

Kent County Council

Growth Funding Policy 2022-23

1. Overview Growth Funding

- 1.1 Annually the Schools' Funding Forum (SFF) agree the Local Authorities (LA) policy for funding pupil growth in schools (the term schools used throughout this document includes academies). All LA Growth Policies are scrutinised and agreed with the Education Skills and Funding Agency (ESFA) to ensure that they are reasonable and compliant with the nationally set Basic Need criteria.
- 1.2 The scope of this funding is for revenue associated growth costs only and does not relate to capital items. There are three established strands to Kent's Growth funding policy with a further strand added for the 2022/23 policy only:
- Annual Revenue Resources Cost
 - Contribution to Learning Space Set Up Costs
 - New School Start Up Funding
 - Funding of previously High Weald Academy pupils

In all instances schools can only access Growth funding where the expansion is for Basic Need or funding previously High Weald Academy pupils. 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. For the avoidance of any doubt growth in pupil numbers will not be funded where the increase in pupil numbers is within an existing Planned Admission Number (PAN) unless the pupils are being funded under section 7 of this policy.

2. Annual Revenue Resources Cost

- 2.1 A LAs financial year runs from April to March and an Academies financial year runs from September to August. In both instances funding is predicated on the previous October pupil census count, this funding system is known as lagged pupil funding. A consequence of this system is that an increase in pupils, for example from September would not be funded for a LA school for the period September to March (7 months) and for an Academy for the period September to August (12 months). This element of Growth funding recognises that there is an unfunded resource needed to support these pupils. Annual

Revenue Resource Costs are funded in one of two ways, either under the heading Reorganisation funding or Rising Roll funding.

Reorganisation Funding – Protected Pupil funding

2.2 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

Primary School Reorganisation Funding

2.3 Reorganisation protection in Primary Schools is split into three different types and in all cases is based on a guaranteed number of funded pupils, the three groups are:

- 1) Where the increase in pupils triggers enough funding that will meet the cost of the resource needed to support the additional intake, see example 1, paragraph 2.5 for an illustration
- 2) 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, see example 2, paragraph 2.6 for an illustration
- 3) Where the initial year group intake is in school year groups 1 to 6 and not year R. Protection is provided for the full period any additional classes remain open until the pupils leave the school. See example 3 paragraph 2.7 for an illustration.

2.4 Growth funding will only be triggered where the increase to the PAN is over a certain threshold, for a primary school it will be 20% and for a Secondary school it will be 10%. For example, if a primary school was increasing its PAN from 30 to 45 this would trigger funding as it is an increase of 50%. However, if a Primary 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 applying a threshold is that the additional number of pupils would not constitute an increase in additional resources.

2.5 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.

2.6 Example 2 - There are a wide range of PANs in the primary school phase. Sometimes where a school increases its PAN the initial change creates a situation where in the short term the school finds that it has an uneconomical 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 school's 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 school's PAN will be (Yr R- 30, Yr 1-20 & Yr 2-20 = 70 pupils)
- In Yr 2 the school's PAN will be (Yr R- 30, Yr 1-30 & Yr 2-20 = 80 pupils)
- In Yr 3 the school's 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.

2.7 Example 3 – A Primary School with a PAN of 30 pupils agrees to increase its intake to 60 pupils in year group 3. In the initial year of the expansion the school will receive protection on 30 pupils. In the following years when the pupils move into year groups 4,5 and 6 protection will be provided on 51 (30+21) pupils. The new class is protected on 21 pupils for the full period any additional classes remain open until the pupils leave the school.

2.8 In all cases, funding for bulge classes is contingent upon the opening and continued maintenance of such classes, containing a number of pupils in excess of any vacancies in alternative classes in the relevant year group.

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

Example - a school increases its 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 $5/12 \times \text{AWPU}$).

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

- 2.10 For a new school protection will be applied in the same way as 2.6 above however all the other factors included in the delegated formula budget (including any Minimum Funding Guarantee (MFG)) will be included in the calculation.
- 2.11 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.

Secondary School Reorganisation Funding

- 2.12 The principles contained within paragraphs 2.3 to 2.11 will be applied to secondary school reorganisations. In respect of paragraph 2.3 (3), the relevant secondary year groups are year groups 8,9,10 and 11.

Rising Roll

- 2.13 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.
- 2.14 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.
- 2.15 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 $7/12$ ths (September to March) for a LA school and $12/12$ (September to August) for an academy.

3. Contribution to Learning Space Set Up Costs

3.1 The purpose of learning space set up funding is a contribution towards the necessary equipment needed to furnish a classroom, it is for those items not classified as a capital item.

Primary School Contribution to Learning Space Set Up Costs

3.2 A contribution of £6,000 towards the setup costs of each new learning space will be made from the Growth Fund. In general, a learning space is defined as the increase in pupil numbers divided by 30 pupils.

Examples

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 £6,000 as contribution towards the setup costs of the classroom.

Secondary School and Special School Learning Space Set Up Costs

3.3 A contribution of £6,000 towards the setup costs of each new learning space will be made from the Growth Fund. The number of learning spaces funded will be determined by the schools AEO.

New School Set Up Funding

4.1 The purpose of this element of growth funding is to recognise revenue setup costs prior to the opening of the school.

Primary School Start Up Funding

4.2 A new Primary School can claim up to £50,000 towards the setup costs prior to the opening of the school. The amount of £50,000 has been based on the typical costs associated with a setup of a new primary school, see appendix 1 for breakdown. To access this funding the new school must submit a plan of expenditure to its AEO for their authorisation. The plan of expenditure may not mirror exactly the typical costs detailed in appendix 1, but instead detail other reasonable expenditure. In this instance it will be at the discretion of the AEO to agree the amount of start-up funding paid up to the maximum of £50,000

Secondary School and Special School Start Up Funding

4.3 A new Secondary School or new Special School can claim up to £143,000 towards the setup costs prior to the opening of the school. The amount of

£143,000 has been based on the typical costs associated with a setup of a new Secondary School or Special School, see appendix 1 for breakdown. To access this funding the new school must submit a plan of expenditure to its AEO for their authorisation. The plan of expenditure may not mirror exactly the typical costs detailed in appendix 1, but instead detail other reasonable expenditure. In this instance it will be at the discretion of the AEO to agree the amount of start up funding paid up to the maximum of £143,000

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 for 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 made up from the National Funding Formula Growth allocation only.

7. Pupils admitted from High Weald Academy (temporary addition to end August 2023)

7.1 High Weald Academy is due to close at the end of August 2022. In discussions between the LA, the School Funding Forum and the ESFA it has been agreed that under these exceptional circumstances the growth policy should seek to offer additional funding to affected schools admitting pupils from High Weald Academy and allocations of funding will be made as follows.

7.2 Qualifying pupils – Group A

Pupils funded within Group A will be pupils who were recorded on the October 2021 census at High Weald Academy in year groups 7 to 10 who then left at the start of the Spring term in January 2022.

7.3 Qualifying pupils – Group B

Pupils funded within Group B will be pupils in year groups 7 to 10 who were still in attendance at High Weald Academy in January 2022 and as such will leave the academy at some time before August 2022

7.4 Admitting Schools

In section 7 the term “admitting school(s)” refers to the school admitting a pupil directly from High Weald Academy. Additional funding is only available to the admitting school. The movement of a large cohort of pupils from a single closing school to other schools is considered exceptional and will receive funding. In any case where a pupil previously at High Weald Academy makes a further move from the admitting school, this will be considered an unexceptional in-year admission for the receiving school with no funding implication. The admitting school will continue to receive funding defined in this policy.

7.5 Counting of pupils in groups A and B and identification of admitting schools

The counting of pupils in group A and the identification of their admitting schools will be based on a dataset shared between the Leigh Academies Trust and the Kent County Council in January 2022 in mutual good faith and shall be considered final.

The counting of pupils in group B and the identification of their admitting schools will be based on a dataset shared between the Leigh Academies Trust and the Kent County Council in September 2022 in mutual good faith and shall be considered final.

7.6 Period of funding

Group A pupils

Where the admitting school is a maintained school

April 2022 until March 2023

Where the admitting school is an academy

April 2022 until August 2023

Group B pupils

Where the admitting school is a maintained school

September 2022 until March 2023

Where the admitting school is an academy

September 2022 until August 2023

7.7 Funding Rate

The funding rate provided per pupil during the relevant period of funding will be made up of two parts.

The relevant AWPU rate based on the year group of the pupil recorded on the October 2021 census.

An additional amount representing the average amount per pupil that would have been recouped from Kent County Council for the 2022/23 budget of High Weald Academy had it not closed, for the following factors.

Free School Meals

Ever 6 Free School Meals

Deprivation IDACI

English as an additional language

Low Cost High Incidence SEN

7.8 Availability of funding

Kent County Council has received approval of a disapplication to remove Group A pupils from the 2022/23 local authority pro-forma tool and pro rata the remaining 2022/23 High Weald Academy budget for 5 months.

This will have no impact on the High Weald Academy which will continue to receive its existing 2021/22 budget allocation until August 2022 at which point it will close.

The funding made available by these adjustments shall be used to fund allocations under this section of the growth policy.

It is recognised that the provisions of this policy will not in all cases fund every previously High Weald Academy pupil at their admitting school for the entire period from admission to being included within the admitting school's formula budget allocation. However, discussions at the Schools Funding Forum and with the ESFA have concluded that this is the greatest extent to which additional support can be provided to admitting schools by this policy.

Kent County Council will commence payments under this policy as soon as is practicable.

7.9 Implementation of The School and Early Years Finance (England) Regulations 2021 Part 3 Chapter 2 Regulation 29

In any case that a previously High Weald Academy pupil funded under this policy is permanently excluded from their admitting school, funding awarded under this policy shall be immediately withdrawn.