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**GEORGE DENT NURSERY SCHOOL**

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**Purpose of Report**

1. To update the Schools Forum regarding an issue affecting George Dent Nursery School arising from the changes made to the school funding formula

**Background**

2. George Dent Nursery School is the only school in Darlington to occupy a building not owned by the LA or by a Diocese. As a result it incurs an annual rental charge of £13k, which it has historically funded from its delegated budget.
3. Under the previous school funding system the school received an identified amount within its budget share to cover this cost. However with the national changes made to the formula from 2013/14, premises related allocations of funding were no longer allowed. This unfairly disadvantages the school compared to every other school in the Borough that does not have to meet this cost.
4. The Governing Body has been recently advised that DfE has always recognised this issue for schools that have to rent premises and have put in place a process where the LA can apply to the Secretary of State for an exceptional premises factor under their powers under Regulation 25(i) of the School and Early Years Finance Regulations 2014. The criteria for this are that the exceptional item cannot apply to more than 5% of schools within the local authority area and is a value greater than 1% of the schools budget, both of which apply in this case.
5. The Governing Body is pleased that Darlington LA has responded positively to the issue and will look to use this provision, which would address the issue from 2016/17 onwards, subject to any changes in government policy. In respect of the current 2015/16 financial year, the LA is beyond the point at which changes to the funding formula would be allowed, potentially leaving the school exposed to this additional cost in this current year. However, the Governing Body is aware that the above regulations would also allow the central budget for early years provision to be used by the LA to meet this as a central cost in 2015/16. Whilst this is a decision for the LA, it requested the issue be raised with Schools Forum before taking that decision.
6. Like many schools, George Dent Nursery School has to be creative with the use of its budget. However it seems to be inherently unfair that, unlike every other school in the Borough, the school must pay a significant rental cost to occupy its premises, and that this additional, currently un-funded cost has a direct and significant impact on the provision that we are able to make, especially given the size of the school. Darlington LA has historically recognised this exceptional rent cost in previous years and will do so going forward. The Governing Body is requesting the LA to use the flexibility it has in the

central early years budget to avoid the school budget being exposed to this exceptional cost any longer than necessary.

### **Recommendation**

7. The views of Schools Forum are sought on the proposed resolution for 2015/16. Schools Forum is also asked to note the proposed permanent resolution for 2016/17 onwards, however we recognise that this will need to be confirmed when the policy on school funding for 2016/17 has been announced by the government.

**The Governing Body  
George Dent Nursery School**

### **Appendix 1 – George Dent Nursery Five Year Financial Plan**

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