**Summary Of Finance Presentations**

In May the school held two meetings to share information with parents about school funding. The following is a summary of the information shared at the meetings along with some additional information in response to parents’ questions.

**Overview**

The current system for funding Local Authority maintained schools can be dated back to the 1944 Education Act. This came from universal education being started by the Church of England in 1811 with the starting of the National Society, this gave us the principle of inclusive and quality education which is free at the point of contact.

Bolney was founded in 1871 by the National Society and is now classed as a Church of England Voluntary controlled school. Meaning the local authority (West Sussex) has the responsibility of running the school, through the Governing board. The Diocese of Chichester has a strategic and moral interest, providing guidance and other services but no financial support or liability.

**How the School receives income**

Annual school budgets are set by the Department of Education. This is mainly based on historical data with adjustments for inflation and other criteria such as educational performance within an area. This is paid to Local Authorities as a Dedicated Schools Grant (DSG) to form a protected fund which must be used for schools in the area. The historical nature of DSG is why West Sussex is lagging behind other Local authorities for funding.

The Local Authority (LA) can, and will, add funds from its own general budget to the DSG. It then devolves the funds to schools. The LA will top slice typically 3-5% of the DSG to pay for some services it supplies to schools (eg admission services and human resources).

The rest is sent to schools in several different streams. The following are the main ones for our type of school and are available for general school operations.

Lump sum: Single payment with different sums for small and large primary schools

Per pupil rate: Allocation of budget for each pupil on roll. The number on roll is taken from the October pupil census

Deprivation: Top up funding to help schools in areas of social deprivation. Six different bands available set on a post code basis, similar judgment to Council tax.

Special needs: A proportion of funding offered to provide special needs support services. This is based on the previous year’s Early Years development scores,

and bears no relation to the actual SEN needs within the wider school.

Additional funding is sent through streams which are ring fenced for specific purposes;

Devolved Formula Budget for large capital expenditure, projects must be to a value above

Capital Grant: £2,000. Not to cover salaries or minor building maintenance, for instance painting. Typically used for IT purchases (interactive white boards).

Pupil Premium: A school receives this funding for children eligible for free school meals (or have been in the past 6 years), for children who are, or have been, Looked After and for children from Service families. School has to demonstrate how the money is used to benefit the children from these families; however the funding doesn't have to be spent exclusively on them.

Sports Premium: After the 2012 Olympics funding was made available to improve and encourage sport within schools. This is to be used for resources, external

 coaching and staff training to further develop PE and sport provision.

**Our school expenditure**



Key:

Blue- Staffing costs Total spent on all salaries, including pension and National Insurance contributions.

Brown- Services Service level agreements; Broadband, IT Technical support,

Grey- Building costs Building and grounds maintenance, security, electricity and heating

Yellow- Resources Curriculum related costs. Books, stationary. Also external

and Development advice and monitoring services.

**Budgeting cycle in School**

Once the DSG is devolved to schools it is up to the Governing Board to set and monitor the school spending. Through self-evaluation of education, resources, pupil and staffing needs a budget is set by all Governors. Consultation with the LA is also carried out, however it is up to the Governors to set the priorities for the budget. The pie chart shows the percentage spend for our main areas of annual expenditure.

The school is not allowed to set a deficit budget. If the school overspends in a financial year then the Governors have to set out a recovery plan to balance the budget as quickly as possible.

All teachers pay and conditions are set nationally and have to be followed. The Governors are not allowed to sight budget constraints as a reason for not awarding incremental pay increases.

The Head and (in our case) our School Business Manager operate the budget with regular governor monitoring. Zoe Belton is our School Business Manager as well as being the office manager, Clerk to the Governors, lead First aider......Most schools (even small ones) would have separate people doing these roles.

**What's going to change.**

The proposed new fund formula (NFF) set to come in next year, is designed to bring in a fair funding system. Putting all schools on a level playing field as far as their budget is calculated. However, the current proposals place more emphasis on per pupil funding and less on the lump sum. This means smaller schools are likely to lose out.

Over the last 3-4 years Bolney has seen its income remain virtually static, while expenditure has risen. This is especially in staffing costs with pension changes and increases in National Insurance. Indications of funding under the NFF show our budget will be in the region of £10,000 lower. Whilst we've been able to manage rising costs through careful budget planning and prudent spending, a reduction of that level will make it hard to continue with exactly the same provision.

**How can I help?**

Parents can help by supporting the Worthless Campaign which is lobbying central government, to improve the disparity in funding West Sussex schools receive compared with other areas and to rethink the new funding formula to ensure there are no real term losses to school funding.

Parents can also support the Friends of Bolney. Not just financially, but with support organising and running events. If this financial situation continues the FOB will become an even more vital way of providing resources and educational enhancements.

**The Governing Board**

As we are sure you understand, when prioritising and making strategic decisions about the school, finances are often a limiting factor. However, the children are at the centre of everything the school and the Governors do, and any decision is taken with their best interests first and foremost in our minds.  We will endeavour to keep you informed of any developments in the school finances and the implications of them.

Please do contact us if you have any questions either via the governors’ email address: governors@bolneyprimary.school or through Zoe in the office.

Bolney CE Primary School Governing Body