



Special Edition - Teachers' Pay and Financial Updates

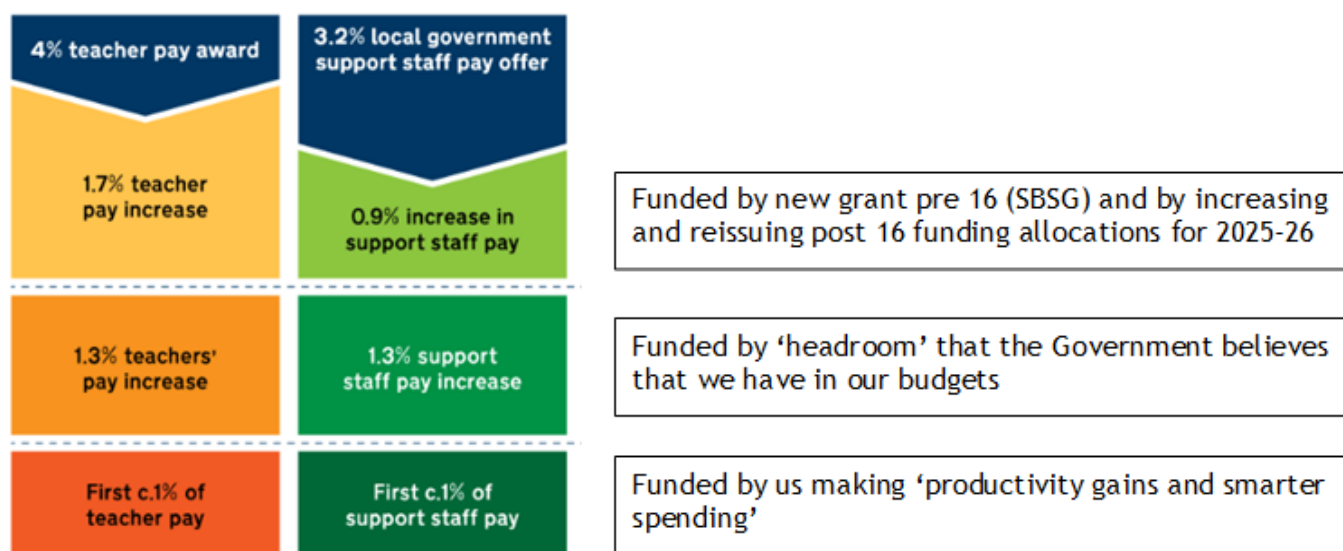
You may have seen that on Thursday 22 May announcements were made regarding the Teachers' Pay Award for 2025-26 and a range of other funding streams.

This special edition of the bulletin will unpack this a little and explain our next steps as a Trust.

Overview

The below image, from the DfE, describes the position quite well.

The captions to the right are mine rather than the rhetoric the DfE provided.



*Chart is for illustrative purposes only

What does this mean for our financial position?

This is good news, as long as other grants are not reduced to fund it. For example, we still have no confirmation that the PE/Sports grant will continue in next financial year.

Assuming for now that there isn't a sting in the tail of this announcement, this is how it changes the projections that are currently built into IMP:

2025-26	Pay award currently factored into our budgets	Amount that we need to increase our costs by	Element of pay award funded by the new grant	Net improvement in our projections
Support Staff	3.2%	0%	0.9%	0.9%
Teachers	2.8%	1.2%	1.7%	0.5%

The reality of this is slightly different and will vary from school to school.

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What action will we take now?

We have enough information to build the 4% pay award for teachers into our budgets for September 2025 onwards. The Central Finance Team will make this amendment in IMP on Tuesday 27 May.

We also have enough information to calculate the new SBSG grant for pre-16. There is a calculator that you can use if you wish but we have calculated this for all schools. You can find this information in [Foldr](#):

Foldr\School Business Managers\Trust Wide\Information for 2025-26 budgets\Schools Budget Support Grant 2025-26

The Central Finance Team will also add this grant to your budget in IMP on next Tuesday. We may not achieve this all in one day so we will email School Business Managers once this is complete (please feel free to ignore the email if you are on leave). You won't be able to see the full financial implications for your school until this work has been completed. We suggest that you avoid running reports from IMP on Tuesday 27 May and until we inform you that the updates have been completed.

The extra funding will be incorporated in core funding for post 16. The allocations for 2025-26 will be recalculated and reissued by the DfE in June. Unfortunately, they have not given us any information with which to estimate this for you, so we are not planning to incorporate any changes to your budgets at this stage.

Overall, we estimate that this will reduce our projected deficits by approximately £550k per annum. Welcome news but, unfortunately, not significant enough to make a material impact on our financial projections. We remain in a deteriorating financial position with 0.5% increases in funding, 2.3% unfunded pay awards and falling rolls.

Finally, the DfE have now issued the NI grant for post 16. We have recalculated the allocations for our secondary schools, which are slightly lower than we had anticipated (but only £4k). Details are provided in [Foldr](#):

Foldr\School Business Managers\Trust Wide\Information for 2024-25 Budgets\Estimate of NI grant - updated for Post 16 22.05.25

IMP will also be updated for this change on Tuesday 27 May.

I hope that this information is of use

As ever we will continue to keep you updated, and please do not hesitate to get in touch if you have any questions.

Louise Mailk, Chief Financial and Operating Officer

