

Report to Schools Forum: 10th October 2013
Falling Pupils Fund

1. Introduction

From 2014/15 LA's will be able to top slice the DSG to create a small fund with the intent of addressing the issues raised by the Dfe in the following extract taken from from its review earlier this year on the reforms implemented in 2013/14:

We want to ensure that good schools with short term falling rolls receive sufficient funding to deliver an appropriate curriculum and to avoid the need to take costly steps to reduce their capacity, when the demographic data shows that their capacity will need to expand again in the near future. It would be inefficient for example to make redundancies because of short term falling rolls, only to need to employ staff again when rolls increase. We therefore intend to allow some additional support for schools in this situation from 2014-15. We have developed a solution which can be simply managed and which offers a safeguard for all school types. We will enable local authorities, using top-sliced DSG funding, to create a small fund to support schools with falling rolls in exceptional circumstances.

91. We will expect the use of the fund to be considered at planning area level and Schools Forums will assess applications. As with the basic need growth fund, the criteria and amount must be agreed by the Schools Forum and applied fairly to academies and maintained schools. We are clear that we do not intend that this funding is provided to support schools which have falling rolls because they are unpopular or of low quality. Therefore we will ask local authorities to apply criteria which restrict use of the fund to schools that are considered by Ofsted to be good or outstanding.

Appendix 1 sets out further details contained in the Operational Guidance from the Dfe.

2. Proposal

2.1 In view of the above guidance Birmingham is proposing the following criteria:

Support will be available **only** for schools:

- judged Good or Outstanding at their last Ofsted inspection (this is a mandatory requirement).
- Surplus capacity exceeds 30 pupils or 20% of the published admission number

- Local planning data shows a requirement for at least 50% of the surplus places within the next 2 years
- Formula funding available to the school will not support provision of an appropriate curriculum for the existing cohort
- The school will need to make redundancies in order to contain spending within its formula budget
- It does not have a surplus balance in excess of 5% of its school budget share as at 31st March 2013 and 31st March 2014 (or the relevant academic years in the case of academies)

Schools who meet the above criteria in 2014/15 will be able to prepare a Business case that, after checking by officers, will be submitted to Schools Forum for a decision taking into account the funding available in the falling pupils fund. Any agreed funding will be for a specified number of surplus places (within the planned admissions number) at 75% of the relevant AWPU rate.

2.2 It is difficult to assess what the level of the falling pupils fund should be set. At this point in time no schools have been identified as qualifying. However this could obviously change in the future and to be prudent we recommend an amount of £0.5m, which can be refined for 2015/16 based on experience. Any underspend on the £0.5m would be carried forward into 2015/16.

3. Recommendations

Schools Forum to:

3.1 Agree the criteria set out under 2.1

3.2 Agree the value of the fund at £0.5m to be funded from a top slice of the 2014/15 ISB.