

SCHOOLS FORUM – 15TH MARCH 2017**SCHOOLS NATIONAL FUNDING FORMULA CONSULTATION – STAGE 2****Key Points**

- Schools Funding protected until 2020.
- Pupil Premium will be in addition to NFF and is not affected.
- Illustrative data based on 2016-17 data.
- Post 2020 funding levels will be governed by the outcome of the next spending review.
- NFF will have 13 factors, all will be used:
 - AWPJ
 - Deprivation
 - Low prior attainment
 - EAL
 - Mobility
 - Lump Sum
 - Sparsity
 - Rates
 - PFI
 - Split Sites
 - Exceptional Circumstances
 - Growth
 - Area Cost Adjustment
- Summary of proposals
 - Maintain primary secondary ratio at current 1:1.29.
 - Maximise the proportion of funding allocated to pupil led factors
 - Increase the total amount spent on additional needs factors (Deprivation, Low prior attainment, EAL, Mobility)
 - Continue the stepped increase in funding as pupils progress through the key stages
 - Continue to have a substantial deprivation factor
 - Increase funding explicitly targeted towards deprivation
 - Weighting towards “just managing” families, those who fall outside FSM. Will use IDACI measure.
 - Increase the weighting of the prior attainment factor
 - Continued use of EAL, but increase total spend
 - Protect LA spend on the current mobility factor

- Provide every school with a lump sum
- Sparsity
- Fund rates and premises factors on historic spend
- Fund Growth factor on an historic spend for 2018-19
- Hybrid Area Cost Adjustment to be used
- Funding Floor – no school will see a reduction of more than 3% per pupil overall as a result of the NFF formula.
- During Transition
 - MFG will apply
 - Those schools who gain will see a cap on gains of 3% in 2018-19 with up to a further 2.5% in 2019-20.
- Changes from current position
 - Slightly less will be spent on the basic per pupil funding factor – 73%. Argument some LA's give higher AWPU's as deprivation consistent across the patch.
 - Step amounts through Primary, KS3 and KS4.
 - Amounts quoted in Appendix 1 include Area Cost Adjustment.
 - Mobility – use of factor to assist with social mobility and those children where educational attainment may be impacted on because of mobility.
 - Additional Needs Factors to be 18% of the National Schools Block, deprivation 9.3% which is half of all funding distributed through the Additional Needs Factors.
 - Deprivation will use all 3 measures, FSM, Ever6 (Pupil 5.4%) and IDACI (Area 3.9% - just managing).
 - Low prior attainment = 7.5%
 - Mobility – factor was proposed to be dropped in Phase 1 but this has been reversed. Historic spend to be used until a more developed measure is agreed.
 - Lump Sum £110k
 - Sparsity – tapering approach will be used.
 - MFG will remain with funding floor of -3% in 2018-19 and 2.5% in 2019-20.
 - LA's to have flexibility around the allocation of the growth factor
- Impact
 - 1.1M (15% of all pupils) attend schools who would gain 5% plus
 - 2.5M (36% of all pupils) attend schools who would gain 2% plus
 - 2.2M (31% of all pupils) attend schools who would lose between 2 - 3% plus
 - 2.3M (33% of all pupils) attend schools who would within 2% of their current level

- 10,740 schools would be funded at a higher level
 - 9,128 would be funded at a lower level
 - LA's will be encouraged to follow NFF principles in 2018-19
 - 101 LA's gain, 49 LA's lose – we lose, the only one in the region
- LA Burdens
 - No impact anticipated
 - Block will be adjusted to reflect pupil number movements
- 2018-19
 - LA will receive NFF Schools Block amount with discretion over funding distribution
 - LA's will be encouraged to follow the NFF approach
 - LA will be responsible for consulting over the formula
 - Schools block funding will be ring-fenced but can be moved to the HN Block with local agreement.
- Central Schools Services Block
 - Central Schools Services Block will be adjusted to reflect pupil number movements
 - Funding will be a combination of per pupil and an element relating to deprivation
 - Funding floor protection, fall cannot exceed -2.5%
 - Funding will fall as historic commitments reduce.
- Indicative Funding

	2016-17	2017-18	2018-19
	Actual allocation	Indicative allocation (prior to recoupment)	Indicative allocation (prior to recoupment)
	£m	£m	£m
Schools Block	100.441	98.122	97.383
Central Schools Services Block	N/A	1,328	1,263

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Appendix 1

<u>Factor</u>	<u>NFF % weighting</u>	<u>NFF proposed value £</u>	<u>2017-18 NELC value £</u>
AWPU – Primary)	2,712	3,223.69
AWPU – Secondary KS3	) 72.5	3,797	4,574.97
AWPU – Secondary KS4	)	4,312	4,574.97
Ever6 FSM - Primary	)	540	0
Ever6 FSM - Secondary	)	785	0
FSM - Primary	)	980	0
FSM - Secondary	)	1,225	0
IDACI BAND A Primary	)	575	150
IDACI BAND B	)	420	304
IDACI BAND C	)	360	362
IDACI BAND D	)	360	467
IDACI BAND E	)	240	670
IDACI BAND F	) 9.3	200	812
IDACI BAND A - Secondary	)	810	150
IDACI BAND B	)	600	304
IDACI BAND C	)	515	365
IDACI BAND D	)	515	468
IDACI BAND E	)	390	672
IDACI BAND F	)	290	825
Low prior attainment – Primary	) 7.5	1,050	892
Low prior attainment – Secondary	)	1,550	1,250
EAL – Primary	) 1.2	515	0
EAL - Secondary	)	1,385	0
Lump Sum	7.1	110,000	102,000
Sparsity - Primary	) 0.08	0 – 25,000	0 – 100,000
Sparsity - Secondary	)	0 – 65,000	N/A

ITEM 7/17

Premises	1.8	Historic spend	Rates = Actual
Growth	0.5		New formula factor