

9. 2019/20 National Funding Formula arrangements

In late July, the DfE published announcements and guidance detailing their continued proposals for implementation of a National Funding Formula for schools and high needs. The main structure of the National Funding Formula is not changing, but there have been minor changes to some of the calculation of elements of Schools Block funding to Local Authorities. In their July announcement, the DfE also advised that Local Authorities will be able to continue transition to the National Funding Formula (soft formula) in 2021/22 rather than the 'hard' National Funding Formula in that year, as previously expected.

Growth funding

In future, the growth funding to local authorities will be based on the actual growth in pupil numbers they experienced the previous year. This will ensure that over time local authorities will be funded on the basis of the actual growth they experience (albeit on a lagged basis), rather than historic spending decisions. Transitional capping and scaling of the growth factor will be applied to ensure LAs do not experience significant changes in growth allocations for 2019/20.

The measure used for this will be pupil number changes by Middle Super Output Area (MSOA), with only positive pupil numbers by MSOA being used (i.e. negative pupil numbers in one MSOA will not 'offset' positive growth in another). As we do not currently have pupil data by MSOA level, we are not able to accurately project the expected growth funding within the Schools Block for 2019/20. For modelling purposes, we have therefore assumed the same level of growth funding as was received in 2018/19. The actual growth funding for 2019/20 will be announced by the DfE in December when actual October 2018 census data is released and the Schools Block allocation for 2019/20 is confirmed.

The change to the calculation of growth funding has been made in order to provide a growth allocation to LAs. It is not intended to affect the criteria for allocating growth funding to schools in local funding formulae – this remains a local decision.

Low Prior Attainment

As a result of changes made to the Early Years Foundation Stage Profile in 2013, the Low Prior Attainment (LPA) cohort in primary schools has been increasing since that time. To reflect the assessment changes and the increase in the Primary LPA cohort, the total spend through LPA remains consistent but the LPA rate in the national funding formula has been amended slightly for 2019/20; for Barnet the 2019/20 Primary LPA rate will be £1,122 instead of the £1,153 used in 2018/19.

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