

News story: £1.3bn for core schools budget delivers rise in per pupil funding

- Historic new National Funding Formula will be introduced in 2018 as planned, ending unfair postcode lottery system
- Every local authority to see a rise in its per pupil funding for schools as a result of new formula
- More direct support for schools to get best value from every pound of school funding

A £1.3billion boost for core school funding will mean local authorities are able to increase the amount of cash going to every school, the Education Secretary announced today.

She has also announced plans for a new national funding formula, with the additional investment over the next two years during the transition to the NFF allowing an increase in the basic amount of funding for all pupils – allowing gains for all schools. The new formula will maintain overall per pupil funding in real terms for the next two years; and it will allow for a cash increase for every school.

In an [oral statement](#) to Parliament, Justine Greening said the additional investment would help deliver historic reforms to the funding system, balancing fairness and stability for schools. It will further build on the improved standards delivered since 2010, with 1.8 million more children in good or outstanding schools, nine out of 10 schools are now good or outstanding and the attainment gap beginning to close.

The £1.3billion announced today – £416million in 2018-19 and £884million in 2019-20, on top of the core school budget set in the last spending review – means schools funding will be £2.6billion higher in 2019-20 compared to 2017-18. This funding boost has been found from within the Department for Education's budget, rather than through increased taxes or more debt. This has required some difficult decisions but reflects the government's continued belief that funding is most valuable in the hands of head teachers who have the freedom to use their professional judgement to spend money where it will have the greatest impact.

The Education Secretary also confirmed that a new National Funding Formula will be introduced in 2018, ending the unfair postcode lottery on school funding that has resulted in similar children, attending similar schools, attracting very different levels of funding.

Education Secretary Justine Greening said:

Fairer schools funding – backed by today’s additional investment – will deliver the biggest improvement to the school funding system for well over a decade. It will mean an increase in the basic amount that every pupil will get, protected funding for those with high needs and will ensure every local authority is in a position to give schools a cash increase through the new formula.

This means that, with teachers and schools across the country, we can continue to raise standards and give every child the best possible education, and the best opportunities for the future.

The Education Secretary also confirmed today that the new national funding formula will:

- Increase the basic amount that every pupil will attract in 2018-19 and 2019-20;
- Allow for gains of up to 3% per pupil for underfunded schools for the next two years;
- Provide at least a 0.5% a year per pupil cash increase for every school in 2018-19 and 2019-20; and
- Continue to protect funding for pupils with additional needs, as proposed in the consultation published in December.

The Education Secretary also confirmed the PE and Sports Premium for primary schools will increase from £160million to £320million. All primary schools will receive an increase in their PE and sports premium funding in the next academic year.

Alongside this investment in our schools, it is vital that school leaders strive to maximise every pound they spend to achieve the best outcomes for all their pupils and best promote social mobility. Increased support will be available to school leaders to help them focus their resources, including offering individual schools access to expert advisors so they can receive tailored guidance.

There were over 25,000 responses to the detailed proposals from parents, teachers and school leaders across the sector. A full detailed response to the national funding formula consultation, and local authorities’ gains under the new formula, will be published in September.

Local authorities will continue to set a local formula for individual schools' budgets in 2018-19 and 2019-20, in consultation with schools in the area. This longer transition will help provide stability for schools.

Spending plans beyond 2019-20 will be set in a future Spending Review.

Notes to editors

The £1.3bn additional investment in core schools funding announced today will be funded in full from efficiencies and savings which have been identified from within DfE's existing budgets, including:

- Efficiencies and savings across the main capital budget can release £420million. The majority of this will be from the healthy pupils capital funding – from which we will make savings of £315million. This reflects reductions in forecast revenue from the soft drinks industry levy, as producers are already reformulating sugar out of their drinks. Every pound of England's share of spending from the levy will continue to be invested in improving child health, including £100million in 2018-19 for healthy pupils capital.
- We remain committed to an ambitious free school programme that delivers choice, innovation and higher standards for parents. In delivering the programme, and the plans for a further 140 free schools announced at the last Budget, we will work more efficiently to release savings of £280 million up to 2019 20. This will include working more collaboratively with local authorities to provide free schools to meet basic need.
- Across the rest of the DfE resource budget – over £60 billion per year – the government will reprioritise £250 million in 2018-19 and £350 million in 2019-20 to fund the increase in spending announced today. The government will redirect £200m from the Department's central school improvement programmes towards frontline funding for schools. While these projects are useful, we believe strongly that this funding is most valuable in the hands of head teachers.

The Department will continue to support schools to make efficient use of their resources. Good value National Deals, that procure better value goods and services on areas all schools purchase. We will expect schools to be clear if they do not make use of these deals and have higher costs. We have just launched a new online efficiency benchmarking service which will enable schools to analyse their own performance more effectively.

The government has confirmed its commitment to double the PE and sports premium for primary schools. All primary schools will receive an increase in their PE and sports premium funding in the next academic year.