

**July (1)  
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# **Crisis**

## M.i97 Crisis

### The McAuley Picture

I have recently held a series of meetings with our fabulous Chief Finance Officer as we try to reduce an in-year deficit in our budget. The balanced budget Governors approved in mid-July 2022 was blown out of the water when the DFE announced at the end of July that the Teacher pay rise would be unfunded. Support staff had their well-deserved pay award back dated to April 22, again unfunded. This has taken a sizeable chunk out of the reserves we had built up (we had been planning a Sports Hall).

So in setting next year's budget and also having seen a £160K reduction in Sixth form funding we have had to make sweeping cuts and had some difficult conversations. These mean that some support staff vacancies have been paused. A number of staff are leaving and not being replaced. (amazingly, we still remain fully staffed with specialists in all 4 core areas). We have put a pause on further curriculum development, we have halved the Music lesson subsidy (many schools do not subsidise lessons) at all, halved our support from some external agencies who we employ to support our students, taken 10% off budget holders across the board, so that we can focus our resources on maintaining health and site safety, maintenance of IT systems, subsidised transport for families who would otherwise struggle to send their children here. All of this is in the face of increased inflationary costs to schools.

**This is a CRISIS of underfunding and under investment in state education.**

For the first time ASCL is balloting school leaders about industrial action. Other teacher unions and those for support staff are also balloting. If further strikes go ahead in the Autumn term, it will disrupt schools but it will mean the loss of pay and pension, as it has done for the NEU members now on Strike days 7 and 8.

**Industrial action is never taken lightly and is not taken for purely selfish reasons but in response to the impact underfunding is having in the school they are working in and the children that they work with. So whenever anyone thinks that teachers are going on strike because of self-interest, think again! They are striking for your child's education and your child. I'm sure that you would agree that they deserve the very best that state education, paid for by you the taxpayer, can offer. And that's NOT political!**

John Rooney  
Headteacher

I gave a little speech at the end of the last performance of Matilda last Friday and made reference to Boris Johnson. A gentlemen approached me at the end and said that I was wrong to have 'politicised it'.

I didn't respond because I had also poked fun at myself beforehand (guess he was happy with that) but ordinarily, I remain obstinately impartial. However, in the last three weeks I have had some very long and difficult meetings in an attempt to balance the budget for next year. Therefore, I owe it to you all to explain the cost pressures facing every school at the moment but paying particular attention to our school.

**The National Picture - data from The Association for School Leaders (ASCL, my union) was summarised in a National report published earlier this year.**

"Respondents to a survey (98%) said their school or college would have to make financial savings either in the current academic year 2022/23 or future years, or both, compared to last year, as a result of cost pressures. Alarming, 60% said they will have to make financial savings both in the current academic year and in future years. 26% said that they would have to use their reserves.

**Cost pressures** The cost pressures affecting schools and colleges include nationally agreed teacher and support staff pay awards **for which there is no additional government funding to afford the cost of these awards**, rising energy costs which are only partially offset by the government's six-month energy price guarantee, and rising catering costs. The implications on budgets at school and college level vary depending on a number of factors. For example, schools with higher proportions of children with special educational needs are likely to face higher extra costs because they employ more classroom assistants to support these pupils. Estimating the total extra costs they face in 2022/23 compared with last year. Our survey feedback shows that some secondary schools are facing extra costs of up to £500,000 this year. This equates to the cost of employing around 10 teachers.

### Conclusion

Financial circumstances at school-level vary widely depending on factors which include their funding allocation, and the number of pupils in the school. And, as previously noted, the impact of inflationary pressures will also vary based on factors such as the terms of energy price contracts and the impact of unfunded pay awards. This represents a serious risk to the financial sustainability of the sector as a whole, and therefore the equity of provision for different communities. The effect of the funding crisis will be uneven with some schools and colleges facing the prospect of having to make deeper cuts than others. **Certainly, it is clear that almost all will have to make savings on budgets that have already been cut to the bone over the past decade.**"