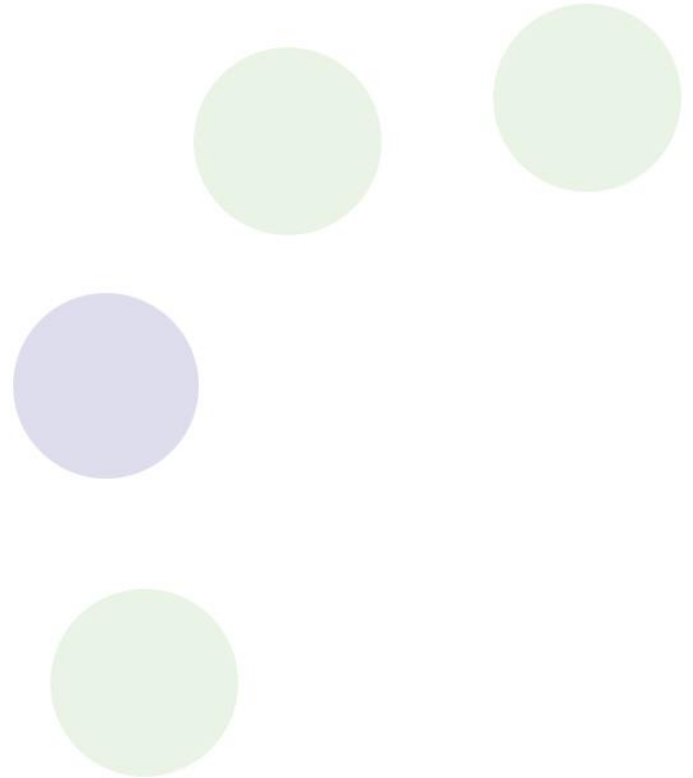


A Perfect Storm



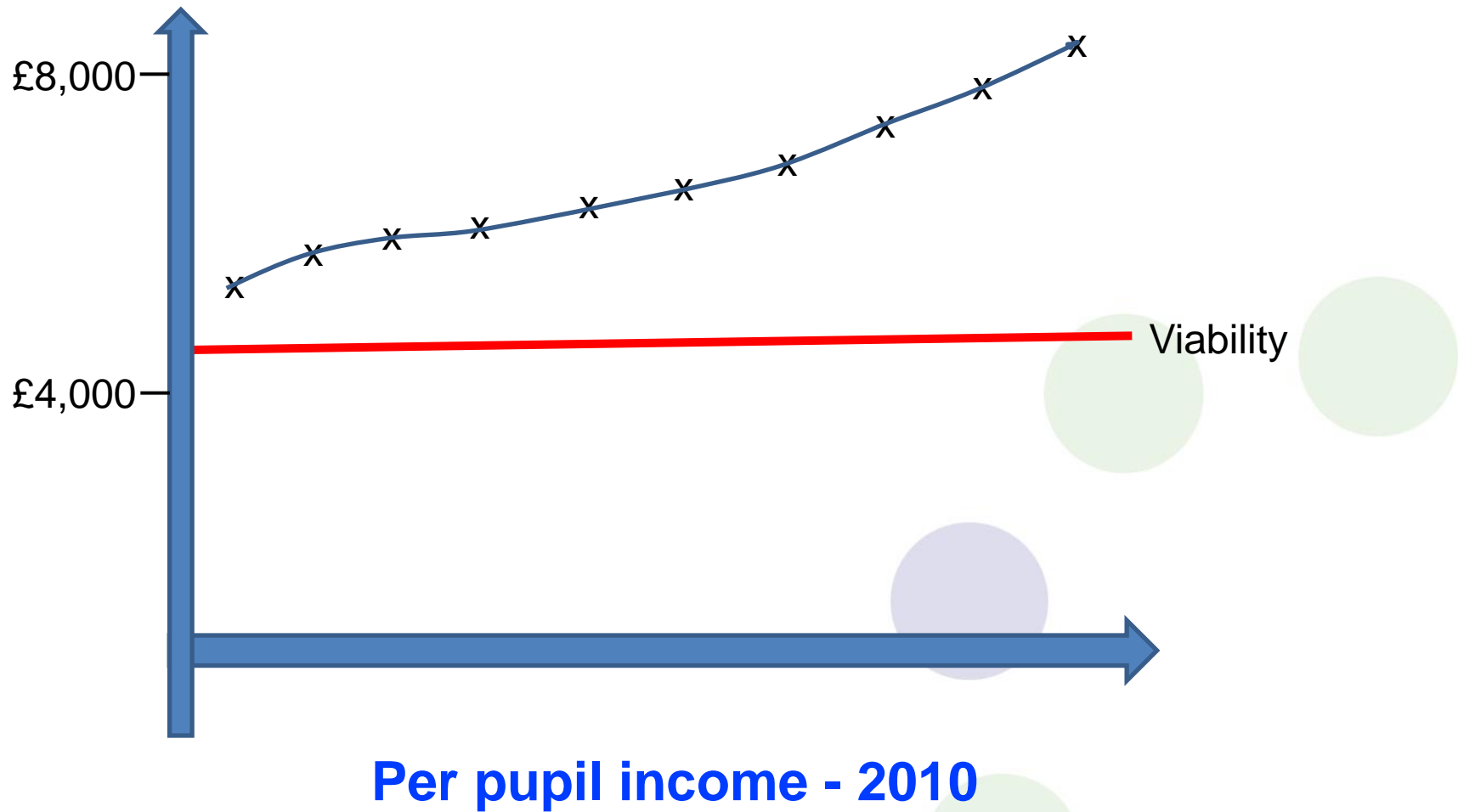
The future landscape

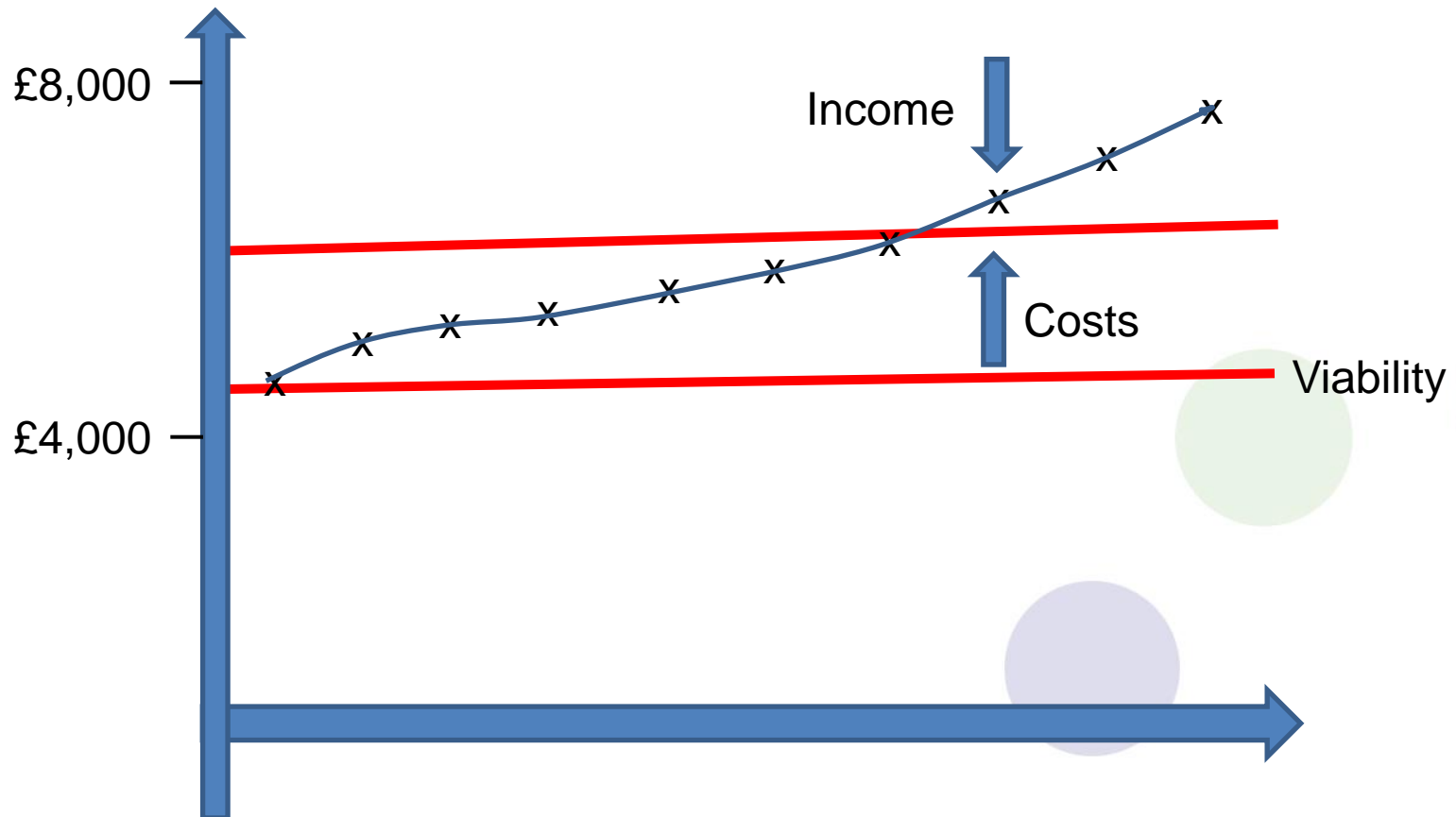
- Autonomy – *there will be more autonomous schools*
- Accountability – *will become more rigorous*
- Collaboration – *will become essential as well as desirable*
- System leadership – *the system will be led more by schools*
- Recruitment of Headteachers – *will become smarter*
- Professionalisation – ***Governors and School Business Managers will be expected to have greater professional capacity***

Cost pressures already in the system

- What do we know *now*?
 1. Funding changes
 2. Election results
 3. Increasing costs

1. Funding changes





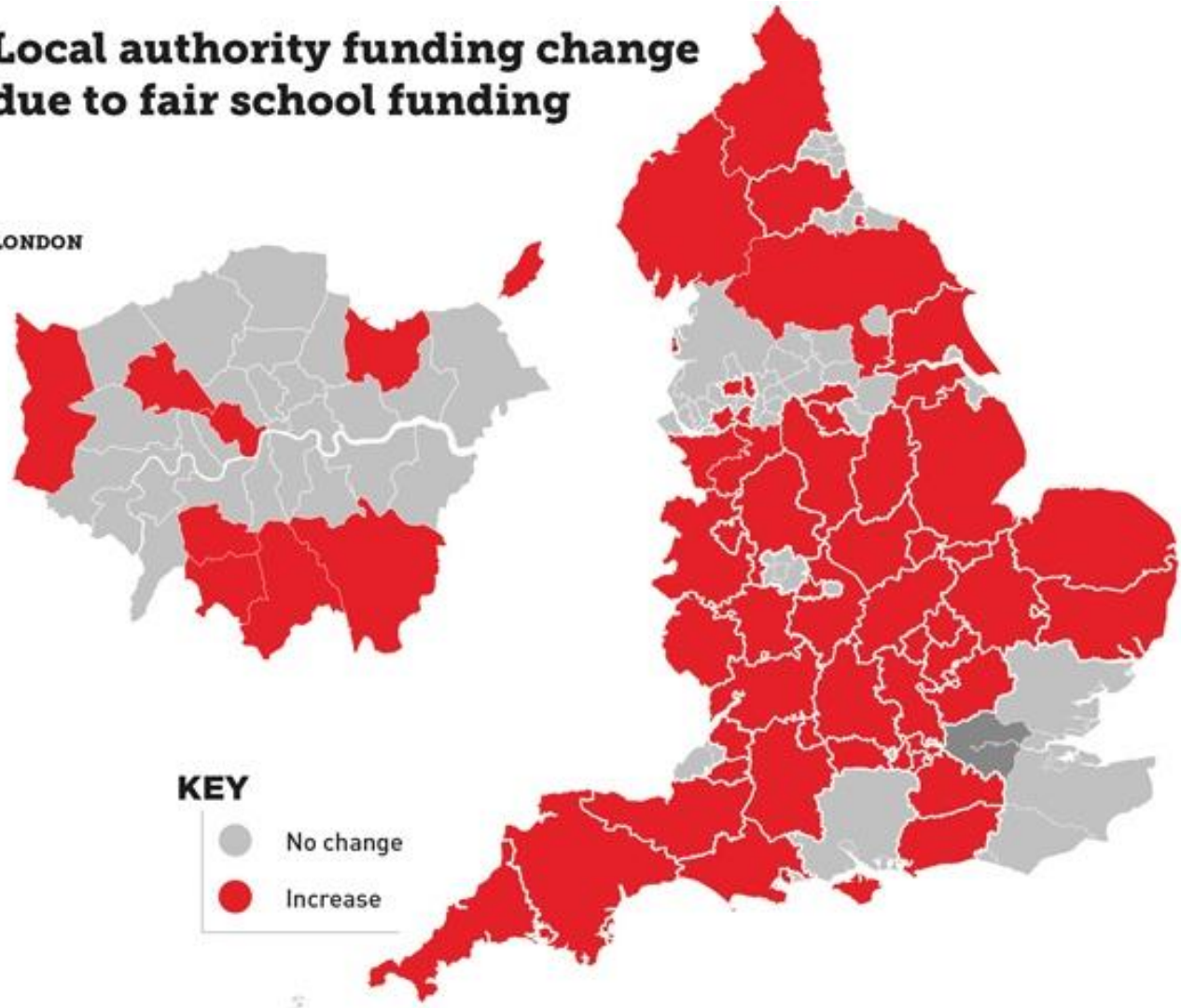
Per pupil income - 2015

Funding Changes

- 2012/13 - 71% of DSG pupil based factors
- 2014/15 - 90%
- Moves towards a National Funding Formula (NFF)
- Introduction of a minimum funding formula
 - April 15 for maintained schools
 - September 15 for Academies
- Changes to distribution of funding to local authorities
- Schools Forum decisions
- Protection only for Schools block funding

Local authority funding change due to fair school funding

LONDON



Funding - April 2015 changes

Minimum funding formula

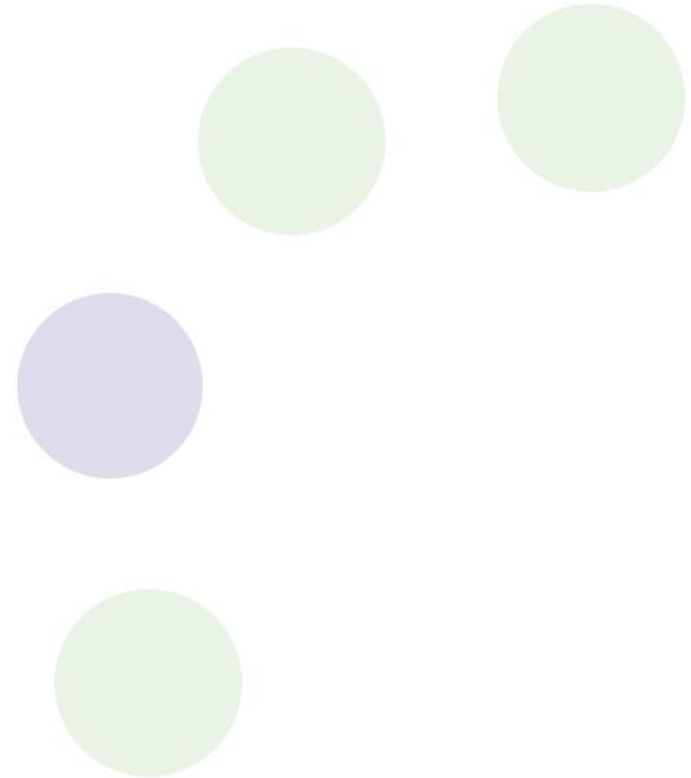
	Primary		Secondary
	£		£
Per Pupil	2,880	KS3	3,950
		KS4	4,502
Eligible FSM	882		1,052
IDACI	209 - 691		289 - 819
LAC	1,004		1,004
Low prior attainment	669		940
EAL	466		1,130
Lump sum	115,797		125,155
Sparsity	44,635		66,656

Funding - Post 16

- Down 20% over last 5 years
- Transitional protection now gone
- Convergence of post-16 funding
- Curriculum and examination changes

Looking forward....

- Compulsory Ebacc



2. Election Results

Conservative government ruled out a real-terms increase in school spending, but promised to protect per-pupil spending. This means that school funding will increase in line with pupil numbers, but not with inflation or cost pressures, including National Insurance changes

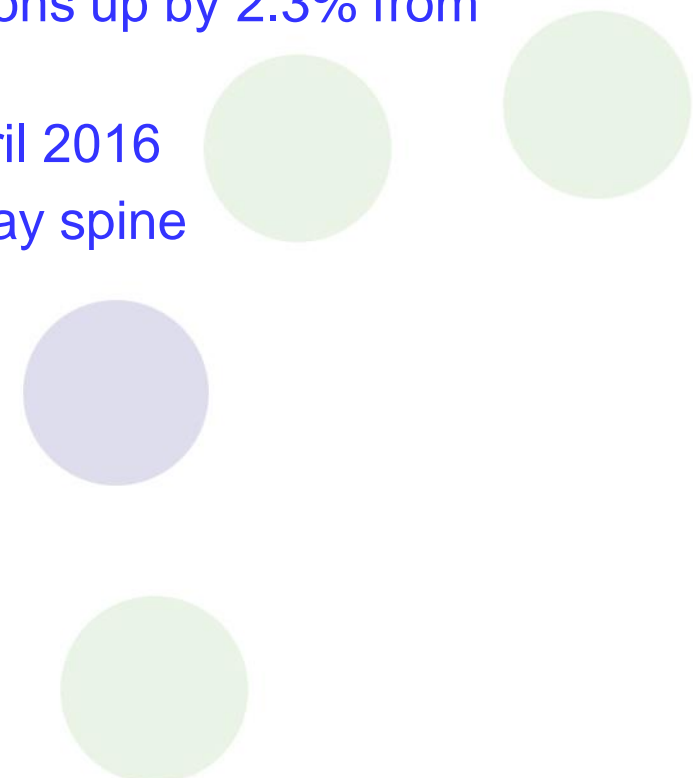
Potential impact = Real term cuts of up to 12%

David Cameron has called for greater efficiency and lean management in public bodies which can only lead us to surmise that there will be further cuts to public services

- **3. Cost pressures – going forwards**

- What else do we know?
 - Staffing costs increasing
 - Government policy changes

Increased Staff Costs – Teachers 2015-16

- 1% pay rise from September 2015 and (est.) 1% in 2016
 - Employers' contribution to Teachers pensions up by 2.3% from September 2015
 - Employers' NI for Teachers up 3.4% in April 2016
 - This does not include any moves up the pay spine
- 

Increased Staff Costs – Support Staff 2015-16 and 2016-17

- 1% pay rise from April 2015 and in 2016
- Employers' contribution to LG pensions up by 1.4% from April 2015 and by 1.5% in 2016
- Employers' NI up 3.4% in April 2016

“How schools spent their money has a profound impact on pupils achievement and future prospects. All schools should be working to make savings, spending their funding prudently and looking to make the most of their money in order to invest in teaching and learning”

Review of efficiency on the schools system DfE June 2013

“Ensuring schools have leaders that have the right skills to manage change and deal effectively with restricted budgets while protecting and improving outcomes for learners is essential”

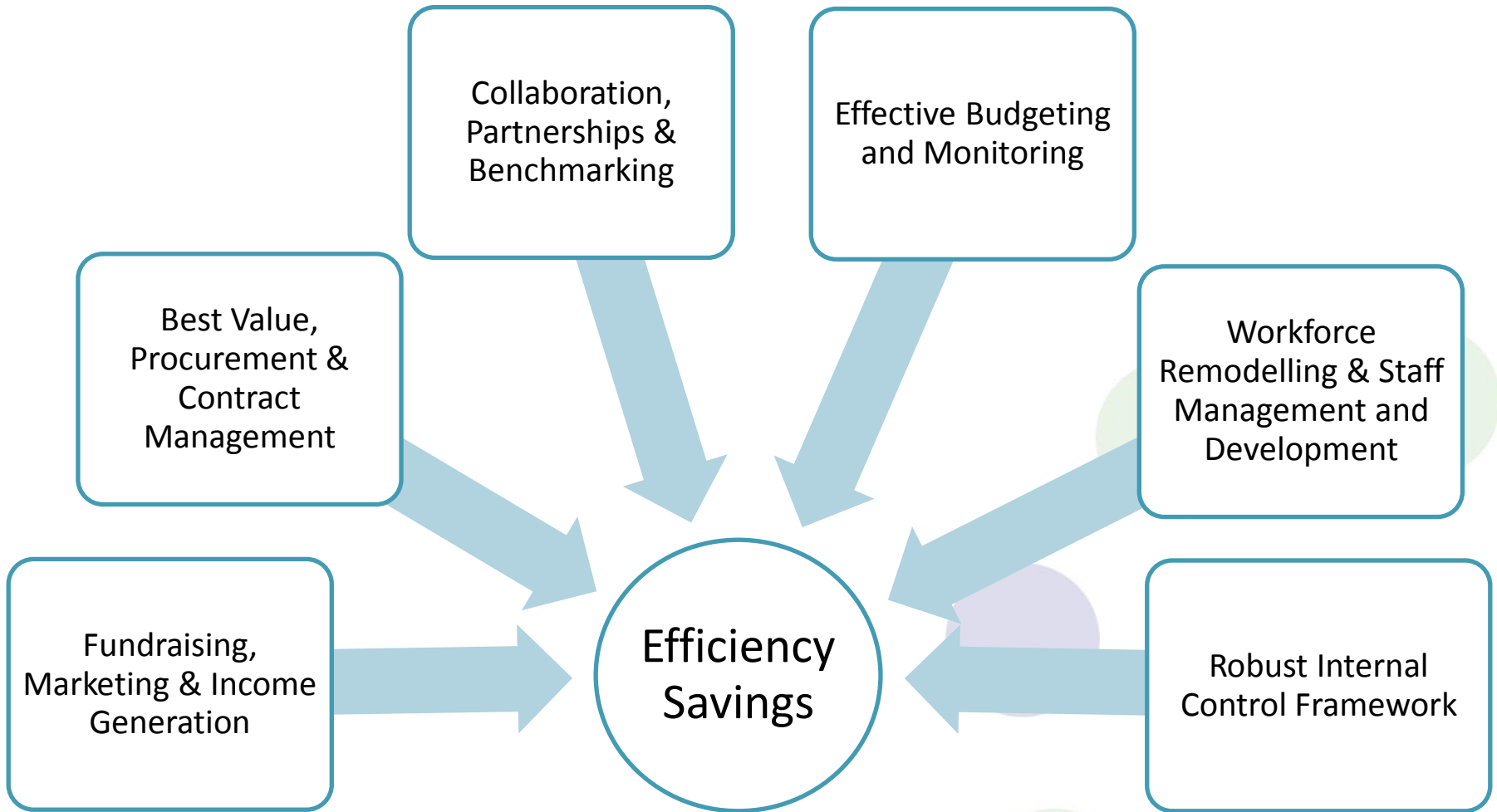
National College for Teaching and Leadership

So what can we do...?

Schools are businesses and need to be led and managed in the same way

- Deploying resources for maximum gain
- Taking tough decisions
- Doing more with less

Approaches to doing more with less



Commercial awareness and the SBM

“an interest in business and an understanding of the wider environment in which an organisation operates”

“It is the need for efficiency, cost effectiveness, customer care and knowledge of the market place in which an organisation operates.”

Commercially aware SBMs

- understand the school's vision and values
- know what the school still needs to do to be successful
- know the school's biggest competitors and what they are doing
- have identified all the school's key stakeholders and their needs
- know the school's strengths, weaknesses, opportunities and threats
- take all the above information and apply it to make sensible decisions to improve the performance of the school

In summary - avoiding the cliff-edge

- Undertake a capacity audit
- Review curriculum costs
- Look at teachers' contact ratios
- Look at group size
- Manage down back office and running costs
- Demand value for money in all procurement
- Look at the size of school leadership teams
- Ensure good financial management
- Balanced budget essential
- Maximise income

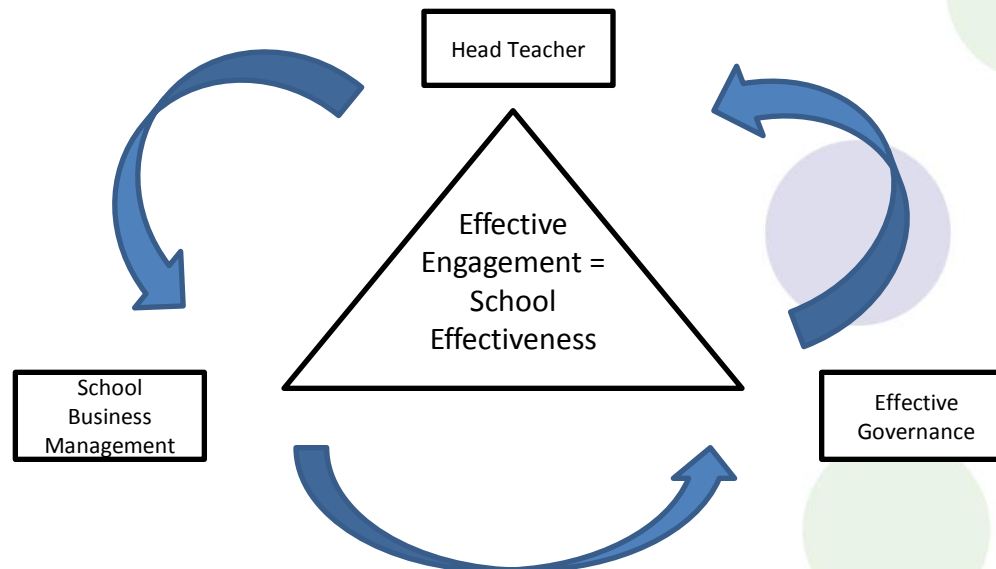
Collaborate – this is no longer desirable: it is ***essential***

Collaboration – The benefits

- Sharing of staff expertise
- Reduced costs
- Economies of scale
- Improved career prospects for staff
- Pooled budgets
- Greater bargaining power
- Improved succession planning

Strong school leadership is not about one person or one set of skills

- Schools need to play to their strengths
- Schools need to trust and embrace the specialists skills of all their Leadership Team colleagues
- Schools need to nurture the talents of their best managers without the fear of being undermined
- Schools need to learn how to effectively manage, delegate and encourage engagement
- Strong school leadership through triangulation – we are better together!



Who can help?

NASBM

www.nasbm.co.uk