



NORTH YORKSHIRE SCHOOLS FORUM

Date of meeting:	24 th September 2026
Title of report:	Review of Pupil Growth & Falling Rolls Contingency Funds
Type of report:	For decision
Executive summary: Including reason for submission	The report provides an overview of the usage of the Pupil Growth and Falling Rolls Contingency Funds in the 2025-26 financial year and the likely funding requirements for the 2026-27 and 2027-28 financial years. The report also requests Schools Forum consideration of a proposal to cease the operation of the Falling Rolls Fund for the 2027-28 financial year.
Budget / Risk implications:	Financial implications for schools experiencing a significantly rising pupil roll or a temporary reduction in pupil numbers. Affordability within the current funding limits of the two Contingency Funds. Future funding requirements on the Contingency Funds will impact on the level of funding needed to be retained from the Schools Block Dedicated Schools Grant (DSG) for Pupil Growth and Falling Rolls funding commitments.
Recommendations:	The Schools Forum is asked: a. To note the usage of the Pupil Growth and Falling Rolls Contingency Funds in the financial year 2025-26, as detailed in this report. b. To note and approve the forecast usage of the Pupil Growth and Falling Rolls Contingency Fund for the financial year 2026-27 and to note the forecast usage of the Fund for the 2027-28 financial year, as detailed in this report. c. To provide approval for the proposed discontinuation of the Falling Rolls Fund for the 2027-28 financial year.
Voting requirements:	LA Maintained School & Academy Members
Appendices:	None
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NORTH YORKSHIRE SCHOOLS FORUM

Presenting officer: If not the originator	Sally Dunn, Head of Finance – Schools & Early Years
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Pupil Growth & Falling Rolls Contingency Funds**1.0 PURPOSE OF THE REPORT**

- 1.1 The report provides an overview of the usage of the Pupil Growth and Falling Rolls Contingency Funds in the 2025-26 financial year. The report also sets out the likely funding requirements for the 2026-27 and 2027-28 financial years. The report also requests Schools Forum consideration of a proposal to cease the operation of the Falling Rolls Fund for the 2027-28 financial year.

2.0 BACKGROUND

- 2.1 The Falling Rolls and Pupil Growth Contingency Funds were first introduced in the 2014-15 financial year, where criteria and methodology were endorsed by the Schools Forum. Over recent years, there has been periodic review of the operation and eligibility criteria of the Falling Rolls and Pupil Growth Funds. In May 2022, the Schools Forum approved the expansion of the Pupil Growth Contingency Fund criteria to include provision for the allocation of additional funding to schools and academies that admit pupils as a direct result of the closure of a LA maintained school or academy. In November 2022, the Schools Forum approved changes to the funding levels and methodology provided through the Pupil Growth Funding for new schools within North Yorkshire. In November 2023, the Schools Forum approved changes to the funding methodology and eligibility criteria for the Pupil Growth Fund from 1st April 2024 in order to comply with new DfE requirements for 2024-25.
- 2.2 At the Schools Forum meeting in November 2023, the Local Authority recommended that the Schools Forum approved that the Falling Rolls Fund was discontinued for the 2024-25 financial year. The Local Authority considered both the relatively low levels of funding that have been awarded from the Falling Rolls Fund over recent years and the problematic use of historic SCAP data where large geographical areas are covered with differing pupil number trends across the schools in the area. However, the Schools Forum decision was to continue to operate a Falling Rolls Fund. In March 2024, September 2024 and May 2025, the Schools Forum approved changes to the Falling Rolls eligibility criteria in order to comply with the DfE changes to the statutory guidance and to ensure schools with falling rolls over a medium-term period are treated equitably across the local authority area. The approved changes also sought to ensure that the Falling Rolls Fund can operate within the funds available and delivers the DfE stated purpose.
- 2.3 As outlined in the School Funding report, the DfE have mandated that a local authority cannot carry forward positive balances on the other non-High Needs DSG blocks if the whole DSG account is in deficit at the end of the year. In this respect, no funding reserve was carried forward for the Pupil Growth and Falling Rolls Fund at the end of the 2025-26 financial year. The operation of the Pupil Growth and Falling Rolls Fund for the 2026-27 financial year was predicated on the previously agreed and budgeted utilisation of Schools Block DSG reserve funding for the 2026-27 financial year. The current forecast funding requirement for 2026-27, as detailed in sections 3 and 4 below, is £217k. Any deficit on the Schools Block DSG for the 2026-27 financial year will be required to be recovered, as detailed in the DfE School and Early Years Finance Regulations.
- 2.4 Any funding requirements for the Pupil Growth and Falling Rolls Fund for the 2027-28 financial year will be required to be funded from the 2027-28 Schools Block DSG funding allocation.

3.0 **FALLING ROLLS FUND**

3.1 The purpose of this fund is to provide financial support to schools where there is a temporary fall in pupil numbers, but numbers are forecast to recover back to previous levels within two years. The funding is designed to support schools to avoid the need to take costly actions to reduce their capacity, when demographic data shows capacity will to expand in the near future.

3.2 The current eligibility criteria and operating methodology for the North Yorkshire Council's (NYC) Falling Rolls Fund is as follows:

- The current year pupil roll is compared to the previous year census.
- The eligibility threshold is a decrease of the greater of 5% or 5 pupils for Primary Schools and 5% for Secondary Schools between the current year census and the previous year census.
- The most recent SCAP data shows that the school places will be required in the current financial year and/or either of the subsequent 2 years (this is a mandatory requirement)
- Pupil numbers at the school are forecast (as per NYC Strategic Planning pupil forecast data) to return to the level of the previous census within 2 years of the current year
- At least 60% of the pupils attending the school are from the catchment area of the school.
- Funding allocations from the Falling Rolls Fund are based on the Primary AWPU funding level for Primary Schools and the average of the key stage 3 and 4 AWPU funding levels for Secondary Schools. Funding is applied to the number of pupils above the relevant threshold. Schools are limited to 2 consecutive years for the receipt of funding. The overall funding allocation which any school could receive from the Fund over 2 consecutive years is capped at £100k in order to ensure overall affordability
- Exceptional requests from any school who does not meet the eligibility criteria for the Fund but feels that they have a strong case for the receipt of a funding allocation from the Falling Rolls Fund will be considered. This consideration will take the form of the submission of an application for funding which would be presented to a Panel of LA officers and Schools Forum representatives. However, in order to be considered for an exceptional funding request, the eligibility requirement in respect of the SCAP data required school places must be met as this a DfE mandatory requirement for the allocation of a funding award from Falling Rolls Funds. The consideration of exceptional requests will take the form of the submission of an application for funding which would be presented to a Panel of LA officers and Schools Forum representatives.

3.3 **Use of the Fund during 2025-26 financial year**

No primary or secondary schools received Falling Rolls funding during 2025-26, as no schools met the eligibility criteria for an allocation.

Pupil Growth & Falling Rolls Contingency Funds**3.4 Forecast funding requirements from the Fund for 2026-27 and 2027-28 based on NYC's current criteria**

Based on forecast pupil numbers for September 2026, received from NYC's Strategic Planning team in August 2026 and through applying the LA criteria, no primary schools and no secondary schools have been identified as potentially eligible for Falling Rolls funding for either the 2026-27 or 2027-28 financial years.

3.5 The Local Authority has reviewed the operation of the Falling Rolls Fund in light of the current eligibility criteria, forecast pupil numbers and future funding requirements. Based on current forecasts, no primary schools and no secondary schools are forecast to meet the eligibility criteria in either 2026-27 or 2027-28. The requirement that funding may only be allocated where SCAP data demonstrates that places will be needed either within the current or subsequent two financial years significantly limits the number of schools that are able to qualify for support. As a result, very few schools are expected to be eligible for Falling Rolls Funding under the current arrangements.

3.6 The Local Authority considers that maintaining a separate Falling Rolls Fund no longer represents the most effective use of resources having regard to:

- Any future funding requirement will need to be met from the Schools Block DSG thus impacting on the quantum of funding available for school budgets.
- A low level of funding being historically allocated through the Fund
- The limited number of schools likely to benefit in future years

The Local Authority therefore recommends that Schools Forum approves the discontinuation of the Falling Rolls Fund from the 2027-28 financial year.

4.0 PUPIL GROWTH FUND

4.1 The purpose of this fund is to provide financial support to schools experiencing significant pupil growth where such growth results in funding pressures from the system of lagged funding. Pupil growth funding is only available for schools to support the revenue costs associated with exceptional pre-16 pupil growth to meet basic need in three clearly defined circumstances, being:

1. Primary schools - class expansion to meet basic need or in-year pupil number increases
2. Growth in secondary schools
3. New schools

4.2 The current operation and eligibility criteria for 1 and 2 detailed in 4.1 are outlined below:

Primary Schools:

- An assessment of the school's current class structure and future requirement needs to ensure an additional class is required. Class structures are assumed to be based on an average of around 30 pupils. This assessment is informed by input from NYC CYPS Strategic Services.

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- Consideration is also given in extenuating factors that may prevent a school from reaching an average class size of around 30 pupils.
- A minimum funding allocation of a lump-sum funding contribution of £50k (full year allocation) or the DfE growth factor value (£1,570 for 2026-27) x the increase in pupil numbers compared to the previous October census pupil numbers (main school only). An adjustment of 7/12 will be made to the funding allocation for LA maintained schools

Secondary Schools

- Year 7 growth of at least 15% between the current census and the previous census, and total pupil number growth of at least 5% between the current census and previous census
- Once a school has met the Year 7 growth criteria detailed in 1. above, as well as being considered against the eligibility criteria for Year 7 growth in future years, there is also to be consideration of overall pupil growth in the school for the next 4 years after the year in which the Year 7 growth criteria was met. Schools with overall growth of at least 5% between the current year census and the previous year census will be eligible for funding based on the increase in total pupil roll (Y7 – Y11) growth above the 5% threshold in each of the following 4 years.

In subsequent years after meeting the initial Year 7 growth eligibility criteria, a school could qualify for a funding allocation under either 1 or 2 above. If a school qualifies under both 1 and 2, the school would receive the higher of the funding allocation calculated under each growth threshold criteria.

Funding methodology for secondary schools KS3 AWPU value x Y7 growth in excess of 15%; where the calculated funding amount is in excess of £100k, the school will receive a funding allocation of the higher of £100k or the primary growth factor value x the increase in Y7 pupil numbers in excess of 15% growth compared to the previous October census pupil numbers (main school only). In subsequent 4 years, where the school meets the eligibility criteria and the calculated funding is in excess £100k, the school will receive a funding allocation of the higher of £100k or the primary growth factor value (£1,570 for the 2026-27 financial year) x the higher of either the increase in Y7 pupil numbers in excess of 15% growth or overall main school growth of in excess of 5% of roll when comparing the current year October census pupil numbers to the previous October census pupil numbers (main school only) An adjustment of 7/12 will be made to the funding allocation for LA maintained schools.

Exceptional requests from any school who does not meet the eligibility criteria for the Fund but feels that they have a strong case for the receipt of a funding allocation from the Pupil Growth Fund will be considered. This approach will take the form of the submission of an application for funding which would be considered by a Panel of LA officers and Schools Forum representatives.

4.3 Any funding requirements for the 2026-27 and 2027-28 Pupil Growth Fund will be required be funded from the Schools Block DSG funding allocation.

4.4 Use of the Fund during 2025-26 financial year

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One primary school (academy) received a payment of £50.0k, four primary schools (LA maintained) received a payment of £29.2k.

One secondary school (academy) received a capped maximum funding value of £100k, and one secondary school (academy) received £32.3k.

The total amount of funding paid from the Pupil Growth Fund for 2025-26 financial year was £299.0k.

4.5 Forecast funding requirements from the Fund for 2026-27 and 2027-28

Primary Schools: 2026-27

During 2026-27, one primary academy school has been identified as potentially eligible for receipt of Pupil Growth funding for 2026-27- the funding requirement for this school is £50.0k (net allocation of £29.2k after accounting for recoupment from the DfE).

Secondary Schools: 2026-27

Based on forecast pupil numbers for September 2026, received from NYC's Strategic Planning team in August 2026 and through applying the LA criteria, two secondary schools have been identified as potentially eligible for Pupil Growth funding for the 2026-27 financial year. The table below provides a summary of estimated funding requirements based on current analysis for the 2026-27 financial year:

	Y7 Oct.25	Y7 Oct.26	Y7 % Growth	Total Roll Oct.25	Total Roll Oct.26	Total Roll % Growth	Estimated Funding Payments	Estimated Funding (post recoupment from DfE)
School 1 (Academy)	169	167	N/A	744	783	5%	£10.3k	£6.0k
School 2 (Academy)	213	240	13%	990	1,056	7%	£93.8k	£54.7k
Estimated Funding Requirement							£104.1k	£60.7k

2027-28 Eligibility

Based on an assessment of school's current class structure and future requirement, one LA maintained primary school has been identified as potentially eligible for Pupil Growth funding for the 2027-28 financial year. One secondary school (academy) has been identified as potentially eligible for Pupil Growth funding for the 2027-28 financial year. The estimated total funding requirement is £121.3k (net allocation of £82.9k after accounting for recoupment from the DfE).

4.6 Pupil Growth Funding Related to a School Closure

The DfE advocate use of the Pupil Growth Fund where the final decision on a school / academy closure is confirmed by the LA or DfE prior to the LA submission of school

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budget calculations to the DfE. In this instance, the funding attributable to the school / academy from the date of closure to the end of the financial year (31st March) is allocated to the Pupil Growth Fund rather than the school budget. This funding can then be utilised to provide funding to schools and academies that admit pupils as a direct result of the closure of the school. Within North Yorkshire, consideration is given to the additional costs that a school may incur as a result of enrolling transferring pupils from a closing school, additional funding may be made available from the balance of funding available from the closed school budget from the point of closure to the end of the financial year (31st March) or from the LA Pupil Growth Fund. The level of any additional funding will:

- Only be available for those pupils that transfer from the closing school after the final approval of the decision (following statutory notices) to close the school (and are not recorded on the October census for the relevant funding period of the school admitting the pupils e.g. where the school closes on 31st August 2026, the pupils should not be recorded on the October 2025 census for the school admitting the pupils). Any pupils that transfer from the closing school prior to the final approval of the decision to close the school will not be eligible to be included in the calculation of any additional funding.
- Be initially based on the average pupil led funding of the closing school that the pupil transfers from. (The LA reserves the right to scale back the level of the average pupil led funding provided in order to ensure affordability within the balance of funding available from the closed school's delegated budget funding allocation related to the period from the point of closure to the 31st March).
- Reflect the period of time between the point of the school closure and the start of the next financial year. E.g. where a school closes on 31st August, any additional funding related to pupils transferring from the closed school to an LA maintained school on 1st September would attract 7/12 funding; any additional funding related to pupils transferring from the closed school to an academy on 1st September would attract 12/12 funding.
- Only be available when the pupils that have transferred are still on the roll of the admitting school at the start of the term after the closure e.g. where a school closes on 31st August, the transferring pupils must be on roll during the first week of the Autumn term.
- Not be applicable for Year 6 pupils transferring from a primary school at the point of closure to a secondary school or Year 11 pupils in a secondary school at the point of closure.

Schools accepting pupils transferring from a closing school are able to submit a request for exceptional funding from the LA Pupil Growth Fund where circumstances are outside of those detailed above and significant additional costs have been incurred by the school to accommodate the pupils. Exceptional funding requests to the LA Pupil Growth Fund are considered by a Panel of LA officers and Schools Forum representatives. The approval of exceptional funding requests is subject to funding availability.

4.7 Pupil Growth Funding Related To A New School

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Pupil Growth Funding is the funding source available to local authorities to support the opening of new mainstream free schools built under the DfE free school presumption route. Schools built under this process require an additional funding commitment from the LA in respect of pre-opening funding, post-opening diseconomies funding and delegated budget in relation to estimated pupil numbers. The operating methodology of the Growth Fund in respect of any funding allocated for new schools, as agreed by the Schools Forum in November 2022, is as follows:

i. Pre-Opening costs

A lump sum funding allocation of £75k.

ii. Diseconomies of scale

- a. A per pupil amount for pupil resources paid annually for the number of places added to the school's capacity in each year (i.e. each new year group that is opened but not funded until the following year) at £250 per primary mainstream pupil;
- b. A lump sum for leadership diseconomies paid annually based on the number of empty cohorts based on £8,500 per empty cohort i.e. the number of year groups not yet open as per the following table:

Empty Cohorts	Lump Sum Funding £
6	£51,000
5	£42,500
4	£34,000
3	£25,500
2	£17,000
1	£8,500

iii. Incremental Growth in Pupil Numbers

A new school is funded based on estimated pupil numbers for each financial year that new year groups are being added to the school.

iv. Pupil Number Funding Protection

Funding protection is provided where actual pupil numbers fall below 75% of the full cohort pupil numbers (30 pupils for a one form entry for a Primary school). The funding protection would be implemented for the difference between the actual total number of mainstream pupils in the school, as at the start of the academic year, and the protection level of 75% of the expected total mainstream pupil numbers (30 pupils in year 1, 60 pupils in year 2, 90 pupils in year 3). The funding is based on Primary AWPU funding rates. The annual funding protection provided will be capped at a maximum of 10 pupils. In the event of the actual mainstream pupil numbers of the new school falling below 40% of the total expected mainstream pupil number, the funding protection would not be guaranteed and would be subject to negotiation with the Local Authority.

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Use of the Fund during 2025-26 financial year for New Schools

£149k of funding from the New School element of the Pupil Growth Fund was provided due to Keeble Primary Academy and Cambrai Primary Academy being new schools not yet operating with a full number of year groups. The two schools will not require funding for this purpose again in the 2026-27 financial year as the full cohort of year groups will be in operation.

Oakbridge Primary Academy in Northallerton opened in September 2024. The 2024-25 pupil number protection funding of £16k was paid in Summer 2025. Additionally, the Trust operating the new school received £6.5k for resources, £42.5k for leadership diseconomies of scale and a delegated budget provision of £67.7k, including £10.4k relating to 2025-26 additional pupils in Reception.

Forecast funding requirements from the Fund for 2026-27 and 2027-28 for New Schools

For Oakbridge Primary Academy in Northallerton in 2026-27 there will be estimated payments for resources (£7.5k), leadership diseconomies of scale (£34k) and delegated budget provision of £85.6k. This school will also require funding for this purpose again in the 2026-27 financial year.

In respect of the New School Pupil Growth Funding elements, it is estimated that the total funding allocation to be made over the 2026-27 and 2027-28 financial years will be:

2026-27: Funding Element	Estimated Amount (£'000)
Oakbridge – Resources	7.5
Oakbridge – Leadership Diseconomies of Scale	34.0
Oakbridge – Additional Pupil Led Funding	85.6
Total	127.1

2027-28 Funding Element	Estimated Amount (£'000)
Oakbridge – Estimated Funding – Pupil Led Funding (NYC average £4,839 per pupil x 7/12)	85.6
Oakbridge – Resources	7.5
Oakbridge – 2027/28 Leadership Diseconomies of Scale	25.5
Total	118.6

6.0 **RECOMMENDATIONS**

6.1 The Schools Forum is asked:

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- d. To note the usage the Pupil Growth and Falling Rolls Contingency Funds in the financial year 2025-26, as detailed in this report.
- e. To note and approve the forecast usage of the Pupil Growth and Falling Rolls Contingency Fund for the financial year 2026-27 and to note the forecast usage of the Fund for the 2027-28 financial year, as detailed in this report.
- f. To provide approval for the proposed discontinuation of the Falling Rolls Fund for the 2027-28 financial year.

EL MAYHEW

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