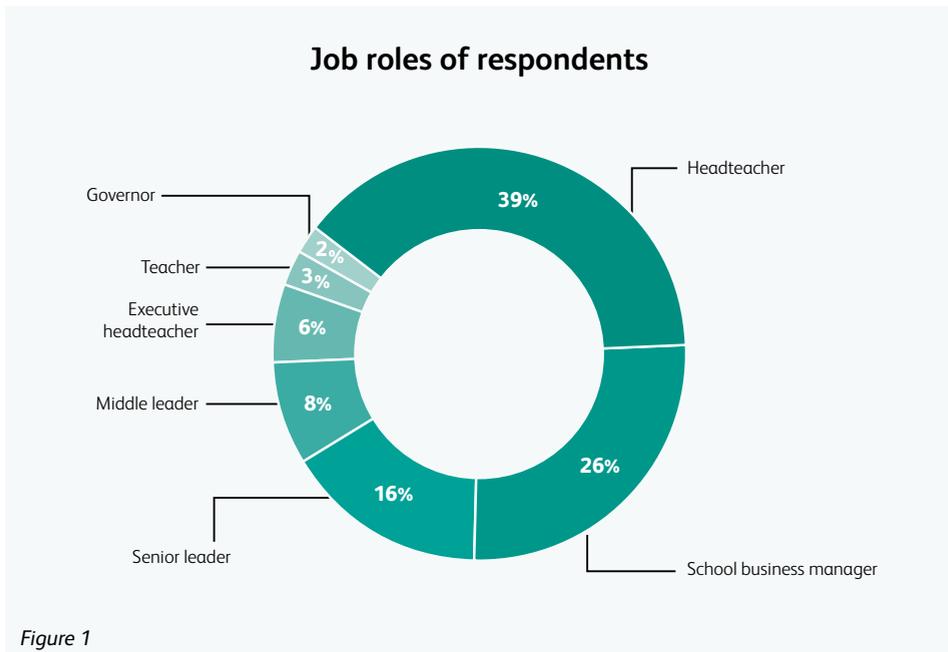


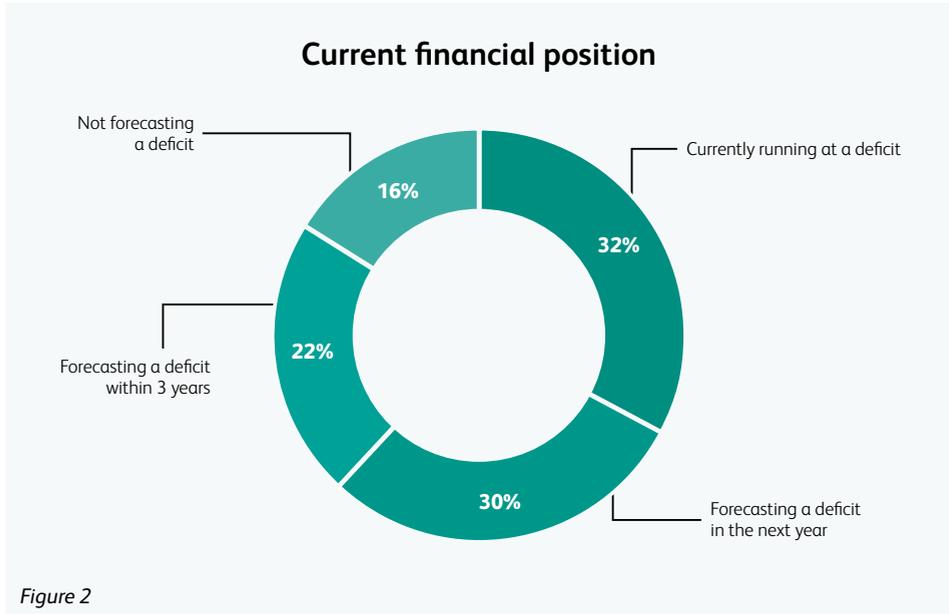
**SSAT/Arcadis
funding survey:**
key findings

SSAT/Arcadis funding survey: key findings

In preparing for this publication, we undertook a survey of a group of SSAT member schools. Of the 168 responses, 44.6% were from headteachers and executive headteachers, 26.2% were from school business managers; the majority of other respondents were senior leaders.

The overwhelming majority of respondents (87.4%) were from secondary schools, while 6% were all-through schools and 6.6% primary schools. Figure 1 shows the job roles of respondents.



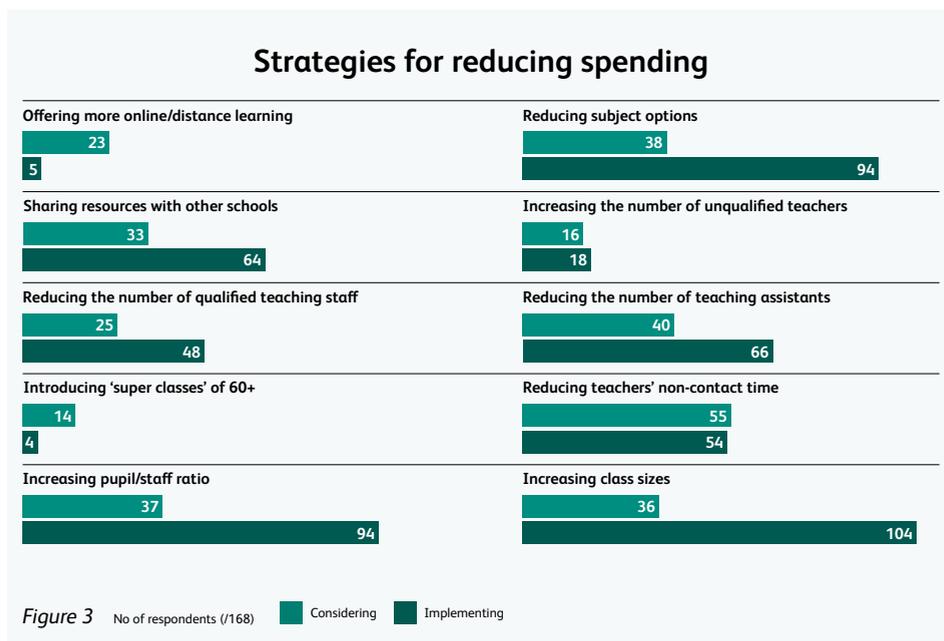


Of the respondents, only 16.2% don't anticipate running a deficit budget within the next three years; 61.6% are already running a deficit budget or are forecasting one this year.

REDUCING SPENDING

The proportions of respondents considering or using different strategies for reducing spending are shown in Figure 3 on page 10. Clearly the most common strategies being deployed involve increasing class sizes and increasing pupil/staff ratios. Schools are looking to do this by regrouping current students and by actively aiming to increase the number of pupils on roll.

Budget restrictions are also affecting schools' curriculum offer, particularly at key stage 5, where many respondents have had to cancel courses that do not tend to recruit sufficiently high numbers of students. The wider curriculum offer is also being affected, with some schools reporting that they have decided not to run work experience programmes or offer additional interventions.



Not surprisingly, most schools have also looked for cost savings within their staffing structure, with some schools taking the decision not to replace staff that are leaving and others being forced to make redundancies. Strategies being used include:

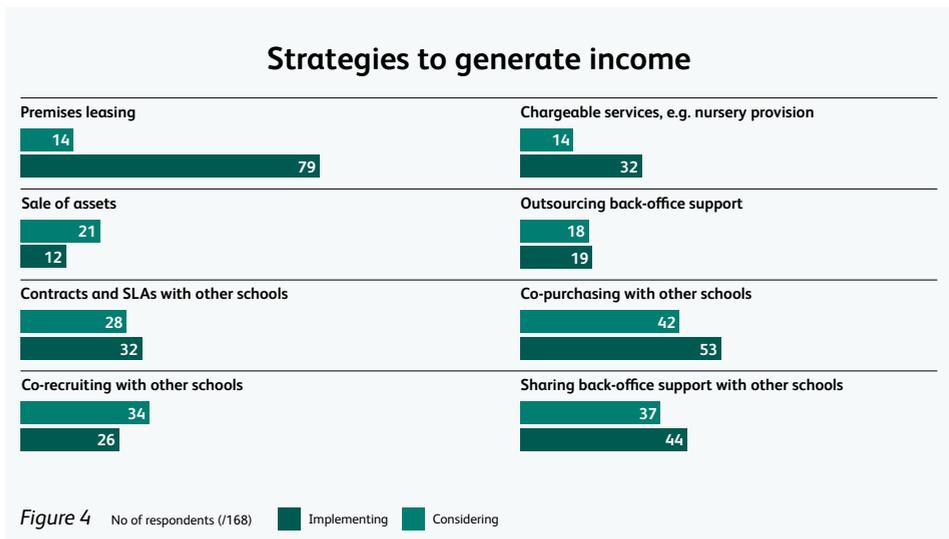
- restructuring, particularly within the senior leadership team
- reducing the number of teaching assistants and other non-teaching staff
- asking teachers to teach outside their subject specialism
- reducing teachers' non-contact time
- limiting participation in external training
- reducing the amount of time spent collaborating with or supporting other schools to minimise the amount of time staff are out of the classroom.

In addition many respondents commented that they are being forced to reduce department budgets, which creates particular challenges at a time of significant curriculum change. Some schools are asking parents to pay for textbooks and resources; others are using electronic textbooks and sharing resources with other schools.

Lastly schools are looking to make cuts in the cost of managing their buildings – doing essential maintenance only, reducing cleaning costs and looking to cut energy bills.

GENERATING INCOME

Broadly speaking, our respondents seem to have focused more on cutting spending than on generating income. However, increasingly schools are looking at ways in which they can maximise the potential of their facilities and find new ways to generate additional income. Premises hire is the most widely used option, with one respondent hiring their grounds to a caravan club during school holidays. Running revenue-generating services is also becoming increasingly common, with a number of respondents having found ways to make their catering offer profitable, and others opening nurseries and providing business services to the community.



There is also a fair amount of interest in finding ways to share costs with other schools, with schools looking at co-purchasing and sharing the cost of staff.

Conclusions and observations

Schools looked firstly to make cuts; many are now considering possible ways of generating income.

The focus on cuts means that financial limitations have had most impact so far on staffing, class sizes and the breadth of schools' curriculum offer.

There is considerable variation in the options open to schools in terms of both finding cost savings and ways of generating income. Geography, competition with other schools and staff recruitment issues can all limit the options available to some schools. PFI schools obviously have more restrictions placed on them than most and are often unable to renegotiate contracts for key services.

There are some obvious tensions – for example, the difficulties of running commercial services while also reducing the number of non-teaching staff. Also, the pressures placed on teachers who may have larger classes but less non-contact time.

Where schools feel that they can afford buildings maintenance only in emergency circumstances, they may be storing up problems for the future.

Few respondents were making much use of technology as a cost-saving device – this could be considered further.

Collaboration between schools can provide cost-saving opportunities, but these relationships take time to build and require support to maintain.

More guidance is needed on both efficiencies and income generation.



Policy context: what are the most likely structural changes schools must face?

Tom Middlehurst

Head of Policy and Public Affairs, SSAT

Policy context: what are the most likely structural changes schools must face?

The wider political and policy context in which school leaders are working puts some of the current financial challenges into perspective. In 2015 the then education secretary, Nicky Morgan, promised a “period of calm and stability” to allow the reforms of the previous coalition government to embed. To some degree, this has been achieved, with minimal further changes to curriculum, assessment and accountability. However, the white paper Educational Excellence Everywhere in March 2016, the fallout from Brexit and the new administration will inevitably bring about new structural and system changes, and will likely have an impact on school finances.

The minister of state for school standards, Nick Gibb, has been tasked with bringing an Education for All bill to parliament, which will set out the government’s aims for the next four years and beyond. While we don’t yet know the full details of the bill, it is possible to make some conjectures about the direction of travel, as well as looking at how current policy is affecting schools.

FLAT CASH PER PUPIL

The Conservative government have made a commitment to “protect school funding” over the course of this parliament. In other words, committing to flat cash per pupil until 2020, without adjusting for inflation and other costs. It is therefore estimated that most schools will see a 10-12% decrease in real terms between 2015 and 2020.

Assuming that a school’s roll remains consistent, schools will have to plug the gap to find money for increases in salary costs, employer pension contributions and national insurance. The independent School Teachers Review Body, which recommended all teachers and leaders pay should rise by 1% in 2016, also recommended that the government should provide more money to help schools recruit and retain staff in the future. This has not yet been taken up by the government.

From April 2017, all schools and MATs with salary costs of £3m or more will be required to pay an apprenticeship levy of 0.5%, offset by a government allowance of £15,000. Schools will then be able to use the fund to pay for training costs for their apprentices.

So real term cuts to schools' budgets will inevitably be a continued concern for school leaders and governors, who will be anxious to ensure that educational outcomes do not decline as a result.

CURRICULUM, ASSESSMENT AND ACCOUNTABILITY

The reforms made by Michael Gove to the national curriculum, key stage 2, key stage 4 and key stage 5 tests and accountability measures are beginning to fully embed. 2016's year 7 cohort is the first to have sat the new key stage 2 tests with a scaled score from 80-120. The current year 11 cohort will be the first to take the new GCSEs in English and maths. In August 2016 all secondary schools will be judged on their Progress 8 score (rather than % 5 A*-C including English and maths). Year 13s will sit the first set of the new, decoupled A-levels next summer. These changes continue to present challenges to schools, as new schemes of work, resources and subject knowledge are needed.

The removal of national curriculum levels has not yet been fully realised, and some schools are continuing to develop their in-house assessment and tracking systems.

Many of these changes require additional resources for primary, secondary and FE, at a time when money is increasingly tight.

THE EBACC

The government is committed to a national target of 90% of students being entered for the EBacc – GCSE English, maths, a science, history or geography, and a foreign language – “in time”. Schools have raised concerns that incentivising most students to study the full suite of EBacc subjects, will put non-EBacc subjects at risk, due to timetable pressures. This, in turn, may have an impact on the ability to offer the subjects in key stage 3 and key stage 5. However, EBacc entry will not be a limiting factor in a school's judgement, and it is up to senior leaders to decide which students they do and do not enter for the full EBacc.

EDUCATIONAL EXCELLENCE EVERYWHERE

It is not yet clear how much of the white paper the new education secretary will pursue in the Education for All bill.

Perhaps the most controversial idea in the paper was to seek powers to turn all schools into academies by 2022. Despite a supposed u-turn on this policy, academisation continues to be the direction of travel. Lord Nash's continued role at the DfE is focused on the school system, explicitly looking at academies and other types of state-funded independent schools.

Recruitment and retention of teachers will be a pressing issue for the current government, with many warnings of a teacher shortage crisis, especially acute in certain subjects. The government are likely to bring about policy to help schools will these challenges.

A further challenge is the need for good system leadership, across all regions of England. The DfE are keen to build system capacity, and then ensure that leaders are placed in schools that most need them.

NATIONAL FUNDING FORMULA

Plans for a new national funding formula, aimed at creating fairer funding for schools in different locations, are likely to be put on hold due to the uncertainties following the Brexit referendum in June. It has been suggested that we are unlikely to see the new formula until 2019 at the earliest.

Whenever this happens, some schools will benefit from increased funding, others will lose out. For at least the next year, schools should assume the same funding.

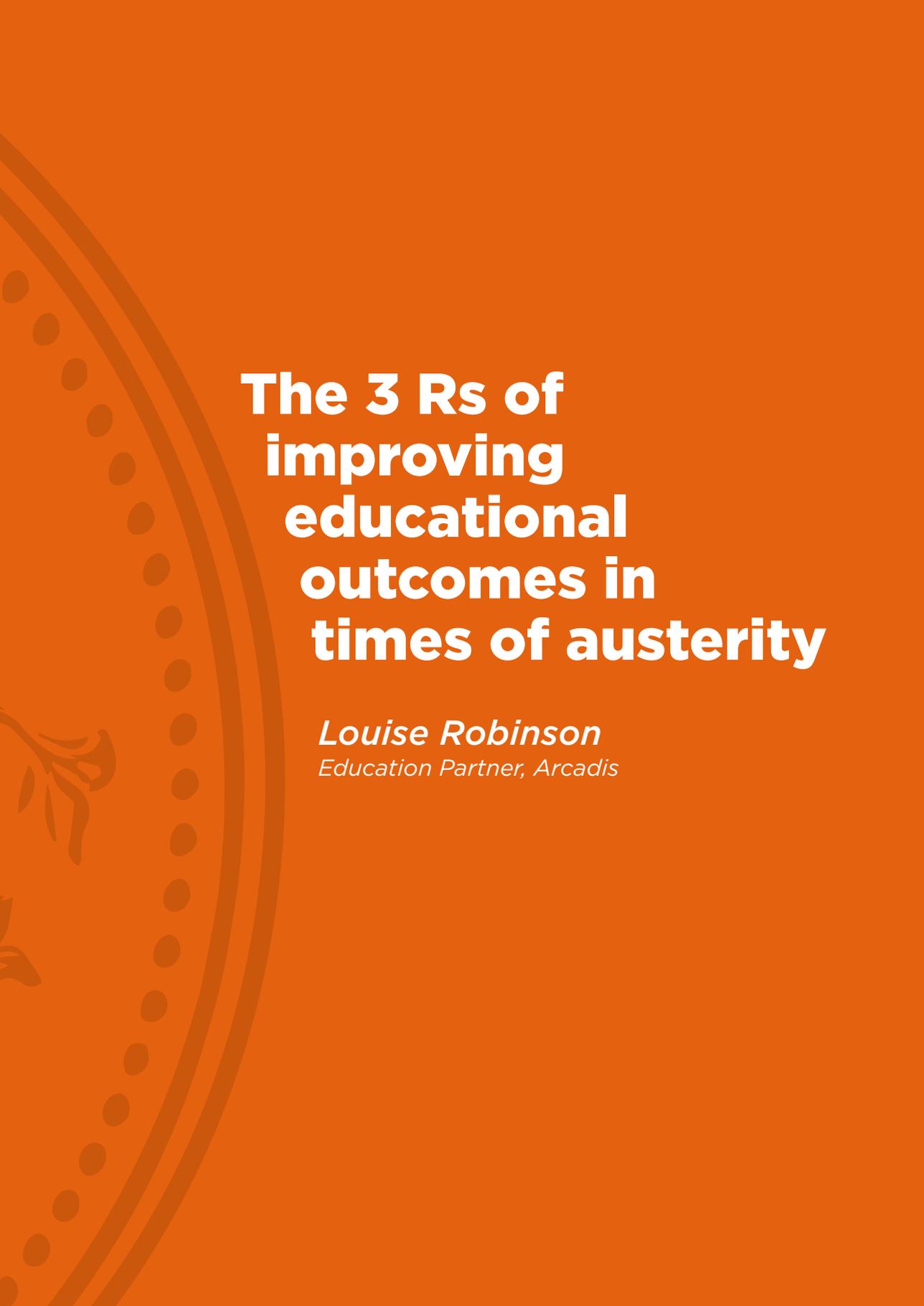
THERESA MAY AND JUSTINE GREENING

While both the new prime minister and education secretary have been quite guarded in their plans for education, there have been some early indications of potential direction.

The DfE has been expanded to include HE, apprenticeships and skills, suggesting a drive for a more unified 0-25 education system.

It has been reported that the Conservatives will announce plans for 'new' grammars at the Party Conference in 2016. Justine Greening, who was educated at a comprehensive school, has not categorically ruled this out, pointing to the increased diversity of the school system. It has been reported that 24 new grammars may be approved in the most deprived areas of England. It is not clear how existing grammars may be able to expand in the future, what changes might be made to academy and free school admissions rules, and what impact a small number of new grammars would make on the system.

While schools are beginning to embed the major curriculum and assessment changes of the previous coalition government, there is likely to be continued change in structural and organisation educational policies over the coming years.



The 3 Rs of improving educational outcomes in times of austerity

Louise Robinson
Education Partner, Arcadis

The 3 Rs of improving educational outcomes in times of austerity

School leaders are used to the ebb and flow of ever-evolving education policy, and are experienced in adapting their approaches accordingly. However even for this most adaptable of professions, the last 12 months has been striking in the level of change proposed (and in some cases, subsequently retracted). Combined with financial pressures on an unprecedented scale, the environment within which educational outcomes must be improved and sustained is challenging, to say the least. Optimising the impact of available funding is essential. In this article, I set out our 3 Rs on how to do so.

REALISE BENEFITS OF SCALE

The financial sustainability of small, single institutions is increasingly difficult. Increasing the size of your operating model, in terms of starting your own multi-academy trust (MAT), joining an existing one or establishing a hard federation or umbrella trust can improve the financial outlook.

However, reaching for growth has educational benefits far beyond simple financial economies of scale. There is now significant evidence that working in collaboration improves educational outcomes as well as potentially improving efficiency and reducing costs. Such models provide the scale and capacity to offer system-wide opportunities such as:

- enhanced opportunities for professional development, career progression and succession planning
- teacher training capability, including the ability and capacity to take on system leadership roles such as initial teacher training
- strong governance and robust accountability for school improvement
- rounding off where we started this chapter, financial efficiency and long-term sustainability.

The level of savings will depend on the size and type of MAT, federation or trust. But across

core services such as finance, HR, payroll, audit, energy and asset management planning, you could reasonably anticipate savings of 3-8% for each individual school.

RESET THE STATUS QUO

Even with the right structure in place, financial pressures remain. We have seen from the responses to this report that some schools and academies have already been forced to make redundancies, but remain concerned they will find themselves in the same situation again in the near future. The continued use of such strategies is having a negative impact on outcomes – so we must think differently. Consider the entire operation of your school or academy and be brave in confronting previously controversial issues. Such considerations may include:

Teaching and learning

- Can you implement larger teaching groups with enhanced use of technology? Can lessons be learned from other sectors, such as higher education?
- Review your curriculum offer: is there an opportunity to think holistically about the provision of secondary subjects across a MAT with different academies specialising in different subjects and using technology to deliver across the group?
- Review your curriculum modelling and timetable. Is there any additional capacity you could use? How much non-contact time do teachers currently have? What is the teaching commitment of the SLT? Could you be leaner?
- How do you currently provide pastoral support? Is it effective? Is it cost-efficient?

Buildings

- Ensure that the school, academy or MAT considers its future requirements and has a premises development plan that delivers a strategy aligned to your education vision, aspirations, needs and wider local objectives.
- Don't try to economise on or postpone buildings maintenance – it may be tempting to put off a large fee, but it's a false economy and will often end up costing more in the long term.
- Ensure that you fully understand the costs and efficiencies of any new buildings you are taking on, perhaps as a result of taking more schools into a MAT. Ask questions, request information, gather data, challenge costs.

Support/central services

- Invest to save: ensure that your finance director or school business manager has the time to think strategically, complete funding applications, develop revenue streams, etc. Invest in a qualified accountant as your MAT grows.
- Maximise the effective use of technology. Use a curriculum planning tool that informs budget planning, and ensure the integration of other systems such as HR, finance and payroll.
- Review the structure, working patterns and contracts of operational support staff. Consider flexibility within contracts of employment and, for those that have them, use your academy freedoms.
- Use students, work experience placements, apprentices to deliver certain aspects of your central services or revenue streams such as leisure facilities, lettings, fundraising and newsletter production. Or consider integrating specific revenue-generating projects into the curriculum.

RENEGOTIATE AND RE-TENDER TO SAVE MONEY (AND ADD VALUE)

In most cases local authorities are no longer the providers of choice, as they simply don't have the critical mass to be able to offer either economies of scale or quality assurance of provision. In these circumstances, support services can seem like a costly and bewildering expense and your buildings can all too often feel like a huge burden. Here is our advice on how to maximise the bang for your buck:

- Benchmark with other similar schools and academies. How do your budget breakdowns compare? Are you achieving similar outcomes? Try to visit schools and academies that are performing well with regard to both student outcomes and financial efficiencies.
- Maximise your buying power by procuring some services across your entire MAT or group of schools; or partner with other schools and organisations to both block-purchase and jointly fundraise.
- How services are procured will affect the level of savings achieved, for example bigger savings can typically be made by procuring multiple services through one provider. This could drive 3-5% additional savings, as suppliers can apply a more generous discount structure. Also, the longer the service level agreement is guaranteed to run for, the better discounts

suppliers will give. These factors need to be balanced with flexibility and performance management issues.

- Review service contracts and question the value for money of everything. And continuously revisit these; set up regular review cycles and monitoring points or ask members of your finance committee to take responsibility for constantly reviewing and benchmarking particular elements.

Reduced funding is now a reality, and the time has come to think differently about all aspects of school operation, including the delivery of teaching and learning and operational structures. Think small: prioritise effectively and be forensic in your analysis of costs. But at the same time don't forget to think big, and reach for growth.



The importance of sound financial management to maximise the potential of every child

Sue Baldwin

*Director, Academies and Maintained Schools,
Education Funding Agency*

The importance of sound financial management to maximise the potential of every child

THE OVERALL FUNDING CONTEXT

The government is committed to an education system that maximises the potential of every child, acting as a motor for social mobility and social justice. It is investing more than ever before to achieve that – from 2017-18 until the end of the current Spending Review period the core schools budget will be over £40bn per annum.

The government is also firmly committed to introducing fairer funding for schools and high needs. This is an important reform, which will fairly and transparently allocate funding on the basis of schools' and children's actual needs, rather than simply on historic levels of funding tied to out-of-date local information. This is a once in a generation opportunity for an historic change that we must get right.

While funding reform provides an essential backdrop to any discussion on school financial management, evidence shows that how schools spend money is as important as the amount of money they receive. Sound financial management, with spending decisions that focus on providing good quality teaching, can make all the difference to children's outcomes.

In this context, sound financial management is about more than just balancing the books. It's about having the right frameworks and practices in place, and ensuring that budgets deliver value for money. The rest of this chapter looks at getting the basics right, and maximising the impact of every pound on pupil outcomes to help reach a common goal of maximising the potential of every child.

GETTING THE BASICS RIGHT

Getting the basics right includes having a thorough understanding of the current funding arrangements, and how your own school's funding is calculated. Good data and forecasting are key components of that. Robust forecasting of pupil numbers over a 3-5 year horizon is vital, as getting it badly wrong could mean education plans are based on funding

that will not materialise. In certain circumstances, overestimation of pupil numbers can lead to significant financial clawbacks, causing financial difficulties. As the school census forms the basis for calculating school allocations, it's essential to spend time getting the data in the census right.

Another fundamental underpinning of sound financial management is having a thorough understanding of the rulebook. Academies benefit from significant degrees of freedom and flexibility. These freedoms include the ability to decide how to spend the funding available to them in the way which has the best impact on their pupils. But that freedom comes with responsibility. The rules dictate not only what schools must do, but what they can do. They provide checks and balances alongside freedoms and, if formulated well, academies' funding decisions provide a solid framework for making the best use of money.

For academy trusts the financial rules come largely from their status as charitable companies and public sector organisations, where words such as accounts, audits, regularity, propriety and value for money all vie for attention. The Academies Financial Handbook, published by the Education Funding Agency and available at <https://www.gov.uk/government/publications/academies-financial-handbook>, aims to distil these issues down so that the accountability framework is clear and that trusts are confident about their financial duties and the standards of governance that they should apply. When making decisions, being mindful of the fact you are spending taxpayers' money is always important and can help make wise decisions. By following the handbook, trusts should find it easier to spend their money wisely and improve outcomes for their pupils.

Our three key messages are to:

Use the freedoms available to you and act within your powers

Read the handbook and ensure that your trust is applying it. Share it with your trustees and make sure that staff with financial responsibilities have a copy. And ensure that your scheme of delegation makes clear to everyone the extent of their individual powers so that spending is properly targeted and controlled.

Maintain oversight

Have some means of monitoring whether the rules are being followed and that your interventions are achieving value for money on an ongoing basis. For example, do you need a

separate audit committee? And is your internal auditor, or equivalent, reviewing compliance, and reporting their findings regularly?

Think about standards of conduct and behaviour

Carry out business even-handedly, particularly when dealing with related parties. Be aware of perceptions and ensure your actions are within the rules, transparent and demonstrate benefits for the pupils. Promote transparency – use your annual report, your accounts and your website to do this. And share good practice with other trusts.

MAXIMISING THE IMPACT OF EVERY POUND ON PUPIL OUTCOMES

With the rulebook in hand and the “basics” of sound financial management covered, an integral part of maximising the potential for every child and young person is to ensure that budgets deliver value for money.

The public sector faces a challenge: to deliver world-class services, while spending within its means. In common with other areas of public spending, school budgets will face significant pressures over the Spending Review period. It is therefore more important than ever that schools make sure every pound is spent properly to help improve outcomes for pupils.

We know that very similar schools, with very similar levels of funding, achieve very different outcomes. Good spending decisions that focus on providing good quality teaching can make all the difference to children’s outcomes. We would encourage all schools to undertake internal challenge to see where and how they can go further to improve their efficiency.

In applying educational interventions, school leaders should consider how they can achieve the most impact for the money they spend. To achieve value for money in schools, it’s important to apply interventions which have a sound evidence base: for example, by considering the interventions and approach to evidence contained in the Sutton Trust-EEF Teaching and Learning Toolkit to improve the attainment of disadvantaged pupils.

School efficiency and financial health must start with schools and be led by schools. In a school-led system, schools will work directly with other schools to achieve greater efficiencies, whether through MATs or through individual schools working together to negotiate deals and share services. We would encourage all members of the school business man-

agement profession to make the most of local and national professional networks – to share skills, knowledge, expertise and experiences.

While this must be school led, our job is to help build capacity by providing support and tools. These are for all schools to use, to run efficiently and make the most of the funding they receive. Working with sector organisations, we have published a package of financial health and efficiency tools and guidance: <https://www.gov.uk/government/collections/schools-financial-health-and-efficiency>.

The package is designed to help support schools to:

- review their level of efficiency
- investigate their levels of spend
- resolve any issues emerging from this assessment.

The collection covers subjects such as budget planning, financial governance and effective procurement. It includes tools to help schools review their financial position and compare their schools' spend with other similar schools – so they can work together to share the practices that are driving success. It also includes examples of some excellent practice in schools, and a wide range of training and tools offered by organisations in the sector.

We are building a service that will allow you to access professional and expert services that are right for your school. Financial health checks will help schools think about whether accessing external support would be right for them, and what this support might be. If academies get into financial difficulty, we will expect them to access expert services to help them turn around. The efficiency collection on gov.uk carries case studies from school leaders who are considered to be among the best in the country: they are well worth a look.

It is because we know that some of the best existing practice is being demonstrated by schools right now that we continue to work with the sector to further develop tools and guidance.

We are always interested in hearing new suggestions about how we can improve the support available and would welcome your engagement. You can email us at: schoolefficiency.financialhealth@education.gov.uk.



**Outstanding
financial
performance for
the best pupil
experience:
the role of the
governing board
in monitoring
financial
performance**

Gillian Allcroft

*Deputy Chief Executive,
National Governors' Association*

Outstanding financial performance for the best pupil experience: the role of the governing board in monitoring financial performance

Governing boards in all state funded schools (maintained and academies) are covered by three core functions set out in the Department for Education (DfE)'s governance handbook:

- ensuring clarity of vision, ethos and strategic direction
- holding the headteacher to account for the educational performance of the school and its pupils, and the performance management of staff
- overseeing the financial performance of the school and making sure its money is well spent.

While in this context the final bullet is the most important, it does not operate in isolation from the other two. Making sure the money is well spent doesn't just mean ensuring that the school stays in the black. It encompasses those first two bullets – making sure the money is well spent in order to ensure that the board's vision for the school is realised and the students leave with good outcomes.

Indeed the starting point is the vision, by which I mean where the governing board wants the school to be in three to five years' time. This needs to be accompanied by a strategy for getting there – and that must come with resources attached, otherwise it's just a piece of paper. It's all very well saying we want to take an expedition to the South Pole, but it has no chance of succeeding if you haven't identified a leader, trained the other participants and provided the necessary equipment. So it is in schools: you can't improve provision and outcomes if you don't have the right personnel and/or an identified strategy to recruit them and the curriculum materials for them to use.

This is a key role of the governing board, ensuring that it has a vision and that the senior leadership team have devised an appropriately resourced strategy to get there. One of the most important roles of the governing board is to ensure it has the right leadership

in place, both the senior executive leader and the lead finance person. These are vital appointments and those in post must have sufficient expertise to both manage the day-to-day running of the school and report in a coherent and meaningful manner to the board.

Governing boards need to ensure that financial competence forms part of the application when recruiting the senior executive leader to their school. Likewise the governing board should where possible insist that the lead finance professional is both part of the senior leadership team and has the appropriate professional qualification. The National Association of School Business Managers (NASBM) has developed a set of professional standards for the business function which governing boards can use when recruiting a new lead financial officer.

In an annual cycle, the first task of the governing board is to approve the budget. This will have been developed by the lead financial officer and senior executive lead and should come with a commentary to explain why the various levels of spending are being proposed. It has to support the agreed vision and strategy. For example, if the key priority is to improve the teaching of languages in the school, but the budget proposes to put additional resources into another curriculum area, then the board needs to question the rationale.

In any school the biggest cost will be the staff team. The biggest impact on improving outcomes is for young people to have a high quality teacher in front of them. But what do you, as the governing board, know about your staff complement? There is a very basic question, how many there are, but this doesn't tell you very much. What proportion of the budget is spent on staff – if this is tipping over 80% then the board need to be asking why, because over 80%, the room for manoeuvre gets tighter. There may be a very sensible reason, such as your school is a good place to work, you have a happy and well qualified staff and consequently they are towards the top of their pay ranges rather than the bottom.

What's the pupil teacher ratio (PTR)? You may as a board have opted for smaller class sizes, but it is something you need to have done consciously rather than just allowed to happen. If your senior leadership team has proposed this as a strategy then you should ask for the rationale and evidence that it will make a noticeable difference to justify the extra cost.

At least as important is the teacher contact ratio – i.e. what proportion of a teacher's time is spent in front of the young people. Going back to the point that having a good teacher makes the most difference to pupil outcomes, if the contact ratio is low in your school, then is that the most effective use of staff? The Association of School and College Leaders (ASCL), from the work it has done on budget and curriculum planning, suggests that in secondary schools the optimum contact ratio is around 0.78.

Likewise, is your leadership team good value for money? What proportion of the budget is spent on senior leaders compared to the rest of the school staff?

Last but by no means least, what are your support staff doing? The Education Endowment Foundation has with its recent research shown that teaching assistants can make a positive difference in the classroom, but only if they have a clear role and have received appropriate support and development. Is that true for those working in your school?

Having the right staff expertise should also improve the school's procurement of goods and services. Governors should ask how staff ensure value for money, what networks they are using to share and obtain good practice ideas, and whether they know about the deals negotiated by the government procurement service.

Once the budget is in place you need to monitor against expenditure. In most cases this will be done by a committee of the governing board, but all those on the board need to have a clear picture of the financial health of the organisation. It is up to the board to decide how often the committee should meet, but this should be at least once a term; many meet once a half-term. The board doesn't have to scrutinise the accounts line by line at every meeting: reporting by exception is more efficient and effective. For example if you allowed £7,000 for energy costs and seven months in the costs are on target, you don't need to spend any time discussing it. But if instead you have already spent the allocated yearly budget for energy then further interrogation is needed.

As with any other reporting to the governing board, it is the board that decides and informs the executive what information it wants to receive, not the executive deciding what it wants to show. This needs to be a balance of ensuring you have sufficient information to carry out your role well, and not demanding so much information that the executives are spending more time servicing the board than improving outcomes

for pupils. The Department for Education has improved its resources relating to financial effectiveness, including updated benchmarking tools and a designated page for those governing. You can access it at: <https://www.gov.uk/government/collections/schools-financial-health-and-efficiency>.

You also need to ensure that good internal financial procedures and processes are in place, to both mitigate against the risk of fraud and protect your staff from misplaced allegations. That doesn't mean that the governing board needs to become hands-on internal auditors. But you may need to think about contracting someone to do a sample check every so often – e.g. following a transaction from start to finish, checking everyone on the payroll actually exists.

Any spending proposals which fall outside the agreed budget headings should be accompanied by a paper setting out the reasons for the request. There are two questions governing boards should ask: can we afford it? And, what impact will this have on outcomes for children? Do not be bumped into agreeing significant additional expenditure, the proposal for which is tabled at a meeting. You cannot be said to be using public money well if you make snap decisions without proper consideration of the consequences.

Finally, make sure you also review your own performance as a board.



Tackling a £1.4m deficit

Jane Durkin

*Executive Business Manager,
Blue Coat Church of England School and
Music College, Coventry*

Tackling a £1.4m deficit

When I started at Blue Coat School in November 2015, after more than 20 years' experience in school business management, I was faced with the school's £1.4 million deficit. That was quite a challenge. These are some of the main measures we took, and their results so far.

We developed honest and open discussion with our suppliers in order to set up payment plans. This helped our cash flow and enabled us to spread the payments to coincide with GAG funding, pupil premium and other grants, creating a more efficient way of running the budget.

We had to be creative and proactive in increasing the school's income. This included making use of all of the site, for example:

- using the main hall, theatre and our new conference suite for weddings and conferences
- inviting primary schools and a local science club to use the facilities
- letting out facilities to private tutoring companies for adult and older students to enable them to take examinations
- letting out the car park to support local events (we are not far from Coventry city centre)
- marketing our theatre facilities – we wrote to dance clubs and theatre groups and offered them 'six for five' deals
- developing partnerships with Belgrade Theatre, Albany Theatre and the Royal Shakespeare Company
- increasing the number of our performances, especially musically, as we have very talented musicians who perform at the Methodist Central Hall annually
- maximising the use of the MUGA pitches and working with Coventry City football club's Sky Blues in the Community to develop community use at all levels.

This has all helped financially and has also provided high-quality CPD for some of our staff and opportunities for pupils to be involved with projects.

The site is open until 10pm Monday to Friday and 8pm at weekends. In all, we doubled the letting income to some £100,000 a year.

RENEGOTIATE

All financial contracts are being renegotiated. We have saved £12,000 a year on our printer contract, and the same amount on gas and electricity, thanks to procurement via Zenergi. We're now looking at our catering and cleaning contracts – and being very forceful in negotiations!

Our on-site team is doing more of the bigger repairs and maintenance jobs, such as painting and decorating the classrooms. Two people can repaint a classroom in a week, and in order to achieve this we have changed their shift patterns so they now work after the pupils have left school for the day (with a 4-10pm shift), or of course in the holidays.

Thankfully, we have a lot of supportive staff. A theatre manager oversees lettings and is also very proactive in looking for new 'clients'. We're taking on two finance apprentices in September to support our small finance team – not as cheap labour, as we really believe in the apprenticeship programme. We have employed apprentices before who are now permanent: one, who started as a clerical apprentice, is now the headteacher's/SLT's PA; others provide technical support for ICT and for the school's theatre.

BE ORGANISED

You have to be very organised and self-disciplined to achieve such savings and income. I believe you can achieve great flexibility primarily by recruiting the right people. You can train people to do the (different) jobs required if they have the right attitude.

With the curriculum, we're monitoring the sixth form and also years 10-11 to see if courses are cost-effective: we can't afford tiny classes. We work closely with our sixth form consortium. Some pupils study for some subjects outside the school, and some from other schools study here, which gives us additional income.

For the future, we will be restructuring again, this time focusing on getting a more efficient support staff operation. And we're looking to do more on working with the community, such as putting on tea dances for pensioners, craft fairs and theatre days, and matinee performances for the community as a whole.

We're looking at selling the services of our IT, CPD and training, and finance teams. And we're upskilling a number of staff. It's all starting to look far different from how we have used the school buildings and facilities in the past.

We have managed to set a balanced but very tight budget for the year and we are on track with repaying the EFA loan by February 2017. From the next financial year (2017/18), we should then have more flexibility to make improvements to both infrastructure and curriculum.



Doing things differently – and it's not just about the money

Caroline Barlow

*Headteacher, Heathfield Community College,
East Sussex*

Doing things differently – and it's not just about the money

The challenge: East Sussex is not one of the better funded counties. Our funding lump sum is down 3.3%. We have reduced expenditure in a number of ways, cutting full time equivalent teaching staff by three – and yet, our total employment costs are up 4.6%, that's over £271,000 annually.

I joined as headteacher in September 2015. The school used to have a significant carry-forward, which was approved by the local authority, to cover costs such as committed capital projects and updating ICT equipment. This year we had to use the carry-forward fund. We expect to have a balanced budget next year, but we will have to find substantial extra cost savings to maintain that in future.

The school has not been full in the last three years, with some 210 students per year group rather than the 240 on which the eight groups per year are based. Next year, thankfully, we are over-subscribed in year 7. Our sixth form continues to be popular and is full.

As a result of changes in the national curriculum and qualifications, we have chosen to change the options offer at GCSE from five to four, though this is still broad compared with many schools.

CUTTING COSTS, RAISING INCOME

Our business manager is experienced and highly skilled and has done a lot to streamline budget costs as far as possible, diverting cost savings into teaching and learning. We are known to be loyal customers and our strong relationships with supplier companies have allowed us to negotiate substantial cost savings.

We're also looking into generating future income, in a number of different ways. Recent capital investment has created areas of the site which have great potential for rental income, for example. And in small ways we are looking to share and develop what we do

well. We have an annual photography competition, which is now being used to create a college calendar, sales of which may generate a small profit that can be reinvested in the children. For the first time, we have invited voluntary parental contributions to help support the extra 'nice-to-have' resources that are under pressure due to the current funding situation.

The NC move to a linear A-level will mean we have to re-evaluate the KS5 curriculum, which has the potential to create savings.

Our KS4 curriculum model was revised this year, with the removal of the one-year intensive GCSE option and the reduction of options from five to four. The final option choices enabled some adjustments and savings to be made by combining groups or not running courses. Five option subjects are no longer running.

All of the above have resulted in increased class sizes for September 2016 in all year groups, particularly year 9, so the curriculum FTEs required have reduced from 91 to 88. This has resulted in reduced staffing costs (before uplift and increased costs are taken into account).

These reductions have generally taken place through people moving on naturally, and so far we have had to start consultation on only one redundancy.

COMMUNITY USE

Using already committed to funds, we are creating a very attractive covered area on the large outside space used for playing fields, for a 'snack shack' servery, which will be properly set up for hygienic food delivery. It will also have full electrical supply and a sound system, used for the college radio at break times. We believe this covered area will have appeal for community use outside school hours – sport, parties, and community events.

RESTRUCTURED LEADERSHIP

We have restructured the senior team and middle leadership group. Some members of the senior team were one-year appointments – while they got used to me and decided whether they wanted to work with me. Luckily, they all did! So that gave flexibility, allowing reduction to a core of eight senior leaders, along with a wider extended leadership team.

The middle leadership group was an eclectic mix of responsibilities and remuneration, based in part on historic agreements including when the college had specialist school status. We consulted on a model that introduced much greater equality in salaries and performance measure responsibilities.

Together these changes will produce savings of £130,000pa when the three years payment protection period ends. While cost-saving was a factor, these changes were more about equity and effectiveness.

How did staff react? Even those who have lost TLR have generally been very good about it. Union members came to the discussions we held. The feedback was that the senior leadership has been transparent and open about the whole process. Colleagues appreciate the move to greater equality and clarity, and that it was not inherently a cost-saving exercise.

LOOKING BACK

Challenging? It's been a fun year, yes! As I slowly realised all these issues existed. We all knew three years ago that staffing costs were going to increase, but nothing was done before I came because understandably the governors wanted the new headteacher to have ownership of the necessary changes.

Because we had no carry-forward funds this year, we have had to put on hold some of the capital developments we would like.

LOOKING FORWARD

The three-year budget plan we have produced is the most pessimistic it could be, so that we know the worst case scenario. I know some of the outcomes will not be that bad: the costs are at the extreme. And with pupil numbers going up markedly – we are now over-subscribed – we will have stable staff. However, in order to retain skilled and experienced staff we are asking them to identify their second subjects to teach.

At the same time, though, we are maintaining our low proportions of contact time protected for co-planning within the school day. Part of retaining staff is about looking after them and maintaining wellbeing. Protecting teachers' ability to work together and develop their craft of teaching is something that we will maintain as long as we are able to.

Beyond the finance, the real challenge as ever is in providing the best educational environment and ethos for our students. The students here are lovely, well behaved and happy. We are working on creating a more proactive sense of engagement, developing leadership among students. We want to ensure they are part of the college's development, motivated by the impact they can see themselves having. There is a buzz about the college at the moment – despite the financial pressures, we are excited about what we can achieve collectively.



How Leigh Academies Trust is facing up to the financial challenges ahead

Steve Avis FCMA

Finance Director, Leigh Academies Trust

How Leigh Academies Trust is facing up to the financial challenges ahead

Leigh Academies Trust (LAT) is a multi-academy trust based in Dartford, Kent. It currently has 7,200 students in four secondary academies, five primary academies, one special academy and a university technical college. With 1,000 staff in Dartford (and 300 in Greenwich and Maidstone) and a budget of nearly £50 million, LAT is the second largest employer in the area.

If we thought the last five years had tested us in balancing the budget, then the next few years seem set to challenge us all on a different level. Just before the general election, the Institute for Fiscal Studies reminded us that schools' funding had risen by 0.6% in real terms since 2010 but warned that in the next five years, schools and academies would face at least a 7% reduction in real terms funding.

But don't be too downcast. The economic and educational environment presents some great opportunities for achieving that elusive A* in the Balancing the Budget exam!

RISING STUDENT NUMBERS

The last five years saw an 8% rise in the number of students in our primary schools and academies, and this is expected to rise by a further 5% in the next five years. Secondary numbers are expected to rise by 10% in the period to 2020. So, demand for places in our schools is most definitely out there.

Leigh Academies Trust has been working in collaboration with Kent County Council to help the local authority find places for additional students in 2015-16. Places have been found for more than 30 students whose current school will close; Wilmington Academy will take an additional 20 students in September, funded from Kent's basic need growth fund; a new ASD unit will also open at Wilmington; and a speech and language provision will open at The Leigh Academy. New places means more income.

Of course not all schools and academies can expand to take new students, but all can focus on achieving full capacity and meeting their published admission number.

POST-16 – STUDENT NUMBERS AND EFFICIENT DELIVERY

Another area for all secondary schools and academies to focus on is maximising the number of post-16 students on roll. The raising of the participation age again provides schools and academies with the demand for sixth form places. The competition is tough, with the FE sector and apprenticeship schemes fighting for post-16 funding, but there is much that we can do to encourage GCSE leavers to come to our academies.

At Leigh Academies Trust we have developed a trust-wide strategy, with strong collaboration between all secondary academies, to broaden the curriculum offer, but with value for money in mind. Key strands of this strategy are:

- developing common option blocks containing academic and vocational courses across academies to support greater choice and economies of scale
- sharing of students where numbers are low to enable less popular courses to be viable, with transportation between academies provided
- creating more personalised programmes of study, with a reduction in the number of students following four AS- level courses, thereby driving a reduction in the number of teaching hours per week
- bespoke tutor groups and pastoral programmes
- no lessons on Wednesday to compete with local colleges (allows intervention work to take place)
- trust-wide marketing strategy drives applicants through a bespoke post-16 website, a widespread presence on social media and targeted leaflet drops
- open tours and taster sessions ongoing throughout the year.

This strategy was developed after a detailed cost analysis of post-16 provision which the trust commissioned in 2014. Looking at teaching hours for each course, the cost of individual courses, student uptake, group sizes and funding, the analysis concluded that the costs of delivering post-16 provision were greater than the post-16 funding allocation received, with pre-16 funding effectively subsidising post-16. The analysis also indicated that the breakeven average class size was 14 for post-16 as a whole.

COST AWARENESS

Comparative cost data between schools has been around for a while, but an individual school's ability to improve value from its suppliers using this information is very limited.

One of the great advantages of being part of a multi-academy trust is the trust's ability to use its purchasing power to deliver support services at an economic cost. A single trust-wide support contract covering seven academies will certainly be more economical than individual contracts procured by the seven academies. Leigh Academies Trust has negotiated significant savings from centralised contracts for cleaning, catering, grounds maintenance, facilities management and energy. And we are continuing to drive our efficiencies from collaborative approaches to the procurement of resources for teaching and learning.

The provision of centralised services is also key to making our money go further. Leigh Academies Trust provides centrally-managed IT, HR, finance, payroll, business and governance services to its academies. Specialist staff provide day-to-day support in academies while benefiting from the sharing of good practice collected at the centre. The trust has ambitious plans to develop these central services into income-generating opportunities by creating a centre of excellence for service delivery to other schools and academies outside the group.

ADDITIONAL SOURCES OF INCOME

Maximising income from the hiring of facilities to third parties has long been a revenue generation favourite of schools and academies, but achieving a good return may not be as easy as it seems. There are two key challenges involved: generating the lettings in the first place, and accounting for the profit without upsetting the tax man.

Without careful planning, schools and academies may find themselves liable for paying corporation tax on profits from hiring facilities. In general, academies will have to pay tax unless they can demonstrate that any of the following three exemptions apply:

- The academy's Objects (contained in the Articles of Association) enable the raising of income from lettings to be regarded as a primary purpose of the academy. All academies have education as a primary purpose, but not all enable income generation.

- The letting is for land and/ or space only, and does not include services and equipment, including sports equipment. Be careful as artificial sports pitches can be regarded as equipment.
- The first £50,000 of net income is free from tax.

To successfully navigate through this, Leigh Academies Trust has established a commercial arm – LAT Enterprises Ltd – which brings all lettings income together in a separate legal entity. LAT Enterprises then Gift Aids all of the income to the trust on an annual basis generating a tax liability of zero.

The trust centrally manages a network of business managers who are based in each academy with responsibility for (among other things) selling facilities to third parties. This approach enables academies' individual needs to be met while maximising the opportunities for major trust-wide events.

Whichever political party had won the general election, the future funding for schools and academies would have been challenging. The maxim 'more for less' has never been more apt, and school and academy leaders will need to think innovatively to ensure that every pound received is deployed to best effect – and that the number of pounds is as high as it can be.

A decorative circular pattern on the left side of the cover, featuring a series of small dots arranged in a semi-circle, with a floral motif at the bottom left.

Facing the funding challenge

Tracey Jones

Headteacher, Lord Grey School

Facing the funding challenge

Lord Grey School is a comprehensive 11-18 school in Milton Keynes, with around 1400 students on roll.

While we are solvent this year, this has been in part due to the luxury of having carry-forward from a new performing arts block, which is now not going ahead. However, 80% of the carry forward has been used this year, and if the current funding challenges continue, I fear a dire state by 2020.

We have been offsetting this challenge through a continued economy drive: limiting department photocopying, default black and white photocopying, looking at energy use, etc. We have also make minor reductions to some areas of the budget, for example reducing the VIVO points prize pot from £12,000 to £8,000.

STAFF STRUCTURES

And we're looking carefully at our staff structure. When posts become open through resignations and retirements, we are thinking about whether we want to keep the post or whether we can do without it.

A full restructure of support staff will lead to cost efficiencies by 2018. Changing support staff's grade scale from seven points to five points has helped us to rationalise support staff pay.

With the apprenticeship levy coming in this academic year, we have already taken on a number of apprentices, some of whom have gone on to substantive posts. Our apprentices have worked as trainee chefs, trainee Marcomms officers, in the ICT network team, and as sports technicians. The challenge in the future will be thinking about each apprenticeship role as a one-year course, rather than necessarily as a route to a substantive role.

INVESTING TO SAVE

We have actively decided to invest in more textbooks, which can be used for a number of years, and so are more sustainable than multiple photocopied hand-outs.

Perhaps our most innovative solution to funding challenges has been the development of the Eden Centre. This is a dedicated alternative provision school, on our site, although operating separately to the rest of the school. We decided to invest in our buildings and to convert the old caretaker's house into the AP school. This initial refurbishment investment cost around £40,000, with around £30,000 pa to staff the school.

We plan to make savings based on this investment, by running our AP in-house, rather than using external AP providers, and thus losing more income from students leaving our roll. Last year we had 19 students go through the Eden Centre, with the aim always to get them back into the mainstream school eventually.

While we are currently keeping this as an internal provision, we have been contacted by other schools about sending their students to the Eden Centre for short periods. Although we have no plans to offer this externally at the moment, partly due to the fact that it's so new for us, this is something we may consider in time as an additional revenue stream.



Collaborative mathematics via Skype

Mark Dawes

*Advanced Skills Teacher in Mathematics,
Comberton Village College*

Collaborative mathematics via Skype

In our academy trust there are four secondary schools. One is a large secondary school with a sixth form, another is a new school that currently has pupils in year 7 and year 8, a third is a small rural school and the fourth is a large city school that recently came out of special measures. We have used Skype to support group teaching between the four schools, particularly to extend highly able mathematicians, but all pupils can make considerable gains when given the opportunity to work collaboratively on mathematical problems. It can also be an effective way of sharing staffing resource – for example, by enabling a further maths class to be taught involving pupils from different schools.

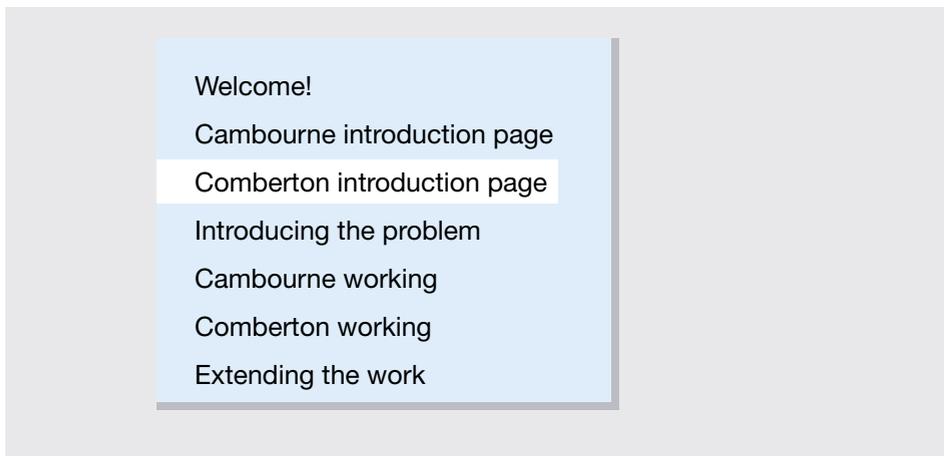
Lessons are taught via a three-way video-conference, featuring a teacher and pupils from two of the schools. All three use a separate computer equipped with Skype for Business. The mathematical work is shared using Microsoft OneNote, very powerful but underused software. For our purposes it allows real-time collaboration in that changes made on one computer are visible on all the other computers almost immediately. It also has multiple pages, so pupils can work on different areas of the file and the work can later be combined. The laptops used by each group have a built-in webcam and microphone and we all have writing tablets that can be attached to the computers and allow us to write using a stylus. This means the pupils can easily draw diagrams and write mathematical content. Other methods for interacting with OneNote are to type or to take a photograph and to copy and paste it into the file.

THE TASKS

The tasks we have used have allowed the pupils to work as a group within their own school but then include frequent sharing (mediated by me) with the other school. Thought needs to be given about how to manage the conversation between different groups in a way that enables all pupils to participate.

TEACHING VIA SKYPE IN ACTION

Pupils are given a file with a number of different pages that they can move readily between.



In some lessons the introduction page is the same for both schools, at other times pupils are given slightly different questions to prompt collaborative working. For example, the lesson below began with slightly different questions for the pupils from the two schools.

The first version was:

In silence (you might want to write notes to each other!) work out:

Q1)	$\frac{1}{2} - \frac{1}{3}$	$\frac{1}{6}$	What is Q5? What is the answer?
Q2)	$\frac{1}{3} - \frac{1}{4}$	$\frac{1}{12}$	$\frac{1}{6} - \frac{1}{7} = \frac{1}{42}$
Q3)	$\frac{1}{4} - \frac{1}{5}$	$\frac{1}{20}$	What is Q10? What is the answer?
Q4)	$\frac{1}{5} - \frac{1}{6}$	$\frac{1}{30}$	$\frac{1}{11} - \frac{1}{12} = \frac{1}{132}$

The second version was:

In silence (you might want to write notes to each other!) work out:

Q1) $\frac{1}{2} \times \frac{1}{3}$

$$\frac{1}{6}$$

What is Q5? What is the answer?

Q2) $\frac{1}{3} \times \frac{1}{4}$

$$\frac{1}{12}$$

$$\frac{1}{6} \times \frac{1}{7} = \frac{1}{42}$$

Q3) $\frac{1}{4} \times \frac{1}{5}$

$$\frac{1}{20}$$

What is Q10? What is the answer?

Q4) $\frac{1}{5} \times \frac{1}{6}$

$$\frac{1}{30}$$

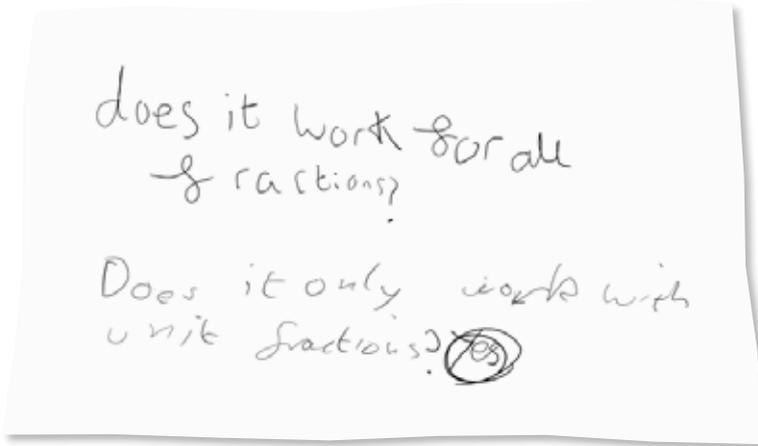
$$\frac{1}{11} \times \frac{1}{12} = \frac{1}{132}$$

I asked the pupils to read out their answers alternately, and they were unsurprised that those answers were identical until they looked at the work of the other school and realised they had different questions. The pupils used this to discuss what they wanted to explore. They then decided what they were interested in finding out and subsequently worked together to explore their questions.

What are you interested in finding out?

are \div and \times fractions the same
 does it work when the numerators
 aren't 1
 denominators not consecutive.

And from the other school:



Feedback from the pupils and from their teachers has been very positive – this approach has supported students in working collaboratively and enabled them to use new problem-solving techniques.

Working in this way needs practice and careful planning. It is important for the teacher to act as moderator to ensure the pupils don't all speak at the same time and to ensure everyone is involved and engaged. The pupils need to listen carefully and to follow instructions.

Our conclusion from this work is that collaborative online teaching can have real benefits, both in terms of pupils' learning and in terms of managing staffing challenges.



Curriculum-led budget planning

Peter Woodman

Headteacher, The Weald School

Curriculum-led budget planning

The Weald School is a large secondary school in West Sussex, which takes a data-informed and curriculum-led approach to staff planning. This enables us to make curriculum changes that help pupils, in spite of a tight budget and recruitment challenges. We plan our staffing structure one year ahead, in September and October, based on the SLT's view of the ideal curriculum model for the school. To inform our judgment, SLT considers detailed pupil attainment data, which it can see quickly and easily by using a specialist software package.

A customised spreadsheet helps to fill in the detail. This shows, by year group, the number of subject periods needed and the number of periods for which there are teachers available. We aim for an average contact ratio of 0.8, which we can adjust on the spreadsheet. We can also adjust factors such as pupil numbers and class sizes to find out the net level of overstaffing or understaffing by subject. This facilitates an accurate prediction of the school's recruitment needs for the following year.

In light of the school's recruitment needs, we then examine the five-year budget and benchmarking data, which include teacher contact time, class sizes and staff costs. We often benchmark informally with similar schools, and from year to year within the school, and then amend recruitment plans if necessary.

This approach allows us to know the school's projected staffing levels and recruitment needs at any given point in the year, and make the necessary curriculum changes. We have, for example, been able to:

- increase the number of maths and English periods in years 7 and 8
- tailor the curriculum for some pupils by taking them out of lessons in which they are very strong, to give them extra lessons in subjects in which they are weaker.

When faced with budget pressures, obviously we aim to find a balance between our ideal curriculum and the costs that the school can afford. Options we consider include:

- increasing teacher contact time
- discontinuing less popular subjects
- increasing class sizes for certain year or subject groups
- teaching year groups 12 and 13 together in certain subjects.

This has led to increased class sizes for years 7 and 8 (from 30 to 31), and the discontinuation of ceramics at GCSE and politics at A-level. To ensure affordability in future years, we have also:

- recruited new intervention teachers on a one-year contract
- reduced the size of SLT by 2.2 full-time equivalent (FTE) posts
- ensured all SLT members teach some classes.

Our staffing plans are continually revised throughout the year. SLT and I meet four times a week, and discuss staffing at almost every meeting. Together, we react quickly to staff turnover and are successful in recruiting teachers, so an effective staffing structure is always in place.

This approach ensures a consistent focus on delivering the best possible curriculum in the most efficient way. There is virtually no overstaffing and teachers are flexible in covering for one another when there is sickness absence.

Finances have been particularly pressured in West Sussex in recent years, so it has been critical that we use those we have as effectively as possible. Our proactive and long-term approach to curriculum planning and timetabling means that we can make choices in a systematic way that keeps the focus on the areas that will make the biggest difference to our students.



Conclusion

Conclusion

Challenging times often encourage people to think differently about familiar issues. It seems unlikely that schools' funding situations will improve markedly in the foreseeable future, in fact for many things may well get worse before they get better as schools try to find ways to manage additional costs within a static budget.

Clearly, the priority of everyone in this situation is to deal with this while minimising negative impact on students and staff. As such, we hope that you have found some of the ideas in this publication of use. We would recommend that all schools consider the following, if they haven't already:

- Put together a premises development plan that looks at the longer-term needs of the buildings across your school, academy or MAT. Consider what you will need in terms of infrastructure to deliver your vision for education and your wider objectives, and don't let your buildings hold you back from running classes in a more creative way.
- Think creatively about the potential of your premises to generate income. We have heard examples such as schools allowing a caravan club to use their playing fields during the holidays and hosting ticketed community events. It is also worth thinking about how you can proactively promote the use of your facilities – encouraging longer-term bookings for evening classes, sports teams and drama groups.
- You may well need to invest to save. For example, in terms of staffing ensuring that your business manager has sufficient time to think strategically and research possibilities can reap real rewards. Similarly, it may be worth investing in some of your premises to optimise their saleability to outside groups. Seek feedback from potential bookers to find out where it might be worth investing in improvements.
- Review all of your contracts – some schools have found that they can make considerable savings by renegotiating energy contracts or changing their

printer supplier. Where applicable, you may have more purchasing power if you are able to negotiate contracts for a group of schools. It is also worth exploring whether savings might be made through the use of alternative energy sources – e.g. having solar panels installed.

- Consider how the behaviours of your staff and students could be changed to reduce costs. Share best practice within your school with regard to working paper-free – significant savings can be made by reducing the amount of printing and encouraging energy efficiency.
- Review the financial efficiency of all aspects of your school. Could your catering be more profitable? Could you offer office services to your community – e.g. access to printing and photocopying?
- Undertake a thorough review of your staffing allocations, involving your governors. Are any of your team under-utilised? Could you manage with fewer people in expensive senior posts? Is the ratio of staff/student contact time right?

Our survey suggested that while many schools are engaging with these issues, for some schools the financial challenges are greater than for others. Schools with PFI premises are often in a particularly difficult situation, being tied into long-term contracts. However other schools will find it difficult to get full benefit from approaches such as those outlined above due to issues such as geography and staff turnover. For example a school in a remote area may have limited options in terms of co-purchasing with other schools and limited flexibility in terms of recruitment of staff.

We believe that the schools sector and the government must work together to ensure that:

- a. best practice in terms of spending reduction and income generation is shared and understood by governors and school leaders
- b. further support is given to those schools that need it, in whatever circumstances, if student outcomes are otherwise at risk.

Overall, schools continue to show that, despite challenging times, they are adaptable, creative and can triumph in adversity, achieving outstanding outcomes for their young people and communities.

CONTACTS

Arcadis

Louise Robinson

Partner, Education

+44 7765 184880

Louise.robinson@arcadis.com

SSAT

020 7802 2300

info@ssatuk.co.uk