

Committee:	Schools Forum
Meeting Date:	9th July 2019
Title:	Growth Policy & Funding Update
Author:	Joy Stodart & Michael Quinton
Decision making / consultative / information:	Information
Who can vote?	N/A

What is the Forum being asked to decide?

1. Schools Forum is asked to note future pressures on pupil growth in Suffolk, new schools in the pipeline and the expected increased expenditure in this area.
2. As it is within the schools block, a movement of funding from the schools formula into the growth fund would not be treated as a transfer between blocks. The schools forum would still need to agree the total growth fund.

Reason for recommendation

3. The recommendation is made to acknowledge the financial pressures facing Suffolk with regard to increasing school population, the need to request schools to grow, PANs increasing and building new schools in areas where the basic need cannot be met by the existing school infrastructure.
4. The LA would not expect to increase the growth fund budget in 2020-21, but will confirm this at the October meeting whereby there may also be further information and more detailed plans of what funding may be required for 2021-22.

Alternative options

5. Schools Forum could decide not to revisit the growth fund and risk the budget being overspent in the future which would increase the already growing DSG deficit.

Who will be affected by this decision?

6. All mainstream schools and academies will be affected as the growth funding is funded from within the DSG schools block allocation.

Main body of the Report

7. Growth funding is funded from the schools block and can be used only to support growth in pre-16 pupil numbers to meet basic need, to support additional classes needed to meet the infant class size regulation and to meet the costs of new schools.
8. Growth funding is within our schools block NFF allocations. For 2019 to 2020, growth funding has been allocated to local authorities using a new formulaic method based on lagged growth data. The change in the method of funding LAs has not changed the way in which authorities can allocate funding locally. The amount calculated for Suffolk is £3.2m which is significantly higher than the current budget held of £1.78m.
9. Any growth funding for Specialist Providers or Early Years Providers needs to be funded through the respective blocks.
10. The current policy remains in place and no amendments are required.
11. ESFA guidance for the funding of new schools created to meet basic need states the growth policy should provide for lead in costs, post start-up costs and diseconomy of scale costs and this area of the growth funding is likely to increase with proposed new schools.

Current Financial Position

12. The current growth fund budget is £1.780m and has been for a number of years and as agreed previously by Schools Forum.

	Budget	Spend	Variance
2017-18	£1,780,000	£2,312,005	-£532,005
2018-19	£1,780,000	£1,768,370	£11,630
2019-20 (Forecast)	£1,780,000	£1,502,000	£278,000

- **2017-18** - Overspend related to the volume of schools that had been through growth and increasing their PAN. Also funding in relation to new schools and a number of schools needing to change their class structures due to population growth in their respective areas contributed to the high level of spend.
- **2018-19** – On budget. The number of schools in receipt of growth funding reduced and had reached the final year of growth. The funding would subsequently now follow naturally through the census and formula.
- **2019-20 (forecast)** – Current committed expenditure is showing as an underspend, again relating to the number of schools reaching their final year of growth and reducing total payments. There may be additional cases in year that require consideration which could increase the spend further but these are unknown at this stage of the year.

Future Pressures

13. Looking ahead, the education capital programme between 2020 and 2023 could potentially see expansions of up to 11 primary schools together with the establishment of 6 new primaries, a free school and one high school.
14. There is some uncertainty about the timing of the need for these new projects because many of the places would be required to meet demand for new housing rather than from normal demographic growth through increased birth rates.
15. Housing developments have slowed during the last 18 months however and it is possible that some of these schools and some of the expansions may not be needed as early as the dates indicated in the table below. However, at this point the LA are anticipating an increase in growth funding expenditure for the following schools:

2020	2021	2022	2023
Copleston High	Thurston CEVC Academy	Brooklands Primary	Abbots Vale Primary
Bramford CEVC Primary	Trinity CEVA Primary	Trimley St Martin Primary	Ipswich Garden Suburb Primary 1 of 3
Abbots Green Primary	Chantry High	Bacton Primary	
Barrow CEVC Primary	Lakenheath New Primary	Ipswich Central Free School	
Stowupland High		Shotley Primary	
Sybil Andrews Academy		Elmswell Primary	
		Woolpit Primary	

16. Further forward, the LA has an expectation that there will be a need for new schools at Chilton Leys (Stowmarket) and Haverhill as well as an all through school at Brightwell Lakes (Martlesham).
17. It is clear that the need for financial support to enable expanded and new schools to cope until they are established will be a constant on the Schools Forum agenda if this level of growth continues in Suffolk.