

## Funding information and factsheet – January 2018

### **Context:**

Schools and academies in Devon have been severely financially disadvantaged for at least a decade. Over the past three years additional rising costs have seen matters reach a critical point. On average, large secondary schools have been making savings of approximately £250k year on year. Primary and special school budgets have been under equal pressure.

### **1) What does the National Funding Formula do for low funded schools and counties?**

*“In conclusion, the new national funding formulae will redress historic inequities in funding that have existed for too long” - Justine Greening MP – former Secretary of State for Education – New National Funding Formula announcement, September 2017.*

*“This means that for the first time everyone can see what the national funding formula will mean for them and understand why. Alongside addressing these historical injustices...” – Nick Gibb MP – Minister for Schools, October 2017.*

The new National Funding Formula **does not** solve the two problems that it was designed to tackle – **real terms funding decline** and **funding inequalities** across schools and counties.

The new National Funding Formula has injected some additional cash in to schools. Much of this will be offset by rising costs. **In real terms school budgets will either have a small uplift or will remain static in 2018 and beyond.** Worked examples for individual schools can be provided in order to demonstrate this point.

Schools and pupils are judged by identical performance data including KS2 and GCSE outcomes and also OFSTED. Funding for schools with similar socio-economic characteristics will still be hamstrung by significant inequities under new National Funding Formula proposals.

Please note these statistics are all based on the Department for Education's own database for the financial year 2018-19. The figures relate to year groups 7-11 and **do not include additional funding such as Pupil Premium Grant (PPG)**. PPG is worth £1320 per eligible pupil in primary schools and £935 per eligible pupil in secondary schools.

NB a secondary school with 250 pupils eligible for free school meals in the last 6 years would receive an additional £233,750 through PPG.

A large secondary school with 25% of pupils (400) eligible for Pupil Premium would receive an additional £374,000 each year.

It should be noted that London schools must pay a higher London weighted salary but this has been removed from the calculations.

## 2) How does the new funding formula impact upon schools and academies in Devon?

Average per pupil unit funding	Primary (PUF)	Secondary (SUF)
Average per pupil funding Devon	£3,880	£4,884
Average per pupil funding Greenwich	£4,898	£6,451
Average per pupil funding Hackney	£5,887	£7,840

Please note that the same proportionate funding differentials apply in the primary school sector.

Special schools in Devon also receive lower average funding than equivalent schools in other local authorities. Furthermore, unlike mainstream schools there is no planned funding uplift, even 0.5% per pupil, planned in 2018/19 owing to the funding pressures affecting High Needs

### Summary

Funding per pupil within Devon remains significantly below the national average and is failing to keep pace with rising costs. Each year this continues, it becomes increasingly harder to maintain good standards of education and this is particularly so for children who have additional educational needs.

## 3) What does Devon get under the new National Funding Formula?

Under the new illustrative National Funding Formula Devon will see an increased funding of 3.5% (£13.2m) compared to the 2017-18 baselines of the Schools Block when fully implemented in 2020.

This sees additional funding of 1.9% (£7.5 million) in 2018-19 for Devon schools, but falls far short of the funding needed to meet even the non-inflation factors such as 0.5% apprenticeship levy, uplifted pensions (4%) and the, to date, unfunded 1% to 2% teacher pay increase.

In total, funding to support Devon pupils remains **at £268 per pupil** below that seen nationally.

Average per pupil unit funding	Primary (PUF)	Secondary (SUF)
Devon	£3,880	£4,884
Cornwall	£3,957	£4,993
Hackney	£5,887	£7,840
Westminster	£5,247	£6,756

- Under the NFF, Devon will receive **£13.2 million**. Devon has 89,311 pupils, therefore equivalent to **£148 per pupil**

- In 2018 Devon Pupils will receive **£381 million in total**
- If our pupils were in the other LAs we would generate additional funding in the region of
  - Cornwall        £8 millions
  - Hackney        £212 millions
  - Westminster   £139 millions

#### **4) How is KEVICC impacted by the new funding formula?**

The attached data shows the funding variations and disparities that will occur for KEVICC under the new national funding formula within the Devon constituency areas (Appendix A)

The figures for 2018-19 show the removal of the rates, PFI and premises costs from Devon schools to enable a truer comparison between the other authorities. Similarly the Area Cost Adjustment (ACA) has been removed from the London boroughs (multiplier of 1.18172) which are given to cover the London weighted salary.

The authorities included as follows:

Cornwall – one of Devon’s statistical neighbours

Hackney – one of the higher funded LAs with high levels of Additional Educational Needs

Westminster – one of the higher funded LAs with lower levels of Additional Educational Needs

