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**Ed Humpherson, Director General for Regulation**

Dr Mary Bousted and Kevin Courtney  
Joint General Secretaries  
National Education Union  
(by email)

10 May 2023

Dear Mary and Kevin

**Schools' Costs Funding**

Thank you for [your letter](#) on 20 April regarding [Schools' Costs 2022 to 2024](#) and [Teacher strikes: Everything you need to know about the teacher pay offer](#) published by the Department for Education. You raised a number of concerns with us regarding the evidence presented in these documents which we have reviewed and provided responses for below.

We also received a letter from the Department for Education on this matter that we have [responded to today](#), outlining the findings from our review of the publicly available information against our [regulatory guidance on statements about public funding](#).

We have summarised your concerns into five main areas:

- *High needs funding* – You were concerned that the Department for Education has not published estimates for the size of this element. We have raised this with the Department for Education and it has committed to sharing this information as part of future Schools' Costs Technical Notes
- *Teacher number projections* – You were concerned that these were based on unpublished internal modelling. The Department for Education has now [published this information](#) to provide important context to the announcement which will support understanding.
- *Per-pupil price inflation figures* – You raised that the per-pupil price inflation figures had not been provided for 2023-24. As the pay levels are not yet known for 2023/24, it is not possible to calculate the total 2023/24 per-pupil price inflation.
- *Financial years* – You highlighted that the pay offer is based on a traditional financial year but that academies work on an academic financial year. It is not within our remit to comment on the approach taken to setting pay awards. However, it is our view that the Department for Education has been transparent about its approach within the Schools' Cost Technical Note

- *Affordability of the pay offer* – You raised concerns that a significant proportion of schools will have to cut into services to afford the increase. While it is not within our remit to judge the affordability of the pay offer, it is our understanding that when used in this context by the Department for Education, the term ‘fully funded’ refers to the national level rather than at the individual school level. We consider that the Department has evidenced its claim that the offer is fully funded in line with its definition and that it has been open in saying that each school will be affected differently by the pay offer. As highlighted in our letter to the Department for Education, to enhance transparency, it should consider adding its definition of fully funded within the Schools’ Costs Technical Note in future.

We would be happy to discuss this matter further with you if you have any additional concerns.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ed Humpherson', with a stylized, cursive script.

Ed Humpherson