

Schools Forum – July 2013

Title of paper:	Pupil Growth Contingency Fund – update and criteria setting	
Corporate Director:	Candida Brudenell, Interim Corporate Director for Children’s Services	Wards affected: All
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Relevant Council Plan Strategic Priority: (you must mark X in the relevant boxes below)		
World Class Nottingham		
Work in Nottingham		
Safer Nottingham		
Neighbourhood Nottingham		
Family Nottingham		X
Healthy Nottingham		
Leading Nottingham		
Summary of issues (including benefits to citizens/service users):		
<p>In September 2012 and as part of the 2013/14 budget setting process Schools’ Forum approved a pupil growth contingency fund of £0.500m. This contingency is set aside for schools to bid against to fund any increase in pupil numbers on roll that have arisen since the budget setting process.</p> <p>Following a review of central government guidance, this paper seeks to update some of the recommendations made in the September paper and outline the criteria under which money from the contingency fund can be awarded to schools.</p>		
Recommendations:		
1	Approve the proposed criteria under which funding can be allocated to schools (set out in Appendix 1);	
2	Note that a termly report to be submitted to Schools’ Forum outlining how the funding has been allocated.	

1. BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

1.1 The £0.500m pupil growth contingency fund was approved by Schools’ Forum for schools requiring:

- Additional support following formal school reorganisation proposals.
- Unanticipated demand for school places and
- Potential breaches to Key Stage 1 class sizes following appeal panel decisions.

- 1.2 Since the September report, a paper titled '2013-14 Revenue Funding Arrangements: Operational Guidance for Local Authorities' (LA) has been produced, which has led to a revision to some of the initial proposals.
- 1.3 The proposed criteria under which funding can be allocated (set out in Appendix 1) has been produced in line with the above Education Funding Agency guidance, previous practice in Nottingham and best practice from other local authorities.

2. REASONS FOR RECOMMENDATIONS

- 2.1 In the September paper, it was agreed to review the existing funding model for expanding schools and make any amendments following changes in funding regulations, which has been done. The proposed criteria, decision making process and a breakdown of available funding are outlined in Appendix 1. This recommendation will provide a fair and consistent approach to the School Organisation Team allocating in year growth funding.
- 2.2 The proposed criteria and the levels of funding reflect how the fund is currently administered to schools however; it is worth identifying the following elements to the criteria:
 - Agreement to allocate the fund will be undertaken by the School Organisation Tem, instead of a Forum Sub Committee, and a termly report will be presented to Schools Forum to outline spend to date.
 - The funding levels outlined in Appendix 1 are the same as the current levels of funding as agreed by Schools' Forum in October 2011.
 - Funding will only be allocated to expanding schools where there is agreement with the LA that additional places are needed. If a school or academy chooses to take additional pupils without this agreement they will not automatically be eligible to receive funding from the contingency fund.

3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

None.

4. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 Under the Department of Education (DfE) 2013/14 Revenue Funding Arrangements funding can be retained centrally for significant growth in pre-16 pupil numbers to:
 - meet basic need;
 - support additional classes needed to meet the infant class size regulation;
 - meet the costs of new schools.

The above costs may include lead-in costs i.e. to fund the appointment of staff and the purchase of any goods and services necessary in order to admit pupils; it may also include post start-up costs and any dis-economy of scale costs. These pre and post start up costs should be provided for maintained schools and recoupment Academies. This arrangement can occur as long as the requirements are met in Appendix 1, paragraph 4.

- 4.2 Funding allocated to schools from this budget will cover costs between September 2013 and March 2014 only. From April 2014 funding will be received by schools for the additional pupils in their formula budget.

- 4.3 Any funds remaining at the end of the financial year are added to the following year's Dedicated Schools Grant and reallocated to maintained schools and Academies through the national formula.
- 4.4 The 2013/14 pupil growth KS1 infant class sizes contingency is £0.500m and was agreed by Schools Forum on the 21 March 2013 as part of the 2013/14 Budget report.
- 4.5 Although no formal criteria has been set by schools Forum in the past for the allocation of the pupil growth contingency, noted below in Table 1 are the funding streams which have historically been used to allocate the pupil growth contingency.
- 4.6 Table 1 below shows the maximum allocation, by funding stream, of how the contingency may be allocated. The allocation made to each school will be dependent on School Organisations assessment of each schools claim and what they feel is reasonable to allocate on a case by case basis.

TABLE 1: FUNDING CRITERIA VALUES	
Funding Streams	£
Teacher M3 (7/12ths)	17,824
Teaching Assistant Pt 22 (7/12ths)	14,242
Midday Supervisor Pt 8 (7/12ths)	2,150
Classroom set up costs – Fixtures & fittings Smart board kit	Up to £6,000 Up to £2,000
Amalgamation Costs – Head Teacher release time IT and support costs	Up to 15,000 Up to 10,000

Note - That the maximum allocation in 2013/14 is 7/12^{ths} based on the date ranges September 2013 - March 2014.

- 4.7 Other methodologies for distributing the funding are available but these methodologies have not been costed at this point in time. Therefore these methodologies contain an element of risk as the value cannot be quantified currently. Methodologies available include:
- A lump sum payment with clear parameters for calculation (usually based on upon the estimated cost of making additional provision for a new class or the estimated start up costs);
 - £x per pupil (usually based on AWPU and reflecting the proportion of the year which is not funded within the school's budget share;
 - £x per pupil, with a maximum ceiling.
- 4.8 It is recommended that Schools Forum approve the allocation of the Pupil Growth KS1 Infant Class Size Contingency based upon the methodology noted in 4.6 and up to the values contained in Table 1.

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5. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

None.

6. EQUALITY IMPACT ASSESSMENT

No as not needed (report does not contain proposals or financial decisions) X

7. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

None.

8. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

- Schools Forum – 20 October 2011 – “School Organisation – School Expansion and Contingency Funding 2012-13”;
- Schools Forum – 20 September 2012 – “Pupil Growth Contingency Funding”;
- Executive Board - 19 March 2013 - Schools Budget Report 2013/14;
- Schools Forum - 21 March 2013 - Schools Budget Report 2013/14.

Appendix 1: Background and criteria for the Pupil Growth Contingency Fund

1. What is the fund for?

The pupil growth contingency fund will support schools and academies that require additional funding for the following:

- Formal school reorganisation proposals;
- The creation of additional places in response to unanticipated demand;
- To avoid the breach of KS1 class size regulations following appeal panel decisions;
- Support costs for amalgamating schools .

2. Process

The Pupil Growth Contingency Fund (set at £0.500m by Schools Forum in September 2012) will be managed and allocated to schools by the School Organisation Team, with the final decision made by the Access to Learning Manager.

Decisions over the allocation of money to schools and academies will be made in accordance to the criteria set out below by the Schools Organisation Team.

School's Forum will receive a termly report detailing on the money has been allocated.

3. Funding available

Funding stream	Funding breakdown
Staff and ancillary costs to support additional children – these costs are worked out on an additional 30 children.	Includes costs for a Class Teacher (M3), a Teaching Assistant (Sc.20), a Midday Supervisor and costs for utilities, cleaning and maintenance (DfE formula of £150 per annum per pupil)
Classroom set up – funding to equip new classrooms required for additional pupils	£8,000 in total - £6,000 for fixtures and fittings and £2,000 for Smart Board Kit
Amalgamation costs	£25,000 in total - £15,000 for Head Teacher release time (if applicable) and £10,000 on IT and support work required

4. Criteria

The following criteria will apply in the allocation of funding to schools under these three funding streams:

1. Funding will only be allocated if additional costs have been incurred. Some expansions can take place within the current teaching structures of the schools and additional costs are marginal.
2. Funding should only be allocated to schools where there is agreement with the LA that additional places are required.

3. The option for mixed age classes will be considered before funding is allocated.
4. The staffing and ancillary costs will be for the 7 months (7/12ths) to cover the 7 months between when additional pupils join a school in September and when the increased numbers are recognised in the budget the following April.
5. A decision on the necessity and the level of the funding will be made by the School Organisation Team in conjunction with the school and will be based on available staff levels and the option for mixed year classes.
6. All funding allocations will be assessed on a case by case basis.
7. Classroom set up costs will be a maximum of £8,000 and will be allocated only where additional classrooms are bought back in to use or new classrooms require equipment.
8. A maximum of £25,000 will be allocated to amalgamating schools and the school must demonstrate how the money is spent.