

WIRRAL COUNCIL

SCHOOLS FORUM – 29th September 2020

REPORT OF THE DIRECTOR OF CHILDREN, FAMILIES AND EDUCATION

2020-21 GROWTH FUND AND FALLING ROLLS FUND

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to propose the criteria for accessing the Growth Fund and Falling Rolls Fund in 2020-21, which have been created for the first time as part of Wirral's funding formula.

2.0 BACKGROUND

2.1 At the June 2020 meeting, Schools Forum was presented with a report that outlined the proposed criteria for accessing both the Growth Fund and Falling Rolls Fund in 2020-21 and these are given below:

a. The proposed criteria for Wirral's 2020-21 £233k Growth Fund is...

- Mainstream schools and academies can access the fund.
- pupil numbers grow because of basic need to above 6.5% of the budgeted numbers between the budget setting period and October census.
- growth funding will be equivalent to the Basic Entitlement factor (AWPU) only for the additional pupils (i.e. over the 6.5%).
- funding is for the remainder of their relevant funding period (pro rata).

b. The proposed criteria for Wirral's 2020-21 £233k Falling Rolls Fund is...

- the fund is accessible to 'Good' or 'Outstanding' mainstream schools and academies.
- the Number On Roll (NOR) is less than 80% of its Published Admission Number (PAN);
- planning data shows surplus places will be required within 3 years.
- falling rolls funding will be equivalent to the basic entitlement factor (AWPU) only over the 6.5% threshold
- e.g. if drop by 8%, would receive basic entitlement for 1.5% of its previous intake for the relevant funding period.

2.2 Following careful consideration of the proposal the Schools Forum felt that they needed further information before they could commit to accepting the proposed criteria and this is detailed below.

3.0 FURTHER INFORMATION

3.1 The following information was requested:

1. Do the criteria meet DFE regulations?
The criteria are based on the recommended criteria as per the Schools revenue funding Operational guide.
2. Need for separate funds?
EFSA recommend the use of separate funds to support the development of clear objective trigger points for qualification and a clear formula for calculating allocation of the funds. Individually funds can under or overspend thus where there is pressure on one fund e.g. Growth Fund, this can be off set by any under-utilisation of the Falling Rolls Fund. The collective surplus/deficit balance of both funds will be carried forward into the following financial year.
3. What is the basis for 6.5% threshold applied to both the Growth and Falling Rolls Funds?
Analysis was undertaken of the year on year changes in pupil numbers (2018-19 compared to 2019-20 October Census) by school and this identified that a 6.5% threshold should be affordable within the financial limits of the funding made available for 2020-21.

Relatively small changes in the threshold can have a significant impact on the number of schools that qualify, the value of additional funding for each qualifying school and the total cost. This is demonstrated in the table below which compares the impact of applying the proposed 6.5% threshold with small changes to the threshold percentage.

Baseline percentage change	Growth fund £233k			Falling Rolls fund £233k		
	Number of schools benefitting	Range of additional funding per school £	Total cost £	Number of schools benefitting	Range of additional funding per school £	Total cost £
1. Proposed threshold	7	£2.4k to £91.9k	£235k	6	£0.6k to £184.1k	£266k
2. Proposed less 1%	8	£4.7k to £108.4k	£315k	8	£0.1k to £230.8k	£340k
3. Proposed less 1.5%	8	£5.7k to £121.3k	£360k	9	£2.2k to £254.1k	£389k
4. Proposed less 2%	8	£6.8k to £134.2k	£404k	12	£0.5k to £277.4k	£445k
5. Proposed less 3.5%	20	£0.1k to £172.8k	£651k	14	£1.4k to £347.5k	£562k

4.0 CONCLUSION

- 4.1 Given the significant differences in individual schools funding that is applicable for qualifying schools, Schools Forum may wish to consider applying a 'ceiling' on the maximum funding applicable to any one school. Thus, for example, if the 6.5% thresholds proposed also included a ceiling of £50k per school the total cost outlined in the table above will reduce by £74k for Growth and a further £134k for Falling Rolls.

5.0 RECOMMENDATIONS

- 5.1 That the Forum notes the report.
- 5.2 That the Schools Forum agrees criteria set out in Option A or Option B below.

Option A - Schools Forum agrees the criteria for the 2020-21 Growth Fund and Falling Rolls Fund as outlined in paragraph 2.1a and 2.1b.

Options B – Schools Forum agrees the criteria set out in Option A but with the addition of a £50k ‘cap’ on the amount of funding that any one school can receive in an academic year as follows:

The proposed criteria for Wirral’s 2020-21 £233k Growth Fund is...

- Mainstream schools and academies can access the fund.
- pupil numbers grow because of basic need to above 6.5% of the budgeted numbers between the budget setting period and October census.
- growth funding will be equivalent to the Basic Entitlement factor (AWPU) only for the additional pupils (i.e. over the 6.5%) to a maximum of £50,000 in any one year.
- funding is for the remainder of their relevant funding period (pro rata).

The proposed criteria for Wirral’s 2020-21 £233k Falling Rolls Fund is...

- the fund is accessible to ‘Good’ or ‘Outstanding’ mainstream schools and academies.
- the Number On Roll (NOR) is less than 80% of its Published Admission Number (PAN);
- planning data shows surplus places will be required within 3 years.
- falling rolls funding will be equivalent to the basic entitlement factor (AWPU) only over the 6.5% threshold to a maximum of £50,000 in any one year.
- e.g. if drop by 8%, would receive basic entitlement for 1.5% of its previous intake for the relevant funding period.

Paul Boyce
Director of Children, Families and Education