

**North Northamptonshire Schools Forum: 4 November 2021**

**Agenda Item 7**

**Pupil Growth Fund – 2021/22 position and requirements for 2022/23**

**Appendix E**

**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 is able to 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 21/22 financial year and are based upon average teacher costs. These rates are identified below:

Pupil Growth Fund rates			
£ per 30 additional places added			
Secondary		Primary	
Teacher	£52,587	Teacher	£41,648.25
LSA	£26,752	LSA	£14,194.90
Resources	£3,000	Resource	£1,000

- 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 is able to recoup any PGF funding paid to an academy from the DfE made in the period 1<sup>st</sup> April to 31<sup>st</sup> August annually, due to the manner in which academies are funded.

**2. 2021/22 PGF Position**

- 2.1 The agreed budget set by the NNC’s Shadow Schools Forum in October 2020 equated to **£700,000**.
- Total Growth Fund payments made to NNC schools for the 21/22 financial year = **£1,080,944**;
  - Total anticipated recoupment of academy PGF payments = **£411,981**;
  - Total Growth funded – recoupment = a forecast underspend of **£31,037** against the PGF budget for 21/22.
- 2.2 Growth has been funded at the following schools in 2021/22;

Phase	School	Growth Funded (£)
Sec	Brooke Weston Academy	798,153
	Corby Technical School (permanent)	
	Corby Technical School (bulge)	
	Kettering Science Academy	
	Kingswood Secondary	
	Prince William	
	Sir Christopher Hatton	
	Southfield School for Girls	
Pri	Hawthorn Primary	282,791
	Hayfield Cross CE Primary	
	Irthlingborough Infants	
	Loatlands Primary	
	Priors Hall Primary	
	Rushden Primary Academy	
	St Brendans RC Primary	
	Titchmarsh Primary	

### 3. Requirements for the 2022/23 Pupil Growth Fund

3.1 The forecast requirement for the 22/23 PGF is as follows. The requirement is based upon agreed growth that has already been added and is moving through the system i.e. new and growing schools and the funding that will be required to meet demand from September 2022 onwards (where this capacity will be added is still to be agreed in some instances).

Phase	School	Growth Funded (£)
Sec	Brooke Weston Academy	803,603
	Corby Technical School	
	CTS bulge 2 & BWA	
	Kettering Science Academy	
	Kingswood Secondary	
	Prince William School	
	Sir Christopher Hatton	
	Southfield School for Girls	
	Funding to support bulge capacity in Corby	
	Funding to support bulge cap in Kett	
	Funding to support bulge cap in W'boro	
Pri	Hawthorn Primary	224,258
	Hayfield Cross (Kettering East)	
	Irthlingborough Infant	
	Priors Hall Primary	
	Stanton Cross Primary (new school)	
	St Brendans	
	Titchmarsh Primary	
<b>Total</b>		<b>1,027,861</b>
Estimated recoupment		399,421

- 3.2 Total PGF payments to schools – academy recouplement from the DfE = **£628,440**.
- 3.3 Total forecast expenditure compared to the 21/22 PGF budget amount of £700,000, would therefore equate to a forecast underspend of **£71,660** for the 22/23 Pupil Growth Fund budget.
- 3.4 The anticipated expenditure against the 22/23 Pupil Growth Fund has been formulated with the best knowledge available to the LA at the present time, however, a number of assumptions about the growth required in 22/23 have been made and as such, the amounts shown above may be subject to change.
- 3.5 To mitigate against any unforeseen growth requirements in the North Northamptonshire area during the 22/23 financial year, it is recommended that the 22/23 PGF budget be maintained at its 21/22 amount and a budget of **£700,000** be approved by Schools Forum.
- 3.6 Any underspend against the PGF will be returned to the DSG.

#### **4 Recommendations for Schools Forum**

- 4.1 To agree that the teacher rates be maintained at 21/22 levels.
- 4.2 To note the current position of the 21/22 Pupil Growth Fund and the forecast expenditure required to support growth and to ensure that NNC is able to provide a sufficiency of school places across in North Northamptonshire in 22/23.
- 4.3 To approve a Pupil Growth Fund budget of £700,000 for the 2022/23 financial year.

#### **5 Next steps**

- 5.1 To consult upon/vote on the recommendations made above.

#### **6 Financial implications**

- 6.1 Should a Pupil Growth Fund of £700,000 be agreed for the 2022/23 financial year, this amount will be top-sliced from the Schools Block prior to the budgets for all mainstream primary and secondary schools and academies individual budgets are established.

#### **7 Legal implications**

- 7.1 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/guidance/legislation-governing-schools-forum)

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

7.2 For further information on the legislature for deductions please see [The School and Early Years Finance \(England\) Regulations 2021 \(legislation.gov.uk\)](#)

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 2020 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 1996 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) academies 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(14).

## **8 Risks**

- 8.1 If a PGF is not established for 22/23, NNC will fail to fulfil its statutory obligation of providing a sufficiency of school places.
- 8.2 If a PGF is not established for 22/23, 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 a number of schools listed above, incur significant reputational damage and possible legal action against NNC by the schools involved.
- 8.3 Should a PGF for 22/23 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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