

**Meeting:** Schools Forum  
**Date:** 29 January 2018  
**Subject:** Growth Fund payments for 2018/19 financial year  
**Report of:** Director of Children's Services

**Purpose of report:**

1. To update Schools Forum on the review of the Technical Sub Group following the first year of the new standardised payment arrangements for the Growth Fund for schools commissioned by Central Bedfordshire Council to provide additional school places.
2. To set out the proposed award amounts for eligible schools and academies for growth funding for 2018/19 financial year.

Contact Officers: Jessica Mortimer-Wabel, Admissions Manager  
Victor Wan, Head of School Organisation & Capital Planning (Interim)

Public/Exempt: Public

Wards Affected: All

Function of: Council

**RECOMMENDATIONS:**

1. To note the successful implementation of the first year of the standardised payment for the growth fund and to approve the payment process for subsequent years.
2. To approve the payment awards for the eligible recipients of the growth fund for 2018/19 financial year.
3. To approve the top slice of the Schools Block of £2m for the Growth Fund for payment to school expansions commissioned by the local authority.
4. Forum Decision required.

## **Background:**

3. For the financial year 2017/18 the Schools Forum agreed to award growth fund payments to eligible schools and academies through a standardised payment package, to replace the previous payment model. Prior to the new standardised payment package, each school/academy were required to make claims for funds to the growth fund panel to fund the new school places commissioned by the Council. The panel met two to three times per year to consider the claims and awarded funds which they considered met the criteria agreed by School Forum.
4. The 2017/18 financial year was the first year the new model was implemented following School Forum approval in July 2017. Eligible schools and academies were notified of the new model and were awarded growth funding based on their expansion type. Funding was paid in monthly instalments from September 2017 to March 2018.
5. The benefits of a standardised payment package for schools and the Schools Forum include:
  - Being able to accurately forecast the payments for the financial year to provide a better informed budget when requesting the growth fund top slice in future years
  - Providing schools with set payment amounts and the autonomy for establishing their additional classes and an incentive to achieve value for money. Enabling schools to plan ahead at the beginning of each financial year
  - Removing the onerous task for schools of making a growth fund claim
  - Streamlining the process
  - Ensuring growth fund money is distributed equitably and fairly to all eligible schools
6. In September 2017, the Schools Forum agreed the following:
  - The Technical sub group would review the first year's payments as a 'pilot year' for the new payment mechanism and recommend changes if required to the Schools Forum
  - The Technical Sub group would meet to address 'exceptional circumstances' where funds had to be reviewed to ensure the process remains fair and equitable for all schools.
  - The Technical sub group would undertake a review of the outcomes of schools following expansions to ensure standards are not affected.
  - A subsequent paper will be presented back to the Schools Forum with an evaluation of the new payment package.
7. The Schools Forum were advised in the meeting in September 2017, eligible schools and academies were awarded a total of £1,430,520 through the standardised payment package, plus an additional £283,905.50 pupil led funding for academies which has/will be recouped from the EFSA.

## Technical sub group review

8. The technical sub group and officers met in November 2017 to review the pilot year for the new payment amounts. Members and officers of the Technical sub group include: -

<b>Members</b>	<b>Officers</b>
Ali Brabner Co-chair	Dawn Hill
Sue Howley MBE	Jessica Mortimer-Wabel
Paul Barrett	Victor Wan
Karen Hayward	

9. Three claims were made from academies to be considered under the 'exceptional circumstances' clause. Those approved were to reimburse the academies for costs accrued as a result of delays to the build. Claims dismissed were for additional pupil led funding based on actual pupil numbers and for lead in staffing costs in the second year of an expansion programme.
10. As part of the review the group also requested that feedback be sought from schools and academies awarded growth funding during the 2017/18 financial year.

## Feedback from recipients

11. Of the 17 schools and academies in receipt of growth fund awards 6 schools responded and provided the following feedback:
- All agreed that the standardised payment packages provided clarity on what they were awarded
  - All agreed that the new process reduced their time and resources needed to acquire growth funding, although it was noted that due to the delay in the notification of the awards this financial year created uncertainty and therefore schools had to estimate what they would be awarded.
  - When asked whether the costs awarded accurately reflected the costs accrued in setting up a new class the responses varied from "yes a fair reflection", "we actually received more than I would have claimed" to "not entirely".
12. The biggest issue for schools and academies in the pilot year was that notification of their award and the timing of the payment was made too late into the financial year which created issues for budgeting. It is therefore imperative that the awards for the new financial year are agreed by in advance of the new financial year so that schools and academies can be notified and plan their budgets accordingly, Appendix C.

## Proposed awards for 2018/19

13. Given the feedback from schools has been largely supportive of the package amounts, it is proposed that they remain for the new financial year adjusted accordingly once the AWPU amounts have been agreed.

14. Appendices A and B are the proposed growth fund awards, subject to the AWPU amounts being finalised.
15. Appendix C is the forecast growth fund spend for the 2018/19 financial year (subject to AWPU amount confirmation).
16. The AWPU awards do not include pupil premium funding.
17. It is also not envisaged that school expansions will lose out as result of the new funding formulae for schools.

### **Exceptional Circumstances**

18. The Technical Sub Group will review 'exceptional circumstances' and make recommendations to the Schools Forum. Exceptional circumstances are usually where costs accrued by a school/academy are a direct result of either a delay in the build and not within the control of the school/academy. Recommendations for growth fund payments will be made providing supporting information can be provided.

### **Next steps**

19. Subject to approval from the Schools Forum, officers can notify the eligible schools and academies of their growth fund award for the 2018/19 financial year and confirm the payment schedule.
20. The Technical Sub Group will consider any requests for growth fund claimed as 'exceptional circumstances' and make recommendations to the Schools Forum, if required.
21. The Technical Sub Group will meet at the end of the calendar year to review the payment package amount and if necessary during the year to address exceptional circumstances. Recommendations will be made to the Schools Forum.