

BRISTOL CITY COUNCIL

Audit Committee

16th February 2011

Report of: Director of Children & Young People's Services

Title: Additional Funding to Bishop Road School

Ward: Bishopston

Officer Presenting Report: Service Director, Education Strategy & Targeted Support

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RECOMMENDATION

That members note the report.

Summary

To identify the application of the increased revenue and capital funding for 2009/10 and 2010/11 in relation to Bishop Road School, as a consequence of the school agreeing to accept additional pupils.

The significant issues in the report are:

All payments made to the Senior Management Team of Bishop Road School as an outcome of the increased revenue funding for 2009/10 and 2010/11 are considered to be appropriately approved and conformed to the School Teachers Pay and Conditions Document (2009).

That capital funding made available to the school has been appropriately used to address building condition issues and improve the physical environment for students and staff.

Policy

1. Not applicable

Consultation

2. Internal

HR, Finance and legal officers

3. External

Bishop Road School

Context

4. In April 2009 the Governing Body of Bishop Road Primary School agreed to take one extra class at Reception level beyond the normal 3 form entry for a limited period of time, subject to conditions for the year commencing 1st September 2009
5. One of the conditions was that an additional sum of money would be added to the school budget. This additional funding was in two parts
 - 5.1. Additional revenue funding for 2009/10 and 2010/11 at the rate of £30,000 per year
 - 5.2. Additional one off capital funding in the sum of £150,000 available from 2009/10
6. These amounts were specified in a letter (dated 22nd April 2009) to the Headteacher from the Service Director for Inclusive and Learning Communities. The letter identified the additional revenue sum as an "Honorarium that would be added to the school budget."
7. The additional funding has created a degree of public interest, the most significant of which are:
 - 7.1. The equity of approach given that funding made available to Bishop Road school was not replicated for other schools who also accepted additional pupils
 - 7.2. The use of funding to provide additional payments to staff

Equity of Arrangements

8. The decision to provide additional funding was taken in the context of a significant shortage of primary school places and a need to provide additional places urgently in order for the Local Authority to comply with its statutory duties. Bishop Road was already a 3 form of entry school and the proposals would have resulted in Bishop Road becoming the first 4 form of entry primary school in Bristol.
9. Other schools who agreed to take additional pupils have received additional revenue funding through formula allocations. Bishop Road also received these formula allocations. As a consequence, Bishop Road received revenue allocations beyond those of other schools. It is acknowledged that transparency regarding such payments is important and the Schools Forum will be considering revisions to the current policy in this respect.
10. Capital funding issues are far more complex and are heavily influenced by the construction methodology of individual buildings, availability of land and pre-existing condition issues. As a consequence, a range of works have taken place or are planned in respect of other schools that have agreed to take additional pupils. In some cases, these schemes will be in excess of £1m.

Use of Funding

Revenue

11. The reference to 'honorary' has been a source of contention and challenge as 'honorary' payments are not permissible under teacher pay and condition documents. It is acknowledged by officers that use of this descriptor was inappropriate and was used merely to convey the availability of additional funding for the school to address staffing issues associated with expansion.
12. HR advice in April 2009 confirmed that the Governing Body were responsible for determining the pay for the Head Teacher and the Senior Management team and that it would be reasonable for them to review the pay arrangements under the circumstances of the additional workload / pressure associated with the extra class.
13. The Governing Body of the school recognised that the term "Honorary" was one used by the Local Authority and redefined it as a sum of money provided by the Authority in recognition of the additional reception class. The decision of the Governing Body was to move people from the current Group 4 to equivalent salary scale point within a Group 5 band. This was backdated to 1st September 2009.

14. The School Teachers' Pay and Conditions Document, which gives detailed guidance on school teachers pay and conditions, indicates in section 12.2.6 that the relevant governing body may determine an Individual School Range (ISR) which exceeds the head teacher group range but must not exceed the maximum of the second group range above the appropriate Group calculated for the school.
15. Bishop Road Primary School was determined as a Group 4 school even allowing for the increase in pupil numbers due to the additional Reception class. Under the STP&CD the Governing Body could determine the Head Teacher Group range as a Group 5 or up to the maximum of Group 6 if they believed that there were recruitment / retention difficulties or where there has judged to be a significant change in the head's responsibilities.
16. An analysis of payments made to the Senior Management Team has confirmed that they conform to the guidelines as outlined in the School Teachers Pay and Conditions Document (2009). The decision of the Governing Body to re-designate the Head Teacher Group Range to Group 5 has permanently increased the salary costs for the school budget. To reverse this decision to realign salary ranges to a Group 4 school would incur pay protection costs for a period of 3 years and would necessitate a consultation process with the staff concerned. It would also need to be a decision of the Governing Body of the school.
17. The additional cost of implementing the changes to the spinal column points of the Senior Management team as a result of changing the Head Teacher Group range has been calculated as being £21000 for the year commencing 1st September 2009. The balance of the additional revenue funding has been used to supplement the delegated school budget, which has allowed the school to appoint additional staff to address the impact of educating additional pupils. This is a legitimate use of revenue funding.

Capital

18. The Local Authority did not place any conditions upon the proposed use of capital funding, other than general conditions associated with the Scheme for Financing Schools, which defines, amongst other aspects, capital and revenue expenditure.
19. The school has undertaken a programme of building works, ranging from addressing condition priorities and providing new and enhanced learning environments. These works are deemed to be appropriate capital expenditure. Taken together with the school's devolved capital allocations (devolved capital is a payment which all schools receive), a relatively small balance of capital remains. However, the Governing

Body has proposals for the use of these funds and it it acknowledged that the funds were provided to address the capital implications of an additional form of entry of pupils over a 7 year period.

Proposal

20. That, with the exception of the Schools Forum reviewing the policy in relation to additional funding for schools accepting additional pupils, no further action is taken.

Other Options Considered

21. Not applicable

Risk Assessment

22. Not applicable

Equalities Impact Assessment

23. Not applicable

Legal and Resource Implications

Legal

Financial

Addressed within the body of the report

Land

Not applicable

Personnel

Addressed within the body of the report

Appendices:

None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: