

# Slough Schools Forum

*Discussion item at Forum meeting on 14 July 2023*

*Agenda item 7*

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## Primary/secondary Funding Ratio

### 1. Background

The Chair of the Slough Primary Head's Association wrote to the Chair of Schools Forum in February 2023 raising the question of the primary/secondary funding ratio. The letter showed how the ratio for Slough differs from that of other nearby local authorities, and requests Forum to reconsider the ratio at its next meeting.

Although the letter was received in February 2023, there has not been a Forum meeting since then at which to discuss and address it.

### 2. Key points raised by SPHA

The SPHA argument is based on analysis of the 2021-22 financial year, with data obtained from the online dataset [Schools block funding formulae 2021 to 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/datasets/schools-block-funding-formulae-2021-to-2022)

- The primary:secondary finding ratio for Slough is 1:13598.
- Averaging the 151 LAs, Slough ranks 136<sup>th</sup>, means there are only 15 authorities with lower ratios.
- The national average within the data set is a ratio of 1:12974. The ratios for neighbouring local authorities are:

Buckinghamshire	1:11268
RBWM	1:12916
Wokingham	1:12946

### 3. Basis of the ratio

The ratios quoted in (2) above have been calculated for each local authority from the information they submitted to ESFA as follows:

1. The funding for primary pupils and funding for secondary pupils is split. For the factors with separate primary and secondary indicators (for example, basic entitlement and deprivation), this split is simply the amount of funding allocated through each type of indicator. For the other factors, the amount of funding allocated to each school in the local authority area is split between primary and secondary in proportion to the number of pupils in each phase at the school.
2. These amounts are aggregated to estimate the total funding for primary pupils and the total funding for secondary pupils.
3. These amounts are then divided, respectively, by the number of primary schools block-funded pupils on roll, and the number of secondary schools block-funded pupils on roll.
4. This gives per-pupil funding amounts for primary and secondary phases, and the ratio of the two is taken.

The important point to note is that the ratio is an **output** figure. It is determined as a result of decisions made about the proportions and unit values of the various factors in the local formula. Each local formula gives different weightings and unit values to the factors, and similar values for the ratio could be arrived at in different ways.

The variation and complexity is illustrated in the following examples, taken from the DfE's **2022-23** Schools Block Funding Formulae database.

Local Authority	Funding units		Ratio	Lump sum		LPA	Basic entitlement funding			
	PUF	SUF		% of total	Primary		KS3	KS4		
Slough	£4,580	£6,244	1:1.3519	3.6%	£128k	5.99%	79.9%	£3,544	£4,999	£5,633
Hillingdon	£4,856	£6,580	1:1.3038	5.0%	£140k	4.46%	78.8%	£3,834	£4,971	£5,682
Hounslow	£4,909	£6,610	1:1.3370	4.4%	£133k	6.39%	75.9%	£3,567	£5,018	£5,652
RBWM	£4,497	£5,857	1:1.2954	7.3%	£124k	6.60%	80.0%	£3,402	£4,796	£5,405
Bucks	£4,511	£5,730	1:1.2663	7.1%	£125k	5.90%	78.4%	£3,309	£4,666	£5,259

The choices made locally about the structure of education provision will also make a difference, for example an area with a high proportion of small primary schools may have a ratio that is more generous to primary schools than an area with the same population split, but fewer, larger primary schools. As a result, it is not the case that a uniform 1:1.29 ratio will be seen nationwide. Slough has an unusually high proportion of large primary schools. Claycotts School for example, is eight forms of entry, but receives a single lump sum payment through the formula. Eight one-form entry primary schools would collectively receive eight times the lump sum for the same number of pupils.

#### 4. Future direction

Since 2013-14, the primary-secondary ratio has remained relatively stable in local authority formulae across the country at an average of around 1:1.29. In its 2017 paper on the national funding formula, the DfE proposed to reflect this average within the NFF when setting the unit values. This is a national weighting used to determine the unit values in the formula overall.

The Government's intention, as set out in the paper ***The national funding formula for schools and high needs 2023-24*** in July 2022, is to move to the implementation of a direct NFF, where funding will be allocated to schools based on a single national formula. Local authorities are required to bring their own formulae closer to the NFF from 2023-24, moving their local formula factor values at least 10% closer to the NFF where they are not already mirroring the NFF. There is currently no fixed date by which the NFF will be in place, although the expectation is that this will be by 2027-28 at the latest.

The DfE has listed all LAs according to whether or not they already mirror the NFF. In this context, mirroring means that local formula factor values are all within 2.5% of the NFF values. 78 local authorities are currently in this position, including Buckinghamshire and Hounslow. Currently, Slough is one of four authorities who mirror the NFF deprivation factors. As the move towards the full implementation of the NFF continues, the DfE will increasingly 'tighten' the requirements to bring factor values closer to NFF.

#### 5. Forum responsibility for this item

Forum members are asked to **authorise** the Chair to respond to the SPHA letter in line with the principles set out in (3) and (4) above.

**John Constable**  
**Schools Forum Chair**  
**July 2023**