

Oxfordshire County Council
Schools Forum – 22 November 2017

Growth Fund 2018-19

Settings		Sector		Voting Entitlement (for decision papers only)	
Academies	✓	Foundation Stage		PVI Representative	
Maintained Schools	✓	Primary	✓	16-19 Representative	
PVI Nurseries		Secondary	✓	COTO Representative	✓
Special Schools		Special		Maintained Primary School Representatives	✓
Local Authority	✓	16+		Academy Primary School Representatives	✓
Schools Forum	✓	High Needs		Maintained Secondary School Representatives	✓
				Academy Secondary School Representatives	✓
				Pupil Referral Unit Representative	
				Special School Representatives	
				Nursery Representative	

For Decision

1. Purpose of Report

- 1.1 This report seeks approval for the budget for and conditions of allocation of local authority's Growth Fund in 2018-19.
- 1.2 The information contained within this report is based on the ESFA document Schools revenue funding 2018 to 2019 operational guide published in September 2017.

2. Recommendations/Actions/Decisions for Schools Forum

Schools Forum is asked to:

- 2.1 Note this report.
- 2.2 Approve the continuation of the previous year's budget provision of £660,000
- 2.3 Agree the conditions under which allocations from the Fund can be made as detailed in paragraph 4.3.

3. Background

- 3.1 As in previous years the growth fund is within the local authority's schools block (of the national funding formula allocation) and has been calculated based on historic spend.
- 3.2 The Growth Fund can only be used in respect of (a) support growth in pre-16 pupil numbers to meet basic need; (b) support additional classes to meet the infant class size regulation and (c) meet the costs of new schools including lead-in costs
- 3.3 The local authority is required to produce criteria on which growth funding is to be allocated and this criteria is to be reviewed and agreed

by Schools Forum annually. The ESFA will check the criteria for compliance with the relevant regulations.

4. Current Position

- 4.1 The local authority currently with Schools Forum approval, provides additional revenue funding of £660,000 for significant pre-16 pupil growth including new schools set up to meet basic need. The funding is based on the estimated costs of staffing and resourcing an additional class for the period before the increased pupil numbers are included in the school's formula funding allocations. Allocations cover the period September to March for maintained schools and the full academic year for academies.
- 4.2 In addition the local authority is required to make provision in their growth funds to support increases in pupil numbers where these are related to basic need. This provision will be in respect of pre-opening development costs and post-opening costs required to address diseconomies of scale as the school moves toward full capacity.
- 4.3 Following advice of colleagues in School Organisation and Planning, no changes are proposed to the 2017-18 criteria for 2018-19. Details of the criteria applied to Pupil Growth and Additional Class funding, as previously agreed by Schools Forum is given below.

Criteria for Pupil Growth/Additional Class Funding

The DfE requires that local authorities make provision in their growth funds to support increases in pupil numbers relating to basic need. This can relate to new schools, or existing schools which are expanding.

Schools expanding on their existing site

Additional class funding is for the purpose of supporting primary schools to provide additional classes as requested by the Local Authority to meet the basic need for school places.

Payments are made to non-academy schools on the basis of the seven months from September to March, when the additional children will not be reflected in the school's budget. For academies, the payments are on the basis of 12 months, as the additional children will not be reflected in the academy's budget until the following September.

Where schools are permanently expanding, a maximum of two payments of £33,000 (non-academies) or £55,000 (academies) per school will be paid. Where schools are accepting bulge classes, payments are made each time an additional class needs to be created.

Funding is allocated as follows:

The first payment will be made when:

- 1. The school or academy is admitting at least 5 more pupils into Reception than the Published Admission Number (PAN) that applied prior to the expansion (e.g. a school with a*

PAN of 15 for 2016 would qualify if it admitted 20 or more in 2017, whatever the PAN for 2017).

2. AND both the LA and the school have confirmed that an additional class will need to be set up.

3. AND the increase is requested by the LA.

For schools that are permanently expanding, a second payment will be made when:

1. The total number of teachers employed by the school has increased by two teachers over the years affected by the increased intake.

2. AND the Local Authority agrees that another additional class needs to be set up in order to comply with class size limits across Reception and Key Stage 1.

3. AND the increase is requested by the LA.

Where schools agree to create an additional class after the start of the school year, due to significant in-year population growth, and the pupils are not reflected in their funding for the second year, an additional contribution may be agreed for the second year.

New schools – including where these are established as off-site annexes of existing schools

For new schools, local authorities must make provision to finance pre-opening development costs and post-opening funding to reflect the additional costs of establishing and operating a new school during the first few years, when pupil-led revenue funding is not sufficient to cover the full running costs. In particular, it compensates for the lack of economies of scale, for example reflecting that the cost of the leadership team is likely to be similar whether the school has one year group operating or five.

The pre-opening and post-opening funding provided by Oxfordshire to new schools will be:

<i>Primary</i>	<i>1FE</i>	<i>1.5FE</i>	<i>2FE</i>	<i>2.5FE</i>	<i>3FE</i>
<i>Pre-opening</i>	<i>£66k</i>	<i>£66k</i>	<i>£66k</i>	<i>£66k</i>	<i>£66k</i>
<i>Post-opening</i>	<i>£150k</i>	<i>£225k</i>	<i>£280k</i>	<i>£355k</i>	<i>£430k</i>
<i>Secondary</i>	<i>600pupils</i>	<i>900 pupils</i>	<i>1,200 pupils</i>	<i>1,500 pupils</i>	<i>1,800 pupils</i>
<i>Pre-opening</i>	<i>£125k</i>	<i>£125k</i>	<i>£125k</i>	<i>£125k</i>	<i>£125k</i>
<i>Post-opening</i>	<i>£375k</i>	<i>£560k</i>	<i>£750k</i>	<i>£935k</i>	<i>£1,120k</i>

Before any pre-opening or post-opening payment is made, a funding agreement between the LA and the academy sponsor will be signed, setting out the terms of payment. It is expected that the post-opening funding will be drawn down over a period of up to five years. Sponsors will be asked to set out their funding requirements to allow a schedule of payments to be agreed.

For a new school opening in more than one phase (e.g. 2 form entry primary school built and opening in two phases of 1 form entry, or a 1,200 place secondary school built and opening in 2 phases of 600 places), the initial post-opening funding will be based on its initial size, but when the phase 2 expansion is implemented, additional post-opening funding is agreed to bring it in line with that which would have been received had it opened at the larger size from the outset.

In some circumstances, the need for a new school may be removed by an existing school expanding onto a new site. This includes:

- *A school which opens an off-site annex which is effectively of the scale of a new school, but which operates as a split-site school.*
- *A secondary school which extends its age range to also provide primary provision, to remove the need for opening a new primary school.*

In these circumstances, the school will incur significantly higher increased costs than a simple expansion, but not as high as a new school. Funding for these situations will, therefore, be based only on the post-opening element relevant to the type and size of school.

5. Proposals

- 5.1 Schools Forum is asked to formally approve the continued retention of £660,000 for pupil growth in 2018-19 plus any balance remaining from prior years.
- 5.2 Schools Forum is also asked to confirm the continuation of the qualification and allocation criteria given above. The agreed criteria will be included, as required, in the 2018-19 funding pro-forma (APT) to be submitted to the ESFA in January 2018.
- 5.3 As in previous years, School Forum members are asked to note that no falling rolls fund is proposed. There being insufficient evidence to support the introduction of such funding and that to create adequate funding would require transfer of funding from other factors within the schools formula model.

6. Conclusions

This paper provides detail of areas where Schools Forum approval is required for specific funding allocation held within the Schools Block of the DSG.

7. Background Documents

- 7.1 Schools revenue funding 2018 to 2019 operational guide – September 2017
- 7.2 Early Years and School Finance Regulations 2017
- 7.3 Historic Commitments/Centrally Held Funding from DSG 2017-18

8. Contact Details of Lead Officers/Authors

If you have any queries or comments in advance of the Schools Forum meeting about this report, please contact:

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