

Wiltshire Council

Schools Forum

19 January 2011

South West Grid for Learning Broadband Connectivity and Services for Wiltshire Schools

Introduction

1. At its meeting held on 2 December 2010, Schools Forum agreed to adopt a method for charging schools for the cost of broadband connectivity from 2011/12 and that the charges should be treated as a cashless item on the school funding certificate.
2. It is recommended that this method be reviewed to remove the disparity between the actual cost of provision and the charges made which has led to a shortfall of income from academies.

Background

3. The method for charging agreed by Schools Forum is based upon an equal flat rate charge to all schools of approximately £3,158.78 plus a per pupil charge of £14.86. This charge bears no relation to the actual cost of provision for the services received from SWGfL but as the charges were matched by delegated budget provision and deducted centrally this had no material effect on schools' budgets.
4. Schools which have converted to academies have a duty to evidence value for money from their procurement decisions and to consider alternative suppliers. While all academies were keen, in principle, to maintain their SWGfL services, and they acknowledged the potential effect upon other schools if they chose an alternative supplier, they had to assess the price they were being asked to pay on a value-for-money basis.
5. The formula method tends to charge large schools significantly more than the actual charge for the service from SWGfL while charging less than the cost of provision to small schools. To enable academies to make a valid comparison of costs with other suppliers and to avoid the penalties which would be due from them opting out of the council's contract with SWGfL academies have been charged the actual cost of provision from the date of their conversion.
6. This has led to a shortfall in income to meet the total charges from SWGfL, as shown in the appendix below. However, this is much less than the cost would have been if academies had opted out of the contract. To regularise the position and to avoid any further costs from new academy conversions, it is recommended that all schools be charged the actual cost of provision.
7. The council's contract with SWGfL is due to end in June 2013 and it is expected that schools will be able to contract direct with SWGfL after that date.

Recommendation

8. That the method for delegating funds to, and charging schools for, the cost of broadband connectivity from 2012/13 replicate the charges made by SWGfL as closely as possible and that the charges should be treated as a cashless item on the school funding certificate.

Report Author: Simon Burke
Head of Business and Commercial Services
Schools and Learning

Contact: Tel.: 01225 713840
simon.burke@wiltshire.gov.uk

APPENDIX

Provision of SWGfL services to academies

	Formula cost Full Year	Actual SWGfL Cost	Difference
Secondary School Academy	29,922	13,043	-16,878
Secondary School Academy	27,603	13,153	-14,450
Secondary School Academy	25,538	12,902	-12,636
Secondary School Academy	24,364	13,153	-11,211
Secondary School Academy	24,305	12,902	-11,402
Secondary School Academy	22,655	13,153	-9,502
Secondary School Academy	21,645	12,902	-8,742
Secondary School Academy	20,991	12,902	-8,089
Secondary School Academy	17,959	13,148	-4,812
Secondary School Academy	17,603	12,902	-4,701
Secondary School Academy	16,295	13,297	-2,998
Secondary School Academy	14,690	12,902	-1,788
Secondary School Academy	13,828	13,153	-675
Secondary School Academy	13,382	12,902	-480
Secondary School Academy	13,249	16,859	3,610
Primary School Academy	11,599	11,166	-433
Secondary School Academy	8,196	12,902	4,706
Primary School Academy	6,175	4,221	-1,954
Primary School Academy	6,116	7,145	1,029
Primary School Academy	5,447	5,933	486
Primary School Academy	5,358	7,145	1,787
Special School Academy	4,140	4,221	82
Total	351,060	252,009	-99,052