

Report to:	East Sussex Schools Forum
Date:	10 January 2025
Title of Report:	Growth Fund and Falling Rolls Fund
By:	Gary Langford, Senior Manager School Organisation and Admissions
Purpose of Report:	To update Schools Forum on spend in the 2024/25 financial year and to seek approval for funding in the 2025/26 financial year.

RECOMMENDATION:

Schools Forum is asked to approve an allocation of £868,100 for the 2025/26 Growth Fund.

1. Introduction

1.1 The 2024/25 Growth and Falling Rolls Funds were approved by Schools Forum on 17 November 2023.

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 2023 census and the October 2024 census.
- Local planning data (East Sussex County Council pupil forecasting model) predicts that the number on roll will, in October 2026, be equal to or exceed their number on roll as in October 2023.

2. Growth Fund 2024/25

2.1 The Growth Fund budget for 2024/25 is £1,038,400 and was approved by Schools Forum on 17 November 2023. The budget was based on estimated Key Stage 1 pupil numbers, the predicted additional classes required for the 2024/25 academic year and the number of new schools that required diseconomy funding.

2.2 In 2024/25, the number of schools eligible for either Key Stage 1 top-up funding, additional class funding and new schools funding were:

- 35 primary schools eligible for Key Stage 1 top-up funding
- 1 primary school eligible for additional class funding
- 4 secondary schools eligible for additional class funding
- 1 all-through school eligible for new schools funding

2.3 To date, £894,204 of the Growth Fund budget has been spent in 2024/25, leaving a balance of £144,196 unspent. A summary of the spend in 2024/25 is provided in Appendix 1.

2.4 In addition, further support has been provided to schools in Uckfield which admitted additional pupils as a direct result of the closure of Holy Cross CE Primary School on 31 December 2023. In accordance with DfE regulations, any unspent budget following closedown of the school's accounts was transferred to the Growth Fund and paid to eligible local schools in August 2024. A similar exercise will be undertaken following closedown of the accounts for St Pancras Catholic Primary School which closed on 31 August 2024.

3. Growth Fund 2025/26

3.1 The proposed allocation for 2025/26 is based on the following assumptions:

- Key Stage 1 top-up funding: the estimated October 2024 pupil numbers and the estimated Key Stage 1 numbers as in October 2025. 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 2024. A 10% contingency has been added to the additional class element to allow for any unanticipated pressures.
- The cost of teachers and support staff have been uplifted by recent pay awards.

3.2 It is currently estimated that the following numbers of schools will be eligible for Growth Fund support in 2025/26:

- 35 primary schools potentially eligible for Key Stage 1 top-up funding
- 1 primary school eligible for additional class funding
- 2 secondary schools potentially eligible for additional class funding

3.3 In total, the Growth Fund requirement for 2025/26 is £1,012,300. This is partially offset by the underspend in 2023/24, meaning the requirement for 2025/26 is reduced to

£868,100. A breakdown of the Growth Fund calculation for 2025/26 is provided in Appendix B.

4. Falling Rolls Fund 2024/25 and 2025/26

4.1 The Falling Rolls Fund budget for 2024/25 is £42,000. No schools qualify for the fund in this financial year, so we propose carrying forward the budget in its entirety to 2025/26. As a result, we do not require any additional funding for the Falling Rolls Fund next year.

5. Conclusion and recommendation

5.1 In conclusion, the report updates Schools Forum on Growth Fund and Falling Rolls Fund spending in the 2024/25 financial year and sets out the rationale for funding in 2025/25.

5.2 Accordingly, Schools Forum is recommended to approve an allocation of £868,100 for the 2025/26 Growth Fund.