

SCHOOLS FORUM AGENDA ITEM

For Action

For Information

Brief Description of Item

This report provides an update for the Schools Forum on the application in the 2021/22 financial year of the Schools Block Falling Rolls Fund for mainstream primary phase maintained schools and mainstream primary phase academies.

Date (s) of any Previous Discussion at the Forum

Allocations from 2020/21 Falling Rolls Fund were considered by the Schools Forum on 10 March 2021. Allocations from the 2021/22 Fund have not yet been considered.

Background / Context

The establishment of a Falling Rolls Fund within the Schools Block, for the primary phase, came out of the Forum's consideration of the impact of 'under-subscription' in primary schools and primary academies. A key report was presented to the Forum on 19 September 2018 (Document JE). This report provides useful background.

Within its discussions, the Forum stressed the importance of resolving these situations as far as possible (and where evidenced by forecasted data) through PAN adjustments, rather than via on-going financial support. The Authority is actively engaged in PAN management.

The Forum did also consider how direct financial support could be provided from the DSG. The Falling Rolls Fund is the mechanism through which support can be provided to both maintained schools and academies and both are required to contribute to the cost of the Fund. This is the only route through which financial support can be provided locally from Bradford's DSG to under-subscribed academies.

A Falling Rolls Fund, with a value of £250,000, was established for the primary phase for the first time for the 2019/20 financial year. A report was presented to the Schools Forum on 11 March 2020. No maintained schools or academies qualified for funding. The £250,000 was rolled forward and added to by a further £250,000 allocated from the 2020/21 Schools Block. No maintained schools or academies qualified for funding in 2020/21. To date therefore, there has been no spend. The Schools Forum agreed not to allocate any further funding for the Falling Rolls Fund from the 2021/22 Schools Block allocation. Therefore, the current value of available funding (continued within the Schools Block brought forward balance) is £500,000.

Our Falling Rolls Fund mechanism and criteria applied for 2021/22 is presented at Appendix 1, for reference.

In initially establishing a Falling Rolls Fund for the primary phase, we identified that its value will be quite limited when looking purely at under-subscription. This is because the DfE has set strict eligibility criteria. The Fund's purpose is to protect good and outstanding schools and academies against short term 'blips' in pupil numbers. One of the major restrictions is the mandatory requirement that only good or outstanding schools are eligible, meaning that a number of schools and academies that are currently under-subscribed cannot be supported. The other major significant restriction is the requirement that funding can only be allocated where under-subscription is demonstrably a 'blip' and not the result of a longer term and on-going change in demographic distribution.

It is helpful to remind the Forum, for reference, of the most recent position, presented on 10 March 2021, and how the DfE's restrictions reduced the eligibility of schools and academies for support from the Fund in 2020/21:

For 2020/21 allocations, the Forum's sub group met on 8 October 2020 to consider an early draft calculation of the Falling Rolls Fund, which was based on an early forecast of pupil numbers. The conclusions from this sub-group meeting were presented verbally to the Forum on 14 October. In particular, this early calculation work highlighted the importance of the Authority's forecast of pupil numbers in determining possible Falling Rolls Fund outcomes, and identified that small changes in this forecast could be critical to whether an individual school or academy receives funding support. It was recognised that the Authority's forecast could change in response to schools and academies reducing their PANs, which could help support the achievement of numbers up to PAN in currently under-subscribed schools and academies. As part of this, the sub-group did discuss how the Falling Rolls Fund is designed to provide limited funding protection in the short term and that we should keep this principle at the centre of discussions. However, as we presented on 10 March, for 2020/21:

- There were 36 primary schools and primary academies (out of 160) that had a number on roll at October 2019 that was not at least 90% of their Published Admission Number (PAN) capacity. This is trigger 2. The occupancy of 17 of those were between 85% and 89%; 15 were between 70% and 84%; 4 were lower than 70%.
- For all 36, the forecasted pupil intake data clearly indicated that their surplus capacity would not be needed within the next 3 years. This is trigger 4. Many of the 36 were also ineligible as a result of other triggers. A number of the 36 have consulted on PAN reductions.

Details of the Item for Consideration

We are now applying the criteria, as set out in Appendix 1, to determine eligible schools and academies and the values of funding to be allocated for the 2021/22 financial year.

The position for 2021/22, as set out below, is calculated on the Authority's latest pupil numbers forecast, which has been constructed using the October 2021 Census data, and which incorporates the latest confirmed PAN adjustments. On a general basis, this latest forecast confirms the continued forecasted reduction in pupil numbers across the primary phase. This position serves also specifically to reinforce the limited value of the Falling Rolls Fund.

- As in 2019/20 & 20/21, no maintained schools or academies qualify for funding from the 2021/22 Falling Rolls Fund.
- There are 37 primary schools and primary academies (out of 160) that had a number on roll at October 2020 that was not at least 90% of their Published Admission Number (PAN) capacity. This is trigger 2. The occupancy of 12 of these were between 85% and 89%; 19 were between 70% and 84%; 6 were lower than 70%.
- For all 37, the latest forecasted pupil intake data clearly indicates that their surplus capacity will not be needed within the next 3 years. This is trigger 4. Many of these 37 are also ineligible as a result of other triggers. A number of the 37 have already consulted, or are currently consulting, on PAN reductions.

On this basis, the Forum is asked to note that the ring-fenced sum of £500,000 is unspent within the Schools Block and that this amount is carried forward to 2022/23, as agreed at the January 2022 Forum meeting.

The Forum may wish to consider this outcome and the calculations in more detail. If it does, we would suggest that the Forum's sub-group is re-convened. The sub-group may also wish to take the opportunity to review the Falling Roll Fund as part of our formula funding review work for 2022/23.

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

There is £0.500m of ring-fenced Falling Roll Fund monies held within the Schools Block brought forward balance. With no allocation from the Falling Roll Fund in 2021/22, this £0.500m will be fully carried forward into 2022/23 for use against the 2022/23 Falling Rolls Fund, which will be presented to the Schools Forum in March 2023. Should this balance still substantially be held at March 2023, as we suggested to the Forum on 12 January, it could be transferred into the Growth Fund held within the Schools Block for spending on the completion of growth, in the lead up to the full implementation of the 'hard' National Funding Formula.

Recommendations

Recommended –

- (1) The Schools Forum is asked to note that there are no allocations to be made from the Schools Block Falling Rolls Fund in 2021/22.**
- (2) The Forum is asked to note that the sum of £0.50m is unspent within the Schools Block and is carried forward into 2022/23 as a ring-fenced sum.**

List of Supporting Appendices / Papers

Appendix 1 – Falling Rolls Fund 2021/22

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