

## Schools Forum

23 January 2018

### School Growth Fund - Secondary

#### Purpose

- 1 The purpose of this report is to propose a policy for allocation of funding for planned pupil number increases in the Secondary Sector from the Growth Fund.

#### Background / Detail

- 2 Previously the Council has invested significantly in primary schools capacity. A Growth Fund and policy has been in operation to manage planned primary school pupil increases but, from 2018/19, these will start to impact through to the secondary sector.
- 3 The Councils Cabinet in September 2017 agreed an investment strategy for Schools, SEN and Early Years funded from Basic Need allocations including expansions to address expected shortages in school places at secondary level. The expansion facilitates the creation of over 1500 additional secondary school places across the Borough.
- 4 The ESFA allows the Local Authority to top slice DSG to create a growth fund to support schools which are required to provide extra places for pre-16 pupils in order to meet basic need within the authority. **Any growth funding must be approved by the School Forum prior to the commencement of the financial year.**
- 5 The local authority must meet its statutory obligations with regards to school place provision and it is important that schools supporting the LA in meeting this requirement are not financially disadvantaged in doing so.
- 6 The growth fund will be used to support rising pupil numbers to meet basic need for the benefit of both maintained schools and Academies. **This refers to places required to meet need in terms of planned admission arrangements as previously agreed in advance by the LA.**
- 7 The purpose of growth funding is to provide for pupils above the threshold to reflect the period September to March only (as additional funding will then flow through the October pupil count) for maintained schools and September to August for academy schools (as additional funding does not flow through until the start of the next academic year).

- 8 Growth funding will therefore cover the funding lag of 7 months for maintained schools and 12 months for academies, until when the increased budget is effective. If not addressed this funding gap would present difficulties for schools when they are required to establish an extra class for the expanded intake. As the growth continues in the case of a permanent expansion (Secondary - 5 years), schools would otherwise experience ongoing funding gaps depending actual numbers of pupils, until the growth transition is complete
- 9 The criteria and mechanisms for allocating Growth funding for primary schools was previously agreed by the Forum. Prior to this decision, there was strong support amongst schools in Stockton for the introduction of a Growth Fund as demonstrated from responses received from a consultation exercise undertaken at the time.
- 10 Applying the same principles in the interests of consistency and fairness the proposed criteria for Secondary Schools are set out in the attached **Appendix**. The application of this criteria will determine the allocation of growth funding to individual schools and academies
- 11 The Schools Budget paper also on today's Forum agenda includes monies for Growth Funding in 2018/19 covering both primary and secondary schools. The LA will regularly update Schools Forum on the use of the funding.
- 12 The continuation of Growth Funding in future years will be subject to potential changes resulting from the introduction of the national funding formula and / or decisions taken locally by the Schools Forum.

### **Recommendation**

- 13 That Schools Forum agree the proposed criteria for the secondary school growth funding to support planned increases in school places.

David New  
Senior Finance Manager

### Secondary Schools Growth Fund Criteria

- a. Secondary Schools/Academies will only be able access the fund where they have had an increase in their PAN at the request of the local authority to meet a lack of available space in the local area as part of the planned changes agreed in advance.
- b. The actual funding allocated to a school will be based on the **actual** number of increased pupils on roll, not based on the increase in the PAN. Therefore, funding will be based on the difference between the previous admission number and the actual numbers of Year 7 pupils on the roll at the start of the autumn term.
- c. All places are funded once the increase in the Year 7 pupil numbers is more than 15 places.
- d. The amount to be funded per pupil will be based on 7/12's of the "Basic Entitlement Funding" (AWPU) for a Year 7 pupil for maintained schools.
- e. Where places are commissioned by the LA at an academy in Stockton, a full 12 months support will be provided, in recognition that increased pupil numbers in academies will not feed through into their budget until the following September.
- f. Increases in admissions that meet the agreed criteria will be funded automatically and do not need to be considered by School Forum.
- g. It is proposed that if circumstances require a different approach, that these are presented to Forum with additional information in order that a separate decision can be made concerning access to the growth fund.
- h. Where there is a dispute over the funding amount, this will be presented to the Forum for a final decision.
- i. The maximum period for which support will be provided to a school/academy under a permanent expansion arrangement will be 5 years for a secondary.
- j. This continuation of this criteria is subject to potential changes resulting from the introduction of the national funding formula and / or decisions taken locally by the Schools Forum.