



## DEBATE PACK

Number CDP-2017-0100, 27 March 2017

# Schools Funding in London

## Summary

The debate, entitled "Schools Funding in London" and sponsored by Helen Hayes, will take place in Westminster Hall on Wednesday 29th March at 9.30am, lasting for 90 minutes.

Robert Long  
Paul Bolton  
Andrew Mackley

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The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

# 1. The planned funding formula and its impact on London

## 1.1 School funding reform in England – a planned national funding formula

The Government is planning to introduce a national funding formula (NFF) to calculate the amount of core revenue funding that mainstream schools in England will attract in respect of primary and secondary (but not sixth form) pupils.

Currently, local authority areas get different amounts of money per pupil in the Schools Block element of the Dedicated Schools Grant. They then draw up their own local funding formulas to share the money out between schools, although they have to do this following Department for Education guidance.

The briefing paper [School funding in England. Current system and proposals for 'fairer school funding'](#), SN 06702, gives much more background to the proposed changes.

### What is the national funding formula (NFF) and how will it work?

This is the formula that will be used to calculate and distribute core revenue funding for mainstream schools in England.

There will be separate formulas to calculate early years funding and high need funding (largely this is for high-cost provision for children with special educational needs and disabilities), as well as for some services still centrally provided by local authorities.

As well as money from the NFF, schools will also get income from other sources, including: the Pupil Premium which will remain outside of the NFF; 16-19 funding if they have a sixth form; early years funding if they have nursery classes; voluntary contributions and fundraising, to varying degrees; and capital funding for maintenance, renovations and new places, where appropriate.

### When is the formula due to be introduced?

The NFF is due to be introduced in as a 'soft' format in 2018-19 and a 'hard' format from 2019-20. In 2018-19, the formula will be used to work out how much funding a school should attract. This will then be aggregated up to local authority level and distributed according to a local authority-determined funding formula, as now. From 2019-20 the formula would be used to calculate schools' core revenue funding

directly, and the role of the local authority in deciding how funding is shared out would be significantly reduced.

The Government has consulted on the weightings in the NFF, and its phased introduction. The second round of consultations closed on 22 March 2017.

## Potential impact of the NFF

The DfE says that as a result of its proposals:

- 54% of schools would be funded at a higher level than in 2016-17. Around three quarters of those gaining would see an increase of up to 5.5% per pupil.
- The remaining quarter of 'gainers' are due greater increases and consequently would take longer to attain their 'target rates'.
- 46% of all schools would be funded at a lower level. For the majority of these schools, the reduction would be between 1- 3% per pupil.

Groups of schools the DfE says are more likely to gain are:

- Schools with low prior attainment.
- Schools with pupils who live in areas with above average levels of deprivation but who have not been heavily targeted through historic funding decisions.
- Schools in areas where funding levels have historically been low – but not every school in historically 'low funded' areas and not every 'low funded' area.
- Small rural schools.

The DfE says that the main group of schools likely to see reductions are:

Those in Inner London and some other urban areas that have particularly benefitted from historic funding decisions and where underlying levels of deprivation have fallen over recent years [...] The main reason that this formula would reduce funding to schools in these areas is that we are using the most recent data about relative levels of socio-economic deprivation.<sup>1</sup>

## Cost pressures and the wider school funding context

On 14 December 2016, the National Audit Office (NAO) published a report on the [financial sustainability of schools](#) in England.

This said that mainstream schools, overall, would need to find £3 billion of efficiency savings by 2019-20. This equated to a net real-terms reduction in per-pupil funding of around 8% for mainstream schools between 2014-15 and 2019-20. The NAO reported that:

- The overall schools budget overall is protected in real terms between 2015-16 and 2019-20, but this does not provide for funding per pupil to increase in line with inflation.

<sup>1</sup> Department for Education, [Schools national funding formula. Government consultation - stage 2](#), 14 December 2016, p52

- This is partly because pupil numbers will rise significantly over the same period, and partly because schools are facing cumulative cost pressures from things such as pay rises, increased pension and national insurance contributions, and inflation.

Speaking in response to a [debate on 25 January 2017](#), Schools' Minister Nick Gibb said that core schools funding was being protected for the duration of the Parliament. The Government accepted schools were facing cost pressures.

He went on to say that the funding reforms were not about the overall level of school funding or the cost pressures that schools were facing, but about ending the "postcode lottery" and making funding fairer. Some of the cost pressures had "already materialised" and the DfE was providing high-quality advice to schools on better procurement, and budget management.<sup>2</sup>

## 1.2 Impact on London

Alongside the consultation the Government published illustrative figures showing how schools and local authorities might fare in two hypothetical scenarios under the proposals:

- If the NFF had been implemented in full this year, 2016-17, without any transitional protections, with funding estimated using 2016-17 pupil data (2016/17 data for academies). The illustrative figure is then compared to a 2016-17 funding baseline. Figures are expressed in cash terms.
- If the NFF were implemented with transitional arrangements (maximum increase of 3% and maximum cut of 1.5% per pupil) as is planned, in the first year of transition, in 2018-19. Again, the figures are based on 2016-17 pupil data (2016/17 for academies). Results are then compared to 2016-17 baseline funding, and again, figures are expressed in cash terms.

These illustrative figures don't show what any school will get in any particular year, but are intended to inform the consultation and give an idea of how the formula might work.

The maps on the next two pages summarise the overall change data for constituencies under the first scenario (without transitional protection) nationally and for inner and outer London. These are entirely based on the Government's illustrations and hence all the limitations of these figures (set out in the [briefing paper](#)) need to be considered when interpreting this data.

They clearly show that schools in inner London constituencies are expected to see the biggest fall in funding under the consultation proposals. Those in outer London are more mixed, with some gaining and some losing. Overall schools in inner London would see a 2.4% cut in funding under scenario 1 compared to a 1.0% increase in outer

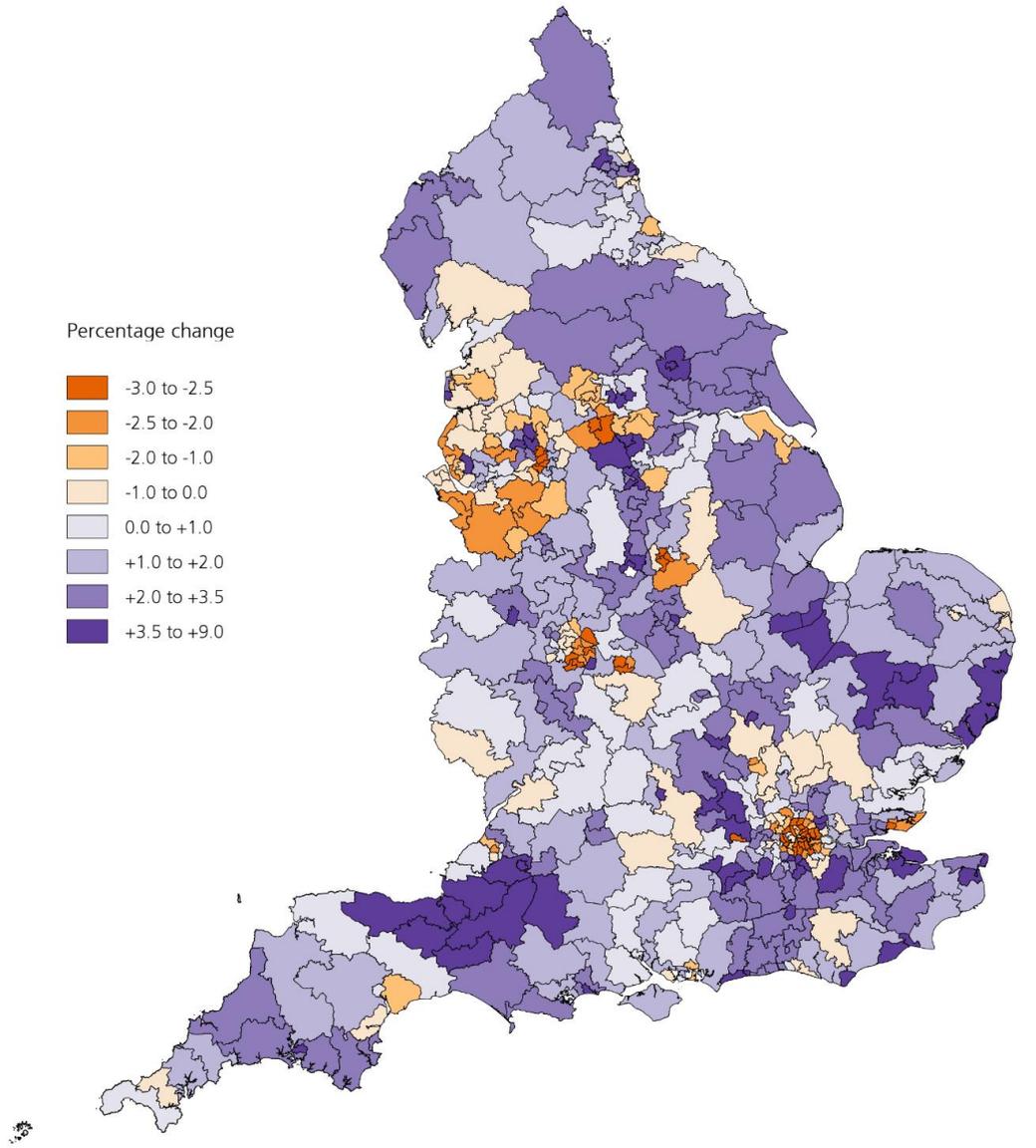
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<sup>2</sup> [HC Deb 25 January 2017 cc403-4](#)

London a national increase of 0.9% and average increases of more than 2.0% in the East Midlands, the South East and the South West.

### Change in funding by Parliamentary Constituency

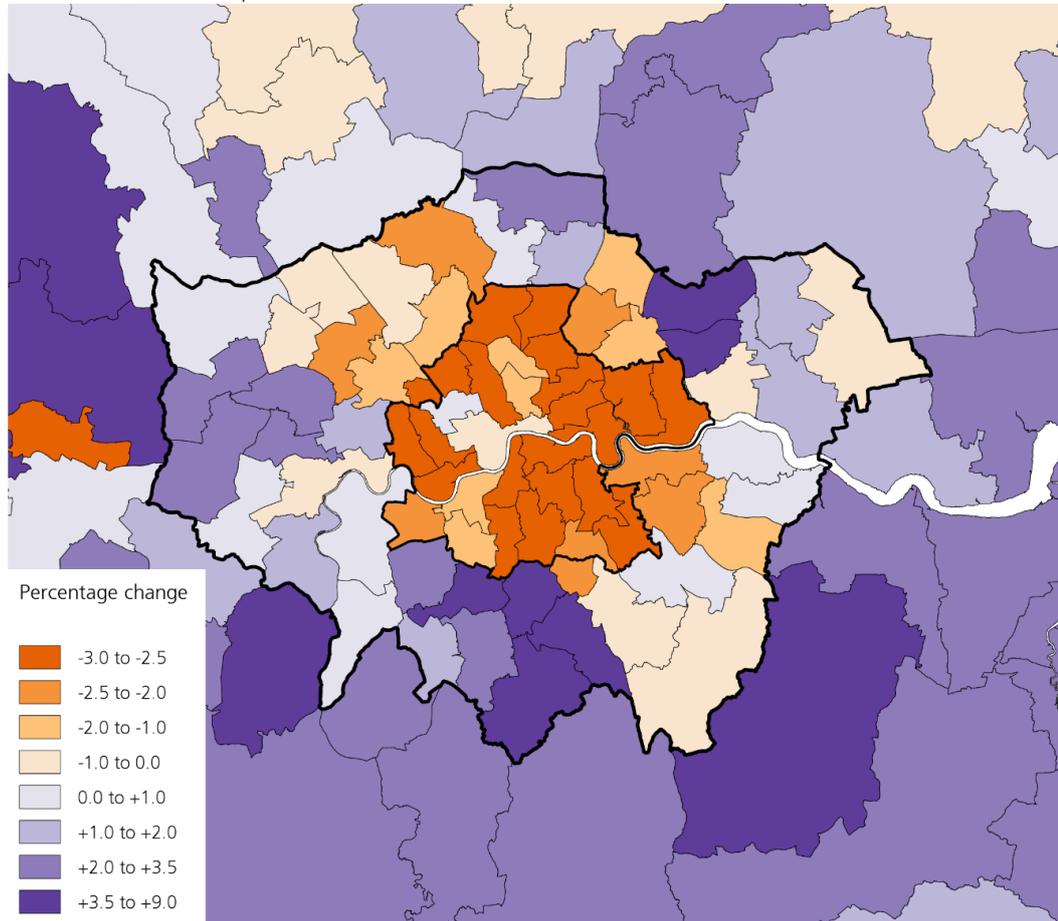
Illustrative NFF funding compared to baseline if formula implemented in full in 2016-17, without transitional protections



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House of Commons Library (OS) 100040654 (2016).

### Change in funding by Parliamentary Constituency in London

Illustrative NFF funding compared to baseline if formula implemented in full in 2016-17, without transitional protections



The NFF proposals result in bigger cuts to funding in inner London than anywhere else in the country because of a combination of factors including changes in the labour cost element of the formula, lower levels of deprivation in the capital and how deprivation is included.

The consultation said<sup>3</sup>:

The schools most likely to face reductions under the proposed formula are those in Inner London and some other urban areas that have particularly benefited from historic funding decisions and where underlying levels of deprivation have fallen over recent years.

[...]

The main reason that this formula would reduce funding to schools in these areas is that we are using the most recent data about relative levels of socio-economic deprivation. For example, while inner London schools still have the highest concentration of disadvantaged pupils in the country, the gap is narrowing and London is becoming more affluent overall ... These changes have

<sup>3</sup> [Schools national funding formula Government consultation - stage 2](#), DfE

not been reflected by the current funding system, which has ignored such changes in pupil characteristics since 2005-06.

Historically, schools in Inner London and many other highly deprived areas also received a number of targeted revenue funding grants, such as the Excellence in Cities and Specialist Schools Grant ... Under the national funding formula, the total available quantum in the DSG schools block will be allocated fairly through the national formula. This means that some funding that was disproportionately or indeed only received by a limited number of areas is now spread consistently and fairly across the country as a whole, in line with the latest data about socio-economic deprivation and levels of need.

Another factor explaining the reduction in funding to London is how area costs are calculated. Historically these used a general labour market approach, assuming that the additional costs of recruiting teachers across the capital would parallel the additional costs of recruiting general workers. However, we know the differentials on teachers' pay between London and the rest of the country are smaller than general labour market differentials and thus the historical GLM ACA gave higher levels of funding to London than could be justified by the actual costs faced by schools. Moving to the hybrid approach better reflects actual costs, slightly reducing the level of additional funding provided to London.

In a recent report the Institute for Fiscal Studies said:<sup>4</sup>

Funding is diverted from schools with very high levels of deprivation to those with average levels. There is also a shift in funding towards small primary schools and large secondary schools. Schools in inner London are among the biggest losers, with average cuts of around 2.5% in cash-terms per-pupil funding between 2017–18 and 2019–20.

[...]

...the government has set out a new Area Cost Adjustment (ACA) in order to compensate schools that face higher costs of running a school. This new adjustment combines two main elements: (i) actual differences in teacher salary scales across areas and (ii) differences in average wages across areas to account for differences in the costs of employing other staff. This adjustment is applied as a proportional uplift to all funding (except that which is determined on a historical basis, such as actual rates bills). This approach appears more sensible than the old adjustment, which only took account of average wages. The main effect of the formula is a lower uplift for schools in inner London, which is now around 18%, having been about 28% in the old formula.

[...]

Figures 4 and 5 show the average effect across the regions of England for primary and secondary schools respectively, with and without protections. Unsurprisingly, the clear result is again the impact on inner London. In 2019–20, primary funding per pupil in inner London will be 2.5% lower in cash terms than in 2017–18 as a result of the proposed NFF, and secondary school spending will be 2.4% lower. However, this is not the whole story. If the funding protections were not in place, funding per pupil would have fallen by 9.2% and 8.3% in cash terms in primary and

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<sup>4</sup> [\*The short- and long-run impact of the national funding formula for schools in England\*](#). IFS (March 2017)

secondary schools, respectively. Therefore, after 2019–20, it seems likely that funding per pupil in inner London will continue to be constrained below the national increase until such schools reach the main formula.

The following table includes the overall change in funding for each scenario for each London borough as well as the number of schools receiving more or less funding. Within inner London only Westminster would see an increase in funding on average and only three borough have any schools than would receive more funding (Westminster, Wandsworth and Camden).

**National funding formula consultation: Illustrative NFF funding for schools -London local authority summary**

	Baseline funding	Illustrative NFF funding if formula implemented in full in 2016-17, without transitional protections		Illustrative NFF funding in the first year of transition		Schools with more funding than baseline	Schools with less or the same funding as baseline
	Funding schools received in 2016-17 (£ million)	Illustrative total NFF funding (£ million)	% change compared to baseline	Illustrative NFF year 1 funding (£ million)	% change compared to baseline		
Camden	116.0	112.8	-2.8%	114.4	-1.4%	0	53
Hackney	190.6	185.3	-2.8%	188.0	-1.4%	0	66
Hammersmith and Fulham	98.5	95.8	-2.7%	97.1	-1.4%	0	48
Haringey	187.2	182.1	-2.7%	184.6	-1.4%	0	74
Islington	124.9	123.0	-1.5%	123.6	-1.0%	2	52
Kensington and Chelsea	62.7	61.1	-2.6%	61.9	-1.3%	0	31
Lambeth	205.7	200.0	-2.8%	202.8	-1.4%	0	77
Lewisham	208.8	203.0	-2.8%	205.9	-1.4%	0	78
Newham	312.1	304.1	-2.6%	307.9	-1.4%	0	82
Southwark	180.0	175.1	-2.7%	177.5	-1.4%	0	71
Tower Hamlets	248.2	241.5	-2.7%	244.9	-1.4%	0	83
Wandsworth	144.1	142.0	-1.5%	143.1	-0.7%	5	61
Westminster	107.6	108.3	+0.7%	108.1	+0.5%	22	26
<b>Inner London</b>	<b>2,186</b>	<b>2,134</b>	<b>-2.4%</b>	<b>2,160</b>	<b>-1.2%</b>	<b>29</b>	<b>802</b>
Barking and Dagenham	195.5	195.3	-0.1%	195.6	+0.0%	10	43
Barnet	228.5	226.1	-1.0%	227.7	-0.3%	18	90
Bexley	171.6	173.4	+1.0%	173.1	+0.9%	31	41
Brent	225.2	221.0	-1.9%	223.0	-1.0%	4	68
Bromley	196.3	195.7	-0.3%	196.5	+0.1%	16	75
Croydon	225.1	237.6	+5.6%	229.8	+2.1%	82	19
Ealing	219.8	224.9	+2.3%	222.8	+1.3%	59	18
Enfield	247.2	253.5	+2.5%	250.1	+1.2%	43	44
Greenwich	194.8	190.3	-2.3%	192.6	-1.1%	6	70
Harrow	145.6	144.6	-0.7%	145.1	-0.3%	12	38
Havering	165.9	166.9	+0.6%	166.8	+0.5%	51	26
Hillingdon	200.5	205.6	+2.6%	203.9	+1.7%	57	28
Hounslow	170.7	171.2	+0.3%	171.3	+0.3%	39	28
Kingston upon Thames	92.8	93.7	+1.0%	93.4	+0.7%	18	26
Merton	114.5	119.4	+4.3%	116.7	+2.0%	41	10
Redbridge	201.6	209.9	+4.1%	205.9	+2.1%	55	11
Richmond upon Thames	99.5	100.7	+1.2%	100.2	+0.8%	32	16
Sutton	138.0	140.6	+1.9%	139.6	+1.2%	26	29
Waltham Forest	196.1	192.1	-2.0%	193.9	-1.1%	8	60
<b>Outer London</b>	<b>3,429</b>	<b>3,462</b>	<b>+1.0%</b>	<b>3,448</b>	<b>+0.6%</b>	<b>608</b>	<b>740</b>
<b>London</b>	<b>5,615</b>	<b>5,596</b>	<b>-0.3%</b>	<b>5,608</b>	<b>-0.1%</b>	<b>637</b>	<b>1,542</b>
<b>England</b>	<b>31,635</b>	<b>31,915</b>	<b>+0.9%</b>	<b>31,785</b>	<b>+0.5%</b>		

Source: National funding formula consultation: Illustrative NFF funding, DfE

## 2. Parliamentary material

### Select Committees

Education Committee, [School funding reform inquiry](#), ongoing

Education Committee, [Fairer Schools Funding 2015-16](#), one-off session

### Written Parliamentary Questions

[Schools: Finance](#)

**Asked by:** Sheerman, Mr Barry

To ask the Secretary of State for Education, what steps she is taking to ensure that schools' increased income through the National Funding Formula will not be outweighed by real-term changes to their funding over the next three years.

**Answering member:** Nick Gibb | **Department:** Department for Education

School funding is at its highest level on record at more than £40bn in 2016-17 - and that is set to rise, as pupil numbers rise over the next two years, to £42 billion by 2019-20. Analysis by the Institute for Financial Studies (IFS) has also shown that spending per pupil almost doubled in real terms between 1997 and 2016.

The recent National Audit Office report on the Financial Sustainability of Schools is clear that it is reasonable to look to schools to make efficiencies, and that – based on variations in spending across schools with similar levels of challenge and achieving similar outcomes – the necessary savings are achievable without affecting educational outcomes.

We recognise that schools are facing cost pressures, which is why we will continue to provide support to help them use their funding in cost effective ways, including improving the way they buy goods and services, so they get the best possible value.

We have produced tools, information and guidance for schools financial health and efficiency, which can be found at:

<https://www.gov.uk/government/collections/schools-financial-health-and-efficiency>

14 Mar 2017 | Written questions | Answered | House of Commons | 66872

[Schools: West Sussex](#)

**Asked by:** Quin, Jeremy

To ask the Secretary of State for Education, with reference to the Answer of 4 December 2015 to Question 17715, on schools in West Sussex, what criteria was used to make the decision between fringe and non-fringe areas in West Sussex.

**Answering member:** Nick Gibb | **Department:** Department for Education

Within West Sussex, the Crawley district forms part of the London fringe, while the rest of the local authority area is outside the fringe. The distinction is a longstanding feature of the teachers' pay system, dating back at least 30 years. Decisions on pay, including the current geographical criteria for designating fringe areas, are based on recommendations by the School Teachers' Review Body (STRB). This independent body was established in 1991 to examine and report on matters relating to the statutory conditions of pay and employment of school teachers in England and Wales. The STRB can review the boundaries for the fringe if requested to do so by the Secretary of State.

London fringe area arrangements have been part of the mainstream school funding system since financial year 2013 to 2014. Since the school funding reforms were introduced in that year, they have been a feature of the local funding formulae in the five local authorities who have some of their schools within the London fringe area (Buckinghamshire, Essex, Hertfordshire and Kent, along with West Sussex), enabling an uplift to be applied to the affected schools' budgets.

09 Mar 2017 | Written questions | Answered | House of Commons | 66769

[Teachers: Haringey](#)

**Asked by:** Lammy, Mr David

To ask the Secretary of State for Education, what assessment her Department has made of the effect of changes to school funding on (a) teacher numbers, (b) school standards, (c) pupil outcomes and (d) levels of youth crime in (i) Tottenham constituency and (ii) the Borough of Haringey.

**Answering member:** Nick Gibb | **Department:** Department for Education

As a result of our proposals for a national funding formula, schools in Tottenham constituency would see an overall 2.8% reduction in funding. Schools in the Borough of Haringey would see an overall 2.7% reduction in funding. Haringey's allocation from the central school services block, which will provide local authorities with funding for services they offer to all pupils, including local education welfare services, would increase by over £360,000. London schools, including those in Haringey, will remain among the highest funded in the country under our proposals, with schools in inner London attracting 30% more funding per pupil than the national average.

We are supporting schools to improve their financial health and efficiency and have recently published a schools' buying strategy to help schools maximise savings from their £10 billion of non-staff spend.

Evidence shows that high-quality teaching is the most important school-based determinant of pupil outcomes. We have also published workforce planning guidance to help ensure that schools are always investing in the right mix of staff to deliver excellent pupil outcomes. This guidance is available at:

<https://www.gov.uk/government/collections/schools-financial-health-and-efficiency>.

06 Mar 2017 | Written questions | Answered | House of Commons | 66094

### [Teachers](#)

**Asked by:** Jones, Helen

To ask the Secretary of State for Education, what assessment her Department has made of the potential effect on teacher numbers of the proposed school funding formula.

**Answering member:** Nick Gibb | **Department:** Department for Education

The Government has protected the core schools budget in real terms. We are introducing a fair funding formula so children across the country are funded according to their needs, not where they happen to live. We are currently consulting on the proposals and the consultation closes on 22 March. Overall, based on projections of rising pupil numbers, we would expect numbers of teachers to go up.

We recognise that schools will need to make efficiency savings in response to budgetary pressures. We have set a target for savings from better procurement and we have produced tools, information and guidance to support schools to make savings, including workforce planning guidance. This guidance contains links to advice and case studies, as well as lists of options and questions for school leaders to consider when reviewing their staff structures.

27 Feb 2017 | Written questions | Answered | House of Commons | 65033

### [Schools: Finance](#)

**Asked by:** Lynch, Holly

To ask the Secretary of State for Education, how much additional funding her Department would require in order to ensure that no school saw a cut in its budget for 2017-18 as part of the Schools National Funding Formula.

**Answering member:** Nick Gibb | **Department:** Department for Education

In December 2016 the Department confirmed dedicated schools grant (DSG) funding settlements for 2017-18 to local authorities. For all local authorities, funding has been protected in cash terms per pupil. Further details are available at

<https://www.gov.uk/government/publications/dedicated-schools-grant-dsg-2017-to-2018>.

In 2017-18, individual schools' funding is decided at a local authority level. The Department allocates funding to each local authority, who then allocate this funding to their schools using their local formulae. The Minimum Funding Guarantee (MFG) ensures that the maximum any individual school can lose is 1.5% per pupil. Local authorities are now finalising and will shortly be confirming their 2017-18 funding to schools. Further information is available at

<https://www.gov.uk/government/speeches/school-revenue-funding-settlement-for-2017-to-2018>.

We are currently consulting on our proposals for a National Funding Formula, which will come into force in 2018-19. The consultation will run until March 22nd and is available at

<https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula2/>.

27 Feb 2017 | Written questions | Answered | House of Commons | 64913

[Pupils: Per Capita Costs](#)

**Asked by:** Lord Storey

To ask Her Majesty's Government what is the forecast reduction in funding per pupil in real terms for mainstream schools between 2014-15 and 2019-20.

**Answering member:** Lord Nash | **Department:** Department for Education

We want schools to have the resources they need so that every child has access to an education that enables their potential. That is why we have protected the core schools budget in real terms overall. In 2016-17 it will be the largest ever on record, totalling over £40 billion.

We are introducing a national fair funding formula so schools are funded according to their pupils' needs.

The proposals we are currently consulting on will mean an end to the postcode lottery in school funding and will help to create a system that funds schools according to the needs of their pupils, rather than where they happen to live. Under the proposed national schools funding formula, more than half of England's schools will receive a cash boost in 2018-19. The new formula will also give head teachers certainty over their future budgets, helping them make long term plans and secure further efficiencies.

We recognise that schools, as with other public services, are facing cost pressures. These will include salary increases, increases to employers' National Insurance and Teachers' Pension Scheme contributions, and general inflation.

On a per pupil basis, these pressures are estimated at around 8% between 2016-17 and 2019-20. It is important to note that this is not

an estimate of pressures still to come – over the next three years, per pupil pressures will average 1.5-1.6%, a year.

In response to this we have produced tools, information and guidance for schools financial health and efficiency, which can be found at: <https://www.gov.uk/government/collections/schools-financial-health-and-efficiency>.

We are increasingly tailoring and targeting our offer to ensure the schools who are most in need of our support receive it.

We also know there is significant scope for savings in non-pay and procurement costs. We have launched a school buying strategy to support schools to save over £1bn a year by 2019-20 on their non-staff spend. In practice, this means schools can invest more of their resources in the classroom, making even more of a difference to the children that need it most.

09 Feb 2017 | Written questions | Answered | House of Lords | HL4826

#### [Schools: Finance](#)

**Asked by:** Timms, Stephen

To ask the Secretary of State for Education, what evidence she used to calculate the weighting given to the pupil mobility factor in proposals for the school funding formula.

**Answering member:** Nick Gibb | **Department:** Department for Education

In the second stage of the national funding formula consultation, we set out how we will calculate the weighting given to the mobility factor in the first year of implementation. In 2018-19, we will allocate funding to local authorities on an historic basis, reflecting the amount they put through the mobility factor in the previous year.

In the second stage consultation document, we also confirmed our intention to work with stakeholders to develop a more sophisticated mobility factor for use from 2019-20 onwards. This will include consideration of the appropriate weighting for the factor in the longer term.

30 Jan 2017 | Written questions | Answered | House of Commons | 61642

#### [Schools: Finance](#)

**Asked by:** Timms, Stephen

To ask the Secretary of State for Education, how many meetings Ministers of her Department have had with representatives of London local authorities on proposals for a new school funding formula since 2013.

**Answering member:** Nick Gibb | **Department:** Department for Education

The proposals for a new schools national funding formula, on which the Department is currently consulting, were formulated following careful consideration and discussions with a wide range of stakeholders across the country. As part of this, Ministers have met representatives of London local authorities on five occasions since 2013.

The consultation on the Government's detailed proposals is open until 22 March, and the Department is keen to hear as many views as possible. The consultation can be found at:

<https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula2/>

27 Jan 2017 | Written questions | Answered | House of Commons | 60271

[Schools: Richmond Park](#)

**Asked by:** Olney, Sarah

To ask the Secretary of State for Education, what assessment her Department has made of the potential effect of the schools funding formula on the funding of schools in Richmond Park and North Kingston constituency in real terms in each of the next three years.

**Answering member:** Nick Gibb | **Department:** Department for Education

The illustrative impact of the proposed schools national funding formula (NFF) for schools in the Richmond park constituency, in year 1 of the operation of the formula, and overall, is provided in the table below [See [PQ 8506](#)].

11 Jan 2017 | Written questions | Answered | House of Commons | 58506

[Schools: Greater London](#)

**Asked by:** West, Catherine

To ask the Secretary of State for Education, whether school funding for (a) inner London boroughs and (b) outer London boroughs will decrease in the next financial year.

**Answering member:** Mr Sam Gyimah | **Department:** Department for Education

I can assure my Hon Friend that per pupil funding for a) inner London boroughs and b) outer London boroughs will not decline in the next financial year. The dedicated schools grant schools block is maintained at cash flat per pupil for the 2016 to 2017 financial year for all local authorities. In addition, the pupil premium is also maintained at the current per pupil amounts for the 2016 to 2017 financial year. As announced in the Chancellor's spending review statement, we will

introduce a national funding formula from 2017. We will consult on proposals later this year.

26 Feb 2016 | Written questions | Answered | House of Commons | 27530

**Date tabled:** 19 Feb 2016 | **Date for answer:** 23 Feb 2016 | **Date answered:** 26 Feb 2016

## Oral Parliamentary Questions

### [Engagements](#)

**Asked by:** Jeremy Corbyn | **Party:** Labour Party

The manifesto on which the Prime Minister fought the last election promised:

“Under a future Conservative Government, the amount of money following your child into school will be protected.”

No wonder even the editor of the London Evening Standard is up in arms about this. The cut to school funding equates to the loss of two teachers across all primary schools and six teachers across all secondary schools. So is the Prime Minister advocating larger class sizes, a shorter school day, or unqualified teachers? Which is it?

**Answered by:** The Prime Minister | **Party:** Conservative Party | **Department:** Prime Minister

We have, as I said, protected the schools budgets. We now see more teachers in our schools and more teachers with first-class degrees in our schools. As I say, we see 1.8 million more children in good or outstanding schools. That is a result of this Government’s policies of diversity in education: free schools, academies, comprehensives, faith schools, university schools, grammar schools. We believe in diversity in education and choice for parents; the right hon. Gentleman believes in a one-size-fits-all, take-it-or-leave-it model.

22 Mar 2017 | Prime Minister's questions - Supplementary | Answered | House of Commons | House of Commons chamber | 623 c853

**Date answered:** 22 Mar 2017

### [Schools: Funding Formula](#)

**Asked by:** Baroness Massey of Darwen

To ask Her Majesty’s Government what is their response to the Education Policy Institute report on the new funding formula for schools which indicates that primary schools may lose funding equivalent to two teachers and secondary schools may lose funding equivalent to six teachers.

**Answered by:** The Parliamentary Under-Secretary of State, Department for Education (Lord Nash) (Con)

My Lords, through our careful management of the economy, we have protected the core schools budget in real terms. In 2017-18, schools will have more funding than ever—over £40 billion—set to rise to £42 billion by 2020. The IFS analysis shows that per pupil funding in 2020 will be over 50% higher in real terms than in 2000. While we know schools are facing pressures, we know that there is scope for schools to become more efficient and we are supporting them to achieve this.

21 Mar 2017 | Oral questions - Lead | Answered | House of Lords | 782 cc149-151

**Date answered:** 21 Mar 2017

[Schools: Funding Formula](#)

**Asked by:** Lord Evans of Weardale (CB)

My Lords, while I welcome the additional efficiency and flexibility that come from the multi-academy trust system, and from trusts and free schools overall, does the Minister agree that a reduction in funding per pupil at a time when greater skills are needed to compete internationally, and when mental health problems among young people are increasing so rapidly and causing problems for many schools, is a bad allocation of money?

**Answered by:** Lord Nash

I am grateful to the noble Lord for his comments about the efficiency of multi-academy trusts. One study shows that multi-academy trusts can achieve a saving of £146 per pupil. As I said, we are still recovering from the financial hole that we inherited in 2010 and we all have to adjust our resources. Schools have had a huge increase in money in recent years. We are trying very hard and have a lot of resources available on our government website to help them become more efficient.

21 Mar 2017 | Oral questions - Supplementary | Answered | House of Lords | 782 c151

**Date answered:** 21 Mar 2017

[Schools: Funding Formula](#)

**Asked by:** Lord Polak (Con)

Will the Minister join me in recognising that the current funding system for schools is fundamentally flawed? It is a postcode lottery, where resources provided to identical schools depend not on their needs but on location. This is unfair and needs to be addressed urgently.

**Answered by:** Lord Nash

I wholeheartedly agree with my noble friend. As I have already said, the EPI, to which the noble Baroness, Lady Massey, referred, has agreed with him that the system as it currently stands is broken, is unfair and must be addressed urgently. Underfunded schools do not have access to the same opportunities as others do, and this cannot be right. This is

why we are introducing a much clearer, fairer and more transparent system.

21 Mar 2017 | Oral questions - Supplementary | Answered | House of Lords | 782 c150

**Date answered:** 21 Mar 2017

[School Funding Formula](#)

**Asked by:** Mr Steve Reed (Croydon North) (Lab)

How will the new national funding formula help students at Paxton Primary Academy in Thornton Heath, which is now in its third year in portakabins piled up in the back yard of a rugby club? Because work still has not started on its permanent school, it is now looking at its fourth, and possibly even fifth, year in portakabins. It is unacceptable that this should continue. Will the Minister meet me and parents to discuss how to resolve the situation?

**Answered by:** Mr Gibb | **Department:** Education

Yes, I am happy to meet the hon. Gentleman. Ninety-six per cent. of schools in temporary accommodation have a permanent site, and in the vast majority of cases they are on temporary sites for just one year. These are exceptional circumstances where it is more than four years.

20 Mar 2017 | Oral questions - 1st Supplementary | Answered | House of Commons | 623 cc632-3

**Date answered:** 20 Mar 2017

[School Funding Formula](#)

**Asked by:** Ruth Cadbury (Brentford and Isleworth) (Lab)

Heads in my constituency have told me that they are already having to cut teachers, teaching assistants, key courses and even school hours, and from Friday's EPI report we find that there are unlikely to be any schools in England that will avoid per-pupil funding cuts. Does the Minister recognise that the Government are breaking yet another manifesto promise?

**Answered by:** Mr Gibb | **Department:** Education

No; 54% of schools in this country will gain funding under the national funding formula. The hon. Lady will be aware that her local authority, Hounslow, will see overall funding for schools rise from £170.7 million to £171.2 million as a result of the national funding formula.

20 Mar 2017 | Oral questions - 1st Supplementary | Answered | House of Commons | 623 c632

**Date answered:** 20 Mar 2017

[School Funding Formula](#)

**Asked by:** Rushanara Ali | **Party:** Labour Party

The National Audit Office and the Education Policy Institute have both highlighted the risk of standards falling because of an 8% real-terms cut. In London, 70% of schools face cuts, yet we have the highest child poverty in the country. This is dangerous and divisive, and a cap on aspiration. Is it not time we had another U-turn this week?

**Answered by:** Mr Gibb | **Party:** Conservative Party | **Department:** Education

The EPI has said that the national funding formula is broadly welcome. David Laws, its executive chairman, said that

“the department is right to pursue a formula which targets a significant proportion of funding to disadvantaged pupils”.

The hon. Lady will know that inner London remains the highest-funded part of the country; it is 30% better funded on a per-pupil basis than the national average.

20 Mar 2017 | Oral questions - 1st Supplementary | Answered | House of Commons | House of Commons chamber | 623 c631

**Date answered:** 20 Mar 2017

#### [Schools: London](#)

**Asked by:** Mike Kane (Wythenshawe and Sale East) (Lab)

Far from core school funding being protected, as the Secretary of State said a few minutes ago, we know that schools are set to lose £2.5 billion by 2020. Headteachers in the Minister's county are threatening a four-day week because of the funding formula. In that context, how will he secure fairer funding for schools, especially in London, which has had the additional benefit of the London challenge formula?

**Answered by:** Mr Gibb | **Department:** Education

The Secretary of State was right: we are protecting core schools funding in real terms. We are consulting on a range of factors such as deprivation, English as an additional language and sparsity, for which there is a flat figure per school. All those factors are part of the consultation document because we are addressing an historic unfairness in the funding system that Labour presided over for 13 years. This Government are taking action to address that. I would have hoped that the hon. Gentleman would support the consultation, rather than criticise it.

14 Nov 2016 | Oral questions - Supplementary | Answered | House of Commons | 617 c11

**Date answered:** 14 Nov 2016

#### [Engagements](#)

**Asked by:** Helen Hayes (Dulwich and West Norwood) (Lab)

Q14

Helen Hayes (Dulwich and West Norwood) (Lab):

As many children return to school this week, I am sure the Prime Minister will join me in wishing them all the best for the school year ahead. Will she also provide reassurance to my constituents and to children across London that the objectives of the changes to the schools funding formula will be achieved by levelling up, not by levelling down, and that funding for schools in London will not be cut by up to 20%?

**Answered by:** The Prime Minister | **Department:** Prime Minister

I join the hon. Lady in wishing all those going to school, many for the first time, well in their education. We will be aiming to ensure that every child has the education that is right for them and the opportunities that are right for them. It is right that we look at the national funding formula, but that will be done carefully to see what the impact will be across all parts of the country.

07 Sep 2016 | Prime Minister's questions - 1st Supplementary | Answered | House of Commons | 614 c330

**Date answered:** 07 Sep 2016

#### [School Funding Formula \(London\)](#)

**Asked by:** Ruth Cadbury (Brentford and Isleworth) (Lab)

Is the Minister aware that schools in my constituency in west London are already having to implement the biggest cuts to their budgets they have ever made? Will he assure the head teachers I met this morning that there will be no further cuts when fair funding comes in?

**Answered by:** Mr Gyimah | **Department:** Education

My right hon. Friend the Secretary of State made it very clear: the core education budget of £40 billion is the highest amount ever invested in education. We are supporting our schools to achieve educational excellence everywhere. We are reforming the funding formula to ensure that that excellence can be delivered across all schools, rather than it being determined by a postcode lottery, as it is at the moment.

04 Jul 2016 | Oral questions - Supplementary | Answered | House of Commons | 612 c597

**Date answered:** 04 Jul 2016

#### [School Funding Formula \(London\)](#)

**Asked by:** Wes Streeting (Ilford North) (Lab)

Educational standards improved dramatically in London under the previous Labour Government, a timely reminder of the virtue of Labour winning elections. In the Minister's attempt rightly to increase funding to levels needed across the rest of the country, will he confirm that school budgets in London will not suffer, thereby setting back the enormous progress that has been made?

**Answered by:** Mr Gyimah | **Department:** Education

The hon. Gentleman is absolutely right: educational standards and attainment have improved dramatically, in London in particular, over the past decade or so thanks to teachers, parents and pupils in London. As my right hon. Friend the Secretary of State made very clear, the purpose of the funding formula reforms is to fund need, so where there is need in London it will be funded on the same basis as need in other parts of the country.

04 Jul 2016 | Oral questions - Supplementary | Answered | House of Commons | 612 c597

**Date answered:** 04 Jul 2016

[School Funding Formula \(London\)](#)

**Asked by:** Victoria Borwick

As a long-term governor, and having visited the outstanding Bevington school in Kensington this morning, will the Minister talk about the area school cost adjustment in respect of meeting the higher costs and vulnerability of schools in London?

**Answered by:** Mr Gyimah | **Department:** Education

My hon. Friend makes a very important point. That is why in the first stage of the consultation we propose to include an area cost adjustment in the national funding formula—an increase for schools facing extra costs from higher wages, which will be important for London schools. We have also protected the pupil premium at current pupil rates, so every school knows that they will receive that funding on top of their core budget. London receives over 20% of the whole pupil premium budget.

04 Jul 2016 | Oral questions - 1st Supplementary | Answered | House of Commons | 612 c596

**Date answered:** 04 Jul 2016

[School Funding Formula \(London\)](#)

**Asked by:** Victoria Borwick (Kensington) (Con)

What plans she has to ensure that reform of the school funding formula does not have a negative effect on schools in London.

**Answered by:** The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah) | **Department:** Education

I thank my hon. Friend for raising this issue and for contributing to the recent debate on education funding in London. The second stage of our consultation will detail the impact of the formula on schools. I understand the importance of giving schools stability and budget security, but in advance of that consultation it would not be appropriate

to speculate on the specific impact of the formula. That would be unfair to schools and parents.

04 Jul 2016 | Oral questions - Lead | Answered | House of Commons | 905618 | 612 cc596-7

**Date tabled:** 28 Jun 2016 | **Date for answer:** 04 Jul 2016 | **Date answered:** 04 Jul 2016

### [Special Educational Needs and Disability Services](#)

**Asked by:** Ruth Cadbury (Brentford and Isleworth) (Lab)

The ring-fenced nature of the schools block under the London schools funding proposals needs no flexibility. This year, the Hounslow schools forum agreed to transfer £7 million to the high needs block to address the needs of vulnerable children. The Secretary of State's proposals for London will result in a huge funding shortfall for special needs. What will the Secretary of State do to address the very great concern of parents and headteachers?

**Answered by:** Edward Timpson | **Department:** Education

I reiterate that we want a funding system based fairly and squarely on meeting children's individual needs. We have consulted widely right across the sector, as well as through the public consultation, to ensure we achieve just that. I will certainly consider what the hon. Lady says about London—as well as the situation across the country—so that every child can benefit from the new system as we move forward.

25 Apr 2016 | Oral questions - Supplementary | Answered | House of Commons | 608 c1127

**Date answered:** 25 Apr 2016

## Petitions

[HC Deb 12 May 2016](#)

## Debates

[Schools: Funding Formula](#) (HL Deb 21 March 2017 cc149-151)

[School Funding: Greater London](#) (HC Deb 31 January 2017 cc996-1004)

[School Funding](#) (HC Deb 25 January 2017 cc358-408)

[West Sussex Schools Funding](#) (HC Deb 2 November 2016 cc363-383)

### 3. Press articles: General

[How school funding works in England – and why it needs reform](#)

**Independent, 5 July 2016**

[Thousands of schools stand to lose out under new funding formula](#)

**Guardian, 14 December 2016**

[Revealed: Winners and losers under new schools national funding formula](#)

**TES, 14 December 2016**

[Big city schools hit in funding shake-up](#)

**BBC News, 14 December 2016**

[Government to cut school funding for first time since 1990s, IFS says](#)

**Independent, 27 February 2017**

['I'll resign rather than make crippling cuts,' headteacher tells top Department for Education official](#)

**TES, 7 March 2017**

[Tory revolt forces rethink of education funding plans](#)

**The Times, 14 March 2017**

[Nicky Morgan urges government not to withdraw school funding plans](#)

**Guardian, 14 March 2017**

[Formula creates 'double funding' for deprived pupils, councils warn Theresa May](#)

**TES, 14 March 2017**

[School funding in line for a rethink as complaints grow](#)

**The Times, 16 March 2017**

[Everything you need to know about the English schools funding row](#)

**Guardian, 16 March 2017**

[All state schools in England 'to face funding gap by 2020'](#)

**BBC News, 17 March 2017**

[Schools facing real-terms cuts under new funding formula](#)

**Nurse World, 17 March 2017**

[Funding and grammars could be double trouble for London's schools](#)

**TES, 24 March 2017**

[Every secondary school faces losing six teachers - report](#)

**Sky News, 17 March 2017**

[Warning for English schools over real-terms funding cuts](#)

**Financial Times, 17 March 2017**

[Corbyn accuses May of breaking Tory pledge on education funding](#)

**Guardian, 22 March 2017**

[Schools face 7% budget cut after 2020 election, says IFS](#)

**Financial Times, 22 March 2017**

[About 1,000 schools in England 'at risk of cuts well in to next decade'](#)

**Guardian, 22 March 2017**

[School governors point to 'diabolical' budget squeeze](#)

**BBC News, 22 March 2017**

[Cuts to funding for urban schools will hit the poorest children, teachers warn](#)

**Tablet, 23 March 2017**

[No one's a winner in school shake-up](#)

**The Times, 25 March 2017**

## 4. Press articles: London

[London schools lose funding to coastal towns and Midlands](#)

**Financial Times, 14 December 2016**

[London schools 'to have budgets slashed in disastrous funding change'](#)

**Evening Standard, 10 February 2017**

[London schools will lose up to £500 per pupil as funding is 'rebalanced'](#)

**Evening Standard, 15 February 2017**

[Funding cuts threaten to reverse London schools' progress](#)

**Financial Times, 21 February 2017**

[Headteachers write to parents over school funding and job cuts](#)

**Guardian, 7 March 2017**

[School funding cuts 'could damage children's mental health'](#)

**London News Online, 8 March 2017**

[Southwark heads say children will be 'the biggest losers' ahead of funding cuts](#)

**Southwark News, 9 March 2017**

[Cash-strapped London schools to be thrown into 'financial crisis' by new funding formula](#)

**Richmond and Twickenham Times, 14 March 2017**

[Threat of cuts to staffing and subjects in £3 billion schools funding crisis](#)

**Evening Standard, 16 March 2017**

[Secondary schools to lose funding equivalent to six teachers, report finds](#)

**This Is Local London, 17 March 2017**

[EVERY school in Tower Hamlets at risk from funding proposals](#)

**East London Advertiser, 17 March 2017**

[Hackney schools face 'devastating' funding crisis, warn campaigners](#)

**Hackney Citizen, 20 March 2017**

[Finchley MP Mike Freer to meet schools minister Nick Gibb over National Funding Formula's effect on Barnet](#)

**Hendon & Finchley, Barnet & Potters Bar, Edgware & Mill Hill Times, 22 March 2017**

[Brent schools unite over 'sickening' funding cuts](#)

**Brent and Kilburn Times, 22 March 2017**

## 5. Press notices

[How real terms cuts to education funding will affect schools in London](#)

**National Association of Headteachers, 24 February 2017**

[National funding formula for schools](#)

**Haringey Council, 24 February 2017**

[Camden schools and parents urged to oppose funding cuts](#)

**Camden Council, 1 March 2017**

[National funding formula under fire from Assembly](#)

**London Assembly, 8 March 2017**

[Schools National Funding Formula](#)

**Association of School and College Leaders, 22 March 2017**

## 6. Further Reading

- Institute for Fiscal Studies, [The short- and long-run impact of the national funding formula for schools in England](#), 22 March 2017
- Education Policy Institute, [The implications of the National Funding Formula for schools](#), 17 March 2017
- Commons Library Briefing Paper SN06702, [School funding in England. Current system and proposals for 'fairer school funding'](#)
- Department for Education, [Schools national funding formula: government consultation response - stage 1](#), 14 December 2016
- Department for Education, [Schools national funding formula Government consultation - stage 2](#), 14 December 2016
- London School of Economics and Political Science, Department of Social Policy, [The Early Years Single Funding Formula: National policy and local implementation](#), September 2016

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