

**REPORT TO:** Schools Forum

**DATE:** 22 June 2016

**REPORTING OFFICER:** Senior Finance Officer, Financial Management Division

**SUBJECT:** National Funding Formula consultations

1.0 **PURPOSE OF REPORT**

1.1 To report to the School Forum an update on the consultations in respect of the Schools National Funding Formula, the High Needs Funding Formula and Other Reforms and the Early Years National Funding Formula.

2.0 **RECOMMENDATION: That the report be noted.**

3.0 **SUPPORTING INFORMATION**

Background

The Department for Education announced on 7<sup>th</sup> March the Stage one consultation on the Schools National Funding Formula and the High Needs Funding Formula and Other Reforms, with a deadline for responses of Sunday 17<sup>th</sup> April. Due to the Easter bank holidays and the Spring Break we had only 18 school days to circulate the consultation documents and produce a response from Schools Forum.

A meeting was held on 30<sup>th</sup> March with representatives of Schools Forum and a response was drafted. This was circulated to all Schools Forum members and submitted to the EFA on 14<sup>th</sup> April.

Schools National Funding Formula consultation and response

Attached is the Stage one consultation document with Schools Forum responses.

High Needs Funding Formula and Other Reforms consultation and response

Attached is the Stage one consultation document with Schools Forum responses.

Current position

There has been limited information released by the DfE following the Stage one consultations, in no minor part due to the 'period of sensitivity' for the European Referendum on 23<sup>rd</sup> June. The DfE have stated that they are "acutely aware" of the timescales and the impact of the school summer holidays on the consultation on this key part of the National

Funding Formula. The DfE have also stated that the Stage two consultations will have a suitable length of time, but have not yet given any indication of what this will be.

An analysis of the Stage one consultations has been completed but not published. The Secretary of State for Education said on 6<sup>th</sup> May that there will be a Sparsity factor and it will benefit around 1,200 small rural schools. This may impact on the total funding available for other schools due to the low take up of this factor by LA's.

The DfE seem keen to allocate funding for the PFI factor on a historical basis. This will cause problems to such schools and academies as the PFI costs increase on a year-by-year basis so to fund on a historical basis will cause added financial pressures. LA rates and Pupil Growth funding are also likely to be funded on a historical basis with similar effect.

The Early Years National Funding Formula is likely to be published at the same time as the Stage two consultation of the Schools National Funding Formula and High Needs Block funding formula but again, there has been no confirmation of this.

As soon as we hear anything regarding schools funding we will forward it to all schools as quickly as possible.

#### 4.0 **POLICY IMPLICATIONS**

4.1 None

#### 5.0 **OTHER IMPLICATIONS**

5.1 None