

The Misconceptions of Education Funding



1 Government has increased funding by 11% this year – surely that must be enough funding now?

f40 welcomes the additional funding for education, however, schools are having to do far more with relatively less funding. In 2019 we, along with a number of other educational organisations, estimated that **£12.6 billion was required to return schools to 2010 funding levels, but only £7.1 billion was provided.**

Since then, additional funding has been given, but pressures that had built up between 2010 and 2019 have still not been addressed, and Covid 19 has further exacerbated issues, leading to even further concerns about the education and mental health of pupils.

Cuts made in the past to other areas, such as support for mental health, speech and language, parenting and youth work, mean that schools have had to step in to provide this additional support where they can – with no additional funding or resources. This has occurred at a time when the basic funding for schools has been reduced. In practice, schools are providing these extra services within their already-stretched budgets. Pastoral support to pupils is vital to enable them to engage with their learning, but it is woefully underfunded.

Headteachers are regularly having to make difficult decisions about which staff to cut, whilst trying to maintain standards of education. Meanwhile, experienced headteachers and teachers are leaving the profession due to increased pressure and declining resources, and schools are finding it extremely difficult to fill these vacancies. Who wants to work in a sector that is constantly having to fight for funding, with no relief in sight?

All of this impacts on the future of our young people and their ability and readiness to make a difference in the world as adults.

2 There is a minimum per pupil funding level (MPPFL) – more than schools asked for. Hasn't that solved the problems?

The minimum funding level provides a protected level of funding per pupil, however this **does not reflect a school's costs or the level of pupil-need they must support.** So, while it is well intentioned, it does not always provide fair or sufficient funding to schools. This current MPPFL system leads to a number of unintended consequences, which impact on inclusion and funding for meeting the basic need of all pupils. For example:

- All schools receive a lump sum to meet the fixed costs of running a school, which is included in the MPPFL calculation. However,

this leaves small schools at a disadvantage. As the lump sum is included in the MPPFL calculation, it inflates the per pupil value in small schools, as they have fewer pupils. This means they will never receive this additional MPPFL funding, which is required to meet basic pupil need. Small schools have the same or similar running costs as larger schools, yet less MPPFL. While the MPPFL is designed to offer a protected level of funding, it does the opposite for small schools.

- Schools who support a higher proportion of pupils with

additional needs will be incurring additional costs. However, due to the MPPFL protection, they may receive no more funding than a school that has much fewer pupils with additional needs. This means they have less to spend on the basic education of all pupils.

- Schools in receipt of the MPPFL protection will receive no more funding if they support more pupils with additional needs as additional needs-led funding would be offset by reductions in the MPPFL funding. This means it is not always in the interests of Mainstream schools to be inclusive.

3 There is a National Funding Formula – so school funding is fair now

The National Funding Formula (NFF) was a positive step in the right direction. However, the NFF requires some changes. It continues to lock in many of the historic inequalities and “add-ons” that mean **some schools receive significantly more per pupil funding than similar schools in other areas.**

Government has recognised the unfairness and is attempting to level up – without reducing funding from the better funded schools – but it is a slow process.

At the current pace, we believe it will take 15-20 years for the gap in funding to close. That is the

education of more than a whole generation of children. Many areas, including in your constituency, still receive inequitably less funding. We appreciate there will always be differences due to deprivation and specific school and area costs, but the gap should be narrower.

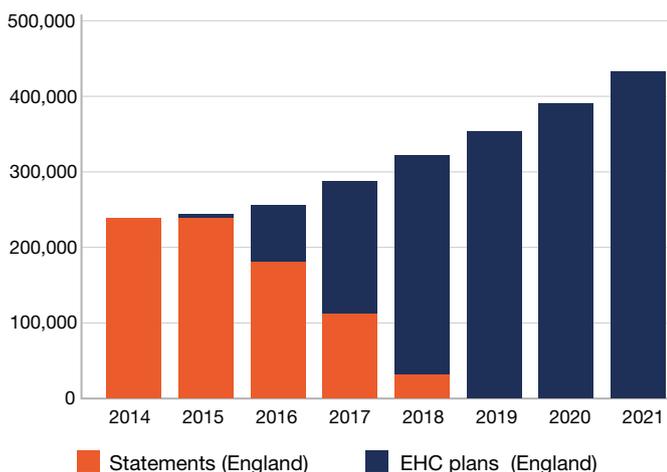
4 Funding increases have met EHCP increases – there’s lots of money in SEND

The number of children and young people with SEND has risen sharply in recent years, along with their complexity of need. At the same time, there are more young people accessing support for longer (aged between 19 and 25), without sufficient funding, so the SEND system is under immense strain.

Changes to the Code of Practice in 2014 led to greater identification of children with SEND, with numbers of EHCPs increasing each year. However, funding did not keep pace. **SEND funding continues to be based on historic need, instead of the requirements of children today.**

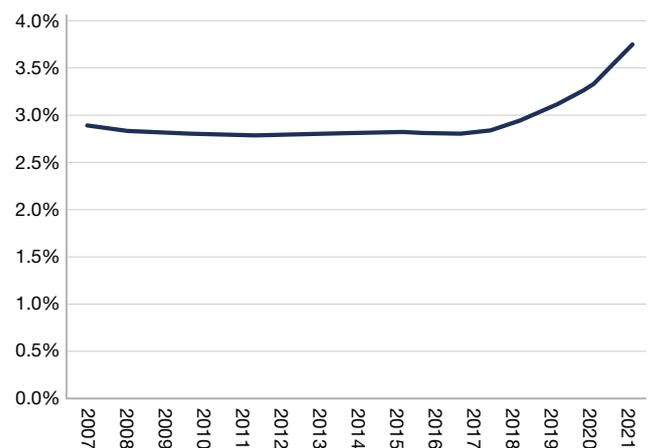
This means local authorities are struggling to meet the growing demand – leading to a SEND overspend of £1 billion across England. The majority of local authorities have deficit SEND budgets. These deficits are a direct consequence of under investment since the changes in the Code of Practice were introduced.

No. of EHC plans and statements on SEN, 2014 to 2021



Source: SEN2

Percentage of EHCPs in England, 2007 to 2021



For more information

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