



## **Responding to the National Funding Formula consultation – a guide for parents**

### **What can you do?**

The government is consulting on its plans to implement a National Funding Formula from April 2018.

It is crucial that parents make their voice heard and we encourage you to send in a response, using this [on-line survey](#) provided by the Department for Education.

There are 2 very clear points that we should get across:

- All schools should get proper funding to provide a good education for our children
- No school should lose out as a result of the new National Funding Formula

This guide enables you to use the consultation effectively to get those points across.

**Please note: the consultation closes on 22<sup>nd</sup> MARCH 2017**

### **What is the issue?**

In 2018/19 the government will be introducing a National Funding Formula. It aims to address gaps in school funding between different geographical areas by using a new method to distribute cash.

We support the principle of more transparent and equal pupil funding across all parts of the country.

However, the government proposes to achieve this by redistributing money between schools from a total pot that is shrinking in real terms. And therefore, according to the government's own figures, 49 per cent of schools in England will lose even more funding with over 2 million children in the worst affected schools.

The impact of the NFF will be felt most obviously in large cities such as Manchester and London – London Councils report that 70 per cent of schools across Greater London will face budget cuts in a climate when school finances are already struggling.

But all schools in England will still be worse off.

The Times Education Supplement notes that the majority of those who are set to gain out of the changes in the National Funding Formula will still stand to lose out as a result of the real terms cuts in the overall funding given to all schools.

Analysis by teaching unions indicates that around 98 per cent of schools in England will be net losers as a result of the combination of real-terms reductions, additional costs, growing pupil numbers and the impact of the National Funding Formula.

### **Responding to the consultation**

There are 18 questions in total, many of which are very technical. Don't worry – you only need to answer the **following 5 questions** to get the key points across.

**Please note:** it is better if you put these responses into your own words. But if you don't have time, feel free to cut and paste these model answers.

#### **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?**

**Tick:** No

#### **Response:**

I do not think that the government is achieving fairness or stability within current funding proposals. Redistributing funding between schools while reducing per pupil funding for all schools is neither fair nor sustainable.

The National Audit Office report of December 2016 shows that “funding per pupil will, on average, rise only from £5,447 in 2015-16 to £5,519 in 2019-20, a real-terms reduction once inflation is taken into account”.

This comes at a time when schools are facing significant additional costs as a result of staff costs, the National Living Wage, employer contributions to National Insurance and pensions, the Apprenticeship Levy and the loss of subsidy through the Education Services Grant.

The National Audit Office concludes that the government's attempts to deliver educational excellence everywhere must be set “against a budget that provides little more than flat cash funding per pupil over the five years to 2019-20. This means that mainstream schools need to find significant savings, amounting to £3.0 billion by 2019-20, to counteract cost pressures” which “equates to an 8.0% real-terms reduction in per-pupil funding between 2014-15 and 2019-20”.

These are the largest real terms reductions in school funding since the early 1990s.

The National Governors Association state that “there simply is no longer enough money in the total pot to sustain adequately all schools in England”.

This squeeze on funding is impacting on the education of our pupils. Evidence from my local area as well as from school leaders, teaching unions, the Public Accounts Committee and the National Audit Office shows that schools are already:

- Reducing teaching and support staff
- Increasing class sizes
- Cutting pastoral care and support services
- Narrowing the curriculum
- Reducing extra-curricular activities
- Struggling to buy new text books or update IT equipment
- Asking parents for cash payments to supplement core school budgets

In this financial context, taking further money away from hard-pressed schools that cannot afford it to give to others is neither fair nor sustainable.

The Times Education Supplement reports that the vast majority of the 51 per cent of schools that stand to be gainers from the National Funding Formula will still suffer net loss of funding because of the cost pressures outlined by the National Audit Office.

Analysis of government spending plans undertaken by teaching unions shows that 98 per cent of schools in England stand to lose funding over the lifetime of this parliament.

Without further investment to ensure that, at the very least, per pupil funding is protected in real terms, the National Funding Formula will simply exacerbate and intensify the funding crisis facing all our schools.

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

**This factor is intended to contribute to the costs that do not vary with pupil numbers, and to give schools (especially small schools) certainty that they will receive a certain amount each year in addition to their pupil-led funding.**

**Tick:** "Allocate a higher amount"

#### **Response:**

For our school the £110k represents a 35% reduction to what we have previously received. Our funding would be hard-hit as in addition to this cut, it looks likely we would not benefit from some pupil-led factors. This would severely impact students"

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

**Tick:** Yes

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

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

#### **Response:**

Schools across England are facing cost pressures that require savings of £3bn by 2020 – an 8 per cent real terms reduction in funding as identified by the National Audit Office.

In this context, no school can afford to lose further funding.

The impact of the National Funding Formula (NFF) means that 49 per cent of schools in the country will lose more money, on top of the massive savings they are already being forced to make.

The majority of schools in the West Midlands and the North West will lose funding as a result of the NFF. Schools in Luton, Coventry, Manchester, Birmingham, Bristol, Nottingham and Southend are among the 20 biggest losers in the country.

In London, 70 per cent of schools are due to lose out. Schools in London are having to find £360m in savings in the first year of the new funding arrangements as a result of the combination of real terms per pupil funding reductions and the NFF – that equates to the salaries of almost 13k qualified teachers or over 17k teaching assistants.

No area of the country can afford to lose these kind of resources.

The cost of ensuring no school loses out through the National Funding Formula is £335m a year. That is less than 1 per cent of the schools budget for England. £384m was made available for Academy expansion that the DFE has subsequently returned to the Treasury.

It is therefore an affordable and reasonable ask that the government releases the funding required to ensure no school loses out.

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

**Tick:** No – the minimum funding guarantee should be higher (i.e. restrict losses to less than 1.5% per pupil in any year)

**Response:**

No school should lose any funding as a direct result of the implementation of the National Funding Formula.

The cost of ensuring no school loses out through the National Funding Formula is £335m a year. That is less than 1 per cent of the schools budget for England. And it is less than the academies expansion funding of £384m that the DFE has subsequently returned to the Treasury.

It is therefore an affordable and reasonable ask that the government releases the funding required to ensure no school loses out.

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

**Response:**

*It would be useful if you could provide an example or two of what is going on in your local area. For example, we pointed to growing class sizes at our local Secondary and the fact that schools near us had begun to write to parents requesting termly cash donations to*

*supplement core school budgets due to the financial problems they faced. We also pointed out that this was happening already, even before the NFF is introduced in 2018.*

**Once you have completed these questions, continue through to the end of the survey and send.**

We hope that wasn't too onerous. It is really important that we get as many responses in as possible. Also make your voice heard by signing our petition at [www.change.org/fairfundingforallschools](http://www.change.org/fairfundingforallschools)

**Please remember: THIS CONSULTATION CLOSSES ON 22<sup>ND</sup> MARCH 2017**