

SCHOOLS FORUM

SUBJECT	Schools Growth Fund 2024/25
DATE	16 th January 2024
REPORT OF	Liz Brummer, Strategic Finance Lead

1. RECOMMENDATIONS

It is recommended that Schools Forum:

- We would request Schools Forum to approve the updated growth fund policy and procedure and eligibility criteria to access this fund.

2. INTRODUCTION

Local Authorities are permitted to retain funding to support Primary and Secondary schools (including Academies and Free Schools) with significant in-year growth in pupil numbers from Reception to year 11. Both the amount and criteria must be agreed by Schools' Forum and in accordance with criteria set by the Department for Education.

Purpose of the fund:

- to meet maintained or academy primary or secondary school requests for funding where the Local Authority has requested a school to increase its PAN and this results in additional pupils over and above those funded at the previous count, provided the criteria detailed below are met.
- to support revenue diseconomy of scale / lead in costs of new schools
- to meet maintained or academy primary or secondary school requests for funding where a school had agreed with the Local Authority to provide an extra class to meet basic need in the area.

The growth fund must not be used to support:

- schools in financial difficulty
- general growth due to popularity - this is managed through lagged funding.

3. MAINTAINING THE GROWTH FUND

The Growth Fund will operate on the following principles:

- ensuring that such a fund is ring fenced to be used on growth funding only
- that Schools Forum approves the creation and retention of such a fund.
- the fund is available for the benefit of both academies and maintained schools.
- Any funds remaining at the end of the financial year will be rolled forward to build on existing earmarked growth funding to support potential future growth requests. The balance of the growth fund will be reviewed in conjunction with schools forum as part of dedicated schools grant outturn reporting
- the basis of payment is clearly defined.
- Awards are made for one year only and will be reviewed each year in accordance with the criteria. As part of this review confirmation will be required as to how the funding has been spent.

4. CRITERIA FOR ACCESSING THE GROWTH FUND

In order for the fund to be accessed then it is proposed that the following criteria are met:

1. The increase in PAN must have been requested by the Local Authority as part of its strategic place planning role. Note this fund **CANNOT** be used to support lagged funding.
2. The increase in pupil numbers must materialise and must take pupil numbers in excess of those funded at the previous October count.
3. In agreeing to fund any increase in pupil numbers the first 5 pupils will be deemed to be funded by the school and will be excluded from the calculation for re-imburement. Where the increase in pupil numbers is 5 or less then no adjustment will be made.
4. Schools must be able to demonstrate that they are unable to fund the request themselves. As part of this assessment reliance will be placed on the level of reserves held and where these are in excess of the former 8% amount (primary) and 5% (secondary) this will be taken into consideration and a discussion may take place with the school in respect of the planned use of

these reserves. Where the school is maintained, reference will be made to the school budget plan, and where the school is academy evidence such as system management accounts showing the projected outturn position and reserves position will be required as a minimum.

In respect of the level of reserves held as referenced in point 4 above, this will be calculated as follows:

Reserves Available*/APT x 100**

* Reserves are general fund restricted and unrestricted

**APT = gross funding per the APT for the year the request is being made for

5. APPLICATIONS

Applications should be made by the 30th of November of the relevant academic year affected. This will allow validation checks of the school census data to have been received and confirmed by the school.

6. PAYMENTS

ESFA has set as a minimum requirement for funding as £1,500 (the primary growth factor value) * number of pupils * Area cost adjustment.

The rate of re-imbusement proposed by NELC is to use the relevant NFF AWPU.

On receipt of an application and the final APT in December applications will be considered and for those meeting the criteria payment made in the following January