

## LONDON BOROUGH OF WALTHAM FOREST

Meeting / Date	<b>SCHOOLS FORUM</b> <b>18 SEPTEMBER 2013</b>	Agenda Item	<b>6</b>
Report Title	<b>Proposed changes to Schools Block 5-16 Growth Fund for 2014-15</b>		
Decision/ Discussion/ Information	For Decision		
Report Author/ Contact details	Graham Moss, Strategic Development Consultant 07962 017 447 <a href="mailto:moss362@btinternet.com">moss362@btinternet.com</a> Rishi Peetamsingh, Group Accountant, Schools 020 8496 6304 <a href="mailto:rishi.peetamsingh@walthamforest.gov.uk">rishi.peetamsingh@walthamforest.gov.uk</a>		
Appendices	Appendix A: 2013-14 Growth Fund Criteria Appendix B: 2013-14 Growth Fund Allocations Appendix C: Proposed 2014-15 Growth Fund Appendix D: Proposed Reception Uplift Appendix E: Leadership and Management supplements Appendix F: Split-site supplements Appendix G: DfE guidance on schools with falling rolls Appendix H: Implications of this DfE guidance in Waltham Forest Appendix I: Case for additional leadership and management supplements Appendix J: Funding Criteria for new free schools and recoupment Academies		

### 1. SUMMARY

- 1.1 The Schools Block 5-16 Growth Fund for 2014-15 provides funding for planned in-year growth in September 2014 following the October 2013 Census which is used to determine NOR for 2014-15 funding purposes for both maintained schools and recoupment Academies.
- 1.2 The 5-16 Growth Fund is deducted from the total funding available to be delegated to schools and recoupment Academies through the Local Funding Formula. The size of the Growth Fund and the criteria used to allocate funding requires annual approval by Schools Forum. This is usually done at the September meeting so that the funding available to be delegated to schools and recoupment Academies can be calculated.
- 1.3 This report also proposes to recompense primary phase schools in arrears for admissions to reception classes between the October 2012 and January 2013 census counts.

## **2. RECOMMENDATIONS**

Schools Forum are asked to agree:

- 2.1** That the criteria used for allocating funding through the Growth Fund (see Appendix A) should remain unchanged subject to decisions set out in 2.3, 2.4 below.
- 2.2** That existing schools and recoupment Academies should receive a Reception Uplift for additional reception pupils admitted between October 2012 and January 2013. Funding would be allocated through the LFF for 5-16 year olds in the 2014/15 financial year at AWPU and Target Pupil Support rates agreed for 2014/15
- 2.3** To consult on whether or not the Growth Fund includes additional funding for schools and recoupment Academies with falling rolls using the criteria set out in Appendix H. Based on schools currently meeting the DfE criteria, this could cost £65,475.
- 2.4** To consult on whether or not the Growth Fund includes a one-off payment of £25,000 is made towards project management costs for extensive remodelling and rebuilding of four schools as explained in in Appendix I.
- 2.5** To receive a further report in November 2013 on funding criteria for new free schools and recoupment Academies meeting basic need.
- 2.6** That for planning purposes the size of the Growth Fund for 2014-15 should increase from **£2.675m** in 2013-14 to **£3.675m** by including a one-off addition of **£1.000m** from DSG underspend as set out in the Table in paragraph 4.12 below but subject to any decision arising from recommendation 2.6 above.
- 2.7** That a final decision on the size of the Growth Fund be taken at Schools Forum in January 2014.

## **3. REASON**

- 3.1** There is a need to review these arrangements agreed in 2013-14 for the following reasons:
  - (a) Forecast of schools and Academies eligible to receive funding for in-year growth in September 2014;
  - (b) Forecast of primary phase schools eligible for compensation for late admission of reception children between October Census 2012 and January Census 2013;
  - (c) Changes being made by the DfE to the school funding regulations in respect of new recoupment Academies and free schools opening on the basis of meeting basic needs and protection for good and outstanding schools faced with falling rolls; and
  - (d) Recommendation by the DSG Underspend Task and Finish Group that £2m of the underspend in DSG in 2012/13 should be used to reduce the top slice for funding for the Growth Fund as a one-off contribution of £1m for 2014/15 and £1m for 2015/16.

#### 4. BACKGROUND

- 4.1 **Appendix A** sets out the criteria for the allocation of funding through the Growth Fund as agreed by Schools Forum at its meeting on 19 September 2012.
- 4.2 **Appendix B** sets out the actual size of the Growth Fund for 2013-14 as determined by Schools Forum at its meeting on 16 January 2013 and the planned allocation of funding for each school and Academy which met the agreed criteria.
- 4.3 **Appendix C** sets out the proposed Growth Fund for 2014-15 for planning purposes, to be set by Schools Forum in January 2014.
- 4.4 **Appendix D** sets out the proposed Reception Uplift. There was no allocation of funding for Reception Uplift in 2013-14 because the data from the School Census for January 2013 census was not available. Appendix D sets out the schools likely to be eligible to receive the Reception Uplift in 2014-15 which compensates them for the lower funding received in 2013-14. This is an estimate as the actual numbers are determined by the Education Funding Agency.
- 4.5 As the Schools Block DSG is adjusted to take account of Reception Uplift, allocations of additional funding to these schools will be met from this funding. Schools will be compensated at the rates for AWPU and targeted Pupil Support (Deprivation / Prior Attainment / EAL / Mobility) that apply for 2014-15.
- 4.6 **Appendix E** sets out the existing Leadership and Management supplements 2012-13 to 2016-17.
- 4.7 **Appendix F** sets out the existing Split Site supplements for 2013-14 and the forecasted supplements to 2018-19.
- 4.8 **Appendix G** sets out the DfE's rationale for allowing Local Authorities to have new discretion through the Growth Fund of allocating additional funding to schools with falling rolls, following the findings from the DfE's Review of 2013-14.
- 4.9 **Appendix H** sets out the implications for adopting this discretion in Waltham Forest for good and outstanding schools with falling rolls. At the moment only The Lammas would qualify as it has an Ofsted judgement of good.
- 4.10 **Appendix I** raises the issue of whether or not there should be one-off leadership and management funding of £25,000 for schools undergoing extensive remodelling / rebuilding.
- 4.11 **Appendix J** explains that Local Authority will need approval from Schools Forum for the funding criteria to be applied to any new free school or recoupment Academy which opens to meet basic need. It identifies potential costs and how they might be met
- 4.12 The total funding available within the Growth Fund and forecasted expenditure is set out in the Table below. Any projected shortfall would need to be reduced by reducing delegated funding and any underspend could

be released for allocation through the Local Funding Formula to schools and recoupment Academies in 2014-15.

**Table: Forecasted revenue and expenditure for the 5-15 Growth Fund in 2014-15 excluding new free schools opening in September 2014**

<b>Growth Fund</b>	<b>2013-14</b>	<b>Adjustment</b>	<b>2014-15</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Existing Primary expansions	2.513	0.490	3.003
Existing Secondary expansions	0.124	0.215	0.339
Falling rolls	0.000	0.065	0.065
Leadership & Management Rebuilds	0.000	0.100	0.100
Additional KS1 classes and unallocated	0.037	-0.037	0.000
<b>Total</b>	<b>2.675</b>	<b>0.832</b>	<b>3.507</b>
<b>Funded by</b>		<b>£m</b>	
One-off DSG underspend		1.000	
<b>Unallocated funding</b>		<b>-0.168</b>	

**4.13** It is important to note that in the report entitled “ Proposed changes to Schools Block 5-15 Local Funding Formula for 2014/15” the Control Total of **£180.452m** assumes that the size of the Growth Fund is capped at **£3.675m**.

**4.15** Updated figures will be calculated after the October 2013 Census and any clarification of the costs to be borne for any new free schools that will count against basic need. These figures will be presented to Schools Forum in January 2014.

## **5. CONSULTATION**

**5.1** Consultation on the above proposals took place with the Schools Block Task and Finish Group at its meeting on 5 September 2013. If agreed by Schools Forum, further consultation will take place with all schools on the recommendations 2.2 to 2.5 at the same time as proposals for changes in the LFF 5-16 as set out in the report on LFF 5-16.