

## **F40 Meeting with Nick Gibb MP - Minister of State for School Reform – 4<sup>th</sup> March 2015**

### **Attendees:**

Nick Gibb MP - Minister of State for School Reform (and Special Advisers)

CLlr Ivan Ould – Chair of F40

Sir Nick Harvey MP – Vice Chair of F40

Robin Walker MP – Vice Chair of F40

Martin Wade – Member of the F40 Finance Managers Research Team (FMRT)

### **Main Discussions Points:**

The additional £390m Minimum Funding Levels (MFL) allocation was welcomed, but f40 members requested a firm commitment that this funding will now form part of the baseline funding for 2016-17 and beyond. Although committed to the MFL approach Ministers are unable to confirm future spending plans.

F40 members highlighted the concern that this is causing some schools in respect of planning for future years, and the catastrophic impact should the additional funding be withdrawn. The Minister of State recognised this anxiety; however this is an issue that will require further discussion with the Treasury.

Reference was made to the encouraging meeting f40 members had with DfE funding officials in January 2015. There were significant areas of commonality between the f40 funding proposal and current DfE thinking. Recognition was given to the concerns over levels of turbulence for potential losers as a result of any changes to the funding system; however f40 it was felt this redistribution was necessary to achieve a truly fair funding system. The f40 proposals suggest transitional funding over 3 years, however 3 to 5 years, over the course of the next government, might be more palatable.

F40 members reiterated some of the historical inequities of the funding, including how the gap has widened due to additional grants and national policies. Although supportive of the Pupil Premium concept, the implementation, without consideration to historical funding levels has led to anomalous levels of funding for seemingly similar pupil across the country.

The question as to whether the commitment to “Fairer Funding” and the continuation of the MFL methodology would be included in the Conservative party manifesto was raised. The Minister of State was not clear if it would be, but he would certainly push for its inclusion.

The Minister of State asked some specific questions around the f40 formula proposals. F40 members explained the rationale behind the varied lump sums for primary and secondary schools. The differences in deprivation funding were based on the assumption that the Pupil Premium would continue as a separate allocation and therefore aimed to avoid double funding. The f40 model

proposes a higher allocation of funding via the Schools Block which relates to High Needs. The f40 view was that this was the most appropriate way of allocating the overall Dedicated Schools Grant (DSG) to local authorities, but LAs would still have discretion to move funding between funding blocks as appropriate. The area of High Needs funding is extremely complex and will need to be revisited once the DfE's current 'call for evidence' has been completed and results published.

F40 members also raised concerns over the current sparsity methodology and the less than satisfactory outcomes it resulted in for some authorities. F40 is supportive of a sparsity factor in principle, but a number of f40 authorities are not currently using it due to the schools which do not qualify due to the exclusion of selective schools in the calculation.

An issue that was raised at the f40 MP's Briefing on 3 February was highlighted. A number of multi-academy trusts (MATs) will have responsibility for schools across LAs. As a result they are managing with differing levels of funding for each school, dependent on which LA it is in. This anomaly was noted.

A Back Bench debate has been scheduled (Tuesday 10 March from 5-7pm) to highlight the issues around schools funding. F40 members reiterated the value of confirming the on-going commitment to fairer funding within the various political parties' manifestos, and the confirmation of the £390m in future year's allocations.

The final two issues were specific to some f40 members and not others:

- The cross border issue – Where pupils who live in higher funded LAs attend schools in lower funded LAs and, as a result, attract funding at the lower per pupil rate. For LAs where this is a particular issue, consideration to some interim funding adjustment would be welcomed.
- Growth - In LAs experiencing growth, resulting in expansion of existing schools or the building of new schools, the revenue funding does not reflect these additional costs. Due to the lagged funding model all other schools in a LA area subsidise the growth and diseconomies relating to new schools whilst they fill to capacity. In a low funded LA the impact is more acute and, as such, consideration for some form of Basic Need revenue funding would be welcomed.

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