f40 Key Asks

f40 remains concerned that there is no clear, strategic plan to remove funding inequities from the education system.

At a time of significant reform, which is placing even greater emphasis on mainstream inclusion, it is essential that funding for our schools is both sufficient and equitable.

There remains a variation in education funding (Dedicated Schools Grant) of more than £5,000 per pupil from the highest to lowest funded areas – well beyond any local area adjustment or demographic variation.

This variation in funding levels, alongside rising demand for SEND support, wider demand and inflationary pressures, and falling pupil rolls, is placing our schools in an intractable position and putting many, particularly small schools, into deficit.

The system is subject to significant reform, with both the Schools White Paper and SEND reforms directly affecting the education system. The wider social care and health reforms also significantly impact services, which support education providers.

We welcome the SEND reforms and their direction of travel, bringing together golden threads that are focused on locality and community-based commissioning and services, alongside greater inclusion and earlier intervention.

However, we believe that to successfully deliver the ambitious and much-needed policy reforms, we must be equally ambitious and undertake a full urgent review and transformation of the education funding system to ensure it is sufficiently resourced to deliver, with historic funding protections removed and equity achieved.

We urge Government to:

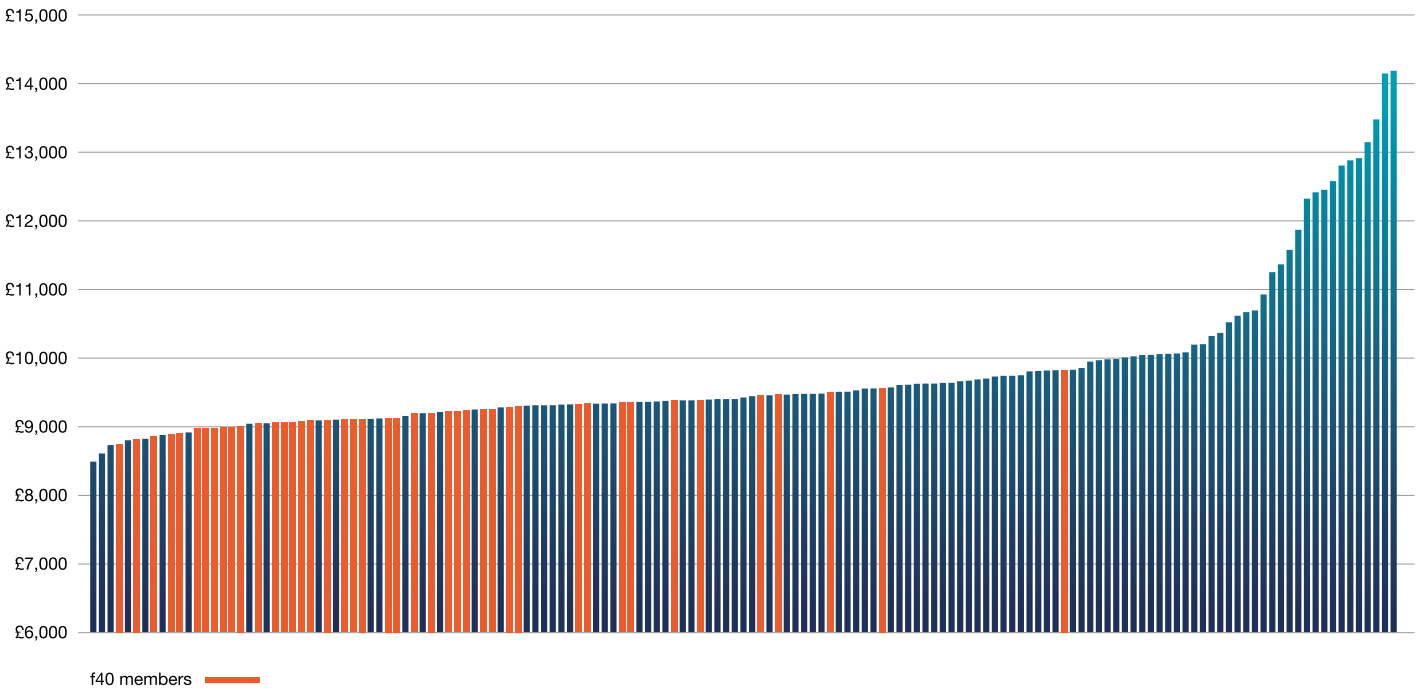
- Increase education funding to ensure schools have sufficient to successfully implement the reforms and deliver an excellent education for all
- Create a clear, strategic, coherent funding policy across the system, ensuring equity and sufficiency of funding across all provider types, removing inconsistencies and barriers to inclusion
- Review the Schools National Funding Formula and per pupil funding to assess how well it works for schools and to ensure basic entitlements are aligned with the actual costs of running a school, removing the need for the minimum funding level factor
- Set out a clear funding strategy linked to earlier intervention policy reforms, which provides a simple and transparent approach to reducing escalation of needs and high-cost placements, directing funding back into our mainstream schools
- Place more emphasis on local decision making to enable Schools Forum groups to use their discretion about the best use of funding to meet local needs
- Ensure funding policy and the formula remain flexible and responsive to changing needs over time

The unfair distribution of education funding

Now is the time to tackle the unfair distribution of education funding. We believe every child should have access to the same resources and opportunities, regardless of where they live or their level of need.

Our educational landscape continues to be uneven with the continuation of unfair School and High Needs funding, which results in some schools receiving £5,700 less per pupil Dedicated Schools Grant (DSG) funding than others. High Needs funding is also unfairly distributed, locking in many historic factors that do not meet today's needs. The lowest funded authority receives just £999 per pupil SEND funding, in comparison to the highest funded area, which receives £3,831.

In some cases, neighbouring local authorities with similar demographics can receive markedly different levels of SEND funding, with annual differences of up to £30m. Even when area living costs are considered, the differential is grossly unfair and far too wide.



This graph uses the Dedicated Schools Grant (DSG) 2026 to 2027 financial year allocations summary produced by the Department for Education. It uses data relating to block allocations after deductions for academies recoupment, national non-domestic rates and direct funding of high needs places by the DfE divided by mainstream primary and secondary school pupil numbers. This methodology ensures simplicity, certainty and transparency of data and avoids complexities related to wider age ranges due to reduced alignment with required provision.

Source of data: **https://www.gov.uk/government/publications/dedicated-schools-grant-dsg-2026-to-2027**

For more information

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