

# **Primary Schools Falling Rolls Update**

## **Key Messages**

Forum members are asked to:

- Note the update on the process to manage the impact of falling primary rolls in the city.
- Discuss and agree the principles that underpin the Falling Roll Policy and for developing a package of support for those schools identifying as encountering financial difficulties due to falling rolls.

## **1. Introduction/background**

- 1.1. This report is to update the Schools Forum on the progress made to clarify and refine the policy being developed for Falling Rolls for primary schools in Sheffield.
- 1.2. The policy is being developed due to the number of births in Sheffield falling since 2012 which has resulted in a growing number of surplus places in primary schools and the expectation is that this trend will continue for the next few years.
- 1.3. Forecasts suggest that the primary school population will continue to decline until 2024/25, and only a minority of our 136 primary schools will be unaffected. Our ambition is to support schools to remain viable during this challenging period, until demand increases toward the end of the decade.
- 1.4. The aim of this Policy is NOT to result in a school closure programme, but to work collaboratively with schools to help them become sustainable Community Primary Schools, wherever practically possible.

## **2. The principles**

2.1. The principles are re-stated below:

- Support not limited to Good or Outstanding
- RAG Rated System used for information not qualification
- Schools not identified in RAG rating system can still apply

- Funding not based purely on formulaic approach
- Support for falling rolls not limited to financial only
- Financial support not automatic right
- Schools need to apply in writing prior to 30<sup>th</sup> November
- Schools to apply annually
- Maximum award 3 academic years

### **3. Support for Schools**

3.1. The Education & Childcare Commissioning Team (ECCT) have developed a programme of support for schools facing falling rolls. This includes:

- 3.1.1 Forecasts for all schools published on the Learn Sheffield Schools Data Hub annually; these are broken down by sub-planning area, and provide a prediction for demand for each primary for the next 4 years which will support school leadership and governors' decision-making.
- 3.1.2 Officers in Admissions and ECCT can provide advice and guidance for any statutory processes for significant change e.g. reducing PAN.
- 3.1.3 Individual meetings offered to schools identified as 'Red' through RAG analysis of forecasts. This will provide an opportunity to discuss the data and consider options. (RAG analysis methodology considers a range of risk factors but primarily identifies schools with 30% surplus in reception year in forecast years). This process will be undertaken annually once the forecasts are produced (Spring term).
- 3.1.4 Forecasts and officer attendance on request to support local planning area / locality meetings where a collaborative approach is required.

3.2 Other methods of support will also include:

- 3.2.1 Regular opportunities to share data with all schools.
- 3.2.2 Review options with targeted schools, mainly in the Red category of the RAG rating system (these are schools that have met agreed criteria set by the LA as schools requiring urgent support).
- 3.2.3 Consideration of either a temporary or permanent adjustment of the school's PAN.
- 3.2.4 Forming part of a review of over capacity of places in an area of the city. Officers can facilitate or contribute to discussions at locality / planning area level.
- 3.2.5 Advice and support on federation, amalgamation or academisation process as appropriate.
- 3.2.6 Supporting budget planning.
- 3.2.7 Recommending work with a School Resource Management Advisor (SRMA).

## **4. Criteria for Claims Process for Additional Funding**

- 4.1. This policy is aimed at primary schools as it is the primary sector that is currently significantly affected as a whole.
- 4.2. The policy should be simple and transparent with a set of criteria for data that the Local Authority has access to, and schools can easily provide evidence for.
- 4.3. The following is an initial suggestion of criteria and methodology to be used to distribute funding.
- 4.4. Schools may attract falling rolls funds if they meet all the following requirements:
  - 4.4..1. Support is available for schools identifying as encountering financial difficulties due to falling rolls.
  - 4.4..2. Local planning data demonstrates that numbers at the school are expected to rise again. We will share regular demographic forecasts with the Forum.
  - 4.4..3. Reduction in numbers on roll (NOR) is not the result of an agreed reduction in PAN i.e. Some schools may have had temporary increased PAN's a few years ago and now that the expansion is coming to an end the PAN is being reduced again back down to what it previously was, it is these schools that are not eligible to claim as schools should be planning staffing reductions accordingly.
  - 4.4..4. Falling in rolls is not the result of bulge classes passing through a school.
  - 4.4..5. School has taken action to manage the impact of falling rolls e.g. worked with the LA to reduce its PAN where this is deemed an appropriate solution.

### **4.5. Pupil Number Criteria**

- 4.5..1. Schools of 1.5 FE or more are experiencing reductions on roll of more than 10% of whole school PAN capacity, as agreed with the Local Authority. We would expect larger FE schools such as this to be able to absorb costs below this threshold; or
- 4.5..2. Schools of 1.5 FE or less are experiencing reductions of 5% or more in Numbers on Roll (NOR whole school) based on one Autumn census to the next one.
- 4.5..3. Changes in pupil numbers are having a significant negative financial impact on the schools that are fragile. i.e. small schools

### **4.6. Financial Criteria**

- 4.6..1. Schools will be expected to cover the temporary funding shortfall from their existing carry forward balances prior to application to the Falling Rolls Fund, LA maintained schools and academies to provide the latest

forecast outturn report signed off either by the Head Teacher for LA maintained schools or Trustees for academies.

- 4.6..2. There has been a reduction in the school budget share or GAG allocation of 3% in cash terms or more from previous FY/AY.
- 4.6..3. The school's closing reserves should not exceed 5% of their budget share or GAG allocation, again signed off by either the LA maintained school Head Teacher or Trustees of academies.
- 4.6..4. No funding to be paid where schools are already being supported through the existing growth fund.
- 4.6..5. Schools should submit details of how the funding would be deployed via the headteacher

## 5. Methodology for distributing funding

- 5.1. The initial formula broached at the December 2020 Forum is shown below. This formula is currently used in the calculation of Awkward Year Group funding:

*the shortfall in pupil numbers \* 1/30th of a main scale 5 teacher, up to the maximum of 1 FTE main scale teacher – this yields approx. £1,533 per pupil*

This would be the preferred option, as it is consistent with previous policies

- 5.2. We could use the calculation above or develop a calculation that is simplified:

Primary 25% of Primary AWPU x (Autumn 2021 NOR-Autumn 2020 NOR)

e.g.

$£3,237 \times 25\% \times 30 = (£809.25 \times 30 = £24,277.50 \times 7/12 = £14,162)$

- a loss of about 30 pupils produces a payment of around £14k, full year £24k

- 5.3. **Once the fund is exhausted, no further allocations will be made.** This will be tied in with the result of the Financial Panel outcomes for payment decisions to be made.

## 6. Claims Process

- 6.1. The Policy will be reviewed and published on an annual basis on the SCC website.
- 6.2. Schools should apply in writing, with all supporting evidence, to the Strategy & Commissioning Team before the deadline of 30<sup>th</sup> November of the current financial year. All valid claims will be assessed following this date.

- 6.3. The Strategy & Commissioning Team will work with the Education and Childcare Commissioning Team to triage the claim and subsequently recommend the relevant support to be provided, either
- strategic non-financial;
  - strategic and financial or
  - purely financial
- 6.4. Once officers have triaged claims, and if it is recommended that financial support is warranted, then the Strategy & Commissioning Team will calculate the value of the claim. All claims will be held until the deadline date, in readiness for submission to the Moderation Panel.
- 6.5. All claims will then be presented to the Moderation Panel, who will assess all claims for the year and approve recommended actions accordingly including the method of payment.
- 6.6. Supporting evidence to be supplied at the very latest by the 31<sup>st</sup> of December, if evidence is not received the claim will become null and void for that financial year. The LA will not chase schools for evidence, the onus will be on the school to comply and supply evidence in full by the deadline.
- 6.7. Payments for schools to be made on a financial year basis: 7/12ths covering September to March; 5/12ths covering April to August.
- 6.8. The LA will work with Head Teachers to keep them informed and share any updates with them on a regular basis relating to all payments made and any further remedial action being taken.
- 6.9. A flow chart has been produced to show the process in full. See Appendix 1.

## **7. Moderation**

- 7.1. The purpose of the moderation panel will be to receive applications following the triage by officers and agree the type and level of support.
- 7.2. Further work is required to develop the Terms of Reference of this group .
- 7.3. We are recommending that the work is carried out through the Schools Forum Funding Formula Working Group and that a moderation panel is set up.

## **8. Recommendations**

Forum members are asked to:

- 8.1. **Note** the Policy is around strategy and not purely formulaic. No two schools will be the same, a way forward will need to be agreed upon by the Panel and the Moderation Panel will agree and process all payments.

- 8.2. **Discuss and agree** the criteria for the Falling Roll Policy.
- 8.3. **Discuss and agree** the methodology and process for Falling Roll Policy.
- 8.4. **Approve** the preferred option of methodology at 6.1 for the distribution of funding.
- 8.5. **Agree** that the Funding Working Group develops and agrees the terms of reference for the moderation panel.