

School Funding update

I have received the enclosed update on School Funding from the Secretary of State for Education:

“£400 million additional capital for schools this financial year

Schools can spend this additional £400 million on capital projects to meet their own priorities. This may include improvements to buildings, equipment and other facilities. Examples could include investing in IT infrastructure; small scale enhancement to buildings; or renovations to sports facilities or equipment.

By December, we will share an online calculator so that schools can estimate their allocation and make plans to spend the money. We will then publish individual allocations in January. These allocations are for individual schools, although in some cases the payments will be routed via local authorities, dioceses or multi-academy trusts, as is the case for ‘devolved formula capital’ (DFC). An average size primary school will receive £10,000 and an average size secondary school, £50,000. The amounts cannot be ‘top sliced’ by local authorities.

The funding will be made available to: maintained nursery, primary and secondary schools, academies and free schools, special schools, pupil referral units, non-maintained special schools and sixth form colleges. It will also be allocated to those specialist post-16 institutions that have eligible state-funded pupils.

Given we expect this money will be spent on improvements rather than as part of major capital projects, and the calculator will support schools to plan ahead, the expectation is that schools will spend the money in financial year 2018-19. However, the normal terms of DFC apply; these provide some flexibility for the funding to be spent over the following two financial years if necessary.

This funding is in addition to the £1.4 billion of condition allocations already provided this year to those responsible for maintaining school buildings. Overall, we are investing £23 billion in the school estate between 2016-17 and 2020-21.

Additional school funding update

I am acutely conscious of the budgeting challenges for schools. To respond to those and to support the transition to the National Funding Formula, we have made available £1.3bn in additional funding since the last spending review. More money is going into our schools than ever before (£42.4bn this year and £43.5bn next year). But I do recognise that budgets remain tight.

Earlier this year, we announced the biggest increase to teachers’ pay since 2010: a 3.5% increase to the main pay range, 2% to the upper pay range and 1.5% for school leaders. We will be funding this with £508 million over two

years, over and above the core funding allocations schools have received, to cover the difference between the 1% that schools would previously have been budgeting for, and the pay award. The £187 million for this year's pay award is going out to local authorities and academies now. We also intend to fully fund schools and academies for the increased costs of teachers' pensions, planned for September next year.

We have set out the range of practical help and support available in managing the £10 billion of non-staffing spend across the school system; and a further 10 new recommended deals for schools have just gone live. We have also published Good Estate Management for Schools to support management of school buildings and facilities. The range of support is summarised here:

<https://www.gov.uk/government/publications/supporting-excellent-school-resource-management>."