



HILLINGDON  
LONDON

# DEDICATED SCHOOLS GRANT

# GROWTH CONTINGENCY FUND POLICY

## **1. Overview**

This is the Growth Contingency Fund Policy of the Hillingdon Schools Forum.

This Policy will be reviewed on an annual basis.

It only provides revenue funding for eligible schools.

Where reference is made to a financial year this refers to the local authority's financial year which starts on 1 April and ends on 31 March.

## **2. Background**

The School Funding Reform – Arrangements for 2013/14, set out criteria to allow Dedicated Schools Grant (DSG) funding to be retained centrally within a Growth Contingency Fund. The purpose of this fund will be to provide resources to schools (both Maintained and Academy) to support growth in pupil numbers to meet basic needs. It will be managed and controlled by the Schools Forum, who will also be responsible for the release of funds to schools based on the criteria as set out in this policy.

## **3. Policy Statement**

Schools Forum will agree the amount of the Growth Contingency Fund each year, by the end of January, where the agreed amount will be deducted from the DSG prior to the determination of school budget shares. The amount agreed will constitute the fund to be used from the 1 April immediately following.

The Growth Contingency Fund will be ring-fenced and used only for the purpose for which it was intended as set out in Section 4 of this policy statement.

The Growth Contingency Fund can be accessed by all Maintained and Academy primary, secondary and nursery Schools, but cannot be accessed by either Special Schools and Pupil Referral Units, as they receive funding directly from the High Needs Block, or Free Schools, University Technical Colleges, Old Style Academy Schools and Studio Colleges as their funding is managed directly by the EFA.

## **4. Purpose**

The purpose of the Growth Contingency Fund will be to provide financial recompense to schools throughout the relevant financial year (1 April to 31 March) to cover the cost of agreed and planned growth as a result of the following:

- a) The school has expanded
- b) The school is a New School

## 5. Criteria

Funds will be released to schools from the Growth Contingency Fund based on the following criteria:

### **Expanding Schools**

- The Local Authority has to agree, in advance, before the start of the financial year, and no later than 31 March of each year, which schools will or are expected to expand.
- Schools Forum agrees the schools that will be funded from the Growth Contingency Fund as part of the Dedicated Schools Grant budget setting process. This to be agreed in advance, before the start of the financial year, and no later than 31 March of each year.
- Where a school is expected to expand but has not been agreed by the local authority at the start of the financial year, funds will only be released by the Schools Forum once confirmation from the local authority has been received.
- Where a school expands without the Local Authority's and Schools Forum consent, the school will have to submit a written request to Schools Forum, providing a business case for the need in the growth and the required release of funds.

### **New Schools**

- The Local Authority has to agree, in advance, before the start of the financial year, and no later than 31 March of each year, the funding for new schools.
- Schools Forum agrees the schools that will be funded from the Growth Contingency Fund as part of the Dedicated Schools Grant budget setting process. This to be agreed, in advance, before the start of the financial year, and no later than 31 March of each year.
- This only applies to those schools that have always been included within the funding formula and new Basic Need Academy schools.
- The funding cannot be accessed by, Free Schools, University Technical Colleges, Studio Colleges and Old Style Academy Schools, where these schools are not included in the Schools Funding Formula.

## **6. Funding**

Funding from the Growth Contingency Fund will be allocated to schools based on the following calculations:

### **Expanding Schools**

- a) The determination of funding for expanding schools will be based on the following:
  - i. Funding will be based on a class size of 30 pupils (a form of entry)
  - ii. Each form of entry (class size of 30 pupils) will attract the average sector total AWPU for each child (this to be determined by dividing the total AWPU funding by the total number of pupils in Primary and Secondary schools)
  - iii. Funding will be calculated pro rata based on a start date of 1 September (7 months), or 1 January (3 months)
- b) Where a school has agreed to expand prior to the start of the financial year, the full years funding will be released at the beginning of the financial year and included in the first Cash Advance, paid in line with the monthly cash advance instalment profile.
- c) Where a school agrees within the current financial year to expand, the full years funding will be released one month after Schools Forum have agreed to fund the expansion and included in the Cash Advance payment instalment profile from the relevant date..

### **New Schools**

- a) The determination of funding for New Schools will be based on the following:
  - i. Funding will only be provided to those schools that have always been included within the funding formula, or are new Basic Need Academy schools.
  - ii. The funding cannot be accessed by Free Schools, University Technical Colleges, Studio Colleges and Old Style Academy Schools, where these schools are not included in the Schools Funding Formula
  - iii. Start up funding will be provided for each new year group based on a class size of 30 pupils (one form of entry), less the funding received through the funding formula.

- b) For a new school not in its first year of opening, the full years funding will be released at the beginning of the financial year and included in the first Cash Advance, paid in line with the monthly cash advance profile.
- c) For a new Basic Need Academy school, set up funding will be released based on an agreed profile between the provider and the Council, with the first payment being released in the April cash advance.

## **7. Year End Procedures**

A full reconciliation will be undertaken at the end of January each year, to determine the over or under allocation of the Growth Contingency Fund. Any balances (surplus or deficit) will be factored into the determination of the Dedicated Schools Grant for the following financial year.