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# West Berkshire Council Schools Primary Schools in Financial Difficulty Fund Criteria 2020/21

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## 1. Background

- 1.1 Local authorities are required to delegate to all schools the contingency previously held for schools in financial difficulty. Each phase in the maintained sector has the option of de-delegating this funding to continue to have this funding centrally retained.
- 1.2 The primary school members of the Schools Forum opted to continue to de-delegate this funding in 2019/20.
- 1.3 The Schools' Forum is required to set clear criteria for the allocation of this funding. The current criteria is set out below.

## 2. Primary Schools' In Financial Difficulty Fund Criteria (Maintained Only)

- 2.1 If a school has a deficit budget it can request additional support funding. If a school can meet all of 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. The school has experienced one of the following exceptional unforeseen circumstances which has taken the school into deficit:
    - **Short term downturn in pupil numbers:** expenditure to maintain current staffing structure where evidence can be provided that the numbers are likely to recover within a two to three 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.
    - **Sudden permanent downturn in pupil numbers in a school causing concern** (i.e. Ofsted category of notice to improve or worse): expenditure 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.



- **Unforeseen sudden permanent downturn in pupil numbers:** expenditure 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).
- **Redundancy payments,** where the staffing reductions are required in order to balance the budget, but these costs would put the school further into a deficit position and take the school longer to recover the deficit.
- **Any other one off costs** incurred on recovery of the deficit, such as specialist consultancy advice/support. (it was agreed by Schools' Forum on 11<sup>th</sup> 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).

### 3. **Additional Circumstances**

**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.

**From April 2019:** Schools not currently in deficit that incur unforeseen exceptional one off expenditure which will result in school ending the year with an unplanned deficit may also make a bid.

### 4. **Applications**

In order to access this funding, a school will need to complete and submit an application (Annex A) to WBC Schools Accountancy 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 also be provided with benchmarking information produced by Schools' Accountancy (which will be shared with the school prior to the meeting). The panel will recommend the amount and duration of the financial support to Schools' Forum for approval or not.

**Annex A**

**Application to Access Funding from the Contingency for Primary Schools in Financial Difficulty 2020/21**

School Name	
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**A. In accordance with the criteria set by the Schools’ Forum on 9<sup>th</sup> December 2019, this School is applying for financial support to meet exceptional costs which would otherwise take the school into a deficit position or increase their deficit position arising from:**

Tick box as appropriate.

Temporary short term downturn in pupil numbers (funding is sought to maintain current staffing structure in short term where to make staff redundant to balance the budget just on a short term basis would not be an efficient use of resources)	
Permanant downturn in pupil numbers and school is causing concern i.e. school is in OFSTED category (funding is sought to maintain staffing levels in the short term where to reduce staffing levels immediately in order to balance the budget would be detrimental to the recovery of standards)	
Permanant downturn in pupil numbers (funding is sought to cover staffing costs in short term whilst restructuring takes place over time in order to avoid redundancies, such as through natural wastage)	
Cost of redundancies for staffing reductions required in order to balance the school budget and avoid a deficit or towards recovering a deficit.	
Other one off exceptional costs (specify)	

Note that funding is available for exceptional circumstances only, and is unlikely to be considered for circumstances outside those listed above.

**B. What budget advice has been sought from the Schools’ Accountancy Service? Please give dates and details below:**

**C. Has the school’s current 5 year budget plan/deficit recovery plan been discussed with, checked and verified by the Schools’ Accountancy Service? Please give dates and details below:**

**D. Background to the School’s Deficit Budget**

<i>Reasons for the current/projected budget deficit:</i>
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*What plans are in place/being considered to address the deficit:*

**E. Budget Plan:** attach your current 5 year budget plan to the application, which will EXCLUDE the additional funding being sought. Please complete the table below and describe the assumptions made, in particular staffing and pupil number projections. Note that in order to support information provided on this form Schools' Accountancy will provide the latest benchmarking tables for the panel meeting.

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Total Pupil No's for funding						
Teaching Staff FTE						
Support Staff FTE						
In Year Budget Balance £'000 (show deficit as minus)						
Cumulative Budget Balance £'000 (show deficit as minus)						
Funding Sought (£'000)						
Cumulative Budget Balance if funding sought is received £'000						

Assumptions:

**F. Funding being Sought**

*Provide explanation on why additional funding is being sought (in relation to the box(s) ticked in part A of this form and backed up by the information provided in parts D and E)*



*Provide the amount of funding being sought with breakdown of how this has been calculated e.g. cost of the redundancy or the posts to be maintained and in which financial years*

*What will be the implication for the school if this additional funding is not available?*

	Signed	Dated
Headteacher		
Chair of Governors		

**On completion, please e-mail this form and latest budget plan to:**  
[schoolsaccountancy@westberks.gov.uk](mailto:schoolsaccountancy@westberks.gov.uk)

The school will be invited to attend and present their application to a panel (usually the Heads Funding Group) who will consider the application and make a recommendation to the Schools' Forum for approval or not. The final decision rests with the Schools' Forum.