

SCHOOLS NATIONAL FUNDING FORMULA AND HIGH NEEDS FUNDING REFORM

Purpose of the Report

1. To highlight the main elements of the recent government consultation documents on a national funding formula for schools and on high needs funding reform.
2. To agree the process for responding to the consultation documents.

Main Considerations

3. On 7th March 2016 the government issued 2 consultation documents in relation to schools funding. The consultations cover funding for mainstream schools and proposals for a reform of the high needs funding block. A consultation on early years funding is expected to follow later in the year.
4. The first consultation is on the introduction of a national funding formula for schools. It is the first of two consultations on the national funding formula for schools and is seeking views on:
 - The principles that underpin the formula
 - The building blocks used to construct the formula
 - The factors to be included in the formula
5. The government is also seeking views on the structure of the formula, in particular:
 - The introduction of a school level national funding formula where the funding each pupil attracts to their school is determined nationally
 - The implementation of the formula from 2017-18, allocating the funding to local authorities to distribute according to a local formula for the first 2 years, and then setting each school's funding directly from 2019-20
 - The establishment of a central funding block for local authorities' ongoing duties
 - Ensuring stability for schools through the minimum funding guarantee and by providing practical help, including an "invest to save" fund.
6. The consultation can be found on the DfE's consultation page via this [link](#).
7. The second consultation on the national funding formula will be issued later in the year and will cover the detail within the national formula and the impact of the formula on funding for individual areas and schools.
8. In addition to the consultation on the national funding formula the government has also issued a consultation on a high needs funding formula and other reforms. Again this will be a two stage consultation. The first phase covers high level principles, key proposals and options, as follows:
 - An improvement in the way that high needs funding is allocated to local authorities, on the basis of a formula consisting of a number of factors.
 - Improvements to the funding arrangements and guidance to help local authorities, early years providers, mainstream schools, colleges and other institutions with students aged 16-25 who have SEN and disabilities.
9. The consultation can be accessed using this [link](#).
10. A briefing note is attached as Appendix 1 to this report and outlines the main points raised in the consultation documents and the potential issues that will need to be considered. Schools Forum will need to consider how to respond to the consultations. The response date for both is 17th April 2016 and given the tight

timescales it is proposed that the School Funding Working Group meet prior to the response date to consider and agree a response.

Proposals

11. It is proposed that a meeting of the Schools Funding Working Group be held to consider and agree a response to the consultations on the national funding formula for schools and high needs funding reform.

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