

Schools' Forum 6 July 2022	
Report from the Executive Director of People (Children)	
Growth Fund 2021-22 and 2022-23	
Wards Affected:	All
Key or Non-Key Decision:	N/A
No. of Appendices:	3
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This report is for information and relates to all Schools' Forum representatives

1 Purpose of the Report

- 1.1 To provide Schools' Forum with the outturn of the Growth Fund for 2021-22 and provide details of the projected outturn for 2022-23.

2 Recommendation

It is recommended that Schools' Forum:

- 2.1 Note the outturn for 2021-22 in Appendix A and note the updated allocations of Growth Funding for 2022-23 as shown in Appendix B.
- 2.2 Note that a higher top slice is required for 2022-23 (the catch-up year in Appendix B) in order that academies can be paid for the full year at the start of the academic year with the extra funding being recouped from the DfE.
- 2.3 Note the estimated figures for 2023-24 shown in Appendix C and the reduced top-slice requirement.

3 Reasons for Recommendations

- 3.1 Slough's birth rate rose by 48% over the period from 2001-2 to 2010-11. The effect of this growth along with inward migration to the town has meant that the primary school estate has been increased in capacity by 50% while the secondary school capacity has been increased by 60%.
- 3.2 Birth numbers have reduced year on year since the peak in 2010-11 and 2011-12. This has created a surplus of places in primary schools overall although this is not spread evenly across Slough's planning areas.
- This **west** planning area has seen the largest fall in birth numbers. A number of schools have already reduced their admission numbers, it is likely that further reductions will be required over the next 3 years as the cohort of pupils will shrink by a further 16% based on birth data.
There are more than 20 surplus places (SBC's target surplus) in all year groups.
 - The **central** planning area will see only a small drop in cohort size over the next 3 years with the Central ward seeing the only significant increase in births across the whole town (+34%).
4 of the 7 current year groups have less than the target of 20 surplus places. Years 1 and 5 have no surplus places and additional places may soon need to be considered.
 - The **east** planning area saw a large cohort apply for places in 2021 otherwise the number of births is holding fairly steady and there will be only a small reduction over the next 3 years.
All 7 years groups have less than the target of 20 surplus places and additional places may be required in some specific year groups depending on where new arrivals live.
- 3.3 There is built capacity in both the central and east planning areas as 3 schools have reduced their PANs in recent years and Grove Academy has yet to increase its PAN to its built number of 120. Therefore new forms of entry are not required and bulge classes and larger classes are the expected solution where local shortages emerge.
- 3.4 The population growth has been impacting secondary schools for some years and 3 new secondary schools and an all-through have opened in recent years. In addition 2 non-selective schools plus one grammar school have undergone expansion funded by the LA. Slough's other three grammar schools have all increased their PANs without capital funding from SBC.
- 3.5 The peak in Slough's birth numbers will reach Year 7 in 2022 and 2023. The increases mentioned above will provide sufficient capacity for this peak and the need for additional places is not expected although Year 9 has a low number of surplus places and will need to be monitored.

- 3.6 The prescribed methodology for calculating revenue funding for expanding schools means that there is a 'lag' in the period from pupils starting until they appear on the school census and funding is allocated. To support schools through this period of lag in funding while they are expanding the LA requests a sum of money through Schools' Forum called the "Growth Fund".
- 3.7 The methodology for qualification and allocation of the Growth Fund is reviewed and agreed by Schools' Forum on an annual basis. Schools' Forum is asked to consider the financial impact on schools of expansion and agree an affordable level of additional revenue support. At a meeting in January 2022 Schools' Forum agreed the methodology to be applied in 2022-23. Appendices B and C are based on these agreed criteria. No variations to the criteria applied in 2021-22 were proposed or agreed.

4 Supporting Information

- 4.1. The Growth Fund is one of the centrally held budget areas that Schools' Forum has decision making powers over. Guidance on how the Growth Fund should be approved and allocated can be found in *Schools operational guide: 2022 to 2023 (updated 16 December 2021)*. Paragraph 258 states:

"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."*

- 4.2 LAs are also able to set up a Falling Rolls Fund but as this only applies where demand is projected to rise in the near future this has previously been discussed and ruled out by Schools' Forum. This would be reviewed if new housing levels were higher than anticipated or birth rates began to rise. Paragraph 273 states

"Local authorities may set aside schools block funding to create a small fund to support good schools with falling rolls, where local planning data shows that the surplus places will be needed within the next three financial years."

Level of Funding – Age Weighted Pupil Unit (AWPU)

- 4.3 The agreed methodology for distributing funding is based on an AWPU per pupil, reflecting the proportion of the year which is not funded within the school's budget share.

Summary of Criteria Agreed for 2021-22 and 2022-23

- **Bulge Classes** - These must be requested and agreed in advance by the LA. Schools receive funding as though the class was full from the date of opening until March the following year and academies receive funding until August. Academies also receive a one-off payment in the second year of bulge classes to reflect a lag in funding beyond the first year.
- **Expansion by a Form of Entry** - The Growth Fund provides financial support for all the years a school incurs a shortfall in funding whilst going through a permanent expansion.
- **Larger Classes or Numbers in Excess of PAN** - The Growth Fund will provide financial support for schools that admit pupils in excess of their PAN for each whole term that they make each additional place available at the request of the Local Authority.
- **New Schools** – Variety of support items possible but no new schools are planned.

Financial Outturn 2020-21

- 4.4 The projected outturn for 2021-22 is shown in Appendix A. The unspent funding to be carried forward to 2022-23 is £21,814. A contingency sum has been added for extra places required before year end although this would be a commitment against the 2022-23 Growth Fund.

April to August Payments to Academies

- 4.5 Note that the April to August payments to academies in Appendix A are a commitment against the following year's Growth Fund. 2022-23 shown in Appendix B is a catch up year for the Growth Fund and 2 charges appear against the Growth Fund in this year although the funding is recouped from the DfE.
- 4.6 Having caught up in 2022-23, the full year of payments to academies, both Sep-Mar and Apr-Aug, are shown as a commitment against the same Growth Fund year. This is shown in Appendix C.

5 Financial Implications

- 5.1 The financial implications have been detailed in the body of this paper.

6 ALTERNATIVE OPTIONS CONSIDERED

- 6.1 Not applicable

7 Legal Implications

- 7.1 Local Authorities are under a statutory duty to ensure that there are sufficient school places in their area, ensure fair access to educational opportunity and promote the fulfilment of every child's educational potential.

8 Equality Implications

- 8.1 Not applicable