



Thursday, 11 October 2018

MPs to hear f40's updated school funding campaign demands

F40 – the group that has fought for fair funding for schools in England for over two decades – has published a Briefing Paper outlining its current position in relation to the national funding formula for schools and will present it to Members of Parliament on Monday 15 October.

Following the introduction of the government's new national funding formula (NFF) in April, f40 has reviewed its position and agreed the main elements of future campaigning aimed at achieving further improvements to the formula.

"F40 welcomed the government's commitment via the NFF to a fairer system for allocating school funding, and the extra £1.3billion made available for schools between 2018 and 2020," said Ivan Ould, who chairs the group and is also Lead Member for Children and Families at Leicestershire County Council.

"But f40 has fundamental concerns about the NFF and believes it has failed to deliver the level of fairness of funding allocation that is required and there is unanimous recognition within our membership that there is still more work to do to tackle remaining locked-in inequalities."

The main issues raised by f40 are:

1. f40 seeks a significant increase in the amount invested in education funding to meet the cost pressures facing all schools. The government must take account of f40's index linked activity-led formula which sets out the true costs of delivering to Ofsted standards. This clearly shows the real cost of running a school. f40 believes the current funding shortfall in schools is £2bn pa.
2. Funding continues to be allocated on an historic basis and the average of decisions made in the past by local authorities that had different spending powers. There is no rationale or understanding of the needs of children or schools. f40 continues to argue that an index-linked activity-led formula is the only way to ensure sufficient funding in the system, which is correctly balanced to meet needs. This would allow for future changes of policy direction and allow the creation of a world class system of education to allow our pupils to compete in the post-Brexit age with the rest of the world. Index linking means that the activity-led formula can keep pace with the cost changes as they occur. We will present our updated modelling to the government this month.
3. f40 seeks a review of the amount of funding for basic entitlement (core costs such as teachers and heating) relative to the educational additional needs. Core costs must be sufficient to run the school before the costs of additional support are added to school budget. An NFF underpinned by an index-linked activity-led formula could achieve this.
4. A key principle for the NFF was that pupils of similar characteristics should attract similar levels of funding wherever they are in the country (allowing for the area cost adjustment). Therefore, NFF should be applied to all schools on a consistent basis. However, the protections applied, such as the 0.5% funding floor, 'lock in' some of the historical differences. Transition to the new formula is sensible but locking in past inequalities is not.
5. The Minimum Funding Level (MFL) is applied to bring schools up to an artificial minimum level, but schools with pupils with few additional needs are being funded at the same level of funding as a school with a greater number of additional needs pupils. This is not fair. An activity-led NFF should

undertake this role. If the Minimum Funding Level is to stay, then it should be fairly applied to take account of the additional educational needs of individual schools.

6. The NFF needs to cover all the funding for mainstream schools, not just the pupil-led elements. NFF has elements that are individual to each school e.g. business rates and sparsity. Funding for these cannot continue to be based upon historical costs. Exceptional premises should be funded at realistic, not historical levels. f40 believes that all schools should be exempted from business rates with a one-off compensating cost adjustment nationally for local government.

7. f40 seeks continued funding flexibility to support specific local issues or organisational requirements. The government should allow an element/percentage of the formula to be targeted using local discretion (via the Schools Forum or similar representative group).

8. f40 seeks to see plans for the funding formula beyond 2020. We require the establishment of rolling 3-4 year budget settlements for schools which are inflation-proofed, including funding for cost-of-living increases.

9. f40 seeks an appropriate quantum of funding be made available for the high needs block. An immediate injection of new funding, estimated on increased costs and demand since 2015, of at least £1.5bn pa. is required. High needs funding supports the most vulnerable pupils in our schools: those with complex SEN, those who are excluded or at risk of exclusion and those that cannot access education for medical reasons. Demand for high needs funding is out-stripping the budgets available. Complexity of the high needs services demanded by children (and their parents) is far greater than just a few years ago: more accurate medical assessment and improved methods of treatment increase demand still further. The high needs crisis has been created in part by the continued use of historic funding levels. Short-term attempts to fix the problem are woefully inadequate. We also want to see the introduction of an annual index-linked review for this block and we request a review of SEN policy and guidance to help manage down demand more effectively.

10. f40 seeks a review of the early years national formula to make it fit for future use. An increase in the quantum of funding for early years providers is needed to take account of the pressures of the living wage and the impact of 30 hours. We also seek an annual index-linked review for this block.

11. f40 seeks clarity on the way that the Central Schools Services Block will work. It should be index linked to meet increasing costs.

12. f40 wants to see parity with Multi Academy Trusts with them being held more accountable, especially with regard to pay and distribution of funding between individual academies in the MAT. An NFF means equality for all schools, including those in MATS.

13. f40 seeks a review of the way that Home to School Transport is funded and used. Government needs to recognise the real impact of reducing school transport on pupil choices.

Cllr Ould continued: "Implementation of the NFF has clearly had more to do with stability and the protection of schools against loss, rather than creating a fairer funding system across all schools and local authorities. We contend that an additional funding is needed along with an additional "F" to create a new NFFF – a National Fair Funding Formula.

"In essence the government failed to effectively deal with the core problems associated with the fair funding of our schools. Therefore, the job isn't finished and f40 has no choice but to continue to campaign for further change to assist our schools with very low levels of funding."

ENDS

Issued by Doug Allan, Secretary of the f40 Group. For further comment or information please call 07785 223707 or email doug@dtw.co.uk

1. f40's latest Briefing Paper is attached for information.
2. f40 will hold a Briefing for Members of Parliament at 5pm on Monday 15 October 2018 in the House of Commons.
3. f40 is a cross-party group which has the support of MPs, councillors, education directors, governors, head teachers, parents and teaching union representatives. The group has 41 member authorities representing over 2.83 million pupils in around 9,100 schools.
4. The members are: Buckinghamshire, Cambridgeshire, Central Bedfordshire, Cheshire East, Cheshire West and Chester, Cornwall, Derbyshire, Devon, Dorset, East Riding of Yorkshire, East Sussex County Council, Gloucestershire, Hampshire, Herefordshire, Kent, Leicestershire, Lincolnshire, North Lincolnshire, Northamptonshire, North Yorkshire, Northumberland, Oxfordshire, Plymouth, Shropshire, Solihull, Somerset, South Gloucestershire, Staffordshire, Stockport, Suffolk, Swindon, Torbay, Trafford, Wakefield, Warrington, Warwickshire, West Sussex, Wigan, Wiltshire, Worcestershire and York.