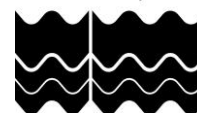


Agenda Item 7



Report to: Schools Forum

Date: 14th July 2017

Title of Report: East Sussex Funding Formula Working Group Update

By: Ed Beale

Purpose of Report: To update and make recommendations to Schools Forum on proposals for the East Sussex Schools Funding Formula for 2018/19

Recommendation: Schools Forum is asked to consider the working group proposals that will be presented for consultation with all schools and academies with regard to the local funding formula for 2018/19

Working Group Membership

Schools Forum Representatives; John Greenwood, Jane Johnson, Hugh Henneby, Keith Pailthorpe and Monica Whitehead.

LA Officers; Jill Fisher, Ed Beale and Kirsten Coe

1. Background

1.1 The Government has previously made clear their intention to review and revise the way that funding is allocated to schools with the objective of introducing a National Funding Formula (NFF).

1.2 There will be a 'soft' introduction of the NFF for 2018/19, leading to a 'hard' NFF for the schools block from 2019/20. For 2018/19, the NFF will be used to calculate 'notional' budgets for schools which will be aggregated up to a total East Sussex allocation. The Local Authority will then distribute using a local formula to apportion funding between schools.

1.3 With the exception of the 2017/18 formula, which was unchanged due to the NFF consultation process, East Sussex has worked each year with schools and Schools Forum to agree a local formula that has apportioned the funding as appropriately and effectively as possible for the schools and academies in East Sussex.

1.4 Options for consideration by the FFWG include how to manage the transition for the 2018/19 formula from the current to the 'hard' NFF, principally whether to:

- (a) Retain the current formula,
- (b) Introduce a 'step' change between the current and NFF rates, or
- (c) Fully implement NFF rates in the 'soft' formula.

2. Progress and Supporting Information.

2.1 The working group held an initial meeting on Tuesday 13th June 2017 at which, the aims and objectives were confirmed and the principles of what the group were working towards clarified. The principles being that if any changes were to be made, the funding would be directed towards pupil characteristics. The objective would be to move the rates in the direction of the NFF proposals without creating undue turbulence to East Sussex schools.

2.2 To give some context and aid the decision making process, documents showing comparisons with ESCC's statistical neighbours were provided along with comparisons of where ESCC 'sits' compared to all other Local Authorities.

2.3 The FFWG requested LA officers to model a series of exemplifications based on a range of proposals that would be discussed and reviewed at the next meeting. The minutes of the meeting can be found in **Appendix A**.

2.4 A summary comparing the ESCC funding rates with statistical neighbours in relation to those factors that form part of the recommended proposals can be found in **Appendix B**.

2.5 The second FFWG meeting took place on Tuesday 27th June 2017. All of the proposals were looked at in detail, the effects that each of the proposals could have were analysed and whether the proposal linked back to the aims and principles that were trying to be achieved was discussed.

2.6 During these discussions, some additional scenarios were considered for both the Primary and Secondary Phase. The FFWG then made final decisions regarding their recommendation to Forum for consideration in this paper. The minutes of this meeting can be found in **Appendix C**.

3. Recommendation:

3.1 Schools Forum is asked to consider the following proposals prior to them being taken forward for consultation with all schools and academies.

3.2 The consultation will be issued to the relevant phase i.e. the Primary proposal will be sent to Primary phase and the Secondary proposal will be sent to Secondary phase. All through schools will be sent, and be able to respond to, BOTH proposals.

3.3 If, following the consultation with all schools and academies, the proposals are rejected then the existing formula will remain for a further year.

Primary Phase Proposal:

Reduce the lump sum per school by £4,000 to £138,000 and reduce FSM Deprivation by £100,000. Increase Prior Attainment 'pot' by £100,000, allocate £100,000 to EALs, and allocate the remaining £508,000 to the per pupil 'pot'.

Secondary Phase Proposal:

Reduce the lump sum per school by £7,000 to £138,000, increase the Prior Attainment 'pot' by £101,500 the per pupil 'pot' by £101,500.

Appendix D illustrates the Primary Phase proposal and **Appendix E** the Secondary Phase proposal.

3.4 The consultation will take place between 17 July and 15 September. The result of the consultation will be brought back to Forum on 29 September where Forum will make a final recommendation to Lead Member.