

## **1. EXECUTIVE SUMMARY**

The paper summarises some of the main announcements from the Chancellor's Spending Review in November 2015 as they impact on Education and Schools. .

## **2. BACKGROUND AND KEY ISSUES**

The Spending Review in November 2015 set out the government's funding assumptions and priorities over the life of the parliament and included details of budgets for government departments including the Department for Education.

Some of the key announcements included:

- Protecting the funding nationally for the Schools Budget. After allowing for pupil growth this has enabled the cash protection of pupil funding within the Dedicated Schools Grant and the current levels of Pupil Premium.
- Confirmation of the increase in childcare from 15 to 30 hours per week for working families of 3 and 4 year olds from September 2017. This commitment will also include an increase to the average hourly rate paid to Childcare providers.
- Maintaining funding for Universal Infant Free School Meals
- Protecting in cash terms the national base rate per student for 16 – 19 year olds (although funding outside the national base rate may be cut).
- The introduction of a national funding formula for schools, high needs and early years from 2017-18, including a transitional phase to help smooth implementation. A detailed consultation will be launched in 2016.
- £600m savings (3/4) of the Education Services Grant, reducing the additional funding some academy schools receive.
- Reducing the LA's role in running schools and some of their statutory duties
- Post 16 Education and 6<sup>th</sup> Form Colleges may become academies (and recover non-business VAT)
- £25bn capital investment for 500 Free Schools, 600,000 places and rebuilding / refurbishing 500 schools.
- An apprenticeship levy of 0.5% on payroll costs.
- Support for schools to make procurement savings

## **RECOMMENDATION**

1. The Forum note the report and considers the consultation on a National Funding Formula for Schools and any other changes as papers are released by the Department for Education / Education Funding Agency during the year..