



## Schools Forum

Date: 12 September 2019

Time: 8:30 a.m.

Venue: The Guildhall,  
Frankwell, Shrewsbury  
SY3 8HQ

Paper

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## School Resource Management Advisor Support

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### Summary

The Department for Education (DfE) has rolled out the deployment of independent School Resource Management Advisors (SRMAs) nationally to work with local authority maintained schools and academies. Their role is to support schools in making effective use of their available resources to provide the best possible education for pupils.

A national pilot programme run during the academic year 2017/18 had identified over £35m of savings and income generation opportunities in schools and academy trusts. Shropshire maintained schools were not part of the pilot programme.

Shropshire local authority was contacted by the DfE and offered the use of an SRMA to work with up to two Shropshire maintained schools during the summer term 2019.

This report provides details of the SRMA work undertaken in Shropshire with one secondary and one primary maintained school.

### Recommendation

This report is for information only.

## REPORT

### Background

1. Over the course of the 2017/18 academic year, the DfE, through the Education and Skills Funding Agency (ESFA), has piloted using School Resource Management Advisors (SRMAs) to support maintained schools and academy trusts. Shropshire maintained schools were not included in the pilot programme.
2. As part of the pilot the ESFA commissioned independent SRMAs to provide impartial, expert business advice to schools and academy trusts. This included

how to make best use of their revenue and capital resources to deliver educational outcomes and contribute to whole-school improvement. SRMAs work through a school's financial information to identify ways to improve how they deploy staff or make more effective use of non-staff resources. SRMAs also consider whether the school or trust uses an integrated curriculum and financial planning (ICFP) approach and how they carry this out.

3. The pilot programme identified £35m of savings and income generation opportunities in schools and academy trusts and therefore the DfE has now rolled the initiative out to schools and academies in all local authority areas nationally.
4. Shropshire local authority was contacted by the DfE in March 2019 and offered the use of an SRMA from MLG Education Services Limited, Warwick, to work with up to two Shropshire maintained schools during the summer term 2019.

### **School Resource Management Advisor support in Shropshire**

5. The local authority approached the Community College Secondary School and Crowmoor Primary School with the offer of support. Both schools welcomed the opportunity for an independent review of their finances and financial management by a SRMA with a view to identifying savings and income generation opportunities. The schools are in different financial situations.
6. The Community College currently achieves around a breakeven in-year budget position each year but a historic deficit remains which needs addressing from identifying further savings or generating additional income.
7. Crowmoor Primary School has historically held healthy surplus balances but their forward financial planning indicated in-year budget deficits and therefore the need to make savings or generate additional income was required to ensure continued financial security.
8. The appointed SRMA visited both schools to gather financial and curriculum planning data, meeting with the School Business Manager, Headteacher/Deputy Headteacher and Local Authority Funding Policy Officer. The review focused on teacher contact ratios, staffing and non-staffing levels of expenditure and used the SFVS dashboard tool to compare levels with national benchmarking data to identify cost saving areas.
9. The SRMA concluded that there were very few opportunities for cost savings from the data reviewed at either school and no opportunities for income generation were identified.
10. The SRMA's final report for the Community College identified a total potential cost saving of £49k being the equivalent of 1fte teacher, based on national expected teacher contact ratios, but stated that 'the school must consider this option carefully if this action results in an issue with delivering its curriculum, especially with fluctuating pupil numbers between 3 and 4 form entry'.
11. The SRMA's final report for Crowmoor School identified a total potential cost saving of between £2k and £5k in relation to premises related costs at the school based on national financial benchmarking data.

12. The potential savings identified in both schools were identified by the SRMA by the use of comparative national benchmarking data. Shropshire schools have been using national benchmarking data to review their costs and identify potential areas for savings for many years and it was disappointing that no creative financial savings or income generation options were offered by the SRMA.
13. The final reports for both schools gave no additional information than the schools had already identified for themselves. The Community College was already aware of the inevitable inefficiency of staffing for four form entry with year groups of around 100 on roll. Likewise, given the nature of the Crowmoor Primary School building, slightly above average premises costs for a school of their number on roll had already been identified and considered by the school.
14. Given the inability of the SRMA to identify sufficient achievable savings at either school the conclusion can be drawn that the financial difficulties experienced in Shropshire schools are as a result of insufficient funding rather than a lack of good financial management. On this basis the need to continue to lobby government for additional funding for all Shropshire schools remains a priority.