



Schools Forum

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Training and Development
Centre

Paper

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Public

Growth Fund 2019-20

Responsible Officer Gwyneth Evans

e-mail: gwyneth.evans@shropshire.gov.uk Tel: 01743 254865 Fax: 01743 254538

Summary

Growth funding for schools is provided within local authorities' Schools Block national funding formula (NFF) allocations. For 2019-20 growth funding was allocated to local authorities using a new formulaic method based on lagged growth data. Shropshire's actual growth fund allocation for 2019-20, based on historic lagged data, is £506,000.

Growth funding enables local authorities to support schools, including academies, with significant in-year pupil growth which is not otherwise immediately recognised by the lagged funding system.

The growth fund can only be used to:

- support growth in pre-16 pupil numbers to meet basic need
- support additional classes needed to meet the infant class size regulation
- meet the costs of new schools.

Recommendation

Schools Forum is asked to consider and offer comment on the potential allocations from the 2019-20 growth fund.

REPORT

1. Growth funding enables local authorities to support schools with significant in-year pupil growth, which is not otherwise immediately recognised by the lagged funding system.
2. As reported to Schools Forum in November 2018, growth funding for schools is provided within local authorities' schools block NFF allocations within the Dedicated Schools Grant (DSG). Shropshire did not receive growth funding in 2018-19 as it was based on historic growth spending by local authorities. For 2019-20 the Department for Education (DfE) has developed a formulaic method for distributing growth funding to local authorities through the schools block of the DSG based on lagged pupil growth data.

3. Growth allocations for 2019-20 are based on pupil data from the October 2018 census. Shropshire's actual growth fund allocation for 2019-20 is £506,488 as announced in December 2018 as part of Shropshire's DSG allocation.
4. Schools Forum agreed the actual growth funding within Shropshire's 2019-20 schools block of the DSG be top-sliced and allocated for growth funding to Shropshire schools and also agreed the approach for distributing the growth fund at its November 2018 meeting.
5. The growth fund can only be used to:
 - support growth in pre-16 pupil numbers to meet basic need
 - support additional classes needed to meet the infant class size regulation
 - meet the costs of new schools.
6. The DfE states that the growth fund may not be used to support:
 - schools in financial difficulty
 - general growth due to popularity; which is managed through lagged funding.
7. The DfE expects compliant criteria would generally contain some of the features set out below:
 - support where a school or academy has agreed with the authority to provide an extra class in order to meet basic need in the area (either as a bulge class or as an ongoing commitment)
 - additional support where a school has extended its age range (the majority of funding would be paid through the funding formula where the local authority should seek a variation in pupil numbers)
 - support where a school has temporarily increased its admission numbers (PAN), by a minimum number of pupils, in agreement with the authority
 - support for Key Stage 1 classes where overall pupil numbers exceed a multiple of 30, by a minimum number of pupils
 - pre-opening costs, initial equipping allowance, or diseconomy of scale allowance, for new maintained schools and academies; including new academies where the school is opening in response to basic need.

Shropshire's agreed Growth Fund Criteria 2019-20

8. As agreed by Shropshire Schools Forum in November 2018, the actual growth funding within Shropshire's 2019-20 schools block of the DSG is top-sliced to be allocated for growth in Shropshire schools.
9. The following criteria was agreed for allocating growth funding to Shropshire schools in 2019-20:
 - Where the predicted numbers for a school (excluding nursery classes and Post 16) for the following September show an increase, due to basic need, requiring the running of additional classes they may be able to access additional funding.
 - Where schools have chosen to admit above their Published Admission Number (PAN) to meet parental preference from outside their agreed planning area and not basic need they will not be eligible to receive

funding from the growth fund in recognition that the local authority could have secured places for the children concerned at other schools.

- The requirement for additional classes or forms of entry will be reviewed on a case by case basis.
- Allocations will be based on appropriate costs of resourcing additional classes.
- Initial growth funding requests will be evaluated using admission data and demographic forecasts to aid schools with budget setting. Where there is uncertainty or disagreement around the predicted pupil numbers, funding will not be allocated until receipt of the actual October census data.
- 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.
- For maintained schools any growth funding is available to the end of the financial year. For academies any growth funding is available to the end of the academic year.
- To avoid double funding, any maintained primary school attracting funding from the growth fund will not receive funding from the de-delegated pupil growth contingency in that financial year.

Growth Fund allocations to Shropshire Schools in 2019-20

10. Initial reviews of secondary and primary school pupil allocations for September 2019 has identified one secondary school and 4 primary schools eligible for growth funding with a further 6 primary schools potentially eligible if numbers increase sufficiently.
11. For primary schools, the funding for of each additional classroom has been based on the costs of one additional teacher and 25 hours non-teaching support equating to £40,000 for the 7 month period September 2019 to March 2020.
12. For secondary schools, the funding of each additional form of entry has been based on the costs of 1.2 fte additional teaching costs and 30 hours non-teaching support equating to £48,000 for the 7 month period September 2019 to March 2020.
13. Eligible academies would also be entitled to growth funding for the period April 2020 to August 2020. This would be funded from Shropshire's 2020-21 growth fund allocation.
14. The total potential spend from the growth fund in 2019-20 based on one eligible secondary school and potentially 10 eligible primary schools totals £448,000, leaving £58,000 of the £506,488 as unspent in 2019-20 at this stage. Any unspent growth fund in 2019-20 can be carried forward into 2020-21.