

Committee:	Schools Forum
Meeting Date:	27 November 2017
Title:	Funding proforma for schools budgets 2018-19
Author:	Fiona Heath
Decision making / consultative / information:	Information
Who can vote?	N/a

What is the Forum being asked to decide?

1. The paper provides an update on the planned implementation of the national funding formula for schools budgets in 2018-19. No decision is required.

Reason for recommendation

2. There are no recommendations as the paper is for information only but the intention continues to be to use the national funding formula to determine schools budgets in 2018-19.

Alternative options

3. No alternative options are formally presented but it should be noted that if necessary, the local funding formula will be used to calculate the 2018-19 schools budgets.

Who will be affected by this decision?

4. The funding formula used to calculate school budgets for 2018-19 will affect all mainstream schools and academies.

Main body of the Report

5. It was reported to Schools Forum at the meeting of 3 October that in 2018-19, that the national funding formula (NFF) will be used to set notional allocations for each school and these will be aggregated to calculate the schools block paid to each local authority.
6. It was also reported that the EFSA has published indicative figures for individual schools budgets in 2018-19, using the national funding formula.

7. Schools Forum agreed that Suffolk should adopt the national funding formula with effect from 2018-19 subject to a minimum funding guarantee and capping arrangements.
8. This will ensure that the funding at school level starts to reflect the funding that will be received by individual schools when the national funding formula is planned to be implemented in 2020-21. This will enable a smooth transition and avoid unnecessary turbulence to allow schools to plan with more certainty over a longer period of time.
9. Since the last meeting, the local authority has used the modelling tool provided by the EFSA (the authority pro-forma tool - APT) together with the 2016 census data to calculate the schools budgets. This dataset is the same as that used by the EFSA to calculate the indicative schools budgets for 2018-19. (Clearly, the budgets will change when the 2017 census information is available in December).
10. However, the modelling work has revealed that the APT provided by the EFSA does not mirror the model used by the EFSA to calculate the indicative schools budgets i.e. the schools budgets calculated by the local authority do not reconcile to the indicative schools budgets published by the EFSA.
11. Other local authorities have also found that the APT does not allow the Government's national funding formula to be delivered locally and allocate funding to their schools in line with the national funding formula in 2018-19.
12. It appears that the two versions of the funding models differ in several ways including the application of the funding floor allocation of 0.5% and the treatment of the minimum per pupil funding levels in the calculation of the gains cap. Both are key changes in the funding system.
13. The EFSA has previously confirmed that the use of the NFF at a local level is an option for 2018-19 schools budgets.
14. The local authority has contacted the EFSA to request assurance that an APT which facilitates the calculation of the NFF indicative schools budgets will be available by December (at the latest) to enable the move to the NFF at a local level from April 2018. A response is awaited.
15. If the EFSA is unable to produce a suitable APT to mirror the NFF on a timely basis, the local authority would have to retain the existing local funding formula for 2018-19, but this would not include the suggested formula amendments and will clearly not reflect the indicative schools budgets published by the EFSA. It is hoped that this approach will not have to be adopted as it will not promote a smooth transition towards the implementation of the NFF and is likely to cause additional unintended and unnecessary turbulence in schools funding.
16. The funding pro-forma for schools budgets 2018-19 will be presented to Schools Forum at the meeting on 11 January 2018 for consideration. It is

anticipated that there will be different options for capping & the minimum funding guarantee (MFG) together with an analysis of the number of schools on MFG, with no MFG and the levels of capping and scaling applied. This will enable Schools Forum to have an informed discussion of the preferred model.

17. It should be noted that political approval is required for the final 2018 to 2019 schools funding formula prior to the EFSA submission date of 19 January 2018.