

National Funding Formula Consultation

This document was classified as: OFFICIAL

The consultation is to gain views from Schools around the proposal to move to a single , national formula for the allocation of core funding for mainstream schools both maintained and Academies for pupils aged 5 to 16. The consultation deadline is the 30th September 2021. (Early years, high needs and post 16 provision is not part of the consultation).

Consultation Questions	Further information
<p>Question 1: Do you agree that our aim should be that the directly applied NFF should include all pupil-led and school-led funding factors and that all funding distributed by the NFF should be allocated to schools on the basis of the hard formula, without further local adjustment through local formulae?</p>	<p>When the NFF moves to a hard formula, it is proposed that all the existing factors are included. Some adjustments are to be made for premises factors.</p> <p>The hard formula will have no input from Local Authorities.</p>
<p>Question 2: Do you have any comments on how we could reform premises funding during the transition to the directly applied NFF?</p>	<p>Premises factors are currently based on historic spending. It is proposed to change allocations to reflect actual expenditure.</p> <p>There will be a separate consultation when detailed proposals are available for premises and growth factors. There will also be a separate consultation for the use of exceptional circumstance factors.</p>
<p>Question 3: Do you agree with our proposal to use national, standardised criteria to allocate all aspects of growth and falling rolls funding?</p>	<p>The proposal is to maintain a lagged funding system in the NFF. This does not always provide the best result for growth funding.</p> <p>Current arrangements have led to a wide range of different local criteria. It is proposed to use a standardised criteria to determine eligible funding for both growth and falling roll, based on school numbers in the coming year.</p>
<p>Question 4: Do you have any comments on our proposed approach to growth and falling rolls funding?</p>	<p>DFE intend to collect forecast pupil numbers in schools that are growing to meet basic need from the LA and forecast growth for new and growing schools from academy trusts.</p>

	<p>Using a standard system, growth would only be allocated where significant. Only to provide funding to good and outstanding schools</p>
<p>Question 5: Do you agree that, in 2023-24, each LA should be required to use each of the NFF factors (with the exception of any significantly reformed factors) in its local formulae?</p>	<p>Currently there is a soft formula with some restrictions around local decisions. From 2023-24 LA's will be obliged to use all of the NFF factors in the local formulae. Some factors are currently not mandatory.</p>
<p>Question 6: Do you agree that all LA formulae, except those that already 'mirroring' the NFF, should be required to move closer to the NFF from 2023-24, in order to smooth the transition to the hard NFF for schools?</p>	<p>Some areas have not adopted the NFF so this would mandate those to move nearer. Not relevant to Darlington as we are mirroring the NFF.</p>
<p>Question 7: Do you agree that LA formulae factor values should move 10% closer to the NFF, compared with their distance from the NFF in 2022-23? If you do not agree, can you please explain why?</p>	<p>Some areas are using different unit rates in the their formula to those in the NFF. This would requires those areas to move closer towards the NFF units. Not relevant to Darlington as we are mirroring the NFF</p>
<p>Question 8: As we would not require LAs to move closer to the NFF if their local formulae were already very close to the NFF, do you have any comments on the appropriate threshold level?</p>	
<p>Question 9: Do you agree that the additional flexibility for LAs in the EAL factor, relating to how many years a pupil has been in the school system, should be removed from 2023-24?</p>	<p>This concerns the weighting of the EAL factor in that EAL 3 dataset would be required to be used. Darlington already use this dataset.</p>
<p>Question 10: Do you agree that the additional flexibilities relating to the sparsity factor should remain in place for 2023-24?</p>	<p>Tapering can be applied to the sparsity factor and local criteria can be used to set eligibility to sparsity funding. In addition in 2022/23 road distances will be used rather than crow flies. Darlington already have a disapplication to use road distance for schools qualifying for sparsity.</p>

<p>Question 11: Are there any comments you wish to make on the proposals we have made regarding ongoing central school services, including on whether in the future central school services funding could move to LGFS?</p>	<p>A further consultation will take place around the future of central school's services. There is a proposal to look at central schools block, de-delegation and traded services. There is a proposal to move funding from the central schools block into de-delegated and traded services. An option also is to move the remaining central schools block into the Council's general funding rather than the DSG.</p> <p>Darlington currently does not de-delegate as with so few maintained schools this does not work.</p>
<p>Question 12: Do you agree with the proposal for a legacy grant to replace funding for unavoidable termination of employment and prudential borrowing costs?</p>	<p>The department sees that services funded through the historic central schools block should be unwinding (hence the budget has reduced by 20% per year). So this funding stream would end under the hard NFF. The one area that expenditure may not fall away is prudential borrowing and termination of employment costs hence the proposal for a legacy arrangement.</p>
<p>Question 13: How strongly do you feel that we should further investigate the possibility of moving maintained schools to being funded on an academic year basis?</p>	<p>Funding for maintained schools is currently April to March and Academies is September to August. There is a proposal to make all schools funded on an academic year.</p>
<p>Question 14: Are there any advantages or drawbacks to moving maintained schools to being funded on an academic year basis that you feel we should be aware of?</p>	

Question 15: Please provide any information that you consider we should take into account in assessing the equalities impact of the proposals for change.	
Question 16: Are there any further comments that you wish to make about our proposed move to complete the reforms to the NFF?	