

# KENT COUNTY COUNCIL – RECORD OF DECISION

**DECISION TO BE TAKEN BY:**

Roger Gough,  
Cabinet Member for Children, Young People and  
Education Services

**DECISION NO:**

17/00109

For publication

Key decision: Yes

Reason Key: Affects 2 or more electoral divisions

**Subject:** School Funding Arrangements for 2018-19 including the introduction of a National Funding Formula

**Decision:** As Cabinet Member for Children, Young People and Education Services I agree to:

- a) Transfer 0.5% of the Schools Block (which equates to approximately £4.3m) into the High Needs Block for 2018-19.
- b) Transfer £2m into the Growth Budget in 2018-19 to help meet the anticipated additional revenue costs associated with basic need growth within the County.
- c) In relation to the Kent local funding formula for schools;
  - i. Increase in the basic entitlement factor to the NFF rates from 1 April 2018 for Primary, Key Stage 3 and Key Stage 4 pupils. This equates to increases of +£7 per pupil for Primary Schools, +£60 per pupil for Key Stage 3 and +£213 per pupil for Key Stage 4.
  - ii. Increase in the Free School Meal factor to the NFF rates from 1 April 2018. This equates to increases of +£81 per eligible Primary pupil and +£106 per eligible Secondary pupil.
  - iii. Adjust (a mixture of reductions and increases) the various IDACI band rates so that they are in line with the published NFF rates from 1 April 2018.
  - iv. Remove the Looked After Child factor from 1 April 2018 (a loss of £525 per eligible pupil) on the basis that the Pupil Premium Plus funding rate is being increased by £400 from the same date.
  - v. Reduce the funding rate for eligible pupils with English as an Additional Language (EAL) from 1 April 2018. This equates to a reduction of -£370 per eligible Primary pupil and -£1,959 per eligible Secondary pupil.
  - vi. Retain the lump sum at £120,000 per annum for 2018-19 and 2019-10, thereby offering some stability to our smallest primary schools that would be adversely affected by a reduction to this rate. For information, the NFF lump sum rate is £110,000.
  - vii. Introduce the Sparsity factor from 1 April 2018. Eligibility for this factor is determined by the Education and Skills Funding Agency.
  - viii. Set the local Minimum Funding Guarantee percentage at -1.5% for 2018-19 and 2019-20 and this applies to all primary, secondary and special schools.

- ix. Introduce the Minimum Funding Level for Primary and Secondary schools. It is recommended that the per pupil rates are set at the following values:

	2018-19	2019-20
Primary	£3,200	£3,400
Secondary	£4,500	£4,700

- x. Introduce the Ever 6 Free School Meal factor from 1 April 2018 and set the rates for 2018-19 and 2019-20 as per the value in the table below:

	2018-19	2019-20
Primary	£232 43% of NFF	£324 60% of NFF
Secondary	£373 43% of NFF	£471 60% of NFF

- xi. Increase the Low Prior Attainment factor rates from 1 April 2018 for 2018-19 and 2019-20 as per the value in the table below:

	2018-19	2019-20
Primary	£651 62% of NFF	£733 70% of NFF
Secondary	£1,058 68% of NFF	£1,193 77% of NFF

These rates represent progress towards fully implementing the NFF but also reflect that the funding provided to the LA has been capped at 3% for some schools, leaving a balance of £12.2m still to be received beyond 2019-20.

These changes to our local funding formula are based on an assessment of affordability using the latest school level data provided by the Department for Education. The total quantum available for distribution may be slightly different once the October 2017 census data has been provided and used to calculate the 2018-19 school budgets.

- d) Delegate authority to the Corporate Director of Children, Young People and Education to make any necessary changes to these funding rates once final affordability is known in January 2018 after provisional school budgets have been calculated.

**Reason(s) for decision:** On 17 July 2017 the Secretary of State for Education announced in her speech to Parliament the national schools' funding arrangements for 2018-19 and beyond. A further £1.3 billion of funding has been allocated nationally to schools for the period 2018-19 (£416m) to 2019-20 (£884m). This is in addition to the £1.3 billion already committed for this period in the 2015 spending review. Nationally, schools and high needs funding will rise from £41 billion in 2017-18 to £42.8 billion in 2018-19 and to £43.5 billion in 2019-20, a total increase of £2.6 billion between 2017-18 and 2019-20. This is an overall increase of 6.3% over this period.

The Department for Education consulted on the introduction of a National Funding Formula (NFF) for schools in the early part of 2017 and had an unprecedented 26,000 responses. The Government has listened carefully to the feedback and has decided to implement a NFF from 2018-19. Alongside this announcement they have confirmed arrangements for the 2018-19 to 2019-20 financial years. Spending plans for the years beyond 2019-20 will be set out in the next spending review.

For 2018-19 the Government is introducing a *soft* NFF. This means that Local Authorities will

continue to set a local funding formula to distribute their schools block funding, in consultation with their local schools and their Schools' Funding Forum.

The Government's long term aim is to have all school budgets set on the basis of a single formula set nationally by Government, with no Local Government involvement – this is known as a *hard* NFF.

**Financial Implications:**

The costs of the new funding formula will be fully met from the Dedicated Schools Grant and will not be a cost to Council funding.

**Equality Implications**

An EqIA assessment has been undertaken.

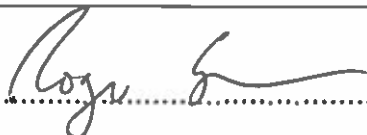
**Cabinet Committee recommendations and other consultation:**

This matter was initially considered by the Schools' Funding Forum on 1 December 2017 before being considered by the Children, Young People and Education Cabinet Committee on 5 December 2017.

**Any alternatives considered and rejected:**

All options were explored Funding Forum and by the in the report considered by the Cabinet Committee 5 December 2017

**Any interest declared when the decision was taken and any dispensation granted by the Proper Officer: None**

  
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**signed**

19 December 2017  
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**date**

