



Northumberland
County Council

EDUCATION GROWTH FUNDING POLICY

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Northumberland County Council Education Growth Funding Policy

1. Introduction

- 1.1 Local authorities are responsible for funding the growth needs for all schools in their area, for new and existing maintained schools and academies. Growth funding is within local authorities' schools block NFF allocations. For 2019 to 2020, growth funding has been allocated to local authorities using a new formulaic method based on lagged growth data.
- 1.2 The growth fund can only be used to:
 - support growth in pre-16 pupil numbers to meet basic need
 - support additional classes needed to meet the infant class size regulation
 - meet the costs of new schools
- 1.3 Local authorities should fund all schools on the same criteria, as set out in this policy or otherwise agreed by the Schools Forum.
- 1.4 Criteria for allocating growth funds should contain clear objective trigger points for qualification, and a clear formula for calculating allocations with these criteria applying to all schools on the same basis
- 1.5 The criteria should provide a transparent and consistent basis for the allocation of funding, which may be different for each phase
- 1.6 Where growth occurs in academies that are funded by the ESFA on estimates, the ESFA will use the pupil number adjustment process to ensure the academy is only funded for the growth once.
- 1.7. The growth fund may not be used to support:
 - schools in financial difficulty; any such support for maintained schools may be provided from a de-delegated contingency if available;
 - general growth due to popularity; which is managed through lagged funding
- 1.8. The growth fund may not be the most appropriate source of funding for growing schools and local authorities should consider varying pupil numbers where there is a more permanent and significant change to numbers, and where it's appropriate for the change to be reflected in the funding formula.
- 1.9 Local authorities will not need to submit a disapplication request for an increase to numbers where this is due to a change to the admission limit or a local reorganisation.
- 1.10 Examples where the growth fund may be used are :
 - support where a school or academy 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)
 - support where a school has temporarily increased its pupil admission numbers (PAN), by a minimum number of pupils, in agreement with the authority

- 1.11 There are a number of potential methodologies for distributing the funding including:
- a per pupil rate (usually based on AWPU, and reflecting the proportion of the year which is not funded within the school’s budget share);
 - a lump sum payment with clear parameters for calculation (usually based on the estimated cost of making additional provision for a new class, or the estimated start-up costs)

Given the diverse nature of Northumberland Schools and the variety in the number of pupils within them, and given growth may in some cases involve a small number of pupils (who may nevertheless constitute growth in small schools), it is felt that a per pupil basis is the most appropriate method for Northumberland,

- 1.12 Where schools have agreed an expansion in pupil numbers with the local authority, the school should ensure that they understand the methodology for funding the increase and are content that the expansion is deliverable within the funding available.
- 1.13 Local authorities should report any unspent growth funding remaining at the year-end to the schools forum.
- 1.14 Any under or overspent growth funding will form part of the overall DSG surplus or deficit balance.
- 1.15 Funding may be carried forward to the following funding period, as with any other centrally retained budget, and local authorities can choose to use it specifically for growth.

2 School Funding and the Growth Fund

- 2.1 School funding is distributed on a “lagged census” basis i.e October census figures are use the funding the following financial year (April to March) for maintained schools or academic year (Sept to Aug) for academies. Therefore current 2019/20 funding is distributed on the basis of October 2018 School Census information, through the respective phases as illustrated below depending on the type of school and the age groups it accommodates.

PRIMARY						SECONDARY					
FIRST			MIDDLE			HIGH					
Rec	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11

- 2.2 The standard Age Weighted Pupil Unit (AWPU) varies according to the phase of schooling. Northumberland’s 2019/20 AWPU figures are shown below together with the National Funding Formula equivalent figures:

Phase	Northumberland AWPU	NFF AWPU
Primary	£2,807	£2,747
Key Stage 3	£3,863	£3,863
Key Stage 4	£4,580	£4,386

- 2.3 Using the lagged census when a child reaches “end of phase”, does not usually represent a problem as for every year group leaving, there is generally a year group replacing them at the lower end of the school, e.g Yr 4 or Yr 6 leaving First or Primary School, to be replaced by a new reception class. Any variation in numbers between the age groups leaving and new groups commencing, are simply managed as part of the annual school budgeting cycle.
- 2.4 However when there are changes in structure as a result of an educational re-organisation, or where a new year is being added to a school, an allocation in respect of required places from the growth fund may be made, depending on the circumstances involved.

3 Northumberland County Council Growth Policy

In Northumberland it is intended to use growth funding in the following manner, subject to Schools Forum’s agreement of this policy :

3.1 Where additional places are provided by an increase in the Published Admissions Number (PAN) (as a result of a request from Northumberland County Council, or as agreed with Northumberland County Council):

This may typically be the expansion of the PAN by a half form entry(15 places) or full form entry (30 places) where data indicated there is increasing demand for places within a catchment area. In this situation a school will receive growth funding for the **increase** in their admission numbers, for 7 months of the academic year. This is based on where a PAN increases with effect from the start of a school academic year in September, it

The funding is intended to cover the period from September to March as it will be the following April before the school benefits from funding based on the School Census. It must be emphasised, they will not guarantee them funding for their full PAN. Growth funding is only intended to fund the **growth** or **increase** in the PAN, not as a guarantee of the overall numbers.

e.g School X after discussions with the local authority increased its PAN from 30 to 60, an additional 30 pupils will be funded over and above actual census numbers for 7 months for the period from September to the following March, until the October School Census numbers has the opportunity to influence their funding.

Calculation : 30 pupil x 7 months of 12 = equivalent of extra 17.5 pupils will be funded. Based on primary AWPUs this would be worth £49,122 additional funding for above that provided based on school census figures.

It should be noted that the above support will be repeated until all places are in a position to be fully funded by reference to school census. For a middle school therefore this may be repeated for a further 3 years until the school reaches its new intended Published Admission Number (PAN) across all year groups.

3.2 When a school is adding additional year groups e.g expanding from first to primary (again subject to agreement with Northumberland County Council):

Where as a result of re-organisation a school is adding additional year groups e.g changing from a first school to a primary, the additional years will not be provided for via the standard lagged census funding as there will not have had any pupils in the “new” year groups previously. For the purposes of allocating growth funding it will be assumed that the school will retain the current year group into the following academic year,

e.g School Y, a first school converting to a primary has a 27 Year 4 pupils. It will be assumed that those 27 Year 4 pupils will be retained into Year 5 and funding provided for those 27 pupils for 7 months for the period from September to the following March, until the October School Census numbers has the opportunity to influence their funding.

Calculation: 27 pupils x 7 months of 12 = equivalent of extra 15.75 pupils will be funded, based on primary AWPU this would be worth £44,210 additional funding for above that provided based on school census figures.

3.3 Where pupils are being transferred between schools as a result of a School Closure or Reorganisation:

In this situation, additional funding will not usually be allocated from the growth fund but funding will be re-allocated from the Dedicated Schools Grant (DSG) of the school closing to those schools who are receive their pupils from the closing school.

Any exceptions to the above or alternative scenarios will be subject to the agreement of Schools Forum.