

Statement to Parliament: Justine Greening statement on national funding formula

In my statement to the House on 17 July, I set out my Department's plans to increase spending on schools by £1.3 billion over the next two years, on top of our existing plans.

I informed the House that this would mean that we could press ahead with introducing a national funding formula for schools and high needs from April 2018 that would provide a per pupil cash increase in respect of every school and every local area, and maintain the overall budget in real terms, per pupil. And I promised to return to the House in September to set out the Government's final decisions on introducing fairer funding in full. Today I am doing just that.

This is an historic reform. It means, for the first time, the resources that the government is investing in our schools will be distributed according to a formula based on the individual needs and characteristics of every school in the country.

Not only will the national funding formula direct resources where they are most needed, helping to ensure that every child can get the high quality education that they deserve, wherever they live. It will also provide that money through a transparent formula, providing greater predictability. And, by clearly setting out the sums that we are directing to different aspects of the formula – to the basic amount per pupil, or to children with additional needs – for the first time it allows for properly informed debate on this vital topic: something the existing, opaque system has held back.

The need for reform has been widely recognised across this House, and beyond. The National Association of Head Teachers says, and I quote, “a revised funding formula for schools is essential” . The Association of School and College Leaders believes that, and I quote, “the way in which funding has been distributed to schools has been flawed for many years... Reform of the school funding system is vital” .

The case is so strong because of the manifest unfairness when Coventry receives £510 more per pupil than Plymouth despite having equal proportions of pupils eligible for free school meals; or Nottingham similarly attracts £555 more than Halton – near Liverpool, in Cheshire.

Addressing these simple but damaging inequalities will represent the biggest improvement in the school funding system for decades. It is a step that previous Governments have failed to take for far too long.

In making such a significant reform, it has been vital to take account of a broad range of views. Our wide-ranging consultations, in both 2016 and

earlier this year, allowed us to hear from over 26,000 individual respondents and representative organisations. I am grateful to everyone who took the time to share their views and to respond to the consultations, including many members from across this House. We have carefully considered them all.

As I said to the House in July, I am putting an additional £1.3 billion into core funding for schools and high needs so that the overall budget will now rise by around £2.6 billion in total, from almost £41 billion in 2017-18 to around £42.4 billion in 2018-19 and £43.5 billion in 2019-20. So, building on this firm foundation, I can today set out the final funding formulae we will introduce, which, over the next two years, will mean we will deliver on our manifesto pledge to make school funding fairer and ensure that we do deliver higher funding in respect of every area and school.

Building on our consultation proposals, as I set out in the House prior to summer recess, I am:

- Increasing the basic amount of funding that every pupil will attract.
- We recognise the challenges of the very lowest funded schools so will introduce a minimum per pupil funding level. Under the national funding formula, in 2019-20 all secondary schools will attract at least £4,800 per pupil. Today I can announce that all primary schools will attract at least £3,500 per pupil through the formula in 2019-20. And the formula will provide these levels of funding quickly: secondary schools will attract at least £4,600, and primary schools £3,300 in 2018-19; and then the full amounts the following year.
- I will also provide a cash increase in respect of every school. Final decisions on local distribution will be taken by local authorities, but under the national funding formula every school will attract at least 0.5% more per pupil in 2018-19, and 1% more in 2019-20, compared to its baseline.

Many schools will, of course, attract significantly larger increases under the formula – up to 3% per pupil in 2018-19 and a further 3% per pupil in 2019-20. And the minimum per pupil funding level will not be subject to this gains cap – delivering particularly fast gains in respect of the very lowest funded schools.

Our consultation confirmed the importance of funding for additional needs – deprivation and low prior attainment. We know that these factors are our best way to identify the children who are most likely to fall behind, and to remain behind, their peers, and it is only right that we provide the greatest resources to the schools that face the greatest challenges. As I said in July, we will protect the funding the formula will direct towards additional needs at the level proposed in our consultation, and I can therefore confirm today the total spending on additional needs will be £5.9 billion.

But, as we proposed in December, we will distribute that funding more fairly, in line with the best available evidence. We will use a broad measure of deprivation to include all of those who are likely to need extra help. And we will increase the proportion of additional needs spending allocated on the basis of low prior attainment, to give additional support to those who may not be economically deprived but who still need help to catch up. I can also confirm today that, as we proposed in December, the national funding formula will allocate a lump sum of £110,000 for every school.

For the smallest, most remote schools, we will distribute a further £26 million in dedicated sparsity funding. Only 47% of eligible schools received sparsity funding in 2017-18 because some local authorities chose not to use this factor. Our national funding formula will recognise all eligible schools.

And, our formula will rightly result in a significant boost directed towards the schools that are currently least well-funded directly. Secondary schools that would have been the lowest funded under our December proposals will now gain on average 4.7%. Rural schools will gain on average 3.9%, with those schools in the most remote locations gaining 5.0%. Those schools with high numbers of pupils starting with low attainment will gain on average 3.8%.

As I set out in my statement in July, to provide stability for schools through the transition to the national funding formula, each local authority will continue to set a local formula which will determine individual schools' budgets in their areas, in 2018-19 and 2019-20, in consultation with local schools.

So, this means that the school-level allocations from Government I am publishing today, alongside this announcement, are notional allocations which we will use to set the total funding available for schools in each area. As I have set out in the House, schools' final actual funding allocations for 2018-19 and 2019-20 will be based on that local formula agreed in their area by the local authority and schools will receive that allocation ahead of the financial year as normal. I will place copies of both documents in the House of Commons library – and the Lords.

Our objective to provide the best education for every child places a particular focus on the support we offer to the children who face the greatest barriers to success, and on the high needs budget that provides that support. The case for reform of high needs funding is every bit as strong as the case for school funding reform, and therefore the move to a national funding formula every bit as important.

We set out full proposals for the introduction of a high needs funding formula last December, alongside our schools formula. And I am today confirming that we will proceed with those proposals.

And thanks to the additional £1.3 billion investment that I announced in July, I can increase funding for high needs so that I will also be able to raise the funding floor to provide a minimum increase of 0.5% per head in 2018-19 and 1% per head in 2019-20 for every local authority. Underfunded

local authorities will receive up to 3% per head gains a year for the next two years to help them catch up.

That is a more generous protection than we proposed in December, to help every local authority maintain and improve the support it offers to some of our most vulnerable children. It means that local authorities will see a 4.6% increase on average in their high needs budgets.

The additional £1.3 billion we are investing in schools and high needs means that all local authorities will receive an increase in 2018-19, over the amount they plan to spend in 2017-18. Local authorities will take the final decisions on distributing funding to schools within local areas, but the formula will provide for all schools to see an increase in funding compared to their baseline.

In conclusion, the new national funding formulae will redress historic inequities in funding that have existed for too long, whilst also maintaining stability so that schools and local areas are not disadvantaged in the process.

After too many years in which the funding system has placed our schools on an unfair playing field, we are finally making the decisive and historic move towards fair funding.

The national funding formulae for schools and high needs and the increased investment we are making in schools will help us continue to improve standards and create a world-class education system. No one in this House, Madam Deputy Speaker, should accept the system as it has been. It has perpetuated inequality and that is unacceptable. I am proud that it is a Conservative Government that is now putting this right. And, on this firm foundation, we will all – government and schools, teachers and parents – be able to build a system that finally allows every child to achieve their potential, no matter what their background, or where they are growing up.

Press release: Jacky Wright appointed as New Chief Digital and Information Officer

Jacky is currently employed by Microsoft Corporation as Corporate Vice President, Core Platform Engineering, and is well known in the industry as a senior executive who is a transformational global leader and innovative technologist. Jacky is notable in the wide range of recognitions she has received for her work in technology and diversity, both within and external to her work.

The appointment was formally ratified by the Prime Minister and is the result of an extensive recruitment exercise in which candidates were considered from across the Civil Service, the public and private sectors, and internationally.

HMRC Chief Executive, Jon Thompson said:

I'm delighted to welcome Jacky to HMRC as our new Chief Digital and Information Officer. Jacky was an exceptional candidate and this appointment marks an exciting new phase for us as we continue towards our vision of becoming a world-class organisation.

Jacky is a seasoned commercial leader with 'best in class' credentials, globally. Balancing strong operating experience with a record of driving innovation, Jacky is widely recognised for her contributions to technology and diversity. Her influence as a technology leader and as a champion for the role of women and BAME in industry, is a major win for this organisation.

This builds on a year of real progress and innovation under the leadership of interim CDIO, Mike Potter, who has done a fantastic job of pushing digital delivery for HMRC and its customers.

Jacky Wright said:

There could not be a better time in the history of technology to demonstrate the power of technology innovation at an organisation such as HMRC. I am really excited to be joining the UK's tax authority at such a pivotal time in its history. I am passionate about the impact innovation can have in truly transforming services for people and businesses in a positive way and want to continue the great work being done within HMRC and across the Civil Service at this time. I am proud to represent women and BAME in technology and will continue to promote the vital role of diversity within our industry and more broadly.

Jacky will take up her role on 16 October 2017. Mike Potter will leave CDIO to take up a new role as Director for Future Borders.

1. Jacky Wright was appointed to her current role as Corporate Vice President, Core Platform Engineering in 2011. Her previous posts include:
 - CIO/Vice President, BP Plc (2008-11)
 - CIO, Momentive Performance Materials (2006-08)
 - CIO, General Electric Corporation (2000-06)
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[News story: Fairer funding system to end 'postcode lottery' for schools](#)

Education Secretary Justine Greening today (14 September) confirmed details of a new fairer funding system for schools in England, putting an end to the historic postcode lottery that saw huge differences in funding between similar schools in different parts of the country.

The National Funding Formula (NFF), the biggest improvement to the school funding system for decades, will ensure that for the first time funding is based on the individual needs and characteristics of every school in the country. The publication of the final NFF for 2018-19 and 2019-20 in Parliament today follows two major consultations, generating more than 26,000 responses, and the Education Secretary's announcement in July of an additional £1.3 billion boost to the front line schools budget.

The NFF will provide funding gains for schools across England, allocating:

- an increase in the basic amount allocated for every pupil;
- a minimum per pupil funding level for both secondaries and primaries to target the lowest funded schools;
- a minimum cash increase for every school of one per cent per pupil by 2019-20, with the most underfunded schools seeing rises of three per cent per pupil in 2018-19 and 2019-20
- a £110,000 lump sum for every school to help with fixed costs, and an additional £26 million to rural and isolated schools to help them manage their unique challenges

Education Secretary Justine Greening said:

Standards are rising across our school system and a fairer funding formula will ensure we can build on that success. It will replace the outdated funding system which saw our children have very different amounts invested in their education purely because of where they were growing up. That was unacceptable and we have now made school funding fairer between schools for the first time in decades.

It's a long overdue reform and our £1.3 billion extra funding means every school can gain.

The introduction of the NFF from April 2018 means the Government is

delivering on a key election commitment Figures published today show regional and school-level allocations under the new formula, although local authorities will continue to decide individual school allocations up to 2020. The Education Secretary's oral statement on school funding from July is available [here](#).

Further information:

- The core funding for schools and high needs will rise from almost £41.0 billion in 2017-18 to £42.4 billion in 2018-19. In 2019-20 it will rise again to £43.5 billion.
- On the ground, the formula will result in a significant boost directed towards secondary schools that would have been the lowest funded under our December proposals, which will gain on average 4.7%, rural schools, which will gain on average 3.9%, with those schools in the most remote locations gaining 5.0%, and those schools with high numbers of pupils starting with low attainment, which will gain on average 3.8%
- Alongside the formula published for schools today, the government also confirmed reforms to funding for children and young people with high needs. Every local authority will see a minimum increase of 0.5% per head in 2018-19, and 1% per head in 2019-20 . And underfunded local authorities will receive up to 3% per head gains a year for the next two years. Overall, local authorities will gain 4.6% on average on their high needs budgets.

Press release: PM call with Australian Prime Minister Turnbull: 14 September 2017

This morning the Prime Minister spoke to Australian PM Malcolm Turnbull. The leaders discussed the impact of Hurricane Irma and PM Turnbull passed on his sympathies for the loss of life and the damage that Irma had caused to the British Overseas Territories.

On North Korea the Prime Minister and Mr Turnbull welcomed the recent UN Security Council Resolution and the agreement of stronger sanctions. The Prime Minister welcomed the important role that Australia has played on sanctions. She added that the UK will continue to work on securing further EU sanctions.

The Prime Minister also stressed the importance of China's role in putting pressure on North Korea and of the international community continuing to work together to achieve a diplomatic solution.

The two leaders spoke about bilateral trade and welcomed the progress made in

the UK-Australia Trade Working Group negotiations. They reiterated their commitment to an ambitious UK-Australia trade deal once the UK has left the EU.

The PM commended the work of the Australian authorities in foiling the recent plot to place a bomb on a plane in Sydney. She added that it is vital that the international community continue to work together to improve aviation security.

The leaders spoke about the ongoing situation in Burma with the PM making clear that the UK condemns the violence in Rakhine and calls on the Burmese security forces to take immediate steps to end the violence, de-escalate the situation, and to ensure the protection of civilians.

Speech: Shipping industry is keystone of global trade

Good morning. It is a great pleasure to be here today to address London International Shipping Week.

When talking about shipping, it is often all too easy to drop into clichés or to rest on our laurels as Jeremy mentioned.

Those unfamiliar with the modern industry might hark back only to the United Kingdom's past as a 'great maritime power', with a 'long history of seaborne trade'.

Such statements are of course true, and our history is important. Yet where images of masted clippers and steam freighters are a part of our great heritage, and I have a few of them at the world of DIT, they bear little relation to shipping today.

The maritime industry is one of the most innovative on the planet, with a pace of development and willingness to embrace and adopt new technology that few can match.

From crewless ships to alternative power sources, advances in shipping continue to make headlines around the world.

And in the age of mass air travel and the digital economy, it is shipping that remains the foundation of the United Kingdom's prosperity.

As Secretary of State for International Trade, I lead a department that is tasked with boosting Britain's exports, combining a policy framework with practical and financial help to UK companies aiming to tap into new markets overseas.

All of our efforts, however, would be in vain without the continued strength of Britain's shipping and ports, which handle 95% of this country's imports and exports, by volume.

It is fortunate, then, that this country boasts the second-largest maritime cargo industry in Europe, handling 500 million tons of freight each year through 120 commercial ports.

The wider maritime sector in the UK, and its associated industries and business services, contribute £22 billion a year to our economy, and employ at least 360,000 people.

Many of these are in the UK's world-leading marine technology sector, allowing the industry to tap into, and support, Britain's vast research capabilities and pool of scientific talent.

In the year to July, UK exports rose by 11.5%, boosted by a strong performance in the sales of physical goods into overseas markets.

Similarly, the UK manufacturing industry has also seen robust growth, with order books of British factories climbing to their highest level in over two decades.

Needless to say, these successes would not have been possible without the support of the international shipping industry.

Yet the real impact of shipping is far wider than these headline figures – it has facilitated the rise of globalisation.

New communication technology has done much to eliminate the barriers of time and geography, but it is shipping that has made it economically viable to transport materials and components across the world, and expedited the development of the global economy.

These value chains have had a very real impact on the lives of ordinary people across the world. In this country, living standards have climbed to their highest level in history, as more goods become available at better prices, and wages go further.

And in the world's developing economies, the impact has been greater still.

According to the World Bank, the 3 decades between 1981 and 2011 witnessed the single greatest decrease in material deprivation in human history.

The economic liberalisations of China and India could not have produced an economic boom without the ability to access global markets by sea. Without shipping, this great emancipation of the world's poor could not have taken place.

So the impact of the industry on the lives of ordinary people is important to remember and communicate through in expounding the vast economic benefits of shipping, at London International Shipping Week no less, I am well aware that I am preaching to the converted.

Everyone here today will have witnessed first-hand how sea transport and container shipping have supported the explosion in global trade.

Yet this event is all about looking to the future and not, as I alluded to at the beginning of my speech, dwelling on the past successes of the industry.

So, as we move further into the 21st century, it has become increasingly apparent that shipping will be at the heart of the most important international developments of our time, not only for our economic prosperity but also our security.

There is an increasing awareness that trade and security are intimately linked. An open free trading environment, social and political stability, and security are all part of the same continuum; you cannot disrupt one of these without disrupting the whole.

Maintenance of the world's sea lanes, and ensuring that they remain safe, open and navigable, will be essential to ensuring continued economic openness and global stability.

Using diplomatic and military resources to protect the world's maritime trade routes will become increasingly important; especially as melting summer sea ice opens up navigable lanes across the top of Russia and through the Canadian archipelago.

These northern sea routes represent a global opportunity, and are part of the ever-closer link between east and west. They are, after all, the first new sea trade routes since the end of the Age of Discovery.

This government entered office with the ambition to make Britain the world's greatest advocate of free trade, forging agreements with old allies and new friends to extend commercial freedoms across the globe.

And if the shipping industry is the keystone of global trade, then we will do everything we can to extend and support your operations here in the UK. As a government, and as a country, we are committed to strengthening this vital sector.

At the heart of our approach will be our Industrial Strategy. It is an ambitious blueprint for the industrial and economic future of this country, and will ensure that we are equipped to meet the challenges of the 21st century, and ready to take up a new place at the centre of global trade.

An essential aspect of this is, of course, our infrastructure. In the last decade, Britain's ports have prepared themselves for growth by investing billions of pounds in expansions, upgrades and modernisations.

Our National Policy Statement for Ports sets out a secure planning framework for yet further investment, including taking into account the economic benefits of ports and shipping when granting applications to expand.

And, as my friend the Secretary of State for Transport announced at Monday's International Shipping Week roundtable at No. 10 Downing Street, we will

launch a renaissance in UK shipbuilding as part of the [National Shipbuilding Strategy](#), designed to make our maritime industry even more competitive, and export British ships to the world's merchant navies.

In all respects, we in the United Kingdom are opening a new chapter in our history.

We remain one of the best places in the world to start and grow a business, and the top destination for inward investment in Europe, commercially attractive, and with a fundamentally strong economy.

After we leave the European Union, we will work to build a close and special relationship with our European partners, based upon the ties of industry and commerce that have long united us, and ensuring that businesses will continue to trade as openly and freely as possible with the EU.

Yet, as a nation, we will also forge new trading partnerships across the world, promoting freedoms of commerce and partnering with those emerging economies that are the future of global growth.

In all our endeavours, the international shipping industry will be our vital partner.

Just as shipping supports the UK economy, so we will support your industry. I am here today because my department, and the whole government, will continue to do all that we can to support shipping and ensure its global success.

Yours is, after all, an industry that will shape the coming century.

The benefits of globalisation are enormous, and it is shipping that will ensure that they can spread to all humankind. There is vast potential to unlock, and government and industry must work in tandem to meet the challenges and realise the opportunities of the future.

Together, there is nothing we cannot achieve for ourselves and the world beyond.

Thank you.