

Department for Education

Main Estimate 2020-21: Estimates memorandum

1 Overview

1.1 Objectives

The Department for Education's (DfE's) objectives and strategy for meeting these priorities are set out in the Single Departmental Plan (SDP) which is published on GOV.UK. Link to the plan:

[Department for Education single departmental plan - GOV.UK](#)

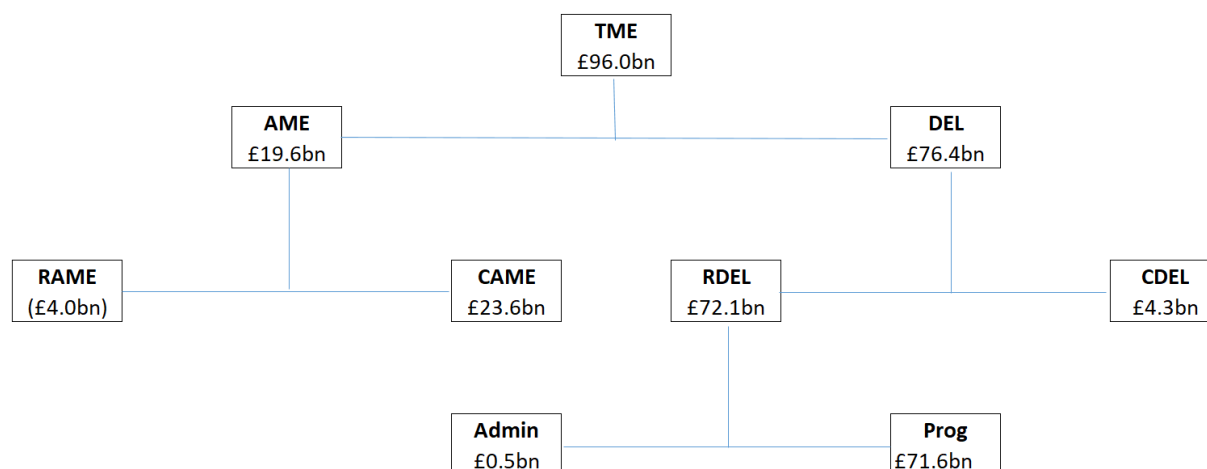
1.2 Spending controls

DfE's spending is broken down into several different spending totals, for which Parliament's approval is sought. The spending totals which Parliament votes are:

- Resource Departmental Expenditure Limit ("**Resource DEL**") - day to day running costs;
- Capital Departmental Expenditure Limit ("**Capital DEL**") - investment in infrastructure;
- Resource Annually Managed Expenditure ("**Resource AME**") - in DfE's case, mainly repayments of interest by students on their loans, and reductions in the estimated value of the student loan book; *and*
- Capital Annually Managed Expenditure ("**Capital AME**") - in DfE's case, payments of loans to students, less capital repayments from past students.
- The aggregate of the above categories is known as Total Managed Expenditure (TME).

In addition, Parliament votes a net cash requirement, designed to cover the elements of the above budgets which require DfE to pay out cash during the year.

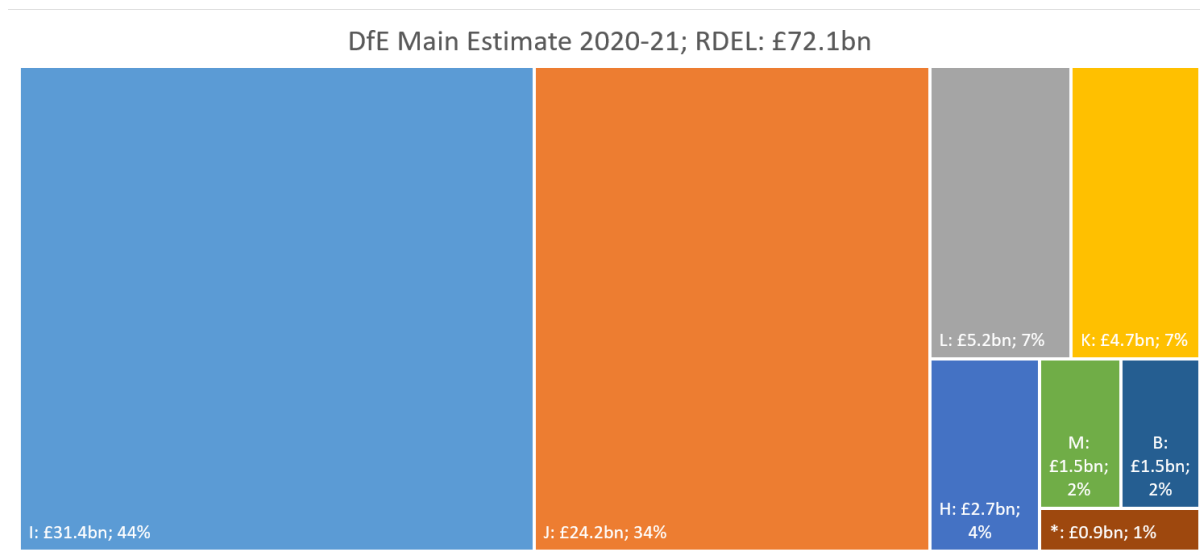
Spending totals: DfE Main Estimate 2020-21



1.3 Main areas of spending

The graphic below shows the main components of DfE’s proposed budget, included in the latest Estimate, and the proportions spent on its main activities. Further details of budget by programme can be found in Annex A

Table 1: RDEL Main Estimate 2020-21



Estimate rows: Estimate Row letter reference followed by Row title

I Grants to LA Schools

J Grants to Academies

L Further Education

K Higher Education

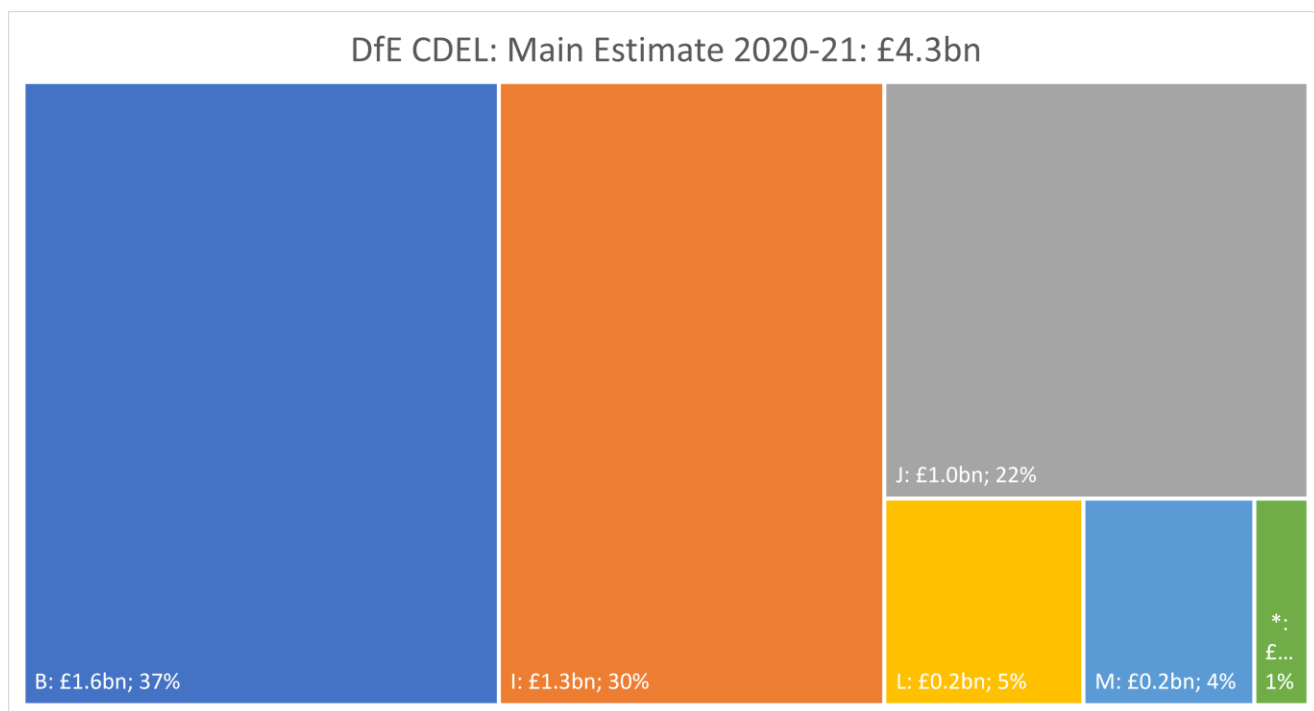
H ESFA

B Early Years & Schools Group (Department)

M Higher Education (ALB) (net)

* All other RDEL Estimate lines

Table 2 Capital DEL Main Estimate 2020-21



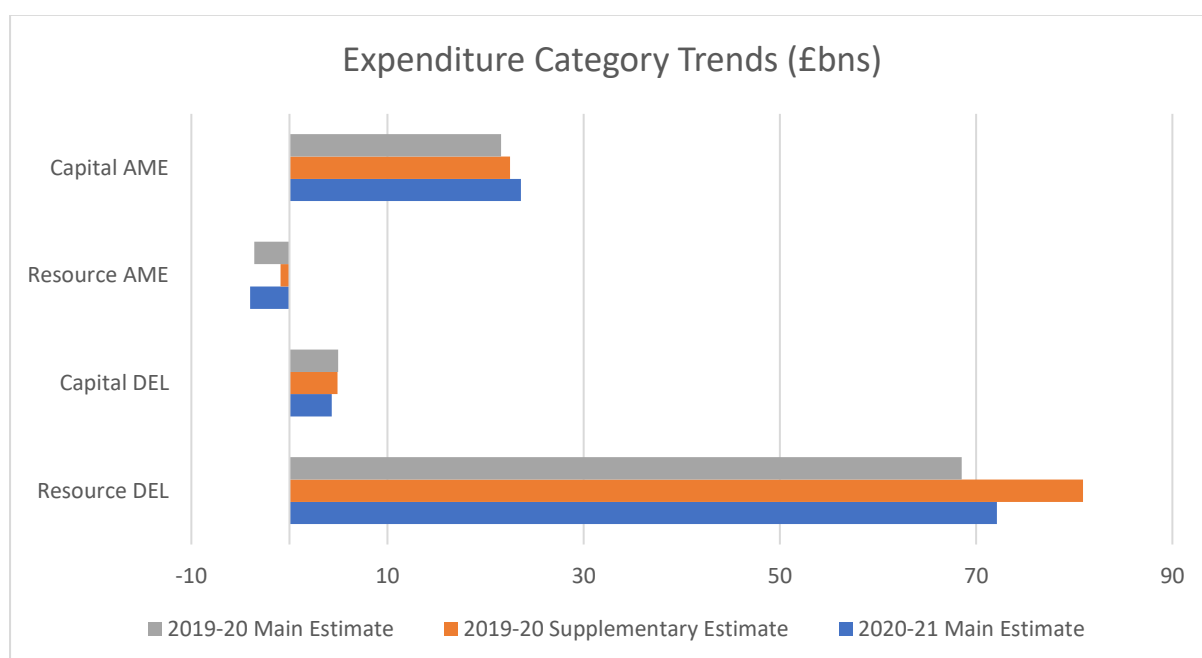
Estimate rows: Estimate Row letter reference followed by Row title

I Grants to LA Schools	B Early Years & Schools (Department)
J Grants to Academies	M Higher Education (ALB) (net)
L Further Education	* All other CDEL Estimate lines

1.4 Comparison of spending totals sought

The table and graphic below show how the totals sought for the Department compared with last year. These figures are net of income:

Amounts sought this year (£bn)		Compared to original budget last year (reductions in brackets)		Compared to final budget last year (reductions in brackets)	
		£bn	%	£bn	%
Resource DEL	72.1	3.6	5.3	(8.8)	(10.9)
Capital DEL	4.3	(0.7)	(14.0)	(0.6)	(12.2)
Resource AME	(4.0)	(0.4)	11.1	(3.1)	344.4
Capital AME	23.6	2.0	9.3	1.1	4.9



1.5 Key drivers of spending changes since last year

Changes since the 2019-20 Supplementary Estimate

The main driver of the £8.8 billion decrease in Resource DEL since the 2019-20 Supplementary Estimates is the annual revaluation of the student loan book that is only performed in time for the Supplementary Estimates.

The main driver of the £3.1 billion change in Resource AME since the 2019-20 Supplementary Estimate is similarly expenditure relating to the student loan book. The budget required to cover the annual

revaluation of the student loan book is highly variable and is expected to be covered within the Supplementary Estimate.

Changes since the 2019-20 Main Estimate

The year-on-year £3.6 billion increase in Resource DEL since the 2019-20 Main Estimate is primarily driven by:

- an incremental annual increase in overall funding (particularly for schools) set out at the 2020-21 Spending Review;
- an incremental increase in costs associated with the student loan book;

The year-on-year £0.7 billion decrease in Capital DEL since the 2019-20 Main Estimate is primarily driven by the ramp-down of some of the Department's larger capital programmes as they have been completed.

The year-on-year £2.0 billion increase in Capital AME since the 2019-20 Main Estimate is primarily driven by the increased size of the student loan book over that period.

Further detail is disclosed in Section 2.

1.6 New policies and programmes; ambit changes

The DfE has made the following addition to its Ambit since the 2019-20 Main Estimate: these do not necessarily reflect new activities for the Department and in some cases, clarify activities already undertaken by the Department:

- The description of the Department's role has been updated to specify the central management of spend and funding for the sector, and now includes the protection of relevant land and buildings;
- Expenditure and income relating to administration and restructuring of educational institutions facing financial insolvency is now included;
- A specific line covering "expenditure relating to the provision of education in support of the wider Grenfell recovery efforts" has been added;
- Income arising from repayment of grants where the conditions of grant issuing have not been met is now included;
- Financial transactions relating to the sale of income-contingent student loans have now been more clearly set out;
- A specific line has been added to both the DEL and AME sections to include measures to support the wider Government response to the COVID-19 pandemic.

The Department for Education is actively supporting the education and children's social care sectors through the COVID-19 crisis. In addition to confirming continued grant funding arrangements and, where appropriate, supporting providers to access wider government support, the Department has announced the following funding, as at 1st May 2020:

1. A centrally-funded national voucher scheme to make sure eligible pupils can continue to access free school meals, given they are not able to attend school. The scheme supplier, Edenred, has reported that over £35 million worth of voucher codes has been redeemed

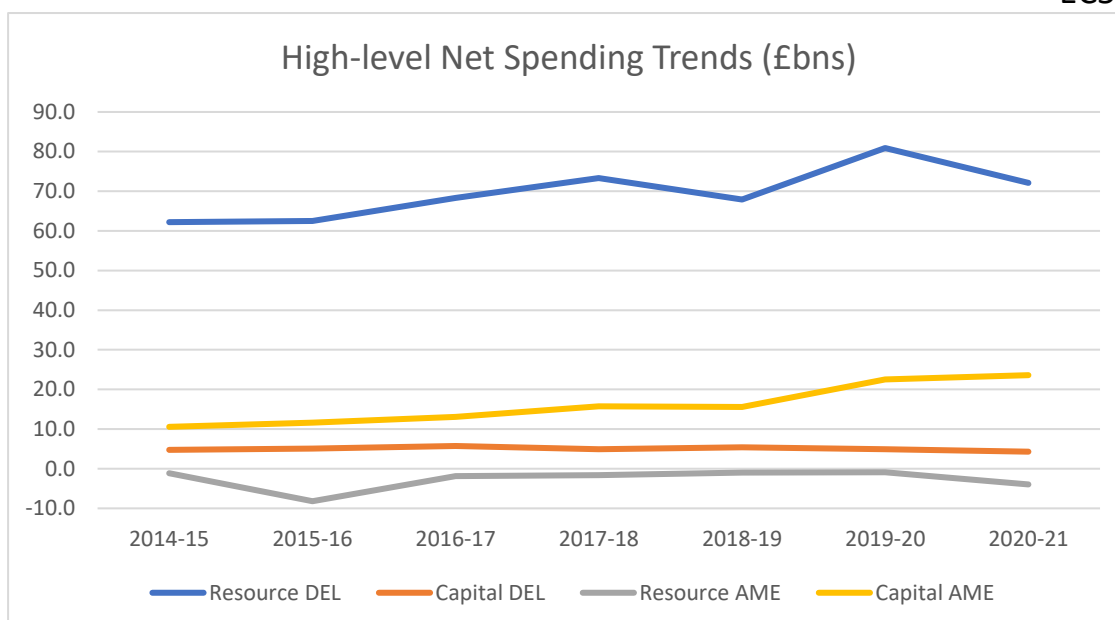
into supermarket eGift cards by schools and families through the scheme as of the morning of Wednesday 29 April. Edenred has also reported that over 15,500 schools had placed orders for the scheme as of Wednesday 22 April.

2. A fund for exceptional costs schools may incur as a result of coronavirus. These costs may arise as result of keeping premises open during the holidays, providing support for free school meals for eligible children who are not attending school (where those costs are not covered by the national voucher scheme described above), and additional cleaning. The budget for this fund will depend on the individual additional costs that schools claim back for. The maximum amount a school can claim will depend on its size, and will be no more than £75,000 per school.
3. Flexibility for existing funding of up to £8 million for different types of therapeutic support for families with adopted children who may be struggling during this time and where typical support may be harder to access due to the pandemic.
4. To further protect children from harm, we are continuing to support Childline and working with NSPCC to expand and promote the adult Helpline by providing them with £1.6 million.
5. A commitment of over £100 million to boost remote education, including by providing devices and internet access for those who need it most, ensuring every school that wants it has access to free, expert technical support and peer support.
6. Oak National Academy is a totally new initiative, assembling video lessons and resources for any teacher in the country to make use of if they wish to do so. 180 video lessons will be provided each week, across a broad range of subjects, for every year group from Reception through to Year 10.
7. More than £12 million will be spent on 14 projects across the country to tackle the increased risk some children and young people are facing as they stay at home to reduce the spread of Coronavirus. This will include money to pay for individual support for families at risk of domestic abuse, community volunteers to work with families, and continued support for teenagers at risk of exploitation

The Ministry for Housing, Communities and Local Government are also providing funding of over £3.2 billion to support councils to respond to the pandemic. The funding will mean councils can continue to provide essential services and support to those who need it most, including through children's social care.

1.7 Spending trends

The charts below show overall spending trends for the last seven years, based on outturn data for years to 2018-19 and agreed Estimates for 2019-20 and 2020-21.



- The 2014-15 to 2018-19 figures have been taken from the DfE's published core tables https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/819724/DfE_ARA_2018-19_inside_spreads_print_version.pdf (Annex C) , which include a retrospective restatement to include Higher and Further Education functions (which moved to the DfE in 2016-17) from 2013-14 onwards;
- Figures for 2020-21 are based on the DfE's Main Estimate, figures for 2019-20 are based on the DfE's Supplementary Estimate, whilst figures prior to 2019-20 are based on outturn;
- Resource DEL in 2019-20 is higher than in previous years as the Departmental claim for student loan impairment charges is prudentially higher than previous years' outturn; Resource DEL for 2020-21 is comparatively lower as the student loan book impairment for the year is not applied until the Supplementary Estimate;
- Capital DEL has been broadly stable over the chart period;
- Capital AME has gradually risen over this period due to an ongoing increase in the size of the student loan book ; and
- The figures above exclude £3.1 billion of non-budgeted expenditure recorded in 2014-15 due to prior year adjustments.

1.8 Administration costs

Administration costs are set to fall by 5.9% in 2020-21 compared to last year's final budget.

Amounts sought this year (£m)		Compared to initial budget this year (Main Estimate)		Compared to final budget last year (Supplementary Estimate)	
		£m	%	£m	%
Administration costs	479	6	1.3	(30)	(5.9)

Changes since the 2019-20 Supplementary Estimate

The key driver of the movement since the 2019-20 Supplementary Estimate is the £41.5 million exchange of CDEL Programme to RDEL Administration agreed in the 2019-20 Supplementary Estimate.

Changes since the 2019-20 Main Estimate

Year-on-year administration costs have increased by £6 million since the 2019-20 Main Estimate, as set out in the Department's 2019 Spending Review (SR19) settlement, primarily driven by additional employer pension costs.

1.9 Funding: Spending Review and Budgets

The level of DEL funding for DfE in 2020-21 is based on the single-year Spending Review set out in 2019 (SR19) to cover the 2020-21 financial year. A Spending Review to cover the year (or years) from 2021-22 is expected to be completed in late 2020 (SR20).

1.10 Other funding announcements

Spending announcements made during the year not listed at Annex B relate to reallocated money within existing planned limits rather than "new" additional money. There are no significant reallocations to announce for the 2019-20 Supplementary Estimate, beyond those listed above to enable specific Covid-19 measures (further detail of these is included in paragraph 1.6 above).

In addition to the voted Parliamentary control totals detailed in this Memorandum, the DfE's resource budget includes the following additional amounts relating to the academy sector:

Resource DEL: £2,100 million, covering academy sector depreciation. This will be reviewed at the 2020-21 Supplementary Estimate. Also, under the Academies Risk Sharing agreement, the budgetary impact of any excess of academy sector expenditure over grants received in 2020-21 would normally be shared between the Department and HM Treasury.

Capital DEL: Under the Academies Risk Sharing agreement, the budgetary impact of any significant excess of academy sector expenditure over grants received in 2020-21 would normally be shared between the Department and HM Treasury.

Resource AME: £1,983 million, primarily covering academy sector pension costs movement and land and buildings impairments: this will be reviewed at the 2020-21 Supplementary Estimate.;

The total adjustment to Parliamentary control totals at the 2020-21 Main Estimate is an addition of £4,083 million (net). This represents the difference between DfE's Parliamentary control totals and resource budget.

2 Spending detail

2.1 Explanations of changes in spending

Resource DEL

The table below shows how the DfE's spending plans for Resource DEL following the 2020-21 Main Estimate compare with our final (Supplementary Estimate) budget for last year.

Resource DEL		Mains 2020-21	Supps 2019-20	Change from Supps 2019-20 (decreases in brackets)		Note number
Subheadings	Description	£m	£m	£m	%	
A	Activities to Support all Functions	360.6	377.8	(17.2)	(4.5%)	
B	Early Years & Schools Group (Department)	1,470.9	1,422.2	48.7	3.4%	
C	Early Years & Schools Group (ALB) (Net)	2.6	2.6	0.0	1.2%	
D	Social Care, Mobility and Disadvantage (Department)	410.6	361.1	49.5	13.7%	1
E	Social Care, Mobility & Disadvantage (ALB) (Net)	8.3	14.5	(6.3)	(43.1%)	
F	Standards and Testing Agency	51.2	51.5	(0.3)	(0.5%)	
G	Teaching Regulation Agency	8.0	6.3	1.7	27.3%	
H	Education and Skills Funding Agency (ESFA)	2,666.6	2,314.9	351.7	15.2%	2
I	Grants to LA Schools	31,427.5	29,591.9	1,835.6	6.2%	
J	Grants to Academies	24,157.2	22,845.4	1,311.8	5.7%	
K	Higher Education	4,739.6	17,509.9	(12,770.3)	(72.9%)	3
L	Further Education	5,214.4	4,858.0	356.4	7.3%	
M	Higher Education (ALB) (net)	1,531.0	1,562.9	(31.9)	(2.0%)	
N	Further Education (ALB) (net)	23.4	22.0	1.4	6.2%	
	Total RDEL Expenditure	72,071.8	80,941.0	(8,869.2)	(11.0%)	

Differences of more than 10% which are more than £10 million are explained below. Numbers relate to the relevant row in the table above.

1. **Social Care, Mobility & Disadvantage (Department)**

The budget for this sub-head has increased by £49.5 million, from £361.1 million in the 2019-20 Supplementary Estimate to £410.6 million. This has been driven primarily by Increased funding to address pressures in Children's Social Care, SEND and Alternative Provision.

2. **Education & Skills Funding Agency (ESFA)**

The budget for this sub-head has increased by £351.7m, from £2,314.9 million in the 2019-20 Supplementary Estimate to £2,666.6m. This represents all the budgets delegated to the ESFA and includes apprenticeships. The increase primarily relates to the apprenticeships programme where unspent funding was surrendered at the 2019-20 Supplementary Estimate. Apprenticeships is a demand led programme, with employers choosing which apprenticeships they offer, how many and when.

3. **Higher Education (Department)**

The budget for this sub-head has decreased by £12,770.3 million, from £17,509.9 million in the 2019-20 Supplementary Estimate to £4,739.6 million. This variance is primarily due to the annual revaluation of the student loan book that is only performed in time for the Supplementary Estimates. In 2019-20, the revaluation resulted in a £12,762 million Reserve Claim thereby increasing the HE budget in the 2019-20 Supplementary Estimates. This year's revaluation will again occur prior to the Supplementary Estimates and is expected to increase the HE budget in line with the revaluation.

Capital DEL

The table below shows how spending plans for Capital DEL compare with last year:

Capital DEL		Mains 2020-21	Supps 2019-20	Change from Supps 2019- 20 (decreases in brackets)		Note number
Subheadings	Description	£m	£ m	£m	%	
A	Activities to Support all Functions	38.7	72.5	(33.8)	(46.6%)	4
B	Early Years and Schools (Department)	1,601.1	1,768.8	(167.7)	(9.5%)	
C	Early Years and Schools (ALB) (Net)	(19.7)	8.6	(28.3)	(329.1%)	5
D	Social Care, Mobility and Disadvantage (Department)	4.1	16.7	(12.6)	(75.4%)	6
E	Social Care, Mobility Disadvantage (ALB) (Net)	2.6	3.3	(0.7)	(21.2%)	
F	Standards and Testing Agency	2.2	1.9	0.3	15.8%	
H	Education and Skills Funding Agency (ESFA)	26.4	22.7	3.7	16.3%	
I	Grants to LA Schools	1,298.2	1,857.40	(559.2)	(30.1%)	7
J	Grants to Academies	954.4	870.9	83.5	9.6%	
K	Higher Education	5.2	13.8	(8.6)	(62.3%)	
L	Further Education	222.3	133.6	88.7	66.4%	8
M	Higher Education (ALB) (net)	191.0	141.4	49.6	35.1%	9
N	Further Education (ALB) (net)	0.7	0.8	(0.1)	(12.5%)	
	Total Capital DEL	4,327.2	4,912.3	(585.1)	(11.9%)	

Differences of more than 10% which are more than £10 million are explained below.

4. Activities to Support All Functions

The budget for this sub-head has decreased by £33.8 million, from £72.5 million in the 2019-20 Supplementary Estimate to £38.7 million. This is primarily driven by refurbishment costs (£35.6m) for the Old Admiralty Building property, which were incurred by the Department in 2019-20. These costs will not be incurred in 2020-21 due to the Department's transfer of the freehold for Old Admiralty Building to the Government Property Agency (GPA).

5. Early Years & Schools Group (ALB) (Net)

The budget for this sub-head has decreased by £28.3 million, from £8.6 million in the 2019-20 Supplementary Estimate to negative £19.7 million. This variance is primarily driven by the budgeted receipt of £30.0 million of Capital DEL receipts from the Aggregator plc.

6. Social Care, Mobility and Disadvantage (Department)

The budget for this sub-head has decreased by £12.6 million, from £16.7 million in the 2019-20 Supplementary Estimate to £4.1 million. This decrease has been driven by a re-assessment of what capital work can realistically be delivered during the 2020-21 financial year.

7. Grants to LA Schools

The budget for this sub-head has decreased by £559.2 million, from £1,857.4 million in the 2019-20 Supplementary Estimate to £1,298.2 million. This Estimate line includes costs relating to construction programmes delivered by both DfE centrally and local authorities. Costs on these programmes vary between years according to the status of construction and level of need. The figures also reflect school condition allocations to maintained schools; condition allocations follow the published methodology and reflect the make-up of the school estate, which changes over time. The decrease in capital grants to local authority run schools is due to conversion of maintained schools to academy status.

8. Further Education

The budget for this sub-head has increased by £88.7 million, from £133.6 million in the 2019-20 Supplementary Estimate to £222.3 million. This increase is primarily driven by increases to T-levels capital (c. £35 million) as Wave 2 of the capital fund comes online, and profiled increases (c. £64 million) to Institutes of Technology as Wave 1 of that programme progresses. These increases are offset by a reduction in Restructuring Facility funding (c. £20 million) which is a legacy programme that had residual costs in 2019-20.

9. Higher Education (ALB) (net)

The budget for this sub-head has increased by £49.6 million, from £141.4 million in the 2019-20 Supplementary Estimate to £191.0 million. This is driven by a one-off reduction in capital funding for the Office for Students in 2019-20, as agreed with HM Treasury, which has not been replicated for 2020-21.

Resource AME

The table below shows how spending plans for Resource AME compare with the Supplementary Estimate for 2019-20:

Significant variances above or below inflation are explained below.

Resource AME		Mains 20-21	Supps 19- 20	Change from Supps (decreases in brackets)		Note number
Subheading	Description	£m	£m	£m	%	
O	Activities to Support all Functions (Department)	(4.8)	1.7	(6.5)	(382.3%)	
P	Executive Agencies	0.3	1	(0.7)	(70.0%)	
Q	Higher Education AME	(3,986.5)	(924.5)	(3,062.0)	331.2%	10
R	Further Education AME	0.0	1	(1.0)	(100.0%)	
S	Higher Education (ALB) (net) AME	0.9	2.1	(1.2)	(57.1%)	
T	Further Education (ALB) (net) AME	29.8	29.8	(0.0)	(0.0%)	
	Total Resource AME	(3,960.3)	(889.0)	(3,071.3)	345.5%	

10. Higher Education

The DfE's Resource AME budget under this sub-heading is forecast to change by negative £3,062.0 million or -331.2% from net income of £924.5 million in the 2019-20 Supplementary Estimates to net income of £3,986.5 million at the 2020-21 Supplementary Estimate.

The DfE expects to receive income in 2020-21 for Resource AME in the form of Student Loan interest repayments and effective interest on Student Loans. The final budget for Student Loan Resource AME will be completed at Supplementary Estimates, in line with the annual revaluation of the student loan book.

Capital AME

The table below shows how spending plans for Capital AME compare with to the 2019-20 Main Estimate:

Capital AME		Mains 20-21	Supps 19- 20	Change from Supps (decreases in brackets)		Note number
Subheading	Description	£m	£m	£m	%	
	Activities to Support All Functions	0.0	(0.5)	0.5	(100.0%)	
Q	Higher Education	23,394.4	22,288.2	1,106.2	5.0%	
R	Further Education	223.5	250	(26.5)	(10.6%)	11
T	Further Education (ALB) (net)	0.8	0.8	(0.0)	(4.9%)	
	Total Capital AME	23,618.6	22,538.5	1,080.1	4.8%	

11. Further Education

Capital AME spending under this subheading is budgeted to decrease by £26.5 million or 10.6% from £250.0 million in the 2019-20 Supplementary Estimates to £223.5 million in the 2020-21 Mains Estimates. This is in line with the reduced forecast for the take-up of demand-led Advanced Learner Loans and allowing for growth.

2.2 Restructuring

The Estimate structure is based on the programme activities of the Directorates within the Department, with each Executive Agency having its own budget line. We report in this section if significant restructuring has taken place since publication of the previous Estimate and Memorandum (in this case, the 2019-20 Supplementary Estimate).

The Department has not undertaken any significant internal restructuring since the publication of the 2019-20 Supplementary Estimate and there are no significant movements across Estimate lines within the Department which require explanation.

2.3 Ring-fenced budgets

Within the totals, the following elements are ring fenced i.e. savings in these budgets may not be used to fund pressures on other budgets:

Amounts sought this year (£m)		Compared to final budget last year. (Supplementary Estimates)		Compared to original budget last year (Main Estimates)	
		£m	%	£m	%
Depreciation	62	0	(0.1)	(1)	(1.6)
Adult Education	155	0	0.0	10	6.5
Higher Education	4,203	(12,699)	(75.8)	(36)	(0.9)

*Administration and Programme depreciation for the DfE Group, excluding Higher Education and Further Education, which are listed separately below.

**prior to anticipated reserve claim for impairment charges to the student loan book at the 2020-21 Supplementary Estimate

2.4 Changes to contingent liabilities

No significant changes to the DfE's contingent liabilities have occurred since publication of the 2019-20 Supplementary Estimate.

3. Priorities and performance

3.1 Departmental objectives and performance measures

The DfE's revised SDP was published in June 2019: <https://www.gov.uk/government/publications/department-for-education-single-departmental-plan/department-for-education-single-departmental-plan--2> . This includes performance measures against revised Departmental objectives.

Objective>>>> Estimates subheads	1: Ensure schools provide universally high-quality education, so young people leave with the skills they need.	2: Improve the skills pipeline needed to support a productive economy and society, fit for the future - through excellent technical and higher education.	3: Support access to high-quality early years education and childcare, to help more parents back to work and improve children's start to their education.	4: Care for, protect and support disadvantaged children and young people, so everyone is better able to reach their potential.
A, O, P	X	X	X	X
B	X		X	
C, F, G, I, J	X			
D, E				X
H	X	X		
K, L, M, N, Q, R, S, T		X		

Key

A = Activities to Support All Functions;

C = Early Years & School Group ALBs;

E = Social Care, Mobility & Disadvantage ALBs;

G = Teaching Regulator Agency;

I = Grants to LA Schools;

K = Higher Education (Dept);

M = Higher Education ALBs ;

B = Early Years & School Group (Dept);

D =Social Care, Mobility & Disadvantage (Dept);

F = Standard & Testing Agency;

H = Education & Skills Funding Agency;

J = Grants to Academies;

L = Further Education (Dept);

N = Further Education ALBs

AME codes

O = Activities to Support All Functions;

Q = Higher Education (Dept);

S = Higher Education ALBs;

P = Executive Agencies;

R = Further Education (Dept)

T = Further Education ALBs

3.2 Major projects

Current major projects (or scheduled to launch in 2020-2021):

Student Loans Company Evolve

SLC Evolve is an ambitious, long-term programme of investment in the SLC's systems and processes. The objectives are to: transform the customer experience through increased digitisation of SLC's services; create a more engaged and more highly skilled workforce; make SLC's operations more efficient through implementing "lean" manufacturing processes; create modular, flexible IT systems to enable faster and cheaper implementation of policy; manage systems and applications into the cloud, improving data security and Disaster Recovery capability while enabling a future platform approach; significantly increase loan repayment yield.

SLC Evolve became one of DfE's GMPP projects in Q3 2019/20.

Apprenticeships

A multifaceted transformation programme, aiming to deliver against 4 key strategic objectives:

- To meet the skills needs of employers - and the country by being high quality, relevant programmes that result in apprentices becoming fully competent in their occupation
- To create progression for apprentices - by creating high quality programmes that result in apprentices becoming fully competent with transferrable skills in an occupation that offers progression.
- To widen participation and social mobility in apprenticeships – to ensure that more people from a diverse range of backgrounds have access to the benefits of apprenticeships at all levels.
- To create more quality apprenticeships - through our campaign work and by creating a sustainable funding system and a high quality apprenticeships offer.

The Apprenticeship Reform Programme is currently scheduled to complete in the fourth quarter of 2020-21.

T-Levels

This programme aims to increase the economic value of skills being supplied by the post 16 system, increasing take-up of high quality qualifications to improve skills, increasing productivity and social mobility. To enable the sustainable delivery of new high quality T-Levels for 16-19 year olds. This programme is expected to conclude in the second quarter of 2022-23.

Major projects recently completed / closed or scheduled to do so in early 2020-21;

Social Work England

Government's aim is to promote a strong, consistently effective social work profession that is well trained, competent and properly supported to transform the lives of those who are most vulnerable.

At the heart of this vision is establishing a new specialist social work regulator, Social Work England, which will focus on public protection and practice improvement.

As a single-profession regulator, Social Work England will be able to develop an in-depth understanding of the profession and set profession specific standards that clarify expectations about the knowledge, skills, values and behaviours required to become and remain registered as a social worker in England.

Funding for implementation of the project is provided within the Social Care, Mobility and Disadvantage Group.

The Social Work England (SWE) project joined the Government Major Project Portfolio in Sep 2018. Both SWE and STA were scheduled to leave the GMPP in the final quarter of 2019-20. However, due to impacts from Covid-19, both projects may have to re-engage with IPA processes at some later date; exactly what this post-closure re-engagement will look like is at present unknown.

The Priority School Building Programme phase two (PSBP2)

The Priority School Building Programme is rebuilding the worst school blocks in the country.

There are two phases of the programme, covering a total of 537 schools:

- Under the first phase of the programme, known as PSBP1, 260 whole schools are being rebuilt and/or refurbished. 214 schools through Capital grant and 46 using private finance. The vast majority of schools in PSBP1 were handed over by the end of 2017, two years earlier than originally announced.
- Under the second phase known as PSBP2, individual blocks of accommodation at 277 schools are being rebuilt and/or refurbished using capital grant and are scheduled to be handed over by the end of 2023.

Because most of the work that can be achieved via the GMPP process (independent assurance) is likely to be at an end the project is likely to exit GMPP in 2020-21.

- **Any major projects recently completed / closed or scheduled to do so in 2019-20;**

STA Test Operations Service

The Test Operations Services (TOpS) transition programme has been established to oversee the delivery of the change from the Standards and Testing Agency's existing multi-contractor delivery arrangement for primary tests (national curriculum assessments) to the Test Operations Services prime contractor model.

STA TOpS joined the GMPP in the first quarter of the 2019-20 financial year. Both SWE and STA were scheduled to leave the GMPP in the final quarter of 2019-20. However, due to impacts from Covid-19, both projects may have to re-engage with IPA processes at some later date; exactly what this post-closure re-engagement will look like is at present unknown.

- **Major Projects Authority Reports**

The Major Projects Authority reports on delivery of major projects annually. The latest report on this project can be found here:

<https://www.gov.uk/government/publications/df-g-government-major-projects-portfolio-data-2019>

4. Other information

4.1 Additional specific information required by the Select Committee

Breakdown of Schools budgets and expected spending per pupil

The table below extracts from Resource DEL (RDEL) budget data, based on the School Funding Statistics tables published in January 2020: <https://www.gov.uk/government/statistics/school-funding-financial-years-2010-to-2011-and-2020-to-2021>

Revenue funding to state-funded schools for pupils aged 5-16, in cash and real terms (1)(2)				
Figures including TPECG in 2019-20 & 2020-21				
Description	2016-17	2017-18	2018-19	2019-20
School funding, cash	£40,200m	£40,900m	£42,500m	£44,500m
annual growth in funding	1.5%	1.7%	3.9%	4.8%
School funding, 2019-20 terms	£42,500m	£42,500m	£43,300m	£44,500m
annual growth in funding	(0.9%)	0.0%	1.8%	2.8%
cumulative growth since 2010-11	3.9%	3.9%	5.8%	8.8%
cumulative growth since 2015-16	(0.9%)	(0.9%)	0.9%	3.8%
Per pupil funding, cash	£5,590	£5,590	£5,740	£5,940
annual growth in funding	(0.2%)	0.0%	2.5%	3.5%
Per pupil funding, 2019-20 terms	£5,920	£5,820	£5,850	£5,940
annual growth in funding	(2.5%)	(1.7%)	0.5%	1.5%
cumulative growth since 2010-11	(2.2%)	(3.8%)	(3.4%)	(1.9%)
cumulative growth since 2015-16	(2.5%)	(4.2%)	(3.7%)	(2.3%)
Pupil number, FTE (3)	7,183,000	7,305,000	7,404,000	7,502,000
GDP deflator index (4)	94.4	96.1	98.0	100.0

1. Funding covers the following grants:

- Dedicated Schools Grant (excluding early years and post-16 high-needs funding);
- Grants outside the DSG to the City of London, Isles of Scilly and City Technology Colleges;
- Pre-16 high needs funding in non-maintained special schools, special and alternative provision free schools;
- Pupil premium (all pupil ages);
- Supplementary free school meals grant;
- Teachers' pay grant;
- Teachers' pension employer contribution grant (TPECG).

2. State-funded providers, including mainstream primary and secondary schools, special schools, alternative provision, pupil referral units and non-maintained special schools.

3. Pupil number counts are taken from the January preceding each financial year.

4. Published in January 2020 by HM Treasury.

Further Education Budget data

Budget	2017-18	2018-19	2019-20	2020-21
	RDEL budget	RDEL budget	RDEL budget	RDEL budget
	£m	£m	£m	£m
16-19 education budget				
Academies:	1,571	1,656	1,701	1,787
Other schools:	1,027	994	951	1,012

The disclosed funding figures for 16-19 Education will be reviewed during 2020 to ensure that they are fully consistent with the restated funding figures for 5-16 Education (above) and updated.

Analysis of Schools' Capital Budgets

Schools capital funding is broadly spent on three categories:

- enabling local authorities to discharge their duty to ensure there are enough school places;
- maintaining the school estate, including rebuilds and refurbishments through the Priority Schools Building Programme; and
- facilitating education reform through the Free Schools programme and Selective School Expansion Fund.

The budgets listed represent our best estimate of how money will be spent this year. While formulaic and bid-based lines are unlikely to change significantly, estimates relating to construction programmes are more likely to experience in-year changes, going up or down depending on, for example, the price of land and construction costs, and the quality and mix of applications to receive funding.

Programme	Open to new applications?	Type of school/body eligible	Funding allocation approach	2019-20 budget (£m)	2020-21 budget (£m)
Ensuring there are enough school places					
<p>Basic Need Funding</p> <p>This funding is provided to local authorities to support the provision of new school places. It includes funding for additional mainstream primary and secondary school places for 5-16 year olds, to meet demographic demand; and funding to create places for pupils with special educational needs and disabilities (SEND). There is additional funding for a small number of eligible local authorities to support the cost of delivering presumption schools. Local authorities can work with any and all taxpayer-funded schools to deliver the new places, including voluntary-aided schools, open academies, and new free schools.</p>	N/A	Local authorities	Formulaic	1,168	220
<p>Maintaining the school estate</p> <p>The overall maintenance fund is apportioned based on pupil numbers to local authorities, schools, academies and sixth-form colleges.</p>					
<p>Devolved Formula Capital (DFC)</p> <p>This funding is given to schools to spend on maintenance. Local authorities are required to pass on the DFC allocation to each of their maintained schools. Voluntary-aided schools and academies receive their allocation directly from the ESFA.</p>	N/A	All schools	Formulaic	208	210

Programme	Open to new applications?	Type of school/body eligible	Funding allocation approach	2019-20 budget (£m)	2020-21 budget (£m)
<p>Condition Allocations (formerly Maintenance Allocations)</p> <p>This funding is to support the maintenance needs of schools and institutions. Funding is passed to local authorities for them to allocate to the needs of the schools that they maintain and for the Sure Start children's centres in their area. Non-maintained special schools and specialist post-16 institutions receive funding directly.</p>	N/A	Maintained and voluntary aided schools, Sure Start centres, non-maintained special schools, specialist post-16 institutions	Formulaic	548	524
<p>Condition Improvement Fund (CIF)</p> <p>This bid-based funding is awarded to projects that address condition and/or buildings compliance issues at academies and colleges. A small proportion of the fund is used for projects to expand existing facilities to accommodate more pupils or address a lack of specialist facilities. The overall allocations include the remaining proportion of the Healthy Pupils Capital Fund.</p>	Annually	Academies, sixth forms and City Technical Colleges	Bid based	443	439
<p>Multi-Academy Trust Condition Allocations</p> <p>Funding allocated directly to multi-academy trusts with 5 or more schools and at least 3,000 pupils. (Funded in this way from 2015-16).</p>	N/A	Academies	Formulaic	236	283

Programme	Open to new applications?	Type of school/body eligible	Funding allocation approach	2019-20 budget (£m)	2020-21 budget (£m)
<p>Priority School Building Programme 1</p> <p>This programme is rebuilding or refurbishing the schools in the poorest condition around the country. PSBP will also provide additional school places, by expanding schools when they are rebuilt.</p> <p>Priority School Building Programme 2</p> <p>The second phase of the programme, targeting individual school buildings rather than whole school projects.</p>	No	All	Bid based	759	538
<p>Additional Maintenance Needs</p> <p>New demands or unpredictable events can cause additional pressures on maintenance spending. The department will allocate this funding as appropriate during the year.</p>	N/A	Various / all	Various	81	139
<i>Facilitating education reform through Free Schools provision and selective schools expansion</i>					
<p>Free Schools, University Technical Colleges (UTCs) and Studio Schools</p> <p>This capital budget covers the costs of purchasing and refurbishing sites to make them fit for purpose for a new school. Similar funding for maths schools, UTCs and Studio Schools also comes from this budget. This also includes funding for the Selective Schools Expansion Fund (SSEF), which supports the expansion of selective schools where there is a need for additional places and plans are in place to increase access for disadvantaged pupils.</p>	Yes	New schools proposers for FS, UTCs and SSs	Bid based	1,057	1,109

Programme	Open to new applications?	Type of school/ body eligible	Funding allocation approach	2019-20 budget (£m)	2020-21 budget (£m)
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Total				4,500	3,462
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Annexes

Annex A - Resource DEL Expenditure Categorisation

To help the reader of the Supplementary Estimate Memorandum understand how the Department spends resources, the table below has been designed to set out the total RDEL Main Estimate 2020-21 budget of £72,071.8 million in a way that shows spending on major policies or programmes, for example the Apprenticeship Programme – which is not separately identifiable in the main RDEL table in section 2.1 (page 8).

Mains 20-21		Supps 19-20		Variance £m	Variance %	Objective from Single Departmental Plan
Schools Expenditure - LA-maintained schools	25,824.2	Schools Expenditure - LA-maintained schools	24,140.9	1,683.3	7.0%	1: Support schools to provide universally high-quality education up to 18, so young people leave with the skills and qualifications they need to lead fulfilled and prosperous lives.
Schools Expenditure: Academies /cross-sector	22,364.5	Schools Expenditure: Academies /cross- sector	21,064.7	1,299.8	6.2%	1: Support schools to provide universally high-quality education up to 18, so young people leave with the skills and qualifications they need to lead fulfilled and prosperous lives.
Student Loans	4,267.2	Student Loans	16,966.1	(12,698.9)	(74.8%)	2: Provide the skills pipeline needed to support a productive economy, fit for the future – through world leading technical and higher education
16-19 Education & T- Levels	6,621.1	16-19 Education & T- Levels	6,180.5	440.6	7.1%	1: Support schools to provide universally high-quality education up to 18, so young people leave with the skills and qualifications they need to lead fulfilled and prosperous lives.
Early Years Childcare Funding	3,669.4	Early Years Childcare Funding	3,638.5	30.9	0.8%	3: Enable parents to access high quality early years education and childcare, to help parents back to work and provide children with the best start to their education
Apprenticeships	2,550.9	Apprenticeships	2,173.9	377.0	17.3%	2: Provide the skills pipeline needed to support a productive economy, fit for the future – through world leading technical and higher education
Office for Students (incl. HE Participation Grants)	1,762.1	Office for Students (incl. HE Participation Grants)	1,964.8	(202.7)	(10.3%)	2: Provide the skills pipeline needed to support a productive economy, fit for the future – through world leading technical and higher education
Adult Skills & Careers	1,569.9	Adult Skills & Careers	1,516.5	53.4	3.5%	2: Provide the skills pipeline needed to support a productive economy, fit for the future – through world leading technical and higher education
PFI Revenue Grants	803.6	PFI Revenue Grants	803.5	0.1	0.0%	1: Support schools to provide universally high-quality education up to 18, so young people leave with the skills and qualifications they need to lead fulfilled and prosperous lives.
Qualifications & Curriculum Development	572.9	Qualifications & Curriculum Development	585.7	(12.7)	(2.2%)	1: Support schools to provide universally high-quality education up to 18, so young people leave with the skills and qualifications they need to lead fulfilled and prosperous lives.
Schools Oversight & Improvement	514.4	Schools Oversight & Improvement	504.5	9.9	2.0%	1: Support schools to provide universally high-quality education up to 18, so young people leave with the skills and qualifications they need to lead fulfilled and prosperous lives.

Schools Teacher Supply & Development	485.8	Schools Teacher Supply & Development	454.8	31.0	6.8%	1: Support schools to provide universally high-quality education up to 18, so young people leave with the skills and qualifications they need to lead fulfilled and prosperous lives.
Corporate Services	325.0	Corporate Services	384.3	(59.3)	(15.4%)	N/A
Children's Social Care Oversight	332.3	Children's Social Care Oversight	293.8	38.5	13.1%	4: Protect and support disadvantaged children and young people
Student Loans Company	227.6	Student Loans Company	155.5	72.1	46.4%	2: Provide the skills pipeline needed to support a productive economy, fit for the future – through world leading technical and higher education
Child Wellbeing	145.7	Child Wellbeing	83.0	62.7	75.5%	4: Protect and support disadvantaged children and young people
Other	35.2	Other	30.1	5.1	16.8%	N/A
Total	72,071.8	Total	80,941.1	(8,869.4)	(11.0%)	

NB Categorisation for the Supplementary Estimate 2019-20 columns is slightly different to the published table within the 2019-20 Supplementary Estimate (specifically, Schools Teachers Supply & Development has been increased by £179 million and Corporate Services reduced by the same amount) to correct an error within the original table.

Annex B: Control total changes during Spending Review period

NB The majority of DfE funding in 2020-21 is based on the single-year Spending Review set out in 2019 (SR19) to cover the 2020-21 financial year. A Spending Review to cover the year (or years) from 2021-22 is expected to be completed in late 2020 (SR20).

				DfE Parliamentary Voted Control Totals 2020-21					
		Ring-fenced / Non Ring-fenced	cash / non-cash	RDEL Admin £000	RDEL Programme £000	RDEL TOTAL (1) £000	CDEL Programme (2) £000	RAME Resource (3) £000	CAME Capital (4) £000
	Confirmed?								
SR 19 Control Total - non ring-fenced	SR19	Non-Ring-fenced	cash	433,000	67,369,302	67,802,302	4,457,259	(3,960,339)	23,618,644
SR 19 Control Total - ring-fenced (depreciation)	SR19	Ring-fenced	non-cash	46,070	4,242,548	4,288,618	0	0	0
Control Totals at Main Estimate				479,070	71,611,850	72,090,920	4,457,259	(3,960,339)	23,618,644
Changes during 2020-21									
<i>Spring Statement 2020 (11 March 2020) -none announced</i>						0			
BCT Out									
BCT Out to MCHLG - Local Growth Fund	Confirmed	non-ringed fence	cash			0	(130,000)		
BCT Out to HO - School Security Grant	Confirmed	non-ringed fence	cash		(3,000)	(3,000)			
BCT Out to CO Outsourcing Programme Implementation	Confirmed	non-ringed fence	cash		(337)	(337)			
BCT Out to CO Better information for Better Government programme	Confirmed	non-ringed fence	cash		(50)	(50)			
BCT Out to CO 2020-21 COP26 Transfer programme	Confirmed	non-ringed fence	cash		(8,300)	(8,300)			
BCT Out to CO CSHR Industry Placement Pilot:- Civil Service Expert Advice	Confirmed	non-ringed fence	cash		(373)	(373)			
BCT Out to CO Geospatial Commission	Confirmed	non-ringed fence	cash			0	(50)		
BCT Out to CO - SPADS pay and GaE	Confirmed	non-ringed fence	cash	(366)		(366)			
BCT to Ofsted - shortfall (inspectors) as agreed as part of SR15, annual transfer.	Confirmed	non-ringed fence	cash		(1,200)	(1,200)			
BCT to Ofsted - Early Years Register (EYR) - shortfall of budget	Confirmed	non-ringed fence	cash		(4,500)	(4,500)			
BCT to Ofqual - external quality assurance (EQA) of apprenticeships	Confirmed	non-ringed fence	cash		(3,440)	(3,440)			
BCT to Ofqual T levels	Confirmed	non-ringed fence	cash		(992)	(992)			
BCT to Ofqual - KS4 performance tables 2023	Confirmed	non-ringed fence	cash		(450)	(450)			

Annex B: Control total changes during Spending Review period (continued)

BCT IN									
BCT In from DCMS AI Conversion Courses	Confirmed	non-ringed fence	cash		3,621	3,621			
BCT in from CO DEXEU. Transfer	Confirmed	non-ringed fence	cash	279		279			
Subtotal Mains BCT In and Out				(87)	(19,021)	(19,108)	(130,050)	0	0
Changes during Main Estimate 2020-21				(87)	(19,021)	(19,108)	(130,050)	0	0
<i>Of which</i>									
<i>non-ringfenced</i>				(87)	(19,021)	(19,108)	(130,050)	0	0
<i>ringfenced</i>				0	0	0	0	0	0
Control Totals at Main Estimate 2020-21				478,983	71,592,829	72,071,812	4,327,209	(3,960,339)	23,618,644
Of which									
<i>non-ringfenced</i>				432,913	67,350,281	67,783,194	4,327,209	(3,960,339)	23,618,644
<i>ringfenced</i>				46,070	4,242,548	4,288,618	0	0	0