



**North Northamptonshire Schools Forum: 20 October 2022**

**Agenda Item 9**

**Pupil Growth Fund Policy and Update**

**1. Background**

- 1.1 The Pupil Growth Fund (PGF) provides the mechanism by which the Local Authority (LA) provides revenue funding to schools to employ the necessary staff to allow for the provision of new school places. The PGF is a key factor in ensuring that the LA can fulfil its statutory obligation of providing a sufficiency of school places in all areas of North Northamptonshire.
- 1.2 The PGF is funded from the Schools Block of the Dedicated Schools Grant and is top sliced from school budgets before the remainder is distributed via the Schools Funding Formula (for primary and secondary mainstream schools and academies).
- 1.3 Schools Forum is responsible for setting the amount of funding that schools receive when providing new school places at the request of the LA and the total allocated budget of the Pupil Growth Fund.
- 1.4 The PGF rates were last updated for the 2021/22 financial year and are based upon average teacher costs. These rates are identified below:

<b>Pupil Growth Fund rates</b>			
<b>£ per 30 additional places added</b>			
<b>Secondary</b>		<b>Primary</b>	
Teacher	£52,587	Teacher	£41,648
LSA (per 1 class of 30)	£26,752	LSA (per 1 class of 30)	£12,115
		Classroom Support (per 1 class of 30)	£14,195
Resources	£3,000	Consumables	£1,000
<b>Total</b>	<b>£82,339</b>	<b>Total</b>	<b>£68,958</b>

- 1.5 Due to the fact that the LA operates on the 1<sup>st</sup> April – 31<sup>st</sup> March financial year and schools operate on an academic year, any school that receives PGF funding will receive the funding in two tranches. One payment of 5/12ths to cover the period 1<sup>st</sup> April – 31<sup>st</sup> August each year and a second payment of 7/12ths to cover the period 1<sup>st</sup> September – 31<sup>st</sup> March.
- 1.6 The LA can recoup any PGF funding paid to an academy from the ESFA made in the period 1<sup>st</sup> April to 31<sup>st</sup> August annually, due to the way academies are funded.
- 1.7 Funding will be pro-rated for part form or multiples of full form entry, for example:
- a) The total sum above will be multiplied by 0.5 for a part form entry of 15 pupils
  - b) For an increase of one and a half form entry (45 pupils) the total sum will be multiplied by 1.5

- 1.8 Entry numbers falling under the half form or full form levels will be rounded to the nearest eligible entry level.
- 1.9 Where form entries are less than 50% of the half form entry numbers these entries will not be eligible for growth funding.
- 1.10 A payment will be made for each year that the school is growing until the earliest of the following:
- i. The school reaches full capacity attributable to the increase in PAN approved by the Assistant Director of Education
  - ii. The Growth Fund criteria changes due to affordability
  - iii. There is a change in the funding formula as directed from the Education and Skills Funding Agency.

## 2. 2021-22 Pupil Growth Fund Outturn

- 2.1 Pupil Growth Fund in 2021-22 overspent by £0.35m. The table below sets out the final position.

<b>2021-22 Pupil Growth fund Outturn</b>	<b>£</b>
2021-22 Pupil Growth Fund Budget as per January 2021 Schools Forum decision	700,000.00
Recoupment from ESFA for 2021-22 Pupil Growth Fund paid 1st April to 31st August 2021	381,197.08
Adjustments to 2020-21 Pupil Growth Fund by ESFA	-218,014.00
2021-22 Pupil Growth Fund Expenditure	-1,213,612.60
<b>2021-22 Pupil Growth Fund Overspend</b>	<b>-350,429.52</b>

- 2.2 The ESFA adjusted the following academies in 2021-22 for Pupil Growth Fund.

**School**

Corby Technical School

Kettering Science Academy

Loatlands Primary School

Prince William School

Rushden Primary Academy

Southfield School for Girls

St Brendan's Catholic Primary School

2.3 Pupil Growth Fund expenditure was spent on the following schools in 2021-22

School	2021-22 Total Expenditure
Hawthorn Community Primary Academy	
Irthlingborough Infant School and Nursery	
Loatlands Primary School	
Newton Road (changed trust was Risdene)	
Prior's Hall - A Learning Community	
Rushden Primary Academy (Goulsbra Road)	
St Brendans Academy	
Hayfield Cross	
Tennyson Road Infant School	
Titchmarsh CofE Primary School	
<b>Total Primary Growth</b>	<b>£389,320.60</b>
Brooke Weston Academy	
Christopher Hatton	
Corby Technical School	
Kettering Science Academy	
Prince William Academy	
Southfield School for Girls	
The Kingswood School	
<b>Total Secondary Growth</b>	<b>£824,292.00</b>
<b>Total Growth Expenditure in 2021-22</b>	<b>£1,213,612.60</b>

**3. 2022-23 Pupil Growth Fund Position**

3.1 The forecast position for Pupil Growth Fund in 2022-23 is as follows:

2022-23 Pupil Growth Fund	£
2022-23 Growth Fund Budget as per January 2022 Schools Forum decision	750,000.00
Recoupment from ESFA for 2022-23 Growth Fund paid 1st April to 31st August 2022	470,585.00
2022-23 Growth Fund Expenditure April - August 2022	-715,653.00
2022-23 Growth Fund Expenditure October 2022 - March 2023	-232,532.78
Recoupment by ESFA for Stanton Cross 2022-23 Budget	-134,315.38
Autumn 2022 Unforeseen Bulge Classes Requirements (to be confirmed)	-384,248.67
<b>Forecast Growth Fund Overspend for 2022-23</b>	<b>-246,164.83</b>

3.2 Growth has been funded at the following schools in 2022-23:

School	2022-23 Total Expenditure
Irthlingborough Infant School and Nursery	
Prior's Hall - A Learning Community	
St Brendans Academy	
Stanton Cross Primary	
Hayfield Cross (Kettering East)	
Tennyson Road Infant School	
Titchmarsh CofE Primary School	
<b>Total Primary Growth</b>	<b>£345,609.20</b>
Brooke Weston Academy	
Corby Technical School	
Kettering Science Academy	
Kingswood Secondary	
Prince William Academy	
Sir Christopher Hatton School	
Southfield School for Girls	
<b>Total Secondary Growth</b>	<b>£602,576.58</b>
<b>Total Growth Expenditure in 2022-23 to date</b>	<b>£948,185.78</b>
<b>Recoupment by ESFA for Stanton Cross 2022-23 Budget</b>	<b>£134,315.38</b>
<b>Autumn 2022 Unforeseen Bulge Classes Requirements (to be confirmed)</b>	<b>£384,248.67</b>
<b>Forecast Growth Expenditure in 2022-23</b>	<b>£1,466,749.83</b>

#### 4. Requirements for the 2023-24 Pupil Growth Fund

- 4.1 This paper sets the scene in informing Schools Forum of the growing Pupil Growth Fund issue we currently face in North Northamptonshire.
- 4.2 A further paper will be brought to Schools Forum detailing the 2023-24 Pupil Growth Fund requirements and the decision in principle required to set the Primary and Secondary School Budgets.

#### 5. Recommendations for Schools Forum

- 5.1 Schools Forum is asked to note the contents of the report and observe the emerging need to increase the Pupil Growth Fund for 2023-24.

#### 6. Next steps

- 6.1 A further paper will be brought to Schools Forum in December 2022 detailing the 2023-24 Pupil Growth Fund requirements as well as additional budget required to meet the current overspend.

6.2 A decision in principle will also be required in the December 2022 meeting to set the Primary and Secondary School Budgets.

## 7. Financial implications

7.1 The current 2022-23 Pupil Growth Fund is forecast to overspend by **£0.246m**. There will be a need to top slice an equivalent amount from Schools Block in 2023-24 Schools Block DSG Allocation plus enough set aside for 2023-24 Pupil Growth Fund to support the urgent emerging growth to ensure that NNC is able to provide a sufficiency of school places across in North Northamptonshire in 2023-24.

## 8. Legal implications

8.1 The legislation governing the Schools Forum powers and responsibilities is available at the link below. This outlines that deductions that require a vote by all Schools Forum members.

[Stat guidance template \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Function	Local authority	Schools forum	DfE role
De-delegation for mainstream maintained schools for: <ul style="list-style-type: none"> <li>contingencies</li> <li>administration of free school meals</li> <li>insurance</li> <li>licences/subscriptions</li> <li>staff costs – supply cover</li> <li>support for minority ethnic pupils/underachieving groups</li> <li>behaviour support services</li> <li>library and museum services</li> <li>School improvement</li> </ul>	Proposes	Maintained primary and secondary school member representatives will decide for their phase. Middle schools are treated according to their deemed status	Will adjudicate where schools forum does not agree LA proposal
General Duties for maintained schools <ul style="list-style-type: none"> <li>Contribution to responsibilities that local authorities hold for maintained schools <b>(please see <a href="#">operational guide</a> for more information)</b></li> </ul>	Proposes	Would be decided by the relevant maintained school members (primary, secondary, special and PRU).	Adjudicates where schools forum does not agree LA proposal
Central spend on and the criteria for allocating funding from: <ul style="list-style-type: none"> <li>funding for significant pre-16 <a href="#">pupil growth</a>, including new schools set up to meet basic need, whether maintained or academy</li> </ul>	Proposes	Decides	Adjudicates where schools forum does not agree LA proposal

8.2 For further information on the legislature for deductions please see [The School and Early Years Finance \(England\) Regulations 2022 \(legislation.gov.uk\)](#)

## SCHEDULE 2

Regulations 6 and 8

### CLASSES OR DESCRIPTIONS OF PLANNED EXPENDITURE PRESCRIBED FOR THE PURPOSES OF THE SCHOOLS BUDGET OF A LOCAL AUTHORITY WHICH MAY BE DEDUCTED FROM IT TO DETERMINE THE INDIVIDUAL SCHOOLS BUDGET

#### PART 1

##### Historic Commitments

1. CERA incurred for purposes not falling within any other paragraph of this Schedule or Schedule 1.
2. Expenditure in respect of—
  - (a) prudential borrowing;
  - (b) termination of employment costs, where the schools forum has approved the charging of these costs to the schools budget for the funding period in which they were incurred and the revenue savings achieved by the termination of employment to which they relate are equal to or greater than the costs incurred;
  - (c) services (often known as combined budgets) funded partly from central expenditure and partly from other budgets of the local authority or contributions from other bodies, where the expenditure relates to classes or descriptions of expenditure falling outside those in this Schedule;
  - (d) special educational needs transport costs; and
  - (e) purposes not falling within any other paragraph of this Schedule, provided that the expenditure does not amount in total to more than 0.1% of the authority's schools budget,

which was approved by the schools forum or the Secretary of State before 1st April 2013.

3. Any deductions under any of paragraphs 1 and 2(a), 2(b), 2(c), 2(d) and 2(e) must not exceed the amount deducted under each of the corresponding paragraphs of Part 1 of Schedule 2 to the 2021 Regulations for the previous funding period.

#### PART 2

##### Central Schools Expenditure

4. Expenditure due to a significant growth in pupil numbers as a result of the local authority's duty under section 13(1) of the 1998 Act to secure that efficient primary education and secondary education are available to meet the needs of the population of its area, including expenditure resulting from the additional costs associated with establishing a new school.

5. Expenditure to be incurred due to a decline in pupil numbers in—
  - (a) schools maintained by the authority which were awarded either the highest or the second highest grade in their last inspection under section 5 of the 2005 Act, including those inspected during the funding period; and
  - (b) Academy schools that have not previously been inspected under section 5 of the 2005 Act and have a predecessor school or schools which were awarded the highest or second highest grade in their last inspection under section 5 of the 2005 Act, including those inspected during the funding period,

where funding is likely to be necessary due to subsequent growth in pupil numbers at such schools before the end of the next three financial years after the funding period.

6. Expenditure to be incurred before the opening of new schools to fund the appointment of staff and to enable the purchase of any goods and services necessary in order to admit pupils.

7. Expenditure to make provision for extra classes in order to comply with the School Admissions (Infant Class Sizes) (England) Regulations 2012(66).

## 9. Risks

- 9.1 If Pupil Growth Fund is not established for 2023-24, NNC will not be able to fund previously agreed growth across the primary and secondary phases of education in North Northamptonshire and 'new and growing' schools will not receive budgeted for growth funding. This is likely to result in severe budget issues at several schools listed above, incur significant reputational damage and possible legal action against NNC by the schools involved.
- 9.2 Should a Pupil Growth Fund for 2023-24 be established but with insufficient budget to fund all required growth in North Northamptonshire, NNC may fail to fulfil its statutory obligations of providing a sufficiency of school places.

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