

Up-to-speed on: what the Budget 2021 means for schools

On 3 March 2021, the Chancellor of the Exchequer, Rishi Sunak, delivered his Budget address to Parliament – this article breaks down exactly what you need to know.

Key points

The key points are as follows:

1. [The government will spend £124 billion on Education in 2021/2022](#)
2. [An additional £700 million was announced for education catch-up](#)
3. [Additional support will be put in place for apprenticeships](#)
4. [Some will be eligible for a one-off £500 payment if told to self-isolate](#)
5. [The wider impact of partial school closures was discussed](#)

Read on to learn more about each key point.

The government will spend £124 billion on Education in 2021/2022

Spending in 2021/2022 amounts to £124 billion for the Education sector, which accounts for around 8.5 percent of total public sector spending.

Across 2020/2021 and 2021/2022, the government has made available £3 billion in Education funding in England in response to the coronavirus (COVID-19) pandemic. This includes support for schools to help pupils catch up on lost learning, provide FSM, and deliver skills and training to help pupils get into work.

An additional £700 million was announced for education catch-up

Following the £1 billion education catch-up funding announced last year, the government is making £700 million of further funding available to help more pupils catch up on the learning lost due to disruption caused by coronavirus, enabling them to progress to the next stage of their education, employment or training.

This includes:

- A one-off £300 million 'Recovery Premium' for state primary and secondary schools.
- A £200 million fund to expand tutoring programmes and deliver early language support.
- A £200 million fund for secondary schools to provide face-to-face Summer schooling.

The Budget confirmed previous announcements about this funding.



Additional support will be put in place for apprenticeships

The government is increasing support for traineeships and apprenticeships to help people looking for work. Last year, the government made available an additional £111 million in England for high-quality work placements and training for people aged 16-24 – this will increase to an additional £126 million in 2021/2022.

The government will also improve provision and expand eligibility for traineeships to those with Level 3 qualifications and below to enable more young people to access high-quality training. This follows the £101 million the government made available in 2020/2021 to give students aged 18-19 the opportunity to study targeted high-value Level 2 and 3 courses when there are not employment opportunities available to them.

Employers will be funded at a rate of £1,000 per trainee they take on. Employers who hire a new apprentice between 1 April and 30 September 2021 will receive £3,000 per new hire, compared with £1,500 or £2,000 (for apprentices under 24 years old) under the previous scheme. This is in addition to the existing £1,000 payment the government provides for new apprentices aged 16-18, or aged under 25 with an EHC plan. The government will also introduce a £7 million fund from July 2021 to help employers in England set up and expand portable apprenticeships.

Over 2020/2021 and 2021/2022, the government made an additional £32 million available for the National Careers Service, allowing 269,000 more people in England to receive personalised advice on training and work.



Some will be eligible for a one-off £500 payment if told to self-isolate

In September 2020, the government announced that all eligible people in England told to self-isolate due to coronavirus would receive a one-off payment of £500. This is for individuals who meet all of the following criteria:

- Employed or self-employed
- Unable to work from home and will lose income as a result
- In receipt of certain means-tested benefits

The government provided £110 million to LAs to administer the scheme and make payments, including £35 million for discretionary payments according to LAs' own criteria up until the 31 January 2021.

On 22 February 2021, the government announced additional funding, including a further £20 million per month for discretionary payments that will be made available from March 2021, and expanded the scheme to cover parents who are unable to work because they are caring for a child who is self-isolating.



The wider impact of partial school closures was discussed

The Budget 2021 also recognises the wider economic effect of partially closing schools. In the final quarter of 2020, the UK's gross domestic product (GDP) was higher than during the Spring lockdown, which in part reflects the impact of schools remaining open for all pupils – after face-to-face teaching was restricted, output in the Education sector fell by around a third

in April and May 2020, compared to February 2020. The restrictions also depressed output in other areas by reducing parents' working hours due to increased childcare responsibilities.

What's next?

- Read the Budget 2021 documents [here](#).
- A summary of all areas of the 'Budget 2021' is available [here](#).

Bibliography

HM Treasury (2021) 'Budget 2021'

HM Treasury (2021) 'Budget 2021: What you need to know' <<https://www.gov.uk/government/news/budget-2021-what-you-need-to-know>> [Accessed: 3 March 2021]