

Response ID ANON-6NX3-YR8C-N

Submitted to **Schools national funding formula - stage 2**

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Introduction

A What is your name?

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C Response type

Please select your role from the list below::

Sector organisation representative

Please select your organisation type from the list below::

Representative body

Organisation name::

North Tyneside Schools Forum

Local authority area: :

North Tyneside

D Would you like your response to be confidential?

No

Reason for confidentiality::

Page 2 - overall approach

1 In designing our national funding formula, we have taken careful steps to balance the principles of fairness and stability. Do you think we have struck the right balance?

No

Please explain your reasoning and any further evidence we should take into account: :

The principles are all worthy and it is hard not to agree with the intentions as set out. However, the fundamental issue is that the overall level of funding is too low and it is hard to comment on the detailed allocation mechanism when all options will result in funding levels which are insufficient to provide the required outcomes for students.

When considering the impact of the proposed changes for North Tyneside schools, the introduction in the new formula will cause much instability for our small primary schools and secondary schools. This will be especially relevant for our schools which are facing reductions to their per pupil amounts as their cost base will be subject to increasing pressures (e.g. changes in National Insurance, pension contributions, impact of the National Living Wage and other pay awards and the Apprenticeship Levy etc). In addition to these pressures schools have the additional expectations being placed upon them in picking up and addressing issues with young people caused by gaps in the social care system.

Secondary schools are already facing budget pressures with 6 out of 14 in deficit in 2016/17 with future forecasts indicating increased numbers of schools in deficit and increasing sizes of deficit balances in future years. The proposed changes will bring about a funding catastrophe for secondary schools in North Tyneside.

2 Do you support our proposal to set the primary to secondary ratio in line with the current national average?

No – the ratio should be wider (i.e. the secondary phase should be funded more than 29% higher than the primary phase)

Please explain your reasoning and any further evidence we should take into account: :

We acknowledge and agree that there should be a differential in the funding between primary and secondary schools. This has been adopted in our local formula and the current principles work well for the locality, with Schools Forum (and the wider consultation with all schools) confirming that the different funding levels reflect the additional cost of providing education to KS 3 and 4 pupils.

The selection of this snapshot national average is entirely arbitrary and there is no evidence base to support this ratio or evidence to support that funding any particular sector is beneficial in raising standards.

This change in ratio is one of the reasons for the considerable reduction in funding for our secondary schools, especially given the current significant proportion of funding that goes through the AWPU route. Whilst the advantage of moving to a consistent level of funding is acknowledged, the proposed reduction in the ratio for North Tyneside schools will create severe financial hardship for our secondary schools.

3 Do you support our proposal to maximise pupil-led funding?

No - you should increase school-led funding compared to the current national average

Please explain your reasoning and any further evidence we should take into account::

Whilst it is desirable for funding to follow pupils and be directed to their specific needs, it is important to recognise that all schools have a level of core costs which are difficult to reduce. The formula proposed has a lower basic entitlement and lump sum compared to the current local allocation method in North Tyneside and as such this proposal will impact on smaller schools and schools in less deprived areas.

Funding to address deprivation and associated factors like low prior attainment needs to be additional and should not come out of the core funding for all young people. There is concern that the focus on low prior attainment and deprivation directs too large a proportion of funding to these characteristics especially once pupil premium is also taken into account and where the overall quantum of funding available is too low.. We are concerned that the basic per pupil funding percentage under the proposal of 72.5% is too low and does not adequately provide a baseline of core funding for all pupils.

Page 3 - pupil-led factors

4 Within the total pupil-led funding, do you support our proposal to increase the proportion allocated to the additional needs factors?

No – allocate a lower proportion to additional needs

Please explain your reasoning and any further evidence we should take into account::

As stated above in 3, we are concerned that this provision for additional needs, whilst welcome, is at the detriment of basic schools funding and this will leave many schools struggling to meet the needs of our children and young people.

5 Do you agree with the proposed weightings for each of the additional needs factors?

Deprivation - FSM - Deprivation - pupil based at 5.5%:

The proportion is about right

Please explain your reasoning and any further evidence we should take into account::

However, there is a concern deprivation factors are high especially when taking Pupil Premium into account. The key issue remains however that the overall level of funding is too low.

Deprivation IDACI - Deprivation - area based at 3.9%:

The proportion is about right

Please explain your reasoning and any further evidence we should take into account::

LPA - Low prior attainment at 7.5%:

Allocate a lower proportion

Please explain your reasoning and any further evidence we should take into account::

We feel that the weighting for low prior attainment is particularly high which impacts on our secondary schools due to our high performing primary schools.

EAL - English as an additional language at 1.2%:

Allocate a lower proportion

Please explain your reasoning and any further evidence we should take into account::

6 Do you have any suggestions about potential indicators and data sources we could use to allocate mobility funding in 2019-20 and beyond?

Comments::

Page 4 - school-led factors

7 Do you agree with the proposed lump sum amount of £110,000 for all schools?

Primary lump sum - Primary:

Allocate a higher amount

Secondary lump sum - Secondary:

Allocate a higher amount

Please explain your reasoning and any further evidence we should take into account::

It is important to recognise that schools face fixed costs irrespective of their size, so this factor is especially important for smaller schools. This factor ensures that

schools do not face difficulties in meeting these fixed costs during periods of pupil reductions.

The new proposed level of funding is significantly less than our current level and will impact on schools. Although we are aware that funding will be redirect to other areas of the formula, setting the value of this factor at the appropriate level is important, especially given the national variability in the current level of this factor.

We are concerned that this proposed level is very low especially in relation to secondary schools and that many schools will be struggling to cover their core costs. Secondary schools have higher costs due to their size and requirements to be open longer for example to support revision sessions in the Easter holidays and results support in the summer holidays.

8 Do you agree with the proposed amounts for sparsity funding of up to £25,000 for primary and up to £65,000 for secondary, middle and all-through schools?

Primary sparsity - Primary:

Allocate a lower amount

Secondary sparsity - Secondary:

Allocate a lower amount

Please explain your reasoning and any further evidence we should take into account::

NTC is not impacted by the issues that the sparsity factor aims to address but the benefit of retaining it is understood. However, reaching a national consensus that is fair could be a challenge, to ensure that this does not (all other things being equal) see a shift of funding from urban to rural areas.

9 Do you agree that lagged pupil growth data would provide an effective basis for the growth factor in the longer term?

Comments:

No. Retaining some factor in this area would protect schools from rapid increases in pupil numbers, allowing the local authority to encourage educational provision is maintained to meet local need through additional short-term funding to allow schools to accommodate the additional pupils. Without this factor Schools Forum felt that some pupils could be left without suitable educational provision if schools were not given suitable incentive to take them onto roll.

Schools forum felt that more up to date data could be used if the Local Authority were allocated funding to apply in year on the basis of timely data.

Funding will be necessary to ensure that authorities can meet their statutory duties to ensure sufficiency of places, but using the most timely pupil data would be beneficial to avoid undue lags in allocating the funding, especially in a period of rapid growth.

Page 5 - funding floor

10 Do you agree with the principle of a funding floor?

Yes

Please explain your reasoning and any further evidence we should take into account::

Although the funding floor means that some of the historical unfairness will persist in the new formula, we agree that changes need to happen over a reasonable period of time to allow individual schools time to adjust to a different level of resources.

11 Do you support our proposal to set the funding floor at minus 3%?

No – the floor should be higher (i.e. restrict losses to less than 3% per pupil)

Please explain your reasoning and any further evidence we should take into account::

As we do not agree with the proposals in general and strongly assert that the overall quantum of funding is too low we cannot agree to a reduction of 3%.

12 Do you agree that for new or growing schools (i.e. schools that are still filling up and do not have pupils in all year groups yet) the funding floor should be applied to the per-pupil funding they would have received if they were at full capacity?

No

Please explain your reasoning and any further evidence we should take into account::

We feel that the Local Authority should have the flexibility locally to deal with these issues depending on individual circumstances.

Page 6 - transition

13 Do you support our proposal to continue the minimum funding guarantee at minus 1.5%?

Yes

Please explain your reasoning and any further evidence we should take into account::

Since the introduction of the current schools funding regime the Schools Forum has supported the use of the national MFG.

Page 7 - further considerations

14 Are there further considerations we should be taking into account about the proposed schools national funding formula?

Comments::

We must state again that the fundamental issue is that the overall level of funding is too low and it is hard to comment on the detailed allocation mechanism when all options will result in funding levels which are insufficient to provide the required outcomes for students.

Schools are already facing budget pressures and reducing staffing levels but continue to have the annual pressures of pay awards including the living wage requirements, national insurance and pension contributions pressures and the recent requirements of the apprenticeship levy. Along with these pressures are the additional expectations being placed upon schools in picking up and addressing issues with young people being caused by gaps in the social care system. Where is the additional funding for this?

Where is the question about area cost adjustments and whether this is fair? This will provide for increases of up to 18% for some schools and therefore it is significant in redistributing funds.

Applying this factor only serves to lock in regional differences for generations. This is unfair as all authorities face particular challenges e.g. recruitment to posts in the North East of England tend to be filled by people already in the North East. We can't attract many applicants from outside the region so can we have an uplift to help us? Is it really justifiable that Bedford, Bath, Coventry, Manchester, Liverpool, Leeds and Bolton are to receive an arbitrary uplift in their allocation whilst Cornwall, Durham, Sheffield and Newcastle upon Tyne don't? This arbitrary and is a "fudge factor".

With schools already facing significant deficits, the impact of the proposed changes will result in very difficult choices being made between making drastic cuts or struggling on with untenable deficits.

If secondary schools continue to lose funding while facing additional cost pressures this will have a severe impact on the educational outcomes for all children and particularly those with additional needs. The proposed funding reductions for secondary schools in North Tyneside are very likely to result in our schools being unable to meet the needs of young people. We are just about managing to maintain our high standards at the present time. These proposals will result in this high performing borough being unable to sustain its excellent results.

We will have far fewer teaching assistants, fewer teachers, fewer interventions to support children's learning, fewer leaders to support staff, children and families, fewer books, IT resources and vastly reduced capacity to ensure that all children's needs are met. There will be far less choice in the curriculum and some subjects will no longer be offered.

Page 8 - central school services block

Page 9 - central school services block

15 Do you agree that we should allocate 10% of funding through a deprivation factor in the central school services block?

Yes

Please explain your reasoning and any further evidence we should take into account::

It seems reasonable to relate a small element of funding to this characteristic as it will have some influence on services being delivered to schools.

16 Do you support our proposal to limit reductions on local authorities' central school services block funding to 2.5% per pupil in 2018-19 and in 2019-20?

Yes

Please explain your reasoning and any further evidence we should take into account::

This seems reasonable and will ensure no authorities face large changes in funding in any one year.

17 Are there further considerations we should be taking into account about the proposed central school services block formula?

Comments::

It is recognised that some costs need to be based on the historic position as changes cannot necessarily be made to commitments in the short term. However, this should not be indefinite – if costs are no longer required, the funding to local authorities should be removed.

Page 10 - equalities analysis

18 Is there any evidence relating to the 8 protected characteristics identified in the Equality Act 2010 that is not included in the equalities impact assessment and that we should take into account?

Comments::