

Office of Robin Walker MP
Minister of State (Minister for School Standards)
House of Commons
London
SW1A 0AA

BY EMAIL ONLY

Our Ref: WLFF22/23
Date: 16 November 2021
Ask for: Lloyd Haynes
Direct Line: 01922 652340

Dear Mr Walker,

Walsall Council Mainstream Schools Local Funding Formula 2022/23

I am aware that you may have recently received a letter on behalf of the Walsall Association of Secondary Headteachers setting out their concerns in relation to the direction of the schools local funding formula used within Walsall. We, therefore, wanted to also write to you on behalf of the Walsall Council to ensure that you are informed of the full position in relation to this matter.

In summary since the introduction of the National Funding Formula (NFF) in April 2018 we have worked directly with schools, by way of an ongoing working group of Schools Forum members (made up of members from both primary and secondary schools from across the maintained and academy sector), to understand the potential impact of the NFF on Walsall schools, and to seek to move toward that in a managed way by ensuring that any potentially significant changes that may otherwise have been seen within a short time period are mitigated as much as possible and that schools have appropriate time to plan for any longer term impact.

This direction of travel has so far proved successful with, over the period from April 2018 to date, no schools seeing a reduction in funding on a per pupil basis (other than where there have been underlying changes in pupil characteristics), and a significant movement of the local funding formula rates toward those set out within the NFF – the result of which with regard to the local funding formula used in Walsall during 2021/22 is summarised below:

Factor / Area	2021/22 Walsall Local Funding Formula Comparison to the NFF
Basic Entitlement (Age Weighted Pupil Unit)	Within +/- 7% of the NFF rates across all stages
Deprivation	Within 1% of the NFF rates in totality across all deprivation factors (however there is a different split of rates used within individual factors in this area compared to the NFF, with IDACI values more closely aligned to the NFF and FSM rates currently further away)
English as an Additional Language (EAL)	Circa 25% below NFF rates
Low Prior Attainment (LPA)	Circa 75% below NFF rates
Lump Sum	Circa 50% above NFF rates
Mobility	Not currently used in Walsall formula (although potential values if implemented are very low c.£60k across all Walsall schools)

This clearly shows that whilst there has been closer alignment of some factors, the ongoing allocation in the local formula to a higher Lump Sum value is in the main being funded through a lower allocation in EAL, LPA and Mobility when compared to the NFF.

With there being more primary schools within Walsall than secondary schools this does have the impact of therefore allocating a higher ratio of funding overall to primary schools in Walsall than that which would be seen under a hard NFF allocation.

With this in mind the approach to the 2022/23 local formula, again using a working group of Schools Forum which included members from both primary and secondary schools from across the maintained and academy sector (and indeed included the Chair of Walsall Association of Secondary Headteachers as part of the group), looked at a variety of models which could start reduce the Lump Sum allocation and invest the funding that was released in to Mobility, EAL and LPA.

However the working group were aware that at the same time as reviewing these options the DfE was undertaking a consultation with regard to the future direction for completing the NFF reforms, including an approach and timing for that which proposed ever greater alignment between local formulas and the NFF over a period of time.

As such, when the outcome of the local funding formula modelling and options in relation to 2022/23 were formally presented by the working group to Schools Forum at their meeting in October 2021 the majority of Schools Forum members supported the retention of the current local formula for 2022/23, which whilst awaiting the outcome of the DfE consultation would result in all schools (both primary and secondary) seeing an increase in per pupil funding (before any underlying changes in pupil characteristics). Rather than the other modelled options which would either result in some schools potentially seeing a reduction in funding or a majority of schools seeing a lower increase in funding compared to retaining the current local formula.

Schools Forum also agreed that the working group would be reconvened at the earliest opportunity during the 2022/23 financial year to start the process, informed by the outcome of the current DfE consultation, of reviewing options and direction of travel for the 2023/24 year.

Whilst we therefore recognise that the outcome recommended by Schools Forum was not one that was universally supported by all members, it has followed an open and transparent process involving appropriate representatives from across the mainstream school sector, and the make-up of Schools Forum members (as required by guidance) is clearly based on the proportionate representation at each sector and phase of school based on the total number of pupils registered with each, and as such is clearly democratic and equitable.

Furthermore the content of this letter hopefully shows that significant movement toward the NFF has already been made to date and that the council and Schools Forum have a clear vision and direction of travel, based on DfE guidance, to ensure further alignment as required going forward.

As a final point I do note that the letter from Walsall Association of Secondary Headteachers made reference to the primary to secondary funding ratio used in Walsall compared to neighbouring authorities.

It should be noted that this was also a point that was discussed in detail as part of the working group meetings, and whilst we do agree (as set out earlier in this letter) that the primary to secondary ratio used in the local formula in Walsall is different to that which would be seen under a hard NFF, we would not necessarily agree that a comparison to the ratios used in other authorities in meaningful or useful as the starting position in terms of funding per pupil allocated to each authority is not necessarily the same – for instance of the 6 neighbouring authorities mentioned in the letter from Walsall Association of

Secondary Headteachers, Walsall's 'Secondary Schools Unit of Funding' allocated under the NFF is higher than 3 of those. Meaning that even if the 'primary to secondary' ratio used in Walsall is then lower than the ratio seen in those authorities it may still be that the actual allocation of funding per secondary child is still higher in Walsall, and indeed the potential impact of utilising the local formulas in place in those neighbouring authorities was discussed at the working group meetings to support this important point.

I do hope that this letter has therefore been useful in setting out Walsall Council's position in regard to the letter received by Walsall Association of Secondary Headteachers, however should you have any queries in relation to this matter please do contact me on the details set out in this letter.

Yours Sincerely,



Sally Rowe
Executive Director Children's Services
Walsall Council



Councillor Towe
Portfolio Holder Education and Skills
Walsall Council

CC: Billy Downie – Chair of Walsall Association of Secondary Headteachers

CC: Max Vlahakis – Chair of Walsall Schools Forum

CC: Andrew Warren - Regional Schools Commissioner, West Midlands

CC: Helen Paterson – CEO Walsall Council