

Report to: Schools' Forum

Date: 7th December 2023

Report of: Jaswinder Didially

Title: Growth Fund Criteria 2024/25

Status: For discussion

1. Introduction

Local Authorities are permitted to retain funding to support Primary and Secondary schools (including Academies and Free Schools) with significant in-year growth in pupil numbers from Reception to year 11. Both the amount and criteria must be agreed by Schools' Forum and in accordance with criteria set by the Department for Education.

The growth fund must not be used to support:

- schools in financial difficulty
- general growth due to popularity - this is managed through lagged funding

Pupil number growth arises from two key sources: increased birth rates and in-year net migration into the City's schools. This is covered in Part A of this report.

In-year admissions will be required in the event of school or school phase closure to manage pupil displacement as part of Basic Need. This is covered in part B of this report.

New schools or school phases will be required to meet future Basic Need, particularly for secondary provision. This is covered in part C of this report.

None of the Growth Fund is retained or used by the LA for any other purposes. The purpose of this report is to seek agreement to the criteria for 2024/25.

Part A: Growth to meet Basic Need; increased births and in-year cohort growth from migration

A1. 2024/25 Basic Need Growth Fund Requirement

To enable the Local Authority to fulfil its duty to secure sufficient primary and secondary school places, maintained schools and academies may admit additional pupils' part way through a financial year. This is the principal criterion for the use of the Growth Fund.

A2. Criteria to determine in-year Growth allocation

The proposed criterion for 2024/25 covers growth through:

- Basic need expansions (permanent and bulge) approved by the local authority as these are not captured in the October census until the following year.
- Admittance of over 30 pupils through in-year demand. These are pupils that would not be captured in the October census until the following year.

Schools who have been commissioned to grow through the LA will automatically be funded for the agreed places without the need for a business case.

Please Note

- The Growth Fund cannot be used to allocate funding for general increases in pupil numbers or where the school has for example missed pupil numbers in submitting the October census returns.

A3. Part A. Recommendation

Schools' Forum to agree the criteria as set out above.

Part B: Growth in pupil numbers at receiving schools following a local school closure

B1. School Closure Funding criteria

In the unusual event of school closure, local schools will be required to admit additional pupils across multiple year groups where dispersal of existing pupils is required. This is considered Basic Need and does not include schools which are closing through academy conversion.

B2. School Phase Closure (as a result of a Change of Age Range) Funding criteria

In the event of school reorganisation and a change of age range leading to the closure of a phase of education (for example an all-through school removing its primary provision to become a secondary school), local schools will be required to admit additional pupils across year groups where dispersal of existing pupils is required.

It is expected that the School Budget Share for the period of the financial year that the school phase is to be closed will be retained by the Local Authority and can be made available as Growth Fund to provide for pupils displaced from the school that is being closed. The funding made available from school phase closure, to be redistributed through Growth Fund, is entirely separate from the identified cash-limited pot agreed to fund basic need growth.

B3. Part B Recommendations

Schools' Forum to agree to an approach whereby in the exceptional circumstance of a school/phase closure the funding rate for transferred pupils is tailored to individual school and pupil circumstances subject to sufficient funding within the retained School Budget Share from the closing school or closing school phase. Should this arise, the detail will be presented by report at a future forum.

Part C: New schools or new school phases to meet Basic Need

C1. New Schools or New School Phase Funding Criteria

To enable the Local Authority to fulfil its duty to secure sufficient primary and secondary school places in line with Basic Need, new schools or school phases may be proposed, for example a new school under the Free School presumption route, or a primary school becoming an all-through school.

C2. Set-Up Allocations for New Schools or New School Phases

It is proposed that the allocations agreed for new schools or new school phases for 2024/25, is as follows:

- For the new schools or school phases, they will be funded at PAN to reflect their agreed new intake. No free schools or school phases are planned for opening during 2024/25.
- Other capacity building costs and set up costs will be received directly through the DfE's central free school programme.

C3. Part C. Recommendations

Schools' Forum to agree the criteria as set out above

Part D: Overall recommendation of Growth Fund criteria to meet Basic Need (including new schools) and school or school phase closures

D1. 2024/25 Basic Need Growth Fund Recommendations

The growth funding criteria outlined across parts A-C is agreed.

The growth fund will be subject to changes in the event of school closures or school phase closures (as outlined in Part B).

Reports will be presented to school forum detailing any changes in the growth fund budget. A report on the actual spend for 2024/25 will be presented during January 2026.

D2. Funding Rates for Growth Funding criteria

Proposed growth funding requirements to meet Basic Need will be consulted on at the next School Forum Technical Meeting and likely to be allocated in line with the AWPU funding rates used in Birmingham's 2024/25 Fair Funding Formula, subject to sufficient funding being available within the Growth Fund.

Given the Growth Fund to meet Basic Need is cash limited BCC will reserve the right to scale back the AWPU rate to remain within budget.

This report is for information purposes only.