

Cllr Mark Hawthorne MBE
 Leader of Gloucestershire County Council
 Shire Hall
 Westgate Street
 Gloucester
 GL1 2TG

November 2018

Dear Cllr Hawthorne,

School Funding

We are writing to express our very serious concerns regarding Gloucestershire County Council's suggestion to divert funding from the schools block to the high needs block and the plan to reduce the funding for SEN top ups.

Our school is currently one of the very worst funded secondary schools in the entire country. In 2016 we calculated that we were in the bottom 6% of schools nationally in terms of per pupil funding.

Since 2012 we have seen a rapid real terms cut in our per pupil funding. In 2011/12 our total grant funding was £6,868,761 to educate 1283 pupils. In 2017/18 we received £6,559,909 to educate 1396 pupils. That's a 12.4% decrease in our per pupil funding since 2012. The table below shows how our funding has decreased over the last eight years.

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Total Grant Income £	6,868,761	6,577,573	6,447,486	6,473,225	6,514,550	6,518,614	6,559,909	6,603,230
School Population	1281	1304	1317	1338	1352	1380	1396	1414
Funding per pupil £	5362	5044	4895	4838	4818	4724	4699	4669
Pupil Teacher Ratio	15.4	16.1	16.8	17.3	17.1	17.1	17.0	17.4
% of Total Grant Income spent on staffing	74.5%	79.0%	81.0%	82.5%	83.6%	84.7%	86.3%	87.7%

(Total Grant Income includes all monies we receive from the DfE and GCC to educate our pupils but it does not include school generated income such as catering or sports facilities)

In the intervening period costs have risen considerably particularly when you factor in national insurance and pensions changes which have been totally unfunded. In 2012 we spent 74.5% of our grant funding on staffing – this year we will spend 87.7%. Next year, even with NFF applied, we will have to spend 90.4% of our grant income on staffing which is unsustainable.

Since 2012 Balcarras has been geared for austerity. In 2011 our pupil teacher ratio (PTR) was 15.4. Today it is 17.4. In 2017/18 our PTR was 17.0. The national average for secondary schools was 15.5. If our school operated like that it would have meant we employed 90 teachers but in fact we employed 82. This demonstrates that Balcarras is already operating efficiently. Indeed in 2017 the DfE placed Balcarras in the top decile for efficiency based on value added per £spent/pupil.

For a long time we have been campaigning for a fair funding formula because it is simply not right that Balcarras' funding is so much lower than comparable schools in other parts of the country. When it was announced that a new minimum per pupil funding level for 11-16 pupils would be set at £4,800 for 2019/20, we gave the announcement only a cautious welcome. Of course any uplift was welcome, but we believe strongly that £4,800 is not enough to run a school like Balcarras. A similar school in many other counties would receive considerably more than this.

We had set a three year budget plan assuming that we would receive £4,800 in 2019/20. This year, 2018/19, Balcarras has set a deficit budget of around £60,000. However, it is worth understanding that this figure includes a sizeable amount of school generated income – about £200,000. If we were surviving on grant income alone we'd be bankrupt by now.

The Effect of the LA's proposals for 2019-20

At the Gloucestershire Association of Heads meeting on Friday September 28th the authority outlined what a transfer from the schools block to the High Needs Block would entail. We were told that if a 0.25% transfer goes forward that per pupil funding would reduce to £4694. This will cost Balcarras £106,000.

If the 0.5% transfer goes ahead funding would be reduced to £4640 per pupil. This will cost Balcarras £160,000.

I telephoned the local authority for clarification on Thursday 8th November. I was told that they were now looking at a transfer that would be less dramatic. A 0.25% transfer would take £12 per pupil, amounting to £12,000 for Balcarras. A 0.5% transfer would be £24 per pupil amounting to £24,000 for Balcarras. There is still confusion about exactly what the proposal is. We cannot run our schools when we don't have any assurances about funding for the future.

The proposal to change the ratio around protecting SEND top ups is easier to understand. If the proposal to reduce SEND top ups from 1:75 to 1:40 goes ahead that will cost Balcarras a further £48,000 (8x£6000)

In the worst case scenario Balcarras loses over £200,000 of our income. In the best case scenario we lose £60,000. If a transfer goes ahead this year there is nothing to stop it happening next year. Indeed I fear that it will continue to be a 'soft' formula, so that the campaign for fair funding will have been a complete waste of time.

The sort of deficit we are facing is unsustainable. If we allow it to happen our reserves will be gone within three years. We have already made significant savings—when your per pupil income falls by 12.4% you have to. However, it is no longer possible to make any further savings without making significant changes to the school's offer.

We have established Balcarras as one of the most successful comprehensive schools in the country. Indeed in 2017 the Sunday Times named Balcarras as the highest performing comprehensive in the south west. Balcarras is a significant asset for Charlton Kings and for Cheltenham. Our parents rightly believe that the school should provide an excellent education for the young people it serves. However, we are now at the point where we have to contemplate taking measures that we know will cause real damage to the quality of our provision. If the proposed changes to funding for 2019-20 go ahead it will put intolerable pressure on this school.

What should be done?

We appreciate that the authority is in a difficult position. We are very sympathetic to the desire to protect high needs funding. The high needs block supports some of the most vulnerable children in the county and as a comprehensive school we believe that all children should receive the education they deserve. However, we do not believe that the problems of one budget can be solved by diverting funds from the schools block which is already at breaking point.

For many years I have been assuring the governors here at Balcarras that sooner or later someone would have to listen and that the siege would eventually be lifted. For a while we hoped that the National Fair Funding Formula might be the cavalry riding to the rescue. Whilst £4,800 represented a fairly weak rescue mission it kept us, more or less, afloat. Now we learn that we're not even going to receive this and that the formula will remain 'soft' until 2021 at least. We simply cannot go on like this.

In our view the scale of the crisis is such that we have to conclude that Gloucestershire can no longer afford to run its education system on the funding allocated. We believe the council must make representations to national government and, if necessary, operate a deficit budget as some other authorities are doing (and as almost every school is doing).

Central government simply cannot allow for the crisis in high needs to continue or for so many schools to approach bankruptcy. It will be politically toxic at the next election if the government does not prioritise funding for the most vulnerable. For an advanced society like the UK to be in a position where we cannot adequately fund the education of the most needy will rightly be portrayed as a national disgrace. In our view there is a very strong case to be made for urgent emergency funding to be directed into the high needs block at a national level. We would urge Gloucestershire County Council to put pressure on the government for extra funding rather than place even more stress on schools which are already at breaking point.

Yours sincerely,



Headteacher



Rosi Shepherd
Chair of Trustees

cc: Alex Chalk MP for Cheltenham
All MPs in Gloucestershire
All Gloucestershire County Councillors

GASH Headteachers

Tim Browne, Head of Education, GCC

Jane Lloyd Davies, Head of Education Performance & Inclusion, GCC

Stewart King, Lead Commissioner for Education Strategy & Development, GCC

Governors/Trustees of Balcarras School