

WIRRAL COUNCIL

SCHOOLS FORUM – 26th JUNE 2019

REPORT OF THE CORPORATE DIRECTOR FOR CHILDREN SERVICES

GROWTH FUND 2018-19

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to update Forum on the use of the growth fund that was created as part of the local schools funding formula in 2018-19 as a means of redistributing funding for the children attending Kingsway Academy which closed in August 2018.

2.0 BACKGROUND

2.1 It was announced in July 2017 that the Kingsway Academy would close in August 2018 at the end of the academic year. However, there were 140 pupils remaining at the school at the time of the autumn 2018 census, which is used as the basis for the following years funding formula allocations.

2.2 The schools' budget was allocated to schools based on Wirral's local formula as agreed by Schools Forum in January 2018, and this process accounted for the closure of Kingsway Academy. Where the successor school was known for a pupil, adjustments were made to allocations.

2.3 However at the point of submitting allocations to the ESFA it was not known which schools a number of Kingsway Academy pupils would be attending. Advice was sought from ESFA, whose solution was to create a 'growth' fund to enable successor schools to be funded once known. As reported to Forum in May 2018 a growth fund of £391k was therefore created.

2.4 It was agreed by Schools Forum that the growth fund criteria to be considered in 2018-19 was in relation to growth in pupil numbers from the closure of Kingsway Academy, and was for one year only, with consideration given to growth in the number of year 7 pupils who otherwise would have gone to Kingsway.

3.0 GROWTH FUND DISTRIBUTION

3.1 For each pupil whose successor school was known at the time of submitting 2018-19 schools budget details to ESFA, successor schools were given an additional 7/12ths of a pupil on their submission in line with the LA financial year.

3.2 However, DfE guidance states that where growth funding is payable to academies, the local authority should fund the increase for the period from the additional September intake through until the following August. Academies allocated additional pupils in their original allocations therefore required a further 5/12ths of pupil funding for each additional pupil. ESFA agreed to fund this additional cost via an adjustment to DSG recoupment.

3.3 Allocations from the growth fund were based on successor school's information for the 140 pupils from the Admissions team, adjusted to remove those adjusted on the APT. As reported to Forum in May 2018, the per pupil rate of the successor school was used to distribute funding.

3.4 The following table shows the initial allocation of the growth fund, including the amount that was reclaimed from ESFA for the additional amount paid to Academies, which totaled £109,765:

School	Pupils		Per Pupil funding rate (£)		Transferred (£)			Of which 5/12ths claimed from ESFA
	KS3	KS4	KS3	KS4	KS3	KS4	Total	£
Not included in original school budgets:								
Hilbre High School	5.08	2.00	4,667	5,824	23,724	11,648	35,372	14,738
St Mary's Catholic College	0.42	8.00	5,174	6,331	2,156	50,646	52,802	22,001
Olderhaw	0.92	22.00	5,358	6,515	4,911	143,322	148,233	61,764
Weatherhead	0.00	1.00	4,765	5,922	0	5,922	5,922	2,467
Birkenhead Park	-0.75	3.00	5,639	6,795	-4,229	20,386	16,157	6,732
Woodchurch High School	1.00	0.00	4,949	6,106	4,949	0	4,949	2,062
Already transferred on APT	33.33	0.00						
Out of borough / Post-16	64.00							
Total	140.00						263,436	109,765
Original Growth Fund Balance							391,544	
Reclaimed from ESFA							109,765	
Total growth fund available							501,309	
Remaining balance							237,873	

3.5 As the above table shows, there was £273k remaining due to a number of Kingsway pupils moving to post-16 or out of area schools. It was agreed by the Formula working group that any remaining growth fund should be distributed proportionately for indicative growth in year 7s caused by the closure of Kingsway Academy.

3.6 Allocations were not based on year 7 growth alone, as although September 2018 was the first year of Kingsway being closed, the impact on other schools would have taken effect prior to this, so year 7 growth only would have been disproportionate.

- 3.7 Instead, allocations were based on net growth of overall school numbers on roll in years 7-11 between autumn 2017 and autumn 2018, allowing for a nominal 'standard' growth of 20. However, only schools within 5 miles of Kingsway Academy were included (using shortest driving route) to give a reasonable commute time.
- 3.8 These criteria were agreed verbally by secondary school (including Academy) Forum reps, and resulted in the following allocations:

School	Net growth Oct-17 to Oct-18 (yr 7-11)	Shortest distance by road from Kingsway Academy (miles)	Growth after initial 20	Proportion of remaining Kingsway 'growth' fund	Amount transferred (£)
Birkenhead High	26	4	6	2.14%	5,079
Hilbre	29	5	9	3.20%	7,619
Mosslands	113	2.1	93	33.10%	78,727
Ridgeway	43	3.7	23	8.19%	19,470
St. Anselm's	31	3.8	11	3.91%	9,312
Birkenhead Park	53	4.1	33	11.74%	27,935
Oldershaw	105	2.9	85	30.25%	71,954
Upton Hall	24	2.6	4	1.42%	3,386
Weatherhead High	37	2.6	17	6.05%	14,391
			281		237,873

4.0 ADDITIONAL FUNDING

- 4.1 As reported in the 2018-19 Budget Outturn report at May 2019 Forum, as well as providing the £109k referred to in paragraph 3.4, ESFA also returned £173,236 of Wirral's recoupment as a way of repaying 7/12ths of Kingsway Academy's 2018-19 formula allocation for the period after they closed.
- 4.2 This was clarified with ESFA at the time, and it was confirmed that it was the correct final figure, and no further adjustments were to be made. This amount was included in the total DSG reserves reported in May (£2.2m), but it is proposed that as this sum relates to the closure of Kingsway Academy it should be distributed on the same basis as described in paragraph 3.7.
- 4.3 When reconciling Wirral's 2018-19 Pupil Premium grant income, there was £45,270 income unaccounted for. Clarification was sought from ESFA who confirmed that this was the returned amount for Kingsway Academy pupils. It is proposed that this sum is distributed on the same basis as described in paragraph 3.7.

5.0 CONCLUSION

- 5.1 The growth fund, which was created in response to the pending closure of Kingsway Academy, has been used to redistribute funding to known successor schools of Kingsway Pupils. The remaining fund has been distributed proportionately based on agreed criteria to meet indicative year 7 growth resulting from the school closure.
- 5.2 The growth fund was for one year only and has not been repeated in 2019-20.
- 5.3 It is proposed additional funding received from ESFA (referred to in section 4) relating to the closure is distributed to schools on the same basis as the indicative year 7 growth allocations.

6.0 RECOMMENDATIONS

- 6.1 That the Forum notes the report and the use of the growth fund in 2018-19.
- 6.2 £173,236 received from ESFA via DSG recoupment adjustment is distributed to secondary schools using the criteria described in paragraph 3.7.
- 6.3 £45,270 received from ESFA for Kingsway Academy's Pupil Premium grant is distributed to secondary schools using the criteria described in paragraph 3.7.

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