



The Secretary, F40 Group, Bank Chambers, Market Place, Guisborough, TS14 6BN

Rt Hon Michael Gove MP
Secretary of State for Education
Department for Education
Sanctuary Buildings
Great Smith Street
London, SW1P 3BT

30 November 2011

Dear Mr Gove,

School Funding Reform

The School Funding Reform consultation, which concluded in October, provides a perfect opportunity for the government to create a new, fairer and more transparent system for the allocation of funding to schools in this country.

As representatives of the poorest funded authorities in England with responsibility for schools we are writing this jointly signed letter to highlight the problems inherent in the existing system and to emphasise the importance of achieving a more appropriate system for the future.

We firmly believe that this is a once in a generation opportunity for the government to be bold and undertake reform that will make a real difference to the education of children in those authorities that have for too many years been disadvantaged by a discredited formula which uses unreliable and out of date data.

As you will know, f40 has been campaigning for a fairer system for well over a decade. The allocations for pupils in the authorities in the f40 group are the lowest in the country. League tables clearly demonstrate how disadvantaged the poorest funded authorities are compared with those who are better funded. Whilst f40 has welcomed the extra money allocated to education in recent years, it believes that adjustments to the funding system have failed to address the fundamental problems inherent in the old system. Despite recently introduced changes to the funding allocation system, the gap between the 'haves' and 'have nots' has widened even further.

F40 has always maintained that it wants to see a system which recognises the differing needs of all local authorities whether they are in urban, rural or inner London locations. Historically, we have argued against taking funds from authorities more highly ranked in the funding league tables to improve the position of the poorest funded authorities, but the current economic situation

makes it difficult to maintain this stance. What we must have is a system which allows children in the lowest funded councils to have the same opportunities as their peers in better funded local authorities.

The Pupil Premium has not created the shift in allocations of funding required to fundamentally change the position of the poorest funded authorities and schools. In fact, because it adds yet more funding for deprived pupils in all authorities (including the well-funded), it has further increased the differential in funding for our members. We also have concerns about the use of Free School Meals as the only indicator for targeting the Pupil Premium when low take up in rural areas means that these often correlate poorly with real deprivation. Even in urban areas, some schools benefit far more than others. We hope that over time the government will be able to make use of better systems for targeting pockets of deprivation and will continue to work closely with local authorities and academies to pursue improvements.

The “spend plus” methodology, which has been used for too long on the previous formula, has intensified the problems and made them worse over time. The funding gap between the best and worst funded authorities has widened as a consequence. The mainstreaming of a number of areas of specific funding and removal of ring-fencing, whilst welcome in many respects, carries the risk of further entrenching this problem. Indeed, the mainstreaming of specific grants into the DSG has further widened the gap in many authorities compared to 2010-11.

This group of local authorities, therefore, very much welcomes the government’s commitment to change the funding system and make it fairer. We support a greater emphasis on a basic per pupil funding entitlement for all pupils based upon a clear assessment of need and any move to break down the sharp disparities in funding that currently exist. Most importantly we support a clear and simple formula that gives clarity for schools in their planning and a fair allocation of resources.

Finally, we are concerned about how long it may take to implement the reforms. It is critically important that the timeframe for change is reasonably rapid otherwise the poorly funded authorities continue to struggle especially in times of low funding growth, but increasing cost pressures. Turbulence is an issue, but local authorities have managed to handle change very well in the past and we can do so again.

Yours sincerely

Representatives of the poorest funded local authorities



Cllr David Sawyer
Lead Member - Children's Services and Portfolio Holder -
Education
Bedford Borough Council



Cllr Nicola Greene
Cabinet Member for Education and Children's Services
Bournemouth Borough Council



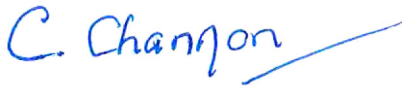
Cllr David Brown
Cabinet Member for Children & Young People's Services
Cambridgeshire County Council



Cllr Maurice Jones
Deputy Leader and Executive Member, Corporate
Resources
Central Bedfordshire Council



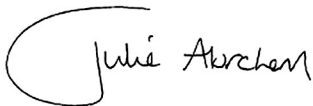
Cllr Hilda Gaddum
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Cllr Christine Channon
Cabinet Member for Schools and Learning
Devon County Council and
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Cllr Mrs Toni Coombs
Cabinet Member for Children's Services
Dorset County Council



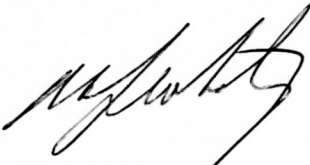
Cllr Julie Abraham
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East Riding of Yorkshire Council



Cllr Jackie Hall
Cabinet Member for Education & Skills
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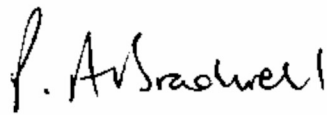
Cllr Philip Price
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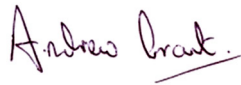
Cllr Mike Whiting
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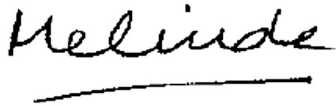
Cllr Ivan Ould, Chair of f40 and
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Cllr Mrs Patricia Bradwell
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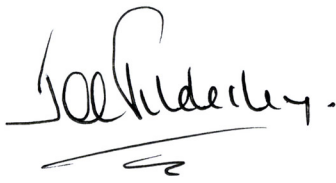
Cllr Andrew Grant
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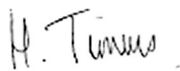
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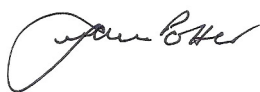
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