

SCHOOLS FORUM AGENDA ITEM

For Action



For Information



Brief Description of Item (including the purpose / reason for presenting this for consideration by the Forum)

This report follows from the Forum's discussion at the last meeting and asks Members to further consider the options for supporting schools that are under-subscribed and / or have falling rolls.

Date (s) of any Previous Discussion at the Forum

This matter was initially considered on 19 September 2018 (Document JE).

Background / Context

The minutes of the 19 September Schools Forum meeting record,

"The Business Advisor (Schools) presented a report, Document JE, which asked the Schools Forum to more closely consider the Authority's school organisation strategy and the impact that falling rolls (under-subscription) is having on some schools in the District and the options that may be available to support these schools. The Business Advisor asked Forum Members for an initial steer on whether the options for supporting schools and / or academies from the DSG should be considered in more detailed. If the Forum requests this then a follow up report will be presented to the next meeting.

Summarising the Forum's initial discussion on this matter, Members agreed that the options for financial support, through a Falling Rolls Fund and / or through the use of funding for exceptional circumstances de-delegated from maintained schools, should be considered in more detail.

- There is a level of 'moral responsibility' to ensure that schools facing exceptional circumstances receive appropriate support to maintain standards.
- The Deputy Director stated that a Falling Rolls Fund operated in her previous authority and this this added value.

Forum Members however, recognised that there may be potential difficulties with such support mechanisms, including how criteria could identify exceptional circumstances without removing the expectation that schools will take appropriate budget action, the cost to schools of the additional 'top-slice' that would be required, and the application of the restrictions that are placed by the DSG Regulations. For example, financial support can only be provided to schools and academies from a Falling Rolls Fund where these are judged Good or Outstanding by Ofsted. De-delegated funding only applies to maintained schools.

The longevity of mechanisms (under NFF transition) must be considered.

The 'fairness' of an approach needs to be tested. It was recognised by Members that such mechanisms would not provide support in all cases, including to academies that may admit a significant number of pupils (a bulge) after the Census is taken.

Forum Members formed an initial view that financial support should only be temporary / transitional, that the potential cost going forward (and the number of schools and / or academies going forward that would potentially be eligible) should be modelled, and that options should be considered to enable support to be provided on an 'individual cost basis' rather than a blanket formula. The Forum also indicated that it may wish to look at the extent to which any mechanism would only be applied to a specific phase (primary or secondary)."

Details of the Item for Consideration

Please see Appendix 1, which sets out an initial proposal for a Falling Rolls Fund, which we now ask the Forum to consider to be published for initial consultation.

As we set out in Document JE presented to the last meeting, this has so far been presented to the Authority as a primary-phase issue. This proposal therefore, focuses on the primary phase. Secondary-phase representatives will wish to consider how this matter affects the secondary phase. However, the Authority is currently minded to suggest that Falling Rolls mechanism is not extended to the secondary phase in 2019/20.

Details of the Item for Consideration

As we summarised at the last meeting, there are 2 ways direct financial support could be provided from the DSG:

- A Falling Rolls Fund for both maintained schools and academies.
- The use of exceptional circumstances de-delegated funding available only for primary maintained schools.

Under a Falling Rolls Fund, local authorities may set aside Schools Block funding to create a small fund to support good schools with falling rolls, where local planning data shows that the surplus places will be needed within the next three financial years. A Falling Rolls Fund would be a mechanism through which support could be provided to both maintained schools and academies and both would be required to contribute to the cost of the fund. This is the only route through which financial support could be provided locally from Bradford's DSG to under-subscribed academies. The value of a Falling Rolls Fund could be quite limited however, when looking purely at under-subscription. One of the big limitations is the mandatory requirement that only good schools are eligible, meaning that a number of schools and academies would currently not be supported, including those recently converted sponsored academies that do not have Ofsted judgements.

Under the existing de-delegated exceptional circumstances fund, we could allocate monies to eligible maintained primary schools, using the Falling Rolls mechanism, without the application of the Ofsted good trigger (trigger 3). This would mean that we could support these schools that may be facing under-subscription issues that are related to demographics not to the popularity of the school. Academies however, including recent sponsored conversions, would neither contribute to nor be able to access this funding and funding would cease when a maintained school converts to an academy. There are therefore, some knock-on consequences to using delegated funds in this way that should be fully considered.

We recommend that we consult now with schools on the principles for the establishment of a Falling Rolls Fund and (possible) de-delegated fund support arrangements. During the consultation period we will further model the options, scope (trigger point thresholds), cost implications (top-slice needed) and future year impact using the latest October 2018 Census data and will present this modelling to the Schools Forum on 5 December for a final recommendation on what to do for 2019/20. If agreed, this Fund would not be established before April 2019 and, likely, allocations will not be considered until March 2020.

The 5 key questions for the Schools Forum at this stage are:

- 1. Should we consult on establishing a Falling Rolls Fund for the 2019/20 financial year within our primary & secondary consultation?**
- 2. If so, should we indicate that this may be applied to both the primary and secondary phases, or just to the primary phase in 2019/20 (the secondary phase is generally currently significantly expanding and numbers are fluid; we have worked on the basis that the Forum would only wish to consider this for the primary phase in 2019/20)?**
- 3. Is the Forum ok with consulting on the 'starter for 10' proposal that is set out in Appendix 1; the scope (trigger points, thresholds), the criteria and the method of funding?**
- 4. Recognising that a Falling Rolls Fund will not help schools or academies that are not Good or Outstanding, would Forum Members wish to extend the Falling Rolls Fund mechanism to maintained schools by removing the Ofsted trigger and funding this separately from a SIFD / exceptional circumstances de-delegated fund? Or would the Schools Forum wish these schools to be supported only through the Authority's licensed deficits framework, with a de-delegated fund potentially supporting (as now) the cost of action in exceptional circumstances?**
- 5. Recognising that de-delegation does not apply to academies, re. question 4, how would the Forum feel about there being a mechanism for financial support for under-subscribed maintained schools that is not available for under-subscribed academies, including for maintained schools that have recently converted under sponsored arrangements?**

Implications for the Dedicated Schools Grant (DSG) (if any)

The cost of financial support for primary and secondary schools would be charged to the Schools Block.

The cost of a Falling Rolls Fund would be met by contributions from both maintained schools and academies.

The cost of de-delegated exceptional circumstances funding would be met only by maintained schools.

Recommendations

The Schools Forum is asked consider the report and to decide whether schools should now be consulted on this matter within the 2019/20 primary and secondary Schools Block formula consultation.

List of Supporting Appendices / Papers (where applicable)

Appendix 1 – Falling Rolls Outline Proposal

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