

# 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 It will replace the outdated funding system which saw our children have very different amounts invested in their education purely because of where they were growing up.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.