

High needs national funding formula – draft response

1. **In designing our national funding formula, we have taken careful steps to balance the principles of fairness and stability. Do you think we have struck the right balance?**

Pressures on high needs budgets are considerable and it is difficult to see how without extra investment, fairness and stability can be achieved. Managing this will not be helped by stopping the cross funding of the spending blocks.

2. **We are proposing a formula comprising a number of formula factors with different values and weightings. Do you agree with the following proposals?**

- **Historic spend factor – to allocate to each local authority a sum equal to 50% of its planned spending baseline**
- **Basic entitlement – to allocate to each local authority £4,000 per pupil**

Yes, we support the inclusion of a historic spend factor and basic entitlement factor.

3. **We propose to use the following weightings for each of the formula factors listed below, adding up to 100%. Do you agree? • Population – 50% • Free school meals eligibility – 10% • IDACI – 10% • Key stage 2 low attainment – 7.5% • Key stage 4 low attainment – 7.5% • Children in bad health – 7.5% • Disability living allowance – 7.5%**

The weightings appear to be reasonable, but it is difficult to comment without a stronger evidence base.

4. **Do you agree with the principle of protecting local authorities from reductions in funding as a result of this formula? This is referred to as a funding floor in this document.**

Yes.

5. **Do you support our proposal to set the funding floor such that no local authority will see a reduction in funding, compared to their spending baseline?**

Yes, the current baselines are not a true reflection of actual spend and further work needs to be done on this to find the true position.

6. **Do you agree with our proposals to allow limited flexibility between schools and high needs budgets in 2018-19?**

Under the NFF Lewisham schools will be on the cash floor so there will no possibility of flexibility.

In general though we do not agree with proposals to restrict the transfer of funding between blocks.

- 7. Do you have any suggestions about the level of flexibility we should allow between schools and high needs budgets in 2019-20 and beyond?**

This does not seem an option with all Lewisham schools on the cash floor

- 8. Are there further considerations we should be taking into account about the proposed high needs national funding formula?**

There needs to be a better link between cost pressures, funding and the supply of new high needs places.