

Appendix 2

Introduction

In 2021 we held our first-stage consultation on the direct national funding formula (NFF) for schools. Following the feedback to that consultation, the Government confirmed our commitment to introduce the direct NFF.

This current consultation focuses further on the detail of the implementation of the direct NFF. It does not restate our broad proposals for reform, which are outlined in the first consultation and the response.

This consultation asks for views on how the direct NFF will work in practice, which includes:

- The interaction between the direct NFF and funding for high needs,
- How funding for schools experiencing significant growth in pupil numbers, or falling rolls, could operate under a direct NFF
- How the minimum funding guarantee - which protects schools against excessive year-on-year changes in their per-pupil funding – will continue to operate
- How the funding cycle should operate in the direct NFF – that is, the regular timescales for gathering data to calculate funding allocations, and then confirming these allocations to schools

What is your name?

Name

What is your email address?

If you enter your email address then you will automatically receive an acknowledgement email when you submit your response.

Email

Are you responding as an individual or on behalf of an organisation?

Individual Organisation

What is the name of your organisation?

Organisation

What type of organisation is this?

Please pick the organisation you belong to.

What local authority area are you or your organisation based in?

Please

select

Would you like us to keep your responses confidential?

Confidentiality

Information provided in response to this consultation, including personal data, may be subject to publication or disclosure under the Freedom of Information Act 2000, the Data Protection Act 2018, or the Environmental Information Regulations 2004. If you want all, or any part, of a response to be treated as confidential please explain why you consider it to be confidential. If a request for disclosure of the information you have provided is received, your explanation about why you consider it confidential will be taken into account, but no assurance can be given that confidentiality can be maintained. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

Privacy Notice

The personal data (name and address and any other identifying material) that you provide in response to this consultation is processed by the Department for Education as a data controller in accordance with the UK GDPR and Data Protection Act 2018, and your personal information will only be used for the purposes of this consultation. The Department for Education relies upon the lawful

basis of article 6 (1) (e) of the UK GDPR which process this personal data as part of its public task, which allows us to process personal data when this is necessary for conducting consultations as part of our function. Your information will not be shared with third parties unless the law allows or requires it. The personal information will be retained for a period of X (e.g. 12 months following the closure of the consultation period, after which it will be securely destroyed. You can read more about what the Department for Education does when we ask for and hold your personal information in our personal information charter, which can be found here: [Personal information charter - Department for Education - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/612212/Personal-information-charter-Department-for-Education-2018-2020.pdf)

Yes No

Reason for confidentiality (optional)



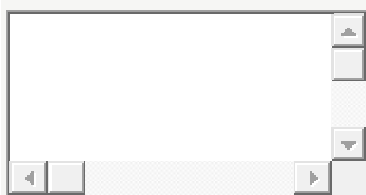
Interaction between the direct NFF and funding for high needs (1)

An important part of implementation of the direct NFF is the interaction between the direct NFF and funding for high needs, which many highlighted in their responses to last year's consultation. The Government response to that consultation included a commitment to continue some form of flexibility to transfer funding to local authorities' high needs budgets, by adjusting mainstream schools funding, so we are not consulting on the principle of such transfers at this stage. Pages [10-13] of the consultation document proposes how such flexibility could work under the direct NFF. Please read that section before answering the question below and giving your comments on the operation of this flexibility.

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?

Yes No Unsure

If you have any comments on this question or on other aspects of the operation of transfers of funding from mainstream schools to local authorities' high needs budgets, please give these below. Please limit your answer to 200 words.



Interaction between the direct NFF and funding for high needs (2)

The SEND and alternative provision green paper sets out proposals for an inclusive system, starting with improved mainstream provision for pupils with special educational needs and disabilities (SEND). Those proposals include the development of national standards for SEND provision, and that there should be a national expectation on how mainstream schools support their pupils with SEND and contribute to the costs from their formula funding. Proposals on the threshold of this contribution (currently up to £6,000 per pupil) will follow at a later stage, following the green paper consultation. At this stage we are seeking views on replacing the notional SEN budget, currently calculated by local authorities using appropriate factors in their local funding formula, with a national indicative SEND budget for each mainstream school, calculated under the direct NFF. Our reasons for proposing this, rather than alternative approaches, are set out in pages [13-15] of the consultation document. Please read this section before answering the question below.

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

Yes No Unsure

If you wish to explain your answer, please do so here. Please limit your answer to 200 words.



Growth and falling rolls funding

We propose a system which retains some local flexibility to determine how this funding is allocated, while aligning with the principles set out above to achieve much greater fairness, simplicity and predictability.

In doing so, we are aiming to ensure consistency with the ongoing role of local authorities as set out in the schools white paper, ensuring that local authorities are supported to carry out their role as champions of the child and in place planning. We set out more detail on our proposals for how this will operate in the direct NFF in pages [17-29]. Please read this section before answering the questions below.

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?

Please limit your answer to 200 words.

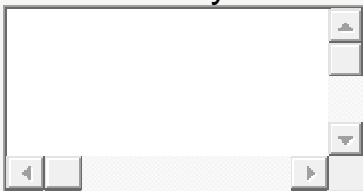


4. Do you believe that the restriction that falling rolls funding can only be provided to schools judged “Good” or “Outstanding” by Ofsted should be removed?

Yes No Unsure

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

Please limit your answer to 200 words.



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?

Yes No Unsure

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?

Yes No Unsure

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

Please limit your answer to 200 words.

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Premises funding

The first stage consultation set out our ambition that *all* of mainstream schools' core funding allocations would be determined by a single national funding formula – including both “school-led” elements (which are allocated on the basis on the circumstances of the school) and pupil-led elements (allocated on the number and characteristics of pupils). We acknowledged that allocating some of these “school-led” elements directly to individual schools through the NFF would mean

we had to move away from relying on historic local authority spending decisions as we do currently, and that that would be a complex set of reforms. In pages [30-39] of this consultation, we set out more detail on our proposals for how this will operate in the direct NFF. Please read this section before answering the questions below.

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

Yes No Unsure

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

Yes No Unsure

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

The distance criteria should be shorter That is about the right distance The distance criteria should be longer Unsure

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

The funding should be higher That is about the right amount of funding The funding should be lower Unsure

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

The distance eligibility should be given a higher weighting That is about the right weighting The basic eligibility should be given a higher weighting Unsure

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

Yes No Unsure

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

Please limit your answer to 200 words.




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

Yes No Unsure

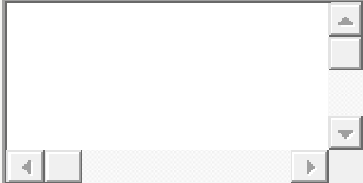
17. Do you have any comments on the proposed approach to exceptional circumstances?

Please limit your answer to 200 words.



- **The minimum funding guarantee (MFG) under the direct NFF**
- As we move to the direct NFF, the minimum funding guarantee – which protects schools against excessive year-on-year changes in their per-pupil funding – will continue to operate. In the current system, the "funding floor" in the NFF mirrors the operation of the minimum funding guarantee in the local formulae. When the direct NFF is introduced, the minimum funding guarantee and the NFF funding floor will effectively merge into one single funding protection mechanism – which we

will continue to refer to as the minimum funding guarantee. In pages [40-42] of the consultation we set out a proposal on how this will operate. Please read this section before answering the questions below.

- 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?
 Yes No Unsure
- 19. Do you agree that we should move to using a simplified pupil-led funding protection for the MFG under the direct NFF?
 Yes No Unsure
- 20. Do you have any comments on our proposals for the operation of the minimum funding guarantee under the direct NFF?
Please limit your answer to 200 words.


The annual funding cycle

We set out proposals on how the funding cycle should operate in the direct NFF in pages [43-49] of the consultation— that is, the regular timescales for gathering data to calculate funding allocations, and then confirming these allocations to schools. A key consideration here is how we can support schools' budget planning, by giving them early indication of future funding levels. Please read this section before answering the questions below.

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?

Notional allocations Calculator tool Unsure

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?

Please limit your answer to 200 words.



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?

Please limit your answer to 200 words.

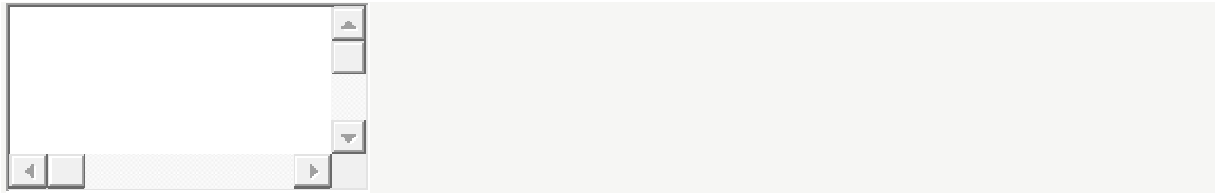


24. Regarding de-delegation, would you prefer the Department to undertake one single data collection in March covering all local authorities, or several smaller bespoke data collections for mid-year converters?

One single data collection Several smaller bespoke data collections Unsure

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?

Please limit your answer to 200 words.



Almost done...

You are about to submit your response. By clicking 'Submit Response' you give us permission to analyse and include your response in our results. After you click Submit, you will no longer be able to go back and change any of your answers.

If you provide an email address you will be sent a receipt and a link to a PDF copy of your response.

Email address

Submit Response Back First