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Dear Parents/Carers,

Newham Council's response to Schools and High Needs Funding Reform

The government has recently launched a consultation on the introduction of a national schools and high needs funding formula. They are seeking views on the proposals initially on the principles that underpin the formula and the pupil characteristics and school factors to be included. The proposal would mean that the funding each pupil attracts to their school would be determined nationally and would be allocated to schools directly from 2019 – 2020. A central block for local authorities' ongoing duties would be retained and schools experiencing potential instability would be supported through the retention of a minimum funding guarantee.

One of the key drivers for this change is the premise that the funding allocation for schools throughout England and Wales is currently unfair with some areas receiving greater resources than others without there being an objective method of distribution. Under current arrangements, Newham is a relatively well-funded authority. However, under the proposed new arrangements, Newham could see a cash reduction in its funding for schools in order to support the re-distribution of school funding to authorities that are currently less well funded.

London Councils estimate that overall, London schools could lose £260 million which amounts to 6,253 full time teachers. For Newham this means a potential loss of 10.4% equating to a reduction of £635.81 per pupil.

This Council has consistently placed a high priority on education. We believe in the power of education to transform lives for the better and enable our children and young people to make good progress in formal education. Our track record of improvement is impressive, with results at each key stage in 2015 being the strongest ever and above the national average in every measure. Our schools are strong and improving with over 80% judged as good or outstanding. And we are not complacent, constantly seeking ways to improve quality and outcomes for all children and young people irrespective of age, phase of learning or circumstance.

However, the cost of education in a Borough such as Newham is inevitably higher than that for other authorities on account of our rapidly growing child age population and the extent of deprivation that exists within our communities.

Newham Council estimates that Newham schools will see a 10.4% reduction in their budgets over the lifetime of the parliament (up to 2020). This equates to an eventual £31.5m reduction in schools' spending power out of a total of £302.4m.

The government is also consulting on changes to the funding for special educational needs (high needs funding). This funding contributes to the budgets of our mainstream and special schools. Newham's level of funding may be affected if SEN funding is re-distributed across the country without an increase to the overall budget. With demand for SEN support increasing, this would represent a challenge for the entire school system.

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As Cabinet Member for Children and Young People, I will be working on your behalf to seek the following reassurances from the government:

- No reduction in the overall budget for schools and SEN
- An acknowledgement in the new formula of the higher costs associated with providing education in a London Borough
- a gradual phasing of the proposed changes to accommodate local budget planning and minimise disruption.

You can obtain further information about this issue from organisations active in the funding debate: 'Keep London Schools Great' (<http://keplondonschoolsgreat.org>) and the F40 group (<http://www.f40.org.uk>) set up by those authorities that currently receive less funding. Please also consider writing to the Secretary of State for Education to express your views on these proposals at ministers@education.gsi.gov.uk.

Yours sincerely

A handwritten signature in black ink, appearing to read "Quintin Peppiatt".

Cllr. Rev. Quintin Peppiatt
Children & Young People (Children's Safeguarding)