

15. PAYMENT CHANGE UPDATE

This report is to update Schools Forum on the progress of the payment changes we have made as discussed at Schools Forum in July.

- As planned, the change went ahead in September and the first month has now been completed. A concern previously raised was that of the impact on schools and the impact of the first month can be seen below:

Number of Schools	Difference in Payment	Percentage
46	will receive more in Sept in new system	52%
23	net credit	26%
9	will receive > 90% of scheduled payment	10%
5	will receive >80% & <90% of scheduled payment	6%
5	will receive <50%	6%

- Overall, 62% of schools will receive 90%+ of their equivalent payment on old system.
- Emails have been sent to those schools who received below 90% saying that having checked their Q1 balances, we don't think they will be negatively impacted by the reduction in month but to let us know if this is not the case so we can work with them and mitigate any impact.
- The 23 with net credits have been paid as per the old system so as to avoid any issues at a time when they were only just back from summer holidays and dealing with making their schools COVID safe.
- An email has been sent to these 23 schools outlining the options available.
- A key point to note is that no school will be any worse off as a result of this change- all schools will receive the same amount on both this new system and the old system. This is just a payment profiling change.
- The major benefit of this change is that it has moved LBB and Schools towards a cleaner way of operating that is in line with the scheme. This will avoid large balances either owed from or owed to schools accumulating across a year.
- Feedback received from schools following the first month has been largely positive.
- A briefing session will be arranged in October to further explain the changes to schools.