

EXTRAORDINARY MEETING - LEEDS SCHOOL FORUM

Meeting to be held in on
Thursday, 1st February, 2024 at 5.00 pm

MEMBERSHIP

Bradley Taylor, A, Primary Governors - Kirkstall Valley Primary
Kate Burton, E. Academy Reps – Alder Tree Primary
Rebecca White, B. Primary Heads, Sharp Lane Primary
Victoria McWalker, A. Primary Governors, St Margaret’s Horsforth C of E
Stratis Koutsoukos, B. Primary Governors, St Nicholas Catholic Primary
Nick Tones, J. Non Schools, Schools JCC
Christopher Thornton, J. Non Schools 16-19 Providers
Simon Prinsep, E. Academy Reps, Abbey Grange CofE
Peter McQuillen Strong, J. Leeds Catholic Diocese
Katherine Sommers, Academy Reps - Dixons
Rachel Colbourn, E. Academy Reps - Bramhope Primary
Dave Kagai, A. Primary Governors - St Nicholas Primary
Sarah Talbot, E. Academy Reps - East Ardsley Primary
John Garvani (LSF), A. Primary Governors - Broadgate Primary School
Louise Quinn, SILC Head, East SILC
Kate Cameron. Primary Heads - Calverley C/E
Peter Harris, B. Primary Heads - Farsley Farfield Primary
Julie Harkness, B. Primary Heads - Carr Manor Community school - Primary Phase
Emma Wraight, B. Primary Heads - Fieldhead Carr Primary
David Webster, C. Secondary Governors - Pudsey Grammar
Delia Martin, D. Secondary Heads - Benton Park
David Gurney, E. Academy Reps - Cockburn School
Rob Dixon, E. Academy Rep, Pudsey Waterloo Primary
John Thorne, E. Academy Reps - St Mary's Academy Menston
Joe Barton, E. Academy Reps - Woodkirk Academy
Russell Trigg, F. Governor East SILC
Dan Cohen (Leeds School Forum), J. Jewish Faith Schools

AGENDA

Item No	Title	Lead	Time	Purpose
1.	APOLOGIES	Chair	17:00	For information
2.	GROWTH FUND 2024-25 3 - 16	Chair	17:10	For decision



Report of the Director of Children and Families

Report to the Leeds Schools Forum

Date: 1st February 2024

Subject: 2024/25 Growth Fund

Report Author: Lucie McAulay / Shirley Maidens

Contact telephone number: 0113 3788766

Summary of main issues

1. Both the Schools Operational guide 2024/25 and the Growth and Falling Rolls Fund guidance 2024/25, include a number of changes and additional requirements now required to be adopted by all local authorities.
2. This report provides Schools Forum with an update on these requirements and proposes revised growth fund criteria and values for 2024/25 which now supersede those discussed and approved at Schools Forum on the 16th January 2024.
3. For the Growth Fund, the Council is proposing that:
 - Both primary and secondary schools will be eligible for growth funding where a permanent expansion has occurred to meet basic need. Growth funding will be paid until the permanent expansion is accommodated in every year group.
 - The existing criteria for additional resources be retained at £150 per pupil for existing schools and £250 per pupil for new presumption free schools.
 - The existing criteria be retained for new presumption free schools.
 - The per pupil value of growth fund to be discussed and approved by Schools Forum the options presented in the following report are:
 - i. To pay all eligible schools on the current criteria (Age Weighted Pupil Unit or AWPU)
 - ii. To pay all eligible schools on the minimum required funding with the exclusion of those primary schools currently in receipt of growth funding which will be retained at the current primary AWPU value.
 - iii. To pay all eligible schools on the basis of growth funding received with the exclusion of those primary schools currently in receipt of growth funding which will be retained at the current primary AWPU value.

Recommendations

4. Schools Forum is asked to decide on which approach to use in determining the value of the growth fund and reaffirm the criteria for 2024/25.

1 Background

1.1 Growth Funding is allocated within local authorities' schools block DSG allocations. This allocation funds pupil number variations within the funding formula for new schools that are still growing, as well as being used to establish a separate Growth Fund, which supports costs incurred by schools that are being established or extended to meet basic need and where admission numbers are increased. The Growth Fund recognises that these pupils are not recorded on the October census, and so will not attract funding through the usual schools funding formula. As it is within the schools block, a movement to or from the schools formula into the growth fund would not be treated as a transfer between blocks.

1.2 The growth fund can only be used to:

- Support growth in pre-16 pupil numbers to meet basic need
- Support additional classes to meet the infant class size regulation
- Meet the cost of new schools
- Meet the revenue costs, for schools, of removing or repurposing surplus places

Although the growth fund can be used for these purposes, it does not need to be used for all of these purposes.

The growth fund must not be used to support:

- Schools in financial difficulty
- General growth in individual schools (due to popularity) where there is no overall pupil number growth in the local area

1.3 For 2024/25, there are a number of new mandatory and compliant requirements as detailed within the main Schools Operational guide: 2024/25 and the Growth and Falling Rolls Fund guidance for 2024/25 as summarised below:

- Local authorities will be required to provide growth funding where a school or academy has agreed with the local authority to provide an extra class to meet basic need in the area (either as a bulge class or as an ongoing commitment). Funding, either through the growth fund, or by adjusting pupil numbers in the APT, will need to be provided regardless of whether the additional class is within or outside of the PAN.
- As a minimum local authorities will have to provide funding to a level which is compliant with the following formula:

primary growth factor value (£1,550) × number of pupils × ACA (Area Cost Adjustment)

The primary growth factor value will be used for all school types – recognising there is one teacher pay scale and that this funding is a minimum value. For Leeds the ACA is 1.0001678 which means this value is £1,550.26.

- Basic entitlement (primary or KS3) to each school, will be adjusted to reflect the proportion of the year which is not funded within the school's budget share until the school receives funding through their funding formula.

1.4 The impact of these new requirements on the Leeds Growth Fund are as follows:

- There was previously a condition that no funding would be allocated to schools where their PAN prior to expansion is not exceeded. This is no longer compliant with the new mandatory factor and so has been removed from the criteria.
- The value paid to schools has previously been based on the primary and key stage 3 Age Weighted Pupil Unit (AWPU) pro-rata for the part year as below.

	Full Year AWPU	7/12th AWPU
Primary	£3,562.61	£2,078.19
Key Stage 3	£5,022.85	£2,930.00

Schools Forum are asked to consider and approve the value paid to schools as outlined in section 3 of this report.

- Since 2021/22, the Leeds growth fund has only allocated growth to secondary schools for the first year of permanent growth as secondary schools were deemed more likely to be able to manage these costs within economies of scale. This requirement is no longer consistent with the compliant criteria and so has been removed from the growth fund criteria for 2024/25.

1.5 Subsequent to the Schools Forum meeting on the 16th January further guidance has been sought from the ESFA to determine if the growth to secondary schools applies to both existing and new expansions. The ESFA has clarified that this compliant criteria is expected to relate to all schools from 2024/25 including current expansions, although this cannot be paid retrospectively.

2. 2024/25 Growth Fund Allocation

2.1 The funding allocated for 2024/25 is calculated by the ESFA on the basis of pupil growth between the October 2022 and the October 2023 censuses. As this calculation is based on historic data, it will not always match the actual growth in the coming year. For 2024/25, the Leeds total allocation for growth from the ESFA has reduced by £1,259k to £3,731k compared to £4,990k in 2023/24.

- 2.2 This growth allocation is to be used in 2 ways:
- Within the Authority Pro-forma Tool (APT) for new and growing schools. For Leeds there is 1 primary school (opened September 2018) and 2 secondary schools (both opened September 2021). This is known as implicit growth.
 - A separate growth fund operated by the local authority for expansions to existing schools based on criteria and a value approved by Schools Forum. This is known as explicit growth.
- 2.3 The amount required for implicit growth for 2024/25 is £1.912m and is expected to remain at a similar amount for the following year. The budget set for explicit growth is agreed with Schools Forum.
- 2.4 If the implicit and explicit growth requirement is less than the growth fund allocation, as this is part of the overall schools block, any remaining funding is automatically added to the funding available for schools unless there is a specific agreement to use it for something else. If there is not enough funding to cover the implicit and explicit amounts, then agreement is sought with Schools Forum on how to fund that shortfall.
- 2.5 For Leeds, this last happened in the 2021/22 financial year. In that year, the growth allocation was £4.431m and the commitment was £5.464m, a shortfall of £1.033m. Schools Forum agreed to fund £500k from the underspend on growth fund from the previous year and the remaining £533k was funded from the remaining schools block allocation. This meant that less funding was available for schools budgets. Since that year, the amount of funding received for growth has been higher than the amount required. This meant that more funding was allocated to schools budgets in those years.

3 2024/25 proposal

- 3.1 As the criteria brought to Schools Forum on January 16th was not compliant with current requirements, a revised set of criteria is proposed as follows:
- 3.1.1 We are proposing to retain the existing criteria for Leeds primary schools that have been in place for 2023/24. Primary schools in Leeds would be eligible for growth funding where a permanent expansion has occurred to meet basic need. Growth funding will be paid until the permanent expansion is accommodated in every year group.
- 3.1.2 We are also proposing that secondary schools are also eligible for growth funding where a permanent expansion has occurred to meet basic need. Growth funding will be paid until the permanent expansion is accommodated in every year group.
- 3.1.3 Funding, either through the growth fund, or by adjusting pupil numbers in the APT, will need to be provided regardless of whether the additional class is within or outside of the PAN.

- 3.1.4 Schools would be eligible for Growth Funding where a temporary bulge has been created to meet basic need. Funding will be allocated for the bulge year only. Where a school has a temporary increase ahead of a permanent increase, the temporary increase will be included when determining when the expansion has been included in all year groups. I.e. for a secondary school, there would be funding for a temporary increase in the first year and funding for the permanent increase in the subsequent 4 years.
- 3.1.5 For existing schools, an allocation of £150 per pupil will be made to fund immediate additional resources, equipment or furniture costs to reflect increased costs.
- 3.1.6 For new presumption free schools, we are proposing to retain the provision of £250 per pupil for additional resources.
- 3.1.7 Additional funding would be available for existing schools that incur additional rental costs or for new schools with pre-opening costs.
- 3.1.8 In line with ESFA requirements to support pre and post start-up costs for academies where they are created to meet basic need, we are proposing to retain the criteria for leadership costs introduced in 2021/22 for any new schools opening through a free school presumption route over a 4-year period on a reduced sliding scale.

Table 1 below summarises the proposed Growth Funding criteria:

Growth funding available	Basis for allocation	Rate
Funding for all schools eligible for Growth Funding:		
Pupil funding	To be agreed by Schools Forum	Options outlined in table 2 below
Funding for existing schools:		
Immediate additional resources, equipment or furniture	Standard per pupil rate. In the case of a single 'bulge' year group this is only paid in the year of expansion.	£150 per pupil is proposed for 2024/25
Funding available for new presumption free schools:		
Leadership costs for a new presumption free school	Amount allocated will be equivalent to that which would be received from the ESFA in the first 4 years of opening.	The funding proposal for 2024/25 is: Year 1 £125k Year 2 £93.5k Year 3 £62.5k Year 4 £31k
Presumption free schools: additional resources	Standard per pupil rate: In the first year of each new cohort	£250 per pupil is proposed for 2024/25.
Funding available where applicable to schools:		

Growth funding available	Basis for allocation	Rate
Additional rental costs	For temporary accommodation needed to meet agreed growth.	Funded at cost through the growth fund until the financial year following the increase in numbers, at which point we would seek to fund the rental costs through the funding formula (assuming the criteria for this are met).

3.1.9 Three options have been modelled for Schools Forum to consider and approve on the per pupil value to fund schools. The options are detailed in table 2 below:

Table 2:

	Option 1	Option 2	Option 3
Pupil Funding	Age Weighted Pupil Unit rate for each pupil (pro rata if part year). Primary: £2,078.19 Secondary: £2,930.00	Minimum funding level. Primary: £1,550.26 Secondary: £1,550.26 Excludes primary schools currently in receipt of growth funding who will continue to be funding on the Primary AWPU rate as per option 1.	Based on the rate of the growth funding received to the local authority. Primary: £1,550.26 Secondary: £2,320.39 Excludes primary schools currently in receipt of growth funding who will continue to be funding on the Primary AWPU rate as per option 1.
Total Implicit funding required	£1,912k	£1,912k	£1,912k
Total Explicit funding required	£1,510k	£962k	£1,259k
Total Growth Fund required	£3,422k	£2,874k	£3,171k
Remaining to School Funding Formula	£309k	£857k	£560k

Min Funding Guarantee	0.5%	0.5%	0.5%
Cap on gains	0.97%	1.11%	1.03%

Appendix 1 shows the impact of each of these options on the schools receiving growth funding.

Appendix 2 provides an individual schools analysis which demonstrates the impact of each of the three options on the cap on gains and formula funding allocation for each school. This analysis does not include growth fund just the impact upon the funding formula allocations.

- 3.1.10 If a school is affected by the minimum funding guarantee, the minimum per pupil funding level or if the increase is less than 0.97%, then that school will not be affected by any of these options.

4 Impact on Future Years

- 4.1 As the growth rate in Leeds continues to fall, it is anticipated that the growth allocation received as part of the schools block will continue to reduce. Although detailed information for 2025/26 is not available yet it is likely that, whichever option is chosen, the costs will remain approximately the same as 2024/25. This means that it is possible that growth funding available for 2025/26 may not be sufficient to meet existing commitments.
- 4.2 The Growth Fund criteria and funding allocations will be again reviewed for 2025/26 to ensure its continued affordability.

5 Recommendations

- 5.1 Schools Forum are requested to reaffirm the growth funding criteria as agreed at the Schools Forum on the 16th January and vote on the per pupil value to be paid to schools for growth funding. These options are:
- Option 1: To pay all eligible schools on the current criteria (AWPU)
 - Option 2: To pay all eligible schools on the minimum required funding with the exclusion of those primary schools currently in receipt of growth funding which will be retained at the current primary AWPU value.
 - Option 3: To pay all eligible schools on the basis of growth funding received with the exclusion of those primary schools currently in receipt of growth funding which will be retained at the current primary AWPU value.

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Explicit Growth Fund Impact 2024/25 Financial Year

School Name	Option 1	Option 2	Option 3
	£000	£000	£000
Primary Schools			
Fieldhead Carr Primary School	67	67	67
Beeston Hill St Lukes	33	33	33
Bramhope Primary School	43	43	43
St Edwards Boston Spa	22	22	22
Secondary Schools			
Trinity Academy Leeds *	104	104	104
Allerton Grange	92	51	74
Benton Park School	169	94	136
Horsforth School	181	98	145
Leeds West Academy	181	98	145
Allerton High	185	103	148
Cockburn John Charles	91	49	72
Leeds City Academy	181	98	145
Provision for new primary places (30)	68	51	51
Provision for new secondary places (30)	93	51	74
	1,510	962	1,259

* presumptive free school

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