Key Features of the Announcement

Prime Minister has announced a multi-year funding agreement - £14 billion in primary and secondary education between now and 2022/23 taking the schools budget to £52.2bn in 22/23. This increases school funding by £4.6bn above inflation, levelling up education funding and giving all young people the same opportunities to succeed.

Key features of this settlement were -

• every secondary school will receive a minimum of £5,000 per pupil next year, with every primary school getting a minimum of £4,000 from 2021/22 (£3,750 from 2020/21).

• The multi-year settlement will be the first agreement in Education for nearly 10 years.

• Ensure that per-pupil funding for all schools can rise at least in line with inflation.

• Progress the implementation of the National Funding Formula, delivering promised gains in full for areas which have been historically under-funded.

• £700 million extra for Special Educational Needs and Disabilities (SEND) in 2020/21, so every pupil can access the education that is right for them, and none are held back from reaching their potential.

• The funding floor will be set at 1.84% per pupil, in line with the forecast GDP deflator, to protect per pupil allocations for all schools in real terms. This minimum increase in 2020-21 allocations will be based on the individual school’s NFF allocation in 2019-20.

• ‘those historically underfunded receiving the greatest increase’
But within the headlines of a positive statement....

It is not an additional £14bn per year for schools – it totals £7.1bn per year by 2022-23. The Department for Education said this uplift had to cover the following -

• A growth in pupil numbers (around £1bn)
• A real-terms protection of per-pupil funding (around £3bn)
• The cost of increases to teachers pay, including raising starting salaries for all new teachers to £30,000. Teachers pay grant and pension will continue to be funded separately.
• Expectation of schools receiving a 4% increase on their national formula allocations – but this is before any adjustment for local circumstances.
• Growth funding will be based on the same methodology as this year, with the same transitional protection ensuring that no authority whose growth funding is unwinding will lose more than 0.5% of its 2019-20 schools block allocation. This is not a positive position for Cambridgeshire.
• Additional funding for pupils with high needs - after allowing for inflation on the £700m, meaning that it would be worth around £580m in real terms by the end of 2022-23 - around £600m short of what the education select committee says is needed to plug the deficit in high needs.
• The DfE has confirmed that local authorities will need to ensure they honour the minimum levels of funding for all schools but, beyond that, there are no signs that local flexibility will be further restricted.
• For maintained schools the financial year begins in April, and so they will receive the first chunk of extra funding from April 2020, the DfE said. Academies will get the cash from September next year, when their financial year begins.
• We have been working with the MPs on a letter to send to the Secretary of State for Education to support the challenges Cambridgeshire Schools face. This will now be reviewed in light of this funding settlement.
Next Steps

- October – detailed funding announcement including the national funding formula.
- November – Both Schools Forum will consider the budget proposals from PCC / CCC with a view to setting a draft budget with provisional decisions made on allocation to enable school level budgets to be published.
- November / December – consultation on the proposal and how the overall quantum of resources will be allocated.
- Consultation events will be publicised shortly.
- Aim to finalised budgets December / January subject to council sign off.