

**Why has the Formula been reviewed?**

It is twenty two years since the introduction of Local Management in Schools (LMS) which saw the process of delegating decision-making to Headteachers and Governing Bodies. During that time Denbighshire has not seen a fundamental review of the way in which its schools are funded. Denbighshire's funding formula is now out of date and is not fit for purpose in comparison to the way in which our schools now work. It is increasingly complex to administer and its educational rationale has been eroded over time, with the funding methodology no longer being representative of a 21<sup>st</sup> century school.

**Is the review intended as a means of saving money?**

The purpose of the review is solely to look at the fair and equitable distribution of resources across schools in line with where real expenditure is being incurred. It is not a means of generating savings it is simply about allocating funding based on need.

**What if we don't agree with the proposals?**

If don't schools don't agree with any aspects of the proposed formula they must submit their feedback through the consultation process providing a robust business justification of why the proposal is not suitable.

**Will there be opportunity for further review post April 2013?**

It is intended that the new Formula becomes a live document and is reviewed annually (albeit not a detailed review) to ensure we are proactive in making changes as and when they occur. This will remove the need for a detailed and fundamental review again in the future and will ensure our methodology stays current.

**Are the funding allocations specified in the consultation document the actual allocations that we will receive in April 2013-14?**

These allocations are the indicative allocations based on the data used to inform the April 2012 budget set. This has been done to allow schools to compare what we said they would get under the old formula, against what they would get based on the same data under the new formula. The April 2013 data will not be available until October so will inform the preparation of the 2012-13 indicative allocations ready for release in January.

**What will happen if my school loses funding as a result of the changes?**

All schools regardless of whether they are a winner or loser in the new formula need to consider the

detailed changes arising from the review as it could change the outcomes of future decisions made by the Governing Body. Those schools that are losing funding will need to work with their School Finance Manager and the Planning & Resource Team to review their financial position and set out a new 3 year plan. Specific consultation sessions have been earmarked for each school to attend to discuss their individual budget implications.

**Will there be transitional funding to support any reductions?**

Each individual school will be considered in isolation and appropriate transitional funding protection agreed based on their individual circumstances. We will not be providing generic protection for schools as this is not deemed an effective use of funding for as some schools will not need the protection even if they are seen to losing funding compared to the old formula.

**For further information, guidance or support please contact Carly Wilson, Planning & Resources Manager**  
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