

Schools Forum

6th December 2012

Pupil Increase Framework

Recommendation

The School Forum is recommended to:

1. Comment on the proposed Pupil Increase Framework
2. Agree any variations to the Framework included in paragraph 6.4 and 6.8
3. Offer suggestions for prioritisation of bids where the overall budget in exceeded

1.0 Introduction

1.1 The Schools Forum agreed at its meeting in October to allow a contingency from the Dedicated Schools Grant (DSG) of £400,000 to allocate to schools during 2013/14 where there is an increase in pupil numbers in the autumn term compared to the previous autumn term on which the main schools funding formula is based.

1.2 The new schools funding regulations note that once the Schools Forum has agreed this value, there is a need to have criteria to allocate the funding to schools and that the Forum should be updated regularly on the allocation of this budget during the financial year.

2.0 The current position

2.1 Currently Warwickshire County Council has an Exceptional Pupil Increase Policy which was agreed in November 2007 and is basically as follows:

“The Exceptional Pupil increases policy will allocate additional funds if one or more of the following criteria are met:

- *If pupil numbers increase by more than 20 or 20% between the January pupil count and the September (Autumn) pupil count, and the school sets up an additional class to accommodate the increased pupils, providing the published admission number is not exceeded.*
- *If as a result of an increase in the schools Published Admission Number the school needs to set up an additional class.*
- *If the increase in pupil numbers would have resulted in more than a 4% increase in budget, if the budget was recalculated for a September pupil count and the school sets up an additional class to accommodate the increased pupils, providing the published admission number is not exceeded.”*

2.2 In practice, any additional funding allocations tends to occur through two routes: one is an exercise of the policy noted above that is carried out after the October census to compare these pupil numbers with those included in the schools funding formula (taken from the January census) and the second is in conjunction with the Primary Expansion Capital Project. In both instances, the funding recognises that the school has had to incur additional teaching costs for a new class in September for which they will not receive formula funding until the following April.

3.0 The new regulations

3.1 Attached at Appendix A is an extract from the Department for Education (DfE) guidance regarding this funding allocation.

3.2 In terms of the details of the any new policy, the key points are that:

- the criteria is applicable to both maintained and academy schools
- It relates to both the primary and secondary sector
- It should be used to meet “basic need” and/or to meet the infant class size regulations
- Any unused funding at the end of the year should be transferred to the overall DSG for the next year
- The Schools Forum is required to agree the retained funding levels, the allocation criteria and receive updates regarding the actual use of the funding

4.0 The proposed framework

4.1 The regulations note this this funding should be used to offset short term additional costs where schools have seen an increase in pupils due to “basic need”. This term has been used in capital funding for some time now and has been in relation the new places required within schools to ensure that the statutory duty that the Local Authority has to ensure sufficiency of school places is met. However, more recently, the Secretary of State for Education has referred to pupil increases in schools not only being as a result in demographics, but also as a result of parental choice. As such, and in the spirit of the government agenda, the Framework is recommended to cover both the instances where the Local Authority has identified a demographic pressure for a school to expand and also where a school has seen an increase in pupils due to parental choice.

4.2 In all schooling sectors, if pupil numbers increase significantly, there is likely to be an impact on teaching costs. The intention of the Framework is to offer a contribution to support schools to fund these additional teaching costs.

5.0 How much should the contributions be?

5.1 Currently, the Exceptional Pupil Increase Policy funds schools for the teacher costs between September and the next April. This has been a value of £20,000 in the past few years, based on 7 months of a teacher salary (M4) with pension and superannuation on costs. Such a value would be a reasonable amount to continue to fund. The funding is outside of the core schools funding formula and is therefore not factored into the Minimum Funding Guarantee calculation.

5.2 An overall budget of £400,000 would offer support to 20 schools.

6.0 In what circumstances should the funded be allocated?

6.1 Primary Schools

6.2 The essence of the Framework is that it offers support to schools where there are additional costs. The funding should be allocated to schools where the increase in pupil numbers will cause a breach of regulations if an additional class is not established. This would be the case with regard to The School Admissions (Infant Class Sizes) (England) Regulations 2012. This states that an infant class size should not exceed 30 pupils for one teacher.

6.3 Whilst the previous policy included a specific increase in pupil numbers, the key factor is the extra costs associated with a change in organisational structure. A primary school with an additional 20 pupils may easily absorb these within the current class structure.

6.4 Therefore, it is proposed that the new Framework should be as follows:

If a primary school has to increase its class structure in the Autumn Term and incur additional teaching costs as a result of this, then a one off contribution of £20,000 will be made to the school. This increase may be as a result of either the Local Authority requesting this expansion or due to parental choice. The school would need to provide evidence to the Local Authority that these additional teaching costs had been incurred.

6.5 Secondary Schools

6.6 Secondary schools are organised in a more complex manner than primary schools and the Framework regarding changes in pupil numbers may need to be different. However, the core principle of the school being offered additional funding only when additional costs are incurred still apply to the same degree as within the primary sector.

6.7 With the greater flexibility in the secondary sector in terms of class sizes and the nature of Key Stage 4 whereby classes are likely to be smaller, it is suggested that additional funding should only be available to schools where there is a bulge in pupil numbers in year 7. This is on the basis that where pupil numbers increase by small amounts in each year group, these could be absorbed within existing class structures. However, where a school is seeing a significant increase in the number of pupils joining in year 7 in the autumn to those leaving in year 11 in the summer and this results in additional tutor or teaching groups, then it is recognised that additional funding is likely to be required. However, as with primary schools, evidence will need to be provided to quantify this increase in costs.

6.8 Therefore, it is proposed that the new Framework should be as follows:

If a secondary school has to increase its class structure in the Autumn Term due to a greater number of pupils on roll at the school in year 7 than the number on roll leaving the school in the previous term from year 11, and that additional teaching costs are incurred as a result of this, then a one off contribution of £20,000 will be made to the school. This increase may be as a result of either the Local Authority requesting this expansion or due to parental choice. The school would need to provide evidence to the Local Authority that these additional teaching costs had been incurred.

7.0 What if the funding is oversubscribed?

7.1 The budget for the framework has been agreed as £400,000 and whilst this is based on recent funding levels, it may be that the number of schools needing to re-organise class structures is in excess of the 20 that this will fund.

7.2 On this basis, there may need to be a set of criteria against which bids are prioritised. It is recommended that those schools seeing an increase in pupil numbers as a result of a Local Authority request in order that it meets its sufficiency of places are given the first priority.

7.3 If there is then insufficient budget to fund the remaining schools, there may be several options, including:

- Identification of DSG underspends elsewhere, or
- Priority to schools expanding within their Local Authority agreed PAN, or
- A reduced amount of funding per school

7.4 The Schools Forum are requested to consider this prioritisation criteria.

Conclusion

The Schools Forum are required to agree to the criteria for allocating the centrally retained Pupil Increase Funding and this report offers a suggested framework to be implemented in April 2013. However, views are sought from the Forum with regard to the criteria that may be used to prioritise bids where they exceed the overall available budget.

Background papers:

Devolved Capital Programmes 2012-13 (Department for Education) 27th November 2012

Written Ministerial Statement (Secretary of State for Education)- Education Capital - Allocation of extra £500 million to address the shortage in pupil places and the launch of the consultation on school premises regulations. November 3rd 2011

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