

Kent County Council

Growth Funding Policy 2016-17

1. Overview Growth Funding

- 1.1 The scope of this funding is for revenue associated reorganisation only and does not relate to capital items. There are two components to Kent's Growth funding policy, reorganisation funding and rising roll funding. In both instances schools (the term schools used throughout this document includes academies) can access the funding and eligibility only exists where there is a basic need requirement. The DfE define Basic Need as new pupil places which are requested by the LA because there are insufficient places available for pupils in the area. Area Education Officers (AEOs) determine if schools meet eligibility for the DfE basic need criteria.
- 1.2 Reorganisation funding and rising roll funding will be paid on an academic year basis and will be calculated on the growth in numbers from September less the preceding October's school census count.

2. Reorganisation Funding – Protected Pupil funding

Includes:

- a) Permanent expansion – an increase over time to all year groups in the school
- b) Bulge year/ bulge years (not a permanent expansion)
- c) A new school

2.1 Primary School

- 2.1.1 Reorganisation protection in primary schools can be split into two different types, one where the increase in pupils triggers enough funding that will meet the cost of the resource needed to support the additional intake (example 1) and the other where the increase in PAN will take a longer period of time to fill up and provide the necessary level of resources needed to cover the costs of the additional intake (example 2).
- 2.1.2 Growth funding will only be triggered where there is an increase of 20% or more in pupil numbers in excess of the historic PAN. For example if a school was increasing its PAN from 30 to 45 this would trigger funding as it an increase of 50%. However if a school was increasing its PAN from 28 to 30 this would not trigger funding as it is an increase of 7% and below the 20% threshold. The rationale for restricting this to 20% is that an increase in numbers would not constitute an increase in additional resources.

2.1.3 Example 1 - Where the increase in the PAN is 30, the extra pupils will fully fund the additional class. In this instance protection will be provided in the year of admission only.

2.1.4 Example 2- There are a wide range of PANs in the primary school phase. Sometimes where a school increases it's PAN the initial change creates a situation where in the short term the schools finds that it has an un-economical PAN. The best way to explain this is by looking at a primary school that has its PAN increased from 20 to 30 pupils. The Primary school has to comply with Infant Class Size legislation (cannot exceed more than 30 pupils in an infant class). Before the increase to the schools PAN, there would have been two classes for pupils in Years R to 2 (Yr R- 20, Yr 1-20 & Yr 2-20 = 60 pupils / 2 = 30 per class). However the change in the PAN would force the class structure of the school to change as follows:

- In Yr 1 the schools PAN will be (Yr R- 30, Yr 1-20 & Yr 2-20 = 70 pupils)
- In Yr 2 the schools PAN will be (Yr R- 30, Yr 1-30 & Yr 2-20 = 80 pupils)
- In Yr 3 the schools PAN will be (Yr R- 30, Yr 1-30 & Yr 2-30 = 90 pupils)

From Yr1 the school would have to run 3 classes in order to comply with Infant Class Size legislation, however they would not have an efficient number of pupils on roll to meet the additional cost of the new class until Yr3. In this instance the school would be protected on 90 pupils for the first three years until the new PAN had worked its way through. Where a school does not meet the criteria in example 1 then it will be at the discretion of the AEO to determine and agree the period and number of pupils a school is protected on.

2.1.5 Protection will be calculated by multiplying the number of protected pupils by the basic entitlement (AWPU).

Example - a school increases it PAN from 30 pupils to 60 pupils.

LA School -Protection for the period **September to March** (i.e. the first 7 months) = 30 additional places x basic entitlement rate per pupil x 7/12

LA School - Protection for the period **April to August** (i.e. the next 5 months) = 60 planned pupils less the actual number of pupils on roll in year R as at October census. For the purpose of this example the school has 55 pupils in Yr R. The school will be protected on 5 pupils for the period April to August (at 5/12 x AWPU).

Academy - Protection for the period **September to August** (12 months) = 30 additional places x basic entitlement rate.

- 2.1.6 For a new school protection will be applied in the same way as 2.1.4 above however all of the other factors including in the delegated formula budget (including any Minimum Funding Guarantee (MFG)) will be included in the calculation.
- 2.1.7 Schools can be requested to increase their PAN permanently or for a defined period i.e. one year, two years etc. In relation to where a school is requested to increase their PAN permanently, protection will be paid for a maximum period of three years, and this will only include protection for the individual year group in the year the expansion takes place.

2.2 Secondary School

- 2.2.1 The principles contained within section 2.1 will be applied to secondary school reorganisations.

3. **Reorganisation Funding – One-off Set-up funding**

New School – Lump sum

- 3.1 A one off lump sum of £50,000 for the set-up cost of the new school to cover costs incurred prior to opening will be provided.

Set up a new classroom

- 3.2 A contribution of £6,000 towards the setup costs of each new classroom. In general a class is defined as the increase in pupil numbers divided by 30 pupils.

Example

School has a permanent increase in its PAN from 30 to 60. Over the period of the expansion the school will have to open 7 additional classes, therefore they will receive $7 \times £6,000 = £42,000$.

School has a bulge year (one year only) increase in its PAN from 30 to 45. If the school has to open a class then they will receive only one £6,000.

4. **Rising Roll**

- 4.1 Rising roll will only apply to a permanent expansion that meets the basic need criteria. It will start from the period following the final year of reorganisation funding and will run until the school's final year of expansion.
- 4.2 New academies will not receive rising roll funding from the period following the final year of reorganisation through the growth fund, since an estimate of pupils entering a new year group in September will be estimated in the local authority funding calculation. This estimated number on roll will not necessarily be the same as the number used by the Education Funding Agency (EFA). Where the number on roll estimated by the EFA is less than

that estimated by the local authority, the academy should approach the EFA for additional funding.

- 4.3 Rising roll is a helpful and necessary continuation of growth funding for growing schools however it only funds on actual numbers and not a protected number. It is necessary as lagged number funding means that a LA school for 7 months (September to March) and an academy for 12 months (September to August) will be expected to meet the resources to support an increase in pupil numbers however funding will not follow until the following year.
- 4.4 Funding will only be triggered if the school meets the basic need criteria. Eligibility of funding would only apply to the additional pupils above the school's PAN prior to increasing the PAN to meet the LAs requirement for basic need places.
- 4.5 In cases where rising roll funding is triggered as above, the number of eligible pupils will be multiplied by the relevant AWPU rates, and then multiplied by 7/12ths (September to March) for a LA school and 12/12 (September to August) for an academy.

5. Amalgamations

- 5.1 In the year of amalgamation the two predecessor schools will retain their individual lump sums (£120k) until the end of the financial year. Due to the different financial years this will be different for a maintained school and an academy. For a maintained school it is March and an academy it is August.
- 5.2 In the financial year following the amalgamation the newly amalgamated school will receive 85% of the collective lump sums for the two predecessor schools. The school will receive $2 \times £120k = £240k \times 85\% = £204k$.
- 5.3 From the second financial year after the amalgamation took place the new amalgamated school will receive one lump of £120k.
- 5.4 In exceptional circumstances a submission can be made to the Education Funding Agency (EFA) to request for an extended period of protection beyond the standard period.
- 5.5 The protected lump sum will automatically be funded from the Schools Block DSG and will not be a charged against the LAs growth fund as this is a national funding arrangement.

6. Budget

- 6.1 The annual budget to support this growth policy is £5m

