**AUTUMN STATEMENT 17 NOVEMBER 2022**

***On schools – key messages***

* Chancellor’s Autumn Statement message to heads, teachers and classroom assistants: “Thank you for your brilliant work, we need it to continue and in difficult economic circumstances a Conservative Government is investing more in the public service that defines all our futures.”
* Very positive announcement – the Autumn Statement is providing a net increase of £2.0bn for schools in each of 2023-24 and 2024-25: significant cash increases on top of the SR 2021 settlement. This is new money.
* Funding is already £4bn higher this year than last year; and today’s announcement means it will rise by another £3.5bn, on top of that, next year. That’s a 15% increase in just 2 years.
* These increases mean that the per pupil funding levels committed to at Spending Review 2021 will be increased in real terms and that we are returning per pupil funding to 2010 levels in real terms. Underlines the importance Government attaches to schools.
* Increases will help to manage the cost pressures that we are very aware schools are facing – including the higher than anticipated 2022/23 teacher pay award; pay rises for support staff; and ongoing energy costs. Alongside supporting investment in high quality education.
* The funding will support both mainstream schools and local authorities’ high needs budgets. Plans for allocation will be announced shortly. Both maintained schools and academies will receive this additional funding from April 2023.
* This delivers the full £2bn the sector was seeking to address cost pressures.

 *Background: key numbers on schools funding*

* Overall core schools funding will increase by £2.3 billion in both 2023-24 and 2024-25. After adjusting SR21 budgets down to account for the removal of compensation for employer costs of the Health and Social Care Levy, this brings the core schools budget to a total of £57.3 billion in 2023-24 and £58.8 billion in 2024-25, **£2.0 billion higher than at SR21 in each year.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Total funding** | **2021-22** | **2022-23** | **2023-24** | **2024-25** |
| SR21 settlement | £49.8bn | £53.8bn | £55.3bn | £56.8bn |
| Plus Autumn Statement additions | - | - | +£2.0bn | +£2.0bn |
| **New total core schools budget** | **£49.8bn** | **£53.8bn** | **£57.3bn** | **£58.8bn** |
| Year-on-year increase |  | £4.0bn | £3.5bn | £1.5bn |

|  |  |
| --- | --- |
|  | **Per Pupil Funding (estimated from 2022-23)** |
|  | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
| In **cash** terms | 5,920 | 6,280 | 6,510 | 6,970 | 7,390 | 7,610 |
| In **real** terms | 5,920 | 5,900 | 6,140 | 6,270 | 6,440 | 6,550 |

***On skills – key messages***

* Autumn Statement recognises the crucial role of skills in driving long-term economic growth – increasing prosperity and productivity for the nation as well as creating opportunities for individuals and levelling up communities.
* Government is investing an additional £3.8bn in skills in England over the course of this Parliament (comparing 24-25 with 19-20). This includes more than £2bn extra to boost education for 16-19 year olds; over £700m of additional capital funding for skills, including to deliver T Levels, create more post-16 places and raise the condition of FE estates; and delivering on a National Skills Fund to ensure people can access high-quality training and education that leads to good jobs, addresses skills gaps, and boosts productivity.
* Government is also taking forward major reforms set out in the Skills for Jobs White paper: delivering T levels, rolling out bootcamps and introducing the Lifelong Learning entitlement from 2025.
* Autumn Statement announces the appointment of Sir Michael Barber to advise the Chancellor and Secretary of State for Education on skills implementation – helping to drive forward delivery and the benefits of current reforms.

***On Local Government – key messages***

* Additional £1.3 billion in 23-24 and £1.9 billion in 24-25 will be distributed to local authorities through the Social Care Grant, ringfenced for adult and children’s social care.
* The Autumn Statement also announced further flexibility for local authorities on council tax. The government is increasing the referendum limit for increases in council tax to 3% per year from April 2023.