

**Schools Forum**

**2 October 2023**

**Falling Rolls Fund 2024-25**

**This report is for decision**

**1. Recommendations:**

That Schools Forum members:

- 1.1 Approve the introduction of a Falling Rolls Fund (FRF) for all Sandwell schools experiencing falling rolls from 2024-25.
- 1.2 If approval is given to set up a FRF to then approve an option from the two presented to Schools Forum on assessing the eligibility criteria.

**2. Purpose**

- 2.1 To ask Schools Forum approval for the introduction of a FRF (or not) and any subsequent eligibility criteria to be used to fund Sandwell schools experiencing falling rolls.

**3. Report Details**

- 3.1 After meeting as a sub group in July 2023 to discuss the criteria to be used for eligibility for FRF there were 5 options considered and it was acknowledged that there were 2 viable options that could potentially work for Sandwell.
- 3.2 In August 2023 the Department of Education updated the Growth and Falling rolls funding guidance. The new guidance includes only 2 eligibility options. These are outlined in Appendix 1.
- 3.3 It should be noted that previously only schools rated good or outstanding could qualify for falling rolls funding and this criterion has now been removed.
- 3.4 It should also be noted that where Local Authorities operate a falling roll fund they will only be able to provide funding where

school capacity data (SCAP)<sup>1</sup> shows that school places will be required in the subsequent three to five years. This is a mandatory requirement.

- 3.5 Where the places are not expected to be required the expectation is that the PAN<sup>2</sup> would be reduced.
- 3.6 Appendix 1 includes an analysis of the options and an analysis of the data collected in Appendix 2.
- 3.7 Appendix 2 (spreadsheet) contains falling roll data including all Sandwell schools. Where a school meets the criteria under the guidance it is shaded red.
- 3.8 Until October census figures are known and finalised, it is difficult at this time to estimate how much funding will be needed for the 2024-25 FRF. An estimate of this will be provided as soon as it is known.

#### **4. Recommendations**

- 4.1 That Schools Forum decide if a FRF is necessary and give formal approval of its introduction.
- 4.2 That Schools Forum consider and approve an option for the criteria for eligibility to access the FRF from 2024-25.

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<sup>1</sup> SCAP is a statutory collection. The Local Authority must complete statutory collections by law unless there's a good reason not to.

<sup>2</sup> School Admission Code 2021, The Education (Determination of Admission Arrangements) (Amendment) (England) Regulations 2002 defines Published Admission Number as "...a number for each relevant age group. This is the age group at which pupils are or will normally be admitted to the school e.g. reception, year 7 and year 12."

### Setting Falling Rolls Funding criteria:

The updated guidance provides only 2 viable options of compliant criteria.

#### **Option 1**

- the total number on roll (NOR) has dropped by at least 5% between last October census and the previous year's October census
- spare capacity<sup>3</sup> of the school is a minimum of 15% of PAN
- school capacity data shows that school places will be required in the subsequent 3 to 5 years

Where a school meets all the above criteria, funding will be provided using the following calculation:

- the NOR as at last October census will be deducted from the NOR of the previous October's census. The result will be multiplied by the current basic entitlement rate, appropriate to phase, pro rata April to August (5 months)

Or

#### **Option 2**

Additional funding is allocated based on a proportion of the basic entitlement for vacant places below 85% of the PAN for the normal year of entry (reception or year 7) and also for the next year group after entry (year 1 and year 8). Funding is available for a maximum of 3 years (provided PAN data shows places are needed in the next 3 to 5 years) after which a school's PAN may be adjusted or other action taken.

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<sup>3</sup> "The number of places the school can provide for. For local authority-maintained schools, capacity is defined by a physical measurement and calculated in the [net capacity assessment](#)."

*For academies, including free schools, capacity is reported as per their funding agreement, subject to any information that the local authority holds in addition."*

Analysis of Appendix 2 falling roll data collection is as follows:

### Option 1

All schools that have a difference of more than 5 % between 2021 and 2022 have been highlighted red.

This criteria does not always give a clear picture of a falling roll. For example Great Bridge Primary admitted over its PAN in 2021 but not in 2022. Therefore, the data is showing a drop between the two years of 6.25% but the school has a NOR in 2022 that matches its PAN. Where this has happened at other schools those too have not been highlighted.

Also, Cape Primary NOR in 2021 is 15.07% lower than its PAN. In 2022 the NOR is less than in 2021 but as the criteria compares 2022 to 2021 is shows as only a 2% drop rather than another year of a falling roll (16.9% lower than its PAN).

The only school that meets all three of the criteria under option 1 is Perryfields Academy. The calculation applied to this qualifying school would be the NOR as at last October census (976) will be deducted from the NOR of the previous October's census (1061). The result will be multiplied by the current basic entitlement rate/AWPU (£5184.44), appropriate to phase, pro rata April to August (5 months);  $1061 - 976 \times £5184.44 / 12 \times 5 = £183,615.58$

### Option 2

Looks at a pattern of falling rolls over a two year period and is based only on the year of entry rather than the whole school as in Option 1. Schools where the NOR is lower than 85% PAN have been highlighted in red. As mentioned previously the SCAP 2023 does not forecast an increase in Primary places over the next 3 years so no primary school would qualify for funding. SCAP 2023 does forecast the need for Secondary places in the next 3 years. Therefore, Oldbury Academy and Perryfields Academy would meet all the criteria in Option 2.

The calculation for funding in option 2 refers to a "proportion of the basis entitlement/AWPU". It does not say what that proportion should be.

An example of the calculation that could be applied is NOR October 2022 deducted from PAN x basic entitlement/AWPU for example Perryfields Academy PAN 240 – NOR 181 x £5184.44 = £305,881.96.