

Report to the Schools Forum September 2016

2017/18 Growth Fund

1 Context

- 1.1 For 2016/17 the Schools Forum once again approved the putting aside of funds for a growth fund. £100,000 has been reserved for this purpose. Forum decided not to hold any money for KS1 protection in 2016/17 and it is not proposed to reintroduce this for 2017/18
- 1.2 The main purpose of the fund is to assist schools experiencing an increase in pupils during the year which leads to additional costs, but that does not lead to any increase in funding until the following financial year. For maintained schools this means the following April, for academies the following September. Thus based on the standard school funding timescale, there is a gap of two to three terms between an increase in pupil numbers and funding being adjusted to reflect this.
- 1.3 Prior to 2016/17, growth allocations had been made on a formulaic basis as follows:
 - Schools experiencing in-year growth in pupil numbers of more than 5%, where that growth was not a result of an increase in the school's admission number that was not supported by the LA, and where the school does not hold 'excessive' balances (above 5% of budget for secondary and above 8% for other schools);
- 1.4 Pupil growth was measured by comparing the most recent October census to the preceding year.
- 1.5 In 2016/17, following discussions with the Forum (see minutes of meetings in September 2015, November 2015, January 2016 and March 2016) allocations were made through the Forum considering individual applications (see minutes of May 2016), albeit taking account of the criteria above.
- 1.6 In the DfE's original consultation on school funding from 2017/18 onwards it was proposed to allocate growth funding for 2017/18 and 2018/19 based on historic spend. However, with the postponement of the full implementation of the new arrangements, LAs will continue to be able to agree an appropriate amount with the Schools Forum.

2 Planned and Unplanned Growth

- 2.1 A theme of the Forum's recent discussions has been whether there should be a distinction made between planned and unplanned growth. This was particularly pertinent in the context of HLC Primary, which from September 2016 onwards is planning to add an additional reception class each year, having agreed this with the LA. No growth funding was allocated to the school in 2016/17.
- 2.2 There may be other schools in similar positions in future years, but for now, the only other school in T&W with an additional class each year is Lawley Village Academy. As this school does not have all its year groups in place, the funding rules are different,

enabling the school to be funded on estimated numbers. Thus, in terms of the impact of planned growth, HLC is currently in a unique situation.

- 2.3 However, HLC is not, and for the next few years is not likely to be, the most rapidly growing school in T&W. This appears likely to be Holy Trinity Academy (HTA), formerly Blessed Robert Johnson (BRJ). The current year 7 intake September is 151 i.e. completely full as the school's Pupil Admission Number is 150 (there was a successful appeal for the September 2016 intake). The previous year's year 7 intake was 58
- 2.4 The school relocated to a new building in Priorslee in September 2015 and at the same time was renamed (although it remains a maintained school) and became a joint faith school (Church of England and Roman Catholic) whereas it had previously been a voluntary aided Roman Catholic school.
- 2.5 HTA did not apply for growth funding in 2016/17 as it had received falling rolls funds for the 2016/17 financial year.

3 Proposed growth fund criteria for 2017/18

- 3.1 The Educational Funding Agency's Operational Guide for 2017/18 has a section covering the operation of the growth fund, included as Appendix A to this paper. The first paragraph of this states that "*The growth fund may not be used to support.....general growth due to popularity.*" The following paragraph states that: "*The growth fund can be used only for the purposes of supporting growth in pre 16 pupil numbers to meet basic need, to support additional classes needed to meet the infant class size regulation and to meet the costs of new schools. These will include the lead-in costs, e.g. to fund the appointment of staff and the purchase of any goods or services necessary in order to admit pupils. It will also include post start-up and diseconomy of scale costs*"
- 3.2 This is a tighter definition than that applied to date in T&W. It is proposed that we amend T&W's growth criteria to fall into line with the above description.
- 3.3 When funding new schools, such as HTA, it is proposed that a sliding scale approach is adopted, which applies more growth funding the further below capacity the school is and vice versa. The intention is to capture the impact of 'diseconomies of scale' on new schools. The implication of such an approach is that as the school fills up the extra support from the growth fund decreases.
- 3.4 When funding additional classes, it is proposed that for the period of time preceding this class being reflected in the census, the children in the class are funded at the current 'basic per pupil' (AWPU) rate. Whilst this would not offer the full amount of funding each pupil would subsequently attract via the local funding formula (as it wouldn't take account of deprivation, low prior attainment, etc), it would deliver the bulk of the funding for the extra pupils. It could offer a reasonable balance, in that schools with pupil growth but not adding classes, would not be funded between the growth and the funding impact of the census, but equally as they are not adding classes, would not normally expect such persistent year on year growth.

- 3.5 An alternative methodology would be to provide funding based on assumed staffing costs, e.g. an MS6 teacher and TA. This would deliver a lower amount compared to the method described above.
- 3.6 Forum is invited to decide upon the approach and criteria adopted for the growth fund in 2017/18.

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