
Primary Schools in Financial Difficulty – Bids for Funding 2019/20

Report being considered by: Schools Forum on 15th July 2019

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Item for: Decision **By:** All Primary Maintained Schools Representatives

1. Purpose of the Report

- 1.1 To summarise the bids that have been received from schools in deficit to access funding from the 'primary schools in financial difficulty' de-delegated fund. These bids were discussed and recommended for approval at the Heads Funding Group.

2. Recommendation(s)

- 2.1 To approve the following bids:

(1)	St Finian's RC Primary School	£35,500
(2)	St Joseph's RC Primary School	£10,299
(3)	Kintbury CofE Primary School	£31,300

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
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3. Introduction

- 3.1 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 to de-delegate and pool this funding, with allocations made to schools that need it. This decision is made on an annual basis.
- 3.2 It was agreed at the Schools Forum meeting 10/12/2018 that the Primary Schools in Financial Difficulty fund would in future be capped at £200,000 and no funds would be de-delegated in 2019/20.
- 3.3 The balance available as at 31.03.19 is £252,047, payment of the 3 bids below would reduce the balance available to £174,948.
- 3.4 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' Accountancy Service **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' Accountancy Service.*
3. *Additional funding may be payable for one of the following exceptional unforeseen circumstances which has taken the school into deficit:*
 - a) *Short term downturn in pupil numbers - to maintain current staffing structure where evidence can be provided that the numbers are likely to recover within a 2 - 3 year period and where downsizing of staff and resultant redundancy costs in order to balance the budget on a short term basis would not be an efficient use of resources.*
 - b) *Sudden permanent downturn in pupil numbers in a school causing concern (i.e. Ofsted category of notice to improve or worse – to maintain current staffing levels on a temporary basis where to reduce the staffing levels immediately in order to balance the budget would be detrimental to the recovery of standards in the short term.*
 - c) *Unforeseen sudden permanent downturn in pupil numbers –to cover staffing costs during a short term interim period whilst restructuring takes place and in order where possible to avoid redundancies (such as through natural wastage).*
 - d) *Redundancy payments, where the staffing reductions are required in order to balance the budget, but these costs will put the school further into a deficit position and taking the school longer to recover the deficit.*
 - e) *Any other one off costs incurred on recovery of the deficit, such as specialist consultancy advice/support (it was agreed by Schools' Forum on 11th July 2016 that where West Berkshire's Accountancy Service are engaged for such support, the cost can be charged direct to this fund without making a separate bid).*
 - f) *Additional Circumstance (from April 2018): Schools not currently in deficit but required to restructure to avoid going into deficit, may also make a bid for reimbursement towards their one-off redundancy costs.*

In order to access this funding, a school will need to complete and submit an application to the WBC Schools' Finance Manager who will arrange a panel (usually the next Heads Funding Group) to assess the application. The school will be invited to present their case in person to the panel and answer questions. The panel will recommend the amount and duration of the financial support to Schools' Forum for approval or not.

- 3.5 Note that the decision to be taken by Schools' Forum is by Primary maintained school representatives only.

4. St Finian's RC School

4.1 Funding sought £35,500.

4.2 To help offset the loss of funding due to the temporary down turn in pupil numbers and assist with the one off unprecedented long term sickness of teaching staff the school is requesting £30,000. In 2013/14 there was an unprecedented low intake of 18 children. Despite an increase in numbers in Year 2, an equally unprecedented mobility rate has meant carrying a small class through the school, so now as current Year 5, there are 14 children of which 47% have joined after Year R. Various measures have been undertaken to offset the impact of the small cohort including joining year groups. However, the healthy pupil roll in classes either side has meant

that this is no longer possible. The schools was remaining within budget until a number of long-term sickness absences amongst teaching and support staff happened between 2016/17 and 2017/18. Historically the school lost out on supply insurance so have not insured for many years, which has been a cost saving.

- 4.3 On the advice of WBC Finance the school is also requesting an agreement in principle to an additional £5,500 to cover expected redundancy costs in 2019/20 and 2020/21.
- 4.4 The school has taken out Teacher Absence insurance in 2019/20.
- 4.5 The bid meets the criterion 3a, d and e set by the Schools' Forum.
- 4.6 The contribution would enable the school to recover from deficit by 2021/22.
- 4.7 Heads Funding Group recommend that this bid be approved.

5. St. Joseph's RC Primary School

- 5.1 Funding sought £10,299.15 for redundancy costs incurred in 2018/19 following an office restructure. The restructure was carried out following a benchmarking exercise and as one part of a deficit recovery plan.
- 5.2 The bid meets criterion 3d set by the Schools' Forum.
- 5.3 The 2019/20 budget submission shows a nil balance the funding would enable the school to ensure they remain within this budget and avoid going into deficit.
- 5.4 Heads Funding Group recommend that this bid be approved.

6. Kintbury CofE (VC) Primary School

- 6.1 Agreement in principle is being requested for £31,300 funding in respect of unplanned expenditure the school is incurring due to the unplanned and uninsured absence of the current Headteacher.
- 6.2 The bid meets criterion 3e set by the Schools' Forum.
- 6.3 The 2019/20 budget submission shows a £1,507 surplus balance, the funding would enable the school to ensure they remain within this budget and avoid going into deficit.
- 6.4 Heads Funding Group recommend that this bid be approved.

7. Recommendation and Conclusion

- 7.1 The Heads Funding Group recommends that these bids be supported.