

Schools Funding Forum 8th November 2018 ITEM 5

Subject Heading:	Schools Funding Formula 2019-20
Report Author:	David Allen – Strategic Finance Manager
Eligibility to vote:	All school and academy members

SUMMARY

This report requests that Havering's Schools Funding Formula follows the DFE National Funding Forum for a second year in 2019-20 and considers, based on current modelling if this will be achievable within Havering's Schools Block allocation from the DSG.

RECOMMENDATIONS

That the Schools Funding Forum agrees to a consultation with schools on the allocation of funding for 2019-20 using the funding rates within the National Funding Formula, including a 0.5% minimum funding guarantee and a gains cap that is affordable up to a maximum of 3%.

REPORT DETAIL

Financial year 2018-19 was the first year of the implementation of a National Funding Formula

At the Schools Funding Forum meeting of the 20th September, the indicative allocation of schools block funding to Havering for 2019-20 was provided as follows:

	Actual primary unit of funding (PUF)	Actual secondary unit of funding (SUF)	Primary pupil numbers (2018-19 DSG schools block)	Secondary pupil numbers (2018-19 DSG schools block)	Funding £
2019-20	4,054	5,495	21,969	14,387	168,121,770

Total Schools Block funding also includes the following:

Actual 2019-20 funding through the premises and mobility factors £	Illustrative growth funding (at 2018-19 actuals) £*
2,161,496	3,359,988

Provisional NFF 2019-20 schools block funding £
173,643,254

There are issues with both NNDR funding and Pupil Growth funding.

NNDR- The funding from the DFE is based on previous year estimates and will be insufficient to pay actual NNDR costs in 2019-20.

Pupil Growth- The actual funding received will be calculated according to a new formula and will be significantly less than the £3.3m figure above.

The actual Schools Block funding will be updated in December for the pupil numbers from the October 2018 census. Funding for each school will need to be applied to all data from the October 2018 census and until that data is confirmed in December it is difficult to calculate if full implementation of the NFF will be possible for a second year.

The LA has undertaken some initial calculations based on the October 2018 data received to date and it appears that the total amount of funding required for allocation to schools will be in excess of the estimated DSG Schools Block allocation.

It may not be possible, therefore, to fully implement the NFF in 2019-20.

Consideration will therefore need to be given to reducing the increase in per pupil funding that schools receive.

The LA will continue to model the funding options but should a reduction be required, the proposal will be to reduce the gains cap from 3% to a level that is affordable whilst retaining the 0.5% minimum funding guarantee for all schools.

The NNF funding values are attached at Appendix A.