

**SCHOOLS FORUM MEETING – 17<sup>TH</sup> MARCH 2015**

**Updated Schools Funding Contingency Procedures**

**Falling Rolls Fund Contingency Procedure**

**Introduction**

The purpose of this note is to recommend, subject to any comments Schools Forum may have, an updated procedure to be adopted in accessing additional funding where a school is experiencing falling rolls but where local planning data shows the surplus places will be required in the near future. . This procedure is being revised to clarify the funding that will be available to ensure that the limited resources are used where needed most, that is are not distributed to schools who can afford the additional costs through their retained or predicted in year surpluses.

**Background**

The original strict obligations if such a fund is created remain unchanged. The purpose of this amendment is ensuring best use of funds. In brief obligations are:

- ensuring that such a fund is ring fenced to be used on growth funding only.
- that Schools Forum approves the creation of such a fund.
- the fund is available for the benefit of both recoupment academies and maintained schools.
- any funds remaining at the end of the financial year must be added to the following years DSG and re-allocated to academies and maintained schools through the local formula.
- criteria to access the fund are produced and approved by the School Forum.
- the basis of payment clearly defined

**Criteria to be met**

In order for the contingency fund to be accessed then it is proposed that the following six criteria are met:

1. The school must have been judged Good or Outstanding at their last Ofsted inspection. NOTE this is a mandatory requirement, the fund is not there to support unpopular or failing schools.
2. Pupil numbers must have fallen by 15% in primary schools and 25% in secondary schools in the last 3 years.
3. Local planning data held by the Council shows that the surplus places are expected to rise within the next 3 years by at least the average of the previous 3 years.

4. Formula funding available to the school will not support the provision of an appropriate curriculum for the existing cohort.
5. The school will need to make redundancies in order to contain spending within its formula budget.
6. Schools must be able to demonstrate that they are unable to fund the request themselves. Where the school is maintained reference will be made to the school budget plan, where the school is an academy evidence such as system management accounts showing the projected outturn position and reserves position will be required as a minimum.

**Rate of re-imburement**

Again this is unchanged from the procedure agreed at the Schools Forum on the 17<sup>th</sup> March 2014. It is repeated below for information:

The rate of re-imburement proposed is to use the basic AWPU for 2014-15 excluding the additional one off increase multiplied by the surplus number of pupil places. For clarity the number of surplus places is not the difference between the number of pupils on roll and the PAN but an amount agreed to make the school sustainable.

**Effective Date**

The proposed effective date is the 17<sup>th</sup> September 2014.

**Recommendation**

We would request Schools Forum to approve the above revised procedure in respect of the eligibility criteria to access this falling rolls fund.

We would also recommend that this procedure is reviewed in 12 months at the latest.

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