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**SECONDARY SCHOOLS BECOMING ALL THROUGH SCHOOLS-  
ADDITIONAL GROWTH FUND ALLOCATION**

*Report of the Director of Education and Early Intervention*

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**1. Purpose**

- 1.1 To seek the agreement of the Forum for the introduction of an additional element of the Growth Fund. This would support the transitional costs incurred when a secondary school converts to become an all through school, at the request of the County Council in order to meet basic local need.

**2. Summary**

- 2.1 This paper outlines proposals for a new strand of the Growth Fund which would be payable to secondary schools becoming all through schools.

**3. Recommendations**

- 3.1 The Forum is asked to agree to the introduction of the additional element to the Growth Fund described in this paper, to start from the 2014-15 financial year.

**4. Background**

- 4.1 There has been a significant increase in primary age pupil numbers in Hertfordshire in recent years, resulting in a programme of expansions of primary schools to provide additional places.
- 4.2 Hertford and the surrounding area has seen a rising demand for reception places and this is forecast to increase further. The County Council's strategy has been to wait until there is a clear indication of the level of housing growth in the town through the District Local Plan, whilst in the interim dealing with high levels of demand through temporary expansions where necessary.

- 4.3 However, forecasts indicate that in September 2015, at least 45 additional places are needed for reception children and data analysis suggests that a significant proportion of this demand is coming from the East of the town. The County Council has previously explored and pursued several options with local primary schools in this area, however these have proved unviable.
- 4.4 Therefore Simon Balle secondary school was approached by the Authority to become an all through school, with a two form entry primary unit, in order to meet the demand for additional primary places within Hertford. The primary unit would open in September 2015 with just the reception year group and expand by an additional year group each academic year until it is at full capacity.
- 4.5 An application by the County Council to the DfE for Targeted Basic Need funding to support the proposal at Simon Balle was successful; a sum of c. £4.1 million has been granted for capital purposes with further funds agreed by the County Council to provide a budget of £5.6 million.
- 4.6 As an Academy, Simon Balle School took forward and recently concluded an 8-week public consultation on the proposal to create an all-through school. Following the consultation, the school's Governing Body took the decision to proceed with the proposal and a town planning application will be submitted in late spring.

## **5. Transitional funding issues in the establishment of an all through school**

- 5.1 Establishing a new primary unit to create an all through school presents considerable challenges and has similarities to the establishment of a brand new school. If a brand new 2-form entry primary free school were to be built next to Simon Balle on the available land, it would receive both a lump sum allocation in its budget share of approximately £150k per year and additional start- up funding. The start- up fund would comprise two elements:
- funding for costs prior to opening,
  - post opening grant of approximately £100k in the first year after opening, gradually reducing each year as the school built up its numbers
- 5.2 Simon Balle School with its primary expansion will receive neither the additional lump sum nor the start- up funding. It will therefore draw considerably less funding from the Hertfordshire Schools Budget than a brand new school would, both in the initial period after opening and on an ongoing basis.
- 5.3 An issue arises, however, with funding the transitional costs associated with establishing the primary unit. When it is fully established the primary per pupil funding in Simon Balle's budget share will provide for all the costs of the unit. However, the budget share will not provide any resource

for the period prior to opening and will provide only very limited resource in the first year after opening because only the reception year group will be present and attracting funding.

5.4 Following study of the costs of converting from a secondary to an all through school, the Authority is proposing that some additional resource should be provided via the Growth Fund to support Simon Balle's transitional costs. Five specific cost items have been identified. These are:

1. Consultancy input prior to opening

The current Senior Leadership Team does not have experience or knowledge of the primary curriculum. Therefore specialist consultancy will be needed to provide advice on the establishment of the primary unit, including its design, curriculum and procedures and the appointment of a head of primary.

2. Leadership: There are two elements to this.

a) Pre- opening costs

It will be necessary to appoint the head of primary a term in advance of the opening of the primary unit in order to appoint staff, develop the curriculum and ethos, deal with parents and resolve issues relating to the handover and equipping of the newly constructed premises.

b) Leadership diseconomies after opening

This is the heading for the major element of the DfE's post opening grant for free schools and relates to the fact that the head of the primary unit needs to be in place from opening, although initially the unit will only be funded for one year group of pupils. The cost of leadership is therefore disproportionate as a share of the budget share in the first years after opening. This can be offset to some degree in an all age school through the head of the primary unit being deployed to provide support to the secondary school leadership team. However, this is only possible to a certain extent.

3. Resources

The second element of the DfE's post opening grant for new free schools is an allocation for resources. Simon Balle has no suitable learning resources for primary aged pupils. (Furniture and equipment will be provided separately through the capital project.)

4. Separate reception for the primary unit

The primary unit's premises will be separate and slightly away from the existing site. Safety and security of students will be of paramount importance and this will dictate the need for a separate reception, which will be staffed fulltime, including first aid provision. The receptionist post will need to be in place from opening, even

though only one year group of pupils is initially on site, creating diseconomies in the first years after opening.

#### 5. Publicity

This includes brochures for parents and adverts for staff. Costs will be incurred from Autumn 2014, to provide publicity about the school to parents of reception age.

5.5 Annex A gives details of the costs identified under each of these five headings.

### **6 Additional Growth Fund allocation for all through schools**

6.1 The Growth Fund is the mechanism for providing additional revenue resource to schools which are expanding to meet basic need. It currently does this in two ways:

- by providing AWPU funding for the additional pupils from the time when they start in the school to the point at which they are funded in the budget share.
- by protecting schools, where the new provision does not fill, at a minimum of 24 pupils per class in the expanded cohorts for the period of the reorganization.

It is proposed to introduce a new element of the Growth Fund. This would provide additional funding for transitional costs to secondary schools/academies which convert to become all through schools at the request of the County Council, in order to meet local basic need. The new element of the Growth Fund would comprise the following allocations, which are based on the costings in Annex A:

- i. Allocation in the financial year prior to the opening of the new primary unit (i.e. 2014-15 in the case of Simon Balle): £12,000
- ii. Allocation in the Summer term prior to the opening of the new primary unit (i.e Summer Term 2015 in the case of Simon Balle): £48,000
- iii. Allocation in the period from the date of opening of the primary unit to the end of the financial year (i.e. September 2015 to March 2016 in the case of Simon Balle): £39,000
- iv. Allocation in the following financial year (i.e. 2016-17 in the case of Simon Balle): £65,000

This Growth Fund allocation will not be payable if a school/academy is in receipt of start- up funding or post opening funding from another source, such as the Education Funding Agency.

The Growth Fund allocations above would cover the period prior to opening and for five terms after the opening of the primary unit. It is proposed to review in due course the continuation of additional funding from the Growth Fund beyond this period.

## **7. Conclusion**

- 7.1 The Forum is asked to agree the recommendation in section 3 above. It is not intended to consult schools as this constitutes a minor change to the Growth Fund. If the Forum approves the introduction of this additional element of the Growth Fund, the Authority will submit the proposal to the DfE for approval.
- 7.2 The Governing Body of Simon Balle School supports the proposal outlined in this paper.

## Annex A

## Transitional Costs associated with a secondary school becoming an all age school

	Financial Year prior to opening	Summer Term prior to opening	From date of opening to the end of financial year	Following financial year
<b>1) Consultancy</b>	10 days advisor time at £600 per day £6,000			
<b>2) Leadership a) Pre opening costs</b>		L21 x 5/12 for period April to August = £33,000		
<b>2) Leadership b) Diseconomies after opening</b>			L21 x 7/12 for the period September to March x 2/3 (proportion not covered by reception year group or work in secondary school) = £31,000	L21 x 1/2 = £40,000
<b>3) Resources</b>		Based on DfE allocation for free schools of £250 per place. 60 places x £250 = £15,000		60 places x £250 = £15,000
<b>4) Reception</b>			Administrator/Receptionist H4 37 hours per week, term time only x 7/12 x 2/3 = £8,000	Administrator/Receptionist H4 37 hours per week, term time only x 1/2 = £10,000
<b>5) Publicity</b>	Publicity (brochure, website, adverts) = £6,000			
<b>Total</b>	<b>£12,000</b>	<b>£48,000</b>	<b>£39,000</b>	<b>£65,000</b>