

To – Schools Forum – 19th Jan 2017

National Fair Funding Formula

- Stage 2 of the consultation was launched on 14th December 2016. The consultation closes on the 22nd March 2017. The consultation consists of 18 questions for the Schools Block and 9 questions for the High Needs Block.
- Based on illustrative figures provided by EFA, if the proposed NFF had been implemented in full in 16/17 the Schools Block Funding in Torbay would have **increased by £2.9m**. If they had implemented in 16/17 with an element of transitional protection for those LA's who would lose funding, Torbay would still have **gained by £1.7m**.
- LA's are encouraged to move towards using the new funding levels / unit values proposed from 2018/19 (soft formula) but are able to distribute funding based on their local formula in 18/19. From 2019/20 (hard formula), the proposed new formula would be implemented and LA's removed from the process as allocations would be issued to schools directly by EFA.
- DSG is currently divided into 3 blocks: schools, high needs and early years. It is proposed to create a fourth block 'central schools block'. This would contain funding for central schools services such as admissions, asset management, pupil welfare and statutory and regulatory duties. From 18/19 all of these blocks will be calculated by the NFF.
- Pupil premium will remain outside of the new process and continue to be paid as a separate grant.
- New De-Delegation for 17/18 (maintained schools only) - The Local Authority with agreement from the Schools Forum is able to retain funding which would previously have been funded from the general rate of Education Services Grant which will cease from Sept 17. This would cover services such as Statutory & Regulatory duties, Finance (accounting functions, budgeting and compliance), Audit (S151 officer responsibilities), property landlord duties, monitoring of National Curriculum assessments.
- In 18/19 the Schools Block will be ring fenced, but LA's will be able to transfer funding from their Schools Block to High Needs with agreement of the Schools Forum.
- In 19/20 when the national (Hard Formula) is introduced, the majority of funding to Schools will be made directly by EFA. However the LA is likely to still be involved with the funding of SEN, Nursery & Pupil Growth, details of this will be realised by EFA at a later date. From 19/20 the EFA are looking at the role and composition of Schools Forum and will consider what alternative frameworks could be put in place to best support effective partnerships.

- From Sept17 there will be a £50m national School Improvement Grant for Local Authorities to continue to monitor and commission school improvement for low performing maintained school. Allocations per authority have not yet been released.

Recommendation

- School Forum to coordinate a response to the consultation.

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