

# F40 Annual Conference – 26 March 2018 - Westminster

## Notes of presentations and responses to Q&As.

(Note: All presentations made by all speakers are available on our website at [www.f40.org.uk](http://www.f40.org.uk) and these notes and questions/answers should be read in conjunction with them)

### SECTION 1

#### Speaker: Tony Foot, Director of the Education Funding Group at the Department for Education

- Tony talked through principles, structure, consultation process and impact of NFF, as well as support for school efficiency and effective use of resources.
- The original principles were put on the screen and included the word 'fair'.
- Mobility was going to be dropped as a factor as it affected relatively few and the data was poor, but consultation showed that it was important to some specific areas as a 'driver' and that the data issues could be surmounted.
- MFL is not a bottom up calculation of what it costs to run a school, as there's no single viable model. But it recognised the stress at the bottom end for the lowest funded schools. AEN are all proxies and those registering least on the proxies needed the MFL.
- £1.3bn added. Part of the schools budget and the starting point for the future – though obviously all spending reviewed in SRs.
- High Needs – started from a blanker piece of paper! Using the ISOS Partnership research, was originally 24 variables as indicators of real need, but these were narrowed down to population, disability living allowance, children in bad health, low attainment and deprivation (the latter as in mainstream NFF) plus historical factor supported by a floor.
- Efficient schools are those that include funding as part of the planning, not as an add on (e.g. after the curriculum has been set).
- Non-staffing costs equate to 20-25% of costs, and variation in spend suggests scope for £1bn of savings. There are lots of tools on the web including improved benchmarking data, buying strategies and regional buying hubs for NW and SW. And there's more to come including supply teachers, facilities management, etc. More information via a single DfE school efficiency and financial health collection on .gov.uk or Google school efficiency and financial health – Direct link: <https://www.gov.uk/government/collections/schools-financial-health-and-efficiency>
- Next steps are to pursue technical improvements re mobility and growth, in particular – as set out in the final NFF documents. And CSR for 2020-21 and beyond.

#### Questions to Tony Foot

**Q:** Alun Dobson, Devon CC asked what proposals the government has for the supply of teachers? What about the funding going into margins for independent special schools? (paraphrase)

**A:** DfE have put more capital into SEN having recognised that SEN was not properly covered by basic need allocations. Will take point on margins back to the team.

**Q:** Bruce Parvin, Northumberland CC – net gains for schools depend partly upon pupil numbers.

**A:** The DfE tried to show numbers per pupil and illustrations for budgets overall. NFF seeks to give more certainty on per pupil funding; but recognise schools need to scenario plan on pupil numbers

**Q:** Ruth George MP (High Peak): Will the DfE factor in the high pension costs in future? Diagnosis of waiting times for pupils with autism (for example) leads to a lag in funding for schools.

**A:** Unable to give a detailed answer here, but would be happy if specifics were forwarded – either direct or via f40.

**Q:** Cllr Peter Downes, Cambridgeshire: A predecessor of Tony's wrote that a hard NFF cannot be done as the responsibility for distribution between schools is a local responsibility and needs local knowledge. What's changed?

**A:** Initially it was a hard NFF in 2020 – and proposals changed in response to consultation. Now it is the intention for the future, but formula is soft in 2018-19 and 2019-20.

**Q:** Philip Dunne MP (Ludlow): Rural Services. There is a pattern of geographic primary schools which can't be rationalised. Capital to amalgamate or federate has dried up. Assistance is needed with capital.

**A:** Sparsity important, and DfE continuing to develop the sparsity factor (e.g. based on travel times rather than crow flies). DfE taking opportunities on capital where possible – e.g. through PSBP. Looking to do more.

**Q:** Carole Thompson, Oxfordshire Schools Forum: Will mobility and sparsity changes be part of a consultation? Historic factor proposals appear to be moving back to a bidding culture, which is a waste of time and costs money. This is a retrograde step.

**A:** Work on growth continues.

Sparsity is not sophisticated enough at present and needs to be 'road' based, future technology will help with this.

Bidding for capital. Conscious of bidding costs and working to make it less of a burden.

**Speaker: Cllr Gordon Jones, Cabinet Member for Children's Services, Education & Skills, Suffolk CC Presenting on the Local Authority Perspective.**

- NFF won't address cost of living pressures.
- Will NHS increases in pay, put more pressure on school budgets (i.e. will they be replicated in schools)?
- ACA: too much difference and its unfair. Why is there so much difference even across statistical neighbours?
- Small schools are an issue and rurality and rural deprivation are not understood.
- High Needs Block and Schools Block are linked and flexibility is limited. Early Years is also linked to quality in schools. History takes no account of changes in demand, it perpetuates problems.
- Home to School Transport – the opportunity should have been taken to make academies responsible for their own Home to School Transport. They control their hours and the days that they are open, set their own admissions policy, but transport costs are the responsibility of the LA. It's crazy.
- None of this is radical enough.

**Speaker: Gillian Hayward, Chair of Gloucestershire Schools Forum presenting on the Schools Forum Perspective**

- There is still a long way to go!
- We must not lose sight of fact that school funding is essentially about our children and theirs and the country's future.
- Gloucestershire Schools Forum has always worked in partnership with the LA so decisions are made based on evidence and proposals are always known in advance of going to the

Forum. The NFF has removed this local knowledge and understanding of funding for schools and other areas.

- Social mobility funding versus outcomes?
- Seeing increases in home education – why and is it always good?

**Speaker: Les Knight, Head of Additional Needs, Herefordshire presenting on \what is fuelling High Needs Block Pressures?**

- A range of evidence of increasing demand nationally – f40, ISOS, ADCS, regional surveys all show this. Particularly growth in EHCPs with top up payments and special school places.
- Statements vs EHCPs has not seen a change in threshold, so why are there so many more pupils with EHCPs than before 2014? Some increase likely to be more children with complex needs (medical advances) but growth is too rapid to be this alone. What else is at play?
- Pressures on mainstream schools (curriculum content and pace, increased staffing costs, performance targets, accreditation, progress measures) conspire against inclusion in mainstream.
- Hospital education, Pupil Referral Units – now need to be full time education, which is good, but no matching funding. Also personal budgets for pupils with SEN who are home educated
- 93% of families win a tribunal so stacked against an LA – costly in time and may lead to expensive placements.
- Need to re-connect with inclusion with all partners (schools/settings/parents, LAs/health) playing a part but national policy needs to support rather than work against this.

**Speaker: Jenny Lawrence, Finance Business partner, Leicestershire presenting on Early Years Funding**

- DfE focus used to be on school readiness, but that has now changed to affordable childcare!
- Concerns that funding rates are a barrier to new providers entering the market.
- Lack of good Early Years providers will impact on school readiness and on quality in primary and ultimately secondary provision.
- There seems to be concern from parents who have children with SEN – parents are picking up on a lack of certainty about funding.
- Early Years looks to be the next looming problem, but this will be a pressure in the market place and sufficiency of places.

## **SECTION 2**

**Speaker: Julia Harnden, Funding Specialist, ASCL presenting on the Key Issues for Implementing NFF**

- Need to demystify process and seek answers, including when and where is the end point?
- Distribution and sufficiency are different. A national formula doesn't address sufficiency. ASCL is working with the DfE to try and build a case for sufficiency which could be offered to the Treasury as part of next CSR.
- £1.3bn extra, which is not new money is a concern. How sustainable is this in the long term?
- Next iteration of funding needs to be influenced strongly by schools and LAs.
- Minimum Funding Levels need to be bottom up, related to the basic AWPU. Additionality should not be part of the MFL, as it leads to that funding being used to support the core, not to support the pupils it is aimed at.
- The endpoint needs to be achieved in three years – not longer.
- ASCL will focus on the CSR to get the cash from Treasury. There are no guarantees and a strong case is needed.

- ASCL advocate 3-5 year budget forecasts, but how can a school do this at present?
- For SEN, there is no framework for top ups and what they should look like.

(Note: In a conversation on SEN during the coffee break, it was mentioned that f40's FMRT members thought there should be a national view on the notional SEN. Notional SEN is a sub set of factors indicating SEN proxies within a school budget allocation and a level of funding within a school budget to be spent on high incidence, low cost SEN across the school population. There will be a national funding formula, but no view on notional SEN or what it should support – it will be different in each LA as it stands and it needs to be consistent and requires more guidance).

Julia Harden later added this extra comment: I can offer a little clarity to the notional SEN debate. Currently an LA derives a notional value for what portion of a schools budget should be attributed to supporting SEN provision . Clearly this notional value will be dependent on what the local formula is and therefore can look different in different areas. It does not mathematically correlate to the requirement for mainstream schools to support the first £6000 of spend on SEN support for each individual pupil that has a need (either as part of an EHCP or otherwise).

The national formula ( Sept18 iteration) does not include any modelling for what the notional SEN calculation should be , which implies that should the move to full hard NFF be made the notional SEN budget will cease to be. In my view we should concentrate our efforts on securing HN/SEN funding that reflects actual need and brings consistency to high needs provision both in terms of delivery and cost model across the country. Addressing the variation that exists in access to top-up funding would be a good starting point.

**Speaker: Jules White, Headteacher, Tanbridge House School, West Sussex presenting on the WorthLess? campaign**

- Feels very cross after hearing Tony Foot's speech this morning. Efficiencies are being made and for the low funded have been made. All those suggestions have been looked at.
- There are 600,000 more pupils in the systems since 2010.
- The NFF is undermined by historical data, arbitrary caps and increments, chronic underfunding – including HNB.
- A failure to adequately “cost” running a school.
- Main Issues are
  - adequate funding
  - number of teachers
  - cost of supply of teachers
  - improvement to social mobility
  - supporting the most vulnerable children and families.
- We also need to address AWPU, HNB and social mobility.
- Collaboration and parents are the keys to success of future campaigning, along with high quality communication.

**Speaker: Flora Page, Merton Fair Funding for all Schools**

- Everyone is entitled to a good education. Solidarity is everything. We must all work harder together to achieve better/fairer funding.
- Funding is impacting education in a very bad way – begging letters from headteachers, poor supply of books and equipment, cuts to curriculum and activities, poor teacher numbers etc.
- These impacts are being noticed by parents. Parents are voters. We should use parents more in campaigning – the government are afraid of the power of parents.
- Brexit means that we are going to need to have children that are better educated with the skills that are needed in the modern world for the UK to compete.
- Islington is not an f40 LA, but it's a good example of what can be achieved when funding is good. From the mid 1990s extra funding in London provided a better educational outcome across the capital. All schools need proper funding.

- Currently children have to do well for schools to compete in the league tables. Takes all the fun out of schools. We need more fun and ability to fund fun to create learners that are able to take on the modern challenges and engage with learning.

## **Section 2 responses to questions**

**Jules White:** Austerity doesn't do it any more as an answer from government. There has got to be a better way rather than more austerity. We all need to do more together – coalesce around two fundamentals: not enough money and not enough teachers. We all need to be more outspoken and work together more. We need collaboration. We need to access parents, we need 1000 headteachers outside parliament. The media are getting a bit tired of this and we need to find a new way to attract their attention.

**Julia Harnden:** We all must be bolder, we've done everything we can and efficiencies programme will impact.

**Ivan Ould:** What is the DfE buying? If we can identify what they want to buy, we can identify the Quantum required.

**Local Councillor:** Struggling to get the message across at the door, teachers come across as moany and there are other calls on funding too like NHS etc. How do we tackle the media?

**Julia Harnden:** Education needs to be seen as an investment, not a cost.

## **SECTION 3: RE-FOCUSING THE f40 CAMPAIGN**

**Alistair Thomas, Worcestershire:** The removal of funding for services is an act of vandalism! Funding for services in LAs has been removed e.g. school improvement, mental health, Gypsy-Roma services. This is a ticking time bomb and will lead to the reduction in troubled families support, more exclusions and less school readiness in the early years. There should be a formula for all these services to be provided. But there has been no mention in any of today's presentations. Sixth Form funding is also missing from the f40 campaign and we ought to be bringing together the whole system.

**Cllr Ivan Ould Chair of f40:** There are some reasonable points raised. Finance people in LAs are interested in thresholds. There are ticking time bombs throughout the system. We'll take account of comments.

**Cllr Peter Downes, Cambridgeshire:** Excellent presentation at today's conference, but where do MATs fit in? There are some huge salaries in MATs that are causing some embarrassing press. There's no public accountability. The highest salaries in mainstream schools are around £109,000, but in MATs the figure can be three or four times higher. The public see it as wasteful. It undermines our argument for better funding.

**Cllr Ivan Ould:** The politics of academies are very sensitive. MATs are bound by different rules and we may well find them unacceptable, but they exist and it is unlikely that we will change things. MATs are allowed to fund schools in any way they choose, so there may not be an NFF for MAT schools.

**Bruce Parvin, Northumberland:** As there are so many different types of school, data is increasingly worthless! MATs are being subsidised by the system.

**Cllr Ivan Ould:** Yes, it's a valid point and in the past I have also made the comment that it would be good to know how much Education Commissioners and the EfA are costing us – these costs could be better used in our schools.

**Cllr Peter Downes:** SFR71 shows the dwindling school balances, but this is in maintained schools only because there is no transparency for academies.

**Cllr Ivan Ould:** Some of these questions might be best put by MPs at parliamentary questions or Westminster Hall debates, rather than by f40.

**Cllr Richard Burrett, West Sussex:** Academies are picking up more and more of our children, but they are silent in the WorthLess? campaign. Parents see more and more cuts in mainstream schools and begin to see academies as a better offer. Academies/MATs are not compatible with LAs approach: they don't seem to understand the issues and are too disparate. We need to think about including those with 20-30 schools in f40, rather than individual or small trusts.

**Cllr Tony Savage – South Gloucestershire:** The main thrust for my LA is High Needs and I hope it will be central in f40's future campaigning. We are £4.3m deficit in HNB. Got Secretary of State approval to move some funding, but that left a reduction in increase for mainstream schools. The arguments and campaign need to be simple (and with high standards of communication).

**Cllr Ivan Ould:** f40 has always maintained respectful high standards of communications with a dose of passion! We have never resorted to abusive or anti-social campaigning. That's why we have good relations with Ministers and the DfE.

**Anton Hodge: North Yorkshire:** f40 must continue to campaign. High Needs is a priority, but don't forget the disparity in funding either. It will be about the relationship with different groups and how we collaborate. MATS in North Yorkshire are cross-border and they are less likely to be interested in joining in with a fair funding campaign (especially as they can solve the issues by sharing funding across schools and across LAs).

**Jon Lee: Cambridgeshire, Northamptonshire and Peterborough:** Can we look in detail at the adverse effects of the NFF across LAs e.g. small schools? On High Needs we are running out of options – the transfer of funding between blocks is a problem and has led to a lack of clarity in the formula. We need to get more money into the system (so concentrate on comparison of the number of teachers that can be afforded as it stands). In terms of growth – concern that the new formula will redistribute funding levels and not deal with growth properly. More work needs doing – better research is essential. Also look towards the CSR next year.

**Bruce Parvin, Northumberland:** High Needs Formula – the historic element needs transparency and scrutiny. Concern that it is based on budget and not on outturn (actual spend).

**Cllr Ivan Ould:** I think we have had an excellent conference and some very pertinent questions, all of which will inform the next stages of planning our strategy and action plan. It is clear that it is LAs as well as schools that are directly impacted by poor and unfair funding.

Last year the Leicestershire refused to participate in the voluntary transfer scheme of unaccompanied asylum seekers unless it was properly funded by government. That has got to be the

position adopted by LAs in relation to school funding – the DfE can't keep giving additional requirements without providing appropriate funding. With a reducing HNB, the impact will be a raising of thresholds to reduce demand, which in turn will cause an increase in exclusions.

**Peter Hughes, Stockport:** [over lunch] asked if FMRT can be asked to look at High Needs? Cost of MFG in London is being racked up by the 0.5% increase that the DfE is adding. This will take years to wind out – if ever. This is not fair or sensible and some LAs have played the system by not moving to NFF and building in future MFG.

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