

Consultation Response Implementing the direct NFF

Opened 7th June 2022

Closed 9th September 2022

Question 1

Do you agree that local authorities' applications for transfers from mainstream schools to local education budgets should identify their preferred form of adjustment to NFF allocations, from a standard short menu of options?

Do you have any other comments on the proposals for the operation of transfers of funding from mainstream schools to high needs?

Response: Sheffield are of the opinion that as our High Needs transfer relates to supporting all pupils in Sheffield that a simple, fair and transparent methodology would be to apply a reduction as a % through the basic entitlement factor.

Question 2

Do you agree that the direct NFF should include an indicative SEND budget, set nationally rather than locally?

Response: No, it is important to keep the local flexibility so we can adapt to local situation.

Question 3 Do you have any comments on the proposals to place further requirements on how local authorities can operate their growth and falling rolls funding?

Response: Operating a growth fund with local flexibility would be our preferred option. Further consultation is welcomed to discuss proposals for methodology to be used and minimum requirements. Some small schools who see an increase of less than 30 pupils can still have a significant negative financial impact so a % increase may be more of a responsive way forward.

Question 4 Do you believe that the restriction that falling rolls funding can only be provided to schools judged "Good" or "Outstanding" by Ofsted should be removed?

Response: Yes, trying to support only good or outstanding schools is not helpful when you are trying to sustain the viability of a school. Some schools may have had a 'blip' and performed previously at a good or outstanding level and support the LA in fulfilling its statutory responsibility in providing places in certain areas of the city.

Having support from a falling rolls fund could support the viability of that school and propel them back into a good or outstanding Ofsted level, to increase the level of good quality schools in the city.

Question 5 Do you have any comments on how we propose to allocate growth and falling rolls funding to local authorities?

Response: How are you going to define 'spend' level nationally? Is this amount allocated via growth funds as shown on the APT bearing in mind some LA's use growth funding to fund in-year growth through the funding formula and not all the growth allocation is used outside the funding formula.

As long as the 'spend' captures spend via the formula too and allocation is approached consistently across the country as the national trend is taken into account, the amounts LA's would receive should be proportionately fair.

Question 6: Do you agree that we should explicitly expand the use of growth and falling rolls funding to supporting local authorities in repurposing and removing space?

Response: No, we welcome the recognition relating to priorities of funding need. This could be a useful change if required, but as the Growth and Falling Rolls funding is falling and restraints are going to be put on it, it will become a fund with a high call of claims upon it. By expanding the criteria upon which schools can claim, makes it more difficult to target funding and support schools with issues relating to growth and falling rolls. This needs to attract additional funding as an additional element.

Question 7 Do you agree that the Government should favour a local, flexible approach over the national, standardised system for allocating growth and falling rolls funding; and that we should implement the changes for 2024-25?

Response: Yes, we feel local flexibility is required as local knowledge is required to determine need in its own area. We would however, prefer applying a % option of determining criteria rather than a particular number of pupils, to adapt to the small school volatility of the funding impact of losing just a handful of pupils.

Question 8 Do you have any comments on the proposed approach to popular growth?

Response: This would be a welcome addition to support growth funding for schools that fall into this category but would like to see more detail about adjustments for pupils not materialising and how this would impact any growth fund allocation.

Question 9 Do you agree we should allocate split site funding on the basis of both a schools' 'basic eligibility' and 'distance eligibility'?

Response: This could be limiting for school sites who do incur additional costs who do not fall into this category, but generally, these are the general criterion that we currently set our split funding on, and recognise that any potential loss in funding would be protected by the MFG.

Question 10: Do you agree with our proposed criteria for split site 'basic eligibility'?

Response: Yes, this is generally the criteria that we currently use to allocate split site funding, as our split site schools do have roads between them.

Question 11: Do you agree with our proposed split site distance criterion of 500m?

Response: Yes, we currently have a distance threshold of ½ mile by road.

Question 12: Do you agree with total available split sites funding being 60% of the NFF lump sum factor?

Response: No, while the capped amount of funding allocated is reasonable for our primary schools it does not reflect the actual split site costs of our two large secondary schools who currently receive it. This is due to levels of pastoral care and other factors involved. I understand however, that any reduction in funding would be protected by the MFG. We are happy to have a simple and transparent formula but it needs to be in framework surrounding individual costs involved. It needs to be a range, rather than an absolute value.

Question 13 Do you agree that distance eligibility should be funded at twice the rate of basic eligibility?

Response: Don't quite understand the rationale behind the ratio % split arrived at, apart from the assumption is that the further away schools are, travel costs and additional staff costs are more significant due to not being reasonably able to travel in a reasonable amount of time between the two sites. However, that said our schools all qualify for the distance threshold so would not be disadvantaged because of it. This needs to consider the unique costing for a split site school, formula based doesn't do it justice.

Question 14: Do you agree with our proposed approach to data collection on split sites?

Response: Yes

Question 15 Do you have any comments on our proposed approach to split sites funding?

Response: No, see comments above

Question 16 Do you agree with our proposed approach to the exceptional circumstances factor?

Response: No, Sheffield have no funding allocated under this factor. However, for LA's that use this factor, increasing the % threshold might not capture those individual circumstances that can have a significant impact on a school, but do not now meet the threshold and do not fit into any other category such as awarding funding through other factors i.e., PFI, Sparsity etc. By changing the split site factor for example could have knock on effects for exceptional circumstances funding.

Question 17 Do you have any comments on the proposed approach to exceptional circumstances?

As above

Question 18: Do you agree that we should use local formulae baselines (actual GAG allocations, for academies) for the minimum funding guarantee (MFG) in the year that we transition to the direct NFF?

Response: Yes, we do agree that you should use local MFG baselines in order to protect schools from a 'cliff edge' effect once the NFF is fully implemented. Sheffield is currently moving towards NFF at pace as is affordable, so if we are 'not quite there' at date of full implementation this would be an important measure that would ensure sufficient stability for schools.

Question 19: Do you agree that we should move to using a simplified pupil-led funding protection for the MFG under the direct NFF?

Proposed Response: Yes, it makes sense to move towards a simplified pupil-led protection level, as long as the current mechanism stays in place up to the point of full implementation so that any final year on year change is picked up and protected in the baseline going forwards.

Question 20: Do you have any comments on our proposals for the operation of the minimum funding guarantee under the direct NFF?

No further comments from those above.

Question 21: What do you think would be most useful for schools to plan their budgets before they receive confirmation of their final allocations: (i) notional allocations, or (ii) a calculator tool?

Response: I think it would be useful for schools to have both options available to them. Notional allocations in would give them an early indicator of what their budget share would look like if they had no changes in pupil numbers, but a calculator tool would also be useful once the October Census took place and schools could 'plug' in their pupil numbers and other characteristics to produce a more informative indicative budget share.

Question 22: Do you have any comments on our proposals for the funding cycle in the direct NFF, including how we could provide early information to schools to help their budget planning.

Response: There doesn't seem to be any improvement on the timeline cycle to what schools have now. However, having a calculator tool to which schools can 'plug' their own data in would be of benefit as long as it is user friendly. Schools can currently do this in the COLLECT system to produce their own notional NFF allocation, but not actual funding due to local flexibility afforded to LA's.

We would be interested in how you are planning to deal with school queries, will there be a helpline, or will schools have to email in order to receive a response and wait a number of days for a response.

Furthermore, any improvement on the publication dates of DSG allocations for High Needs or Early Years would be beneficial as these obviously impact on the need for a transfer request from the Schools Block, particularly in respect to High Needs.

Question 23: Do you have any comments on the two options presented for data collections in regards to school reorganisations and pupil numbers? When would this information be available to local authorities to submit to DfE?

Response: We work closely with our school organisation team and admissions to take account of forthcoming planned increases in places and/or school amalgamations/de-amalgamations.

Due to statutory deadlines in the Admission allocation process, the data is usually available in late December/January, so January would be a very tight deadline to work towards, but not impossible, it just might not be the most up to date picture we could provide at that point in time.

If growth was captured at a future point, as discussed in the consultation, then any lagged effect could be captured here.

Question 24: Regarding de-delegation, would you prefer the Department to undertake one single data collection in March covering all local authorities, or several smaller bespoke data collections for mid-year converters?

Response: I think further clarification is required. Recoupment for mid-year convertors happens pro-rata dependent upon the conversion date up to the 1st September. After this date, the LA retain full de-delegation in order to maintain stability for its de-delegated services it runs.

Under a direct NFF, if by collecting data in March, are you suggesting there would be a lagged impact adjustment for mid-year convertors the following year, or are you saying there will be no mid-year adjustments for mid-year convertors?

I think as long as know in advance what form of adjustment is taking place, to cover which period, we would support one data collection in March in order to keep transparency and simplicity if it does not have a negative impact on LA retained de-delegated funds to run de-delegated services.

Question 25: Do you have any other comments on our proposals regarding the timing and nature of data collections to be carried out under a direct NFF?

No further comments from those above.