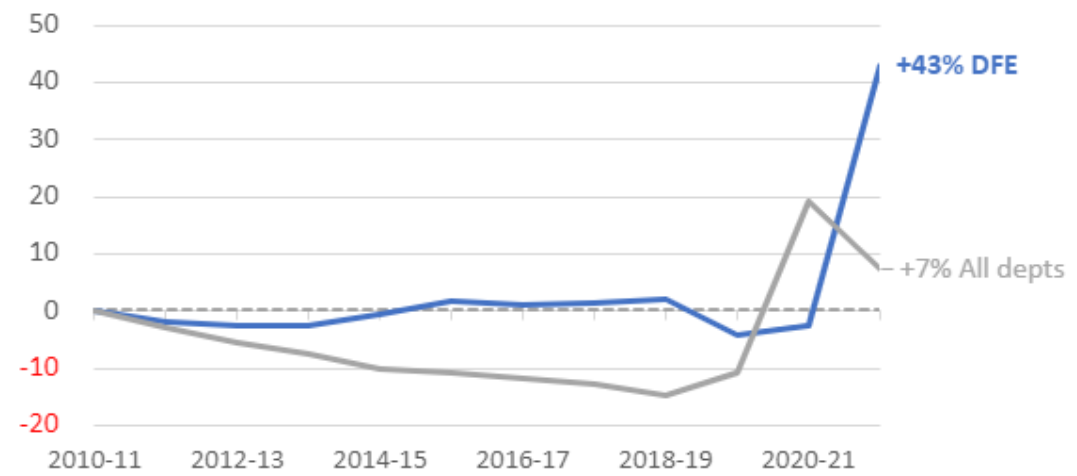


# Department for Education (DfE)

# Long-term trends in DfE's spending (in real terms)

Percentage change in **day-to-day spending** compared to 2010 (Resource DEL):

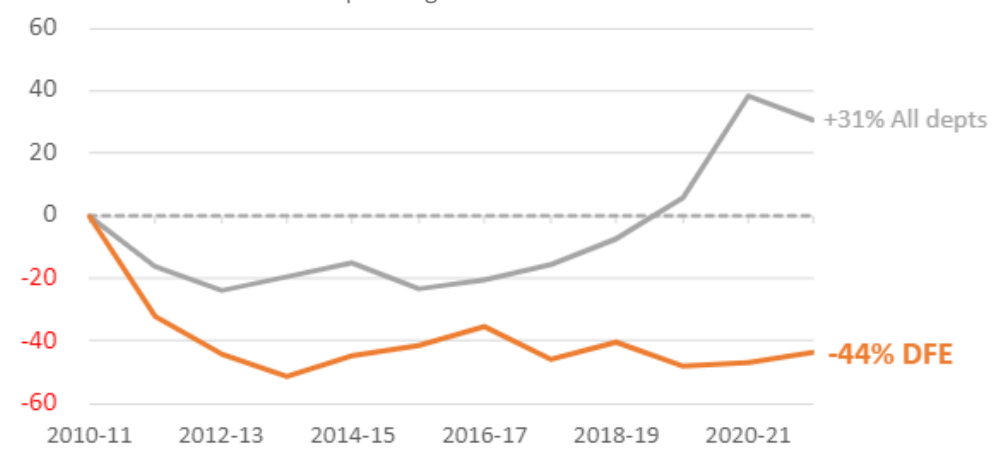


### Day-to-day spending trends

- DfE'S day- to- day real terms spending has largely stayed static over the last ten years. Schools spending fell in real terms and other spending rises, including student loan impairments, have offset this within the totals (see next slide)
- The big increase in real terms spending in 2021-22 is likely to be a blip- a result of the impact of a contracting economy on the GDP deflators used to calculate real terms spending

Percentage change in **investment spending** compared to 2010 (Capital DEL):

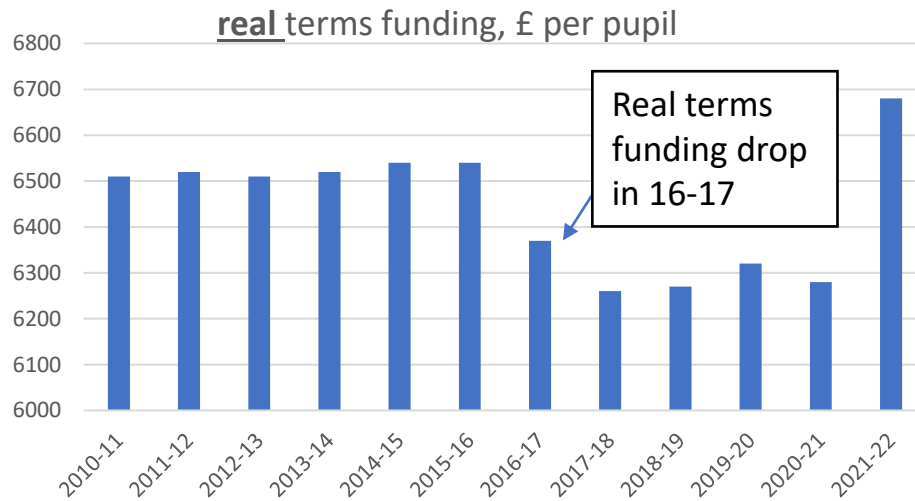
2010 spending in real terms



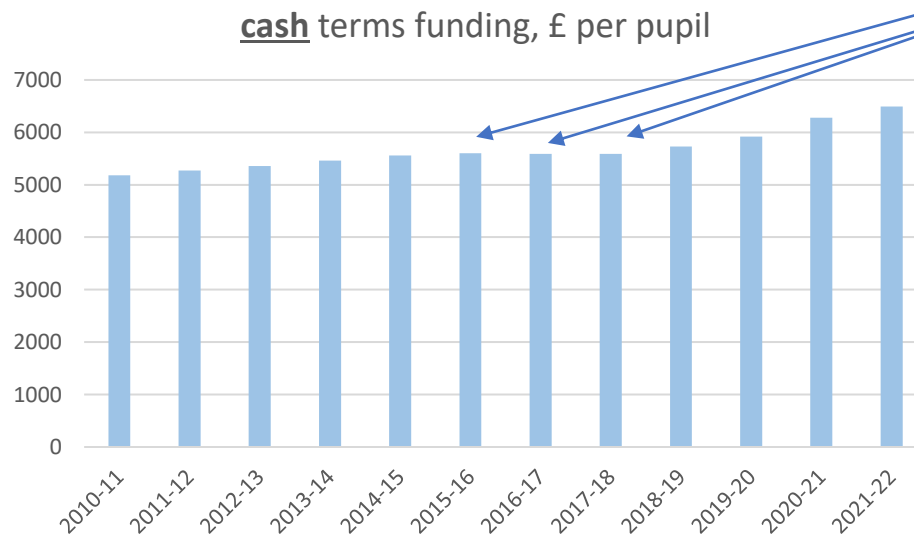
### Investment spending trends

Capital spending fell after 2010-11 and has remained broadly static in real terms since 2012-13, but at a lower level than previously.

# Schools per pupil funding fell in real terms after 2015-16 and is only now rising again



Real terms spending appears to shoot up in 2021-22, but this is largely because the economy has shrunk due to Covid. In cash terms, the rise is modest

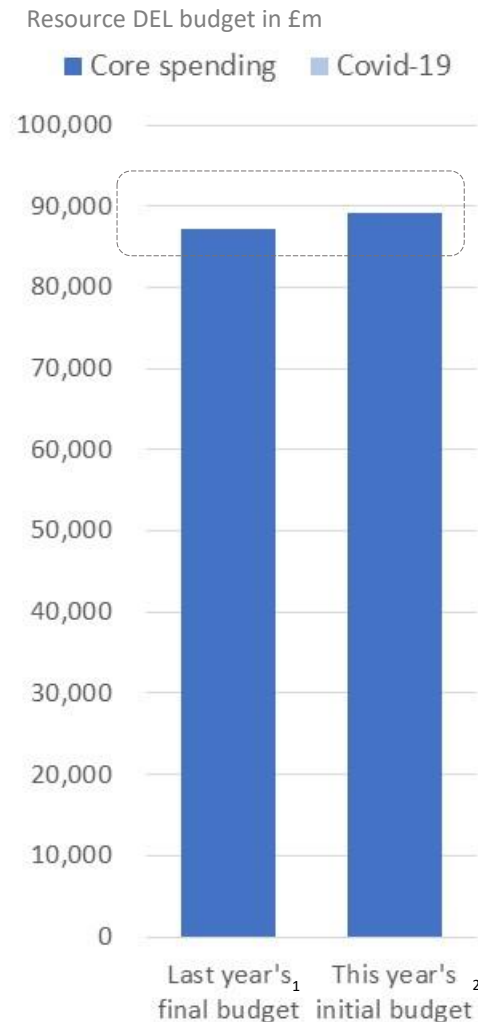


For three years, cash per pupil funding stayed static at around £5,600 per pupil, a real terms cut

Source: [School funding statistics 2021](#), and DfE 2021-22 Main Estimate memorandum section 4.1

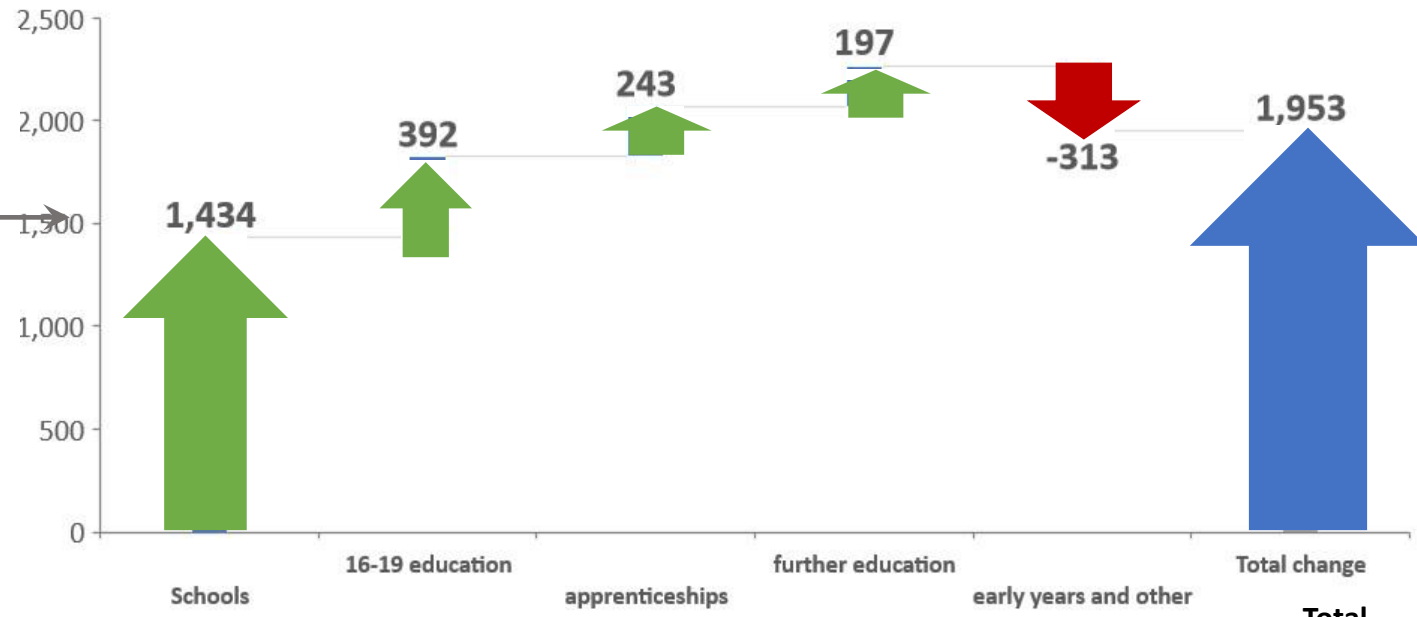
## How is DFE's day-to-day spending changing in 2021-22?

DFE's day-to-day budget is increasing by £1953.2 million (+2.2%) compared to 2020-21



### More money for schools and 16-19 education

Changes in Day-to-day (Resource DEL) budget in £m since final budget for 2020-21



#### Changes in 2021-22

##### Covid-19 funding

- The spending review provided £1 billion less in Covid -19 support for 2021-22 compared to 2020-21. This funding has since been topped up by some additional catch up funding of £122 million

##### Other funding

Core schools funding continues to rise, and translates into a cash per pupil rise of £210 per pupil or 3.3%, compared to 2020-21

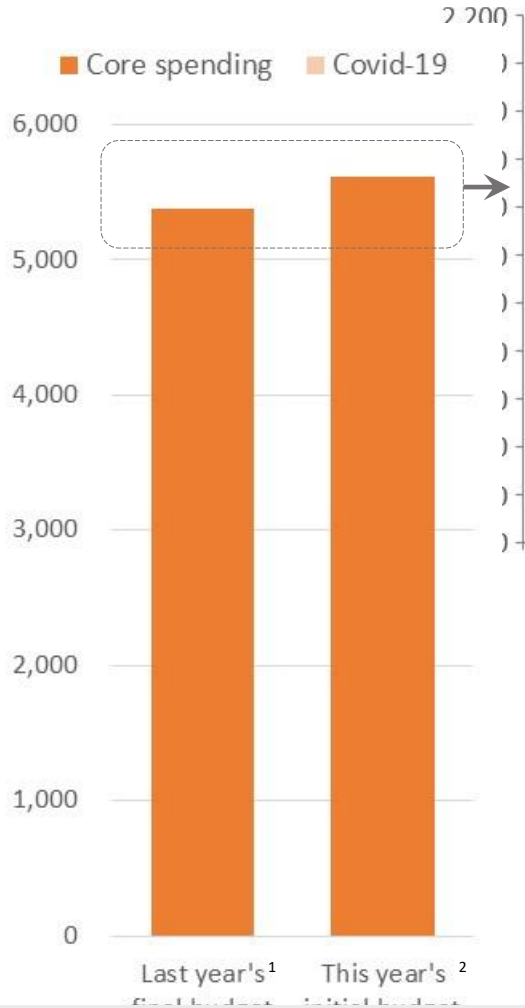
Money for apprenticeships is largely brought forward from 2020-21 due to underspends caused by Covid lockdowns

# How is DfE's investment spending changing in 2021-22?

<sup>1</sup> Final Budget in Supplementary Estimates 2020-21 (Feb 2021)  
<sup>2</sup> Initial Budget in Main Estimate 2021-22 (May 2021)

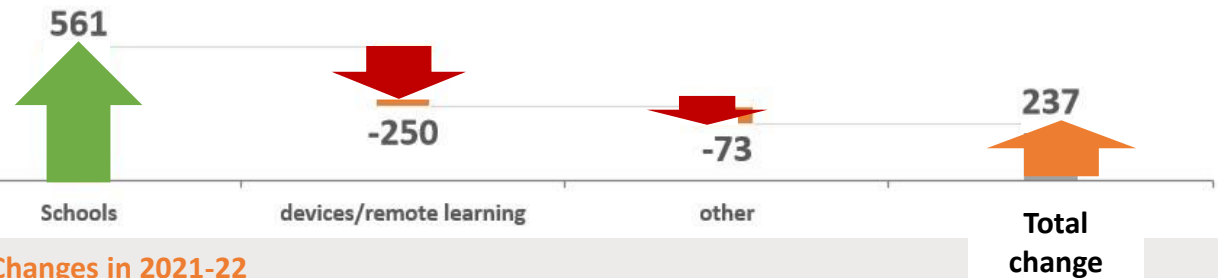
**DfE's investment budget is increasing by £ 237.2 million (+4.4%)**

Capital DEL budget in £m



## More for capital school building and maintenance, less for remote learning

Changes in Investment (Capital DEL) budget in £m since final budget for 2020-21



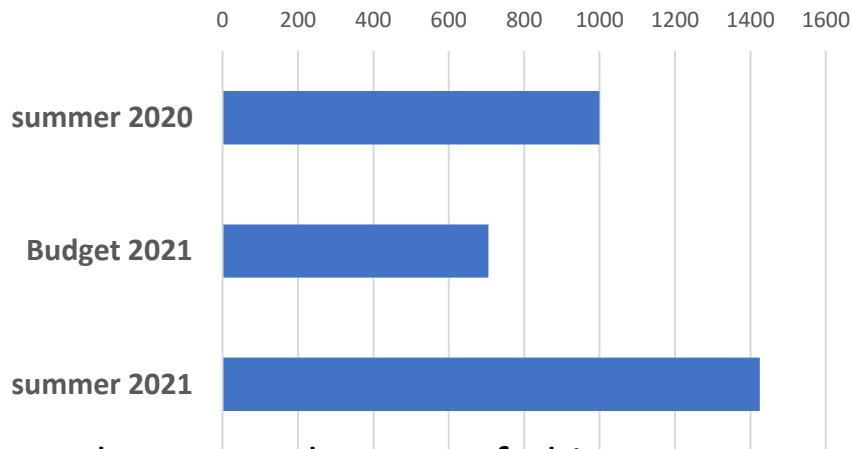
### Changes in 2021-22

Increases to capital funding for schools includes higher profile spending for some capital projects, increased condition allocations for schools, offset by lower funding for the Priority schools programme as it nears completion

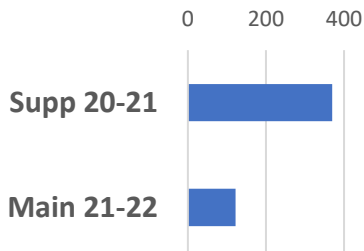
There is reduced funding for devices and connectivity and remote learning platforms after a boost in funding last year

Higher education restructuring funding added at last year's supplementary estimate, and the further education capital transformation fund have not so far been replicated in 2021-22

## Education catch-up funding announced, £ million



But only some only some of this money appears to have been added to DfE's budgets....



More funding will be added in 2021-22 Supplementary estimates; and £400 million of Covid -19 funding awarded in Spending Review 2020 – and already in the baseline -may also relate to catch up funding

### June 2020:

**£1,000 million**, comprising

- £650 million for a catch-up premium (£80 per pupil most schools; £240 per pupil special schools)
- £350 million for National Tutoring programme

### Budget 2021:

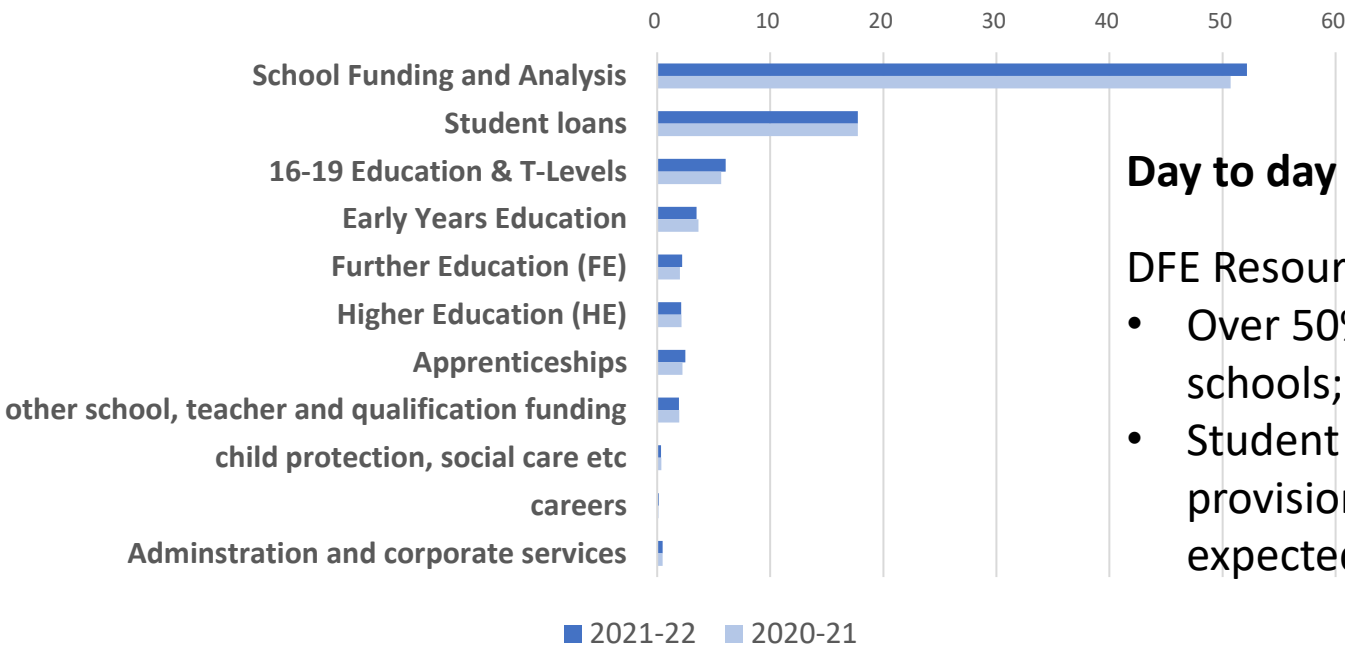
Further **£705 million**, comprising

- £302 million recovery premium (average £6k per primary, £22k per secondary school)
- £200 million for summer schools
- £203 million for tutoring (£83 m National Tutoring programme; £102 m 16-19 Tuition fund; £18m early years language development)

### June 2021:

Further **£1,425 million**, comprising

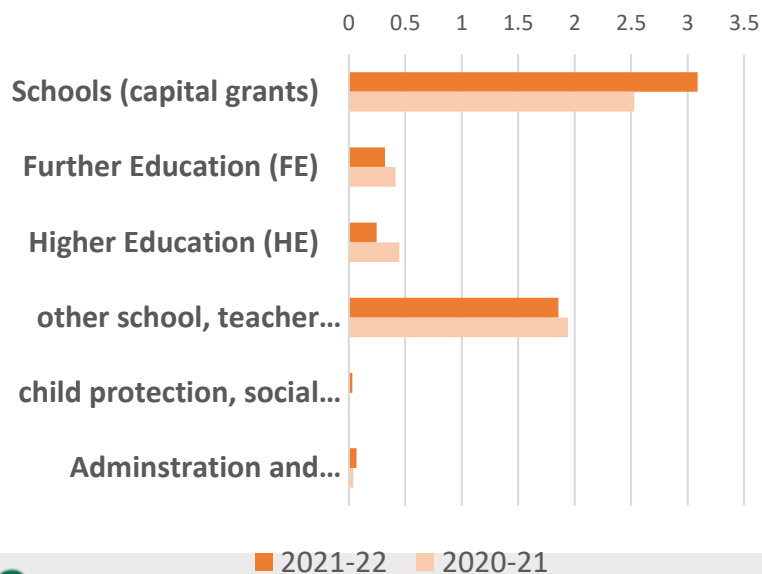
- £218 million for National tutoring Programme
- £579 million for local tutoring provision
- £222 million for 16-19 tutoring
- £153 million training for early years staff
- £69 million early career framework reforms
- £184 million middle and late career national professional qualifications



## Day to day spending

DfE Resource DEL: £89 bn in 21-22:

- Over 50% goes on grants to schools;
- Student loan spending represents provisions for impairment (loans expected not to be repaid)



## Investment spending

DfE Capital DEL: £5.6 bn in 21-22

- Includes spending on school and other education infrastructure
- Funding for IT equipment for home learning (reduced in 21-22)

## DFE's spending: looking ahead

The most recent forward spending plans were published in **Spending Review 2020**, with some further announcements in **Budget 2021**. Due to uncertainty caused by Covid-19 plans were only given for 2021-2; for 2022-23 (schools only); and a small element of capital spend on FE colleges up to 2024-25

### Day-to-day spending:

The **2020 Spending Review** set Resource DEL baselines for 2021-22, and for schools only for 2022-23, a 4.8% cash increase

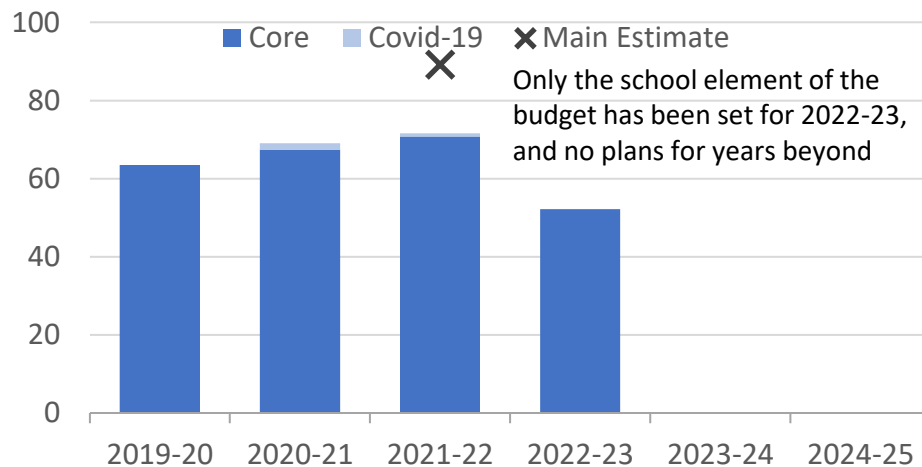
This does not include further catch up funding since announced (eg March 21, June 21)

### Investment spending:

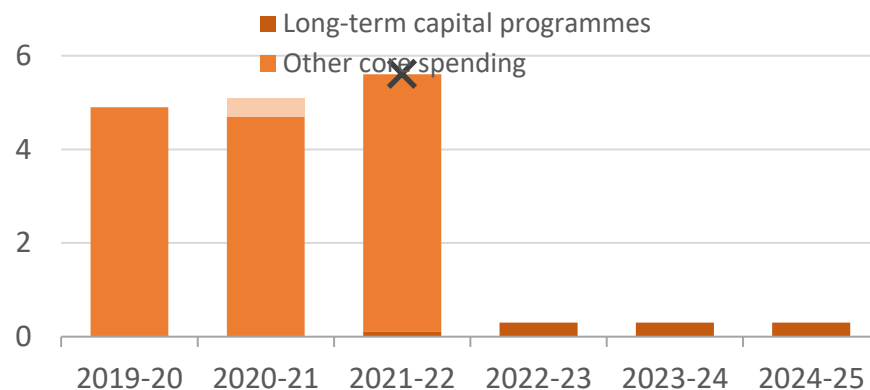
**2020-21 budgets** included £260 million for devices and connectivity for school children and new digital learning platforms.

The small element of capital DEL that has been included for 22-23 and beyond is ringfenced for the further education college estate capital spending

£ billion, Resource DEL budget excluding depreciation



£ billion, Capital DEL budget



Core spending on top of these programmes has not been announced

\*May involve day-to-day and investment spending over several years



## Ofsted: 21-22 spending compared to 20-21

Ofsted's budget increases from £138.9 million in 20-21 to £141.7 million in 21-22:

- £1.5 million of this is for investigation and inspection of unregistered schools (previously in DfE's budget)
- £0.8 million is for investigation and inspection of unregistered child social care providers
- There will be new spending on inspection of teacher education programmes and online school providers
- An £18 million underspend for 20-21 occurred due to pauses in inspections due to lockdowns

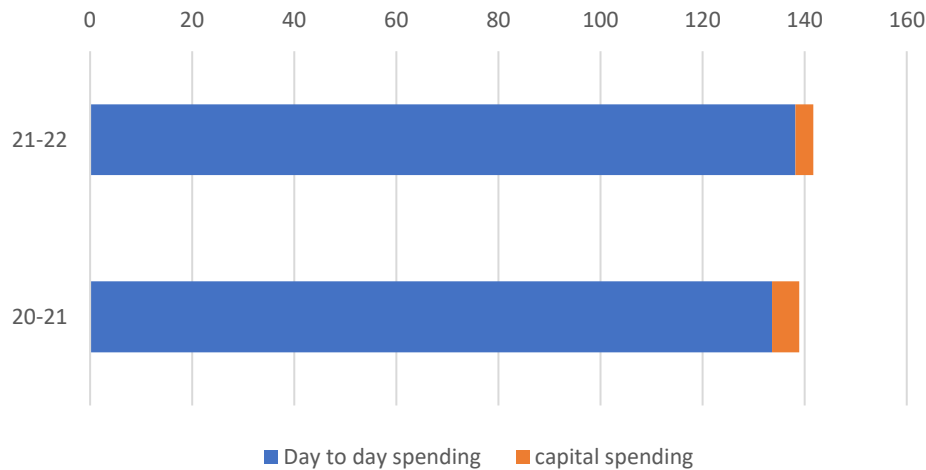
In addition to this voted funding, Ofsted expects to receive £47.2 m income (fees from social care, early years providers and independent schools), funding further expenditure

### Trends

There was a significant increase in income and gross expenditure from 2020-21 onwards. This was for new areas of work including

- Investigation/inspection of unregistered education and care providers, and apprenticeship training providers, and inspection of outstanding schools and Further Education and Skills (FES) providers that were previously exempt from inspection

Ofsted budgets, £ million



Ofsted income and expenditure (£m)

