

National Funding Formula (NFF)  
and High Needs Funding  
July - September 2018

# Provisional Dedicated Schools Grant 2019-20

	£000s	Percentage change
2018-19 DSG Allocation	430,482	
Increase in Schools Block	3,916	1.07
Increase in High Needs	520	0.86
Increase in CSSB	52	0.13
2019-20 DSG Allocation	<u>434,970</u>	<u>1.03</u>

Draft figures issued by DfE end of July 2018  
Caution as calculations based on 2018-19 "old" data  
Excludes Early Years allocation

# Provisional Schools Block 2019-20

	£000s	Percentage change
2018-19 Schools Block Allocation	365,797	
Increase in primary unit of funding (PUF)	1,541	0.76
Increase in secondary unit of funding (SUF)	775	0.50
Illustrative growth funding/premises	1,600	
2019-20 Schools Block Allocation	<u>369,713</u>	<u>1.011</u>

Draft figures issued by DfE end of July 2018  
 Caution as calculations based on 2018-19 "old" data

	2018-19 £	2019-20 £	Increase £
Primary unit of funding (PUF)	3,880.14	3,909.60	29.46
Secondary unit of funding (SUF)	4,946.98	4,971.46	24.48

# Key changes in Schools Formula

- Local authorities to determine local formulae in 2020 to 2021
- Funding floor 1% per pupil increase over 2017-18 baselines (planned increase from 0.5%) – treated as new formula factor in 2019-20
- Minimum per pupil levels increased to £3,500 for primary; £4,800 to Secondary. (Largely already implemented)
- Gains Cap now 6.09% (i.e. 3% + on 3%)

# Key changes in Schools Formula

- Growth allocated on formulaic basis (not historic)
- KS3 minimum level for K3 only schools @ £4,600 (Not applicable in Oxfordshire)
- KS4 minimum level for KS4 only schools @ £5,100 (UTC only)
- Prior Attainment factor reduced to £1,022 FROM £1,073. Drop of £51, this may have a significant IMPACT on some schools and on the overall total for the LA

# Impact for Oxfordshire

- Consultation last year, we will implement the NFF as far as possible
- Minimum per pupil funding applied early in 2018-19
- Affordability Risks - Rates,
  - Growth Fund
- DfE published illustrative NFF individual school data (based on October 2017 census) via the COLLECT system
- Local formula determination extended to 2020-21

# Growth Fund

- New formulaic method (not yet fully determined) based on lagged growth data
- Implicit
- Explicit
  
- Movement to growth fund not treated as block transfer
- Used to
  - Support growth in Pre-16 pupil numbers
  - Additional infant classes to meet size regulation
  - Meet cost of new schools
- Criteria and size of fund agreed by Schools Forum (£600k in previous years)
- LAs can create Falling Rolls Fund (funded from Schools Block funding)

# Disapplication Requests

- Submitted by 28 September deadline x 3 (noting October Schools Forum)
- Minutes from School Forum as supporting documentation
- 2 disapplication requests to mirror NFF – where further development / too complex for inclusion in the regulations, re:
  - Excluding Mobility from minimum per pupil levels /MFG, as NFF
  - Use of Alternative gains cap, as NFF
- 1 re exceptional rents if no longer meet criteria re December data (usual)
- All have no negative equalities impact



# High Needs Funding

- Little change in 2019-20:
  - Special free schools to be included in place change process for 2019-20
  - DfE consulting on options for funding hospital education in the autumn. The process for requesting place changes will be separate for 2019-20
  - Post-16 high needs funding for maintained schools will remain in the DSG paid to LAs rather than separate sixth form grant.
  - Import/ export adjustments introduced in 2018-19 to continue.

# High Needs Pressures

- SEND Reforms – increasing responsibilities, over 0-25 age
- Number of children with SEND
- Complexity of need
- Lack of inclusiveness in the system

# Block Transfer

- School block again ringfenced in 2019-20
- Local Authorities are able to transfer up to 0.5% of their Schools block funding out with the agreement of their schools forum
- Exceptions process (Secretary of State approval) if School Forum don't agree or if an LA wishes to transfer > 0.5%

# Potential Deficit on DSG

- From 2019-20 DfE to tighten DSG deficit rules
- LA to explain plans to bring back into balance
- Deficit over 1% of DSG to be discussed by Schools Forum
- Consultation on new rules in Autumn

# Next Steps – further Improvements

- DfE acknowledged work required on process and data including
- NFF
  - Growth
  - Mobility
  - Premises
  - Low Prior Attainment
  - Sparsity
  - Pay Grant funding inclusion
- High Needs
- Central Schools Services Block (CSSB)

# Other Issues?

- Teachers Pay awards
  - Headteacher 1.5%; Leadership/senior teachers 2.0%, Main Scale teaching staff 3.5%
  - Funding through grant
  - Assumed budget for 1%, grant funding to meet excess above 1%
  - Distribution of funding, pupil number based
  - Potential Impact on High Needs (excluding special schools), Early Years (excluding school based staff), Central Services, Pupil Premium and other grant funded staff
- Teachers Pension contributions increase September 2019
- Non-teaching Pay Award
  - Green Book Pay award
  - Changing grades
- General inflation
- What we do not know

# Initial Budget Strategy

- Annual Consultation re funding formula – reaffirming NFF / reviewing Block transfer position
- Funding Floor factor within NFF /MFG
- Support of Disapplication requests
- Growth fund / falling rolls fund steer

DSG update / December Authority Proforma Tool (APT) expected around 20 December – APT submission deadline 21 January - Schools Forum input/political ratification – School budgets published February 2019

# Further Background Information & Documentation

- Schools revenue funding 2019- to 2020 operational guide

[Pre-16 schools funding: guidance for 2019 to 2020](#)

- National funding formula tables for schools and high needs: 2019 to 2020, provisional tables

[National funding formula tables for schools and high needs: 2019 to 2020](#)

[National funding formula: how to interpret the allocation data](#)