

## **SCHOOLS FUNDING IN DEVON**

### **Background**

Devon has a total of 366 schools. A significant proportion of Devon schools are rated 'Good' or 'Outstanding' by Ofsted and educational performance overall remains above the national average. The schools vary significantly in size, from primary schools with fewer than 20 pupils to one of the largest secondary schools in the country. Schools also vary in governance with, at the time of writing, approximately 60% of schools maintained by the Local Authority.

At a national level, schools with 210 pupils or less are considered small. However, Devon has 34 very small schools (fewer than 50 pupils) and 238 with a rural school designation serving our extensive rural areas. The smallest school in Devon has 16 students on roll as at autumn 2016.

The County Council supports the principle of local schools for local children for community and environmental reasons. There are good partnerships among many schools who work together in Local Learning Communities. There are 37 federations, totalling 100 schools within federations, 14 in management partnerships and 104 schools in multi-academy trusts and co-operative trusts.

### **National Funding**

With the introduction from the DfE of the additional £900 million to school funding in 2019/20 from other budgets (second year of the £1.3 billion to school funding), the school funding per pupil is now expected to be frozen in real terms between 2017/18 and 2019/20, albeit at a level about 4% below its recent high point in 2015/16. (source: Institute of Fiscal Studies).

This probably under-states the effect on real resources, as schools also faced additional costs as a result of:

- a. Increases in employer contributions to NJC pension scheme in April 2017 (19.75% to 23.3%);
- b. Ending of contracting out from State Second Pension in April 2016 increases National Insurance Contributions (10.1% to 13.8%);
- c. Upward pressure on public sector pay levels; Office for Budget Responsibility expects public sector pay to rise by 14% between 2014/15 and 2019/20;
- d. Apprenticeship Levy 0.5%;
- e. Increases in employer contributions to Teacher Pension Scheme (TPS) in September 2019 (16.5% to 23.6%) this is expected to be funded for the financial year 2019/20 by the DfE.
- f. Inflationary pressures on non-staffing spending (likely increase if predictions about inflation post-Brexit are realised).

Under the new illustrative National Funding Formula, Devon was to receive increased funding of 3.5% (£13.2 million) when fully implemented in 2020. This additional funding falls far short of the funding required to meet even the non-inflationary factors such as 0.5% apprenticeship levy; uplifted pensions 4%; the, to date, unfunded 1% teacher pay increase; and the 2% increase in pay for NJC employed staff.

In 2019-20 funding per pupil in Devon is expected to be £4,381 compared to the national average of £4,685, a difference of £304. This is a widening from £268 per pupil below the national average in 2018-19.

Recent calculations indicate that the reduction for Devon between 2009/10 and 2017/18, applying RPI to published Section 251 Schools out-turn spend, sees a real terms reduction of 10.01%.

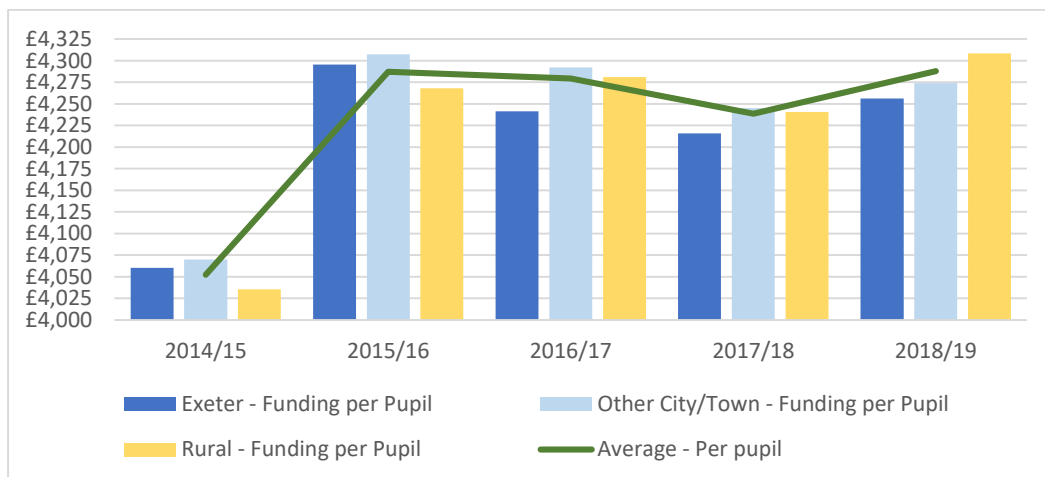
	Section 251 Outturn for Schools	Pupils	Per pupil funding	Adjusted to 18-19 RPI
2009/10	£ 460,027,059	92,789	£ 4,957.78	£ 6,556.45
2017/18	£ 303,764,751	53,218	£ 5,707.93	£ 5,899.88
Real Terms Growth				-10.01%

RPI	Apr-09	211.5
	Apr-17	270.6
	Apr-18	279.7

## Local Funding Formula

The table 1 shows Devon has received an average funding per pupil of £4,287 in 2015/16 since the introduction of the additional £15 million to schools funding. This varied between those schools based in rural areas, where on average it was £4,268 per pupil, whilst in Exeter city this rose to £4,295 and towns at £4,306 on average.

**Table 1: Funding per pupil per period**



From 2018/19, with the introduction of the National Funding Formula (NFF), Devon took the opportunity to consult with schools to move as quickly as feasibly possible to the NFF. This gave a lump sum of £101,105 to each primary school and £110,000 to every secondary. Schools also receive an element per pupil with the Age Weighted Pupil Unit which is £2,747 for KS1 & KS2, £3,863 for KS3 and £4,386 for KS4. There is also a tapered amount up to £25,000 in terms of sparsity based on where the child lives rather than the location of the school, up to a maximum cohort of 60 for primary schools. In secondary schools the tapered amount is £65,000 for those schools with less than 600. In a federation each school is treated independently in terms of its finances. Schools also receive extra funding for SEN/pupil premium children. Schools of a similar size may therefore have very different funding streams. School funding formula is no longer about protecting institutions but is centred around the type of child a school has and where they come from.

Taking into account these main factor differences and an additional £7.5 million from the introduction of the NFF in 2018/19 Devon has seen the overall funding per pupil remain static at £4,288. However, with the primary lump sum increase and AWPU reduction across all pupils the average per pupil funding has seen a move, depending on where the school is situated.

For rural schools the average has risen by £41 per pupil to £4,306, Exeter city has seen a reduction of £39 to £4,256 and towns have reduced by £33 to £4,274.

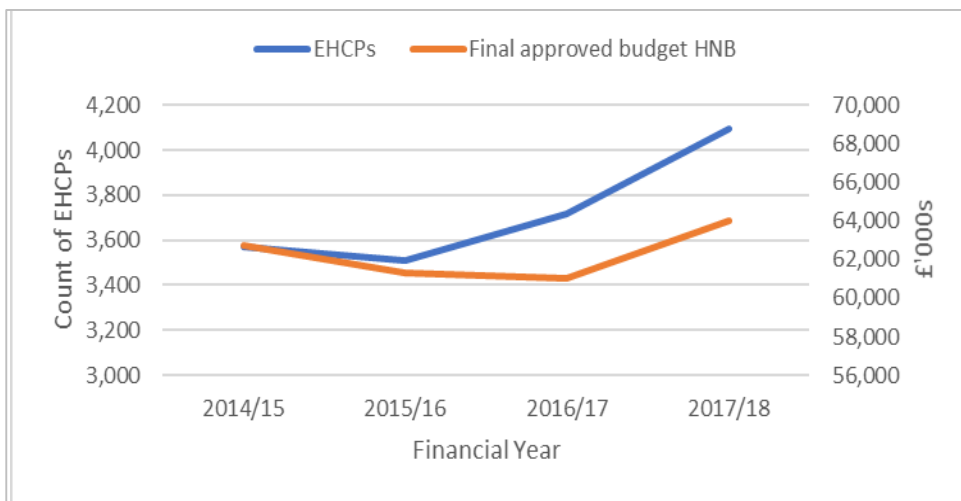
Of the 34 small rural schools 9 have seen a reduction in their overall school funding since 2015/16, which has been predominantly due to a fall in their pupil numbers rather than the change in funding formula factors.

Similarly, only 5 show a reduction in their per pupil funding since 2015/16, but overall have seen an increase in their budget share. This is due to the change in the NFF funding factors giving them greater funding within the school lump sum, which is greater than the reduction received from the drop in the AWPU rate. This variance means that no school has the same funding characteristics and can vary depending on formula factors and/or the cohort within the school.

### High Needs

Despite some growth in HNB budget over the last 4 years from £62.6 million to £64.1 million (2%), the numbers of children and young people with EHCPs has grown from 3,572 to 4,093 (14.5%) which has increased the pressure on budgets.

**Table 2: Change in HNB Budget compared with growth in EHCPs**



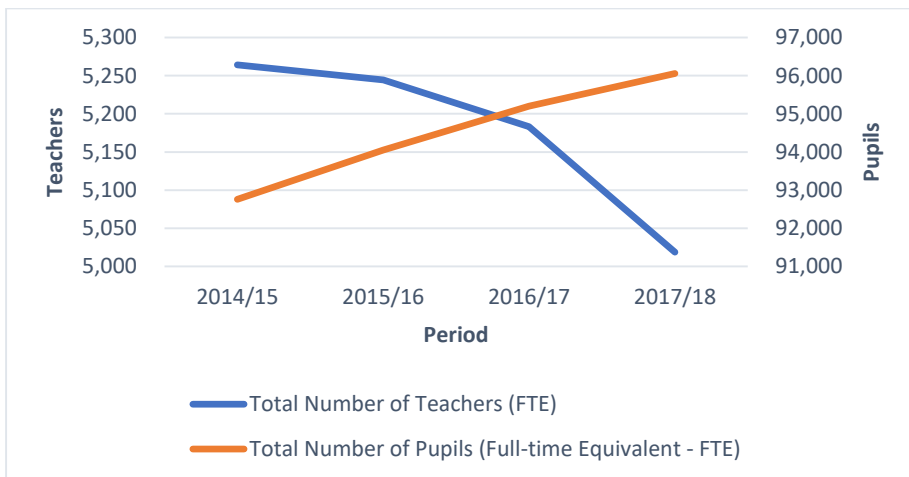
The special school investment over the past 3 years has seen the number of budgeted Maintained Special School places increase by 18.7%. This equates to an additional 173 places. (924 places in 2015/16 to 1097 places in 2018/19). However, restrictions on the expansion for Maintained provision, delays in the opening of new Free schools and limitations to changing existing placements where schools are named in the EHCP combined with increased numbers have significantly limited any savings achievable on the Independent Schools budget.

In addition to the maintained places there has been a significant increase in the volume of learners within the independent sector over the past 3 years with numbers growing from 247 average placements to 362 currently (47% rise in demand) with an average cost of £45,593 rising to £45,893 per placement.

### Teachers

Devon has challenges in terms of leadership and recruitment due to its coastal and rural nature. Recruiting to small primary schools in isolated areas has become difficult for several reasons. Staff in small schools typically have a lot of responsibility, teach across year groups and have less opportunity for professional development. Often the uncertainty over the viability of the school discourages applications; there may be a dislike of working in isolation, with little opportunity to get out of the school, because of pressure on supply budgets.

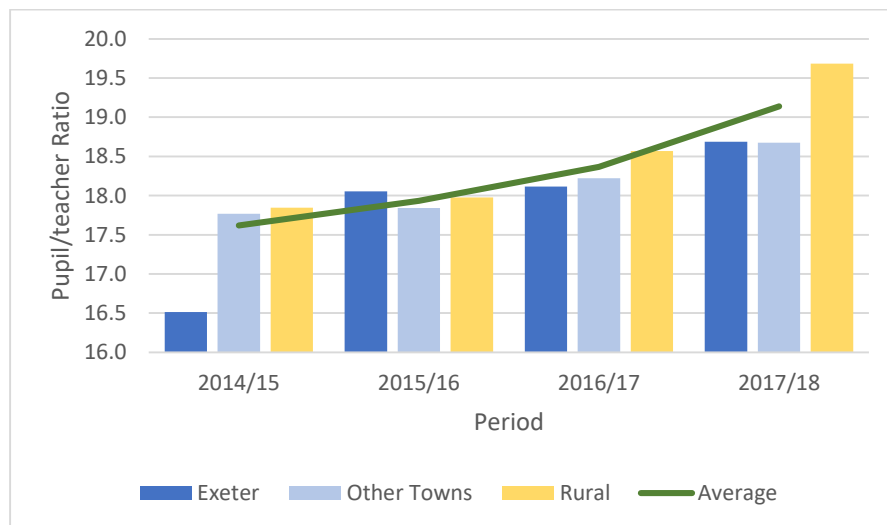
**Table 3: Teacher vs Pupils per period**



In 2014/15 Devon had 5,264 Full-time Equivalent (FTE) teachers, which consisted of 4,583 classroom teachers and 681 teachers in leadership roles. Based on the Spring 2015 census there were a total of 92,758 pupils meaning that the pupil/teacher ratio was 17.62.

The current data available from the Department for Education (DfE) shows that in 2017/18 the number of teachers reduced to 5,019 teachers (4,331 classroom teachers and 688 teachers in leadership). Whilst pupils rose to 96,057 giving a pupil/teacher ratio of 19.14.

**Table 4: Pupil/teacher ratio per period by area**

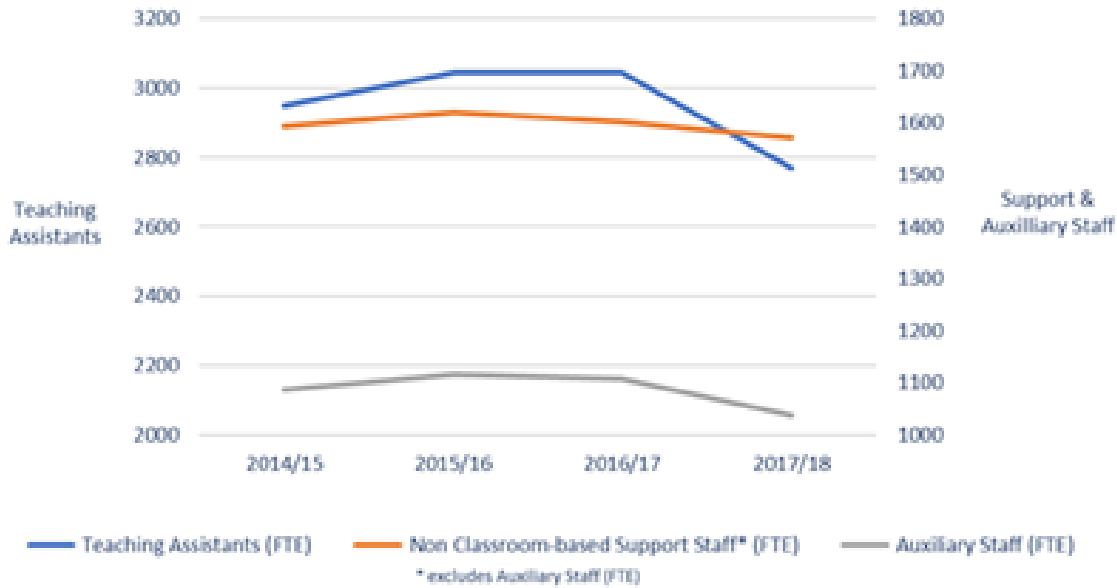


In 2015/16 the pupil to teacher ratio for Exeter schools (considers both primary and secondary schools) was 18.06 compared to 17.98 in rural schools and has risen to 18.69 and 19.68 respectively in 2017/18.

### 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 harder to maintain good standards of education, particularly for children who have additional educational needs. Devon also struggles with the ability to recruit and retain teachers within the county.

We will continue to campaign for fairer funding for our schools and secure adequate funding for the children of Devon to enable them to get the best start in life



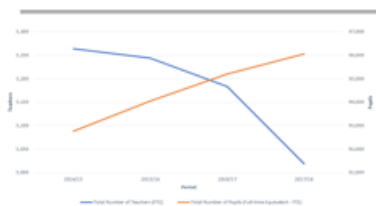
## Context

### Funding –

- Pre NFF Devon was £268 below National Average
- Now £294 below National Average and 3<sup>rd</sup> lowest across statistical Neighbours
- 525 staff less in the 17/18 academic year than the previous year.

Dedicated schools grant: 2019-20 Schools block and CSSB	2019-20 schools block total pupils (headcount)*	Funding per pupil 2019/20 (£s)	Variance from National Average (£s)
ENGLAND	7,357,476	4689.32	
838 Dorset	43,870	4422.50	-266.82
845 East Sussex	63,097	4435.62	-253.70
865 Wiltshire	63,116	4360.50	-328.82
878 Devon	91,237	4395.40	-293.92
884 Herefordshire	22,277	4521.34	-167.98
893 Shropshire	35,723	4480.74	-208.58
908 Cornwall Gloucestershire	68,760	4481.64	-207.68
916 re	80,115	4447.45	-241.87
926 Norfolk	105,132	4584.83	-104.49
933 Somerset	66,894	4393.33	-295.99
935 Suffolk	92,824	4442.70	-246.62

Schools - pupil number v teachers



- and support staff

