

Lancashire Members of Parliament

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Dear Colleagues,

Funding Crisis Facing Lancashire Schools

I am writing this letter on behalf of the Lancashire Schools Forum to Lancashire Members of Parliament to seek your help and support in getting a better deal for children at Lancashire schools and academies, as the current funding climate is creating a funding crisis in Lancashire schools.

The Schools Forum is a statutory body including headteacher and governor representatives from all phases of school and academy across Lancashire, and includes other colleagues with an interest in education, including the County Council, diocesan representatives, trade unions and early years representatives.

We wish to draw your attention to a number of key funding factors that are affecting the education sector and the impact that this will have.

Schools National Funding Formula (SNFF)

Lancashire currently receives school funding at levels below the national average and significantly below some other areas. The overall Schools Block funding indicated by the SNFF consultation reduces by circa £265k on a budget of circa. £700m, which equates to a reduction of 0.04%. However, at an individual school and academy level the situation is different; 310 primaries, 56 secondaries and our all through academy lose funding under these proposals, which equates to 65% of Lancashire schools and academies.

In Lancashire, the introduction of the SNFF seems to have a negative impact on a majority of schools and causes huge turbulence, without introducing any discernible fairness into the system. The result will be cuts and redundancies directly impacting on teaching standards and outcomes for Lancashire children.

We are urging changes to the SNFF proposals to increase the level of funding that is distributed on a per pupil basis throughout the system to reflect the basic costs of educating all pupils.

Chair Tim Cross

C/O The Clerk to the Schools Forum, • Financial Management (Development and Schools)
PO Box 100, County Hall, Preston, PR1 0LD

Small Primary Schools

A particular concern about the SNFF proposals relates to small rural primary schools.

Lancashire is a large and diverse county with a high number of schools and academies receiving Schools Block funding (567 in total). Significant numbers of these are small, rural schools. 92 primary schools have below 105 pupils on roll. The Lancashire school funding formula has deliberately maintained a high level of lump sum payment to provide protection and stability to these schools to meet the fixed costs of operation. Lancashire lump sum levels are £155,000 for the primary sector, whereas the proposed SNFF lump sum is only £110,000.

Analysis shows that 91 out of the 92 primaries in the county with a NOR below 105 lose under the SNFF proposals and we are extremely concerned about the longer term viability of some of these establishments. It would be a disastrous consequence of the SNFF if a number of primary schools in rural communities were forced to close.

We strongly urge that the SNFF proposals include a higher level of lump sum allocation.

Cost Pressures on all Schools/Academies

Even schools that appear to gain under the SNFF proposals are likely to be real term losers when cost pressures are taken in account, particularly around increases in staff related costs like superannuation, teachers' pension contributions and the apprenticeship levy. The Institute for Fiscal Studies data suggests that between 2015/16 and 2019/20 there will be a real-terms cut of over 7% in spending per pupil in schools and these calculations were done before recent increases in the level of inflation, with March 2017 announcements putting the UK inflation rate at 2.3%.

All schools and academies have suffered cash flat funding settlements since 2011/12, so there is little or no scope for SNFF losers to mitigate any impact through further 'efficiencies' and the result will be cuts and redundancies directly impacting on teaching standards.

Our SNFF consultation response has urged the DfE to combine any implementation of the SNFF with the release of significant real terms increases in resource into the sector, or the consequences will be school closures, substantial cuts to staffing establishments, a narrower curriculum offer, less enrichment for pupils and an inevitable reduction in standards and outcomes.

We know that 'education funding is at record levels'. However, the only increase in funding that has been received at school level relates to additional pupils, this is not a real increase as new pupils obviously bring with them new cost. Additional funding is being spent on other DfE priorities, for example, purchasing land for free schools.

The Schools Forum would ask that you use any influence you are able to bring to encourage changes to the SNFF proposals and lobby for the injection of additional funding to the benefit of schools and academies and their pupils in Lancashire.

With best wishes.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tim Cross', with a horizontal line underneath.

Tim Cross
Chair
Lancashire Schools Forum