

REPORT TO: School Forum

DATE: 15th October 2013

REPORTING OFFICER: Operational Director – Children’s Organisation and Provision

SUBJECT: Growth Funding

1.0 PURPOSE OF REPORT

1.1 This report provides a summary of the application of growth funding in 2013/2014 and proposes alternative criteria to access this funding from April 2014.

2.0 RECOMMENDED: That School Forum

- 2.1 Consider the criteria for pupil growth funding;**
- 2.2 Cease ghost funding allocation from April 2014;**
- 2.3 Agree to allocate growth funding on the basis of a % increase in pupil numbers only; and**
- 2.4 Agree the appropriate % increase to be applied.**

3.0 BACKGROUND

- 3.1 Under the new funding arrangements it was left to each local area to determine whether they wished to establish a budget for pupil growth in the primary and secondary sectors. In addition, the criteria for access to any growth funding needed to be considered. In the North West the picture is mixed. 13 Local Authorities have a budget for growth funding and 11 have chosen not to do so.
- 3.2 In Halton for 2013/2014, it was agreed that a pupil growth contingency budget be allocated. The total budget set aside was £380,000 and this budget was established by top-slicing £300,000 from the total primary school budget and £80,000 from the total secondary school budget. However, up to 30th September 2013 a total of £627,143 has been allocated and there are likely to be a number of other schools which meet the criteria and therefore are due additional funding within 2013/2014 financial year. It has been possible to find the additional costs incurred by using the Dedicated School Budget carry forward balance from 2012/2013. This however is not a sustainable solution.
- 3.3 The criteria for access to growth funding in 2013/2014 was continued funding for ghost pupils and funding for increases of 15 or more pupils at Key Stage 2 and Key Stage 3 / 4. It was agreed that the level of each schools carry forward balance would be considered prior to the allocation of additional funding and that unless the balance was committed where it was in excess of 50% of the growth application no funding would be allocated. This proposed approach has however proved costly and difficult to administer.

- 3.4 To continue with the current method of allocating growth funding would require an increase from the primary schools budgets of approximately £400,000. As this funding will have to be top sliced from the budgets available for primary schools it could lead to a reduction of approximately £8,000 per primary school on a lump sum basis or £40.00 per primary aged pupil on a per pupil basis. The total reduction to the funding available to distribute to primary schools would be £700,000, equivalent to a £14,000 lump sum reduction per primary school or £70 reduction per primary aged pupil on a per pupil basis. In addition, if we removed the carry forward criteria a further £35,000 would be needed based on the 2013/2014 position.
- 3.5 As numbers are currently declining in Halton's secondary schools unlike previous years there have been no applications for growth funding for this sector in 2013/2014.
- 3.6 As part of the consultation on revisions to the funding formula for 2014/2015 primary headteachers were asked if they would consider changing the pupil growth criteria to only provide additional funding where schools have a significant increase in pupil numbers and not continue to fund ghost pupils. Responses were very low four Headteachers supported this approach. One school suggested that the definition of significant increases is 7; another school suggested 20 and a third school suggested 10% of pupils. Three primary headteachers suggested in their response that the pupil growth contingency should be discontinued.
- 3.7 The per pupil percentage increase has been used by other local authorities as a criteria for growth with on North West Authority using a threshold of 8% as they considered 10% too high. It is therefore suggested that consideration is given to a percentage increase in pupil numbers as the only methodology for allocating growth funding.

4.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
School Forum report June 2013	Halton Borough Council website	Ann McIntyre – Operational Director – Children's Organisation and Provision