**Report to Hartlepool Schools’ Forum 07 May 2019**

**From Sally Robinson – Director, Children’s and Joint Commissioning Services**

**Item 7: Growth Funding Disbursement**

1. **Introduction**
   1. At its meeting on 17 January 2019, Schools’ Forum agreed to establish a group of three head teachers to work with local authority officers to agree local criteria and methodology for accessing and disbursing the growth fund.
   2. The purpose of this report is to feedback proposals from the group for disbursement of growth funding for 2019/20 onwards.
2. **Background**
   1. From 2019/20, ESFA (Education and Skills Funding Agency) moved to a new formulaic approach that distributes growth funding on the basis of lagged pupil growth.

* 1. Hartlepool received a growth fund allocation of £0.157m as part of the Dedicated Schools Grant for 2019/20.
  2. At its meeting of 17 January 2019, Schools’ Forum agreed the importance of both consistency and transparency in working towards a disbursement methodology. Forum Members also discussed their preference for avoiding a complex model.

1. **Proposal for Decision**

3.1 The proposal being presented for decision by Schools’ Forum is attached at Appendix A.

3.2 If Schools’ Forum were to agree to implement the proposal, growth funding would be disbursed to the relevant individual school budgets affected in 2019/20 and become part of the budget setting process in future years.

3.3 It is important to note that approval of the methodology for disbursement of growth funding commits funding for the full “life cycle” of the school, i.e. growth in year 7 for a secondary school must continue to be funded for 5 years.

**4.** **Recommendations**

4.1 Forum is recommended to:

1. note the proposals made by the head teacher group attached at Appendix A;
2. agree to implement the proposals from 2019/20 onwards.

**A vote is required and ALL Schools’ Forum members are eligible to vote.**

**APPENDIX A**

# Growth Fund: Proposed Eligibility and Disbursement Process

**ELIGIBILITY**

A school would become eligible for growth funding where at least one of the following applies:

1. the authority has requested an increase in PAN (as documented in the Local Authority Co-ordinated Admissions Scheme)
2. the authority has requested a temporary increase in admission numbers
3. the authority requires an additional KS1 class in line with legislation.

A lower limit (de-minimus) will not be applied to the above criteria for pupil number growth.

**DISBURSEMENT**

1. Where a school has been asked to increase its PAN by the authority (as documented in the Local Authority Co-ordinated Admissions Scheme), the school will receive a per-pupil amount linked to the relevant AWPU. The number of pupils will be calculated as the difference between the previous PAN and the increased PAN. For maintained schools the per-pupil amount will be payable at 7/12ths, and for academies the per-pupil amount will be payable at 12/12ths. This difference reflects the length of the funding lag – maintained schools are affected by a 7 month lag as their funding is updated in line with the latest census in April each year; academy funding is not updated until the following September (in line with their budget year starting 1 Sept).
2. Where a school has been asked to increase admission numbers on a temporary basis, the school will receive a per-pupil amount linked to the relevant AWPU. The number of pupils will be linked to the specific numbers requested by the authority. For maintained schools the per-pupil amount will be payable at 7/12ths, and for academies the per-pupil amount will be payable at 12/12ths.
3. Where a primary school is asked to establish a new KS1 class (in part or whole) by the authority, a lump sum based on M1 – M2 (main scale teacher’s pay scale) will be payable. As the staffing commitment is for a full academic year, the lump sum will be payable to maintained schools at 12/12ths (7/12ths in financial year 1 and 5/12ths in financial year 2). The 5/12ths lump sum payable in financial year 2 would be reduced by the value of AWPU per-pupil being received by the school at that point. Academies will be payable at 12/12ths. As a one term ‘grace period’ is allowed under the legislation, growth funding will only be assigned for the period additional teaching staff is committed to.

**TIMING**

Although not true in every case, it is likely that growth fund eligibility can be ascertained and costed prior to 1st April each year and therefore built into the school budget planning process. For example, requested PAN increases are reported to Children’s Services Committee at the start of February each year.

Growth fund allocations from government will be notified as part of DSG figures published in December each year. A report will be taken to Schools’ Forum as part of the annual budget process to assess the likely call on the growth fund (based on eligibility as above) against the DSG growth funding for the year. If there is a shortfall in funding in a particular year, a top-slice to the Schools Block will be proposed to Schools’ Forum. If excess funding is forecast, a growth fund reserve contribution can be proposed to mitigate the risk of any shortfall in future years.

Approved by Hartlepool Schools’ Forum in XXXXX 2019