# Government’s partial teacher pay rise stokes fears of school funding crisis



A recently announced partial pay rise for teachers in England has sparked concerns about the potential impact on school funding and educational provision. The Government, responding to recommendations from the School Teachers’ Review Body (STRB), has agreed to increase salaries for teachers and school leaders by 4% starting in September. Education Secretary Bridget Phillipson has stated that schools will receive an added £615 million this financial year to assist with the costs. However, she indicated that schools will need to source an additional 1% of the pay award through “improved productivity and smarter spending,” a directive that has met with significant resistance from education unions.

Daniel Kebede, general secretary of the National Education Union (NEU), voiced strong concerns regarding the implications of a partially funded pay increase, warning that this could lead to cuts in vital services, job losses, and substantially increased workloads for teachers. Kebede articulated that without full funding from the Government, they would be compelled to register a dispute and raise awareness among parents and politicians about the detrimental effects on school budgets.

The backdrop to these developments reveals ongoing tensions between the Government and teaching unions. Just months prior, both the NEU and NASUWT unions had threatened to initiate strike actions if their demands for fully funded salary increases were not met. This follows earlier signals from the Department for Education (DfE), which suggested a 2.8% pay rise for teachers for the fiscal year 2025/26—an indication that raised further alarm amongst educators regarding future funding stability.

Pepe Di’Iasio, general secretary of the Association of School and College Leaders (ASCL), echoed these concerns, arguing that the funding provision represents a cut to already strained school budgets. He has cautioned that relying on improved productivity to bridge funding gaps underestimates the fiscal challenges schools have already faced. Many institutions have cut costs to the bone, and further reductions in educational services seem inevitable under the current financial constraints.

Research by the School Cuts coalition underscores this precarious situation, revealing that 76% of primary schools and a staggering 94% of secondary schools in England anticipate being unable to manage their expenses in the upcoming year without additional funds. The coalition highlighted a substantial funding gap of £700 million that would be necessary to adequately cover teacher pay awards moving forward—a gap that raises the spectre of further cuts to educational provisions.

Phillipson emphasised that, despite the increases over recent years—stating that teachers will see a pay rise of nearly 10% since the Government took office—the unfunded aspects of this newest increase have left many within the profession feeling uncertain. She later announced an additional £160 million investment for colleges, yet the overall financial picture for schools remains precarious.

The challenges are compounded by persistent staffing shortages within the education sector, exacerbated by the unions’ fears that any unaddressed financial deficiencies could lead to a crisis in public education. In light of these conditions, significant industrial action may not just be a threat but a distinct possibility unless the Government delivers a fully funded salary increase.

As the education landscape continues to evolve, the stakeholders—teachers, unions, and policymakers—will need to navigate these turbulent waters carefully. The choices made in response to this financial framework could either pave the way for a more robust educational system or usher in a period of diminished resources and support for both educators and the students they serve.

### Reference Map

1. Paragraphs 1, 2, 3, 4, 9
2. Paragraph 5
3. Paragraph 6
4. Paragraph 7
5. Paragraph 8

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.independent.co.uk/news/business/partially-funded-teacher-pay-rise-may-lead-to-cuts-to-school-provision-unions-b2756116.html> - Please view link - unable to able to access data
2. <https://www.gov.uk/government/news/joint-statement-on-teachers-pay-13-july-2023> - On July 13, 2023, the UK government, including Prime Minister Rishi Sunak and Education Secretary Gillian Keegan, along with leaders of four education unions, announced a 6.5% pay increase for teachers and school leaders. This decision aimed to recognize the vital role of educators and ensure teaching remains an attractive profession. The government committed to providing additional funding above previous proposals, building on the £2 billion allocated to schools in the Autumn Statement. A hardship fund of up to £40 million was also established to support schools facing significant financial challenges.
3. <https://neu.org.uk/latest/press-releases/vast-majority-schools-face-funding-cuts-next-year> - Research by the School Cuts coalition revealed that 76% of primary schools and 94% of secondary schools in England would be unable to afford their costs in the upcoming year. This situation arose after the government's remit letter to the School Teachers’ Review Body (STRB) recommended a 2.8% rise in teacher pay for 2025/26 without providing new funding to cover this increase. The study highlighted a £700 million funding gap that the government would need to address to fully fund staff pay awards, potentially leading to cuts in educational provisions.
4. <https://schoolsweek.co.uk/strb-report-6-5-teacher-pay-rise-but-dfe-will-only-fund-3/> - The UK government accepted a recommendation for a 6.5% pay rise for teachers but planned to provide extra funding for only 3% of this increase. The Department for Education (DfE) proposed that schools cover the remaining 3.5% from their own budgets, which the DfE deemed 'affordable' given the £2.3 billion funding boost announced the previous year. This approach raised concerns among educators and unions about the feasibility of schools managing the additional financial burden without impacting educational quality.
5. <https://www.tes.com/magazine/news/general/teacher-pay-offer-it-affordable-schools-dfe-funding> - The Department for Education (DfE) announced a new teacher pay offer, including a one-off £1,000 payment and an average pay rise of 4.5% for the 2023-24 academic year. To fully fund this offer, the DfE committed to providing around £620 million in 2023-24 and an additional £150 million in 2024-25. However, the National Education Union (NEU) criticized the offer as 'not fully funded,' suggesting that schools would need to make cuts elsewhere to afford the pay rise, potentially affecting educational services.
6. <https://www.bbc.com/news/education-62261020> - In July 2022, the UK government proposed a 5% pay rise for teachers and higher increases for early-career educators. Five major teaching unions expressed concerns that this plan could lead to a 'full-blown funding crisis' for schools, potentially exacerbating staffing shortages. The unions emphasized the need for additional funding to ensure that pay increases do not come at the expense of educational quality or staff well-being.
7. <https://www.ft.com/content/354865cc-1956-47b7-b71e-a1583b1c6422> - The UK government faced a standoff with trade unions over public sector pay rises, with independent pay review bodies recommending increases of about 3% for NHS staff and nearly 4% for teachers, exceeding the government's affordability limit of 2.8%. Prime Minister Sir Keir Starmer's office insisted there would be no additional funding, meaning any increases must be financed through departmental cuts and efficiency savings. Trade unions argued for fully funded increases above inflation without impacting other public services, raising the threat of industrial action if pay was insufficient.