

Growth Fund Appendix A – Growth Fund Size and Criteria agreed by Schools Forum in September 2012

1. Key Features:

The key features of the Growth Fund as announced by the DfE are set out below:

- Funding is deducted from the Schools Funding block prior to delegation to schools and Academies.
- Maintained schools and Academies must be treated in the same way.
- It applies to both the primary and secondary phases.
- Apart from planned expansions, the Growth Fund can also cover the Key Stage 1 class size guarantee.
- Any funding unspent must be added to funding delegated to maintained schools and Academies in the following financial year.
- The local authority is required to seek the approval of Schools Forum on the amount to be held back, for what purposes the funding is used and the criteria for the allocation of funding to individual schools and Academies.

2. The Growth Fund in Waltham Forest:

The local authority proposes to use the Growth Fund to allocate additional funding to maintained schools and Academies as follows:

- Any primary and secondary school and Academy undergoing planned expansion e.g. reception classes and at year 7 will be eligible. Payment will be 7/12ths of the annual rate to cover additional costs incurred between 1 September and 31 March. Schools and Academies will be funded for the planned number of pupils e.g. 30 per extra FE. However from the next financial year, funding for the year group will be based on the actual NOR in the October census. It will cease when schools have reached expansion in all year groups.
- Any primary and secondary school and Academy accepting an additional temporary class will be eligible. Payment will be 7/12ths of the annual rate to cover additional costs incurred between 1 September and 31 March. However from the next financial year, funding for the year group will be based on the actual NOR in the October census.
- All qualifying schools and Academies undergoing permanent expansions or temporary expansions will also receive a sum of money equivalent to the average targeted pupil support rate per pupil for the school or Academy for the agreed increase in NOR. However from the next financial year, funding for the year group will be based upon the actual school pupil characteristics data collected by the DfE in the October Census.
- Where there is only a temporary one-off expansion, the maintained school or Academy will receive an extra £200 per pupil towards the cost of additional resources over and above the AWPU and targeted pupil support.

- Where there is only a temporary one-off expansion, the local authority will give a minimum class size guarantee of AWPU funding for 25 pupils per class or FE. This means that if the actual NOR in the class is only 23 at the time of the October census, the Local Authority will increase AWPU funding as if the actual NOR was 25. In this respect, the Local Authority will also honour all previous class size guarantees given prior to the 2013/14 financial year.
- Where the planned expansion of the maintained school or Academy is by at least 2FE, the Local Authority will provide additional Leadership and Management funding worth £150,000 over the first three financial years in recognition of the increase in management costs associated with significant expansion.
- Where the planned expansion of the maintained school or Academy involves a second site, the Local Authority will provide a split-site payment through delegated funding. In addition, the Local Authority will make a tapered payment to such schools in the first few years of expansion on to the second site in recognition of the fact that all the costs incurred for utilities, caretaking and cleaning and maintenance are now met solely out of AWPU and that in the first few years, the additional pupils do not generate sufficient funding to meet these costs.

Broadly speaking the average costs (per pupil) have been calculated at £150 per pupil, e.g. 3FE site costs @£94,500 utilities and caretaking cost. We will be recalculating this cost by looking at submitted budget profiles for 2012/13 for all our primary schools. The Local Authority plans to meet the shortfall in funding until the NOR on the new site reaches 70% of capacity e.g. the September when the growth in the size of the school reached Year 5. Thus, for a 2FE expansion the funding (in academic years) would be as set out in Table 1 below:

Table 1: Additional funding for expanding on a second site

September	Shortfall	Additional Funding
Year 1	540	£81,000
Year 2	450	£67,500
Year 3	360	£54,000
Year 4	270	£40,500
Year 5	180	£27,000

All of the above arrangements are already in operation in Waltham Forest, although in the case of the last proposal, this is limited to St Mary's C of E and The Woodside, although it is expected to include at least 3 other primary schools from September 2013.

- Where a parent takes a decision to defer a place for their child in reception to after the October census date, the Local Authority will make an additional payment through AWPU equivalent to the sum the school would have received

had the pupil been on roll. For practical reasons, this will be paid a year in arrears, as we can only fund on October numbers on roll.

- Where as a result of an appeal or the Local Authority asks a school to take a child (e.g. looked-after or with SEN) which takes the number in the reception or Key stage class to over 30, the Local Authority will meet the cost of an additional teacher to keep the class size at 30 or below. Payments will be made termly in arrears based on submitted evidence of costs incurred by the school.

3. The cost implications:

The Local Authority has estimated that the costs of implementing a Growth Fund as set out above in 2013-14 are likely to be of the order shown in Table 2 below:

Table 2 – Forecasted cost of implementing a Growth Fund in 2013-14

	Primary	Secondary
Additional AWPU	£1,500,000	£85,000
Additional Targeted Support	£375,000	£15,000
Leadership & Management	£350,000	0
Resources	£12,000	0
Temporary class size guarantees	£188,000	0
Second sites	£300,000	0
Deferred placement - reception	£0	0
KS1 class size guarantee	£25,000	0
Total	£2,750,000	£100,000