

**Schools Forum**

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Venue: Shrewsbury  
Training and Development  
Centre

Paper

Public

**School Funding 2017-18****Responsible Officer** Gwyneth Evans

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**Summary**

The Department for Education (DfE) announced on 21 July 2016 their latest plans for the implementation of a national fair funding formula for schools.

The Government published a first stage consultation in March 2016 on the principles of a new national funding formula and had planned to publish a second stage consultation during the summer with implementation from April 2017.

Whilst the Government remains committed to introducing fairer funding for schools, high needs and early years, this latest announcement confirms that changes proposed in the first stage consultation will not be implemented for 2017-18. The new system will now apply from 2018-19.

The funding arrangements for schools for 2017-18 will remain broadly similar to the current year. This report details the funding arrangements for 2017-18.

**Recommendation**

- To note the revised timescale for implementation of a new national funding formula for schools and the school funding arrangements for 2017-18.
- To provide feedback on the proposed new layout for 2017-18 individual budget share information for Shropshire maintained schools.

**Report****New National Funding Formula**

1. The DfE published the first stage consultation on a new national funding formula for schools in March 2016. The second stage consultation was expected during the summer 2016 with implementation from April 2017.

2. However the Government announced on 21 July 2016 that the new national funding formula will now apply from 2018-19. Their intention is to publish a full response to the first stage consultation and set out proposals for the second stage consultation in the autumn 2016 with final decisions being made early in the new year.
3. In light of the delayed introduction of a national fair funding formula, f40 has written to the Secretary of State requesting a funding uplift for schools in the poorest funded local authorities for 2017-18. A copy of the letter is attached to this report at Appendix 1. To date there has been no response.
4. As expected, on the 11 August 2016 the Government published a consultation on an early years national funding formula and changes to the way three and four year old entitlements to childcare are to be funded. A summary of the consultation document is provided in a separate report to Schools Forum.

### **School Funding Arrangements for 2017-18**

5. The government has confirmed that for 2017-18 no local authority will see a reduction from their 2016-17 per pupil funding on the schools block of the Dedicated Schools Grant (DSG) or the cash amount of the high needs block. As usual, an uplift for high needs will be applied later in the year.
6. The current minimum funding guarantee (MFG) for schools will be retained so that no school can face a funding reduction of more than 1.5% per pupil in funding received through the local authority funding formula.
7. Proposals made in the first stage of the national funding formula consultation to create a new Central Schools Block, allow local flexibility on the MFG and to ring-fence the Schools Block within the DSG will not be implemented for 2017-18.
8. The arrangements for 2017-18 are broadly similar to the current 2016-17 year. The main changes are:
  - The DSG blocks have been re-baselined to reflect current spending patterns
  - Funding for Education Services Grant (ESG) retained duties (£15 per pupil) will be transferred into the Schools Block for 2017-18
  - The removal of the post 16 funding factor within the schools' funding formula, but with protection through the MFG
  - That local authorities will be able to retain funding from the DSG from maintained schools, including special schools and pupil referral units (PRUs), for statutory duties previously covered by the ESG
  - Using a national weighting for secondary low attainment figures
  - Using new bandings for the index of deprivation affecting children (IDACI)
  - That local authorities are submitting one Authority Proforma Tool (APT) in January 2017.

9. Local authorities must engage in open and transparent consultation with all maintained schools and academies in the area, as well as its Schools Forum about any proposed changes to the local funding formula including the method, principles and rules adopted. Given there are no major changes to the funding formula for 2017-18, funding information and any necessary consultation with schools will be in writing only. There are no plans to hold a Lord Hill briefing event this autumn. However, a communication will go out to all schools following the meeting of Schools Forum to brief them on the revised Government proposals.

### **2017-18 Budget Share Information to Shropshire Maintained Schools**

10. The DfE will publish DSG Schools Block and High Needs Block allocations for 2017-18 along with provisional Early Years Block allocations in mid-December 2016. The deadline for the submission of the final 2017-18 APT to the Education Funding Agency (EFA) is 20 January 2017. The deadline for confirmation of schools budget shares to maintained schools is 28 February 2017.
11. The local authority intends to use the APT layout for publishing individual school budget share information to Shropshire maintained schools for 2017-18. This will ensure maintained schools receive their individual budget shares as soon as possible after submission to the EFA in January 2017.
12. The proposed format for the 2017-18 individual budget share information to schools is attached at Appendix 2 to this report for comment.