**St Matthew’s Response to the National Funding Formula Consultation Questions**

**The following are the responses of St Matthew’s to the 18 questions of the National Funding Formula Consultation Stage Two.**

**Our responses are in blue. You can use them to respond to the consultation if you wish. Responses must be completed by 22nd March 2017. You can make your response by following this link:** <https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula2/>

**The Questions and Our Response**

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?**

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* No – the proposed formula locks in huge and unfair inequalities in the level of funding that children across the country receive.
* One third of primary schools in Cambridgeshire lose funding in these proposals
* Cambridgeshire only sees a 1.8% gain overall that does not nearly address the inequality that we had been told this funding formula would address
* On average, Cambridge sees an increase in per pupil funding of just £84, leaving our children receiving £340 less than the mean average, £284 less than the median and £2,451 less per pupil than the highest funded authority
* Inequalities of this scale are totally unfair and the formula must address them.
* Fundamentally, the formula should ensure that all schools receive a level of funding to meet basic running costs before any additional funding is allocated according to other pupil led factors.

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

**Yes**

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

**No - you should keep the balance between pupil-led and school-led funding in line with the current national averageBottom of Form**

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* The AWPU needs to be higher so that it, in conjunction with a lump sum, meets the basic running costs of all schools.
* The lump sum needs to be large enough to protect small schools. These are not necessarily sparse schools, though village schools in particular in Cambridgeshire are under severe pressure as a result of this proposed formula.

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**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**

* There needs to be sufficient funding allocated to meet the basic running costs of all schools before any remaining funding is allocated according to additional needs.
* Therefore whatever proportion of overall funding is allocated to additional needs should be dependent upon the overall size of the budget.
* Building a set proportion into the formula before this “basic cost” funding is allocated risks leaving schools unable to meet basic costs.
* It also leaves disadvantaged pupils in poorly funded schools doubly disadvantaged – the additional funding their school receives cannot be used to purchase additional support for them because it is needed to meet basic running costs of their school. This impacts negatively on outcomes for disadvantaged pupils and on social mobility in our areas.

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

The weightings are a proportion of the total schools budget.

**Deprivation - pupil based at 5.5%**

**Allocate a lower proportion**

* The premise of this is fundamentally wrong.
* Additional funding for pupil characteristics should only be allocated once basic school costs have been funded.
* What percentage of the overall funding that would be is dependent upon the amount of that overall funding.
* Also, these factors mean that certain children attract additional funding for schools for multiple reasons. This leads to too high a proportion of funding being allocated for deprivation, leading to the huge variations in levels of funding that are unfair.

**Deprivation by Area at 3.9%**

**Allocate a lower proportion.**

* See above.

**Low prior attainment at 7.5%**

**Allocate a lower proportion.**

* See above.

**English as an additional language at 1.2%**

**The proportion is about right.**

* Proposed proportion produces a level of funding that feels about right. However, arguments above about basic funding being allocated to meet basic costs before any additional funding is targeted still hold.

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

* This is not currently a factor within the Cambridgeshire formula due to concerns over quality of national datasets. As such, despite only accounting for 0.1% of the overall pupil-led factors we are concerned over the proposed approach to use historic spend. However we do recognise that for some schools this is an issue that results in significant additional costs. Where this is linked to specific circumstances, such as military families, there might be an opportunity to link to the service children Pupil Premium and increase the allocation via this funding route.Bottom of Form

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

* Primary – **Allocate a higher amount**
* Secondary - **Allocate a higher amount** 
	+ Current formula risks closing small schools, hitting communities all over the country. Cambridgeshire would be particularly badly hit.
	+ The primary lump sum should be higher, perhaps on a sliding scale dependent upon school size, to protect small schools.
	+ This could simplify the formula and mean there might be no or less need for the sparsity funding element below if the level of funding distributed this way was sufficient.

**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 – **Allocate a higher amount**
* Secondary - **Allocate a higher amount** 
* If the lump sum is not to be increased, sparsity funding needs to be increased. If not, schools will be forced to close.
* The proposed level of funding is not enough to maintain Cambridgeshire’s rural schools. Only 20 qualify for sparsity funding and the level they would receive is not enough to compensate for the loss of the locally set lump sum of £150,000.
* This leaves these schools at real risk. They cannot make further efficiency savings – Cambridgeshire schools have been among the very lowest funded for years and have therefore made all the efficiency savings that they can. Many cannot attract sponsors to become academies to try to make further savings – while it may be questionable whether this would result in further efficiencies, cutting these schools’ funding further will make them even less attractive to potential sponsors.

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

**Yes**

* Lagged funding for actual growth would provide a fairer system.
* It is unfair and unsustainable for funding for growth to come out of the funding for existing children and against the fundamental principles of “pupil led” funding.
* This would require either schools or MATS or local authorities being allowed to run a deficit budget for growth to be made up the following year.

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

**Yes**

* We agree that there needs to be some stability for schools whose funding is falling.
* However, this should not be at the expense of preserving the fundamental unfairness and inequalities of funding that children in different parts of the country now receive. Quality of education should not be a post code lottery determined by different levels of funding.
* Losing 3% in one year is significant for a school to absorb.
* There is a precedent of high standards achieved in higher funded schools (e.g. London). This will be hard to maintain if these school’s budgets are reduced. However, it will be very difficult for these standards to be achieved in previously lower funded schools if they continue to receive similar low levels of funding.
* We would propose a graduated funding floor over time (e.g. 3% year one, an additional 3% in year two etc). This should allow meaningful redistribution of funding according to a fair and more equitable formula over time.

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

This will mean that no school will lose more than 3% of their current per-pupil funding as a result of this formula.

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

* See answer above.

 **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**

* We believe that, to treat growing schools fairly, the funding floor should take account of the fact that these schools have not yet filled all their year groups.
* The current proposals without some form of additional funding such as this would not fund growing schools sufficiently.
* However, this proposal risks overfunding growing and particularly new schools and could constitute a poor use of resources.
* If funding in terms of lump sum and AWPU were sufficiently high, this may provide sufficient funding for growing schools to function.
* There may also need to be some additional funding, perhaps on a sliding scale dependent upon how full a school is.
* Local knowledge is important here and needs to be used to allocate funding. Bottom of Form

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

**Yes**

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

As stated above, the marginal increase in funding that the proposals produce does not in any way address the huge inequalities in funding that children receive for their education in different areas. Revised proposals must move to a more equitable distribution of funding.

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

Yes

**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

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

No response

**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?**

No response