**Danehill C of E Primary School**

**Future Funding for 2017-2018**

**Parish Council Discussion and Decision**

**26th January 2017**

*Preface: The Parish Council received a report on this subject from Councillor Emma Mills during the Parish Council Meeting on 24th November 2016. Gordon Denslow (Chairman of the School Governing Body) also attended this meeting and spoke in support of the report. This paper will not repeat all of the content or information previously presented but some repetition is inevitable and necessary. It should also be noted that in 2016 the previous Parish Council proposed that there would be two grants in consecutive years to Danehill C of E Primary School and had notified the parish community to this effect. The Parish Council have already made one grant to the school of £10K in September 2016.*

There is currently a national funding crisis facing small rural primary schools in England. Any search of media coverage on this topic will reveal the extent to which rural primary schools are struggling to balance their budgets on a national scale. Some schools in Sussex are considering reducing the school working week to 4 days, some are reducing the number of classes and teachers, while some are even contemplating closure. Extensive lobbying to Parliament has been taking place by those involved in education. The following links provide further information on the national funding crisis in schools : <https://www.theguardian.com/education/school-funding>

<http://www.bbc.co.uk/news/education-37680090>

In December 2016 the Government published proposals to redress the funding bias which saw inner city and urban primary schools receive larger funding allocations than the rural primary schools. The previous schools funding formula was widely seen as unfair. The new formula was expected to see fairer and more equitable allocations. Whilst the new formula is still subject to consultation (now into the second phase) the most recent calculations disappointingly suggest that many schools in Sussex will see further reductions in their funding allocations.

The Governors of Danehill Primary School understand that whilst the “sparsity” element of the formula is still subject to further discussion the budget for the school for 2017/18 will see a further anticipated reduction of 2.2% (circa £8.5K). This follows a 3% reduction in 2015/16 and 6% in 2016/17. Further pressures on the school’s revenue budget are likely to take the anticipated shortfall for 2017/18 to £57K. (The total revenue budget for 2016/17 is £391021).These extra pressures involve incurring costs for covering the “Living Wage”, the knock on effect of the Government’s “Apprenticeship Scheme”, as well as increased employers contributions. The final quarter of this financial year will see year- end adjustments and final decisions being made on next year’s budget in agreement with the East Sussex County Council.

Danehill Primary School is a successful small rural school that has been in existence for 150 years. It currently provides education to 79 children. The school has an excellent reputation and is currently graded as “Outstanding” by OFSTED albeit the last inspection was several years ago. There are four classes led by talented, experienced and dedicated teachers providing a high standard of education for the children. The school is valued by the community of the parish. It achieves good results and prepares the children for their progression to secondary education. It is important to emphasise the feedback from the secondary schools that take the children and which explicitly states they are seen as “well rounded, confident, polite and well prepared for secondary education”.

In October 2016 the school’s Governing Body became even more concerned about the future budget and for and the anticipated reduction in funding. The strains on the budget are such that serious consideration had to be given to reducing the number of classes from 4 to 3. It was quickly established that neither the Governing Body, nor the parents were prepared to move to such a configuration of classes. Such a move was seen as detrimental to the education of the children. With larger classes and with fewer teachers the prevailing view was that the huge benefits of the existing pupil to teacher ratio would be lost. (This was also highlighted by Councillor Mills in her report to the Parish Council in November 2016).

The Governing Body took the decision to invite parents to form a fundraising group to help bridge the financial shortfall so as to protect the ethos of the small but highly effective village school. The fundraising group have met and have formulated a plan which is intended to raise sufficient finance to bridge the funding shortfall. Fundraising is not seen as a long term commitment. The target for the fundraising team will be £40-45K towards the 2017/18 budget although this amount will be subject to change as a result of what the funding allocation is and fluctuating year end variances.

The Governing Body has looked at the most pragmatic way of ensuring the school has a viable financial future whilst retaining a four class structure. In essence this relies on increasing the number of pupils to circa 95 over a 2-3 year period. This will involve marketing the success of the school and making parents of eligible children from neighbouring communities aware of Danehill School’s commitment to retaining 4 classes and excellence in teaching. A series of “Open Days” will take place in each academic year timed to attract parents of prospective children.

There are very real pressures on the school budget. Previous “revenue” reserves have now been exhausted. Continuous reviews of the budget by both the Governing Body and the County Council validate the accuracy of the budget and the Governing Body has a statutory duty to comply with financial regulations. The budget shortfall for 2017/18 has now grown to circa an estimated £57K.

Key dates for the next 3 months are as follows:-

* February 2017. East Sussex County Council (ESCC) will announce the school budget allocation. This is based on the number of children registered on the school roll in October 2016, i.e. 79 children
* April 2017. School numbers for starting at Danehill School in September 2017 are announced by ESCC.
* April 2017. Danehill School Governing Body submit a “balanced” budget to ESCC for approval.

The Governors have arranged meetings with ESCC about how best to manage monies raised by fundraising so as to ensure the proper and smooth transfer of funds. Discussions have also taken place on an informal basis with Cumnor House School to explore ways of closer working partnerships.

The Governing Body fully accepts it must explore opportunities to collaborate locally in a proactive way with other similar schools. Reducing costs and working with more effective and efficient methods is imperative but the overriding emphasis has to be improving the education of the children.

It is the firm belief of the Governing Body, the Headteacher, and the parents that any attempt to restructure Danehill School on the premise of a cost cutting exercise and to reduce from 4 to 3 classes will be damaging to the prospects of the educational needs of the children. Multi-year classes delivered in cramped accommodation by fewer teachers would be a negative step. Some parents have already made it known that they will remove their children and seek to place them elsewhere if such a decision is taken. This would further exacerbate the strain on the school’s resilience.

The Governors of Danehill Primary School invite the Parish Council to consider making a second donation to the school’s budget which will help to sustain the viability of such a crucial asset to the Parish Community. The Governing Body is committed to providing a twice yearly update update (May and November) to the Parish Council on how any grant given is being used.

Signed

Gordon Denslow (Chairman of the Governing Body)

Tony Lake (Chairman of Resources and Finance Committee)