

# Consultation on the CFR Guide and Regulations

## Response of the Association of School and College Leaders

- 1 The Association of School and College Leaders (ASCL) represents over 16,000 members of the leadership teams of maintained and independent schools and colleges throughout the UK. This places the association in a unique position to consider this issue from the viewpoint of the leaders of both secondary schools and colleges.
- 2 ASCL welcomes the continuing commitment to the use of benchmarking and the Consistent Financial Reporting (CFR) system implied by the suggested revisions. ASCL supports the transparency of funding and expenditure data and looks forward to a time when schools of all types can be compared fairly in a common format similar to that envisaged when CFR was devised.
- 3 Whilst we accept that there are significant difficulties to be overcome to bring all types of school into a common system we think it has been a significant retrograde step, particularly for the secondary sector, to lose institutions from the Schools Financial Benchmarking database as a result of academy conversion. This lack of benchmarking data is a significant disadvantage to academies.
- 4 We also note the report in the Financial Times on 6 Jan 2011 that a minority of academies have had financial difficulties. As the number of schools leaving local authority (LA) control increases and Schools Financial Value Standard (SFVS) and LA monitoring systems become more and more irrelevant in the school sector we consider it vital that a relatively simple and clear system such as CFR should form the basis for the sensible monitoring of the use of public money.
- 5 A consequence of the current rapid development of the academy and free school programme is that there is now inconsistency in financial monitoring, reporting and benchmarking. This will inevitably lead to poor strategic financial management and lack of accountability in some cases. We urge ministers to press for the coherent development of CFR or a similar system to prevent such issues.
- 6 With regard to the specific proposals for the revision of CFR we would support all those in the consultation and view them as clear and sensible.

- 7 More generally, the growth of federations has exacerbated the longstanding issue of schools interpreting and apportioning costs across headings in different ways. The potential for variation and therefore unreliability has grown. We regard this as a problem to solve and ask that serious consideration is given to developing and adapting the CFR framework so it can be used as an objective and consistent framework across all types of institution. ASCL are willing to assist with this type of work however we can be of assistance.
  
- 8 I hope that this is of value to your consultation, ASCL is willing to be further consulted and to assist in any way that it can.

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Association of School and College Leaders  
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