

Consultation on 'Fair School Funding For All'

The scope of the end state NFF

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?

- Yes
- No
- Unsure

Developing the schools NFF to support the end state NFF

Question 2: Do you have any comments on how we could reform premises funding during the transition to the directly applied NFF?

Of the 3 elements of school-led 'premises' funding, additional funding for PFI and costs relating to 'exceptional circumstances' are not currently part of Shropshire's formula. The split sites optional factor is being used, based on local objective criteria. The authority would be supportive in principle of the proposal for the Department to collect data of split site schools, assess the degree to which this generates additional costs for schools and to construct a formulaic factor based on this data. We will base our final view on the detailed proposals that come forward in the next stage of the consultation.

Growth and falling rolls funding

Question 3: Do you agree with our proposal to use national, standardised criteria to allocate all aspects of growth and falling rolls funding?

- Yes
- No
- Unsure

Question 4: Do you have any comments on our proposed approach to growth and falling rolls funding?

The opportunity offered to secure consistency across local authorities for schools faced with either growth or falling rolls is welcomed. It is essential that there is a transparent and consistent approach.

Next steps for the transition to the end state NFF for schools

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?

- Yes
- No
- Unsure

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?

- Yes
- No
- Unsure

Question 7a: 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?

- Yes
- No
- Unsure

Question 7b: If you do not agree, can you please explain why below

Not applicable as proposal supported.

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?

Without the dataset and understanding of the relative position of individual local authorities to the NFF, it is not possible to offer up an alternative view on the threshold as an alternative to the one proposed.

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?

- Yes
- No
- Unsure

Question 10: Do you agree that the additional flexibilities relating to the sparsity factor should remain in place for 2023-24?

- Yes
- No
- Unsure

Central school services

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?

A review of the current arrangements in the context of moving towards the hard NFF is supported, particularly if it addresses any inconsistencies. Continued funding support for statutory duties, in particular school admissions, is essential as is the need to ensure that the funding covers the full costs of provision and that there is no reduction in funding by stealth. The concern of moving the funding into the LGFS is that, unless the funding is clearly identified as being for school support, it may not be fully passported into the services requiring it. By remaining within the DSG it is better protected. A more informed response will be possible once the review of current arrangements is completed and the technical detail is presented for consultation.

Question 12: Do you agree with the proposal for a legacy grant to replace funding for unavoidable termination of employment and prudential borrowing costs?

The move to a legacy grant is supported in principle subject to a full appraisal of the technical detail and assurance that the grant fully covers the unavoidable costs.

A consistent funding year

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?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

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?

It is unclear from this first phase consultation how the issue of the financial reporting cycles of other funding streams for the local authority will be addressed. Unless this is overcome, it is difficult to see how the obvious advantages of budgeting by academic year can be achieved, if maintained schools have to effectively close down their accounts twice a year. None of the Shropshire maintained schools have their own back accounts which may be a barrier. We would not want this to be a pre-condition for these schools to moving to academic year funding. Again, more informed views can be provided once we have sight of the technical detail.