



## **f40 Executive Committee Meeting**

**Saturday, 23 September 2017 at Amerton Farm, Staffordshire**

### **1. Attendance and apologies**

**Present:** Ivan Ould, Leics (Chair); Doug Allan, (Secretary); Margaret Judd, (Dorset CC); Gillian Hayward, (Gloucs Schools Forum); Joe Jefferies, (NASUWT, Notts) Chris Chapman, (Cheshire governor rep).

**Apologies:**; Alex Chalk MP, (Vice Chair); Vernon Coaker MP, (Vice Chair): Sally Bates, (Notts NAHT & Headteacher); Bernadette Hunter, (Staffs Headteacher); Gillian Allcroft, (NGA): Sue Alexander, (Worcs CC): Caroline Brand (Worcs CC); Jon Pearsall, (independent rep); Stewart King, (Gloucs CC); Christine Atkinson, (ERYC); Edwina Grant, (LGA); Eunice Finney, (Staffs parent); Richard Soper, (Worcester Community Trust); Linda Piggott-Vijeh, (Somerset) and Grant Davis, (Wiltshire CC).

The Chair expressed disappointment that so few members of the Executive were able to attend today's meeting.

### **2. Minutes of the meeting held 20 May 2017**

The minutes of were approved as a correct record of the meeting. IO expressed disappointment about the way in which his letter to the Prime Minister (dated 10 March 2017) had simply been passed to the Secretary of State for Education for a response.

### **3. National Funding Formula**

#### 3.1 f40 updated formula proposals

DA reported that f40's updated proposals had been delivered to the DfE.

#### 3.2 MP's Briefing in Parliament – 14 July 2017

DA reported that a further MP's Briefing held in Parliament on 14 July was well-attended and considered successful. An updated Briefing Paper had been prepared and circulated.

#### 3.3 Secretary of State's announcement – 17 July 2017

DA reminded the committee that the initial announcement following the fair funding consultation was made by the Secretary of State in Parliament on 17 July.

#### 3.4 Meeting with the Secretary of State's Policy Adviser – 25 July 2017

This meeting was requested by Education Policy Adviser, Victoria Crawford and Education Funding Unit Director, Tony Foot. It was attended by Ivan Ould, Margaret Judd and Alex Chalk MP from f40. The main purpose of the meeting was about the recent fair funding announcement, providing some clarification, discussion of the implications and gauging f40's reaction.

#### 3.5 News Release issued by f40 on 28 July 2017

DA reported that in consequence of the Secretary of State's announcement of 17 July and after the meeting with advisers on 25 July, f40 issued its considered statement on the current position on school funding. The statement largely welcomed the announcement, particularly relating to extra cash, but regretted the delay in publishing details on the introduction of a national funding formula (which was delayed until September).

#### 3.6 Chairs letter to all Lead Members in f40 member authorities – 31 July

Noted

#### 3.7 Chairs letter to all MPs representing f40 areas – 31 July 2017

Noted

### 3.8 Chairs letter to the Secretary of State - 21 August 2017

DA reported that a letter had been sent to the Secretary of State welcoming the additional cash being made available to schools and the pledge relating to secondary school funding. The letter highlighted concerns that fair funding will not be achieved under the government's proposals and that the balance of funding between basic per pupil and disadvantage is wrong. We presented our own calculations, pointing out that these have been worked out based on a bottom-up and rational calculation, not upon an average figure. The response dated 6 September 2017 stated "that the government is committed to introducing national funding formulae for schools and high needs to address the unfairness of the current funding system". The letter also referred to the "constructive discussions" had with f40 and "invaluable views" the group has put forward. More detail about the proposed formulae would be available on publication of the full response to the second stage consultation.

### 3.9 Government's NFF announcement – 14 September 2017

Essentially, the announcement by The Secretary of State for Education presented arrangements for school funding in England for 2018–19 and 2019–20. Additional annual funding of around £1.3 billion by 2019–20 (up by £900m compared with pre-election figures) was confirmed and the amended plans for NFF were revealed. Under these new proposals, LAs funding for schools will be linked to local area characteristics.

In previous announcements the government had suggested that:

- All LA funding formulae would be replaced with one single national funding formula, with the effect of eradicating the differences in funding levels between apparently similar schools.
- From 2019-20 LAs would no longer have a say in allocating school funding but in the meantime would still play some role.
- In order to avoid large changes in funding over a single year, there would be protection caps on the gains and losses schools could experience., thus slowing down the transition to the new formula.
- About 40% of schools would have still had funding levels that reflected historical factors in 2019-20, including a quarter of schools that were "overfunded" relative to the formula.
- Little was said about what would happen after 2019–20.

The finalised approach is markedly different to what had been suggested in earlier announcements and a number of key factors have changed. The most important change is that the NFF will not be fully implemented until at least 2020–21.

Other changes include:

- There will be a school-level formula, but it will only be used to calculate how much each LA receives. They will then be free to allocate it (subject to certain regulations) to the schools in their area according to their own funding formulae for at least 2018-19 and 2019-20.
- The average cash-terms increase in funding between 2017–18 and 2019–20 is now around 3% rather than just under 1%.
- There are new absolute minimum levels of funding per pupil for both primary and secondary schools.
- Protections against losses have been extended. Now no school will experience a cash-terms increase of less than 0.5% per year between 2017–18 and 2019–20 (as opposed to a cash-terms fall of 1.5% per year).
- The maximum any school can gain has increased from 5.6% to 6.1% in cash-terms per pupil.

But the above changes will not, at this point, affect schools directly. They will affect the amount that each LA receives and which, in consultation with their Schools Forum, allocates to each school.

Crucially, the minimum funding levels for primary and secondary schools are not obligatory and LAs will be able to reduce individual schools' funding per pupil by up to 1.5% per pupil via the MFG if they wish, so allowing LAs to respond to the changing circumstances of schools in its area.

Members of the Executive acknowledged that the launch of the NFF was a move in the right direction, but that it must be seen as just the first step towards really fair funding. They reiterated the sentiments expressed in the news release issued in response to the Secretary of State's announcement, welcoming the extra funding over the next two years, the guarantee of minimum funding that primary and secondary schools can potentially attract, and that the lowest funded LAs will achieve faster uplift in per pupil funding. They also welcomed the fact that LAs will have control over the formulae for a longer period, thus allowing local flexibility.

However, there was general disappointment that the government has not listened to f40's well-constructed arguments concerning the balance of allocation between basic per pupil funding and disadvantage. We argued that a greater amount should be expended on per pupil funding and a lesser amount on deprivation and other add-ons. F40's figures were based on a rational, real cost calculation, unlike the government's which is based on averages.

Members also expressed the view that unless significantly more additional cash can be applied to school funding a degree of redistribution is required. The fact that no school is to lose under the new proposal suggests that the government "bottled out" on creating a fairer and more equitable allocation arrangement. Members felt that the poorest funded could have had more significant increases if something had been taken away from the most generously funded.

And members also acknowledged that the move towards a national funding formula completely fails to take account of new and increasing cost pressures faced by schools.

Various members indicated the potential impacts of the new formula in their areas. It was recognised that member LAs would not have a full picture of the impact on their LA/schools until the technical details are made available on "Collect", now understood to be released Friday 29 September.

IO said that in the past week he had had several conversations with Tony Foot at the DfE. Tony has suggested that the f40 campaign has been critical in making the case for the increase for the lowest funded areas. He recognises that the f40 may continue to lobby for further improvements in future, and he is keen for the relationship that has developed over recent years to continue. Worth noting that when high needs is taken into account, this increase is reduced slightly and is much closer to many other LAs nationally.

IO suggested that f40 had failed to shift the mindset of government ministers who have failed to grasp the fair funding issue and have fudged the response. In addition, many MPs representing poorly funded areas appear unwilling to raise their heads above the parapet or rock the political boat. The predominance of London in the fair funding debate and its impact on the outcome was noted.

All f40 member LAs are likely to agree that the new NFF will not provide fair funding for at least the next two years. We don't know anything, however, about government plans after 2019–20, either in terms of continued transitional protections or the full introduction of a school-level national funding formula. This is a source of major uncertainty. No doubt the government will state that it intends to implement a 'hard' formula but whether or not it actually does, bearing in mind that it would require primary legislation to pass through parliament, remains to be seen. IO suggested that all f40

member LAs must take a long-term view of school funding under the new arrangements and ensure that the government/media/public are fully aware of the continuing inequity and uncertainty.

The urgent question for f40 is where does it go from here? After a comprehensive discussion it was agreed that it is really a question that our member authorities must collectively answer. It was AGREED that DA and MJ would draft a questionnaire which, once approved, will be circulated to the Lead Member in all 42 f40 member authorities. The aim would be to ascertain views on:

- Whether f40 had gone as far as it can in campaigning for fairer funding?
- If yes, whether the group should fold or morph into something different (if so, what?)
- If no, what objectives and focus should the group set for a continuing campaign?
- What specifically has the government failed to address?
- What appetite is there among member authorities for an on-going campaign?
- What active support will member authorities give to the campaign (why are so few LAs represented on the Executive? Why is it that just a few finance managers give the most technical support?). Our current Chair will retire in the Autumn of 2018 and his place will need to be taken by another Lead Member. Our Secretary intends to retire no later than the end of 2018: what steps can be taken to ensure a similar level of service can be maintained?
- What can member authorities do to ensure more active involvement of their MPs?

Other NFF points:

- IO will approach former education Minister Tim Loughton MP to see if he would be prepared to advise f40.
- IO to follow up on approaches from the CCN about joint activity on fair funding.
- Consideration to be given to staging a Fair Funding Conference in the New Year.

### 3.10 Views of Jules White, WorthLess Campaign

DA reported on correspondence with JW who has expressed concern that f40's news release had been "disproportionately positive". IO said that f40's main concern is fair funding whilst WorthLess's campaign is essentially concerned with the quantum of funding. The two campaigns have separate aims and objectives and different approaches to campaigning.

### 3.11 Westminster Education Forum – Seminar on NFF – 16 January 2018

DA reported that he had received and circulated to all f40 members, information about a half-day seminar to discuss NFF, its impacts and associated issues. Noted.

## **4. Retirement of Chair and Secretary**

It was agreed at the last Executive Meeting that this item be brought forward for consideration. Committee members were reminded that the Chairman, Cllr Ivan Ould, will be stepping down as Chair of the group in the Autumn of 2018 and that consideration must be given in the near future to identify a replacement chairman. DA also reminded the group that he is minded to "retire" at the same time, and certainly no later than December 2018, and that f40 and DTW would need to consider how the secretarial service is provided thereafter. It was noted that this matter would be a major consideration in the discussion on the future of f40 – see Section 3.9.

## **5. Membership Report & Financial Update**

DA reported that the number of members in 2017 is 42 and that all have paid their annual subscription. The group has a substantial balance in the bank.

## **6. Any Other Business**

JJ reported that he may not be able to attend f40 meetings as an NASUWT representative but will attend in a private capacity if this is the case. Agreed.

## **7. Dates of future Executive Committees**

DA asked if the meeting scheduled for 20 January 2018 could be altered as he would be unable to attend that day. IO suggested that it could be cancelled as it is most likely that an earlier meeting of the Executive would be desirable. Agreed that the next meeting should be scheduled for 11am, Saturday 25 November 2017.

DA suggested the following dates for the next financial year:

21 April 2018

21 July 2018

20 October 2018

19 January 2019