

Schools Forum - 12th October 2017

National Fair Funding Formula Update

The following report provides a summary of the National Funding Formula Proposals from the Department for Education for 18/19 and beyond. The key messages included in the statement provided are:

- Torbay local area will benefit from an increased allocation of £2,477,000 (18/19) and £2,050,000 in (19/20)
- Provisional increases / decreases in allocations for Schools Block, High Needs and Central Schools Block for 18/19 & 19/20 are:

Schools Block	18/19 increase of £2.4m	19/20 increase of £2
High Needs	18/19 increase of £100k	19/20 increase of £72k
Central Schools Block	18/19 decrease of £23k	19/20 decrease of £22k

- The proposal sets out the implementation of a National Funding Formula from 2018/19 (soft formula) with LA's being able to distribute funding for 18/19 and 19/20 based on a local formula and from 2020/21 (hard formula), based on the NFF unit values. LA's can work towards or fully implement the NFF unit values from 18/19 after discussion with their Schools Forum.
- From 2018/19 there will be a cap on the movement of funding between blocks, such virements are limited to 0.5% of the schools block funding, for Torbay this is £364k and should be made with the agreement of Schools Forum.
- For any transfer of funding beyond the 0.5%, a disapplication process must be followed and submitted to the Secretary of State by 30/11/17. This would require a full consultation with schools outlining the issues and reason for the request, as well as the LA's strategic financial plan to bring expenditure within required levels.
- The high needs, early years and central schools block are not subject to limits on transfers of funding.
- The minimum funding guarantee (MFG) will continue, but LA's will now have the flexibility to set a local MFG between 0% and minus 1.5% per pupil.
- DfE will provide LA's with Oct 17 census data in mid Dec 17, the 18/19 allocations will be calculated using this data.
- The deadline for the LA to provide 18/19 funding allocations to individual schools is 28/2/18, although in previous years we have always provided these in the final week of January.
- The pupil premium plus rate for Looked-after-children is increasing from £1,900 to £2,300.

Recommendations

The revised proposals from government provide an opportunity to schools forum to adopt the hard formula from 18/19 or continue to utilise a soft formula arrangement including the opportunity to apply local weightings.

It is requested that Schools Forum:

*Establish a task and finish group to work with Local Authority Officers to set out the distribution of funding (soft formula) for 18/19 and 19/20 and consider the movement to the hard formula arrangement.

Rob Parr
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