



North East Lincolnshire Council Schools Funding Growth Fund Policy 2026-27

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 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 later 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 in individual schools (due to popularity) where there is no overall pupil number growth in the local area, this is managed through lagged funding. This includes cases where academies have admitted above pupil admission numbers (PAN) by their own choice

Operating Principles

The Growth Fund will operate on the following principles:

- such a fund is ring fenced to be used on schools growth funding only and is available for the benefit of both academies and maintained schools
- Schools Forum approves the creation and retention of such a fund
- the basis of payment is clearly defined
- awards are made for one year and will need to be resubmitted each year in accordance with the criteria. As part of this, confirmation may be required as to how the funding has been spent
- any funds remaining at the end of the financial year will be rolled forward to support future growth requests unless DSG is in an overall deficit. If DSG is in a cumulative deficit any eligible calls for growth in excess of the in-year growth fund may cause a schools block pressure/overallocation. The position of the growth fund will be reported to schools forum as part of DSG outturn reporting

Accessing the growth fund

In order for the fund to be accessed the following criteria must be met:

- 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
- the increase in pupil numbers must materialise and must take pupil numbers in excess of those funded at the previous October count
- in agreeing to fund any increase in pupil numbers the lower of the first 5 pupils or 15% of original PAN will be deemed to be funded by the school and will be excluded from the calculation for re-imburement. Where the increase falls below these criteria no adjustment will be made

Accessing the growth fund

- 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% (primary) and 5% (secondary) amounts 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**

Accessing the growth fund

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

PAYMENTS

- DFE has set as a minimum requirement for funding for 2026/27 as:
$$£1,570 * \text{number of pupils} * \text{Area cost adjustment}$$
- The rate of re-imburement proposed by NELC is to use the relevant AWPUP rate
- 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