

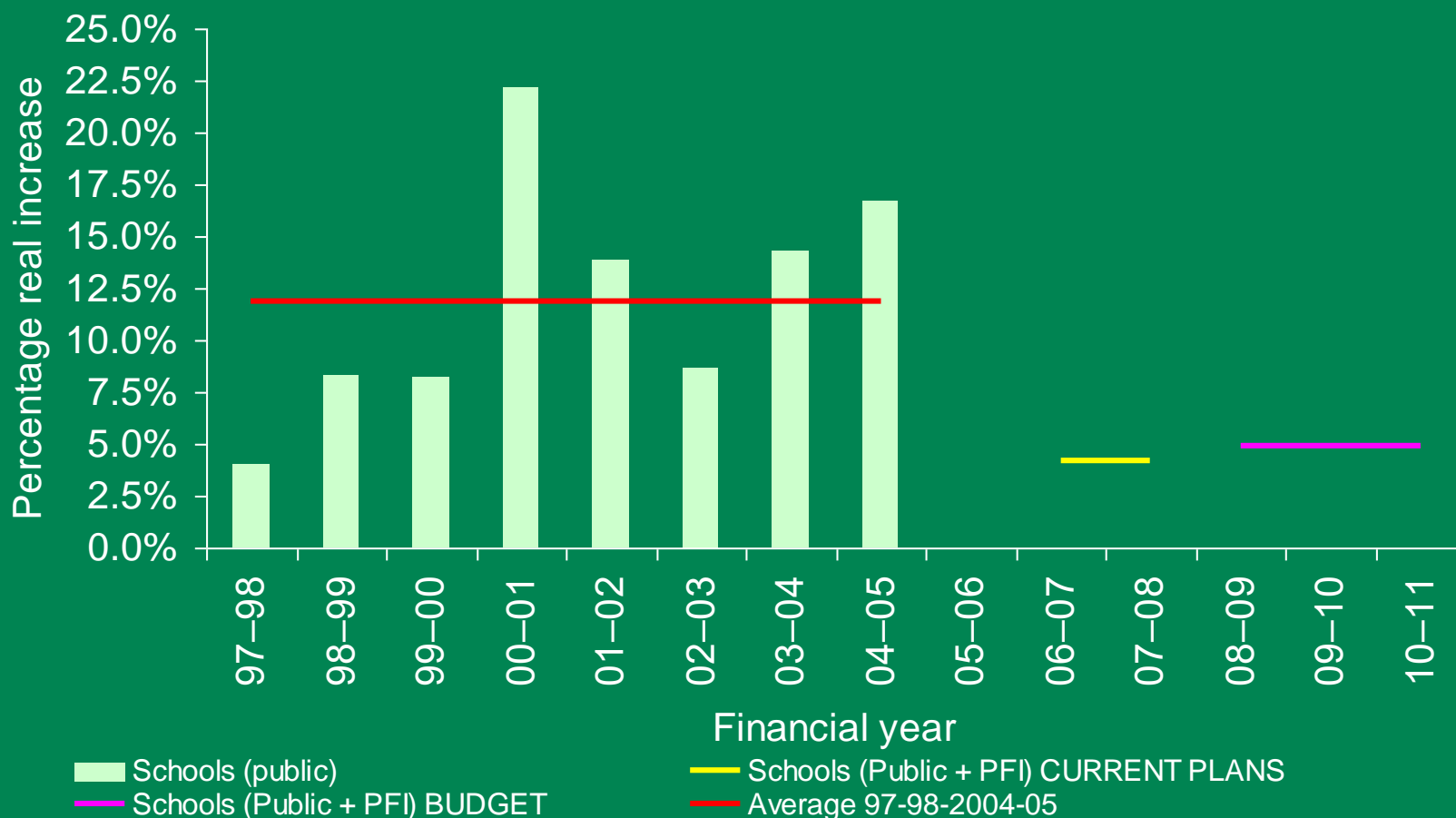
Spending on schools

Alissa Goodman

What was in the Budget?

- Additional funding direct to schools
 - £270 million in 2006-07
 - £440 million in 2007-08
 - Additional cost to the Exchequer
- New capital spending
 - Nominal £1.6 billion increase between 2007-08 and 2010-11
 - Could be through public spending or PFI
 - Public spending element to be found w/in overall spending envelope
- Aspiration to match today's private per pupil funding

Capital expenditure on schools

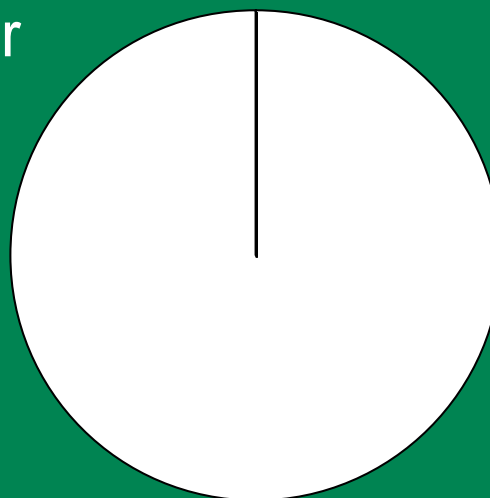


Matching private school spending

“Our long-term aim should be to ensure for 100 per cent of our children the educational support now available to just 10 per cent”

Matching private school spending

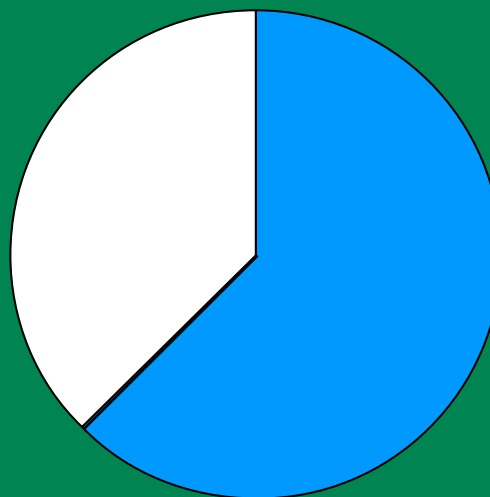
Private sector
spends £8,000 per
head in 2005-06



- | | |
|-------------------------|-------------------------|
| ■ 2005-06 spend | ■ Extra current planned |
| ■ Extra capital planned | ■ Extra current BUDGET |
| ■ Extra capital BUDGET | ■ Still to be found |

Matching private school spending

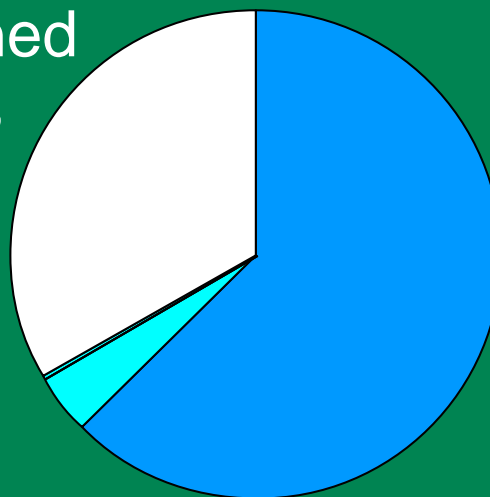
State spends £5,000
in 2005-06



- 2005-06 spend
- Extra current planned
- Extra capital planned
- Extra current BUDGET
- Extra capital BUDGET
- Still to be found

Matching private school spending

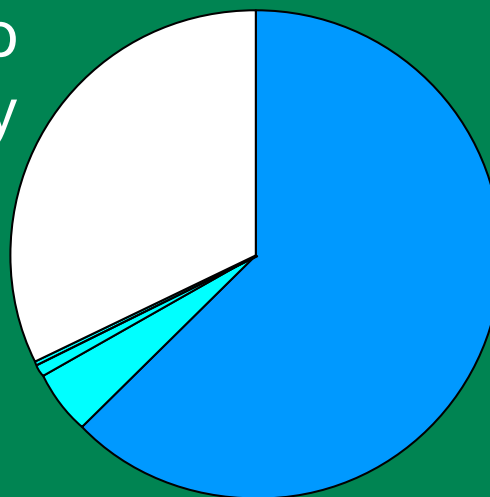
Current spending was already planned to rise by 2007-08 by around £340



- 2005-06 spend
- Extra current planned
- Extra capital planned
- Extra current BUDGET
- Extra capital BUDGET
- Still to be found

Matching private school spending

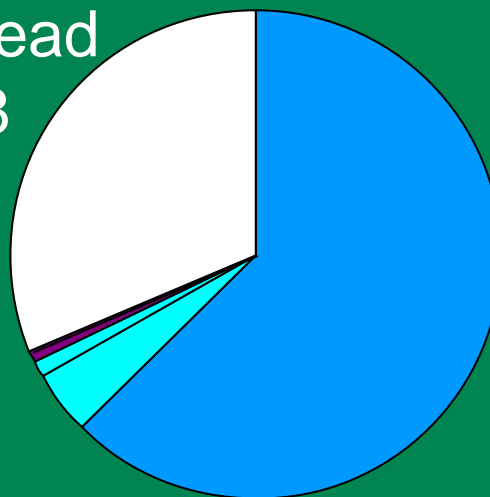
Capital spending was already planned to rise by 2007-08 by around £90



- 2005-06 spend
- Extra current planned
- Extra capital planned
- Extra current BUDGET
- Extra capital BUDGET
- Still to be found

Matching private school spending

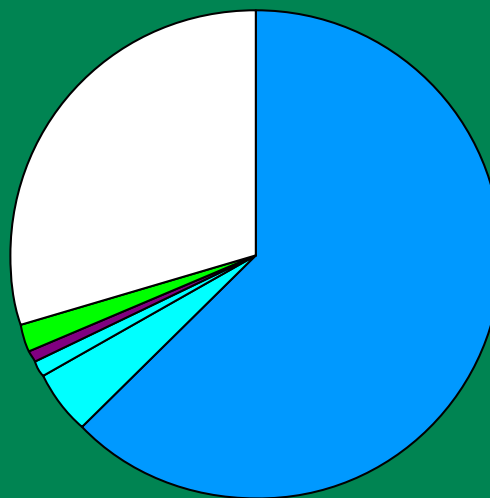
The Budget added
approx. £60 per head
current in 2007-08



- 2005-06 spend
- Extra capital planned
- Extra capital BUDGET
- Extra current planned
- Extra current BUDGET
- Still to be found

Matching private school spending

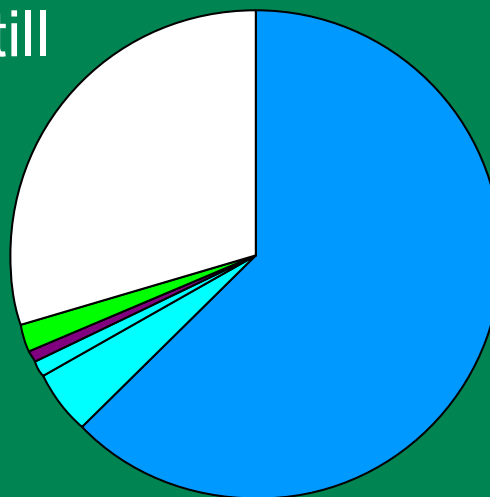
The Budget added approx. £150 per head capital in 2010-11



- 2005-06 spend
- Extra current planned
- Extra capital planned
- Extra current BUDGET
- Extra capital BUDGET
- Still to be found

Matching private school spending

This leaves approx.
£2400 per head still
to be found



- 2005-06 spend
- Extra current planned
- Extra capital planned
- Extra current BUDGET
- Extra capital BUDGET
- Still to be found

How much will it cost, and how long will it take?

- How much will it cost?
 - Approx. £2,400 per pupil
 - Approx. 7.2 million pupils (in 2010-11)
 - £17bn additional on planned spend
- How long will it take?
 - 16 years: if spending remains constant %GDP (+2.25% p.a)
 - 7 years: if spending grows at 1996-97-2007-08 rate of 5.3% p.a.
- Based on constant pupil numbers after 2010-11
 - Cost less if pupil numbers continue to decline through demographic trends
 - Could cost more if pupils leave private sector as differential is narrowed
- Would not “close gap” if private sector maintains differential

Conclusions

- Capital expenditure in schools to increase, but step change down in rate of increase, not up compared to first 8 years
- Brown's aspiration to close gap between state and private sector is ambitious if it is to be achieved for current school children