

## 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 2022/23 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 2021/22 Falling Rolls Fund were considered by the Schools Forum on 9 March 2022. Allocations from the 2022/23 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 or in 2021/22. To date therefore, there has been no spend. The Schools Forum agreed not to allocate any further funding for the Falling Rolls Fund from either the 2022/23 or the 2023/24 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 2022/23 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 9 March 2022, and how the DfE's restrictions reduced the eligibility of schools and academies for support from the Fund in 2021/22:

- There were 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 however, the latest forecasted pupil intake data clearly indicated that their surplus capacity will not be needed within the next 3 years. This is trigger 4. Many of these 37 were also ineligible as a result of other triggers. A number of the 37 have already consulted, or were consulting at the time, 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 2022/23 financial year.

The position for 2022/23, as set out below, is calculated on the Authority's latest pupil numbers forecast, which has been constructed using the October 2022 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 at this time.

- As was the case in each of the last 3 years, no maintained schools or academies qualify for funding from the 2022/23 Falling Rolls Fund.
- There are 34 primary schools and primary academies (out of 160) that had a number on roll at October 2021 that was not at least 90% of their Published Admission Number (PAN) capacity. This is trigger 2. The occupancy of 14 of these were between 85% and 89%; 14 were between 70% and 84%; 6 were lower than 70%.
- For all 34, 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 34 are also ineligible as a result of other triggers. A number of the 34 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 2023/24, as agreed at the January 2023 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 2024/25. As we reported to the Forum in January, new flexibilities (for the management of growth, falling rolls and 'surplus places') are expected to be brought into Schools Block arrangements in 2024/25, following the most recent National Funding Formula (NFF) consultation. This consultation quite clearly put forward the view that local authorities should retain Growth and Falling Rolls Fund responsibilities under the NFF. Retaining a surplus balance into 2024/25 will help therefore, given that there are uncertainties currently about how growth and falling rolls will be funded (with the concern that we expressed in our consultation response; that the proposed 'netting off' of pupil numbers 'growth' from 'reduction' may result in insufficient funding being available to support either issue). Falling rolls is also a significant issue for the primary phase, in particular, and we stated to the Forum in January that we take the view that we would wish to see how the expected new flexibilities could be used, before committing the Growth Fund and falling Rolls Fund balances elsewhere to more general formula spending.

### **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 2022/23, this £0.500m will be fully carried forward into 2023/24 for use initially against the 2023/24 Falling Rolls Fund, which will be presented to the Schools Forum in March 2024.

### **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 2022/23.**
- (2) The Forum is asked to note that the sum of £0.50m is unspent within the Schools Block and is carried forward into 2023/24 as a ring-fenced sum.**

### **List of Supporting Appendices / Papers**

Appendix 1 – Falling Rolls Fund 2022/23

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