

**SCHOOL & EARLY YEARS FUNDING 2019-20:
AGREEMENT OF THE LOCAL FUNDING FORMULA.**

Purpose of the Report

1. To inform the Schools Forum of the responses from schools and academies to the Authority's local funding formula consultation.
2. To seek agreement of the 2019-20 local funding formula for schools and early years providers for recommendation to the Authority's Policy Committee.

Information and Advice

3. The formal consultations on the proposals for schools and early years funding were held from 5 November 2018 to 25 November 2018.
4. The consultation documents have been provided with this report for information and are available on the Schools Forum website at:

www.nottinghamshire.gov.uk/education/information-for-schools/schools-Forum

5. In order to agree the local funding formula, Schools Forum members will need to vote on the proposals, financial models and responses to the consultation. Each of the proposals that require a vote to be taken are detailed in the main body of the report.
6. Forum members are reminded that, in accordance with the Schools Forum (England) Regulations 2018, only the following members are allowed to participate in a vote regarding the local funding formula:
 - Schools (Primary, Secondary and Special)
 - Academies
 - Governors
 - Private, Voluntary and Independent providers

Other non- schools members (Diocesan and Trade Union) can engage and participate in any discussions held, but are not eligible to participate in a vote. The Chair of the Forum has a casting vote in the event of a tied result.

Consultation responses

7. A total of 13 (38 last year) eligible responses were received to the Schools consultation which was a really low response rate of 4.0% (11.7% last year). 2 responses were excluded because they were from MATs and not an individual school.

8. A total of 41 (2 Schools, 39 PVI settings) eligible responses were received to the Early Years consultation which was a response rate of 4%. One response was excluded from a MAT and not an individual school.
9. A full analysis of the responses received, along with the comments for each question are attached as **Appendix D**. Note that questions 1 to 4 asked about the person completing the response, so the appendix begins with question 5.
10. The responses to the questions on the LA's proposals are summarised below.

Consultation Proposals

11. All schools block proposals requiring a decision for 2019-20 are outlined in paragraphs 12 to 22 below along with the number of Yes/No or not sure/no responses from the consultation analysed by school phase.
12. Prior to each proposal reference will be made to the consultation comments received at **Appendix D** for consideration by the Forum.
13. Question 5 was the proposal to transfer 0.5% from the schools block to the high needs block to alleviate the continued pressures on the high needs budget. The consultation document included the current and projected budget position, the local authority's actions to date and the Nottinghamshire High Needs Block review report from the external consultant. The preceding report to the Forum provided an update on the HNB and that work is progressing which has arisen from Peter Gray's report. The consultation responses were split 6 Yes and 6 No.

A vote is required on the following proposal by **School, Academy, Governor, & PVI members**.

Question		Primary (10)			Secondary (3)		
		Yes	No	Not Sure/ No Answer	Yes	No	Not Sure/ No Answer
5	Do you agree with the proposal to transfer 0.5% from the total schools block funding to the high needs block?	5	4	1	1	2	-

14. Question 6 was to mirror the reduction in the NFF primary low prior attainment unit value. Ten of the 13 respondents agreed with the proposal.

A vote is required on the following proposals by **School, Academy, Governor, & PVI members**.

Question		Primary			Secondary		
		Yes	No	Not Sure/ No Answer	Yes	No	Not Sure/ No Answer
6	In order to continue with the principle to mirror the NFF as far as possible the local authority would need to reduce the unit value for the primary low prior attainment factor from £1,050	7	1	2	3	-	-

- £1,022 (before the area cost adjustment). Are you in agreement with this proposal?						
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15. Question 7 was regarding a number of technical adjustments which may require Secretary of State approval and need to demonstrate that the LA has consulted with schools. Since the consultation was carried out two such applications have been made to the Secretary of State as follows:

- a) To reduce the MFG for those schools who are not due to receive any further gains in 2019-20 because they were all allocated in their 2018-19 funding.
- b) To exclude the mobility factor from the MFG to mirror the NFF calculation.

The consultation also included the exclusion of exceptional premises factors but it has been confirmed by the ESFA that this is not necessary.

Question	Primary			Secondary		
	Yes	No	Not Sure/ No Answer	Yes	No	Not Sure/ No Answer
9 To ensure that school budgets are calculated correctly and mirror the calculations in the NFF a number of technical adjustments will need to be made to the Education & Skills Funding Agency (ESFA) funding tool (APT) which may require a disapplication request to be submitted to the Secretary of State. Are you in agreement with this proposal?	7	-	3	3	-	-

16. The following three proposals will need to be considered together as the outcome of one impacts on the other two. The summary of the financial models provided with the consultation are at Appendix A for reference.

17. Question 7 related to a proposed increase to the Minimum Per Pupil amount and two models were provided illustrating increases of £100 and £200. There was a 100% Yes response to this question.

Question – MPP	Primary (10)			Secondary (3)		
	Yes	No	Not Sure/ No Answer	Yes	No	Not Sure/ No Answer
7 The current Minimum per Pupil amount is set at £3,300 for primary and £4,600 for secondary. Do you think this should be increased for 2019-20?	10	-	-	3	-	-

A vote is required on the proposals by **School, Academy, Governor, & PVI members.**

18. Question 8 related to the level of the MFG and two options were given 0.25% and 0.5%. Eleven out of 13 schools indicated a preference for the 0.25% model.

Question – MFG	Primary (10)	Secondary (3)
8 The current MFG is set at positive 0.25% to allow schools to receive a minimum increase above their pupil led 2017-18 baseline. In		

	consideration with the models provided at what level do you think the local authority should set the MFG for 2019-20?		
	a) 0.25% (Models 1,3 & 4 refers)	9	2
	b) 0.50% (Model 2 refers)	1	1

A vote is required on the proposals by **School, Academy, Governor, & PVI members**.

19. Question 9 related to the level of the gains cap and 4 options were given from 0.25% to 1.10%. Six of the 11 schools who responded indicated a preference for 0.25% (model 4).

Question – Gains Cap		Primary	Secondary
9	In order to make the formula affordable a gains cap will be required for 2019-20. In consideration with the models provided at what level do you think the local authority should set the gains cap for 2019-20?		
	a) 0.25% (Model 4)	4	2
	b) 0.50% (Model 2)	2	1
	c) 1.00% (Model 3)	1	-
	d) 1.10% (Model 1)	1	-
	Not Answered	2	-

A vote is required on the proposals by **School, Academy, Governor, & PVI members**.

20. The Forum are reminded that the final unit values will be based on affordability once the actual settlement is announced by the DfE in December. The Authority will aim to implement the recommended model as far as possible.

21. If the funding allocation is more or less than expected the Forum should give consideration as to where any adjustment should be made e.g. the gains cap.

De-delegation of funding for maintained primary and secondary schools

20. As outlined in the consultation document, there are a limited list of services that the local authority can continue to operate centrally for maintained schools only. The consultation responses showed that the majority of respondents felt that the services listed should be centrally operated. However, the final decision is made by the members of the Forum who represent the maintained primary and secondary sector. As de-delegation decisions can differ between the sectors, separate votes will need to take place.

21. A vote is required by **maintained primary school and governor members** on the following:

Question	Primary (10)			
	Yes	No	Not Sure/ No Response	
10	As a representative of a maintained primary school, do you agree to the de-delegation of the following in 2019-20:			
A	Free school meals eligibility assessment?	9	-	1
B	Support to underperforming ethnic minority groups and bilingual learners?	7	3	-

C	Contingency for crisis communications?	9	1	-
D	Trade Union Facilities	6	4	-

22. A vote is required by **maintained secondary school and governor members** on the following:

Question		Secondary (1)		
		Yes	No	Not Sure/ No Response
10	As a representative of a maintained secondary school, do you agree to the de-delegation of the following in 2018-19:			
A	Free school meals eligibility assessment?	1		-
B	Support to underperforming ethnic minority groups and bilingual learners?	1		-
C	Trade Union Facilities	1		-

Early Years Local Funding Formula (EYLFF)

23. There was only one consultation proposal for the EYLFF and that was to increase the basic hourly rate by 1p for 2, 3 and 4 year olds.

24. The ESFA have notified local authorities of their 2019-20 hourly rate for 3 and 4 year olds and for Nottinghamshire it is confirmed at £4.30 per hour which is the same as that for 2018-19.

25. A vote is required on the following factor by **School, Academy, Governor & PVI members**.

Question		Consultation Response for Information		
		Yes	No	Not Sure/ No Response
12	Do you agree with the proposal to increase the hourly rate by 1p for 2, 3 and 4 year olds and reduce the contribution to the Early Years SEN Inclusion Fund?	56%	22%	22%

RECOMMENDATION/S

That the Schools Forum

- 1) Notes the content of the report; and
- 2) Undertakes the votes required to recommend the school and early years local funding formula for 2019-20 for approval by the County Council Policy Committee on 23 January 2019 and for submission to the ESFA on 21 January 2019.

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