

Wiltshire Council

School Funding Working Group – 27 November 2023

Schools Forum - 5 December 2023

Additional Support for Maintained Schools in Financial Difficulty in 2023-24

Purpose of report

1. To set out the details behind the additional support funding for maintained schools in the 2023-24 year.
2. To seek agreement from members of Schools Forum for the distribution of the support funding to maintained schools currently in a financial deficit.

Background

3. The Department for Education (DfE) recently announced additional funding to support schools in financial difficulty in the 2023-24 financial year. This funding is being awarded in addition to supporting schools with the September 2023 Teachers Pay Award.
4. The funding will be used to bolster existing routes that exist to support schools in financial difficulties. Maintained schools seek support through their Local Authority (LA) and academies through the Education and Skills Funding Agency (ESFA).
5. The total national pot of funding of £40m is to be split with £20m being awarded to LA's who have the most significant maintained school deficits. The funding will be allocated proportionately among local authorities who have aggregated school-level deficits which represent more than 1% of their total maintained schools' income at the end of the 2022-23 year. (The remaining £20m will be allocated to expand the existing routes for academies in financial difficulties.)
6. A total of 35 LA's have been awarded funding and Wiltshire has been confirmed as an eligible LA with the funding allocated to support maintained schools for the 2023-24 year standing at £405,503. A list of eligible LA's and the funding allocated is detailed at Appendix 1.
7. This funding is 'one-off' funding and there are no plans to make similar additional funding available again in 2024-25.

Funding in 2023-24

8. The DfE want LA's to be able to use this funding to best support their schools in the individual circumstances in which they find themselves. Therefore, they are giving LA's significant flexibility over how this funding can be used.
9. Local authorities remain responsible for supervising the maintained schools in their area. Where a maintained school is in financial difficulty, it receives guidance and support from colleagues in Wiltshire, provided on a case-by-case basis. Any cumulative deficit in a maintained school needs to be authorised by the LA and a financial recovery plan put in place.
10. The DfE produces a '*Scheme for Financing Maintained Schools*' each year and Section 6.7 of the guidance allows for local authorities to pay cash sums towards elimination of a deficit balance. Such cash sums can be charged to the dedicated schools grant (DSG) only where they form part of a contingency fund approved by maintained school members of Schools Forum under *Regulation 11(5) of, and paragraph 51 of Schedule 2 to, the School and Early Years Finance (England) Regulations 2023*. (This would be funded through 'de-delegating' monies from maintained schools each year to create a Contingency Fund).
11. The DfE have confirmed that LA's in receipt of a portion of the £20 million being allocated in 2023 to 2024, can use this funding as another source of cash towards the elimination of deficit balances. The conditions of grant for this addition to DSG will allow the money to be used for this purpose.
12. This does not mean that every school with a deficit within an LA should be given additional funding. The DfE expect funding to be allocated on a case-by-case basis, taking into account the severity of the school's position and prioritising those in greatest need. Local authorities should report to their Schools Forum on how they are using the money, which should be fully utilised in the 2023-24 year.

Proposals for Use of the Additional Funding

13. At the October 2023 Schools Forum meeting, members were presented with details of all maintained schools balances, both surplus and deficit balances. A copy of the table presented to Schools Forum detailing schools in deficit is detailed below.

Analysis of schools with a deficit at end of 2022/23										
		2019/20		2020/21		2021/22		2022/23		
		Deficit £	As a % of SBS							
2009	Bratton Primary School	Primary	-	-	8,820	-1.5	-117,652	-17.49	-65,336	-9.71%
2178	Princecroft	Primary	-	-	-	-	-35,672	-4.33	-	-
2190	Woodlands	Primary	-8,488	-9.96	-	-	-	-	-68,900	-7.03%
2191	Manor Fields	Primary	-	-	-	-	-	-	-39,051	-3.63%
3017	Longford CE	Primary	-81,156	-21.16	-	-	-	-	-	-
3140	Oaksey CE VA	Primary	-54,253	-12.81	-18,462	-4.36	-	-	-	-
3172	Stratford Sub Castle	Primary	-211,201	-34.26	-280,594	-45.52	-359,261	-54.92	-378,782	-57.91%
3174	Sutton Veny	Primary	-2,587	-0.38	-	-	-	-	-	-
3192	Westbury Juniors	Primary	-	-	-	-	-	-	-5,204	-0.43%
3193	Westbury Leigh	Primary	-186,552	-13.72	-96,400	-7.1	-	-	-3,772	-0.27%
3229	Coombe Bissett	Primary	-	-	-	-	-8,396	-1.49	-	-
3230	Dinton	Primary	-4,138	-1.02	-	-	-	-	-	-
3316	Chapmanslade	Primary	-	-	-	-	-13,464	-2.57	-4,632	-0.88%
3318	Chilton Foliat CE	Primary	-108,569	-27.90	-118,014	-30.33	-114,251	-22.39	-39,880	-7.82%
3383	Sarum St Paul's	Primary	-132,183	-14.99	-60,206	-6.83	-69,516	-7.63	-120,835	-13.27%
3435	Wardour	Primary	-4,584	-1.12	-	-	-	-	-	-
3453	Chilmark	Primary	-1,798	-0.47	-	-	-	-	-	-
3459	Hindon	Primary	-21,990	-7.87	-	-	-	-	-	-
3465	Wylve Valley	Primary	-	-	-3,282	-0.77	-935	-0.18	-16,714	-3.15%
3469	Five Lanes	Primary	-41,118	-10.32	-16,264	-4.08	-	-	-	-
3471	Lyneham Primary	Primary	-58,837	-4.49	-32,832	-2.51	-85,861	-6.65	-	-
5201	Downton	Primary	-47,841	-0.05	-23,783	-2.45	-26,279	-2.35	-15,544	-1.39%
4000	Abbeyfield	Secondary	-2,238,206	-42.20	-1,943,168	-36.82	-1,687,885	-35.24	-1,457,779	-30.44%
4070	Stonehenge	Secondary	-135,385	-3.03	-	-	-	-	-	-
Total value of deficits			-3,338,886		-2,601,824		-2,519,172		-2,216,429	
Total number of schools				17		11		11		12

Option 1

14. Applying a straight-line formulaic approach would award funding to all the schools in a deficit. However, whilst the values would in some cases be negligible, the funding is directly proportional with the scale of the individual deficits. In many ways, this approach is the most equitable as it awards funding to all of the schools with a deficit ensuring parity. The table below shows the allocations based upon a straight line basis.

			2022/23		£405,503 Distribution Straight-Line Basis
			Deficit £	As a % of SBS	
2009	Bratton Primary School	Primary	-65,336	-9.71%	11,953
2190	Woodlands	Primary	-68,900	-7.03%	12,605
2191	Manor Fields	Primary	-39,051	-3.63%	7,144
3172	Stratford Sub Castle	Primary	-378,782	-57.91%	69,299
3192	Westbury Juniors	Primary	-5,204	-0.43%	952
3193	Westbury Leigh	Primary	-3,772	-0.27%	690
3316	Chapmanslade	Primary	-4,632	-0.88%	848
3318	Chilton Foliat CE	Primary	-39,880	-7.82%	7,296
3383	Sarum St Paul's	Primary	-120,835	-13.27%	22,107
3465	Wylve Valley	Primary	-16,714	-3.15%	3,058
5201	Downton	Primary	-15,544	-1.39%	2,844
4000	Abbeyfield	Secondary	-1,457,779	-30.44%	266,706
Total value of deficits			-2,216,429		405,503
Total number of schools				12	

Option 2

15. Another option available would be to only grant funding where a significant sum, £5,000 or £10,000 was to be awarded. The table below sets out how this funding would be allocated.

			2022/23		Minimum Award of £5,000+	Minimum Award of £10,000+
			Deficit £	As a % of SBS		
2009	Bratton Primary School	Primary	-65,336	-9.71%	12,206	12,667
2190	Woodlands	Primary	-68,900	-7.03%	12,872	13,358
2191	Manor Fields	Primary	-39,051	-3.63%	7,295	
3172	Stratford Sub Castle	Primary	-378,782	-57.91%	70,764	73,434
3192	Westbury Juniors	Primary	-5,204	-0.43%		
3193	Westbury Leigh	Primary	-3,772	-0.27%		
3316	Chapmanslade	Primary	-4,632	-0.88%		
3318	Chilton Foliat CE	Primary	-39,880	-7.82%	7,450	
3383	Sarum St Paul's	Primary	-120,835	-13.27%	22,574	23,426
3465	Wylve Valley	Primary	-16,714	-3.15%		
5201	Downton	Primary	-15,544	-1.39%		
4000	Abbeyfield	Secondary	-1,457,779	-30.44%	272,341	282,618
Total value of deficits			-2,216,429		405,503	405,503
Total number of schools				12		

Option 3

16. Local authority officers have discussed proposals being considered by other authorities and another option being proposed is to only fund those schools where a deficit has been in place for 3 or more years and subject to a minimum threshold value. Using this logic and applying it to the Wiltshire deficit schools would lead to the funding allocation, detailed in the table below.

		2022/23		Deficit Years	Minimum award of £10,000 & 3yrs+	
		Deficit £	As a % of SBS			
2009	Bratton Primary School	Primary	-65,336	-9.71%	3yrs	13,098
2190	Woodlands	Primary	-68,900	-7.03%	1yr	
2191	Manor Fields	Primary	-39,051	-3.63%	1yr	
3172	Stratford Sub Castle	Primary	-378,782	-57.91%	4+ yrs	75,936
3192	Westbury Juniors	Primary	-5,204	-0.43%	1yr	
3193	Westbury Leigh	Primary	-3,772	-0.27%	1yr	
3316	Chapmanslade	Primary	-4,632	-0.88%	2yrs	
3318	Chilton Foliat CE	Primary	-39,880	-7.82%	4+ yrs	
3383	Sarum St Paul's	Primary	-120,835	-13.27%	4+ yrs	24,224
3465	Wylve Valley	Primary	-16,714	-3.15%	1yr	
5201	Downton	Primary	-15,544	-1.39%	4+ yrs	
4000	Abbeyfield	Secondary	-1,457,779	-30.44%	4+ yrs	292,245
Total value of deficits			-2,216,429			405,503
Total number of schools				12		

17. Whilst there are fixed drivers for the distribution of the funding, a wide number of options are available, all of which are equitable within a defined set of criteria.

Proposal

18. Schools Forum to consider and discuss the distribution options in light of the most equitable approach and agree a proposed methodology on behalf of maintained schools.

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**Funding for local authorities to support their maintained schools in
financial difficulty: allocations for 2023-24**

No.	LA Name	LA number		Allocation
1	Liverpool	341	£	1,741,291.50
2	North Tyneside	392	£	1,868,147.92
3	Worcestershire	885	£	1,563,479.89
4	North Yorkshire	815	£	972,188.39
5	Enfield	308	£	965,741.96
6	Lambeth	208	£	959,277.21
7	Bradford	380	£	934,212.12
8	Southampton	852	£	559,332.03
9	Bristol, City of	801	£	675,992.45
10	South Tyneside	393	£	605,844.96
11	County Durham	840	£	582,480.41
12	Greenwich	203	£	554,688.45
13	Southwark	210	£	516,380.60
14	Sheffield	373	£	517,960.04
15	Isle of Wight	921	£	517,146.08
16	Hillingdon	312	£	491,623.25
17	Leicester	856	£	422,217.56
18	Lewisham	209	£	458,226.44
19	Wiltshire	865	£	405,502.97
20	Cumberland	942	£	371,578.64
21	Islington	206	£	364,816.41
22	Hackney	204	£	359,975.15
23	Northumberland	929	£	344,356.84
24	Waltham Forest	320	£	343,459.83
25	Oxfordshire	931	£	331,272.92
26	Walsall	335	£	309,601.02
27	Somerset	933	£	288,318.49
28	Wirral	344	£	296,310.10
29	Westminster	213	£	290,418.52
30	Westmorland and Furness	943	£	301,410.78
31	Croydon	306	£	264,529.05
32	Windsor and Maidenhead	868	£	222,129.63
33	Reading	870	£	218,584.70
34	Sutton	319	£	202,475.48
35	Gateshead	390	£	179,028.20