

## Agenda Item 4

**Report to:** East Sussex Schools Forum

**Date:** 18 November 2022

**Title of Report:** Growth Fund and Falling Rolls Fund

**By:** Alison Jeffery

**Purpose of Report:** To update Schools Forum on spend in the 2022/23 financial year and to seek approval for funding for the 2023/24 financial year.

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### ***Recommendation:***

**1. Schools Forum is asked to approve an allocation of £985,000 for the 2023/24 Growth Fund.**

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## **1. Introduction**

1.1 The 2022/23 Growth and Falling Rolls Funds were approved by Schools Forum on 19 November 2021.

1.2 The Growth Fund supports maintained and non-maintained mainstream schools which are required to provide extra places to meet basic need within the local authority. The fund is provided for:

- Key Stage 1 top-up: paid to schools to enable them to comply with Key Stage 1 class size legislation, which sets a maximum class size of 30 pupils with one teacher. There are a few exceptions where class sizes can exceed 30, but there is no entitlement to Growth Fund, for example, arising from admissions through the Fair Access Protocol.
- Additional classes: where the local authority has made a formal request for a school to set up one or more additional classes or requests a permanent increase in a school's Published Admission Number.
- New school funding: when new schools open in a local authority area, they receive pre-opening funding through a formula to cover costs incurred prior to the opening and diseconomy funding to cover costs incurred while the school fills to capacity. The funding decreases year on year as more year groups in the new school are admitted.

1.3 The Falling Rolls Fund is used to support good or outstanding schools that have temporary, but significant, falling rolls, but where local planning data shows the places will be needed in the near future. It is designed to avoid the need for a school to restructure and then recruit again shortly afterwards. The funding is for maintained and non-maintained schools. The circumstances in which a payment is made from the Falling Rolls fund are:

- The school is judged to be good or outstanding at their last Ofsted inspection (this is a mandatory requirement from the DFE).
- The number on roll has dropped by more than 5% between the October 2021 census and the October 2022 census.
- Local planning data (East Sussex County Council pupil forecasting model) predicts that the number on roll will, in October 2024, be equal to or exceed their number on roll as in October 2021.

## **2. Growth Fund 2022/23**

2.1 The Growth Fund budget for 2022/23 is £1,177,244. This is made up of £724,386 approved by Schools Forum on 19 November 2021 and £452,858 carried forward from 2021/22. The budget was based on estimated Key Stage 1 pupil numbers, the predicted additional classes required for the 2022/23 academic year and the number of new schools that required diseconomy funding.

2.2 In 2022/23, the numbers of schools eligible for either Key Stage 1 top-up funding, additional class funding and new schools funding were:

- 40 primary schools eligible for Key Stage 1 top-up funding
- 2 primary schools eligible for additional class funding
- 3 secondary schools eligible for additional class funding
- 1 all-through school eligible for new schools funding

2.3 To date, £1,059,999 of the Growth Fund budget has been spent in 2022/23, leaving a balance of £117,245 unspent. The underspend has come about largely because the Key Stage 1 top-up payments were lower than estimated. It is proposed to carry forward this amount to the next financial year, thereby reducing the amount sought in 2023/24

2.4 A summary of spend in 2022/23 is provided in **Appendix A**.

### 3. Review of the Growth Fund

3.1 At last year's meeting it was agreed that a review of the Growth Fund criteria and funding levels, specifically the additional class funding element, should be undertaken to ensure 'efficiency of the fund'. The review took place in June 2022. Two members of Schools Forum, Hugh Hennebry and Tom Scully, volunteered to take part in the review.

3.2 The review concluded that additional class funding is essential in helping the local authority to manage school places in accordance with its statutory duty by supporting schools to grow in areas of basic need pressure. The review also concluded that the funding rates should be uplifted as they have not changed for several years and do not support current salary levels.

3.3 It is therefore proposed to increase the amount we pay per additional class from April 2023, as set out in the tables below. The new rates are based on the salary scales, rounded to the nearest £500, as per the Growth Fund document. The same salary scales apply to Key Stage 1 funding.

| <b>Additional class funding salary support (primary)</b> | <b>Current funding</b> | <b>Funding from 2023/24</b> | <b>Change</b> |
|--|------------------------|-----------------------------|---------------|
| April to August  | £26,500                | £30,500                     | +£4,000       |
| September to March                                       | £37,500                | £44,000                     | +£6,500       |
| Total  | £64,000                | £74,500                     | +£10,500      |

| <b>Additional class funding salary support (secondary)</b> | <b>Current funding</b> | <b>Funding from 2023/24</b> | <b>Change</b> |
|--|------------------------|-----------------------------|---------------|
| April to August  | £29,000                | £34,000                     | +£5,000       |
| September to March   | £42,000                | £48,000                     | +£6,000       |
| Total  | £71,000                | £82,000                     | +£11,000      |

3.4 Currently, the April to August payment is adjusted using the basic per pupil amount of a school's budget to account for pupils who are already being funded in the budget. This is to ensure that pupils are not funded twice. To make this process fairer, we propose using the guaranteed Minimum Per Pupil amount from 2023/24. This will ensure a more up-to-date funding factor is used while continuing to avoid pupils being funded twice.

### 4. Growth Fund 2023/24

4.1 The proposed allocation for 2023/24 is based on the following assumptions:

- Key Stage 1 top-up funding: the estimated October 2022 pupil numbers and the estimated Key Stage 1 numbers as in October 2023. A 10% contingency has been added to the top-up element to allow for any unforeseen changes.
- Additional class funding: the predicted need for places identified through the annual update to the pupil forecasting model, most recently updated in July 2022 and available in the School Organisation Plan 2022-2026. A 10% contingency has been added to the additional class element to allow for any unanticipated pressures.

- New school funding: one school being eligible for funding

4.2 It is currently estimated that the following numbers of schools will be eligible for Growth Fund support in 2023/24:

- 37 primary schools potentially eligible for Key Stage 1 top-up funding
- 1 primary school eligible for additional class funding
- 3 secondary schools potentially eligible for additional class funding
- 1 all-through school eligible for additional class funding and new schools funding

4.3 In total, the Growth Fund requirement for 2023/24 is £985,000.

4.4 A breakdown of the Growth Fund calculation for 2023/24 is provided in **Appendix B**. The updated Growth Fund guidance document for 2023/24 will be available online ahead of the new financial year.

## **5. Falling Rolls Fund 2022/23**

5.1 The Falling Rolls Fund budget for 2022/23 is £42,000. No schools qualify for the fund in 2022/23, so we propose carrying forward the budget in its entirety to 2023/24. As a result, we do not require any additional funding for the Falling Rolls Fund next year.

5.2 The updated Falling Rolls Fund guidance document for 2023/24 will be available online ahead of the new financial year.

## **6. Conclusion and recommendation**

6.1 In conclusion, the report updates Schools Forum on Growth Fund and Falling Rolls Fund spending in the 2022/23 financial year and sets out the rationale for funding in 2023/24.

6.2 Accordingly, Schools Forum is recommended to approve an allocation of £985,000 for the 2023/24 Growth Fund.

**Alison Jeffery**

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# Growth Fund and Falling Rolls Fund summary 2022/23

|      |  | KS1 TOP UP        | KS1 TOP UP      | Add Class Funding | Add Class Funding | Dis economy of scale funding |
|------|--|-------------------|-----------------|-------------------|-------------------|------------------------------|
| DfE  | Primary School   | Apr 22 to Aug 22  | Sep22 - Mar 23  | Apr 22 to Aug 22  | Sep22 - Mar 23    | Apr 22 - Mar 23              |
| 2050 | Alfriston School   | £14,819           | £20,747         |                   |                   |                              |
| 2054 | Brede Primary School   |                   | £7,611          |                   |                   |                              |
| 2056 | Chiddingly Primary School                                      | £8,117            | £11,364         |                   |                   |                              |
| 2071 | Laughton Community Primary School                              | £2,755            | £3,858          |                   |                   |                              |
| 2091 | St Michael's Primary School, Withyham                          | £75               | £104            |                   |                   |                              |
| 2092 | Wivelsfield Primary School                                     |                   |                 |                   | £37,500           |                              |
| 2107 | Manor Primary School   | £6,777            |                 |                   |                   |                              |
| 3004 | Beckley Church of England Primary School                       | £1,415            | £1,981          |                   |                   |                              |
| 3009 | Burwash C of E School  | £4,096            | £5,734          |                   |                   |                              |
| 3022 | East Hoathly C of E Primary School                             | £13,479           | £18,870         |                   |                   |                              |
| 3028 | Forest Row Church of England Primary School                    | £9,458            | £13,241         |                   |                   |                              |
| 3029 | Frant Church of England Primary School                         |                   | £1,981          |                   |                   |                              |
| 3041 | Southover C of E Primary School                                |                   | £24,500         |                   |                   |                              |
| 3045 | Netherfield C of E Primary School                              | £12,138           |                 |                   |                   |                              |
| 3046 | Ninfield Church of England Primary School                      | £4,096            | £5,734          |                   |                   |                              |
| 3048 | Nutley Church of England Primary School                        | £9,458            | £13,241         |                   |                   |                              |
| 3049 | Peasmarsh Church of England Primary School                     | £10,798           |                 |                   |                   |                              |
| 3062 | Stonegate Church of England Primary School                     |                   | £1,981          |                   |                   |                              |
| 3068 | Firle Church of England Primary School                         |                   | £22,623         |                   |                   |                              |
| 3072 | Icklesham Church of England Primary School                     |                   | £3,858          |                   |                   |                              |
| 3076 | Bodiam Church of England Primary School                        | £13,479           | £18,870         |                   |                   |                              |
| 3077 | Iford & Kingston Church of England Primary School              | £2,755            | £3,858          |                   |                   |                              |
| 3080 | Staplecross Methodist Primary School                           | £6,777            | £9,488          |                   |                   |                              |
| 3081 | Wadhurst C of E Primary School                                 | £13,479           | £18,870         |                   |                   |                              |
| 3092 | St Andrew's Church of England Infants School, Eastbourne       |                   | £1,981          |                   |                   |                              |
| 3323 | Framfield Church of England Primary School                     | £4,096            | £5,734          |                   |                   |                              |
| 3325 | St Mark's Church of England Primary School, Hadlow Down        | £6,777            | £9,487          |                   |                   |                              |
| 3326 | St Mary the Virgin Church of England Primary School, Hartfield | £2,755            | £3,858          |                   |                   |                              |
| 3330 | Little Horsted Church of England Primary School                | £6,777            | £9,487          |                   |                   |                              |
| 3331 | Mark Cross Church of England Primary School                    | £2,755            | £3,858          |                   |                   |                              |
| 3332 | Groombridge St Thomas' Church of England Primary School        |                   | £3,858          |                   |                   |                              |
| 3335 | Holy Cross Church of England Primary School                    | £4,096            | £5,734          |                   |                   |                              |
|      | <b>TOTAL for Maintained Schools April 2022 to March 2023</b>   | <b>£161,227</b>   | <b>£252,511</b> | <b>£0</b>         | <b>£37,500</b>    | <b>£0</b>                    |
| 2007 | West St Leonard's Community Primary School                     | £4,488            | £1,981          |                   |                   |                              |
| 2003 | Glenleigh Park Academy   |                   | £24,500         |                   |                   |                              |
| 2008 | Hailsham Academy   |                   | £24,500         |                   |                   |                              |
| 2011 | The Baird Academy  |                   |                 | £13,488           |                   |                              |
| 2021 | Breakwater Academy   |                   | £1,981          |                   |                   |                              |
| 2023 | White House Primary School                                     |                   | £104            |                   |                   |                              |
| 2161 | Robsack Wood Community Primary School                          | £10,994           | £13,241         |                   |                   |                              |
| 3035 | Hurst Green Church of England Primary School                   | £75               | £104            |                   |                   |                              |
| 3047 | Northiam Church of England Primary School                      | £6,777            | £9,487          |                   |                   |                              |
| 3090 | St Paul's Church of England School, St Leonards-on-Sea         |                   | £13,241         |                   |                   |                              |
| 4026 | Beacon secondary   |                   |                 | £88,500           | £125,400          |                              |
| 4027 | Hailsham CC  |                   |                 | £29,500           | £83,600           | £56,000                      |
| 4046 | Seahaven Academy   |                   |                 | £59,000           | £41,800           |                              |
|      | <b>TOTAL for Academy Schools April 2022 to March 2023</b>      | <b>£22,334</b>    | <b>£89,139</b>  | <b>£190,488</b>   | <b>£250,800</b>   | <b>£56,000</b>               |
|      |  | £183,561          | £341,650        | £190,488          | £288,300          | £56,000                      |
|      | KS1 Top Up Total   | £525,211          |                 |                   |                   |                              |
|      | Additional Class Funding                                       | £478,788          |                 |                   |                   |                              |
|      | Dis economy of scale funding                                   | £56,000           |                 |                   |                   |                              |
|      | <b>Total</b>   | <b>£1,059,999</b> |                 |                   |                   |                              |

## Growth Fund requirement 2023/24

| Funding type                       | Funding required  |
|------------------------------------|-------------------|
| Key Stage 1 top-up funding         | £586,000          |
| Additional class funding           | £488,000          |
| New school funding                 | £28,000           |
| <b>Net total</b>                   | <b>£1,102,000</b> |
| Less carry forward from 2022/23    | -£117,000         |
| <b>Funding required in 2023/24</b> | <b>£985,000</b>   |

## Falling Rolls Fund requirement 2023/24

| Funding type                           | Funding required |
|--|------------------|
| Carry forward from 2022/23             | £42,000          |
| Additional funding required in 2023/24 | £0               |
| <b>2023/24 allocation</b>              | <b>£42,000</b>   |