
West Berkshire Council Schools

Growth Fund Criteria 2016/17 DRAFT

1. Background

- 1.1 Under the current School Funding Regulations, local authorities can set up a growth fund from the DSG in advance of allocating school budget shares. The purpose of the growth fund is to support maintained schools and Academies which are required to provide extra places in order to meet basic need within the authority and to meet the cost of new and reorganised schools including pre-opening and diseconomy costs. It can also include funding schools where very limited pupil number growth requires an additional class as required by infant class size regulations. It cannot be used for general growth in pupil numbers at a school due to a schools popularity.
- 1.2 The growth fund is ring-fenced so that it can only be used for the purpose of supporting growth in pre 16 pupil numbers to meet basic need. Any funds remaining at the end of the financial year must be added to the following year's DSG and reallocated to maintained schools and Academies through the local formula.
- 1.3 Local authorities are required to provide on a transparent and consistent basis the criteria on which any growth funding is to be allocated. The criteria should both set out the circumstances and clear objective trigger points for a school to qualify for payment and provide a clear formula for calculating the sum to be paid.
- 1.4 The Schools' Forum is required to agree the criteria and the total sum to be top sliced from each phase, and will receive reports on the use of the funding.
- 1.5 The criteria and funding as agreed by the Schools' Forum at its meeting on 28th September 2015 is set out below.

2. Growth Fund Criteria

2.1 New School

Pre opening costs are payable to a new school such as Headteacher and other staffing and recruitment costs prior to opening, and initial equipping allowance *where the school is opening in response to basic need in the area.*

Funding will be actual cost of ~~staff appointed and in post prior to the opening of the new school up to a maximum of £75,000 the Headteacher prior to the school opening for up to one full term~~, plus a fixed one-off lump sum of £25,000 for ~~all other purchases necessary before the school opens start up costs~~.

Diseconomies of scale ~~A contribution towards fixed costs is payable when a new school opens in response to basic need in the area without a full complement of year groups. Where a new school opens and is less than 90% full, a payment of £1,000 per percentage point below capacity is made, up to a maximum of £80,000 (i.e. 20% full) e.g. a school opening at 40% full will receive an additional lump sum of £60,000, and a school opening 82% full will receive an additional lump sum of £18,000. This is payable for the first two academic years only. The total pupil numbers required by the new school to ensure viability will be agreed in advance with the school on an annual basis whilst the school is growing to full capacity and funding paid via the school formula will be based on this number. This will meet any diseconomies of scale and the school will not require additional funding from the growth fund.~~

2.2 **Extending Age Range (including new schools)**

This is payable to a school which has extended its age range and set up a new class in agreement with the authority *in response to basic need in the area*. Funding is payable from the growth fund where the new pupil numbers have not been added to the school formula funding in agreement with the DfE (i.e. the deadline for such agreement was missed) or the new pupil numbers are greater than the number agreed with the DfE.

Funding will be total AWPU per additional pupil in the new class (pro rata for the remainder of the financial year) ~~plus a fixed lump sum of £10,000 per new year group for set up costs. The lump sum is not payable in the case of a new school which has received funding under 2.1 in the same financial year.~~

2.3 **Provision of an Extra Class**

This is payable where a school 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).

Funding will be total AWPU per additional pupil in the new class up to a maximum of £50,000 per class (approx. 17 pupils in primary, 11 pupils in secondary) pro rata for the remainder of the financial year. £50,000 will pay for a full time teacher at mid scale, a term time only Teaching Assistant, and approximately £9,000 for other costs.

2.4 **Increase in Pupil Admission Number (PAN)**

This is payable where a school has increased its admission number by 5 or more pupils *in agreement with the authority*, but this has not necessitated an additional class, or is not in response to basic need for a bulge class or general pupil number growth in the area.

Funding will be 50% of the AWPU per additional pupil up to a maximum of £25,000 (approx. 17 pupils in primary, 11 pupils in secondary) pro rata for the remainder of the financial year.

2.5 **KS1 Classes (infant class size)**

This is payable to a school with infant classes which is required to set up an additional class in the Autumn term as required by infant class size regulations, and the school cannot accommodate all its additional reception and Key Stage 1 pupils in classes of 30 or less i.e. the total number of pupils in the 3 year groups exceeds a multiple of 30. (see Appendix A for examples).

In order to qualify for the additional funding, the school must have set up an additional class and employed an additional teacher, and must not have exceeded its admission number unless requested to by the LA.

Funding will be a fixed sum of £40,000 for each new class (to pay for a mid scale teacher plus a teaching assistant), pro rata for the remainder of the financial year.

Before setting up an additional class and employing an additional teacher, schools should be aware that this additional in-year payment is temporary one-off funding for the remainder of the financial year in order to meet the pupil's basic need until full per pupil funding is received the following April. Schools will be required to meet the costs of the additional class from their formula pupil funding and lump sum from the following financial year. Schools accessing the infant class size funding where pupil numbers are just 2 or 3 above the limit, should carefully consider the longer term financial implications of employing an additional teacher (approximately 11 additional pupils are needed to pay for a midscale teacher, or 9 additional pupils for a newly qualified teacher).

3. **Funding to be Top sliced from DSG**

3.1 The sum to be set aside in 2016/17 is as follows:

Estimated Requirement	Calculation	Total
New School (none expected <u>2016/17</u>)		£0
Extending Age Range (none expected <u>2016/17</u>)		£0
Additional Classes x 6	£50,000 x 6 x 7/12	£175,000
Increase in PAN – 10 pupils x £1,4 <u>68.50</u>	£14, <u>685</u> x 7/12	£8, <u>566</u>
Infant classes x 2	£40,000 x 2 x 7/12	£46,670
Contingency		£19, <u>764</u>
TOTAL DSG REQUIREMENT		£250,000

3.2 Funding requests from schools are to be submitted to Schools' Finance who will make payment following approval by the Head of Education if he is satisfied that the criteria are met. All approvals will be reported to Schools' Forum.

3.3 Any overspends in year will be met from a top slice of the following years DSG allocation. Any underspends will be carried forward and reallocated to all schools through the following years funding formula.

Examples of Infant Class Size Additional In-Year Funding

Example 1

	October 2015 Census	October 2016 Census
Reception Pupil Numbers	23	31
Year 1 Pupil Numbers	20	25
Year 2 Pupil Numbers	22	20
Total Pupil Numbers	65	76
Number of Classes run by school	3	3

Although pupil numbers have increased by 11, and the reception class exceeds 30, under infant class size regulations the school is still only required to run 3 classes, therefore no additional in-year funding will be payable. Total pupil numbers would need to exceed 90 to trigger the requirement for a 4th class.

Example 2

	October 2015 Census	October 2016 Census
Reception Pupil Numbers	20	21
Year 1 Pupil Numbers	20	20
Year 2 Pupil Numbers	19	20
Total Pupil Numbers	59	61
Number of Classes run by school	3	3

Total pupil numbers have increased by 2 taking the total over 60 and requiring 3 classes. However the school is already running and funding 3 classes within their existing budget, so no additional in-year funding will be payable – their budget requirement for the year has not changed by the admission of these 2 pupils.

Example 3

	October 2015 Census	October 2016 Census
Reception Pupil Numbers	20	21
Year 1 Pupil Numbers	20	20
Year 2 Pupil Numbers	19	20
Total Pupil Numbers	59	61
Number of Classes run by school	2	3

Same pupil numbers as the above example, except the school were operating with 2 classes. The school is therefore eligible for additional in-year funding if they operate a third class. However if their budget with just 2 extra pupils would not sustain the cost of an additional teacher beyond the following April, then they would need to carefully consider the implications of accepting an additional pupil taking them over 60 (unless exceptions to the regulations apply, such as pupils with a statement of SEN naming the school or pupils moving into the area outside the normal admission round).

Example 4

	October 2015 Census	October 2016 Census
Reception Pupil Numbers	20	30
Year 1 Pupil Numbers	20	20
Year 2 Pupil Numbers	19	21
Total Pupil Numbers	59	71
Number of Classes run by school	2	3

The school were running and funding 2 classes before the September admissions took them over 60 pupils. Additional in-year funding would therefore be payable for the additional class, and the additional 12 pupils will generate enough funding to sustain the cost of the additional teacher from April 2016.