Appendix 2

Responses to Funding Strategy Statement (FSS)

Employer	Comments
The Ridings MAT	• Assumptions on short term pay in line with assumptions • Affordability is difficult in 2016/17 • The level of detail in FSS is sufficient to understand content and implications • Would like to pool as one employer
Little Mead Academy Trust	• Assumptions on short term pay in line with assumptions • Agree should maintain at least same deficit contributions as per 2013 plan • Assumed 3% increases in deficit for next 5 yrs. Anything more not affordable. May have deficit budget by 2017/18
Stoke Bishop CE Primary School	• Pay increases in line with NJC • Agree should maintain at least same deficit contributions as per 2013 plan • Do not want an increase. Significant uncertainty over future income do to introduction of National Funding Formula • Could be interested in ill health insurance
Wellsway MAT	• Concerned if deficit payments increase above the 2013 levels other than due to reasonable indexation. Schools are in a state of crisis over funding and that this will only worsen over the next few years as funding decreases in real terms. Much is made of the potential of multi academy trusts to generate cost savings through economies of scale, however in reality this can take a long time to realise and we predict that our own Trust will not see significant savings for at least 2 – 3 years. • The consultation towards a national funding formula for schools is delayed and the introduction of the new formula will not happen until September 2018 at the earliest, even then it is likely to be phased in over a number of years. With uncertainty over funding in the meantime we cannot afford for any further increase in costs. I would therefore request that the repayment period should NOT be reduced at this time.
Hayesfield Academy	• Pay increases in line with NJC • Difficult to increase deficit contributions. No increase in funding but staff costs increased. Struggled to set balanced budget in 2016 /17. Had to make cuts • Could be interested in ill health insurance
Clevedon TC	• Supportive of FSS • Request caution when considering DRP to ensure smaller employers can afford the increase particularly with increased provisions from auto-enrolment
Congresbury PC	• LT pay assumption too high as only one member on top of band - increments don't apply. Follow NJC pay awards • Agree should maintain at least same deficit contributions as per 2013 plan • Increase in pressure due to phasing out of the Council Tax Support Grant over next 3 years
Frampton Cotterell PC	• As a small employer, FCPC chooses to rely upon the professional advice of the Fund Manager and the actuarial advisor. • Agree should maintain at least same deficit contributions as per 2013 plan, the Council is committed to, and has budgeted for, the same level of contributions for period 2017/20.

	• Present indications are that the Council's projected contributions are affordable. No single year in the forthcoming period is likely to be either less or more challenging than any other year. • The level of detail in the FSS is sufficient to understand content and implications • Could be interested in ill health insurance depending on premium
Whitchurch PC	• Pay increases in line with NJC • Agree should maintain at least same deficit contributions as per 2013 plan • Could be interested in ill health insurance
Yate TC	• Yate Town Council's pay increases will be in line with the National Local Government pay settlements subject to the impact of the Living Wage Foundations recommendations. • We are content with deficit recovery contributions to be at least the 2013 level while we remain in deficit. • We see no particular problem with affordability over the 2017/20 subject to government continuing with its policy of not capping Town and Parish Councils. • The level of detail is sufficient.
South Gloucestershire Council	• Agree pay increases will be no more than 1% p.a. over the period but aware Autumn Statement may change this. • Highlights implications of introducing the National Living wage over the valuation period • Agrees deficit cash amounts should not be lower than 2013 plan • Disagrees with default 3 year reduction in deficit recovery period on grounds of affordability especially as future service rate will also increase and asks for consideration to retain 2013 deficit recovery period (of 20 years at overall Fund level). • Agrees with ability to phase in increases and pay deficit contributions upfront to help manage council budget
Bath Spa University	• Agrees with salary increase assumptions • Agrees deficit cash amounts should not be lower than 2013 plan • The current level of detail is sufficient to understand what is being proposed, although at this stage it is not possible to quantify the full impact on the University's finances of a shorter deficit recovery period.
UWE	• Concerned about negative impact on affordability of the scheme & financial viability of employers if reduce the medium term DRP objective to 12 years and 17 years for the fund overall at this valuation.
Merlin Housing Association	• Supportive of assumptions for ongoing funding basis. • Queried the use of a more prudent assumption for longevity for calculating exit surplus/deficit – have clarified this is only in event of cessation and not for calculating deficits of active employers. • Maintaining same date by which deficit is recovered is not unreasonable in principle as the alternative approach of pushing out this date at every valuation just results in the deficit never being recovered. However, at this valuation given the deterioration of market conditions we've seen in recent years, there is a risk that maintaining this principle will lead to a material increase in deficit contributions for employers so I would object to the proposed principle without understanding affordability of its impact.