

A Presentation to Herefordshire Schools Forum, 19<sup>th</sup> October 2017.

How the National Funding Formula affects Herefordshire, A comparison with other Shire Counties.

Members may recall the comparison with other Shire authorities considering the effect of the Area Cost Adjustment upon Herefordshire in the previous version of the NFF.

In this new version of the NFF it states, "As confirmed following the first stage consultation, we will also apply an area cost adjustment to the formula to take account of the variation in costs between different parts of the country."

This is a different analysis for this version of the NFF, comparing the percentage increases in funding, over the baseline of 2017/8 figures for the same Shire authorities as the previous analysis.

Schools Block.

LA	% increase In 2018/9	% increase in 2019/20	% increase full implementation
Herefordshire	1.4	2.0	2.2
Gloucestershire	1.9	3.0	3.6
Warwickshire	2.1	3.4	3.8
Oxfordshire	2.0	2.8	3.0
West Sussex	3.0	5.6	6.5

## Combined NFF.

LA	% increase In 2018/9	% increase in 2019/20	% increase full implementation.
Herefordshire	1.6	2.2	2.4
Gloucestershire	1.8	2.7	3.2
Warwickshire	1.8	3.0	3.2
Oxfordshire	2.2	2.9	3.1
West Sussex	2.7	4.9	5.6

These figures clearly show that Herefordshire would seem to be penalised with lower percentage increases.

I will leave it to members to draw their own conclusions as to why this is happening.

However the first two thoughts that come to mind are:-

Herefordshire is being penalised with smaller percentage increases because it already receives proportionally more than its fair share of education funding and these lower increases will help to make the distribution of funding fairer.

OR

Herefordshire is being penalised with smaller percentage increases because the formula fails to sufficiently recognise that education in sparsely populated areas with a higher proportion of smaller rural schools are more expensive to fund.

OR ?

Chris Lewandowski, October 2017