**DERBYSHIRE COUNTY COUNCIL**

Agenda Item 7

Rep 692

**SCHOOLS FORUM**

**9th February 2017**

**Report of the Strategic Director for Children’s Services**

**Mainstream Schools National Funding Formula (NFF)**

**response to consultation**

1. **Purpose of the Report**

To ask the Schools Forum to consider the points it would wish to make in a response to the government’s latest consultation regarding a National Funding Formula (NFF) for mainstream schools.

1. **Information and Analysis**

The government published its detailed proposals for a NFF for mainstream schools on 14 December 2016, the closing date for responses is 22 March 2017. Work is ongoing to analyse and understand the implications of the changes and this report summarises the key issues and impacts identified to date. Copies of the full consultation documents can be found at:

<https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula2/>

**2.1 The proposed National Funding Formula**

The National Funding Formula will have the following 13 factors:



The proposed NFF formula indicators and their values (multipliers) are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Multipliers** | |
| **2017-18 Primary Sector Factors\*** | | **Derbyshire** | **National** |
|  |  | **£** | **£** |
| Basic per pupil funding | AWPU – Key Stage 1 & 2\* | 2,648 | 2,712 |
| Additional needs funding | Deprivation: Ever 6 FSM  Or  Deprivation: Current FSM | 1,473 | 540 |
| - | 980 |
| Deprivation: IDACI A | - | 575 |
| Deprivation: IDACI B | - | 420 |
| Deprivation: IDACI C | - | 360 |
| Deprivation: IDACI D | - | 360 |
| Deprivation: IDACI E | - | 240 |
| Deprivation: IDACI F | - | 200 |
| Prior attainment | 161 | 1,050 |
| EAL | 356 | 515 |
| School-led funding | Lump sum\* | 129,622 | 110,000 |
| Sparsity | - | Up to 25,000 |

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| --- | --- | --- | --- |
|  |  | **Multipliers** | |
| **2017-18 Secondary Sector Factors\*** | | **Derbyshire** | **National** |
|  |  | **£** | **£** |
| Basic per pupil funding | AWPU – Key Stage 3\* | 3,734 | 3,797 |
| AWPU – Key Stage 4\* | 4,376 | 4,312 |
| Additional needs funding | Deprivation: Ever 6 FSM  Or  Deprivation: Current FSM | 1,921 | 785 |
| - | 1,225 |
| Deprivation: IDACI A | - | 810 |
| Deprivation: IDACI B | - | 600 |
| Deprivation: IDACI C | - | 515 |
| Deprivation: IDACI D | - | 515 |
| Deprivation: IDACI E | - | 390 |
| Deprivation: IDACI F | - | 290 |
| Prior attainment | 1,115 | 1,550 |
| EAL | 322 | 1,385 |
| School-led funding | Lump sum\* | 150,967 | 110,000 |
| Sparsity | - | Up to 65,000 |

\* The figures for Derbyshire exclude the one off funding from DSG cash resources allocated in 2017-18 via AWPU and lump sum to replace the loss of ESG funding. They also exclude the additional £53.86 per pupil included in secondary schools’ Key Stage 3 and 4 AWPU multipliers.

To provide stability the DfE have introduced a funding floor so that no school will face a reduction of more than 3% per pupil as a result of the National Funding Formula. During the transitional period a Minimum Funding Guarantee of minus 1.5% per pupil will remain in place, however a cap on individual gains will also apply of 3% for 2018-19 and 2.5% for 2019-20. LAs are encouraged to move towards the NFF in 2018-19.

* 1. **More detail about the proposed formula**

**2.2.1 Overall allocation of resources**

The NFF will reflect the current relative distribution of funding between the two sectors, which is a primary: secondary ratio of 1:1.29: in other words the secondary sector receives 29% more funding than the primary sector. This is one of the key determinants of the final distribution of resources and the DfE do not believe there is compelling evidence to make a significant shift in this balance.

**Possible issues for Derbyshire** – our split in 2017-18 is 1:1.32 which places a higher proportion of funding in the secondary sector than the NFF would, thus partially helping to explain why our secondary sector schools fare less well under the NFF.

**2.2.2 Maximising the proportion of pupil led funding**

The proportion of pupil led (basic per pupil funding plus additional needs factors) versus school led factors (funding that contributes to fixed costs or specific costs related to the school’s circumstances e.g. rates, split sites, private finance initiative, exceptional circumstances and the lump sum) is another critical design factor. LAs are required to allocate at least 80% of their funding through pupil led factors; the current range is 82% to 96% with an average of 90%. The NFF would allocate 91% of funding via pupil led factors.

The funding for premises led factors, other than the lump sum will be allocated on an historic cost basis. Funding for lump sums will be reduced and the funding released distributed via pupil led factors.

**Possible issues for Derbyshire** – In 2016-17 Derbyshire allocated 85.2% via pupil led factors. The shift to a more pupil led distribution will favour large schools over smaller ones as will the reduction in the lump sum which generates a significant proportion of small schools’ current budgets.

The use of historic costs to fund some premises costs is a concern. Whilst the DfE will increase the PFI elements to reflect inflation there is no such guarantee for schools’ rates bills and it is unclear how any shortfall in funding would be met. This is particularly concerning given that school premises are currently being revalued.

**2.2.3 Basic amount of funding per pupil**

The national funding formula must include a basic amount that every pupil attracts to their school. As is the case in the current funding system, the DfE consider that this should be the largest formula factor. The highest basic primary per-pupil funding rate is more than double the lowest, ranging from £2,345 to £4,993, and the DfE argue that this wide range is an acute reflection of the unfairness in the current distribution of funding.

The proposed NFF would allocate slightly less on the basic per-pupil funding factor compared to current local authority spend, setting it at just under three quarters of the total schools block (73% or £23.3 billion). The amount allocated through the additional needs factors will increase by a corresponding amount. This shift recognises that some spend through local authority basic per-pupil funding factors is actually intended for pupils with additional needs e.g. in local authorities that consistently have a high proportion of pupils from disadvantaged backgrounds.

The NFF will, as now, differentiate funding for pupils at the various Key Stages which reflects the higher costs of provision as pupils progress. The NFF will retain a single multiplier for Key Stages 1 and 2, although the DfE have said they will keep this under review.

One final point, currently some local authorities incorporate a ‘reception uplift’ adjustment in their local funding formula, as a way of capturing additional pupils who join a school after the October census. The DfE do not propose to retain this factor in the NFF as it adds complexity to the funding system, while having a very small impact on schools’ budgets. LAs will, however, be able to utilise a reception uplift factor in their formula in 2018-19 should they so wish.

**Possible issues for Derbyshire** – The proposed NFF Key Stage multipliers would see an increase of £64 (2.4%) in the Key Stage 1/2 AWPU multiplier and would generate an increase in resources of £3.78m. The Key Stage 3 multiplier would increase by £63 (1.7%) whilst the Key Stage 4 multiplier would reduce by £64 (-1.5%). The impact of the secondary sector Key Stage changes would be a net increase in AWPU funding of £0.5m.

**2.2.4 Additional Needs funding**

The four additional needs factors used by local authorities in their formulae are deprivation, low prior attainment, English as an additional language and mobility. The DfE propose to allocate funding for mobility on an historic basis in 2018-19, pending development of a more sophisticated indicator.

Evidence shows that if a pupil is eligible for one of these factors, they are highly likely to face barriers to their education which can impact on their attainment at school, access to university, an apprenticeship or other advanced study, and to their chosen career. Investment in this area is vital to promote social mobility, and to support those who are just about managing as well as those from the most deprived backgrounds.

The DfE want to support schools as they continue to work to break the link between these factors and attainment and consider that a significant investment in the additional needs factors is an important part of this.

1. **Disadvantage funding** – this has a significant impact on pupils’ attainment which can be seen throughout the school system and is compounded in areas of higher deprivation. The DfE propose using both pupil and area-level deprivation data in the national funding formula for which there was strong support in the first consultation. The DfE propose to allocate funding on the basis of current free school meals (FSM) eligibility, Ever6 FSM eligibility and the Income Deprivation Affecting Children Index (IDACI). Pupils will attract funding for each separate indicator they qualify for.

Pupil-level deprivation data has been shown to predict children’s later attainment more strongly, so the DfE have allocated 5.4% of the national schools block budget compared to 3.9% for area-level data. The use of area-level data gives a broader measure of deprivation, targeting additional funding to pupils who might not be eligible for free school meals, but whose families are still struggling to get by.

The area-level allocations will be distributed via IDACI which measures the level of deprivation in the area where a child lives, and matches each area to a band. The IDACI scores are based on a data set from 2015 which will not be updated for the next 5 years, thus providing some stability.

**Potential issues for Derbyshire** – the changes in this indicator will result in budget turbulence as the distribution of funding via IDACI results in significantly different allocations to the current Ever 6 indicator. Also the amounts allocated as deprivation in both sectors are lower than in Derbyshire’s current formula; the primary allocation is £2.8m (14%) lower and the secondary sector £2.5m (14.5%) lower).

1. **Low prior attainment** - Research has shown that a pupil’s prior attainment is the strongest predictor of their likely later attainment. High quality provision from age 2 has a lasting impact on children’s attainment and behaviour, and performance at key stage 2 is the strongest predictor of a child’s performance later on. Prior attainment data is therefore an important tool for schools to identify pupils who are likely to need extra support.

To reflect this in the NFF, the DfE propose to allocate 7.5% of the total national schools block budget to low prior attainment (£2.4 billion), compared to 4.3% in the current system. The low prior attainment factor will direct additional funding to each pupil who did not reach the expected standard at the previous stage.

In terms of the indicators to be used, in October 2016 the Secretary of State confirmed that the Early Years Foundation Stage Profile (EYFSP) will remain in place at least until the 2017/18 academic year, which means that EYFSP will continue to form the basis of the primary low prior attainment factor for 2018-19 and 2019-20. The government will be consulting on primary assessment early in 2017 and will keep the primary low prior attainment factor under review as proposals develop.

For the secondary sector the new key stage 2 tests, introduced in summer 2016, are more challenging than the previous tests and, as expected, have resulted in more pupils being identified as having low prior attainment. For funding purposes a pupil is defined as having low attainment if they did not reach the expected standard in any one of reading, writing or maths. The summer 2016 count of pupils being classified as having low attainment has been scaled so that this cohort’s results do not have a disproportionate impact on the distribution of resources.

**Potential issues for Derbyshire** – the government’s decision to increase significantly the proportion of resources allocated through this indicator will greatly increase the funding received by schools via this factor, especially in Derbyshire’s primary schools where our local formula multiplier is much lower than in the NFF. The primary NFF multiplier (£1,050) is 6.5 times greater than Derbyshire’s multiplier and will bring in an extra £16.67m i.e. £17.75m compared with £1.08m.

The secondary sector impact, although less dramatic, still shows an increase in the multiplier of £434.99 (+39%), and an increase in resources allocated of £3.2m, from £8.1m to £11.3m.

1. **English as an Additional Language**

The third additional needs factor in the NFF targets funding to pupils who speak English as an additional language (defined on the census as pupils whose first language is other than English). The EAL factor is also weighted more heavily in the NFF proposals than current local authority spend. The DfE proposed EAL factor is 1.2% of the total national schools block budget, compared to 0.9% in the current system.

The DfE also propose that funding is based on number of children whose first language is recorded as any other than English, and who have entered the English state education system in the last three years, known as EAL3.

**Potential issues for Derbyshire** – compared with some of the other changes the proposed changes to EAL are less significant. Derbyshire currently uses EAL1 i.e. the number of children with a first language other than English and who have entered state education in the last year. The move to 3 years will increase the count, also the NFF multipliers are both substantially higher than Derbyshire’s local formulae. Despite these changes, and given Derbyshire pupils’ characteristics, the cash increase in funding is limited, being £0.36m in the primary sector and £0.16m in the secondary sector. For most schools the change in data and multipliers will have only a modest impact on their finances.

1. **Mobility**

The DfE had intended not to include this factor in the NFF but have reconsidered this in the light of responses to the initial consultation. The DfE are seeking the views of LAs on how such a factor might work and the costs associated with children starting mid-year.

**Potential issues for Derbyshire** – none in the short term as Derbyshire doesn’t currently use this indicator.

**2.2.5 Lump Sum**

The DfE have determined to continue with a lump sum allowance in the NFF. However, their analysis has concluded that whilst there is general agreement that schools face fixed costs, the evidence available suggests there is no agreement on the scale of those costs, or that they are the same for all schools. The DfE intend that the lump sum should therefore be considered as a contribution to the fixed costs that schools are likely to face, rather than a sum that is specifically matched to a set of precise costs.

The DfE have considered whether the lump sum should be differentiated by phase. In the current system the majority of local authorities set equal lump sums for primary and secondary schools and the DfE propose to take the same approach in the NFF.

The lump sum will be £110,000 which is lower than the average for LAs, particularly in respect of secondary schools. The DfE wish to encourage schools to share services and functions where possible so that resources are freed up for teaching and leadership, and to make more funding available to invest in pupil-led factors.

**Potential issues for Derbyshire** – this change presents perhaps the single biggest challenge to Derbyshire and its schools. Derbyshire’s current lump sums for primary and secondary schools, excluding funding supported by one off resources, are £129,622 and £150,967 respectively. This means that the NFF would result in losses, before any protection arrangements, of £19,622 per primary school and £40,967 per secondary school. These reductions will remove £6.87m from the primary sector in Derbyshire and £1.84m from the secondary sector.

For schools defined as being sparse (see 2.2.6 below) some or all of the losses in the lump sum will be offset by sparsity funding. However, for the majority of small schools this will not be the case and schools will instead have to rely on the overarching protection arrangements to soften the impact. The long term reductions in funding, especially if/when the floor protection arrangements cease, would mean many schools will have to change their organisational structures in order to remain viable.

**2.2.6 Sparsity**

The majority of respondents agreed with the DfE’s proposal to include a sparsity factor in the formula to target extra funding to schools that are both small and remote.

These schools are especially important to their local communities and ensure children do not have to travel long distances to school. Their location, however, means they can find it more difficult to achieve savings by working with other schools to share services and functions. While the DfE encourage all schools to continue seeking ways to spend more efficiently and effectively, they recognise that small and remote schools face particular challenges.

The sparsity factor works as follows. In summary, the DfE first look at the average distance, as the crow flies, that a child would need to travel to their nearest alternative school, to judge how remote a school is. For a school to qualify, the average distance to the alternative school has to be more than two miles (primary) and three miles (secondary).

The calculation then looks at the average year group size to see if it is sufficiently small (21.4 in primary, equivalent to an NOR of 150 and 120 for secondary schools, equivalent to an NOR of 600). If the school meets both the distance and size criteria it qualifies for sparsity funding.

Funding will be on a tapered basis so that small changes in pupil numbers do not have a disproportionate impact on changes in funding. The image below shows how the taper would be applied, as the school size increases towards the maximum allowed (150/600) so the funding reduces.



The DfE propose that primary schools qualifying for sparsity funding would receive up to £25,000 and secondary schools (including middle and all-through schools) up to £65,000.

**Potential issues for Derbyshire** – sparsity has been available as an indicator for LAs to use since April 2013. However, according to the 2016-17 comparative tables, only 23 of 150 LAs incorporated it in their local formulae. According to the DfE’s NFF exemplifications, 13 primary schools in Derbyshire (out of 171 with fewer than 150 on roll) would attract sparsity funding. A similar picture emerges in the secondary sector with only 3 of the 12 schools with fewer than 600 pupils qualifying for support.

The calculations are also sensitive to changes in data with small movements in the average mileage count potentially having a disproportionate impact. This would be particularly problematic if the change meant a school’s average sparsity distance went from being just above the two miles threshold to just below. In a very small school such a change could result in the school losing the full £25,000.

Whilst sympathetic of the need to support to small schools, Derbyshire has previously expressed its concerns about the indicator, specifically: (i) the unpredictable nature of the allocation; (ii) the instability of funding as changes in data, including relating to children not actually attending the school, can affect funding levels; (iii) that the crow flies measure is unreasonable in a rural LA such as Derbyshire; and (iv) that the funding received by qualifying schools is over and above that received by others which, although similar in size, are not defined as being sparse.

**2.2.7 Premises related factors**

The DfE propose that allocations for rates, split sites, private finance initiative (PFI) and exceptional circumstances will be funded on an historic basis for 2018-19 with only the PFI factors being increased in line with inflation. The DfE intend to consider and consult further on how these factors should be funded when a hard formula is introduced from 2019-20.

**Potential issues for Derbyshire** – the allocations for schools’ rates bills are intended to reflect actual spend. Should the rates bills increase, including as a result of a revaluation process, it is unclear how any shortfall would be met: specifically are schools or the LA expected to bear the risk?

**2.2.8 Growth factor**

The NFF will include a growth factor, so that it is responsive to significant changes to pupil numbers that are not recognised by lagged funding. In 2018-19 the DfE will allocate funding for growth to local authorities on the basis of historic spend in line with their approach to the premises and mobility factors; this calculation will also include the impact of any adjustments made by authorities and resourced by changes to their schools’ formula data. The DfE intend to use historic spend rather than School CAPacity (SCAP) data or the Office for National Statistics (ONS) population forecasts.

The DfE recognise that using historic spending is only a short term solution and intend to use lagged pupil data in the longer term. This method would count pupil number increases in every school at a year-group level between the two previous years and use this to calculate the total amount of pupil growth in each local authority area. The DfE may, however, only count growth above a set threshold to ensure that only pupil number increases which are likely to result in an extra class are included, rather than lower levels that are more likely to be accommodated in existing classes.

The total amount of funding available nationally for growth would be allocated to local authorities on a per-pupil basis, based on the distribution of the lagged pupil growth across the country.

This approach would mean local authorities receive broadly the right amount of funding for the growth they experience, but with a one-year lag – i.e. a local authority would receive funding to reflect pupil growth for the year after that growth occurred. LAs would therefore need to manage the growth funding they receive from year-to-year, recognising that higher levels of growth in one year could create a pressure for which they would be recompensed the next year.

**Potential issues for Derbyshire** – other than a fund to deal with Key Stage 1 issues, Derbyshire has never routinely allocated funding to reflect in year growth, the argument being that the increase in pupils will ultimately be reflected in future years’ allocations. Schools are, however, free to anticipate the impact of the increase in pupils in their budget planning and consider utilising their balances to meet any short term costs. The impact of the government’s proposed changes in this area has yet to be determined.

**2.2.9 Area Cost Adjustment**

The DfE intend to allocate additional funding via an area cost adjustment to reflect the variation in labour market costs. The majority of respondents thought that a ‘hybrid’ area cost adjustment methodology should be used which takes into account both General Labour Market trends and the particular salary variations in the teaching workforce. The DfE have decided to follow this approach.

**Potential issues for Derbyshire** – none directly as schools in Derbyshire will not qualify for ACA support. The level of ACA support would, however, impact on the amount of funding available for other indicators. The government propose to allocate £792m for this purpose in the NFF, around 2.5% of the £32,071m allocated in total.

**2.2.10 Transition to the new formula**

The DfE are anxious that under-funded schools should move towards their formula allocations as quickly as possible, but equally that there is sufficient stability for schools undergoing funding reductions so they are able to cope with the pace and scale of those reductions.

To provide some protection for schools which lose, the existing Minimum Funding Guarantee arrangements will continue to operate such that a school’s year on year loss is capped at -1.5% per pupil. However, given the significant turbulence that is likely from the new NFF, the government propose that a “floor” should be included in the formula to limit the reduction in per-pupil funding that any school can incur as a result of the NFF. The DfE propose to set the floor at minus 3% per pupil, compared to the funding level currently received. The baseline against which the 3% is measured will be the 2017-18 allocations.

In order that the NFF remains affordable, including the cost of protecting schools’ funding via the “floor” arrangements, a ceiling will be placed on gains such that they are limited to no more than 3% in 2018-19 and 2.5% for 2019-20.

**Potential issues for Derbyshire** – to be determined, but the use of 2017-18 allocations as a basis for protecting schools which lose funding raises some issues. In order to minimise the impact of the losses it may be advisable to avoid any reductions in multipliers so that the 3% losses begin to be made from 2019-20 rather than in 2018-19. This would give affected schools more time to respond, but the question of overall affordability in 2018-19 might be an issue. If affordability is an issue, and the LA had to cap gains at a lower level than the maximum 3% allowed, then this would no doubt be of concern to the schools whose gains would be pared back.

It is also worth noting that 42 primary schools and 1 secondary school will rely on floor protections. The primary sector floor protections have a combined value of £0.334m and range in value at individual school level from a few pounds to a maximum of £0.039m. If/when this floor protection is phased out the losses for some of these schools would be material, around half would lose more than £6k.

* 1. **Central Services Schools Block**

A new Central School Services Block (CSSB) will be created from two existing funding streams: the DSG funding that is held centrally by the local authority for central services and the retained duties element of the ESG. Funding will cover two distinct elements which will be handled separately within the formula: ongoing responsibilities such as asset management and admissions and historic commitments.

Funding for ongoing responsibilities includes the costs of: the admissions service, supporting the Schools Forum, school and academy licences, pupil growth funding and services previously funded by the former ESG retained duties grant. Funding will be allocated to LAs on a simple basis consisting of a per-pupil rate (indicative figure of £28.64) which accounts for around 90% of the total, with the remaining 10% being allocated via Ever 6 FSM (indicative rate £11.62) per pupil.

Funding for historic commitments will be allocated for a defined range of purposes including: contribution to combined budgets, pre 2013 termination of employment costs, equal pay back pay, capital funded from revenue and exceptions agreed by the Secretary of State.

The DfE expect that historic commitments will unwind over time, for example because a contract has reached its end point. The EFA will monitor historic spend year-on-year and will challenge LAs’ Section 251 returns where spend is not reducing as expected.

In 2018-19, the DfE expect local authorities to recycle money that is no longer needed for historic commitments into schools, high needs or early years and intend to set out their longer term arrangements for such funding released at a later date.

**Potential issues for Derbyshire** – the centrally funded ongoing commitments, currently funded from the Schools Block, are relatively low in Derbyshire compared to other LAs and as such Derbyshire expects to gain from this formula change in the long term, possibly by as much as £0.64m.

However, a limit on gains will apply in 2018-19 in order that LAs which lose can have their losses capped at 2.5% for 2018-19 and 2019-20. As a result, Derbyshire’s gain in 2018-19 is expected to be limited to around £0.058m.

**3. Consultation questions**

The consultation document itself poses 18 questions and these are provided at Appendix 1. The Schools Forum is asked to consider any points that it would wish to see included in the LA’s response to the government’s consultation.

**4. Other Considerations**

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, human resources, legal & human rights, environmental, financial, health, property and transport considerations.

**5. Strategic Director’s Recommendations**

1. The Schools Forum is asked to note the report and consider the points it would wish to see included in the response to the government’s proposals.

**JANE PARFREMENT**

**Strategic Director for Children’s Services**

**National Funding Formula for Mainstream Schools – Consultation questions Appendix 1**

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| No. | Question | Potential points to include in a response |
| 1 | In designing our national funding formula, we have taken careful steps to balance the principles of fairness and stability. Do you think we have struck the right balance? | There is a sense that the fairness has been over-engineered. The 3% cap on losses will probably have benefited schools in the south east disproportionately. |
| 2 | Do support our proposal to set the primary to secondary ratio in line with the current national average of 1:1.29, which means that pupils in the secondary phase are funded overall 29% higher than pupils in the primary phase? | No, our secondary schools are particularly badly hit by the proposals |
| 3 | Do you support our proposal to maximise pupil-led funding, so that more funding is allocated to factors that relate directly to pupils and their characteristics? | No, the price paid by small schools is too high? The proposed percentage allocated as pupil led exceeds the current distribution and results in significant losses for small schools. |
| 4 | Within the total pupil-led funding, do you support our proposal to increase the proportion allocated to the additional needs factors (deprivation, low prior attainment and English as an additional language)? | Suggestions welcomed |
| 5 | Do you agree with the proposed weightings for each of the additional needs factors? | Suggestions welcomed |
| 6 | Do you have any suggestions about potential indicators and data sources we could use to allocate mobility funding in 2019-20 and beyond? | Suggestions welcomed |
| 7 | Do you agree with the proposed lump sum amount of £110,000 for all schools? | No. In 2013-14 the DfE required LAs to adopt the same lump sum for primary and secondary schools, against the wishes/advice of many LAs and others. The fact that, in the intervening years and after the DfE subsequently backtracked on this requirement, many LAs haven’t reverted to their previous arrangements should not be taken as a ringing endorsement of a uniform lump sum. The fixed costs of an average secondary school will be higher than that of a primary school and this should be reflected in the relative lump sums. |
| No. | Question | Potential points to include in a response |
| 8 | Do you agree with the proposed amounts for sparsity funding of up to £25,000 for primary schools and up to £65,000 for secondary, middle and all-through schools? | No, unpredictable, turbulent, affected by population changes and potentially unfair to other similar sized schools. Also the “as the crow flies” measure is unfair to LAs such as Derbyshire. |
| 9 | Do you agree that lagged pupil growth data would provide an effective basis for the growth factor in the longer term? | Suggestions welcomed |
| 10 | Do you agree with the principle of a funding floor that would protect schools from large overall reductions as a result of this formula? This would be in addition to the minimum funding guarantee. | Yes, and it’s interesting to compare/contrast the proposed 3% floor in the Schools Block with the 10% allowed reduction in the funding for Early Years |
| 11 | Do you support our proposal to set the floor at minus 3%, which will mean that no school will lose more than 3% of their current per-pupil funding level as a result of this formula? | Yes, but see comment above. If the 3% floor is to be permanent, where will the funding come from to allow other schools to receive their full gains? |
| 12 | Do you agree that for new or growing schools the funding floor should be applied to the per-pupil funding they would have received if they were at full capacity? | Suggestions welcomed |
| 13 | Do you support our proposal to continue the minimum funding guarantee at minus 1.5% per pupil? This will mean that schools are protected against reductions of more than 1.5% per pupil per year. | Yes. |
| 14 | Are there further considerations we should be taking into account about the proposed schools national funding formula? | Suggestions welcomed |
| 15 | Are there further considerations we should be taking into account about the impact of the proposed schools national funding formula? | The impacts are being compounded by the fact that there is no allowance in the settlement to cover inflation. Schools gains/losses are being abated/compounded by inflation. Yes, schools which see an increase in pupil numbers are likely to receive more funding but schools with a stable or reducing NOR will see significant cuts in funding. |

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| No. | Question | Potential points to include in a response |
| 16 | Do you agree that we should allocate 10% of funding through a deprivation factor in the central school services block? | Suggestions welcomed |
| 17 | Do you support our proposal to limit reductions on local authorities’ central school services block funding to 2.5% per pupil in 2018-19 and in 2019-20? | Suggestions welcomed |
| 18 | Are there further considerations we should be taking into account about the proposed central school services block formula? | Suggestions welcomed |

Other points to make and not covered elsewhere?

General level of funding.