

<b>West Berkshire Schools' Forum</b>	
<b>Title of Report:</b>	<b>Funding Bid - Primary Schools in Financial Difficulty</b>
<b>Date of Meeting:</b>	<b>14<sup>th</sup> July 2014</b>
<b>Contact Officer(s)</b>	<b>Ian Pearson / Claire White</b>
<b>For Decision</b>	

## **1. Background**

1.1 Since April 2013, local authorities have been required to delegate to all schools the contingency previously held for schools in financial difficulty. Each phase in the maintained sector then has the option of de-delegating this funding to continue to centrally retain it.

1.2 Primary schools opted to de-delegate this funding in 2013/14, and again in 2014/15.

1.3 The budget for 2014/15 is £231,150, which includes the carry forward of the unspent budget from 2013/14. £38,667 has been spent to date.

1.4 The criteria agreed by the Schools' Forum for allocating this funding to schools is as follows:

*If a school has a deficit budget it may be allocated additional support funding. If a school can meet the following criteria, a bid for additional funding can be made by the school to be considered by the Schools' Forum:*

1. *The school has sought and followed the advice of the Schools' Finance Advisor prior to going into deficit*
2. *The school has (up to) a five year robust deficit recovery plan in place which has been discussed with and verified by the Schools' Finance Advisor.*
3. *Additional funding may be payable for one of the following exceptional unforeseen circumstances which has taken the school into deficit:*
  - *Payment to maintain current staffing levels to help cover a temporary downturn in pupil numbers, and evidence can be provided that the numbers are likely to recover within a 2 - 3 year period making downsizing of staff and resultant redundancy costs unreasonable.*
  - *Payment to maintain current staffing levels on a temporary basis in a school causing concern (i.e. Ofsted category of notice to improve or worse), where to reduce the staffing would be detrimental to the recovery of standards in the short term.*
  - *Payment to cover staffing costs during a short term interim period whilst restructuring takes place due to an unforeseen sudden permanent downturn in pupil numbers*

- *Redundancy payments, where the redundancies are required in order to balance the budget over a 3 – 5 year period, but these costs will put the school further into deficit if not met (as per the Severance Funding Policy).*

*In order to access this funding, a school will need to present in person (with the support of the Schools' Accountant) a case to a panel as agreed by Primary Heads, who after consideration of the case, will recommend the amount and duration of the financial support to Schools' Forum for approval or not.*

## **2. Funding Bid Received**

2.1 A funding bid has been received from Bradfield Primary School totalling £73,630.

2.2 Bradfield was placed in special measures by OFSTED early in 2013. In order to make improvements, additional leadership was put in place, and restructuring/redundancies have now commenced. The school's balances were all used up in 2013/14 (in main paying for an Executive Head) and the school closed with a very small deficit. Without financial support for the additional leadership in the summer term and for the one-off redundancy/compensation payments, this deficit will grow to £104k by 2016/17. The restructure takes the number of teachers, TA's and support staff to the minimum acceptable for the education and safety of the pupils. With the restructure in place and pupil numbers recovering, the school will be able to balance its budget in year by 2017/18, but the cumulative deficit will not be able to be recovered without further reductions to staffing which would be detrimental to teaching and learning. The school has been receiving support from finance for its 2014/15 budget plan and their longer term financial planning, and the Schools' Finance Manager is able to verify that their current budget plan has been subject to scrutiny and that this bid meets the criterion set by the Schools' Forum.

2.3 The detailed application and benchmarking tables were presented by representatives from the school to members of the Heads Funding Group (HFG) at its last meeting. The group examined the bid in detail and asked the school a number of questions and were satisfied with the information provided. The HFG recommend approval of this bid.

**Recommendation: To approve the bid from Bradfield  
(Decision to be taken by maintained primary school representatives only)**