

## **Consultation responses For the 2018/19 Schools Funding Formulas**

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November 2017

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### **Children, Schools and Families**

Director: Yvette Stanley



# Response Summary

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16 Primary Schools

3 Secondary Schools

0 Special Schools

A list of the 19 respondents is given at the end of this document

## Response Analysis

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### Section 2.1.5 Local or National Funding formula and values

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Merton will be using its local formula to allocate funding to schools because of the reasons outlined in paragraph 2.1.5 of this consultation.

Respondents were asked to provide any comments that they would like to be considered by the Schools Forum in setting the 2018/19 formula.

Number of schools supporting the proposals: 7

Number of school against the proposals: 7

#### Comments

- We need to plan for convergence with the hard national funding formula so these choices make sense in this year where the APT tool can't be used.
- The school supports this proposal as we feel it softens the transition to the NFF for all schools
- As a cluster, we don't feel that this benefits the schools in our cluster. If schools are allocated the additional funding through the free school meals factor and deprivation, rather than through the AWPU, schools like us are losing out - it feels like a double negative. We don't get as much money through the deprivation and FSM factor anyway and now we will lose through AWPU as well. Merton could choose to use a different formula for the next 2 years and put the additional national funding through the AWPU and it would be more evenly distributed. It seems that although Merton is to receive more money through the NFF, schools are not benefitting. A high amount of schools funding is being retained through de-delegated and central retained budgets. The schools share of these costs is increasing and yet our budgets are not increasing enough to cover these additional costs.
- Strongly disagree with this. Dundonald for example, this is a double negative because AWPU requires even distribution. Pupil premium is contingency based and unpredictable. Disadvantaged pupils' benefit which impacts others negatively, especially where disadvantaged pupils are few.

- I do not agree with this and would be in favour of funding through the AWPU.
- This weighting towards allocating the funding formula through Free School Meals rather than AWPU was something we responded to in the NFF consultation as for schools such as ours, we lose out twice ie both through this factor and less Pupil Premium funding than many other schools. Clearly, we would wish the additional funding allocated through the local funding formula to be weighted towards AWPU to level the playing field. Sitting within a slightly more advantageous demographic does not mean we have any less costs to deal with, especially staffing.
- The proposed Merton local formula will provide Merton Abbey PS £42349 less than the NFF and a loss in real terms of £26160 from 2017/18 to 2018/19. This will come at a time when our roll has dropped in certain year groups, which will also adversely affect our future revenue. The implementation of the Merton local formula will likely push our school into a deficit. (Our school responded positively to the LA's request that we expand to two forms of entry: one of the main consequences of this appears to be the current overcapacity of primary places within our local cluster. We will soon be suffering the lost income because of these empty places.) If the proposed Merton local formula is the best way forward for Merton schools, how will the LA support schools like ours which will suffer significant losses?
- Supportive of a transition over 2 years
- Wimbledon College are losing out on £67k of funding by continuing to use an out of date formula that puts WC pupils at a disadvantage to pupils with similar needs. It is disappointing that administrative issues could not have been foreseen / overcome in time to put in place fair funding. We should have been offered a vote on this issue.
- Allows for rates adjustments. Enabled de-delegation. Additional funding through deprivation/FSM. I support this decision.
- It is beneficial to schools to be in a position where funding is moving towards the NFF in order to minimise fluctuations in budget allocation when the NFF comes in. For RPHS the local formula proposed almost exactly mirrors NFF amount so will assist in budget planning.
- Following an update from Marius yesterday, as a school that now benefits, we are clearly pleased. I support the decision to use FSM as these children often require more school resources beyond what PPG funding can provide.
- We think that allocation of funding should be as in line with the NFF as possible, as it gives us a realistic projection of what funding we will receive under NFF, and allow us to plan accordingly. We would hope that the pupil led factors did not leave the school at a loss. Allocating funding through FSM rather than AWPU does not present a significant difference.

- Our preference would be for this to be weighted on AWPU rather than FSM due to the negative impact on our budget with the latter.

### Table 3 factor 4 LAC factor

Merton propose to **not** use the LAC factor in the local formula.

Respondents were asked to choose whether to remove or retain the LAC factor.

#### Results

|        | Primary | Secondary | Special | Weighted % |
|--------|---------|-----------|---------|------------|
| Remove | 14      | 2         | 0       | 91%        |
| Retain | 2       | 0         | 0       | 9%         |

#### Comments

- Convergence to the NFF
- If PP increase is same/more, agree to remove from Merton formula.
- No preference
- LAC will be included in PP grants
- This will assist in moving towards the transition to NFF.
- Removal of the LAC factor is preferable

## Section 2.3.5 Contingencies – Schools in challenging circumstances

Merton propose that the contribution to this fund be increased from £300,000 to £400,000 for 2018/19.

Respondents were asked to indicate their preferred option:

**Option 1** – Keep the contribution at £300,000

**Option 2** – Increase the contribution to £400,000

#### Results

|          | Primary | Secondary | Special | Weighted % |
|----------|---------|-----------|---------|------------|
| Option 1 | 9       | 1         | 0       | 50%        |
| Option 2 | 7       | 2         | 0       | 50%        |

#### Comments

- All schools are getting more funding compared to 2017/18, so there should be no need to increase this amount.

- Yes in principle to option 1, as we know it will help schools in need. However the cluster view and my view is that there needs to be more transparency about schools can draw on this and how it is spent. I understand that it is used for school support where there is an exceptional change in circumstances- however there needs to be more clarity around the expenditure as schools cannot afford to lose this money from their budgets.
- Need central Gov to support this not LA
- Agree in principle to contingency fund, however as a school, cannot afford to increase the contribution. School feels there must be anonymised transparency re the allocation, impact that this has made and reported back to HT's. Some schools are working v hard to generate income, however is this the same for all schools?
- In principle this would help, however it would be useful to find out how this money is actually spent. Would it be possible to report this to Head teachers?
- Our budget does not allow for the increase to £18.90 per pupil but we do acknowledge that a "safety blanket" is required for exceptional changes in a school's circumstances. It would also be useful to have some transparency around the criteria for allocation and how/where funds applied (clearly, this could be anonymised).
- We anticipate that we will suffer declining balances and may not be able to set a balanced budget in the coming financial year.
- With excess primary places this fund is needed
- As long as this funding is used prudently to support schools it would seem to be good to have funding available at the level which you think you will need. However we would not want to see the budget spent "for the sake of it" and would like to know what happens to any underspent allocation. Is there a mechanism for carrying forward any underspent allocation? e.g. returning it to schools through a lower contribution the following year.
- The additional funding through this funding pot that has been supplied to us to balance the difference between the allocated split-site factor and the true cost has been vital, so I fully support this move.

The current calculation of split-site based on the factors of the cost of: a deputy head, one lunchtime supervisor and £400 of petrol money, this brings the figure to around £7200. Over the last three years, we have worked with the LA to produce a more detailed analysis of the true additional costs, as since becoming split site we have been forced to make huge cuts to provision, resulting in the redundancy/non-replacement of 9 teaching staff last year, merging two classes into one this year and the removal of after school clubs as we no longer have support staff to chaperone the children to the appropriate site. Clearly, not all of our costs have doubled, however, some have. We have two separate sites, therefore caretaking costs have increased, there are now two offices to run, two halls and twice as much play space to supervise, clean and maintain. There has also been a need to expand the leadership team beyond just a single deputy head. Although we remain one school, most providers and businesses treat us as two separate schools as the sites are sufficiently far apart. The result of this is that we are charged twice for a range of service, e.g. LGfL, BRM, waste collection etc. All checks e.g. water, asbestos etc are also costs we pay twice. The calculations we have made with the LA show the true costs to be £140 000. Over the last three years, we have been very grateful to the LA for topping up the split-site factor with an additional £50 000 from the Schools Causing Concern budget. For longer term security, we would like the Forum to consider increasing the split site factor to cover the

true costs.

I am aware that split site factors vary between authorities, some being higher, some being lower. All school situations are different and I can only comment on what the cost to us is and ask for what I genuinely believe my school should receive. The government in their response to the NFF consultation indicates that they will allocate each LA's split-site funding according to what they currently spend, therefore, potentially, it's in everyone's interest to get as accurate figure allocated as split site funding now. The harsh reality for our school is, if we are unable to secure an improved level of funding, we will no longer be able to operate as a two form entry split-site school. The governors have already held a meeting this term to look at the options of building work to retain two form status on one site, returning to being a one form entry school or becoming an academy

- Agree in principle but the challenge on our budgets does not allow us to fund an increase. There needs to be transparency on how this fund is allocated and clarity on exactly what it is used for and the process for agreeing allocations to schools.

## Options relating to de-delegation

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.

| Para.  | Service   | Primary<br>De-delegate<br>Yes | %    | Secondary<br>De-delegate<br>Yes | %    |
|--------|---|-------------------------------|------|---------------------------------|------|
| 2.3.5  | Contingencies - Schools in challenging circumstances                      | 15                            | 94%  | 3                               | 100% |
| 2.3.6  | Contingencies- Merton Education Partnership                               | 7                             | 44%  | 3                               | 100% |
| 2.3.7  | Contingencies - Marketing in schools (covered above)                      | 5                             | 31%  | 2                               | 67%  |
| 2.3.8  | Contingencies- Tree maintenance   | 16                            | 100% | 3                               | 100% |
| 2.3.9  | Primary school meals management   | 15                            | 94%  |                                 |      |
| 2.3.10 | Licences and subscriptions  | 14                            | 88%  | 3                               | 100% |
| 2.3.11 | Staff cost- supply cover  | 15                            | 94%  | 2                               | 67%  |
| 2.3.12 | Support to under-performing ethnic minority groups and bilingual learners | 12                            | 75%  | 3                               | 100% |
| 2.3.13 | Behaviour support   | 16                            | 100% | 2                               | 67%  |

Respondents were asked to provide any comments they would like to be considered by the Schools Forum on the de-delegation of budgets for 2018/19.

### **Comments**

- I am responding as if I were choosing to enter into SLA's for these services: aim for NFF convergence.
- More transparency and clarity around how these de-delegated budgets are spent across the Borough's schools as schools can ill afford to pay for these services even though they are needed. Schools are needing to make some difficult decisions about how their own budgets are spent.
- Behaviour support is very good.
- 2.3.6 - clarity required re the benefit impact. Is it value for money?
- 2.3.11 - costly, but could prove cost efficient depending on circumstances
- 2.3.12 - require greater clarity re the work undertaken. Some schools do not benefit. What should schools be receiving?
- 2.3.13 - required, but are there enough staff to support all schools?
- Some indication on how this money is spent would be useful.
- We would like to know more about how the MSSEP money was spent last year and how it will be spent this year. When we all agreed to pay into this fund we were also able to bid for the money to pay for cluster development projects - but this is no longer the case. There needs to be transparency about how this money is being spent before schools agree to make a contribution.
- With regards to MSSEP, last years budget was £100k, with £30k of that going to the MSSP. It is not clear whether this budget is now therefore £70k, or if it is remaining at £100k. We would like more information about how this money is spent (and impact), as during the year 2017/18, this appeared to only consist of a handful of school improvement steering group meetings, with no obvious forward movement on this. Funding for projects in schools, tendered for through the Merton Education Partnership ceased. The benefit to schools needs to be clearly set out and articulated.
- See comment above - what happens to underspent allocation in any of these de-delegated budgets if it is not required for any reason? Also are PFI schools paying twice for tree maintenance? I have indicated that we support this de-delegation however if this is already paid through PFI then PFI schools should be exempted from this. Is there a demonstrable correlation between low prior attainment and the need for Behaviour Support Services that underpins the rationale for your contribution calculation?
- We agree that all the highlighted services should be de-delegated. Marketing funding does not appear to be equally distributed between schools and is not something which we feel we benefit from, as a small school and therefore should not be de-delegated.

### **Section 2.5 MFG Percentage**

Respondents were asked to indicate their agreement to Merton's proposed approach to keep MFG at -1.5% as in previous years, or which other option they would prefer.

**Option 1** - Set MFG at 0.0%

**Option 2** – Set MFG at -1.0%

**Option 3** – Set MFG at -1.5%

### **Results**

|          | Primary | Secondary | Special | Weighted % |
|----------|---------|-----------|---------|------------|
| Option 1 | 2       | 0         | 0       | 9%         |
| Option 2 | 0       | 0         | 0       | 0%         |
| Option 3 | 13      | 3         | 0       | 91%        |

### **Comments**

- In the absence of NFF convergence, fairness/consistency with previous approach seems sensible.
- Due to schools being protected
- We appreciate that changing the MFG would mean less money to allocate through other formulas. However, we stress the need to *reduce turbulence to schools* (para 2.5.6) such as ours which are likely to experience financial shock.

## **Section 2.7 Transfer between blocks**

For 2018/19 Merton proposes to transfer £500,000 from the schools block to the high needs block.

Respondents were asked to indicate whether they would support this transfer.

### **Results**

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|     | Primary | Secondary | Special | Weighted % |
|-----|---------|-----------|---------|------------|
| Yes | 16      | 3         | 0       | 100%       |
| No  | 0       | 0         | 0       | 0%         |

### **Comments**

- Banding fees are never enough, therefore agree increase.

## 6.2 Scheme for Financing Schools

Respondents were asked to provide any comments they would like to be considered in relation to changes proposed to the Scheme for Financing Schools.

### Comments

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- Many schools will find there are issues around the close date almost certainly falling in the Easter holidays. Not all SBMs are on 52 week contracts and as we are forced to restructure because of budget constraints, schools will not be able to afford office staff on 52 week contracts.
- Difficulties closing finances during the Easter holiday. Planned offsite and family arrangements. Contractors often on site, supplies such as electricity and water may be off. How does this affect staff on different (weeks) contract. This has not been given any consideration.
- Issues around dates as they usually fall in the Easter holidays and the school is closed.
- Although it is at the behest of the DfE, we would like it noted again that by applying the 15th April deadline, SBMs have no choice but to be in school in the Easter holidays. We also note that deadlines for monthly returns have been changed to BEFORE weekends and bank holidays rather than AFTER. What was the rationale behind this?
- Although it is at the behest of the DfE, we would like it noted again that by applying the 15th April deadline, SBMs have no choice but to be in school in the Easter holidays.
- No comments - proposals appear sensible
- issues need to be addressed in point 6.21 re the date for closing end of year accounts and the various contracts SBMs are on, which impact the practicality of achieving this.
- Changes look reasonable

### Other comments

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Respondents were asked to provide any other comments they would like to be considered by the Schools Forum.

### Comments

- There needed to be briefing sessions about this consultation as this is of great importance to schools. Briefing sessions highlighting facts and implications were needed for the SBMs, HTs and Chairs of Governors. Many schools will probably not respond because they are either not aware of the importance, or don't understand the consultation or the timeframe has been too tight. We need to have more information, support about the implications for the future, as looking at this document and the increased budget restraints schools will be under will mean drastic changes to staffing structures. Does HR have the capacity to support and advise schools through this?
- Fully understand the timings of consultation paper being issued, not the fault of LBM, however there should have been a series of briefings to support schools. It is a difficult and challenging time for all schools. No guidance or opportunity for schools to question. This is a very anxious time for head teachers, SBMs and also parents, particularly since nothing is clear and information from

different sources is contradictory.

- In future it would be helpful to have briefings for head teachers and school's admin officers/business managers.
- There has been very little time for HTs to process this, with half term holiday in the middle. Also, no meetings have been organised for HTs or SBMs so that they can ask for further information. There is a lack of clarity and a lack of transparency. When we all struggle to make ends meet it would be good to know whether additional money (eg Funding for schools in challenging circumstances) is being distributed equitably.
- We understand that Merton LA Finance was given final funding details with a tight deadline before Schools Forum, but there has been a lack of time or guidance to fully explore and understand the implications for 2018/19...or the implications for the future in terms of impact on the LA and schools. Despite the short timeline, it would have been useful to have a series of short briefings for HTs, Governors and SBMs with the opportunity to ask questions. We appreciate the time Marius gave our cluster on 2nd November.
- You do not ask for any responses about section 5. As a school with an ARP I would like to understand the budget implications for my school of your proposal as early as possible to allow for advanced planning. We would be interested in expanding the ARP provision at the school if finances would allow and we aspire to become a centre for excellence in the provision of education to students with Autism.
- We appreciate Marius coming to chat with our cluster to clarify items in the consultation. However, despite the very short time frame, which was beyond Merton's control, briefing meetings would have helped in understanding the decisions to be made and allowed all to seek clarification. I am sure this will have an impact on the quantity and quality of responses.
- I think there should be some debate/discussion around how schools set their budgets and guidelines around setting realistic budgets and not those that just "balance" in order to be approved by the LA. This would make for fewer surprises through a financial year.

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## Respondents

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### PRIMARY

All Saints' CE Primary  
Dundonald Primary  
Gorringe Park Primary  
Hatfeild Primary  
Hollymount Primary  
Joseph Hood Primary  
Malmesbury Primary  
Merton Abbey Primary  
Merton Park Primary  
Morden Primary  
Pelham Primary  
St John Fisher Primary  
St Matthews Primary  
The Priory CE Primary  
William Morris Primary  
Wimbledon Park Primary

### SECONDARY

Raynes Park  
Ursuline  
Wimbledon College