

## Agenda Item 6

Report to: Schools Forum

Date: 22nd November 2019

Title of Report: East Sussex Funding Formula Consultation Update

By: Ed Beale, School Funding Manager

Purpose of Report: To update Schools Forum on the outcome of the ESCC Funding Formula consultation for 2020/21.



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**Recommendation:** Schools Forum are asked to note the outcome of the ESCC Funding Formula for 2020/21.

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### 1. Background

1.1 Since May 2019, the Funding Formula Working Group has been reviewing the ESCC Funding Formula in preparation for 2020/21. Following the principles that had been set out of working towards the National Funding Formula (NFF) rates, a number of proposals were reviewed to:

- offer maximum support and benefit to the pupils in East Sussex Schools / Academies.
- avoid any undue turbulence to schools and academies.

1.2 In September, final proposals were brought to Schools Forum for discussion. A summary of this proposal is shown below:

- Reduce the Primary lump sum by £5,000 from the current rate of £120,000 to a revised rate of £115,000;
- Increase the Minimum Per Pupil level in both phases;
- Set the MFG rate at 98.8% (Which is slightly higher than rate specified under the NFF of 98.5%).

1.3 It was also agreed that should any additional funding be received, the priorities would be to maintain the rates already at NFF levels, increase the minimum per pupil levels, increase MFG and Capping.

1.4 In October, prior to issuing the consultation, additional funding was announced by the DfE. The announcement provided guidance on a number of areas for 2020/21:

- The minimum per pupil rates must be £3,750 and £5,000 for the Primary and Secondary phase respectively.
- The MFG rate must be between 0.5% and 1.84%

1.5 As well as the compulsory requirements set out above, the announcement also stated that:

- There would be a 4% uplift in the unit rates for the pupil-based factors (excluding the FSM factor which is a 1.84% increase)
- There would be a 4% uplift for the lump sum increasing the amount to £114,400 for both phases

1.6 To ensure the consultation was as accurate as possible, the revised uplifted NFF rates were used for those factors already at the NFF rates. The new compulsory Minimum Per Pupil levels were also used.

1.7 The impact of the additional resources for the MFG were remodelled prior to consultation. The MFG rate on both options has subsequently been increased.

1.8 The two options issued for consultation were as follows:

**Option 1:**

Leave the Primary lump sum unchanged for 2020/21 at £120,000  
MFG at 100.5%

**Or**

**Option 2:**

Decrease the Primary lump sum by £5,000 to £115,000  
MFG at 101.84%

## **2 Outcome of Consultation**

2.1 The consultation documents were sent to all mainstream schools and academies (176), with the consultation beginning on 18<sup>th</sup> October and running until 8<sup>th</sup> November.

2.2 Out of the 176 schools that were sent the consultation documents, 69 replied (39%) which is the same percentage as for last year's consultation.

2.3 A summary of the results that were received from schools is shown below (by phase).

Primary Phase: (Out of 149)

Number of establishments that selected option 1	6
Number of establishments that selected option 2	54

Secondary Phase: (Includes All Through Schools) (Out of 27)

Number of establishments that selected option 1	0
Number of establishments that selected option 2	9

2.4 Forum are asked to note that for the Primary Phase, the overall outcome from respondents was in favour of option 2 for 2020/21.

2.5 Forum are asked to note that for the Secondary Phase, the overall outcome from respondents was in favour of option 2 for 2020/21.

2.6 Given the outcomes of the consultation, the proposals outlined in option 2 of the consultation for both the Primary and Secondary phase will be put forward to Lead Member for approval.

## **3 Decision and next steps**

3.1 A report recommending the changes for the 2020/21 formula as proposed will go to Lead Member for Education and Inclusion Special Educational Needs and Disability on 30 January 2020 for final approval.