

Spending Round 2019: what you need to know

The fastest planned increase in day-to-day departmental spending for 15 years was announced today (4 September 2019) by the Chancellor of the Exchequer, Sajid Javid – ‘turning the page’ on austerity.

Today’s Spending Round set out departmental spending plans for 2020-2021 to deliver on the public’s priorities, including health, education, and security. Departmental day-to-day spending is paid for through resource budgets which covers things like schools and hospitals’ running costs, and public sector pay.

1. This is the fastest planned increase in day-to-day departmental spending in 15 years

Day-to-day departmental spending will now grow by 4.1% above inflation in 2020-21 compared to the previous year. For the first time since 2002, no government department will see a cut to its day-to-day budget.

2. There is £13.8 billion more for public services

Compared to the previous year, departments will get a £13.8 billion real term increase in day-to-day spending to deliver on the public’s priorities.

3. This is a fast-tracked spending round so departments can focus on delivering Brexit

This Spending Round concentrates on departmental budgets for 2020-2021. The next multi-year Spending Review will be carried out in 2020.

4. Money for schools is going up

This Spending Round provides schools with a cash boost to give every child a superb education. The increase in funding means that every secondary school will be allocated a minimum of £5,000 per pupil by 2020-21, and every primary school £4,000 per pupil by 2021-22.

There is over £700 million extra funding to support children and young people with special educational needs compared to 2019-20 funding levels, and £400 million to train and teach more than a million 16 to 19-year olds the skills they need for well-paid jobs in the modern economy.

5. Promises to the NHS are being delivered

This Spending Round reaffirms the government’s commitment to the NHS, giving it a cash increase of £33.9 billion a year by 2023-24 compared to 2018-19 budgets.

A new £1,000 personal development budget over 3 years for every nurse, midwife and allied health professional, will also make the NHS secure for the future.

Councils will have access to a further £1.5 billion for social care – £1 billion through a new grant and £500 million through the adult social care precept. This will support local authorities to meet rising demand and continue to stabilise the social care system.

7. 20,000 more police officers will be recruited to keep our streets safe

The most generous settlement the Home Office has received in the last 15 years will help fund the government's commitment to recruit 20,000 additional police officers, and tackle child sexual exploitation

8. The crackdown on crime will be supported by 10,000 additional prison places

To ensure an effective criminal justice system there is extra funding to begin delivery of the 10,000 additional prison places, improve security in prisons, and reform the probation system to provide better supervision and rehabilitation of offenders.

9. The Armed Forces will get a £2.2 billion funding boost

£2.2 billion in additional funding made available for the UK's world-class Armed Forces will ensure they can continue to modernise and meet the ever-changing threats to national security. This ensures the government will continue to exceed its commitment to grow the defence budget by 0.5% in real terms, with the UK continuing to exceed the NATO target.

10. Over £200 million will be spent to transform bus services

A £490 million cash increase in the UK's vital transport network will help businesses, people and goods travel around the country. This includes extra funding to make buses more environmentally friendly, rail track maintenance to ensure more reliable journeys, and continued support for development of major projects.

11. There is Brexit funding for after the UK has left the EU

£2 billion in 2020-21 will help the UK to establish a new relationship with the EU, and capitalise on the opportunities created by Brexit.

12. Decarbonisation, air quality, and biodiversity will get a £90 million funding boost

The UK is a world leader in clean growth and this Spending Round provides additional funding to accelerate decarbonisation schemes, improve air quality and to protect and enhance biodiversity. At least £250 million will also be

provided to the international climate and environment funds, including the Green Climate Fund – the leading fund dedicated to helping meet the landmark Paris Agreement on climate change.

13. Public services are being funded while keeping control of the public finances

This Spending Round provides more money to support vital public services while being delivered within the government's existing fiscal rules. The government will review the fiscal framework alongside an updated economic and fiscal forecast and set out a new economic plan at the Budget.