School Funding 2013-14

1. Today I am announcing details of school revenue funding for 2013-14. My announcement includes the Dedicated Schools Grant (DSG) and provisional allocations of the Pupil Premium.

2. Our document School funding reform: next steps towards a fairer system, published in March 2012, set out the Government’s intention to introduce a national funding formula in the next spending review period. As the first step in this transition all local authorities have now submitted proposals for simplified local formulae on the basis set out in the document.

3. The distribution of the Dedicated Schools Grant to local authorities will continue to be based on the current “spend-plus” methodology for 2013-14, but the presentation of the settlement has been changed to show three spending blocks for each authority: an early years block, a schools block and a high needs block. In addition the baselines of local authorities have been adjusted to reflect the incidence of high needs pupils and places supported by each authority. The underlying school budget will be kept at flat cash per pupil for 2013-14.

4. Although the overall schools budget will stay at the same level on a per pupil basis before the addition of the Pupil Premium, the actual level of each school’s individual budget will vary. To protect schools from significant budget reductions, we will continue with a Minimum Funding Guarantee that ensures no school sees more than a 1.5% per pupil reduction in 2013-14 budgets (excluding sixth form funding) compared to 2012-13 and before the Pupil Premium is added.

5. The Pupil Premium level of funding for 2013-14 for disadvantaged pupils is £900 per pupil. The Service Premium for 2013-14 is £300 per pupil. We are now publishing illustrative allocations of the Premium for each local authority, Parliamentary constituency and school. As the Pupil Premium is calculated using the pupil numbers from the January school census, final allocations will be confirmed in summer 2013.

6. Details of these arrangements, including per pupil funding for schools and early years for each local authority, are being sent to local authorities today and have been published on the Department for Education’s website.