

Item 5

TITLE OF REPORT: Growth Fund Allocation

Purpose of the Report

To inform Schools Forum that there has been a successful application for Growth Funding which has satisfied all the growth fund criteria previously approved by Schools Forum.

Background

In December 2014 Schools Forum approved the creation and the criteria of a Growth Fund for mainstream schools (appendix 1). Schools Forum agreed to centrally hold £100,000 of the Dedicated Schools Grant for a Growth Fund as a permitted centrally retained service in accordance with Schools and Early Years Finance Regulations 2017 and the Education Funding Agency Schools Revenue Funding 2017 -18 Operational Guide.

The criteria for the Growth Fund have been checked and passed for compliance by the Department for Education.

Emmaville Primary School

Emmaville Primary School made an application to the Growth Fund for funding for pupil growth from September 2017.

The school is in the process of being extended as a 2 form entry school due to basic need in the Crawcrook area, and as such the schools Planned Admissions Number (PAN) has been increased from 45 to 60 from September 2016.

The October 17 census had an additional 33 children more than October 2016 (which is used for funding financial year 2017/18) and the school meets all of the Growth Fund criteria.

The Schools Budget Team have supported the school in applying for funding, School Admissions and Council Housing, Design and Technical Services had input and confirmed the schools eligibility for funding. The Service Director, Learning and Schools has approved the allocation of funding.

In accordance with the Growth Funding criteria, the allocation is calculated as Age Weighted Pupil Unit * pupil numbers * 7/12

$£2,905 * 33 \text{ pupils} * 7/12 = £55,921.25$

This amount is over the maximum allocation permitted for primary schools and therefore the maximum amount of £35,000 will be allocated to Emmaville Primary School.

Proposal

That Schools Forum note the application for Growth Funding by Emmaville Primary School and the allocation of £35,000 for additional pupils from September 2017.

Recommendations

That Schools Forum note that funding has been awarded to Emmaville Primary School for growth in pupil numbers.

For the following reason:-

- To provide funding for increased pupil numbers from September 2017
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Appendix 1

GROWTH FUND PROCEDURE

INTRODUCTION

GROWTH FUND INTRODUCTION

Local authorities may top-slice the DSG in order to create a Growth Fund to support schools which are required to provide extra places in order to meet basic need within the authority, including pre-opening and reorganisation costs. The growth fund may not be used to support schools in financial difficulty. As the growth fund is a top slice of the schools block it is only available for pupils aged 5-15 in mainstream schools. It cannot be used to support growth for under-5 or post-16 pupils.

The growth fund will be ring-fenced so that it is only used for the purposes of supporting growth in pupil numbers to meet basic need for the benefit of both mainstream maintained schools and Academies. Any funds remaining at the end of the financial year must be added to the following year's DSG and reallocated to maintained schools and academies through the local formula.

Any growth or expansion due to parental preference will not be eligible to be funded from the growth fund, i.e. if pupils could be accommodated in another primary school within a 2 mile radius of the growing primary school, secondary schools to be reviewed on a case by case basis.

GATESHEAD CRITERIA FOR ACCESSING GROWTH FUNDING 2014-15

A growing school is defined as:-

- A school where there is a planned increase in Planned Admission Number (PAN), and which has not had the full set of admission in-take. For example, an increase in PAN in September 2010 may still be having an impact in 2015/16.
- A school where the capacity has been increased, with planned expenditure on buildings, which has been agreed by the Local Authority.
- A school where an increase in pupil numbers has been agreed with, and specified by, the Local Authority as a consequence of a delay in the opening of a new school or implementation of a capital programme that would have increased the size of a neighbouring school.
- A school/academy carries out a formal consultation at either the request of the Local Authority or supported by the Local Authority

PREDICTED OR ACTUAL GROWTH

Where the predicted numbers for a Primary School (excluding nursery classes) for the following September show an increase of more than 16 pupils or 10% of their total roll, due to basic need, that requires the running of an additional class, schools may be able to access additional funding.

Where the predicted numbers for a Secondary School for the following September show an increase of more than 40 pupils or 8% of their total roll (excluding Post-16), due to basic need, that requires the running of additional class, they may be able to access additional funding.

FUNDING FOR GROWTH

When applying for growth funding, schools will be required to provide evidence that an additional class or tutor group would be required to meet increasing numbers. (Views will also be sought from appropriate Education Gateshead officers)

Allocations will be calculated per additional pupil using the applicable AWPU rates for Primary, Secondary KS3 and Secondary KS4 pupils.

Amounts payable to maintained schools will be pro-rata for the 7/12th period September to March. Amounts payable to academies will be for the full academic year as academy budgets run from September to August.

An upper threshold will also be applied so no primary school can receive more than £35,000 and no Secondary schools more than £70,000 for the 7/12th period September to March and no Primary academy can receive more than £60,000 and no Secondary academy more than £120,000 for the full academic year.

Initial growth funding allocations would be based on admissions data and demographic forecasts to aid schools with budget setting (May/June). Where there is uncertainty or disagreement around the predicted pupil numbers, funding will not be allocated until receipt of the actual October census data.

The LA will undertake a mid-year review, based on the October Census, but no additional funding would be allocated to schools where funding had already been agreed unless actual growth was at such a level that significant additional costs had been incurred. In instances where schools had not qualified for additional funding based on the original estimates, additional funding would only be allocated if the school could demonstrate additional costs had been incurred to support the additional pupils.

In instances where actual growth was at lower levels than original estimates schools will not be subject to claw-back on any funding already allocated.

ADDITIONAL CLASSES AND/OR FORMS OF ENTRY

In instances where the LA has specifically requested a school to expand to take an additional class to create capacity, but the numbers do not meet the thresholds above schools may be able to claim additional funding. The funding will only be payable if the school is unable to reorganise its class teaching structure to meet this request. In Primary schools this may result in mixed year teaching, where numbers dictate and this is seen as the most prudent option for the organisation of the school as a whole.

These instances will be reviewed on a case-by-case basis, and funding for additional classes or forms of entry will be funded at the following rates:

Primary £48,000
Secondary £85,000

Amounts payable to maintained schools will be pro-rata for the 7/12th period September to March (£28,000 and £49,583 respectively). Amounts payable to academies will be for the full academic year, as academy budgets run from September to August. Once agreed these amounts are guaranteed irrespective of actual pupil numbers to allow schools to staff appropriately.

OTHER CONSIDERATIONS

Any school with a revenue balance deemed as excessive would not be permitted to claim the full value of the additional growth funding, (currently defined as 16% (of ISB) or £20,000 for Primary and 10% (of ISB) for Secondary.) These instances will be reviewed on a case by case basis.

Given that the revised funding formula will allocate an equal lump sum to all schools regardless of size, no further additional funding will be provided to support any changes in leadership structure.

All mainstream schools funding is only guaranteed for the financial year to which it relates, future years funding will be assessed on an annual basis.

AMENDMENTS

It is possible to amend the criteria for allocating growth funding during the year where this becomes necessary, however the revised criteria must be submitted to the EFA for compliance checking and must also be approved by Schools Forum before the revised criteria can be implemented.

Appendix A – Examples

Primary School A - Growth Funding Example

October Census 2014 195 pupils

Predicted September 2015 Numbers (Based on Admissions data and Demographic Forecasts) 216 pupils

Increase 21 pupils

Increase % 10.8%

Growth Funding Allocation per Pupil £2,905

Estimated Additional Funding (7/12ths- Sept 14 to Mar 15)

£35,586, therefore would be funded at £35,000

Primary Academy B - Growth Funding Example

October Census 2014 225 pupils

September 2015 Numbers (Based on Admissions data and Demographic Forecasts) 251 pupils

Increase 26 pupils

Increase % 11.5%

Growth Funding Allocation per Pupil

£2,905

Additional Funding (Full academic year) £75,530, therefore will fund at £70,000.

Primary School C - Growth Funding Example – Additional Reception Class

School is requested to operate an additional Reception class from September 2015.

School would be guaranteed funding of £48,000 for a full academic year, for 7/12ths September 15 to March 16 = £28,000*

Maintained Schools funding from April 16 would be based on October 15 census so no additional growth funding will be allocated for this period.

*An academy in the same situation would be guaranteed funding for the full academic year = £48,000.

Secondary Academy D - Growth Funding Example

October Census 2014 1,374 pupils

October 2014 Numbers (Based on Admissions data and Demographer's Forecasts)

1,415 pupils

Increase 41 pupils

Increase % 3%

Increase in KS3 31

Increase in KS 4 10

Growth Funding Allocation per KS3 Pupil £3,610 = £111,910

Growth Funding Allocation per KS4 Pupil £4,360 = £43,600

Additional Funding (Full academic year)

£155,510

Capped to overall limit

£120,000

Secondary Academy E - Growth Funding Example – Additional FE

School is requested to operate an additional Year 7 FE from September 2015.

School would be guaranteed funding of £85,000 for the academic year September 2015 to August 2016.