

School Forum

2018/19 Growth Fund Criteria Report

1 Purpose of the Report

This report is to obtain agreement from the Schools' Forum on the criteria for the Growth fund for 2018-19 to meet basic need within the authority.

2 Background

In the March 2017 Schools' Forum report Agenda item 36, there was a paper on the growth fund and the methodologies for distributing funding. Each year the Local Authority will calculate the amount of funding required which will be deducted from the school block funding. The growth fund contains 3 sources of funding, pre-opening grant, post opening grant and new classes (in September where the children were not present on the October Census and schools are not funded by estimated numbers).

Each year the Schools' Forum will be asked to agree the amount and any changes in the criteria to be used.

The funding is required to ensure Wokingham BC can fulfil its statutory duty to ensure there are sufficient school places. To achieve this it works with schools to provide temporary and permanent increases in capacity. Where a new school is required there is a statutory presumption that this will be an academy or Free School, established by Section 6a of the Education and Inspection Act 2006 (inserted by the Education Act 2011). These are known as Free School Presumption or S6a Schools. Other new Free Schools receive all their funding (including start-up funding) directly from the DfE, but new Free School Presumption schools only receive the formulaic payments (including payments based on estimated rolls, rather than purely lagged funding as is ordinarily the case). Start-up funding, including additional revenue funding for setting up new classes and diseconomy funding (funding for central costs that would be drawn from the funding for all year groups in an established school) is provided by the local authority responsible for promoting the school, from the Growth Fund.

3 Suggested Action

This paper aims to put the methodology suggested in March into a criteria for allocating funding. All options for creating new places are being explored by Wokingham Borough Council.

The criteria proposed will cover:

1. Bulge classes – classes of 30 pupils, opened to provide capacity or new arrivals and supported by the Growth Fund usually for 1 year only.
2. Permanent expansions –full or part form of entry added to an existing

school by the LA. They require ongoing commitment from the Growth Fund to deal with the lag in revenue funding for new classes for pupils which are not on the October census.

3. New Free School Presumption Schools (new Free Schools established to meet Basic Need) also known as Section 6a Schools from S6a of the Education and Inspection Act 2006) which will continue to be funded on estimated numbers but will require some gap funding (diseconomies of scale) while they continue to grow.

The LA is seeking to devise a payment method that covers all 3 types of funding with a criteria, that can be used for most growth fund cases. Please see Table A and the rates proposed for Pre and Post-opening grant (basic need only) in Table B Section 6 below.

Level of Funding – Age Weighted Pupil Unit (AWPU)

The methodology for distributing funding is for new classes in September will be based on AWPU per pupil times by the number of expected children.

This is the AWPU times the number of children from September 2018 to March 2019 7/12th and for Academies and free schools who are funded on an Academic year, funding will be from April 2018 to August 2018 (5/12th) and then from September 2018 to March 2019 (7/12th). The LA will claim the additional 5 month funding for Academies from the DFE.

Table A - Criteria

Description	Criteria	Funding examples
Funding new classes for pupil not on the October census or not already funded via estimated numbers (growing schools).	Primary 17/18 AWPU 2780.81 X the planned growth	Examples below using 17/18 AWPU rate. $15 \times 2780.81 \times 7/12 = \text{£}24,332$ $30 \times 2780.81 \times 7/12 = \text{£}48,664$.
	** Academies and free schools additional 5 months funding	As above plus $15 \times 2780.81 \times 5/12 = \text{£}17,380$ $30 \times 2780.81 \times 5/12 = \text{£}34,760$
Funding for new mid-phase classes (classes that open for Year groups other than the normal entry year for the school)	Funding for the first 7 months as set out above (7/12 X AWPU X the planned additional roll. Continued payments for the gap between the funding for the actual roll for the expanded year group and	$30 \times 2780.81 \times 5/12 = \text{£}34,760$ Example where new Year 1 class had recruited 18 children over the original

Description	Criteria	Funding examples
	<p>funding that would be generated by 95% of the planned additional roll.</p> <p>((Planned additional roll X 95%) - Actual Additional Roll on the October census day) x AWPU</p> <p>The payment will be reviewed annually as it may be necessary to agree to the creation of new mixed age classes where growth did not continue as expected and sustainable long term provision requires new mixed age class.</p>	<p>roll of 60 children by census day.</p> <p>$(30 \times 95\% - 18) \times 2780.81 = £29,198.51$</p>
This applies to Section 6A schools. Pre-opening support for a new school.	<p>An initial payment of £30K then a 2nd phase payment to a maximum of £90k.</p> <p>One off Lump sum to support the schools with basic setting up costs.</p>	<p>The initial funding will be £30,000 after it has been sign off from the Sec. of State.</p> <p>The balance against a pre-agreed funding release scheme between WBC paid to the Trust running the school for the period until opening.</p>
<p>This applies to Section 6 A schools. Post-opening grant.</p> <p>Diseconomy of scale (funding the gap)</p>	<p>Academies and free schools are funded on estimates therefore they can be funded via the APT on estimated numbers.</p> <p>Sliding scale support payments until all planned year groups have opened.</p>	<p>The gap will be funded on a sliding scale bases, using a DFE model of funding non basic need schools. Please See Table B.</p>
Exceptional funding	Mixed age group classes.	Each case will be assessed individually.

Please see extract from the DFE suggested funding of Academy that are growing and the proposal is that the LA adopts the same guidance.

Post-opening grant

46. Free schools are provided with a post-opening grant to reflect the additional costs in establishing a new publicly-funded school which cannot be met through the GAG. The post-opening grant provides funding in two elements as the free school grows: non-staffing resources, paid on a per-pupil basis; and a leadership grant. These titles reflect the basis on which the funding is calculated, but the grant can be spent on any legitimate purpose of the school.

47. The first element (resources) is paid each year that the school builds up to capacity for each new pupil expected to be on roll. It is paid at the following rates:

- £250 for each new mainstream pupil in the primary phase (years R to 6)
- £500 for each new mainstream pupil in the secondary and 16 to 19 phases (years 7 to 13)

48. The second element (leadership) is paid annually based on the number of year groups that the school will ultimately have that do not yet have pupils. The amount paid to mainstream schools with pupils aged 5 to 15 each year depends on how many year groups (cohorts) are empty, and is set out in the table below.

Table B Proposed

Empty Cohorts	6	5	4	3	2	1	Max.
	£000	£000	£000	£000	£000	£000	£000
Primary Lump sum	80.5	67.5	54.0	40.5	27.0	31.5	283.0
Secondary Lump Sum			125.0	93.5	62.5	31.0	312.0
All-through	125.0	93.5	62.5	54.0	40.5	27.0	402.5

Additional support, the growth fund can also be used to fund Secondary schools that have by the request of the council an additional 15+ children after the October census date.

Please note 6th form funding is funded separately from the school block DSG.

4 Supporting information

Further information can be found on the DFE website Schools revenue funding arrangement 2018 to 2019 Guide,

5 Financial Summary

Please see the following appendices below:

Appendix A – This is the current growth fund estimate for 2017-18.
Appendix B – The new criteria impact on 2018-19.
Appendix C – The new criteria impact on 2019-20.

Piers Brunning

Senior Specialist (People and Place)

October 2017

Appendix A - Growth fund estimate							
2017-18 CM Growth fund analysis							
	Key stage 1 Awpu		2780.81	30	83,424	Full yr	7/12th
		A	B	C	D	E	F
	places funded from Sept.	Original budget	AWPU funding	Pre-opening	Dis-economy	Re-organisatio n costs	Agreed 2017-18 Total Funding
Schools					(funding the GAP)		
Colleton	25	57,238	40,553		16,685		57,238
Grazeley	15	24,332	24,332		0		24,332
Shinfield St Marys	30	48,201	48,664		-0		48,664
Loddon	30	76,472	48,664		27,808		76,472
Beechwood	15	24,332	24,332		0		24,332
Highwood	30	48,664	48,664		0		48,664
		279,239	235,210		44,492		279,702
Charvil Piggott	30	140773	48,664		80,239		128,903
NEW SCHOOLS							
Shinfield West (florate silver meadows)		40000		40000			40,000
Total Shinfield West							
Windmill	30	102459	48,664		53,795		102,459
Wheatfield	30	89087	48,664		40,423		89,087
Montague Park	30	84503	48,664		35,839		84,503
Total Academy							
Bohunt		417,153			417,153		417,153
Contingency		146,786					
Grand Total of Main. Free and Academies							
Total spent		1,300,000	429,867	40,000	671,941	0	1,141,807
						ck	1,141,807
							-158,193

Appendix B											
2018-19 CM Growth fund analysis under new scheme											
						Sep-17					
Table A											
		Key stage 1 Awpu		2780.81 sept	30	83424.3	Full yr	7/12th			
Schools - New classes	Year left	Number		Start	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	estimated Total
Colleton	2	25		2012					40,553		40,553
Grazeley		15		2014				24,332			24,332
Shinfield St Marys		30		2015			48,664				48,664
Loddon		30		2016		48,664					48,664
Beechwood		15		2016		24,332					24,332
Highwood		30		2017	48,664						48,664
Contingency for bulge class if required		75			121,660						121,660
											356,870
Table B											
Basic need new and growing schools (funded on estimates)											
Diseconomy of scale (new classes funded from APT)				secondary	lump sum	125,000	93,000	62,000	31,000	* sliding scale	
Per Pupil funding			500								
			Primary	lump sum	80,500	67,500	54,000	40,500	27,000	31,000	
Per Pupil funding			250								
		NOR	Empty year								
Windmill		30	1	2013					34,500		34,500
Wheatfield		30	2	2014				48,000			48,000
Montague Park		30	4	2016		82,500					82,500
Bohunt - Sec school 5 year groups		150	3	2016		168,000					168,000
Floreat Silver Meadow (Shinfield West)		30		2018	88,000						88,000
Total Academy											421,000
TABLE C											
Charvil Piggott - The Piggott converted to all-through school		30		2013				48,664			48,664
Charvill Piggot - diseconomy funding								48,000			48,000
											96,664
NOTE:		**	Although not technically so, this is effectively a new school with all the challenges that entails with local admin and primary management teams to be supported.								
TOTAL Estimate for 2018-19											
Budget Requirement											874,535
Note: If the 2017-18 is confirmed by December any underspend will be netted off the required budget for 2018-19											874,535
											0

