

Report No.
ED15086

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **SCHOOLS' FORUM**

Date: **Thursday 25 June 2015**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **REVIEW OF GROWTH AND INFANT CLASS SIZE FUNDING**

Contact Officer: Amanda Russell, Head of Schools Finance Support
Tel: 020 8603 3572 E-mail: Amanda.Russell@liberata.com

Chief Officer: Chief Executive

Ward: (All Wards);

1. Reason for report

This report provides an update to the criteria agreed by the Schools Forum in December 2012 to include all points of admission ie Reception, Years 3 and Year 7

2. **RECOMMENDATION(S)**

The Schools Forum is asked to agree the proposed amendments and to agree the framework for a full review to be carried out during the summer.

3. COMMENTARY

3.1 In December 2012 the Schools Forum was asked to agree a set of criteria for funding pupil growth and infant class size funding. This funding has been used to allocate funding to schools since then but a number of issues have since arisen which means that it is timely to review this funding. A copy of the original report is attached at appendix 1

3.2 The main issues for review are as follows:

- The budget for this area has increased significantly from £970k in 2012/13 to £1.5m in 2015/16. Despite this increase, the Schools Forum is advised that this budget is likely to overspend in year, with an expected outturn of around £2.3m
- To review the funding allocation methodology
- There is a need to formalise the LA responsibility for this budget to ensure that there is a clear link to policy and to any decisions made.
- There is a need to review the current criteria with regard to pupil numbers and to include additional pupils admitted in years 3 and 7.
- To discuss the proposal that the rental costs of modular buildings required to support additional classes be met from this budget.
- To agree that framework for a full review of this area to be carried out during the summer, to include consultation with schools and input from Schools Forum members as appropriate.

3.3 In January 2015 the Schools Forum agreed to increase the growth fund that is held within the DSG from £1m to £1.5m. It was anticipated that increase would be sufficient to cover the increasing costs due to the changes in the funding formula and the expected number of additional classes. Since January, the LA has identified further shortfalls in pupil places and has been working with schools to open additional classes for September, to include two extra reception classes and three year 7 classes. It is now expected that the actual expenditure will be around £2.1m, plus around £0.2m on rental costs, with the shortfall further reducing the DSG carried forward from 2014/15.

3.4 It is anticipated that this level of expenditure will increase in future years although the exact figures are not known at this point in time. It is possible that any further increased costs may not be able to be met from savings within the centrally retained DSG and may result in movements of funds from either the Early Years block or the Schools Block. It is therefore important that the Schools Forum, and ultimately all schools are in support of this process. It is therefore proposed that a working party be established over the summer to review the funding in preparation for any consultation process which may be required in the Autumn term as part of the budget setting process.

3.5 In preparation for this process appendix 2 provides an update of the current funding formula which has been updated to show current funding levels and to include year 7 funding figures, with exemplar calculations.

3.6 The current criteria details different levels of funding for schools taking in between 1 and 6 pupils, and 7 or more pupils. There is a possibility that at one of the school that is currently expanding from 1fe to 2 fe will not have more than 30 pupils in September. Whilst this does not necessarily meet with the current criteria it is proposed that the LA will provide the additional funding originally included in the Schools Budget Share allocation on the basis that the school will have already recruited additional staff. This will allow the LA scope to direct additional pupils to the school in year. This issue will be revisited as part of the review.

3.7 The Schools Forum is asked to discuss this issue and to agree the scope for the full review.