



Making the most of the consultation: achieving the best results for poorly funded LAs

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A reminder - the starting point

- School funding is a mess
- The distribution between LA areas is not based on any current rationale and is clearly unfair
- Unrestricted local discretion is good in theory but the current inconsistencies are just too great
- DfE reforms in 2013/14 have had a limited impact
- So ... a national funding formula ✓

Research Group proposals

- DSG block system is sound (but)
- Needs rationale for each formula factor (not 'just numbers')
- Core entitlement with overt assumptions about teaching group sizes (the key cost)
- Formula factors:
 - Pupil allocation
 - Small schools (lump sum and sparsity)
 - deprivation
 - EAL
 - SEN based on prior attainment
 - Area costs
- Local discretion for anything else

Lump sum and sparsity

- Sparsity notion is good:
 - Need to target small school funding
 - Reasonable expectation that smaller schools in less rural areas share leadership costs etc
- Current model needs further work
- ‘As crow flies’ not credible
- Some LAs implementing in 2014/15 – opportunity to learn from a wide range of different approaches

Some 'test' issues for the consultation

- Formula factors – what factors are appropriate to distribute a national pot?
- Is there a clear rationale for the pupil allocations e.g. assumptions on teaching groups. If not, what are the numbers based on?
- Deprivation – what need is the national funding formula allocation seeking to address? What is the distinction between that and the Pupil Premium?
- The lump sum – what costs is it seeking to cover? All fixed costs or a contribution? What is the relationship with sparsity?
- Do the proposals give you sufficient flexibility to cover the needs of schools and pupils in your area?
- Transition – how quickly is it feasible to move to fair funding. 3 years? What degree of protection is needed for individual schools facing reductions?

A national funding formula for schools

some issues for LAs to consider

- LAs (and schools) will know what their share of the national budget for schools should be. So the degree of underfunding will be clear
- Schools will know (or be able to work out) what their NFF allocation is going to be
- So accountability for variances from the NFF will be very sharp! Schools Forums will be under pressure!
- Major tactical question: are you going to add whatever local factors you need then get as close as you can to the NFF?
- Or are you going to try to maintain something that is based on a local assessment of relative need?
- What are you going to do about sparsity? Do you have a model or, like Gloucestershire, have you deferred decisions until the NFF is available?
- Minimum Funding Guarantee – apply for exemptions for faster implementation?

Some other things to raise in responses to the consultation?

- Different funding years for maintained schools and academies
- Rates
- Shift DfE focus from regulation to good practice
- Get rid of formula replication for academies