

## **Consultation responses**

# For the 2024/25 Schools Funding Formulae

20 November 2023 publication with closing date of 15 December 2023 (4 weeks)

Children, Lifelong Learning and Families

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## 1. Response Summary

- 1.1 All schools and academies were emailed an electronic copy of the consultation paper after School Forum approved the draft paper on 15<sup>th</sup> November 2023. This was sent on 20<sup>th</sup> November 2023, with a closing date of 15<sup>th</sup> December 2023 at 5pm to Schools Finance. (4-week consultation).
- 1.2 A list of the 64% respondents or 29 returns/responses is given at the end of this document.
- 1.3 The sector split was 24 Primary schools and 5 Secondary schools.

## 2. Response Analysis

## 2.1 Schools Funding Formula Options (section 2.1.7)

2.2 Question from consultation paper:

Options from Section 2 relating to the formula factors

2.1.7 Schools Funding Formula options

Please indicate below which schools' funding formula option you would prefer Merton to use for the 2024/25 allocation. If your preferred option is B, please provide your reasons why you think this option would be better for all Merton schools.

Option A- Replicating the NFF (as near factors as possible)	
Option B- Local Formula with additional funding through AWPU factors	

- 2.3 Respondents were asked to indicate which schools funding formula option they would prefer Merton to use for the 2024/25 allocation.
- 2.4 Responses and sectors were:

	Primary	Secondary	Special	Weighted %
Option A	6	5	0	38%
Option B	18	0	0	62%

#### 2.5 Comments from responses:

- 2.5.1 "Local formula elements can be applied in Option B to smooth some of the current turbulence in primary schools due to falling rolls".
- 2.5.2 "I think the LA should use the flexibility it currently has to respond to the needs of schools in the current climate".
- 2.5.3 "I would understand either choice, as a primary a headteacher it is hard not to pick option B however I very much understand moving to A now rather than later".
- 2.5.4 "I think the need for local flexibility is paramount to being able to support all schools to function effectively. I feel that there is nothing to gain from moving to the NFF any earlier than we need to".

- 2.5.5 As we have a large deficit budget we understand that this option would be more beneficial to us as a school but do understand that it may have an impact on secondary schools. However, this is the best option for Poplar next year".
  - "The formula is weighted under option B",.
- 2.5.6 In Appendix A under the current 2023/24 model, MSAG would not include in the current 2023/24 model figures, but it would be included in the Option A and Option B projections for next year. Thus, Options A and B are actually £65,168 worse than they look in Appendix A next year using the 2023/24 MSAG amount. The figures need to be like for like to be comparable".
- 2.5.7 "Local model allows flexibility depending on local considerations".
- 2.5.8 "Generally, roll numbers are falling slightly and therefore we may not need the £300,000 Growth Fund earmarked to support growth in pre-16 numbers, additional infant classes and new schools. I would prefer to maximise AWPU as it is not clear to me what will happen to the £300,000 earmarked for Growth Funding if it is not needed for that purpose".
  - "What will happen to the £300,000 earmarked for Growth Funding if it is not needed for growth/ falling rolls"?
  - "What are the guidelines for distributing the top-sliced £300,000 under option A"?
- 2.5.9 "Looking at primary schools, this model skews funding increases towards larger primary schools in less deprived areas. Larger schools (e.g., xxxxx and xxxxxxx) will receive a lot more funding next year vs. this year whereas smaller schools (e.g., xxxxxx and xxxxxxx Primary) will receive a lot less funding next year vs. this year. I wonder if there could have been found a 'middle ground' Option C".
- 2.5.10 "Popular Growth Fund element of the Growth Fund is only available to academies. It is not clear why it is not available to maintained schools".
- 2.5.11 "In Appendix A under the current 2023/24 model, xxxxx is shown as having received £1,927,636 post de-delegation and education functions. Please can you explain how that number was calculated so that I can understand what it is. Thank you.
- 2.5.12 "The quicker we align to NFF the better".
- 2.5.13 "The logical choice for a school with only a few spaces and no indication that the situation is likely to change. Hard on schools with falling rolls. Difficult to unpick as for Option A figure the Current Model figure doesn't appear to include the MSAG, while the NFF figure does".
- 2.5.14 "Vast majority of maintained schools benefit more from Model B".
  - "This is a more prudent option financially and appears to be a fairer allocation of funding in line with the NFF. It is my understanding that this would be the best for primary schools. Protects Primary schools".
- 2.5.15 "Neither of these options is good for xxxxxx. Option B, reducing the lump sum and deprivation factors, directly disadvantages small schools serving the communities experiencing the most need. This seems to be a very unfair way to structure Option B".
- 2.5.16 "We agree that option A is more financially prudent, for all schools, in the medium term".

2.5.17 "Whilst we recognise Option B leads to increased funding for individual schools. We feel that Option a is more favourable overall for Merton schools with falling rolls i.e., SS Peter & Paul. Without additional falling roll funding support from LBM, more schools may be at risk of closure".

## 3. MFG percentage (section 2.2)

3.1 Question from consultation paper:

#### 2.2 MFG percentage

Merton intends to apply MFG at 0.5%. This is in line with last year's Schools Forum decision whereby it was agreed that the maximum MFG should be used. If you do not think that Merton should apply the maximum MFG, please state your reasons for this in the section below.

Please select below which level of protection you think should be applied to schools

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Option A – Set MFG at maximum of 0.5%		
Option B – Set MFG at a different percentage (Please state reason and percentage	е	
below)		

- 3.2 Respondents were asked to select which level of protection or minimum funding guarantee (MFG) they thought should be applied to schools' formula from the options.
- 3.3 Responses and sectors were:

	Primary	Secondary	Special	Weighted %
Option A - Set MFG at 0.5%	22	5	0	93%
Option B - Set MFG at a different %	2	0	0	7%

- 3.4 Comments from school responses:
  - 3.4.1 "I don't understand how the context of a school would drop below the 1.9% standard rate and how the 0.5% would kick in? It seems to have to be a drastic decrease on the MFG which I believe is per pupil".
  - 3.4.2 "We agree that the maximum 0.5% MFG should be applied. This enables additional support to be provided, responsively based on level of need. Given that most schools will see an increase in funding from our preferred option A, this recognises a holistic view of the needs of all schools within the borough. This figure, although at the maximum, is also lower than in previous years".

## 4. De-delegation options (Section 2.4)

#### 4.1 Question from consultation paper:

#### Options from Section 2.4 relating to de-delegation

For all of the services below, please state either Yes or No to indicate whether or not you would prefer the services to be de-delegated to the authority to be managed centrally rather than by each individual school. Last year Schools Forum agreed to de-delegate all services.

Paragraph	Service	De-delegate Yes/ No
2.4.5	Contingencies- Schools in challenging circumstances	
2.4.6	Contingencies- Attain	
2.4.7	Contingencies- Tree maintenance	
2.4.8	Primary school meals management	
2.4.9	Licences and subscriptions	n/a
2.4.10	Supply staff cost for parenting cover and public duties (including TU duties)	
2.4.11	Support to under-performing ethnic minority groups and bilingual learners	
2.4.12	Behaviour support	
2.4.14	School Improvement	
2.4.16	School Attendance	

#### Other de-delegation comments

Please provide any comments you would like to be considered by the Schools' Forum on the dedelegation of budgets for 2024/25.

- 4.2 Respondents were asked to indicate whether or not they would prefer a number of services to be de-delegated back to the Local Authority to be managed centrally rather than by each individual school.
- 4.3 Responses from sectors were:

Paragraph of		Primary	%	%	Secondary	%	%
consultation	Service	Total responses	Yes	No	Total responses	Yes	No
2.4.5	Contingencies- Schools in challenging circumstances	24	96%	4%	4	75%	25%
2.4.6	Contingencies- Attain	24	83%	17%	4	75%	25%
2.4.7	Contingencies- Tree maintenance	24	96%	4%	4	75%	25%
2.4.8	Primary school meals management	24 96% 4%		n/a			
2.4.9	Licences and subscriptions	n/a		n/a			
2.4.10	Supply staff cost for parenting cover and public duties (including TU duties)	24	100%	0%	4	100%	0%
2.4.11	Support to under-performing ethnic minority groups and bilingual learners	24	75%	25%	4	75%	25%
2.4.42	Behaviour support	12	83%	17%	4	50%	50%
2.4.12	Behaviour support (Option 2)	24	50%	50%	4	50%	50%
2.4.14	School Improvement	24	96%	4%	4	100%	0%
2.4.16	School Attendance	24	83%	17%	4	100%	0%

- 4.4 Respondents were asked to provide any comments they would like to be considered by the Schools' Forum on the de-delegation of budgets for 2024/25.
- 4.5 Comments from respondents:
  - 4.5.1 "Can we start moving some of these to SLAs?"
  - 4.5.2 "In my opinion the vast majority of the above should either be an optional trade in service or covered by the ESG/CSSB (still slightly confused by the difference of these two). This would allow for schools to build up their own insurance pots, contingencies or even allow them to take risks in certain areas to focus on others. I

understand the desire to increase VBS capacity but again this should be a trade in service".

- 4.5.5 "More transparency about which schools benefit/what the criteria for expenditure is for".
- 4.5.6 "I am not clear what support is currently available for us to support under-performing ethnic minority groups and bilingual learners currently. Therefore I am not confident with responding yes to this question. I am not clear what support is currently available for us to support under-performing ethnic minority groups and bilingual learners currently. Therefore, I am not confident with responding yes to this question".
- 4.5.7 "I would like a de-delegation option for premises maintenance. I think there could be two tiers available: 1) Basic level to include the organisation and record-keeping for all routine inspections (legionella testing, water testing, PAT testing, electrical conductor testing and so on) as well as a 'preferred contractor' list. 2) Additional service to offer advice and expertise with one-off premises maintenance issues. This SLA would replace the use of companies such as BRM".
- 4.5.8 "School had to purchase their own SIMS licence so why are we paying for this?
- 4.5.9 "2.4.12: I do not agree to an increase in Behaviour Support and would prefer we continue to purchase this via the existing SLA. 2.4.13: We were previously given the option to purchase Zurich full cover insurance or DfE RPA option".
- 4.5.10 "2.4.5 Schools in challenging circumstances-please can there be more transparency around how this allocated and how schools can access additional support.
- 4.5.11 "2.4.6 Attain-this needs to be reviewed. I am not sure how effective this currently is and I do think the money for attain would be best used by giving to a cluster pot for clusters to organise priorities/training".
- 4.5.12 "2.4.11 I am not sure how this is providing good value for money when it is hard to access bilingual assistants. Alison, is great, but could this be a bought in service just for Alison rather than a de-delegated".
- 4.5.13 "School attendance support has been patchy with multiple different EWOs in last few years".

## 5. Growth/Falling rolls fund (section 2.6)

5.1 Question from consultation paper:

#### 2.6 Growth/Falling Rolls

For 2024/25 Merton proposes to support schools with growth/falling rolls and earmark (retain) from schools block £300,000 in financial support to schools with growth (classes) or at the end of the financial year, distribute the £300,000 to schools with fallings rolls as in previous years. Due to the NFF and revised criteria now part of the NFF, do you agree for Merton to retain £300,000 in support of growth/falling rolls.

Please state whether you would continue to support the £300,000 top slice from the schools' block in support of growth or falling rolls for distribution during 2024/25 to schools.

- 5.2 Respondents were asked whether they supported the proposal to support schools with growth/falling rolls and earmark (retain) from schools block £300,000 in financial support to schools with growth (classes) or at the end of the financial year, distribute the £300,000 to schools with fallings rolls as in previous years. This is now part of the NFF and revised criteria. Do you agree for Merton to retain £532,000 (revised from £300,000) in support of growth/falling rolls due to closure of a primary school and reallocation of pupils to other schools within the borough.
- 5.3 Respondents and sectors were:

Growth/Falling rolls fund	Primary	Secondary	Weighted
Yes	7	4	100%
No	0	0	0%

- 5.4 Only eleven (38%) of schools commented on this proposal out of 29 returns, with eighteen (62%) respondents making no choice (yes/no).
- 5.5 Comments from respondents:
  - 5.5.1 "Opted for option B and growth funding".
  - 5.5.2 "I would support and encourage this if it was to support growth of special schools or SEN provision and not to support schools with falling roll. If there was a redundancy de-delegation to allow schools to restructure then I would support that but not a pot of money that just goes to schools with decreasing numbers. This is a horrible position to be in for schools with less and less children but it shows a need to adapt and not to mask the problem. The already `prudent borrowing' top slice is already meant to be anticipating SEN growth but seems to have failed".
  - 5.5.4 "This is in many cases this is out of schools control and thus support should be given".
  - 5.5.5 "We have had falling rolls for a number of years and would benefit from the financial support".
  - 5.5.6 "I prefer option B".
  - 5.5.7 " This must support growth rolls and falling rolls".
  - 5.5.8 "Thus seems contradictory and unclear. We may be better able to answer with further clarification".
  - 5.5.9 "I have not voted for either Option A or Option B but I would support a Growth/Falling Rolls fund of £300k".
  - 5.5.10 "We would support this decision given the content of changing demographics and pupil numbers with the borough".

## 6. School Block Transfer to High Needs Block (section 2.7)

#### 6.1 Question from consultation paper:

#### 2.7 Transfer between blocks

For 2024/25 Merton proposes to maintain the transfer from the Schools Block to the High Needs Block. This is estimated to be about £737,000 (0.5%) based on indicative grant allocations and will be used to continue to fund the increase in place numbers at special schools, the growth in top-up (banding) fees and maintaining the prudential borrowing agreed by Schools Forum in 2007.

In support of the DSG Recovery Plan and Safety Valve Agreement a proposal to transfer an additional £500,000 cash (one year) from the Schools Block to the High Needs Block in support of the deficit recovery plan and working in conjunction with the DfE on the Safety Valve Programme. This would be subject to Safety Valve Team and Secretary of State (SOS) approval.

	Yes/No
Please state whether you would support this (0.5%) £737,000 transchools to the High Needs Block.	nsfer from the
Please state whether you would support the additional transfer of support of the Merton DSG Recovery Plan (a Dis-application requ to be approved by the Safety Valve Team/Secretary of State)	

- Respondents were asked whether or not they supported the proposal for 2024/25 to maintain the transfer from the Schools Block to the High Needs Block. This was estimated to be about £737,000 (0.5%) and **actual allocation is £787,000** on confirmed grant allocations to be used to continue to fund the increase in place numbers at special schools, the growth in top-up (banding) fees, EHCP's and maintaining the prudential borrowing agreed by Schools Forum in 2007.
- Also, in support of the DSG Recovery Plan Merton respondents were asked if they approved the transfer of an additional £500,000 cash (one year) from the Schools Block to the High Needs Block in support of the deficit recovery plan and working in conjunction with the DfE on the Safety Valve Programme. It was highlighted that this would be subject to the Safety Valve Team and Secretary State (SoS) approval.
- 6.4 Respondents and sectors were:

0.5% transfer	Primary	Secondary	Weighted
Yes	24	5	100%
No	0	0	0%

£500k cash transfer	Primary	Secondary	Weighted
Yes	13	3	60%
No	10	1	20%

- 6.5 All school's respondent with 0.5% transfer of "yes" approved and one primary and one secondary did not respond to the additional £500k cash transfer.
- 6.6 Comments from the respondents:
  - 6.6.1 "I believe this is delaying the problem and with 19 million in deficit and an independent school issue that is out of control, de delegating £500,000 of school block funding won't touch the sides or address the problem at hand and instead just take from schools".

- 6.6.2 "I support this but feel there needs to be absolute transparency on where the money is spent and how it is distributed across schools and services. I do not know if this is shared with Schools Forum, but I believe that in the future to be able to support this again I would need more information".
- 6.6.3 "As we currently have 27 EHCP plans and three more in the process, we would welcome more expenditure within the High Needs Block to support places for children in mainstream who should be in specialist schools".
- 6.6.4 "I am in favour of spending to increase places at Special schools, there is no detail of the specific plan for the £500,000 spend. Thus, even if we did agree to spend the extra, there is no way we could measure the progress of any work or whether or not the (unspecified) benefits have been achieved. The money could therefore quite easily be spent repaying debt from prior years".
- 6.6.5 "In the grand scheme of things £500,000 is not a lot of money to fund the extra schools/ places within schools. It is not clear that we would see a real benefit at all".
- 6.6.6 "We would be in support of these measures to ensure adequate support and provision for students with high needs. Given that a balanced position must be reached within 3 years, it is prudent to spread this cost over as long a period as possible prior to that deadline to minimise the impact in any one year".

## 7. High Needs Block - Targeted support to schools with high SEN pupil numbers (section 2.8 consultation)

7.1 Question from consultation paper:

5.2.1 High Needs Block - Targeted support to schools with high SEN pupil numbers

Merton will continue to provide additional funding outside the main funding formula for mainstream schools and academies. Moving in line with the NFF for 2024/25 this methodology of allocating an additional £350,000 where more than a school's overall pupils had EHCP's recorded on census. It is proposed to earmark this fund at £350,000 and for the percentage proportion to be adjusted in support of affordability within the financial envelope.

Please state whether you support this moving in line with the National Funding Formula for 2024/25. (Please state reasons below)

- 7.2 Respondents were asked whether to continue to provide additional funding outside the main funding formula for mainstream schools and academies. Moving in line with the NFF for 2024/25 this methodology of allocating an additional £350,000 where more than a school's overall pupils had EHCP's recorded on census. It is proposed to earmark this fund at £350,000 and for the percentage proportion to be adjusted in support of affordability within the financial envelope.
- 7.3 Respondents and sectors were:

Targeted support			
to schools with			
high SEN	Primary	Secondary	Weighted
Yes	19	4	80%
No	5	1	20%

- 7.4 All schools replied to this question.
- 7.5 Comments from the respondents:
  - 7.5.1 "EHCP funding is there to meet the needs of children with EHCPS and the funding formular funds lower attainment, EAL, deprivation already. All schools shouldn't be top sliced further. However, again I would like to know what the % is and how this is distributed year on year as I do not know of anyone who has been able to successfully access this fund. Primaries are likely to be disadvantaged because it takes time for children to be diagnosed and then awarded an EHCP yet we have to fund the required support from our own budgets is there a fund for this and how do we apply? I think a criteria document should be made available, possibly one for secondary re EHCPs and one for Primaries re children funded from school budgets".
  - 7.5.2 "More details of how this is calculated required. Consultation Document is unclear (p21 5.2.1 "where more than % of a school's overall pupils had EHCPs on Census"). What is the percentage"?
  - 7.5.3 "I would rather see some changes to support/funding for pupils who are awaiting an EHCP. With current crisis/backlog of children awaiting assessments, a disproportionate number of pupils are being funded directly by schools sometimes 2:1, as they await EHCP/change of placement. Once a child has an EHCP there is at least some additional funding in place to support the child".
  - 7.5.4 "I don't find this question clear. Is it asking: a) Do I support spending £350,000 for when mainstream schools have more than the average number of EHCP pupils? I would prefer to use the money to increase the funding level at each EHCP band but this has not been offered so I don't know what will happen to the £350,000 if we don't vote 'yes' here. Will it be lost or allocated elsewhere? or b) Do I support moving more towards the NFF for 2024/25? I would repeat this exercise and review it again next year. It is also a concern around allocations of EHCPs. What is the average number per school? The number of EHCPs being granted is falling so this is also something to consider as the 'average' would be lower".
  - 7.5.5 "We would like more students educated within the LA or other LA and a reduction in independent school settings for EHCP students.
  - 7.5.6 "Without an increase in the amount very few schools will 'qualify'. The %age has risen in the last few years from mainstream pupils with EHCPs from above 2.5% to above 4.1%. Banding rates have not changed for some years either, making the provision more challenging each year".
  - 7.5.7 "To support schools who retain children with EHCP despite reports from professionals indicating specialist provision is required but there isn't capacity within the borough for them. In may also encourage schools who don't have many EHCPs to actively provide an education for them in their setting".
  - 7.5.8 This is a significant level of funding for those schools that have high levels of pupils with EHCPs and this support enables those schools to continue to support all pupils effectively.

- 7.5.9 "What is the % of more than average number of EHCP pupils"?
- 7.5.10 "Can some of this money be used to give schools money to support them once it has been agreed to assess as schools are paying to support these pupils"?
- 7.5.11 "I support the Merton Proposal to allocate an additional £350k for when mainstream schools have more than the average number of EHCP pupils but I am not clear if that is to be indicated by voting yes or no in the box above".
- 7.5.12 "We believe this should be supported as part of ongoing support for Merton schools where there are high levels of need".

#### 8. Other comments

- 8.1 Respondents were asked for any other comments to be considered by School Forum as part of the consultation.
- 8.2 Other comments were made.
  - 8.2.1 "Thank you for consulting us and providing the detailed breakdown of options. It was also useful to provide some airtime at the Headteacher meeting about this. If the extra de delegated funding proposals get through then schools managing a deficit recovery plan need an opportunity to adopt or change their three year proposal to get back to a neutral/surplus position. It isn't fair to expect schools managing a deficit and running a very tight recovery plan to then be faced with additional and unexpected central costs. Especially when a lot of these costs are to cover debt created centrally. I understand that the decision is really about if Heads can get behind supporting the wider community of Merton vs schools making more local decisions or not. There is also a lot to think about a 'small local government vs large local government' and how much of a central team the council want to provide vs how much schools actually have a desire to be top sliced for. Ultimately, the SEN system is in crisis and with the last announcement from the chancellor only including 1% to the public sector departments next year, I can't see any easy decisions coming up. I think the days of any 'additional or luxury' de delegation to go to local council are gone and schools have to make their own fate with every penny they get while also supporting the expansion of SEN provision and the re purposing of schools with drastic falling roll issues".
  - 8.2.1 "1) I have spent hours reviewing the document provided by Merton and information on the Gov UK website. There is a lot to read and to understand. It would be helpful if the document from Merton included more analysis on the effects of the different decisions on different types of school and different pupil demographics so that a moral debate on the issues can be had.
    - 2) A lot of our issues in school and spending is focussed on SEN and behavioural issues. These issues seem to be on the rise in Early Years. Intervention is more successful when made very early.
    - 2) A lot of our issues in school and spending is focussed on SEN and behavioural issues. These issues seem to be on the rise in Early Years. Intervention is more successful when made very early.
    - 3) I would like to see the methodologies behind the calculation on the numbers so that I can get the calculator to it myself and understand exactly what is and is not included for each calculation so that we know which numbers can be compared and which can't.
    - 4) Please can schools be listed in alphabetical order within their section when in a table.
    - 5) Please can you include a table showing each schools' main characteristics next year. This should include pupils on roll, SEN numbers, deprivation numbers, classes per year group etc. so that we can filter and see how each group is affected by each decision".

- 8.2.2 "Thank you, you have put a lot of work into that document and those numbers".
- 8.2.3 "5.2.2 ARP place funding has not increased in line with AWPU increase. Therefore, the school is contributing more to ARP student education year on year, eg AWPU £5,508 then SEND will fund £4,492. eg AWPU now £5,762 then SEND will only fund reduction £500 shortfall per student. Difference = £154 AWPU £6,207.94 SEND £3,792 £6,495.88 SEND £3,504 = £288 Total shortfall year on £2,200+ Staffing increase, RP increases leads to ARP and SEND deficit budget year on year".
- 8.2.4 "Managing a deficit budget means that looking at de-delegated and top slicing more money from school budgets makes it difficult for schools to "lose" money from their schools' budget and set a balanced budget. Lots of schools are now in deficit and every penny really does count".

## 9. Respondents

PRIMARY SECONDARY

Abbotsbury Primary
Cranmer Primary
Dundonald Primary
Gorringe Park Primary

Gorringe Park Primary
Hatfeild Primary
Hillcross Primary
Hollymount Primary
Joseph Hood Primary
Liberty Primary
Links Primary
Malmesbury Primary
Merton Abbey Primary
Merton Park Primary

Morden Primary Pelham Primary Poplar Primary

St Marys RC Primary
St Teresas RC Primary
St Thomas of Canterbury RC Primary
The Sherwood Primary
West Wimbledon
Wimbledon Chase

Wimbledon Park Primary

Raynes Park High Ricards Lodge High Rutlish High

Wimbledon College RC High

St Marks Academy