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| Committee: | School Forum |
| Meeting Date: | 14 January 2016 |
| Title: | Update on the Comprehensive Spending Review |
| Author: | Gavin Bultitude |
| Decision making / consultative / information: | Information |

What is the Forum being asked to decide?

1. No decisions are required at this stage, the paper is for information only.

Reason for recommendation

2. No decisions are required, but this information will inform future decisions.

Alternative options

3. As this paper is for information only no alternative options are put forward.

Who will be affected by this decision?

4. The implications of the CSR will affect all schools in Suffolk over time.

Main Body of the Report

5. On 25 November the Chancellor of the Exchequer made an announcement of the 2015 Spending Review and Autumn Statement to Parliament. As expected the focus of this was on reducing the deficit and returning to surplus in 2020, thus allowing the national debt to be reduced. Whilst significant reductions in spending are still planned economic growth at a higher level than expected means that some of the cuts, particularly to tax credits, would be less than expected.
6. This paper does not cover the CSR in full but identifies those areas that would impact on schools, high needs providers, and early year's providers.
7. Funding for education as a whole will be protected, continuing the current policy. This will apply to childcare and FE funding as well as schools.
8. The CSR included changes to childcare, principally through funding thirty hours per week of childcare for working families from 2017. The implications of this are discussed elsewhere in the agenda.

9. Funding for Universal Infant Schools Meals and Pupil Premium will continue at current levels.
10. An additional £23bn will be provided for new schools over the life of the parliament, which should develop 600,000 school places. We do not yet know how this will be allocated, but the current mechanism is unhelpful to Suffolk, and we are hoping that a new allocation mechanism and updated date will help return our grant funding levels to at least the £11m per annum we received before it was cut to £1 million. All new schools will be designated Free Schools, and this will contribute to meeting the target of 500 new Free Schools over the life of the parliament.
11. Academies are strongly promoted and there is an expectation that every secondary school will become an academy before the end of the parliament. The Chancellor claimed that “We will make Local Authorities running schools a thing of the past”, but this is perhaps less of a systemic change than it appears, as Local Authorities have not actually run schools in an operational sense since the introduction of LMS in the late 1980s, and there is clearly no expectation that all primaries, specials, and AP will become academies.
12. Linked to this is a plan for a reduction in the Education Services Grant. Simply converting more schools to academies will not in itself deliver this as it would only divert funds from Local Authorities to the new academies, so we expect a reduction in the sum per pupil. Although not set out in CSR we would expect some legislative change in the role of the local authority to accompany this funding reduction.
13. Finally the CSR announces that there will be further funding reform, with a consultation early in 2017 and implementation for 2017/18 budgets. We do not know what the proposals will be beyond a national funding formula, but we are hopeful that these will benefit Suffolk. Responding to the consultation and managing the implementation will be one of the key tasks for the Forum in the coming year.