



f40 Executive Committee Meeting

Saturday, 26 November 2011 at Amerton Farm, Staffordshire

1. Attendance and apologies

Present: Ivan Ould, Leics (Chair); Gillian Hayward, Gloucs (Vice Chair); Doug Allan, Secretary; Sam Ellis (Financial Consultant); Joe Jefferies, NASUWT, Notts; Tony Norton, N Lincs; Chris Chapman, Cheshire; David Harty, Cambs; Jon Pearsall, Worcs; Gillian Allcroft, NGA; Christine Atkinson, ERYC; Chris Harrison NAHT; Tony Brown, Central Beds; Pauline and David Hibbert, Stockport.

Apologies: Robin Walker MP, Worcester; Margaret Judd, Dorset; Francis Loftus, North Yorks; Eunice Finney, Staffs; Helen Donovan, Worcs; Clive Chorley, PGR, Worcs; Chris Levy; Geoff Venn, Bedford; Edwina Grant, Central Beds; Jane Potter, Worcs; Harriett Baldwin MP; Peter Hughes, Stockport; David Renard, Swindon.

2. Minutes of the Previous Meeting

The minutes of the meeting on 23 July 2011 were **Approved** as an accurate record of the procedures.

3. Consultation on School Funding Reform: Proposals for a Fairer System

DA confirmed that a submission had been made in response to the government's consultation on school funding reform. The closing date was 11 October 2011. A copy of the submission is available on f40's website. (www.f40.org.uk)

It is understood that the DfE had received a massive response to the consultation and was now analysing the various submissions. SE suggested that there is some 'high level' information available which reinforces the idea that it is going to be extremely difficult to work out the implications of the various possibilities available for a new arrangement. He added that the responses are not yet weighted. It is likely that we will know more detail early in 2012.

IO read out the response that Robin Walker MP (and all other Worcestershire MPs) had received from Lord Hill, Parliamentary Under Secretary of State for Schools, to a letter and submission made in connection with the consultation. The Minister said "he understood your joint commitment to fair funding and your desire for rapid reform". He added: "...I appreciate that some local authorities, such as Worcestershire, want a swift transition to the new school system. I recognise that on a national level, however, schools and local authorities will need sufficient time to plan for any changes to the system. We should, therefore, be careful in the introduction of changes and ensure that there are sufficient transitional arrangements in place".

IO suggested that f40's argument for fair funding has been accepted by the government, but the big issue now is how to deal with the introduction of a new allocation system. This means that this is a critically important time for f40 and we must maintain pressure to ensure that we achieve an outcome from the review that meets our requirements. Although f40 has been successful in gaining access to Lord Hill in the past, IO pointed out that his own authority had had two meetings postponed. This is no doubt because the department is extremely busy. However, he suggested that all f40 members and their MPs should continue to request meetings and keep the fair funding arguments 'live'.

GH flagged up fact that her LA had requested that the DfE should suspend MFG in the county for next year, but the answer was 'no' because schools need stability. The request had been made precisely to offer some sort of stability to the county's schools.

CH said that it was clear that those with a vested interest in maintaining the existing arrangements were seeking to delay any change and looking for the longest possible period of transition. The idea of 2017-18 has been suggested, but such a delay would mean no children currently in the schools system would benefit from any change. CH emphasised that the status quo and long delay are not acceptable and that f40 must be prepared to fight to ensure early change isn't 'kicked into the long grass'. He suggested a range of actions to ensure the Group's messages are heard

TN suggested that the DfE's difficulties are that the system is so awful and out-of-date. They simply are overwhelmed by the nature and scale of change that is really required. Alarm bells are ringing and there is some panic about the impact of introducing a fairer system. He said that those LAs that are better off under the existing system will fight to halt or delay change. Many have had massive increases to reflect deprivation – but to some extent this has increased the inequity of the allocation system. The problem is that the longer the current system remains, the worse the funding arrangement is for the poorest funded.

IO said that the academies programme had launched a new funding dilemma for LAs but also for the DfE. It is reported, and not officially denied, that there is a huge funding 'black hole' developing.

CH added that in today's news there are reports of massive amounts of new money being pumped into Free Schools. He said this will create even greater turbulence throughout the education sector, but particularly for LAs. Quite soon there will be no secondary schools left under LA control, which is clearly what the government is trying to achieve.

See proposed actions included in "Future Strategy" section below.

4. IFS Report on School Funding – published 18 November 2011

DA referred to the extracts from the report – Executive Summary and Conclusions – that he had circulated. These extracts will be circulated with these minutes. The full report can be read on the IFS website – www.ifs.org.uk

IO suggested that the IFS conclusions, to a great extent, mirrored those of f40. The report leaves no doubt in anyone's mind that the present system is unfair and that change is essential.

5. Report on National Conference

DA reported on the success of the conference held at Local Government House, London on 17 October 2011. The event, which had been staged at a cost of less than £4,000, had attracted over 60 delegates and the main speaker had been Sarah Healey, Director of the education Funding Group at the DfE. The feedback had been very positive.

Committee members agreed that the conference had been effective in ensuring f40's messages were broadcast at a crucial time – to coincide with the end of the School Funding consultation.

6. Ongoing communication with Sarah Healey

IO referred to email contact he has had with Sarah Healey and her invitation to get in touch if there were any issues f40 cared to raise. Any member wishing to feed new information to the Education Funding Group may wish to do so directly, but may in some circumstances also consider using IO as a conduit.

7. Joint Lead Members letter to the Secretary of State

At the previous meeting of the Executive Committee IO had suggested that LA lead members should follow the lead of some MPs in sending a joint letter to the SoS. This, he thought, could embrace all f40 members, but also include those LAs that are poorly funded (in the bottom 40 of the league table) but not in f40 membership.

For several reasons this initiative was delayed, but is now progressing well. DA has been in touch with all the above authorities and received positive backing from 18 of f40's 32 members, and 4 non-members.

DA and IO reported on correspondence with the Lead Member of Stockport Council. IO had tried to speak to Cllr Bodsworth but without success. He will try again over the next few days.

DA reported on those who to date had failed to respond. It was agreed that urgent approaches would be made by Executive Committee members to those LAs which had not yet signed. A new deadline for sending the letter was set as Wednesday, 30 November, which means that any outstanding signatures must be provided to DA by 12 noon Tuesday 29 November.

DA to prepare a news release to be distributed to coincide with the letter being sent to SoS.

8. f40 presentations at national conferences

DA referred to fact that three members of F40's Executive Committee had given presentations at Capita's School Funding Conference held in London on 21 November 2011. TN's notes had previously been circulated to committee members. (these notes are shown as an Appendix to these minutes).

There was a general discussion about the conference. The following comments were noted:

- All the evidence points to fact that DfE accepts the fair funding arguments
- The funding of academies is proving to be a big headache for the DfE
- Simplicity and transparency are important
- There will be winners and losers – but the good of education for all must come first
- Some members feel strongly that “Ever 6” is not the right approach
- If School Forum representatives knew who the winners and losers might eventually be, their minds would certainly be focused
- Small schools and rurality are going to be massive issues in some areas and there will be major political issues to confront
- Some member LAs have experimented with their own formula changes, with interesting results and unusual anomalies arising – some of which can be dreadful news for certain schools
- Schools always worry about losing out – even when they have been relatively well-off and perhaps over funded in the past
- Despite f40's view that change should be swift, it is recognised that schools need time to plan
- Turbulence can be managed if you have certainty about funding levels
- LAs must show leadership and management skills – they must not demonstrate systemic weaknesses in dealing with local funding. If we expect the government to be fair, LAs themselves must be equally fair.
- Once LAs have the funding, what they do with it is surely a matter for them
- There was consensus that f40 must always concentrate on children and schools – not LAs.

9. Academies and impact on funding

DA referred to an article published in The Guardian on 31 October which flagged up the fact that the government's academy programme is draining resources away from maintained schools.

There followed a general discussion about the impacts being felt across member authorities. In particular the following points were noted:

- JJ reported on the situation in Nottinghamshire where PFI is proving to be a particular issue, with the county finding itself stuck with significant debts when PFI schools take up academy status. All Diocesan schools are moving as one towards academy status. The Schools There are unforeseen practical difficulties in relation to academies – e.g. how to deal with Carbon Reduction Targets, which LA is responsible for, but academies may not implement. Some very small primaries are now applying for academy status.
- IO again referred to the reported £580million funding black hole that academies are causing.
- IO reported suggested that the SoS appears to be extremely uncomfortable when dealing with elected local representatives, which is understandable as he appears to want them out of the equation altogether.
- IO also mentioned that the SoS has indicated the need for an intermediary body between the government and academies – and reflected on the fact that that is exactly the role that LAs have traditionally provided.
- GH referred to the academy situation in Gloucestershire where a school in special measures had converted, leaving the LA to pick up a huge deficit.
- CH said that we are moving into a very volatile period. He will be watching with interest to see what will happen when all schools have converted to academy status – and standards haven't risen as anticipated. Who will the government blame then?
- SE pointed out that in the future we are going to have bodies looking after education that have no local accountability.
- CC wondered who will step in in the future when things go wrong? Traditionally the LA has picked up the pieces – but they are now being excluded from education provision.
- GH expressed continuing concern about LACSEG. In Gloucestershire Section 251 is not fit for purpose. Schools have converted for purely financial reasons – it's not about improved educational provision. Early converters have certainly gained, but current converters are getting a worse deal – so a new unfairness has crept in. There was capital funding made available for the first academies, but such funding is no longer available to those converting. In a falling role situation academies can change their admissions policies to suit themselves, without local consultation or discussion with the LA.

10. Education Journal: f40 article submitted for publication

DA referred to an article he has prepared, with assistance from several committee members, and submitted for publication in the Education Journal in December.

11. Future Strategy

This is obviously a crucial time for f40. We appear to have won the arguments about the need for change, but now we need to ensure that the right changes are introduced...and in a timeframe that is acceptable to the poorest funded LAs. It was agreed that pressure needs to be maintained on the government over the next few months, but in particular to influence the final outcome of the review. All member LAs will be encouraged to take action themselves and also through this Group.

It was agreed that the main thrust of all f40 arguments must centre on children and schools. We mustn't lose sight of the fact that this whole campaign is about fair treatment for pupils and the best way of getting them through the education system.

Members argued that the language used in our campaign for a fairer deal is crucially important – e.g. transition rather than turbulence. It is important to flag up what f40 children are missing out on, what equipment they don't/can't have. Equally, it is important to question why children in some areas appear to be 'worth' more than in others etc.

The following specific actions were **AGREED**:

- The immediate issue is to get the joint Lead Members letter signed by as many member authorities as possible and despatch to Secretary of State no later than Wednesday 30 November.
- Simultaneously, DA to distribute a news release relating to the letter.

- DA/SE to prepare an updated Briefing Paper outlining the current situation and tackling the many issues being raised by the IFS School Funding papers and recent developments in education, particularly arising from the academy conversion programme.
- Once drafted, the new Briefing paper to be circulated initially to all Executive Committee members for discussion and approval, then to be circulated to all member authorities.
- Lead Members will be encouraged to use the Briefing Paper to gain support from head teachers and governors in schools within their LA area. These individuals, in turn, to be encouraged to contact their MPs and write to the Secretary of State.
- The approved Briefing Paper will be provided to all f40 MPs along with a suggested draft letter which we will encourage them to send to the Secretary of State.
- F40 local authorities to be encouraged to call a meeting with all of their local MPs to consider how to take joint action to communicate the issues to local parents and to the government.
- Work closely with the NGA to find ways of getting key messages to governors in schools in f40 areas.
- Share the Briefing Paper with Trade Unions in the education sector and encourage them to undertake whatever actions they can to reach out to head teachers, teachers and other school workers...and in turn encourage them to speak out.
- Cambridgeshire CC is about to launch an initiative which will see a Motion on the principles of fair funding considered by Full Council. The approved Motion will then be despatched to the Secretary of State. The initiative will be given maximum publicity locally, regionally and nationally. Once finalised, DA to encourage all other member authorities to emulate the initiative.
- In due course, and depending on the results of the above actions, the Group will consider a major campaign involving parents across all f40 areas.

12. Membership and Financial Update

DA confirmed that there are now 32 LAs in membership, following Swindon's and Somerset's decision to join. Discussions are underway with two more – Lincolnshire and Buckinghamshire.

DA indicated that all but one LA had paid their membership fee for 2011-12. He is in correspondence with the LA that has not yet paid.

DA reported that the Group's funds were in a healthy state.

13 Website

There was nothing new to report.

8. AOB

There were no items raised under AOB

9. Next Meeting

The next Executive Committee meeting is scheduled for 11am, Saturday, 3 March 2012. If any urgent matters arise that need immediate attention, the Chair will consider the need for a special meeting.

CAPITA – School Funding Conference 21st November 2011

Notes prepared by Tony Norton, head teacher, St. Mary's School, Brigg

Current situation

- The arguments of f40 are irrefutable
 - There is a wide variation in funding similar schools
 - There is no justification for this variation in funding
- Evidence shows clearly the wide differences in funding between similar schools
- Increased funding does not correlate with improved results
- Funding Academies is a big problem

Review has put forward

- The Pupil Premium will be based upon ever FSM (6 year) and this would go some way to helping secondary schools as there is a drop in the number of FSMs at secondary level
- Earliest possible date for change is 2013 / 2014
- There will be more consultation
- If not undertaken in 201 / 2014 the next opportunity for change will not be till 2017 / 2018 due to election constraints
- There should be some local flexibility
- It will take a lengthy period to complete the change to a new formula and transitional funding will be needed

Problems with changing the formula

- There is no new money available
- Change will produce turbulence
- The basis upon which the existing formula is derived is changing and there have been big swings in some LAs which, if put into a formula, would see large differences in their funding
- If change is a problem for 1% of schools, that will be 200 schools
- Why should this risk be taken?
- The next Treasury funding review is after the next election?
- It is unlikely that extra funding will be made available

Proposals

- Change to formula would probably see the DfE use a formula to calculate the funding of each individual school
- This amount would then be given to each LA
- Each LA would then distribute this sum to their own schools, via the forum, as they see fit
- Each school would be made aware of the DfE calculation and the funding their school will receive and could challenge the forum about their allocation

Other Issues

- Funding 2012 / 2013?
- Comparison of urban, suburban and rural performance (and funding?)
- How is year on year lower levels of funding impacting upon schools?
- Why should we take the risk of moving to a new formula?
- Should LAs begin trying to adjust their formulas to reduce the turbulence of a new formula?