

## Report to the Schools Forum 17 January 2019

### T&W 2019/20 Growth Fund

- 1.1 As noted at the last Forum, the DfE has revised the method of allocating growth funding for 2019/20, so that it is based upon the actual growth in pupil numbers between October 2017 and October 2018 in each 'middle layer super output area' (MSOA) within an LA. Only positive growth is counted, so any falls in an MSOA are not offset against growth in other MSOAs. T&W contains 23 MSOAs:
- 1.2 The amount per pupil allocated to local authorities for each growth pupil, is as follows:
  - £1,370 for each primary 'growth' pupil;
  - £2,050 for each secondary 'growth' pupil.
- 1.3 This methodology has resulted in an allocation to T&W of £1.022m. The net increase in funding compared to 2018/19 is around £400,000 as the DfE adjusts the schools block for growth funded using estimates.
- 1.4 It is a matter for the local authority and schools forum to determine the criteria and amount allocated for growth.
- 1.5 We currently fund Holy Trinity Academy, Lawley Village Academy, Ladygrove Primary and HLC Primary using estimated numbers as these schools are either new or have had a significant change in the PAN agreed by the local authority.
- 1.6 For 2019/20 we intend to fund the following additional schools based on estimated pupil numbers:
  - Burton Borough;
  - Ercall Wood
  - HLC Secondary
  - Telford Langley
- 1.7 In each case the school has agreed to increase its PAN in order to accommodate the expected growth in pupil numbers in the secondary sector in September 2019.
- 1.8 Significant growth is expected to take place in other schools which are not new or changing their PAN. Because some of this growth is expected to take place in academies in 2019/20 and the ESFA funds 5/12 of such growth through adjusting recoupment, we asked the ESFA if they could confirm that: "*the growth fund can be used to support growth which is not accompanied by a change in PAN.*" The response was that "*If the academy is below PAN and gains more students we wouldn't class that as basic need growth, we would*

*class that as popular growth and would deal with it under the normal lagged funding basis. The ESFA would accept that the growth fund could be used in cases where the PAN does not increase – for instance where a temporary bulge class has been added and the PAN stays the same as it always was.”*

1.9 T&W’s view is that schools can grow within their PAN as a result of ‘basic need’ i.e. that the schools are filling not because of displacement, i.e. pupils moving between schools due to one school being more ‘popular’ than another, but because there are more pupils to be accommodated in the local area.

1.10 For a number of years, we have operated the growth fund based on the following criteria:

- additional funds to be allocated to schools in which pupil numbers at the October school census are more than 5% higher than the preceding October census;

- funds to be allocated on the basis of 7/12 of the basic per pupil formula rate for all pupil numbers above 5% growth (N.B. academies have a 12 month lag in funding rather than the 7 months for maintained schools, but the ESFA provides the funds for the additional 5 months on the same basis as the first 7 months, so the net cost to the T&W growth fund for both maintained schools and academies is 7/12);

- funds only to be allocated to schools which are not being funded on estimated pupil numbers and in which any increase in the pupil admission number (PAN) has been agreed by the local authority as a response to basic need;

- if the result of the above is an allocation exceeding the sum available, all allocations to be scaled back by the same proportion until the total growth fund has been spent;

- if the result of the above is an allocation less than the sum available, remaining funds to be used in the Schools Block;

- no school is allocated falling rolls funding and pupil growth funding within the same financial year.

1.11 The general intention of the growth fund is to support significant growth in mainstream schools occurring as a response to basic need, i.e. the need to have sufficient provision to support the rising pupil numbers in T&W.

1.12 We have summarised this policy in the document annually submitted to the ESFA showing our funding formula (the ‘APT’) as follows (example for the 2018/19 submission):

*The Growth fund will be allocated based upon the number of pupils above a 5% increase in numbers from the number upon which the school was funded. Such funding will only be provided when it has arisen as a result of basic need requirements and therefore it will not be allocated if the rise in numbers is a*

*result of an increase in the school's PAN which is not supported by the LA....  
The fund will be applied equally to schools and academies.*

- 1.13 Given that we now have an explicit email from the ESFA it would be inadvisable to deviate from the advice given. We should therefore change the growth fund such that it only allocates funds to schools that increase their PAN or admit pupils above the PAN in agreement with the LA.
- 1.14 As we are funding new schools and schools with changed numbers in the PAN through estimates, this would apply to those schools detailed in paragraphs 1.5 and 1.6 above.
- 1.15 Based on the 2019/20 funding formula and estimates of Autumn 2019 pupil numbers the estimated cost of funding the schools using estimated numbers would be as follows:

<b>School</b>	<b>Amount</b>
Holy Trinity Academy	£173,447
HLC Primary School	£40,530
Ladygrove Primary School	£101,318
Lawley Village Academy	£56,832
The Burton Borough School	£72,816
Ercall Wood Technology College	£205,755
HLC Secondary School	£156,430
Telford Langley	£234,758
<b>Total Growth funding</b>	<b>£1,041,886</b>

- 1.16 The total is very similar to that allocated to T&W for growth in 2019/20 (£1.022m).
- 1.17 Allocations to schools will be adjusted up or down depending upon actual pupil numbers in the following year 2020/21, so only actual pupil number increases would be funded.
- 1.18 The Forum is asked to consider this approach as a way forward.

Tim Davis  
Group Accountant  
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