

2023/24 Schools Budget Consultation: Questions and Analysis of Responses

Summary

1. The consultation was made available to all primary and secondary mainstream schools. Forty-seven schools had the opportunity to complete the consultation. The consultation was completed by eight primary schools of which six are maintained and two are academies. The response rate was 17%.

There are no objections to the suggested proposals.

2. The consultation was launched through three schools budget consultation workshops delivered by the Hammersmith and Fulham (H&F) Children's Services Finance team. The workshops delivered updates on schools funding from a national and local perspective including an analysis of the H&F funding formula proposal models. Representatives from approximately twenty H&F schools attended these workshops.
3. Five schools used the consultation to apply for falling rolls funding under the guidance set out in question 3 of the consultation.

Questions

4. **Question 1** – Do you have any comments with respect to the proposed approach for National Funding Formula factors (NFF) to closely mirror NFF rates after cost adjustment for inner London?

Response to question 1:

Primary returns with comments	Primary returns no comments	Secondary returns with comments	Secondary returns no comments
4	4	0	0

Comments:

- a. *The approach being taken is the right stance.*
- b. *Schools are under-funded.*
- c. *Agreement with Option 3, Model 5 for the reasons outlined in the consultation, principally that funding is allocated based on pupil need/characteristics.*
- d. *We agree with the option proposed. However, we would like to note that we feel the NFF has a detrimental effect on H&F schools. We are concerned about the impact on schools' budgets moving forward.*

5. **Question 2** – Do you have any comments or feedback on the proposed approach to set the Minimum Funding Guarantee (MFG) at 0.5%, the upper limit in the 2023/24 NFF?

Response to question 2:

Primary returns with comments	Primary returns no comments	Secondary returns with comments	Secondary returns no comments
3	5	0	0

Comments:

- a. *We support this approach.*

- b. *In agreement with this proposal.*
 - c. *It is important to set the MFG at the upper limit (0.5%). This will allow an element of protection for those budgets that have low pupil led funding.*
6. **Question 3** – Do you have any comments or feedback on the proposal to establish a limited falling rolls fund in 2022/23 and to target falling rolls protection to schools based on the specified criteria?

Response to question 3:

Primary returns with comments and/or application for falling rolls funding	Primary returns no comments	Secondary returns with comments	Secondary returns no comments
7	1	0	0

Comments in addition to specific request for funding:

- a. *Pupils lost due to varying factors including moving out of the area (Brexit and migrating to other cities) and to other borough schools; lower birth rates.*
 - b. *Class sizes continue to fall and amalgamations of classes along with redundancies is a definite consideration in the near future. Tough decisions need to be had in order to balance the in-year budget for 2023-24.*
 - c. *Families are moving out of London/UK due to Brexit and Covid.*
 - d. *From a recent presentation, it seems that there is a big gap between pupil places and NOR which is a problem across LBHF. The fund is only £0.2m. My question would be how many schools will need to apply and if it is a significant number the funds available per school would be very small. If this is the case, how helpful would the funds be?*
 - e. *We have requested this fund in a previous year (when there was a higher amount set aside) and it was always incredible beneficial. We will not be submitting a request this year as our roll has now stabilised.*
 - f. *As pupil numbers across the borough are unstable, it is important to support those schools during a transitional period. This will allow them the opportunity to focus funds on strategies to increase their roll.*
7. **Question 4** – Do you have any comments or feedback on the proposal to transfer 1% or estimated £1.154m of Schools Block funding to support expenditure for Hammersmith and Fulham's children with high needs in 2023/24?

Response to question 4:

Primary returns with comments	Primary returns no comments	Secondary returns with comments	Secondary returns no comments
4	4	0	0

Comments:

- a. *We agree with this approach.*
- b. *Funding for EHCP's should match the actual cost of staffing. There is a massive shortfall that needs to be addressed.*

- c. *In principle, there should be greater flexibility to move money between the schools and high needs block but recognising that both are under pressure. The LA are spending significantly more than the allocation provided by central government through the high needs block which has failed to keep pace with rapid and unpredictable demand pressures in recent years.*

A flexible relationship between the schools and high needs block reinforces incentives to control high needs spend and improve high needs outcomes across the entire local education system.

How much of this 1% funding will go to commissioning places in the non-maintained sector and how much will be retained by schools? The funding and accountability pressures on schools are having an impact on our ability to provide support for, and ultimately retain, pupils with SEND in mainstream provision.

The Green Paper dodged a funding issue that's important for mainstream schools – the threshold at which we should pay for a pupil's SEND provision out of our own budget, and the threshold at which the LA should pay high-needs 'top-up' funding.

For eight years now, the DfE's guidance has suggested that for an individual pupil, this threshold could be up to £6,000 of a mainstream school's own budget, on top of standard place funding. The £6,000 figure just doesn't pay for as much support as it used to – if it had kept up with inflation, the £6,000 threshold set in 2014 should be nearer £7,500.

- d. *In an ideal world, this would not be needed at all, however given the level of deficit, it is essential that the proposed transfer happens.*

8. **Question 5** – Do you have any feedback on the proposed maintained schools budget for de-delegated items and education functions?

Response to question 5:

Primary returns with comments	Primary returns no comments	Secondary returns with comments	Secondary returns no comments
2	6	0	0

Comments:

- a. *Schools who receive funding as they are in financial difficulty should be accountable for what they spend it on. Future spending should also be analysed so it can be seen that they are continuing to make savings.*
- b. *We feel that the funding for this should be separate to schools' funding, however we believe the option recommended provides the fairest solution.*

9. **Question 6** – Please let us know of any other comments or feedback on the proposed H&F Schools Block funding formula or other ways to reduce costs through innovation, further collaboration, or cost sharing arrangements?

Response to question 6:

Primary returns with comments	Primary returns no comments	Secondary returns with comments	Secondary returns no comments
4	4	0	0

Comments:

- a. Schools should not be rebuilt in the current economic climate. The capital should go towards the maintenance of schools. Tough decisions need to be made in regards to school closures.
- b. Many thanks to the finance team for an insightful and honest overview that was provided at the recent virtual workshop. Excellent work at a challenging time.
- c. Thank you for all your hard work, finding solutions within very tight parameters.
- d. It is regrettable that the overall increase in Schools Block funding (before growth) in 2023/2024 will be 1.67% compared to 2022/2023, at a time when inflation is running at approximately 10%. Thereby representing a real term cut in school funding.

I believe under such circumstances that the LBHF team has made the best set of choices available to them, in order to produce Option 3 Model 5 and thereby mitigate the impact of this real term cut equitably across all of the schools, as far as it is able to do so.

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