



Rt Hon Gavin Williamson CBE MP
Secretary of State

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20 July 2020

To all MPs in England

Dear Colleague,

SCHOOL FUNDING UPDATE

As the country moves through the coronavirus (COVID-19) pandemic, never has the essential role that schools play in our communities been more apparent. The Government is more committed than ever to its mission to level up opportunity and transform the lives and prospects of a generation. I am writing to update you on how we are continuing to back that mission with significant investment in our schools.

2021-22 school funding

Last year I announced the biggest cash boost to school funding in a decade, worth a total of £14.4 billion over three years. Schools are already benefitting from a £2.6bn increase this year, which will rise to £4.8bn in 2021-22 and £7.1bn in 2022-23, compared to 2019-20. In addition, we continue to fund the recent increase in pension costs for teachers, worth £1.5bn a year.

Today, we are delivering the second year of that three-year funding commitment. We have published provisional school and high needs funding allocations for 2021-22, helping schools to plan their future funding during this challenging period. You can find the full provisional National Funding Formula (NFF) allocations [here](#). Schools' NFF allocations are also available to view on a user-friendly tool [here](#).

You can find out **what this means for your constituency** by using the attached spreadsheet, which allows you to see the increases that schools in your constituency area are attracting – demonstrating how this investment benefits all schools across the country.

Next year, mainstream school funding will increase by 4% overall. The NFF continues to distribute this across the country fairly, based on the needs of

schools and their pupil cohorts. We are levelling up school funding: delivering resources where they are needed most, while ensuring that every school is allocated at least 2% more per pupil. On average, schools will be attracting over 3% more per pupil next year.

In addition, the minimum per pupil funding levels will ensure that every primary school receives at least £4,000 per pupil, and every secondary school at least £5,150 per pupil, delivering on the Government's pledge to level up the lowest funded schools. We want every school, no matter their circumstances or location, to have the resources to deliver the high-quality education that all parents expect.

Funding to cover additional teachers' pay and pensions costs, previously funded through separate grants, has been added to all NFF allocations from 2021-22. This will simplify the allocation of this funding – worth almost £2bn a year – recognising that it is part of schools' core budgets and providing reassurance that the funding will continue to be provided. This means that a further £180 and £265 respectively will be added to the minimum per pupil amounts above.

The 2021-22 allocations also reflect a 60% increase in the total additional funding that small and remote schools attract through the NFF. This recognises the challenges such schools face and the vital role they play in local communities. Small and remote primary schools can now attract up to £45,000 in extra funding, compared to £26,000 previously. We intend for this to be a first step towards expanding the support provided for small and remote schools from 2022-23.

We are not changing local authorities' role in the distribution of school funding in 2021-22, although the minimum per pupil funding levels will remain mandatory to pass on to schools in full. We have seen significant progress in local areas' distribution of school funding moving towards the national formula – two-thirds of local authorities have now moved their own funding formulae towards the NFF – but there is more to do if we are to level up the funding system so that all schools are funded on a comparable basis. Later this year we will put forward our plans to move to a 'hard' NFF in future, which will determine all schools' budgets directly, through a single, national formula, rather than relying on the individual decisions of 150 local authorities. We will consult widely on these changes to ensure we make this important transition carefully.

Our additional investment also includes a further increase of £730m in high needs funding next year, to support children with special education needs and disabilities (SEND), on top of the £780m increase local authorities are receiving in 2020-21. That is an increase of 10% and brings the total high needs budget to over £8bn. Every local authority will receive at least 8% more per head of population, compared to this year, with some authorities receiving up to 12%. This vital extra resource will help local authorities to manage their cost pressures in this area, while enabling children with the most complex SEND to access the education that is right for them. The Government is continuing to pursue the cross-departmental review of the SEND system to see what further

improvements are needed to ensure it supports children and young people as effectively as possible.

The Barnett formula will be applied in the normal way at this year's Spending Review, so that the funding increase for schools in 2021-22 will be reflected in the allocations made to Devolved Administrations.

Support for schools this year during the COVID-19 pandemic

In addition to schools' core funding, between March and July 2020 schools have been able to claim additional funding for exceptional costs incurred due to COVID-19, such as additional cleaning required due to confirmed or suspected coronavirus cases and increased premises costs to keep schools open for priority groups during the Easter and summer half term holidays.

The Government has also announced further detail of the 'catch up' package for the next academic year, worth a total of £1bn, to help support children and young people to catch up after the recent period of disruption to their education. This includes a 'Catch Up Premium' worth £650m to help make up for lost teaching time for all pupils. Today, we have confirmed this will be based on the number of pupils and paid once a term over the 2020/21 academic year. A 1,000 pupil secondary school will receive £80,000 and a 200 pupil primary school will receive £16,000.

Alongside this, we have announced a new £350m national tutoring programme for disadvantaged students. This will increase access to high quality tuition for disadvantaged and vulnerable children and young people, helping to accelerate their academic progress and tackling the attainment gap between them and their peers.

Further guidance on the allocation and use of the 'catch up' package is available [here](#).

I will continue working with you and teachers up and down the country to deliver this Government's unwavering commitment to build a world class education system.

A handwritten signature in blue ink, appearing to read 'Gavin Williamson', with a long horizontal line extending to the right.

Rt Hon Gavin Williamson CBE MP
Secretary of State for Education

Attached: Spreadsheet - Schools NFF allocations 2021-22 by parliamentary constituency