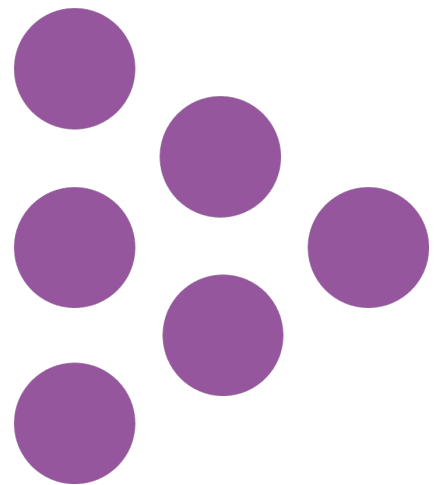


Report

The ongoing impact of the cost-of-living crisis on schools

National Foundation for Educational Research (NFER)



The ongoing impact of the cost-of-living crisis on schools

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Glossary of terms

Additional support: This is defined as anything over and above the usual provision pupils might receive in relation to pupil premium and/or Special Educational Needs and Disabilities (SEND) support.

Children and Young People’s Mental Health Services (CYPMHS): Services that support young people experiencing poor mental health, or difficult feelings or experiences. These services were formerly known as Child and Adolescent Mental Health Services (CAMHS).

Disadvantaged schools: For the purposes of this report, disadvantaged schools are defined based on the share of pupils eligible for free school meals in the school compared to nationally. For example, schools in the most disadvantaged quintile of schools have the highest rate of pupils eligible for free school meals.

Education, health and care plan (EHCP): This is a legal document for children and young people aged up to 25 who need more support than is available usually. An EHCP identifies the educational, health and social needs and sets out the additional support to meet those needs.

Free school meals (FSM) eligible pupil: A pupil who meets the eligibility criteria for free school meals and whose parent(s) or carer(s) makes a claim (eligibility is not determined automatically (DfE, 2018)). The FSM rate refers to the share of FSM-eligible pupils in the pupil population.

In-year deficit (surplus): A school whose annual expenditure is larger (smaller) than their annual income by the end of the financial year.

Overall deficit (surplus): A school with negative (positive) overall revenue balance after taking account of reserves.

Pupil premium (PP) pupil: PP pupils attract additional funding for their school to improve their educational outcomes. Any pupil who has been eligible for free school meals at any point in the last six years, has been in the care of the local authority at any point or is from a service family attracts PP.

Special educational needs and disabilities (SEND): A pupil with additional needs or disability which affects a child or young person’s ability to learn. This might include behaviour or ability to socialise, reading and writing (e.g., dyslexia), ability to understand things, concentration (e.g., attention deficit hyperactivity disorder) and physical abilities.

Real household disposable income: The amount of money that households have available for spending and saving after direct taxes, such as Income Tax, National Insurance and Council Tax, have been accounted for. Real household disposable income is adjusted for inflation over time.

Executive Summary

Teachers and senior leaders in schools are on the front line. They see the immediate impacts of cost-of-living increases on pupils and their households. NFER research to date has established that recent cost of living increases have profoundly impacted pupils and their schools, creating a self-perpetuating cycle of negative impacts (Lucas *et al.*, 2023). That research highlighted that, without urgent action, cost-of-living increases risked having far reaching and long-lasting impacts on pupils, particularly those who are most vulnerable, across mainstream and special school settings.

Though our evidence established the scale of the immediate challenges faced by schools and pupils last year, it is not clear how the cost-of-living crisis is continuing to impact schools in 2024, whether schools are still contending with substantial pressures and to what extent the ways in which schools are responding to this may have changed since last year.

Despite inflation having fallen from its peak in winter 2022 (Office for National Statistics, 2024), costs remain high compared to incomes and cost pressures are expected to persist in the years to come, with real household disposable income (a measure of living standards) expected to remain below pre-pandemic levels for the bottom half of the income distribution until at least 2027/28 (National Institute for Economic and Social Research, 2024). As such, pupils, their families and their schools are set to continue to be impacted by cost-of-living pressures over the coming years.

Schools are also continuing to grapple with a myriad of pressures, alongside cost of living increases, such as staff recruitment and retention challenges (McLean, Worth and Smith, 2024), additional financial pressures created by the current demographic decline in primary pupil numbers (DfE, 2023), costs associated with deteriorating school infrastructure (National Audit Office, 2023) and post-pandemic recovery (OFSTED, 2022a, 2022b). Further, while the national schools budget is set to increase by a billion in 2024/25 (in addition to the increase of £4 billion that took place in 2023/24) (HM Treasury, 2024), this is not set to cover the scale of expected cost pressures (Sibieta, 2024). Collectively, cost pressures are putting significant strain on school budgets and necessitating difficult decisions about where potential cuts and cost-saving measures may be required.

This report builds on our previous research into the impact of the cost of living (data collected in April and May 2023) to provide insights into how the increased cost of living, alongside other pressures, is continuing to impact mainstream schools and investigate how schools are responding to these challenges a year on.

Drawing on online surveys of 884 teachers and 398 senior leaders in mainstream schools¹ in England conducted in March 2024², this report aims to establish:

¹ Special schools were not included in this year's cost of living survey sample as they are not included in NFER's Teacher Voice panel.

² Note that the 2023 survey took place earlier in the academic year than the 2024 survey. The first survey was in the field between 21 April and 11 May 2023 while this year's survey took place in March 2024. This should be borne in mind when comparing findings between this year and last year.

1. Has the level of need among pupils changed since last year?
2. What support are schools providing to pupils and how has this changed over the last year?
3. What is the ongoing impact of cost pressures on schools' provision and financial positions?

All findings are based on self-reported teacher and senior leader responses. The quantitative analysis presented throughout this report is descriptive in nature and is not intended to be used to make causal inferences. The key findings from our research are outlined below.

Key findings

A significant proportion of pupils continue to require additional welfare and financial support in 2024³

The proportion of pupils who require additional welfare and financial support has shown limited improvement since 2023. For example, senior leaders report that 25 per cent of primary and 24 per cent of secondary pupils currently need additional financial support such as subsidies for travel, IT access or books (compared to 30 per cent and 29 per cent last year respectively).

Pupil mental health also remains a significant concern for schools

While a wide range of factors may be contributing to the current levels of mental health needs among pupils, including the Covid-19 pandemic, previous research has highlighted that cost-of-living pressures on families are likely to have amplified the levels of mental health needs among pupils (Barnardo's, 2022). School leaders report an average of 24 per cent of primary and 29 per cent of secondary pupils currently require additional mental health support, compared to 25 per cent and 28 per cent last year respectively.

Pupils in the most disadvantaged schools are most likely to require additional support

Senior leaders in the most disadvantaged quintile of schools – where disadvantage is measured by the share of pupils in the school who are in receipt of free school meals (FSM) – report that 44 per cent of primary and 37 per cent of secondary pupils need additional financial support. This compares to just 12 per cent of primary and ten per cent of secondary pupils in the least disadvantaged quintile of schools.

Primary teachers report that the share of pupils coming into schools hungry, without adequate clothing or equipment for lessons continues to increase compared to last year

Around 40 per cent of primary teachers report that the number of pupils coming into school without adequate clothing (such as proper uniform or winter coat/shoes) had increased compared to last year⁴. Similarly, around a third report that the proportion regularly coming into school hungry or without books and/or equipment has increased this year⁵. Primary teachers in the most

³ Additional support was defined as anything over and above the usual provision pupils might receive in relation to EHCP plans, pupil premium and/or SEND support.

⁴ In 2023, teachers reported an average of 12 per cent of primary pupils coming to schools without adequate clothing (such as proper school uniform or winter coats/shoes).

⁵ In 2023, teachers reported 12 per cent of primary pupils in their class year regularly coming into school hungry and 13 per cent of primary pupils coming into schools with equipment due to the cost of these items.

disadvantaged schools are disproportionately likely to report increases in the share of pupils dealing with these challenges compared to peers from the most affluent schools.

Most schools continue to provide a wide range of support to pupils, including food and clothing

As was the case in 2023, the most common support activities reported by schools are:

- providing uniform and clothing to pupils (94 per cent of primary and 96 per cent of secondary schools)
- subsidising extra-curricular activities (93 and 92 per cent)
- subsidising breakfast (69 and 79 per cent) and
- providing food parcels/food banks/food vouchers (71 and 72 per cent).

Although less common than other types of support, 31 per cent of primary and 51 per cent of secondary schools are providing free meals to pupils who would not otherwise be eligible for FSM. These levels are comparable to last year. This highlights that a substantial proportion of pupils who need additional support do not attract any additional funding for their schools, suggesting that the current eligibility criteria for FSM are too narrow. Indeed, the income threshold for FSM eligibility has remained at £7,400 since 2018/19, despite high levels of inflation since then. This is consistent with previous research which has highlighted that around one in three school-aged children in England who are living in poverty are currently missing out on free school meals (Child Poverty Action Group, 2022).

Except for the provision of food parcels/banks/vouchers, schools/trusts are largely providing support/services to pupils on their own without any support from external organisations.

Around a fifth of primary (19 per cent) and secondary (17 per cent) teachers report spending their own money on meeting pupils' pastoral or welfare needs this year

This includes spending by teachers on providing food or clothes to pupils. Among the teachers using their own money for pastoral or welfare needs, 55 per cent of primary and 62 per cent of secondary teachers who have spent their own money also report that the scale of their spending had increased compared to last year.

Across all areas of spending, primary and secondary teachers who have spent their own money report spending an average of around £83 and £74 respectively so far this academic year (between September 2023 and March 2024)

This includes spending on meeting pastoral/welfare needs, alongside spending personal funds on their classrooms and teaching and learning resources⁶. Around a quarter of teachers report spending at least £100 of their own money overall on their pupils or school.

⁶ Across the three areas of spending, the proportion of teachers reporting that the amount they have spent so far had increased compared to last academic year ranged from 45 per cent to 55 per cent of primary teachers and 45 per cent to 62 percent of secondary teachers.

Teachers continue to struggle to access the support they need from external agencies, particularly from mental health services and external Special Educational Needs and Disabilities (SEND) providers

The proportion of primary teachers who report being unable to access any of the support they require to meet pupils' needs from mental health services has almost doubled to 23 per cent, compared to 12 per cent last year. In comparison, while access to mental health services has remained broadly similar for secondary teachers compared to last year, it remains high at around 16 per cent of teachers reporting they are unable to access any of the support they need⁷.

There has also been a significant increase in the proportion of teachers reporting that they are not able to access the support they need from external SEND team/specialist expertise and social/welfare services. The share of teachers reporting that they cannot access any of the support they need has doubled for primary schools from seven per cent in 2023 to 14 per cent in 2024 and increased for secondary teachers from around ten per cent to 17 per cent.

This highlights that, at a time when schools are contending with high levels of pupil need, they are finding it increasingly challenging to access the necessary support from key external agencies.

Only around one in ten schools have not made cuts to any areas of their provision this academic year due to cost pressures

Schools continue to implement cuts that are impacting directly on the teaching and learning environment and experiences of pupils. These include spending less on: learning resources⁸ (at 67 per cent of primary and 39 per cent of secondary schools), targeted learning support⁹ (at 46 per cent and 28 per cent) and cutting support for pupils with SEND (at 28 and ten per cent).

Many schools are also making cuts to staffing. Almost two-fifths (at 39 per cent) of secondary schools and one-fifth (at 22 per cent) of primary schools report cutting the number of teachers in school (or their hours). More than two-thirds (68 per cent) of primary and about two-fifths (40 per cent) of secondary schools have cut the number of teaching assistants (or their hours) in schools.

In addition, school cuts are impacting on the school estate – a substantial share of schools report making cuts to building maintenance (at 53 per cent of primary schools and 32 per cent of secondary schools) and improvements (at 46 and 33 per cent). This is particularly concerning in the context of the recent Reinforced Autoclaved Aerated Concrete (RAAC) crisis and National Audit Office estimates that around 700,000 pupils are learning in a school that needs major rebuilding or refurbishment (National Audit Office, 2023).

⁷ This compares to 15 per cent last year.

⁸ Such as printed worksheets, materials for art and science activities and library books.

⁹ Such a tutoring.

Among schools making cuts, the increased cost of living and teacher pay increases¹⁰ are the main drivers of the cost-pressures they are experiencing

Our survey asked senior leaders to identify the main drivers of the cost pressures that have caused them to make cuts to school spending this year¹¹. Around two-thirds of primary and secondary school leaders report that cost-of-living pressures were a main driver causing them to make cuts to spending this year. This is comparable to the share of school leaders reporting that teacher pay was a main driver of spending cuts.

A third of primaries report falling pupil numbers as a main driver behind spending cuts this year. With the Department for Education (DfE) predicting a ten per cent fall in nursery and primary numbers between 2024 and 2030, this is only likely to become an increasing challenge for schools (DfE, 2023). The costs of building maintenance are also impacting on schools' finances, with 23 per cent of secondary and 13 per cent of primary schools reporting this a main driver of cuts.

Senior leaders report that their schools' financial position continues to deteriorate, and leaders are anticipating needing to make additional cuts to provision in the coming financial year

Despite the schools budget increasing by £4 billion in 2023/24 and being set to increase by a further billion in 2024/25, these funding increases are unlikely to cover the scale of expected cost pressures on schools.

¹⁰ Whilst necessary to address ongoing teacher recruitment and retention challenges (McLean, Worth and Smith, 2024) the costs of recent teacher pay increases for schools, together with wider cost pressures, have not necessarily kept pace with the funding settlement received by schools.

¹¹ Senior leaders were able to select up to three drivers when responding to this question.

Recommendations

Our research highlights that the scale of the cost pressures impacting families and schools has entrenched high levels of need among pupils. Further, schools are continuing to take unprecedented steps, which go above statutory responsibilities, to meet pupils' basic needs.

It is imperative that the Government prioritises the following:

Recommendation 1: Extend the current eligibility for free school meals to ensure pupils in need who do not meet the current eligibility criteria can benefit. At the absolute minimum, this should involve uprating the income threshold for eligibility to reflect inflationary pressures since 2018/19¹².

Recommendation 2: Provide targeted financial support to help schools address pupil's well-being needs, alongside meeting the additional direct costs (e.g. salary and running costs) associated with current cost pressures.

Recommendation 3: Increase the capacity and responsiveness of CYPMHS and the wider support around families to ensure pupils can access the appropriate support and specialist services in a timely manner, rather than schools and teachers having to step in to fill those gaps in support. This could include revisiting current levels of welfare support for families.

¹² The income threshold for FSM eligibility has remained at £7,400 since 2018/19, despite high levels of inflation since then.

1. Introduction

Since 2021, increases in energy, food and housing costs driven a dramatic rise in the cost of living across England (Harari *et al.*, 2023).

These cost-of-living pressures have had a profound impact on pupils and their families, alongside directly impacting schools. The Joseph Rountree Foundation estimates that, in Autumn 2023, 4.2 million households were without basic essentials and 3.4 million households did not have enough money for food (Joseph Rowntree Foundation, 2024). Further, the latest Programme for International Student Assessment (PISA) survey found that five per cent of pupils in England had to skip eating every day or almost every day because there was not enough money to buy food (compared to an average of three per cent across OECD countries) (Ingram *et al.*, 2023).

Teachers and senior leaders in schools are on the front line. They see the immediate impacts of cost-of-living pressures on pupils. Regardless of whether they have the staff or resources to do so, many may feel compelled to step in to provide urgent support to pupils and their families who are in need. While this may go beyond schools' statutory duties, the evidence suggests that pupils whose most basic needs are not being met – whether it is going to school hungry or being unable to afford the costs of transport – are less likely to attend school and successfully engage with learning (The Food Foundation, 2022).

Despite inflation having fallen from its peak in winter 2022 (Office for National Statistics, 2024), costs remain high compared to incomes. Cost pressures are expected to persist for years to come, with real household disposable income (a measure of living standards) expected to remain below pre-pandemic levels for the bottom half of the income distribution until at least 2027/28 (National Institute for Economic and Social Research, 2024). As such, pupils, their families and their schools are set to continue to be impacted by cost-of-living pressures over the coming years.

Alongside cost-of-living pressures, schools are continuing to grapple with a myriad of other pressures, including: staff recruitment and retention challenges (McLean, Worth and Smith, 2024), additional financial pressures created by the current drop in primary pupil numbers (DfE, 2023), costs associated with deteriorating school infrastructure (National Audit Office, 2023) and post-pandemic recovery (OFSTED, 2022a, 2022b). Although the schools budget increased by £4 billion in 2023/4 and is expected to increase by a further billion in 2024/25 (HM Treasury, 2024), this is not set to cover the scale of expected cost pressures (Sibieta, 2024). Collectively, cost pressures are exacerbating the impact of cost-of-living increases and putting significant strain on school budgets, necessitating difficult decisions for school leaders about potential cuts and cost-saving measures.

NFER research to date (Lucas *et al.*, 2023) has established that recent cost of living increases have profoundly impacted on pupils and their schools, creating a self-perpetuating cycle of negative impacts. That research highlighted that, without urgent action, cost-of-living increases risk having far reaching and long-lasting impacts on pupils, particularly those who are most vulnerable, across mainstream and special school settings.

This report builds on NFER’s previous research to provide insights into how cost-of-living pressures, alongside wider financial pressures, are impacting schools, investigate whether schools are still contending with substantial pressures and explore how schools are responding to these challenges a year on.

Drawing on surveys of teachers and senior leaders in mainstream schools¹³ in England (as outlined in Box 1) conducted in March 2024, this report aims to establish:

1. Has the level of need among pupils changed since last year?
2. What support are schools providing to pupils and how has this changed over the last year?
3. What is the ongoing impact of cost pressures, including cost of living increases, on schools’ provision and financial positions?

It is important to note that the quantitative analysis presented throughout this report is descriptive in nature and is not designed to support causal inferences. In addition, it should be borne in mind that this data is self-reported and so a degree of caution is necessary when interpreting the findings. Further detail about the methodology can be found in the Appendix.

¹³ Special schools were not included in this year’s cost of living survey sample as they are not included in NFER’s Teacher Voice panel.

Box 1. NFER cost of living surveys

Sample

From 8th to 13th March 2024, NFER collected data via an online survey sent to NFER's Teacher Voice panel, a representative sample of teachers and senior leaders in England. We received responses from 398 senior leaders and 884 teachers from 638 primary schools (including middle deemed primary) and 644 secondary schools (including middle deemed secondary and all-through schools).

We weighted the data for mainstream schools to ensure that our findings are representative of mainstream schools in England. Some caution is needed when interpreting these findings as while the overall samples from 2023 and 2024 datasets are both nationally representative, the representativeness of sub-samples (e.g., by school-level disadvantage) may differ. It should also be borne in mind that this data is self-reported based teachers' and senior leaders' recollections.

Data collected

The survey focused on three main areas: the level of need among pupils; how schools are supporting them and how provision in schools has been affected by recent cost pressures. Some of the questions included in the survey are repeated from NFER's 2023 cost of living survey to provide longitudinal insights on the changes that may have taken place over the last year.

Analysis

The NFER team used Department for Education (DfE) [administrative data](#) to identify the characteristics of each school, including phase, proportion of pupils eligible for free school meals (FSM) and school type (local authority or academy). Weighting factors were applied to ensure that the distribution of the achieved sample of mainstream schools was representative of the national population of schools by phase and FSM quintiles.

The analysis used descriptive statistics for the survey questions as well as tests of statistical significance to identify associations between selected questions and school characteristics. Statistical significance tests were also run on longitudinal questions to identify meaningful changes since the 2023 survey*. Results were considered statistically significant if the probability of a result occurring by chance was less than five per cent ($p < 0.05$).

**Note that the 2024 survey took place slightly earlier in the year than the 2023 survey. The first survey was in the field between 21 April and 11 May 2023 while this year's survey took place in March 2024. This should be borne in mind when comparing findings between this year and last year.*

2. Understanding current levels of need among pupils

This section sets out the current level of need among pupils in schools (including welfare, health and wellbeing needs) and explores how this compares to the level of need reported last year.

Whilst these findings provide crucial insights into how cost-of-living pressures may be impacting pupils, it is important to recognise that there are a myriad of other factors (such a post-pandemic recovery) impacting on the level of pupil need within schools.

Key findings

- A significant proportion of pupils continue to require additional welfare and financial support in 2024. This has shown limited improvement since 2023.
- Pupil mental health remains a significant concern for schools, with an average of 24 per cent of primary and 29 per cent of secondary pupils currently requiring additional mental health support, compared to 25 per cent and 28 per cent respectively last year.
- Pupils in the most disadvantaged schools are most likely to require additional support.
- Primary teachers report that the share of pupils coming into schools hungry, without adequate clothing or equipment for lessons continues to increase compared to last year.

2.1. Pupils' additional support needs

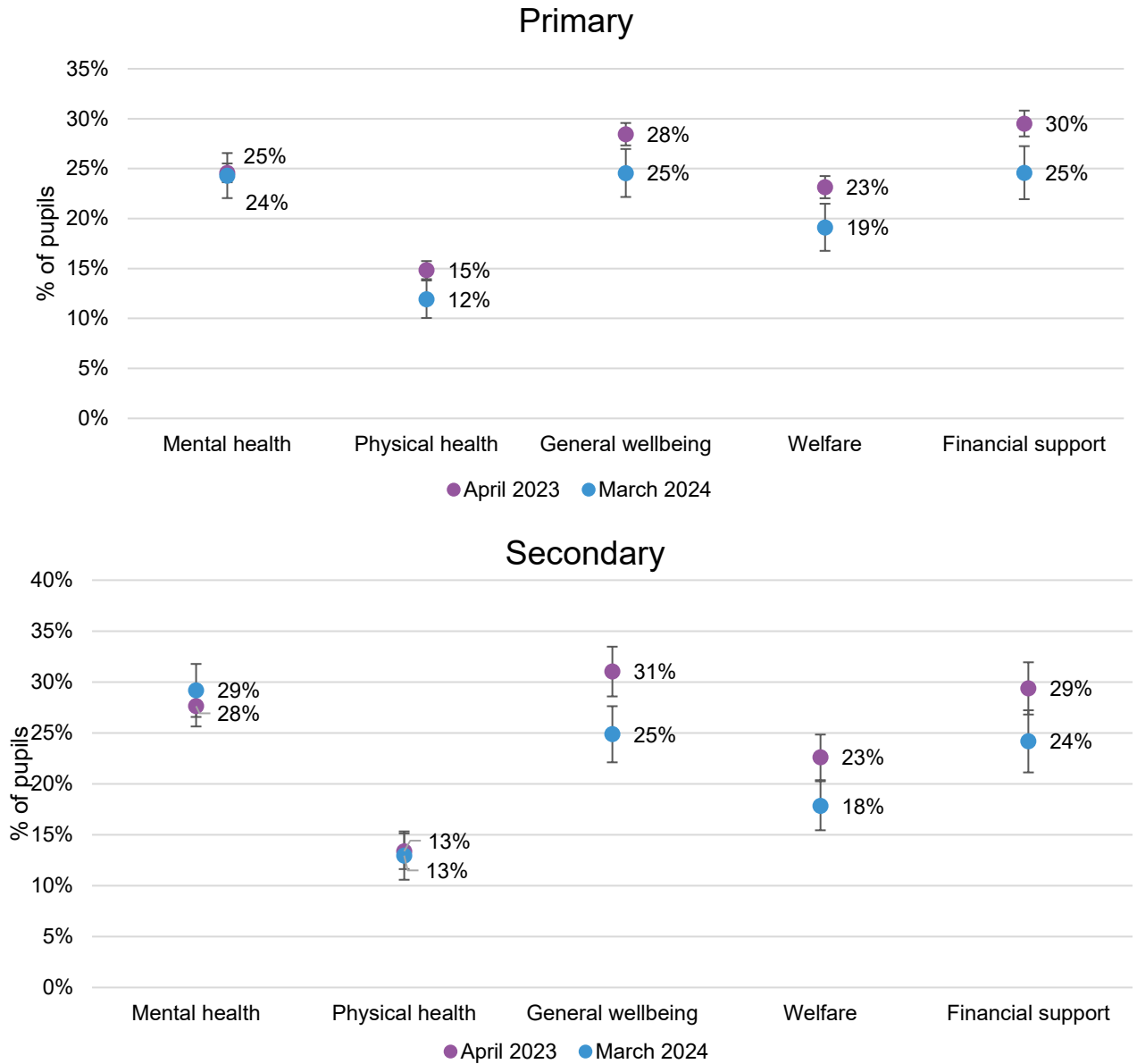
Figure 1 presents the percentage of pupils¹⁴, as reported by senior leaders, who currently require additional support across a range of areas in March 2024, compared to Spring 2023.

A significant proportion of pupils continue to require additional welfare and financial support

As shown in Figure 1, across financial and welfare needs, there have been small but statistically significant reductions in the number of pupils reported by senior leaders as requiring additional support between 2023 and 2024. However, the proportion of pupils continuing to need additional support in these areas remains high. For example, in 2023, senior leaders reported that 30 per cent of primary and 29 per cent of secondary pupils needed additional financial support (such as subsidies for trips or travel, IT access, transport costs and books). While this had declined to 25 per cent and 24 per cent respectively in 2024, this highlights that schools continue to grapple with high levels of pupil need across a wide range of areas.

¹⁴ Senior leaders selected one of the following ranges: over 90 per cent of pupils, between 71 and 90 per cent, between 51 per cent and 70 per cent, between 31 per cent and 50 per cent, less than 10 per cent. Mid-points were used to estimate an average across all senior leaders (see the Appendix for more detail).

Figure 1 Average percentage of pupils requiring different types of additional support in March 2024 compared to April 2023 by phase



Note: Additional support was defined as anything over and above the usual provision pupils might receive in relation to Education Health and Care Plans (EHCP) plans, pupil premium and/or SEND support. Due to rounding errors, figures may not match breakdowns presented elsewhere

Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 134

Pupil mental health and wellbeing needs remain a significant concern for schools

Figure 1 also shows that almost three in ten pupils (24 per cent of primary and 29 per cent secondary) currently require additional support for their mental health (e.g. for anxiety and depression). This is comparable to last year, where senior leaders estimated that around 25 per cent of primary and 28 per cent secondary pupils required additional mental health support.

Further, around a quarter (25 per cent) of primary and secondary pupils need support for their general wellbeing, albeit there has been a statistically significant decrease in the proportion of primary pupils requiring additional support with their general wellbeing since last year. This demonstrates that relatively high proportions of pupils continue to struggle with mental health and wellbeing needs and this has become a significant entrenched challenge that schools are having to address.

A wide range of factors are likely to be contributing to this sustained increase in mental health needs among pupils, including the Covid-19 pandemic. However, previous research has highlighted that the increased cost of living is likely to have amplified the levels of mental health needs among pupils (Barnardo's, 2022). For example, financial pressures create additional stress for parents and cause families to cut back on essentials, including food and energy, which may lead to instability and uncertainty at home.

Pupils in the most disadvantaged schools are most likely to require additional support

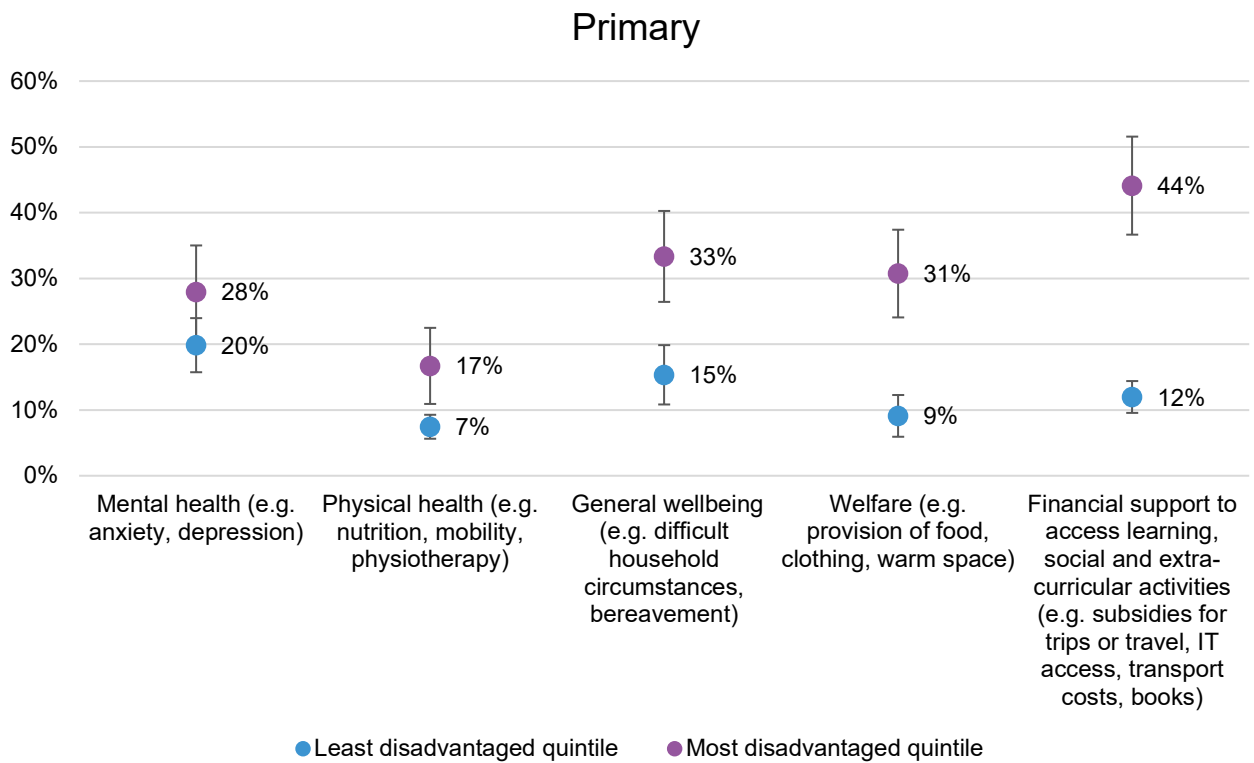
As might be expected, senior leaders in the most disadvantaged schools (i.e., schools with the highest proportions of pupils who are in receipt of FSM nationally) typically report significantly higher proportions of pupils as requiring additional support across these areas. This is shown in Figure 2.

To take one example, school leaders in the most disadvantaged quintile of schools report that, on average, about 44 per cent of primary and 37 per cent of secondary pupils need additional financial support, compared to just 12 per cent of primary and ten per cent of secondary pupils in the least disadvantaged quintile of schools. Similarly, 31 per cent of primary and 25 per cent of secondary pupils in the most disadvantaged schools require additional support with their welfare, compared to just nine per cent of primary and eight per cent of secondary pupils in the least disadvantaged schools. This indicates that the sustained high levels of need among pupils discussed above are being driven by the large proportions of pupils from the most disadvantaged settings who continue to need these forms of additional support, rather than being uniformly spread across schools.

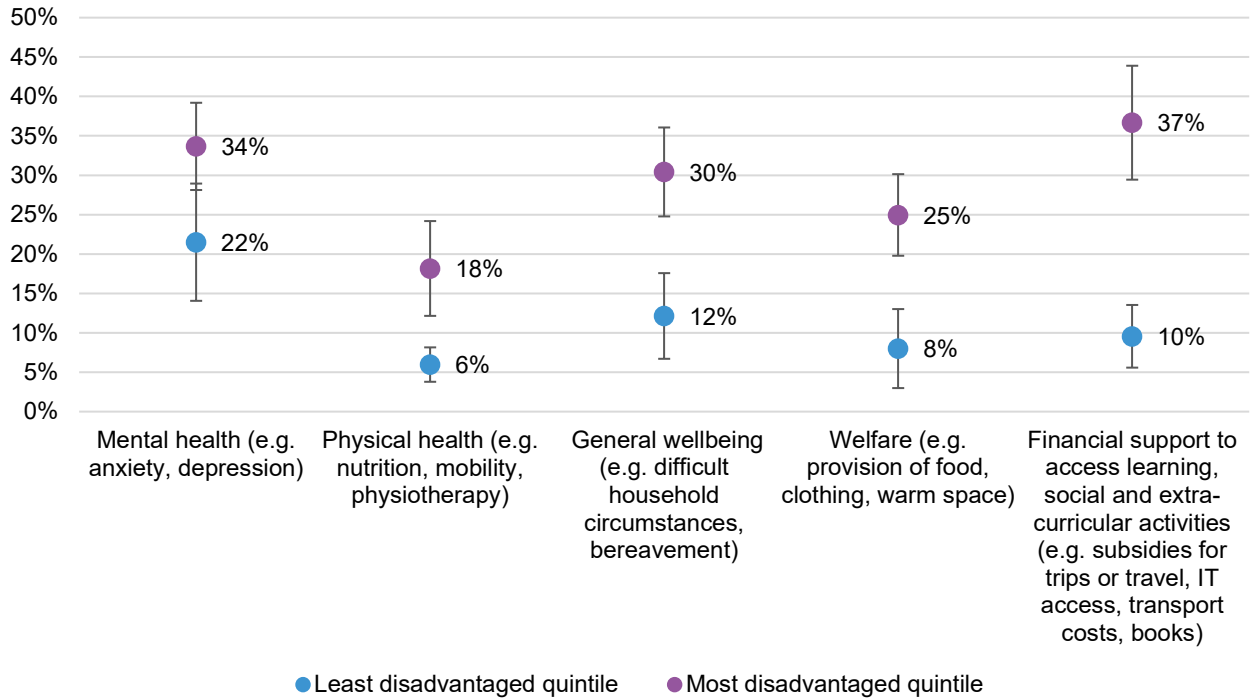
It is, however, important to recognise that while there are still differences in mental health needs between schools with different levels of disadvantage, they are smaller and not consistently significantly different. Indeed, while higher proportions of pupils in the most disadvantaged primary schools are reported as requiring additional support compared to the least disadvantaged schools, the differences are not statistically significant.

Similarly, higher proportions of pupils in the most disadvantaged primary and secondary schools are reported to need additional support for physical health, compared to those in the least disadvantaged schools. However, the difference is only statistically significant for primary schools.

Figure 2 Average percentage of pupils currently requiring different types of support by school-level disadvantage and phase



Secondary



Note: Additional support was defined as anything over and above the usual provision pupils might receive in relation to EHCP plans, pupil premium and/or SEND support. Due to rounding errors, figures may not match breakdowns presented elsewhere

Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 134

2.2. Welfare challenges faced by pupils

Primary teachers, particularly in the most disadvantaged schools, report that the share of pupils coming into schools hungry, without adequate clothing or equipment for lessons continues to increase compared to last year

In addition to asking senior leaders about levels of need among pupils in school overall, we asked primary teachers whether there had been a change in the proportion of their class group experiencing a range of challenges compared to last year¹⁵. The challenges being reported by teachers are consistent with the findings discussed above that show that pupils' welfare and financial support needs in schools remain high.

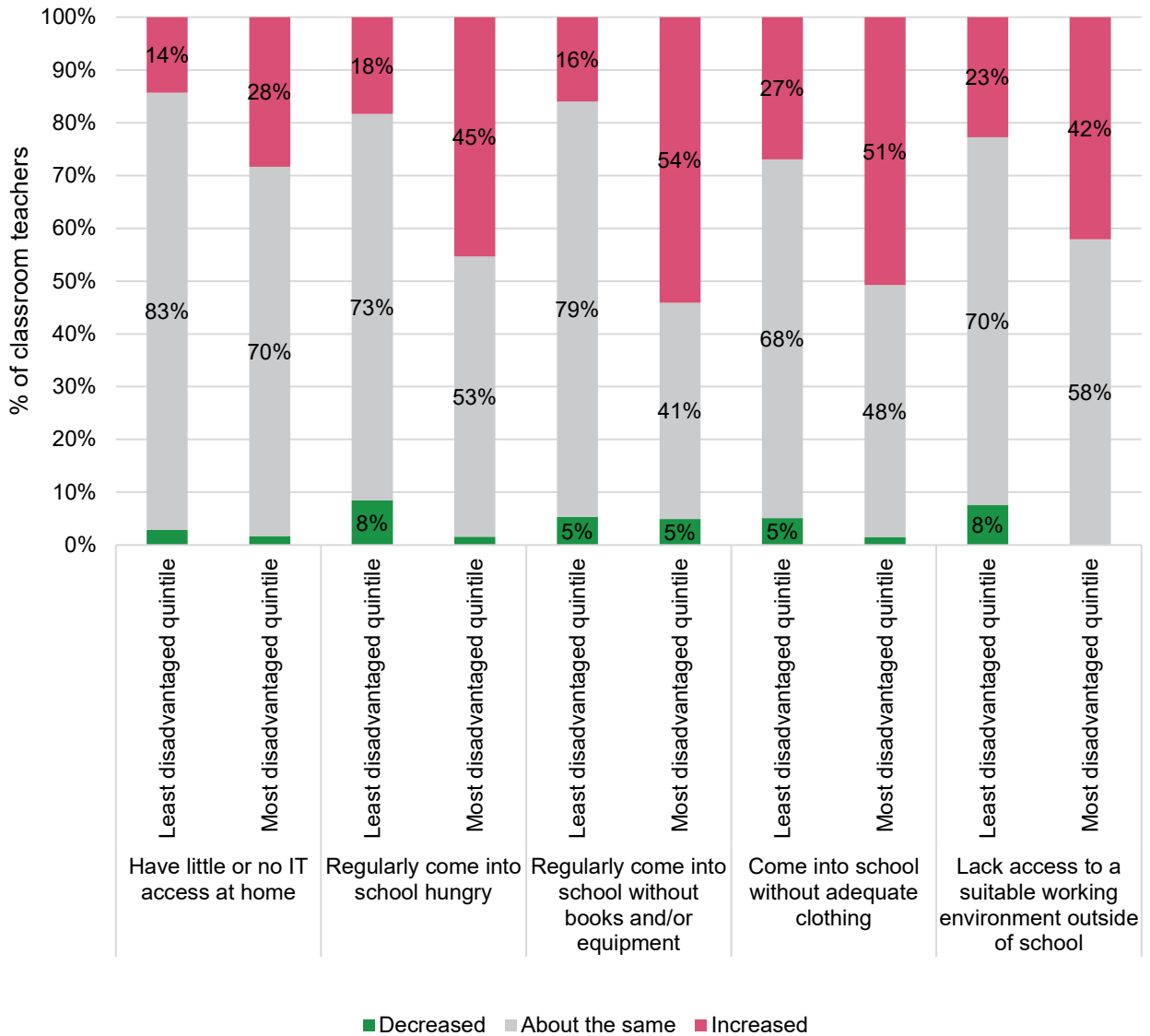
For example, 40 per cent of primary teachers report that the number of pupils coming into school without adequate clothing (such as proper uniform or winter coats/shoes) had increased compared to last year (where primary teachers estimated that on average 12 per cent of their class were coming to schools without adequate clothing). Similarly, around a third of teachers report that the proportion of pupils regularly coming into school hungry or without books and/or equipment due to the cost of these items has increased this year. Last year, primary teachers estimated that 12 per cent of the pupils in their class were regularly coming into school hungry and 13 per cent were coming into schools without the necessary books and/or equipment.

This varies significantly by school-level disadvantage: teachers from the most disadvantaged schools are more likely to report increases in the share of pupils dealing with these challenges compared to their peers from the most affluent schools. For example, more than half (54 per cent) of primary teachers in the most disadvantaged schools report an increase in the proportion of pupils in their class regularly coming into school without the necessary books or equipment due to the cost of these items, compared to just 16 per cent of their counterparts in the least disadvantaged schools. Similarly, 45 per cent of teachers from the most disadvantaged schools report an increase in pupils regularly coming into school hungry, compared to 18 per cent of teachers from the least disadvantaged schools.

Collectively, these findings suggest that primary teachers continue to see high levels of need among their pupils and that teachers feel these challenges are only getting worse, particularly in the most disadvantaged settings.

¹⁵ We also asked secondary teachers with a pastoral responsibility (e.g. Heads of Year or Heads of House) to report whether proportion of pupils in their year group or house had changed compared to last year. However, an insufficient number of secondary teachers with pastoral responsibilities responded to the survey and so this data is not reported.

Figure 3 Share of primary teachers reporting a change in the number of pupils coming into schools facing challenges compared to last year by school-level disadvantage



Source: NFER survey of 884 teachers: the minimum number of responses given to an individual item was 324

3. How are schools responding to need?

This section explores the support which schools and individual teachers are providing to pupils in response to the needs highlighted in Section 2. It also examines the extent to which teachers are able to access support from external organisations.

Key findings

- Most schools continue to provide a wide range of support to pupils, including food and clothing.
- Around a fifth of primary (19 per cent) and secondary (17 per cent) teachers spent their own money to meet pupils' pastoral needs (e.g. food and clothing).
- Across all areas of spending, primary and secondary teachers who have spent their own money reported spending an average of around £83 and £74 respectively so far this academic year (between September 2023 and March 2024).
- Teachers continue to struggle to access the support they need from external agencies, particularly from mental health services and external Special Educational Needs and Disabilities (SEND) providers.

3.1. Range of support being offered to pupils by schools

Most schools continue to provide a wide range of support to pupils, including food and clothing

Figure 4 presents the different types of support/services that senior leaders report their schools are providing to pupils in order to meet their needs. As was the case in 2023, the most common support activities reported by schools across both phases are:

- providing uniform and clothing to pupils (94 per cent of primary and 96 per cent of secondary schools)
- subsidising extra-curricular activities (93 and 92 per cent)
- subsidising breakfast (69 and 79 per cent) and
- providing food parcels/food banks/food vouchers (71 and 72 per cent).

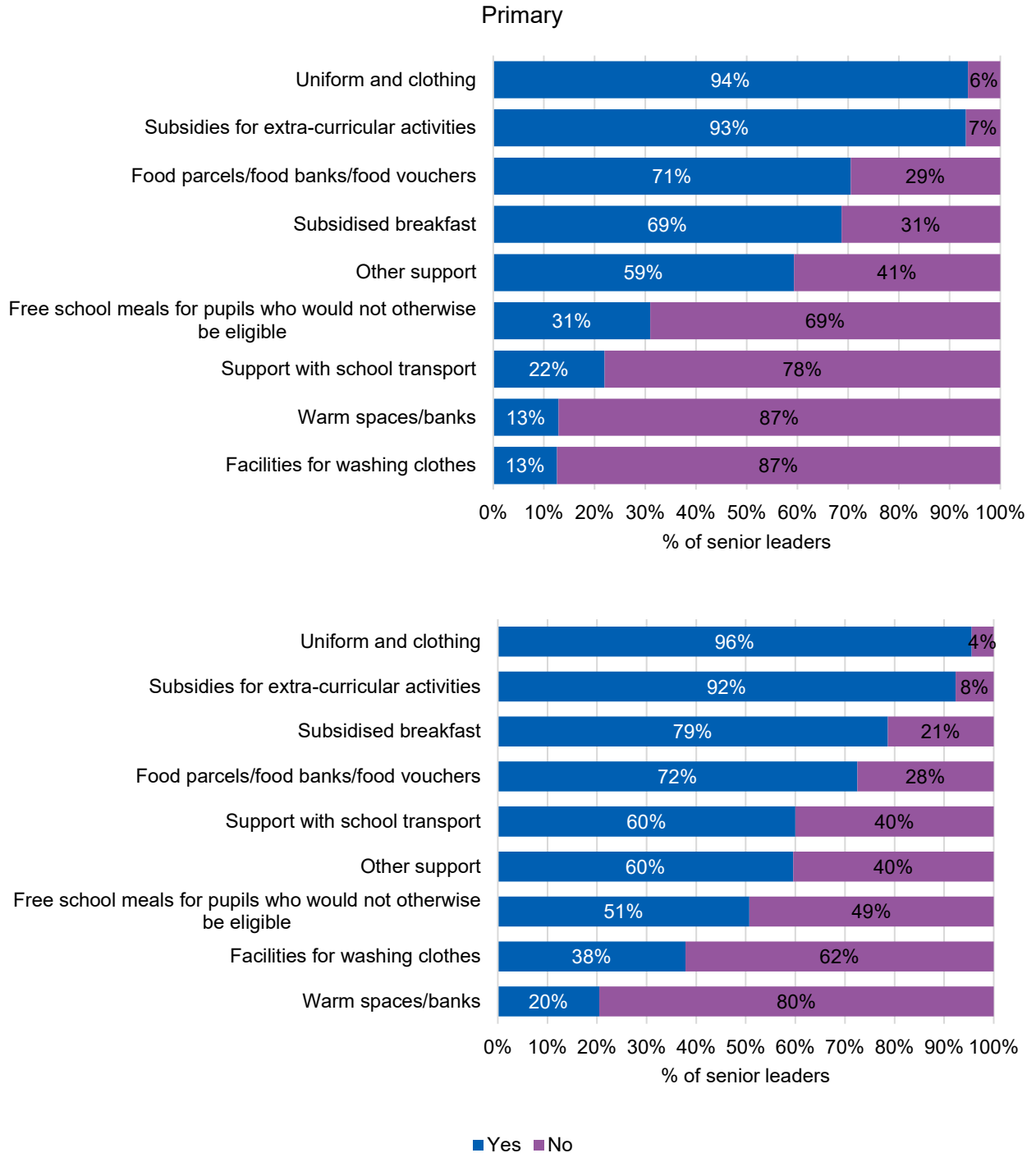
Compared to 2023, the proportions of schools offering these forms of support have remained broadly comparable. The main exception is that the share of schools providing warm spaces/banks has reduced significantly, particularly among secondary schools. Last year, 17 per cent of primaries and 28 per cent of secondary schools were offering warm spaces/banks to pupils. This year, the share offering this service fell to 13 per cent of primary and 20 per cent of secondary schools. This is likely to reflect the relative reduction in energy costs that occurred throughout late 2023 and early 2024 compared to 2022 (Bolton and Steward, 2024).

The proportion of schools offering food parcels/banks/vouchers has decreased significantly compared to last year albeit by a smaller amount, dropping by eight and four percentage points in primary (from 79 per cent to 71 per cent) and secondary schools (from 76 per cent to 72 per cent).

We also asked school leaders whether they were providing free meals to pupils who would *not* otherwise be eligible for FSM. To be eligible to receive FSM, pupils must come from households that receive one or more of a select range of benefits (such as receiving universal credit due to having a household income of less than £7,400 a year) and their parent(s) or carer(s) must claim the entitlement (GOV.UK, 2024a). Although less common than other types of support, 31 per cent of primary and 51 per cent of secondary schools are providing free meals to pupils who would not otherwise be eligible. As this is comparable to last year, it highlights that a substantial proportion of the pupils in need of additional support continue to not attract any additional funding for their schools. This is consistent with previous research which has highlighted that around one in three school-aged children in England who are living in poverty are currently missing out on FSM (Child Poverty Action Group, 2022).

These findings demonstrate that, despite ongoing pressures on their budgets, schools continue to provide a wide range of support to meet their pupils' basic needs. While this may go beyond schools' statutory responsibilities, they are on the front line and feel compelled to offer support. Further, pupils whose most basic needs are not being met are less likely to attend school and successfully engage with learning.

Figure 4 Percentage of schools providing support services to pupils by phase



Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 61

Pupil take-up of support/services provided by their school/trust has remained stable since last year

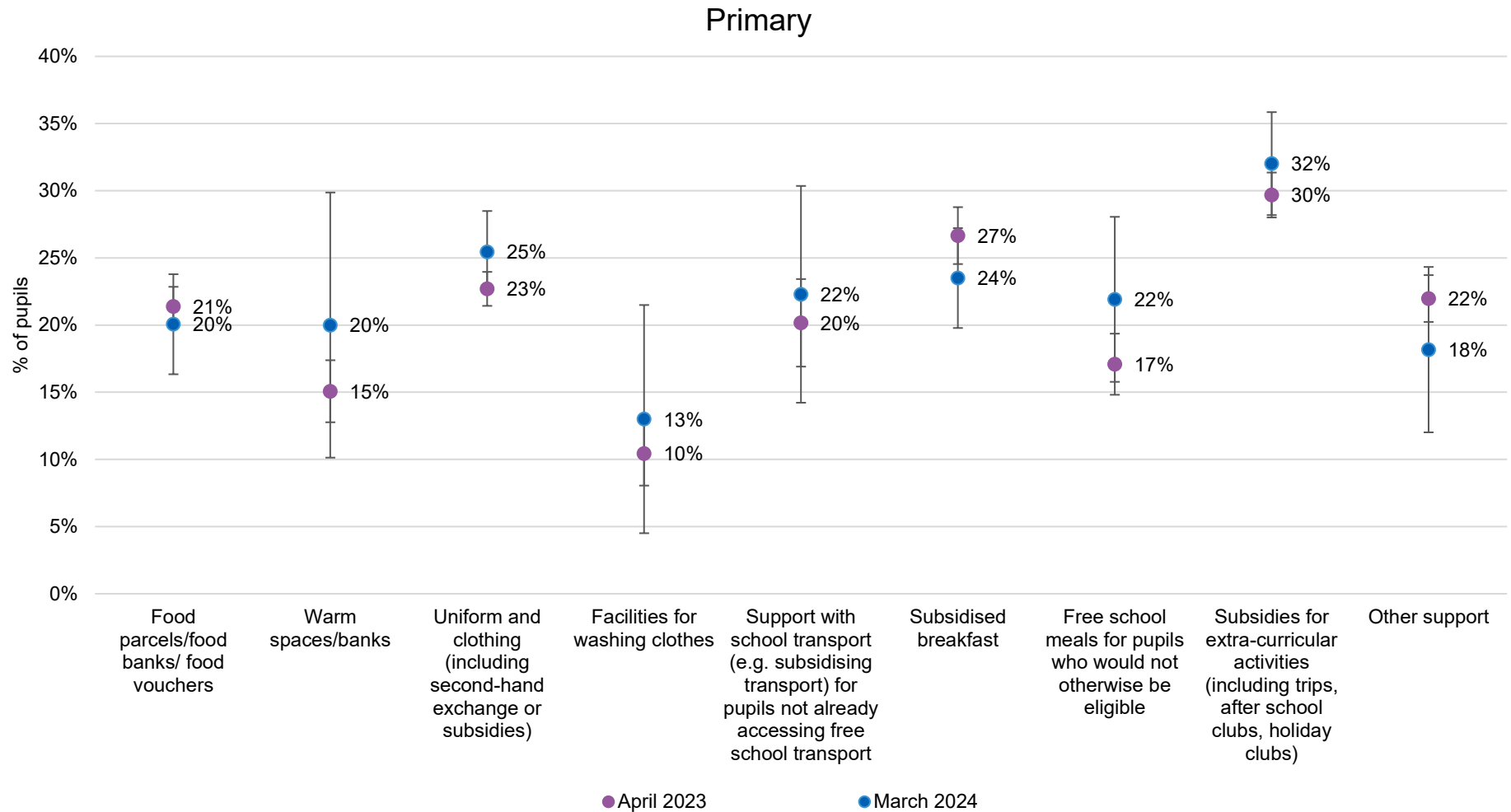
Figure 5 presents the average proportion of pupils currently taking up support being offered by their school compared to last year. It shows that the share of pupils accessing support from their school across all forms of support is broadly comparable to the share doing so last year. This likely reflects the sustained high levels of need among pupils as outlined in Section 2.

Disadvantaged schools are more likely to offer support and have higher take-up, but these differences are largely not statistically significant

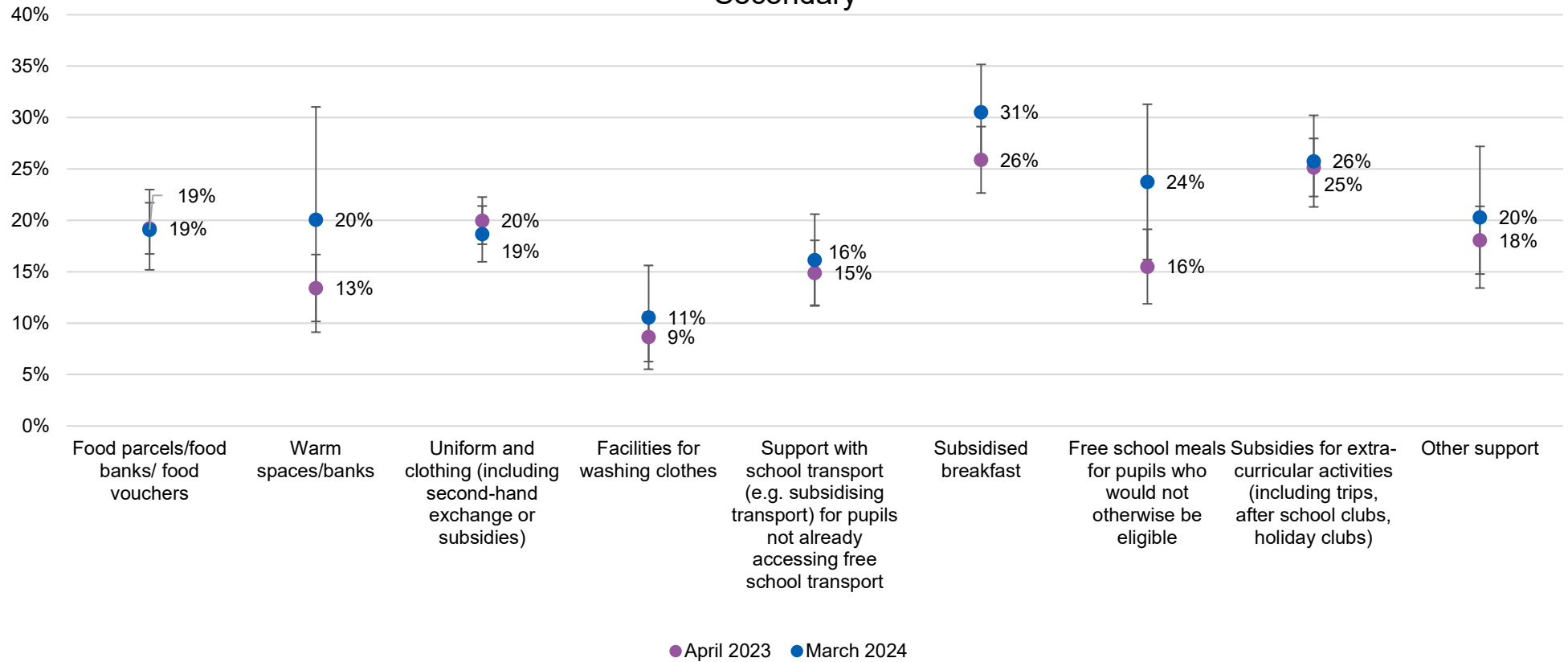
While higher proportions of senior leaders from the most disadvantaged schools typically report offering support/services than senior leaders from the least disadvantaged schools, these differences are largely not statistically significant. The exception is around the provision of subsidised breakfast to pupils where the differences are significant across both primary and secondary schools (see Figure 18 in Appendix A).

Similarly, while the average proportion of pupils taking up almost all forms of support/services offered by schools is higher among disadvantaged schools than in the least disadvantaged schools, these differences are typically not significant. However, the differences in the proportions taking-up extra-curricular subsidies are statistically significant across both primary and secondary schools (see Figure 19 in Appendix A).

Figure 5 Average percentage of pupils taking up the support offered by their school in April 2023 and March 2024 by phase



Secondary



Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 27

3.1.1. Collaboration with external organisations

The majority of primary and secondary schools are providing support/services by themselves, without support from external organisations

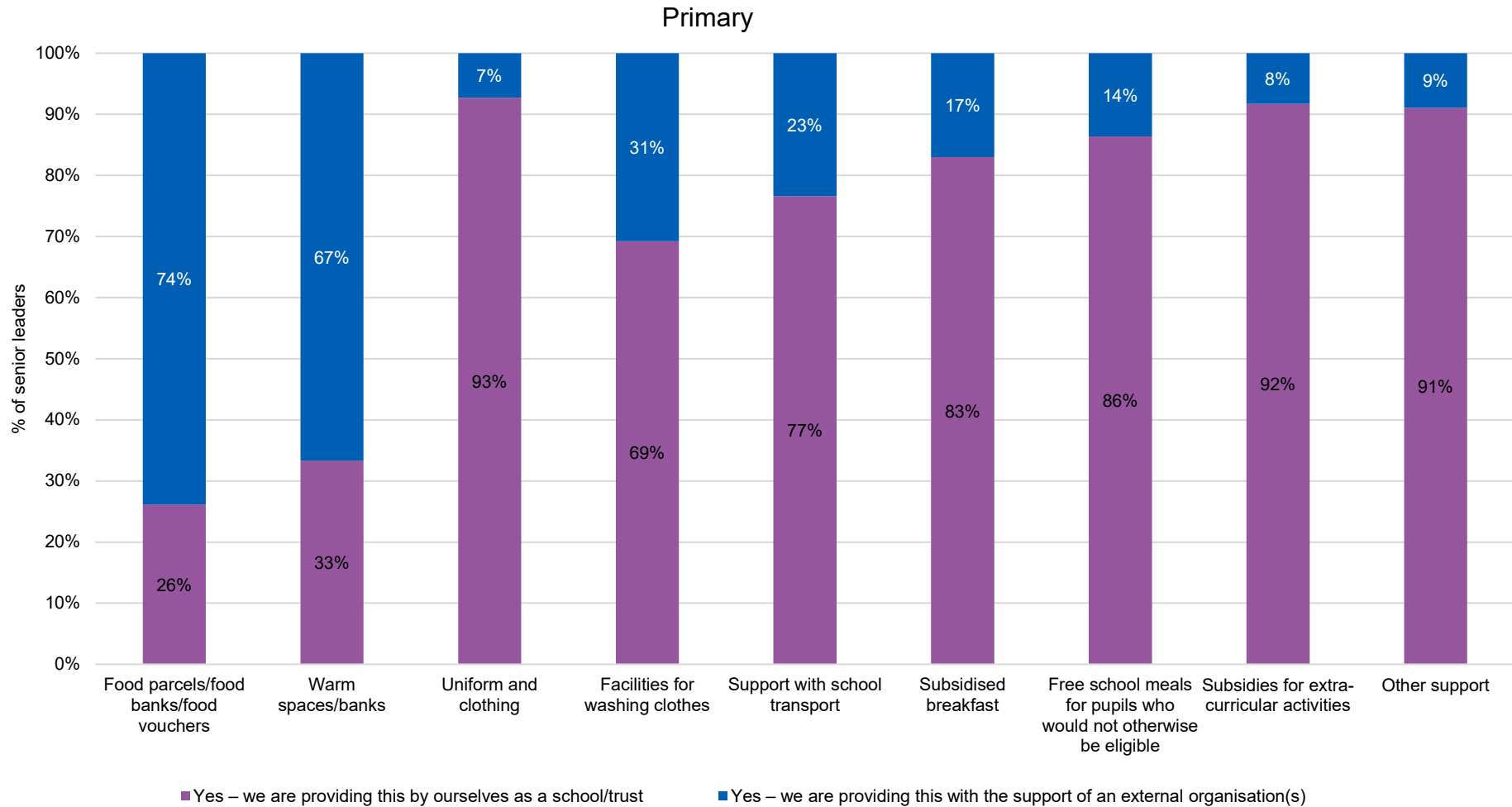
For each form of support/service provided, we asked senior leaders whether they were providing this by themselves as a school/trust or with the support of an external organisation(s). This is presented in Figure 6.

The figure shows that the majority of primary and secondary schools are providing support/services by themselves, without support from an external organisation. For example, 93 per cent of primary and 87 per cent of secondary schools are providing uniforms and clothing themselves, while 83 per cent of primary and 77 per cent of secondary schools are providing subsidised breakfasts themselves.

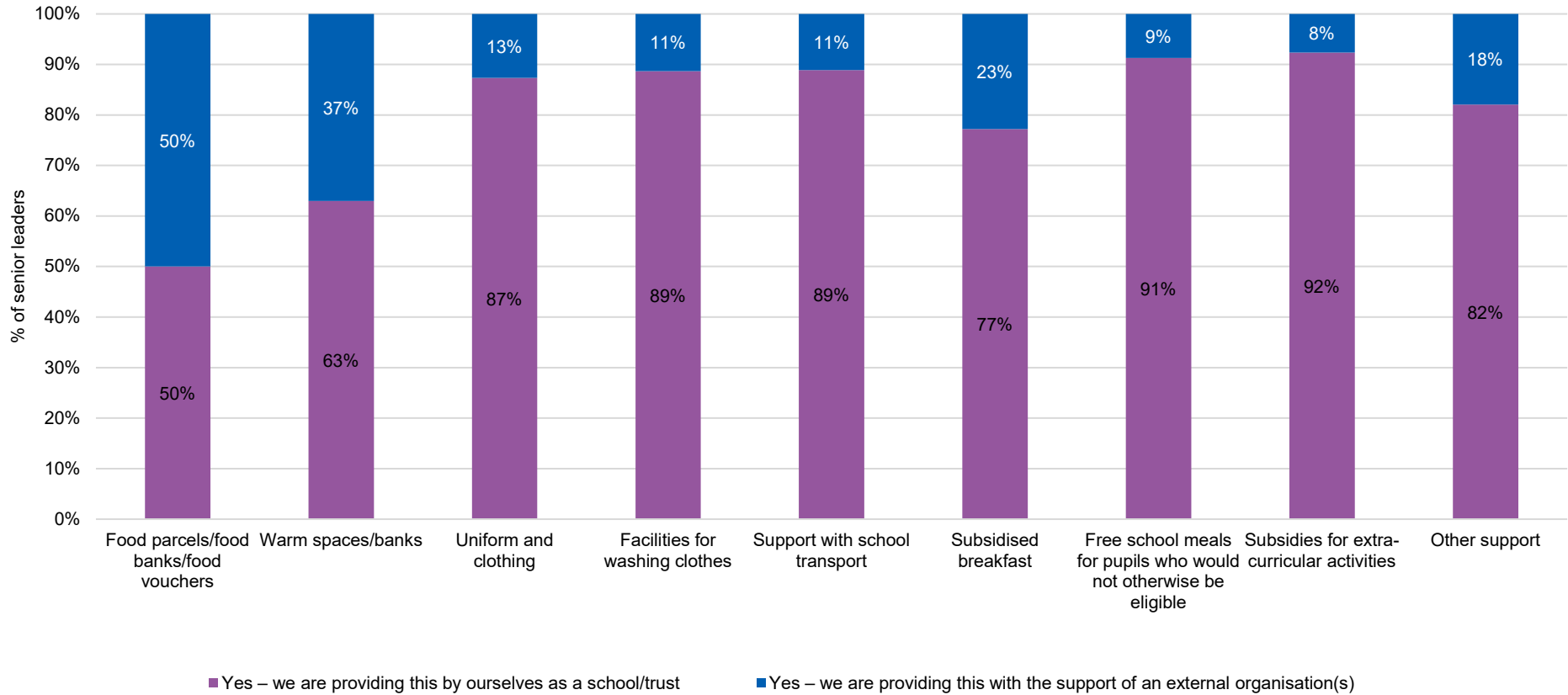
The exception to this pattern is that schools offering food parcels/banks/vouchers are most likely to be doing so with the help of external organisations. About three quarters (74 per cent) of primary senior leaders and half (50 per cent) of secondary senior leaders reported that they were providing this type of support with the help of external organisations. The majority (67 per cent) of primary schools providing warm spaces/banks are also doing so with help from external organisations.

This suggests that schools are providing the majority of additional support for pupils themselves, except in the case of food parcels/banks/vouchers and warm spaces/banks, where many are getting help from external partners.

Figure 6 Proportion of schools providing each form of support/services alone or in collaboration with an external organisation (s) by phase



Secondary

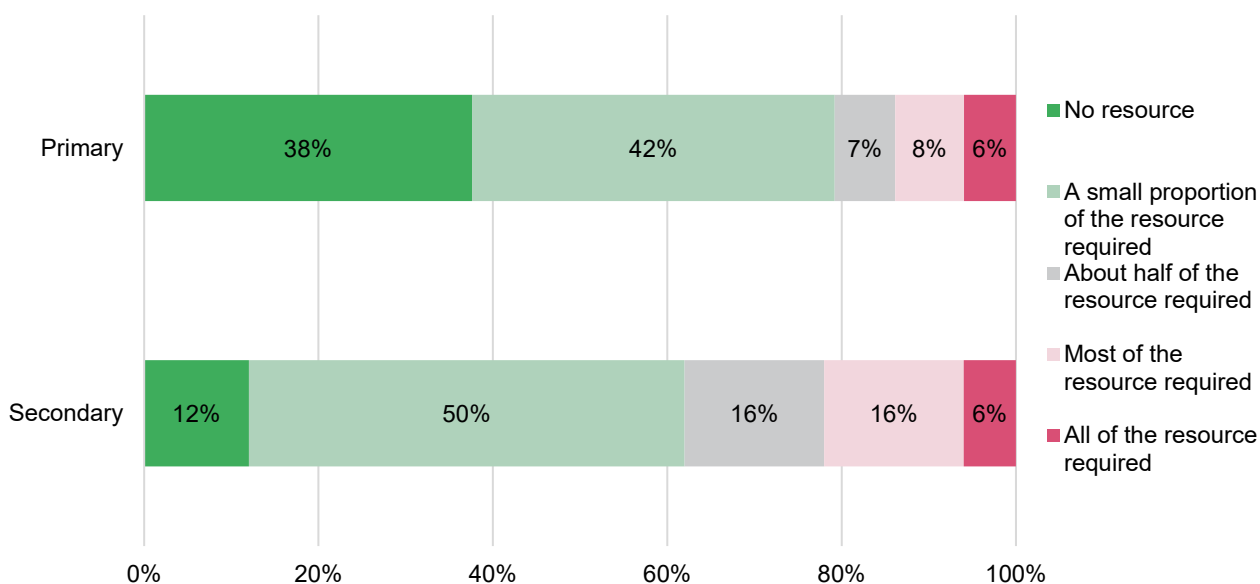


Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 61

Where schools are collaborating on providing free food, the school typically provides only a small proportion, if any, of the resource required

Figure 7 presents the amount of resource being contributed by the schools themselves where they are collaborating with an external organisation to provide food parcels/food banks/food vouchers¹⁶. It shows that 79 per cent of primary and 62 per cent of secondary schools providing food parcels/food banks/food vouchers have had to provide little to none of the resource required for providing this form of support. Just 14 per cent of primary and 22 per cent of secondary schools report providing most or all of the resource required. This indicates that these collaborations can help schools offer support needed by pupils and households without having to find room in their budgets and/or make difficult trade-offs (or at least reducing the extent to which they need to do this) to make this support available.

Figure 7 The amount of resource being contributed by the school towards the provision of food parcels/food banks/food vouchers where they are collaborating with an external organisation by phase



Note: Due to rounding errors, figures may not match breakdowns presented elsewhere.

Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 45

¹⁶ This question was asked to all senior leaders who reported that they were collaborating with an external organisation to provide any of the given forms of support/service. However, the numbers of senior leaders doing so were small for all other forms of support/service and so are not reported.

3.2. Use of personal funds by teachers

Around one in five teachers are spending their own money to meet pupils' pastoral needs

In addition to support being provided at the school-level, individual teachers may also be stepping in to meet their pupils' support needs. We asked teachers whether they have spent any of their own personal funds purchasing items for pupils or the school during the current academic year. When interpreting these findings, please note that this data is based on teachers' own self-reported recollections of their spending during the current academic year. As shown in Figure 8, around four-fifths (79 per cent) of primary teachers report that they had spent their own money purchasing items for their pupils or school, compared to almost three-fifths (62 per cent) of secondary teachers.

Strikingly, around a fifth of primary (19 per cent) and secondary (17 per cent) teachers report spending their money on meeting pupils' pastoral or welfare needs this year, including providing food or clothes to pupils. Furthermore, among the teachers using their own money for pastoral or welfare needs, 55 per cent of primary and 62 per cent of secondary teachers report that the scale of their spending has increased compared to last year. This is shown in Figure 9.

Among primary schools, teachers from the most disadvantaged schools are significantly more likely to report spending money on pastoral or welfare needs compared to their peers in the least disadvantaged schools. For example, 39 per cent of primary teachers from the most disadvantaged schools report spending their own money on meeting pupils' pastoral or welfare needs, compared to just seven per cent of teachers from the least disadvantaged primary schools.

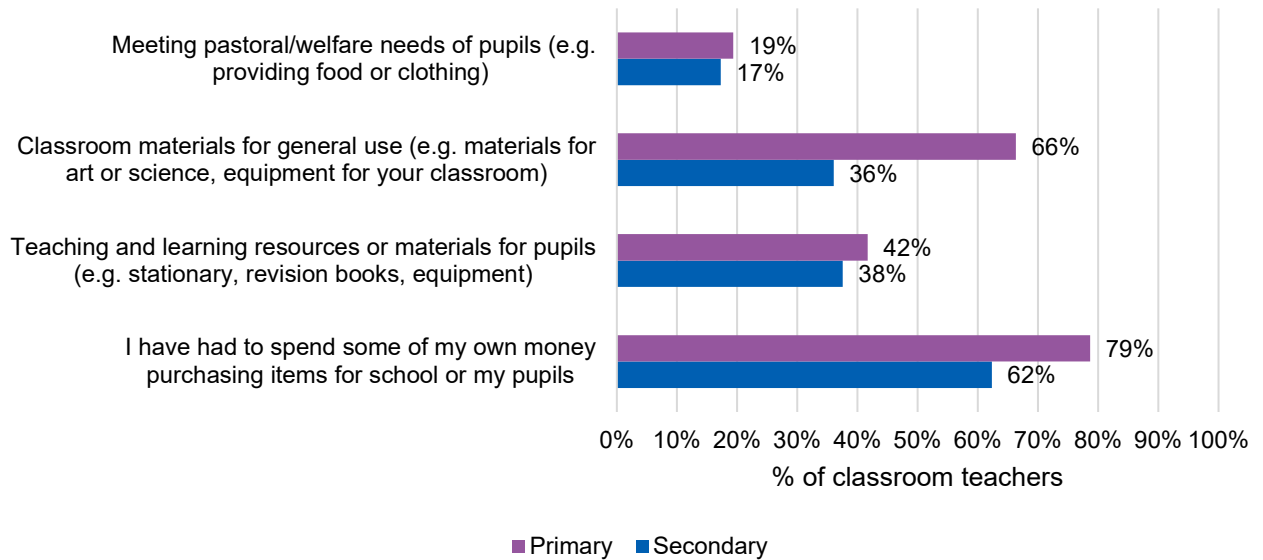
These findings suggest that individual teachers, particularly those in disadvantaged schools, are going above and beyond what their school is already doing in order to meet pupils' basic needs at a time when their own finances may be under pressure.

In addition to spending their own money on meeting pupils' pastoral/welfare needs, relatively large proportions of teachers are spending personal funds on their classrooms and teaching resources

Around two-fifths of primary (42 per cent) and secondary (38 per cent) teachers report spending money on teaching and learning resources or materials for pupils (such as stationery, revision books or equipment). Further, around 66 per cent of primary teachers and 36 per cent of secondary teachers report spending money on classroom materials for general use (including art or science materials or classroom equipment). However, these findings do not necessarily indicate a cause for concern as some teachers could be spending money to supplement their classrooms and/or lessons out of personal preference, rather than out of necessity to fill gaps left by cuts or increased needs among pupils.

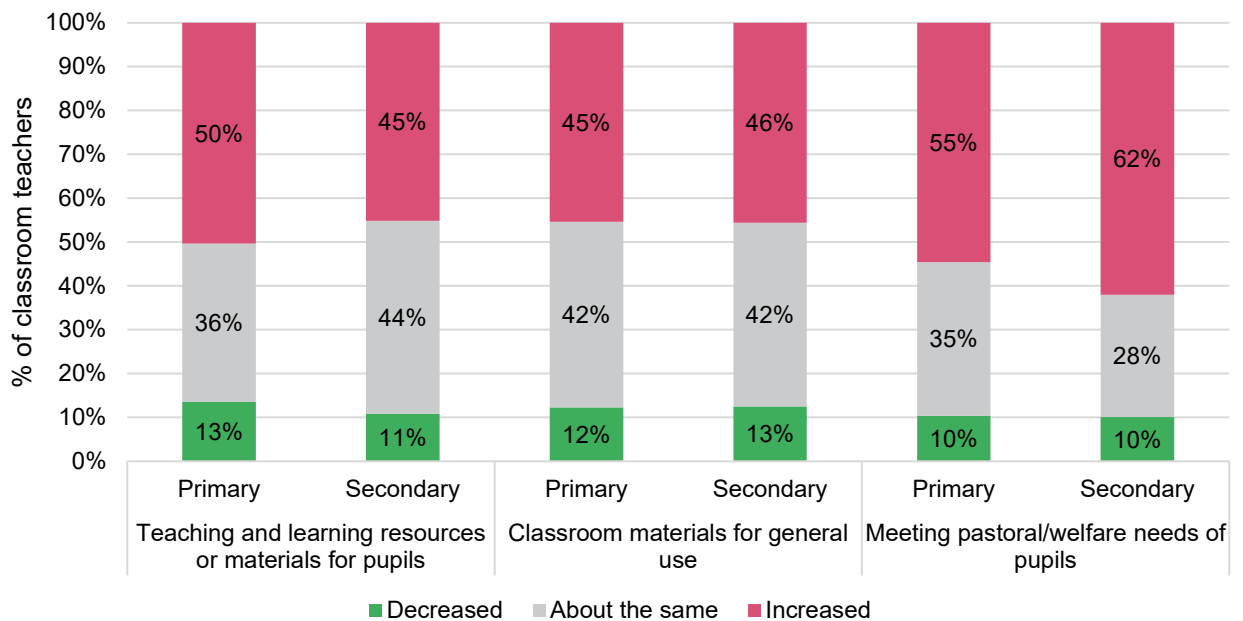
That said, a large proportion of the teachers who report spending their own money in this way also report that the scale of their spending had increased this year compared to last academic year. Around 45 per cent of primary and 46 per cent of secondary teachers spending money on classroom materials report an increase in the scale of their spending in this area. Similarly, 50 per cent of primary and 45 per cent of secondary teachers spending money on teaching and learning resources for pupils report an increase in the scale of their spending in this area.

Figure 8 Proportion of teachers who report spending their own money on pupils or schools during the current academic year by phase



Source: NFER survey of 884 teachers: the minimum number of responses given to an individual item was 398

Figure 9 Proportion of teachers reporting that the scale of their spending on purchases for their pupils or school has changed compared to last year by phase

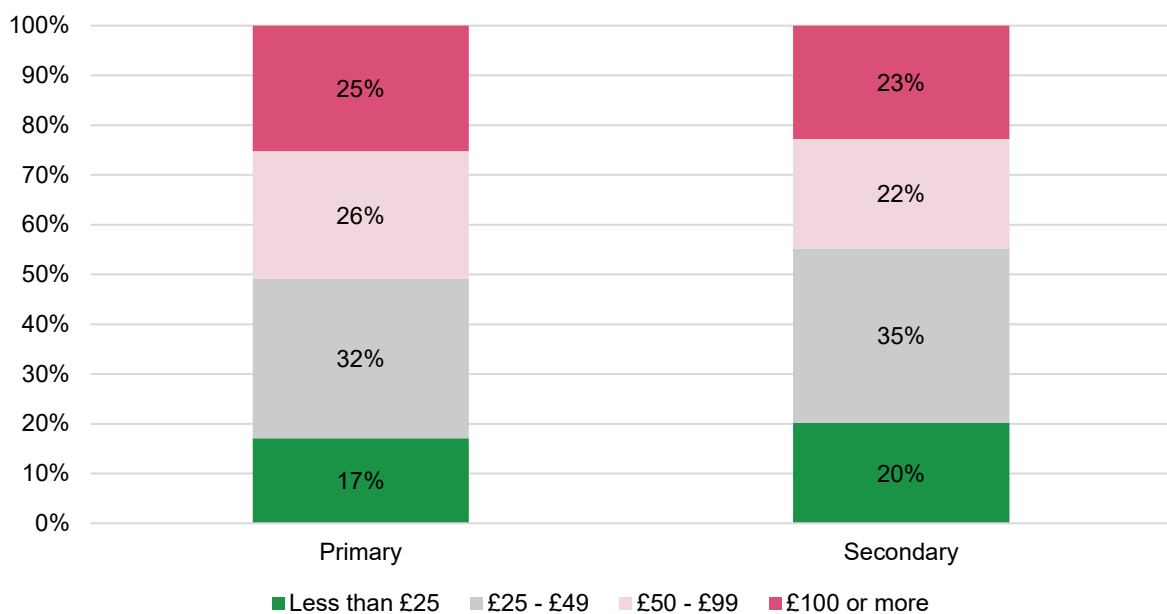


Source: NFER survey of 884 teachers: the minimum number of responses given to an individual item was 77

Around one in four teachers report spending at least £100 of their own money overall on their pupils or school

Across all areas of spending, primary teachers say they have spent an average of around £83 so far this academic year (between September 2023 and March 2024), while secondary teachers have spent an average of £74. However, there are large differences between teachers. This is shown in Figure 10 which highlights that around a quarter of primary and over a fifth of secondary teachers report they have spent at least £100 of their own money on their pupils or schools so far this academic year.

Figure 10 The amount of their own money teachers report spending on their pupils and/or school so far this academic year



Source: NFER survey of 884 teachers: the minimum number of responses given to an individual item was 266

3.3. Teachers' ability to access support to meet pupils' needs

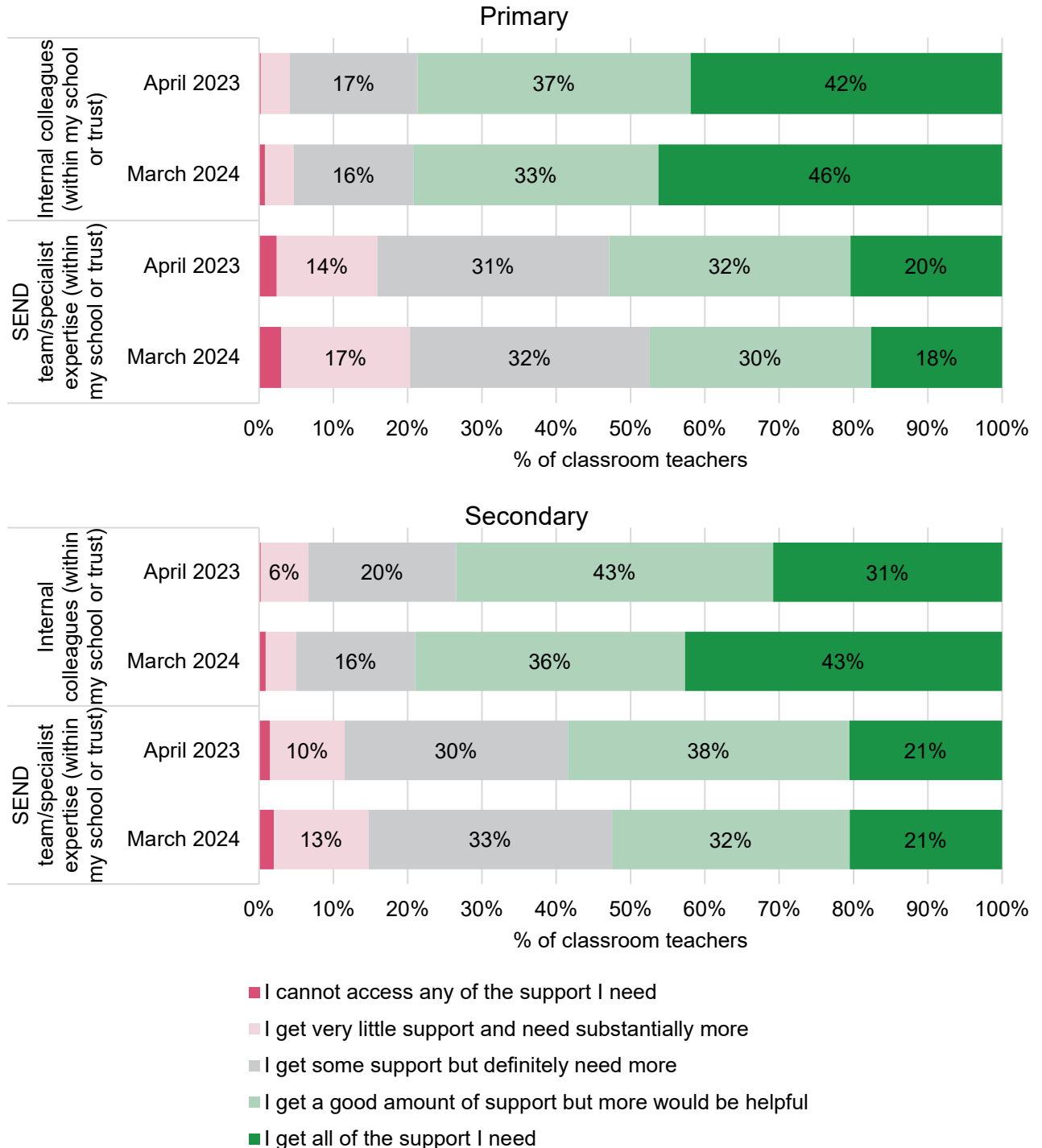
In general, teachers feel able to access the support they need from internal colleagues, although some would like additional support with meeting pupils' SEND

Figure 11 presents the level of support teachers felt able to access from internal colleagues and the SEND team/specialist expertise within their school or trust.

Almost four-fifths (79 per cent) of primary and secondary teachers report that they get all or a good amount of support from their internal colleagues, compared to 79 per cent of primary and 73 per cent of secondary teachers last year. This indicates that despite the pressures facing schools, they continue to be able to offer the support desired by staff overall.

However, only around half of teachers feel they are getting the support they need in relation to SEND and there appears to have been a small decline across both phases in the proportion of teachers able to get all or a good amount of the support they require from the internal SEND team or specialist experts in their school or trust. Last year, 53 per cent of primary and 58 per cent of secondary teachers reported getting all or a good amount of support from internal SEND teams. This year, 47 per cent of primary and 53 per cent of secondary teachers report getting all or a good amount of internal SEND support.

Figure 11 The level of support teachers were able to access from internal colleagues and teams in March 2024 compared to April 2023



Source: NFER survey of 884 teachers: the minimum number of responses given to an individual item was 382

However, teachers continue to struggle to access the support they need from external agencies

As shown in Figure 12, there has been a deterioration in the extent to which teachers were able to access support from by external agencies since last year. This includes CYPMHS (Children and Young People’s Mental Health Services¹⁷) and other mental health services, LA services, social and welfare services, external SEND teams/specialist expertise and physical health services.

For CYPMHS and mental health services, the proportion of primary teachers able to access the support they need is significantly lower this year compared to last year. As shown in Figure 12, the proportion of primary teachers reporting being able to get all or a good amount of support from mental health services halved from around 17 per cent to just eight per cent, while the proportion reporting being unable to access any of the support they need has almost doubled from 12 to 23 per cent. In comparison, the ability of secondary teachers to access mental health services remains broadly similar to last year, with around 16 per cent unable to access any of the support they need compared to 15 per cent last year.

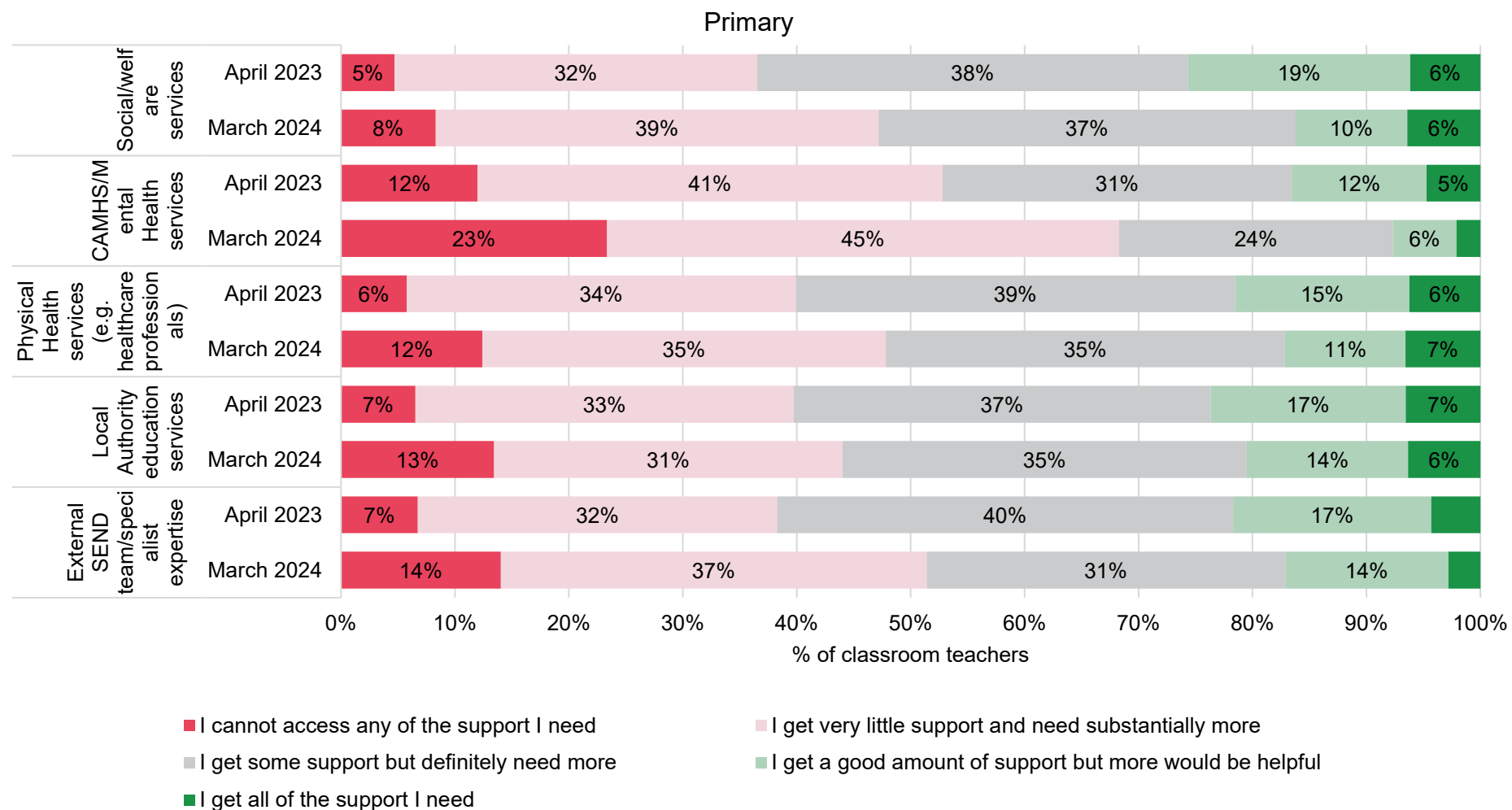
There has also been a significant increase in the proportion of teachers reporting that they are not able to access the support they need from external SEND teams/specialist expertise. Among primary teachers who need to access this form of support, the share of teachers reporting that they cannot access any of the support they need has doubled from seven per cent in 2023 to 14 per cent in 2024. Similarly, the share of secondary teachers unable to access any of the external SEND support needed has increased from around ten per cent to 17 per cent.

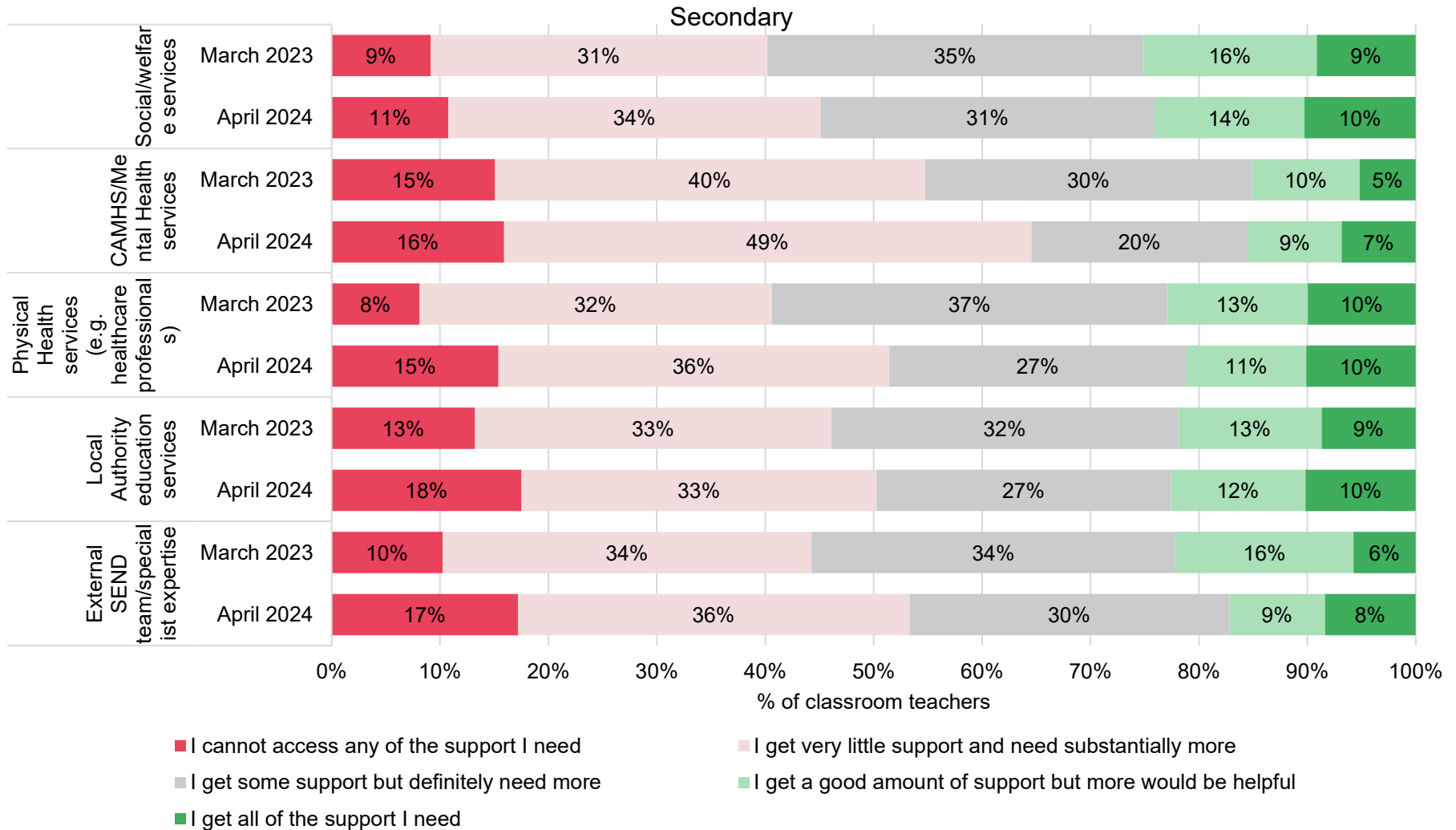
Finally, there has been a significant increase in the proportion of primary teachers struggling to access support from social/welfare services. The share of teachers reporting that they cannot access any support or get very little support from social/welfare services has increased from around 37 per cent last year to 47 per cent this year.

This highlights that, at a time when schools are contending with high levels of pupil need, they are finding it increasingly challenging to access the necessary support from key external agencies (particularly from mental health services, SEND expertise and wider social/welfare services). This is likely to reflect both a higher demand for those services, and that these services are themselves being impacted by cost pressures. It also suggests that the gaps in support being left by formal support services are, at least in part, causing schools and teachers to feel compelled to step in.

¹⁷ Previously referred to as Child and Adolescent Mental Health Services (CAHMS).

Figure 12 The level of support reported by teachers from external agencies in March 2024 and April 2023 by phase





Note: Due to rounding errors, figures may not match breakdowns presented elsewhere.

Source: NFER survey of 884 teachers: the minimum number of responses given to an individual item was 340

4. School provision

This section sets out how cost pressures (including, but not limited to cost-of-living pressures) are influencing schools' everyday provision. It also examines the main drivers behind the cost pressures impacting schools and considers their impact on schools' financial positions.

Key findings

- Only around one in ten schools have not made cuts to any areas of their provision this academic year due to cost pressures.
- Among schools making cuts, the increased cost of living and teacher pay increases¹⁸ are the main drivers causing schools to make cuts.
- Senior leaders report that their schools' financial position continue to deteriorate, and leaders are anticipating needing to make further cuts to provision in the coming financial year.

4.1. Day-to-day provision

Cost-of-living pressures and teacher pay increases are the leading pressures causing schools to make cuts

We asked senior leaders about the main drivers that have caused them to make cuts to school spending this year¹⁹. As shown in Figure 13, over two-thirds of primary schools (68 per cent) and secondary schools (68 per cent) report that cost-of-living pressures are one of the main drivers causing them to make cuts to spending this year.

A similar proportion schools (68 per cent of primary and 67 per cent of secondary) report teacher pay increases as a main driver of cuts. In addition, a substantial proportion of primary schools report non-teaching staff pay increases as a main driver of cuts (55 per cent). This was much lower among secondary schools (at 34 per cent).

This highlights the scale of the challenge schools have faced to accommodate both increased running costs (such as energy and food) and staff pay increases in recent years. For example, for the 2023/24 academic year, teacher pay increased by 6.5 per cent and schools were required to fund more than half (3.5 per cent) of the pay increase from their existing funding settlement. The remaining three per cent was funded from additional funds provided by the DfE (DfE and Keegan, 2023).

¹⁸ Whilst necessary to address ongoing teacher recruitment and retention challenges (McLean, Worth and Smith, 2024), the costs of recent teacher pay increases for schools, together with wider cost pressures have not necessarily kept pace with the funding settlement received by schools.

¹⁹ Senior leaders were able to select up to three drivers when responding to this question. This question was only asked to senior leaders who had reported making cuts.

A considerable share of primary schools are also experiencing cost pressures related to falling pupil numbers

Reduced income due to falling pupil numbers is also a key factor impacting on the finances of primary schools. As shown in Figure 13, about 34 per cent of primary senior leaders report this as a main driver behind the cuts they had made in the current academic year. This compares to six per cent of secondary schools who report this a main driver. With the DfE predicting a ten per cent fall in nursery and primary pupil numbers and a five per cent fall in secondary pupil numbers between 2024 and 2030 (DfE, 2023), this is likely to become a more important issue for primary and secondary schools over the coming years.

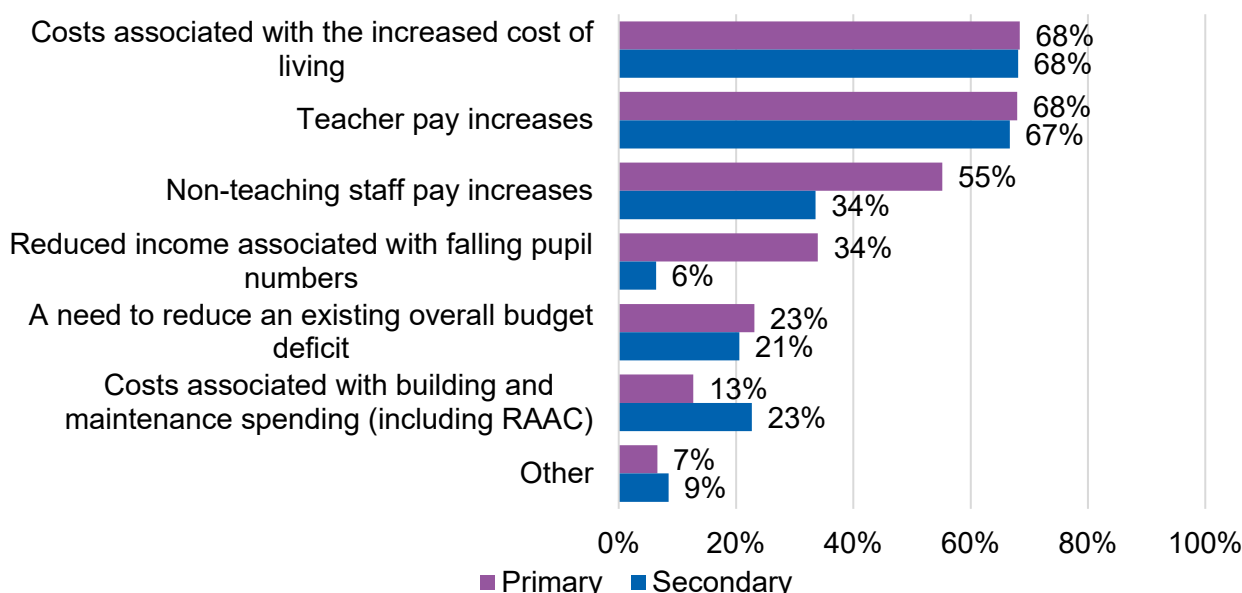
Secondary schools are more likely than primaries to report the costs of funding building maintenance as one of the main cost pressures they face

Significantly higher proportions of secondary schools (23 per cent) report costs associated with building and maintenance spending (including Reinforced Autoclaved Aerated Concrete (RAAC)) as a main driver of the cuts they have had to make this academic year, compared to just 13 per cent of primary schools. This is likely to reflect the increasing concern about the condition of school buildings and infrastructure, particularly in relation to the presence of RAAC and asbestos, and the risk poor infrastructure poses to pupil and staff safety (HoC Committee of Public Accounts, 2023). The National Audit Office estimates that around 700,000 pupils are learning in a school that the responsible body or DfE believes needs major rebuilding or refurbishment (National Audit Office, 2023).

Around a fifth of schools are making cuts, at least in part, to address an overall budget deficit and balance their budgets

As shown in Figure 13, 23 per cent of primary and 21 per cent of secondary senior leaders report that one of the main drivers for making cuts this academic year was needing to reduce an existing overall budget deficit. This reflects the fact that schools have faced persistent financial pressures in recent years, which have worsened the financial positions of schools. This is discussed further in Section 4.2.

Figure 13 The main drivers of the cost pressures causing schools to make cuts to school spending in 2023/24 by phase



Note: Senior leaders were able to select up to three items as main drivers

Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 134

Only around one in ten schools have not made cuts to any areas of their provision this academic year due to cost pressures

We asked senior leaders what, if any, cost-saving measures their school had taken in the 2023/24 academic year in response to cost pressures (e.g. increased running costs, higher salary costs etc.). Only around seven per cent of primary senior leaders and 13 per cent of secondary senior leaders report they have not had to reduce their spending, as shown in Figure 14. This demonstrates that most schools are having to make difficult decisions about where they may need to implement cost-saving measures and make cuts to their provision due to pressures on their budgets.

The cost-saving measures which schools are implementing are impacting directly on the teaching and learning environment and experiences of pupils

Figure 14 shows where senior leaders have chosen to make cuts to their provision this academic year owing to cost pressures. It illustrates that schools continue to cut provision in a range of areas, including teaching and learning provision, staffing and investment in building maintenance and improvements. These are broadly the same areas in which schools made cuts last year.

As shown in Figure 14, large proportions of schools, particularly primaries, report cutting learning resource provision (such as printed worksheets, materials for art and science activities and library books) at 67 per cent of primary schools and 39 per cent of secondary schools. Furthermore, around 46 per cent of primary and 28 per cent of secondary schools made cuts to targeted learning support (such as small group interventions or tutoring). In addition, approximately 28 per cent of

primary schools have cut support for pupils with SEND, compared to ten per cent of secondary schools.

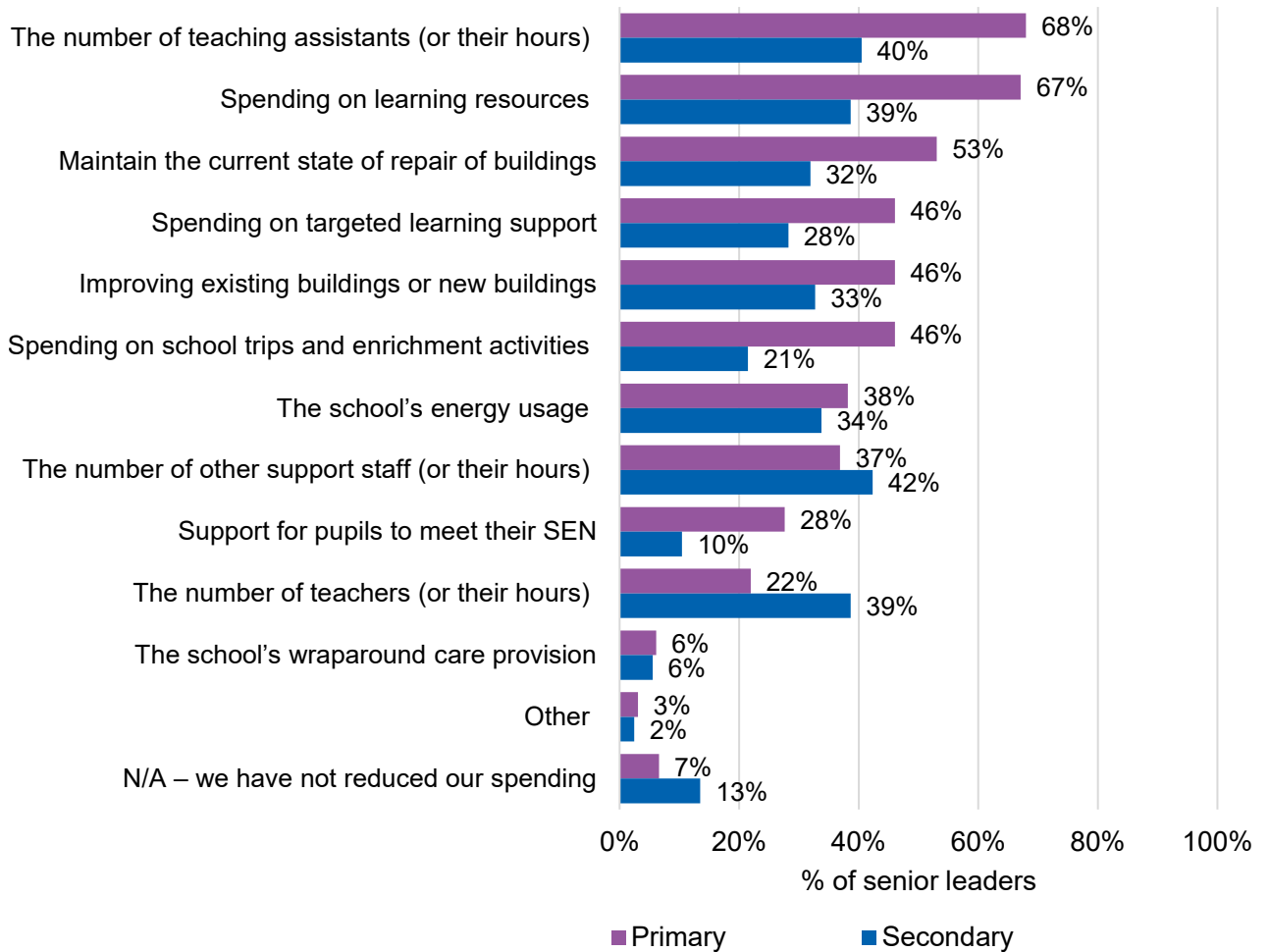
As well as making cuts to teaching and learning provision, senior leaders report having to make cuts to the enrichment they are able to provide in schools. Just under half (46 per cent) of primary and a fifth (21 per cent) of secondary schools' report cutting spending on school trips and enrichment activities.

Schools are also having to make cuts to all forms of staffing in schools. More than two-thirds (68 per cent) of primary and about two-fifths (40 per cent) of secondary schools report cutting the number of teaching assistants (or their hours)²⁰. Further, around two-fifths of primary (37 per cent) and secondary (42 per cent) schools have cut the number of wider support staff in school (or their hours). Finally, almost twice the number of secondary schools report cutting the number of teachers in school (or their hours) than primary schools (39 per cent compared to 22 per cent).

Cost pressures are also causing schools to reduce spending on building maintenance and improvements, particularly among primary schools. For example, 53 per cent of primary schools report cutting spending on maintaining the current state of repair of their buildings and 46 per cent report reducing spending on improving existing buildings or on new buildings. This is particularly striking considering the increasing concern about the current condition of school buildings and the safety risk this may pose as discussed above.

²⁰ This is broadly comparable with recent evidence from The Sutton Trust (Sutton Trust, 2024). Where there are small differences in the proportion reporting making cuts, this is due to differences in the wording of the question asked within the survey (e.g. the NFER survey asked specifically about cuts made this academic year).

Figure 14 The proportion of schools reducing spending in any areas of their budget in response to cost pressures



Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 154

4.2. Finances

In 2022/23, among local authority (LA) maintained schools, school expenditure increased more rapidly on average than income largely due to notable increases in their running costs, resulting in 62 per cent of LA maintained primary and 47 per cent LA maintained secondary schools running an in-year deficit (Julius and Schwendel, 2024). This eroded schools' reserves and resulted in increased proportions of maintained schools (12 per cent of primary and 13 per cent of secondary) ending the financial year with a deficit on their overall revenue balances.

This sub-section discusses senior leaders' perceptions of their in-year budget for the 2023/24 financial year and their outlook for the coming 2024/25 financial year. The following data is self-reported and was collected in March 2024, before schools knew what teacher pay offer may be made following the forthcoming School Teachers' Review Body (STRB) pay recommendations.

Caution is needed when interpreting these findings because of the uncertainty senior leaders face around their budgets and so they may over-estimate the impact of cost pressures on school budgets.

Senior leaders report that their schools' financial positions continue to deteriorate

We asked senior leaders about their expected in-year budget status for the 2023/24 financial year²¹. As shown in Figure 15, significantly higher proportions of primary senior leaders report having/expecting a deficit on their in-year budget this year than in 2022/23 (67 per cent compared to 49 per cent). This appears to have been driven primarily by a reduction in the proportion of schools reporting they are breaking-even. For primary schools, the proportion expecting to break even has nearly halved from 31 per cent last year to just 16 per cent this year.

Although a slightly higher proportion of secondary school leaders report having/expecting a deficit than last year (48 per cent compared to 41 per cent), this increase was not statistically significant. Again, this trend appears to have been driven primarily by a reduction in the proportion of schools reporting they are breaking-even.

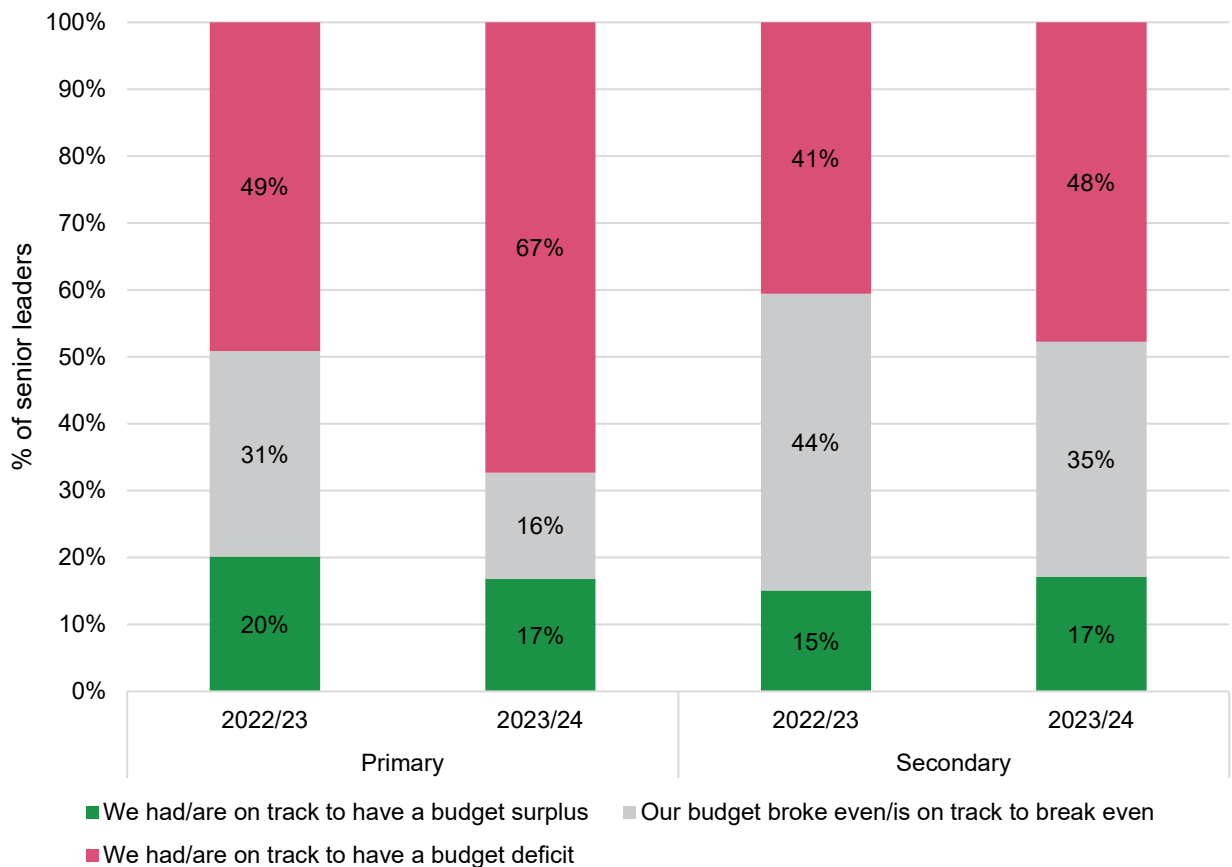
While the proportions reporting deficits may be over-estimates due to self-reporting, by drawing on comparisons to self-report figures in 2022/23, they are consistent with the fact that schools' financial positions are not only deteriorating but that the situation has worsened compared to last year.

Across both phases, the financial position of academies appears more negative than LA maintained schools in 2023/24, though a degree of caution is required when interpreting these findings due to small sample sizes and differences in financial years considered. For example, 75 per cent of leaders in primary academies report an in-year deficit by the end of the 2023/24 financial year compared to 64 per cent of primary maintained schools. Similarly, 52 per cent of

²¹ The financial year for LA maintained schools runs from March to April, whereas for academies it runs from September to August. As the survey was administered in March 2024, LA maintained schools answered at around the end of the 2023/24 financial year, while academies reported whether they were on track for a surplus, to break even or have a deficit.

leaders in secondary academies report expecting a deficit compared to 40 per cent of leaders in secondary LA maintained schools.

Figure 15 Schools in-year budget status by the end of the 2023/24 financial year compared to 2022/23 by phase



Note: The financial year for LA maintained schools runs from March to April, whereas for academies it runs from September to August. As the survey was administered in March 2024, LA maintained schools answered at around the end of the 2023/24 financial year, while academies reported whether they were on track for a surplus, to break even or have a deficit

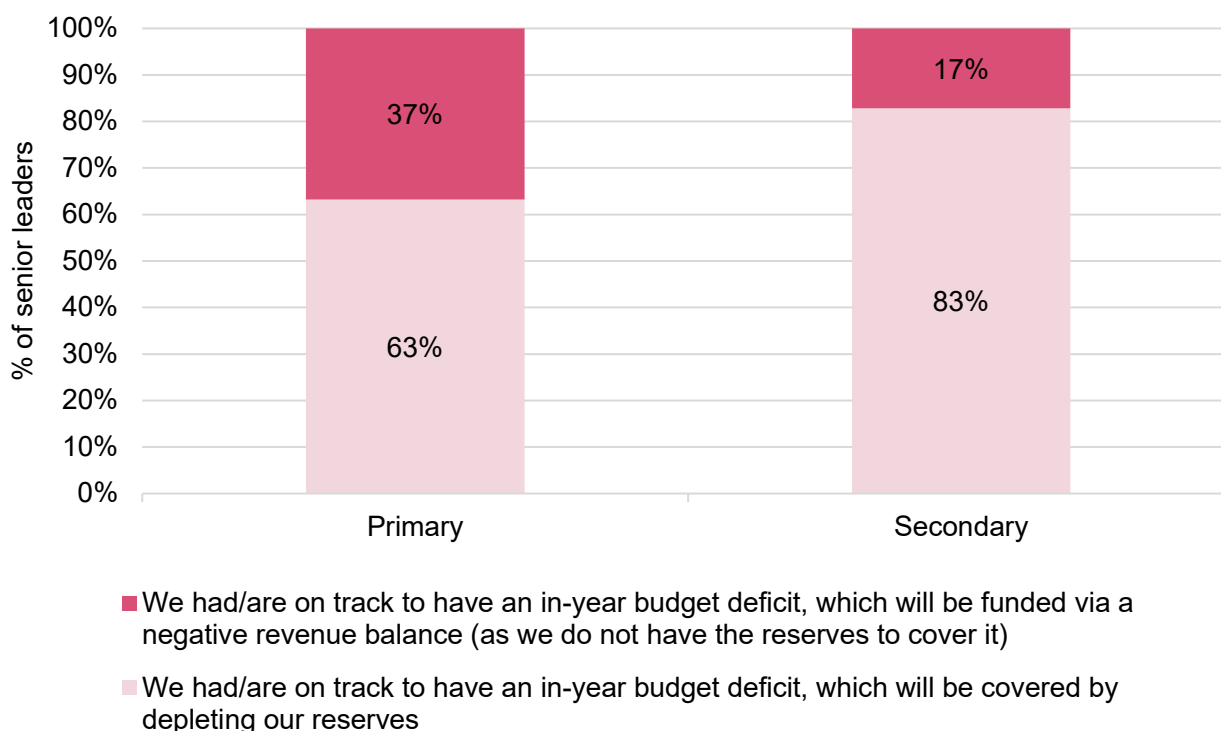
Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 130

Among schools reporting expecting an in-year budget deficit by the end of the 2023/24 financial year, a sizeable minority do not have reserves to cover it

As shown in Figure 16, almost two in five (37 per cent) primary leaders who expect to have an in-year deficit in 2023/24 do not expect to be able to cover this deficit with existing reserves and anticipate funding their deficit with a negative revenue balance. This is striking as any school running in this position must take steps towards returning to a neutral financial position. In comparison to primary schools, this was lower in secondary schools at less than one in five schools (at 17 per cent). This suggests the impact of ongoing cost pressures may be particularly

severe across primary schools, though this may, at least in part, reflect differences in when maintained schools completed the survey relative to their financial year compared to academies²².

Figure 16 Schools' in-year budget status for schools expecting an in-year budget deficit by the end of 2023/24 financial year by school type and phase



Note: The financial year for LA maintained schools runs from March to April, whereas for academies it runs from September to August. As the survey was administered in March 2024, LA maintained schools answered at around the end of the 2023/24 financial year, while academies reported whether they were on track for a surplus, to break even or have a deficit

Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 130

4.2.1. Expectations for next year

More than half of primary schools are expecting an in-year deficit and needing to make further cuts in the 2024/25 financial year

As shown in Figure 17, we asked senior leaders to describe their expected budget status for the 2024/25 financial year, excluding any possible future costs associated with changes to teacher pay. As already noted, this data was collected prior to any recommendations from the STRB or pay offers from the DfE for the 2024/25 academic year.

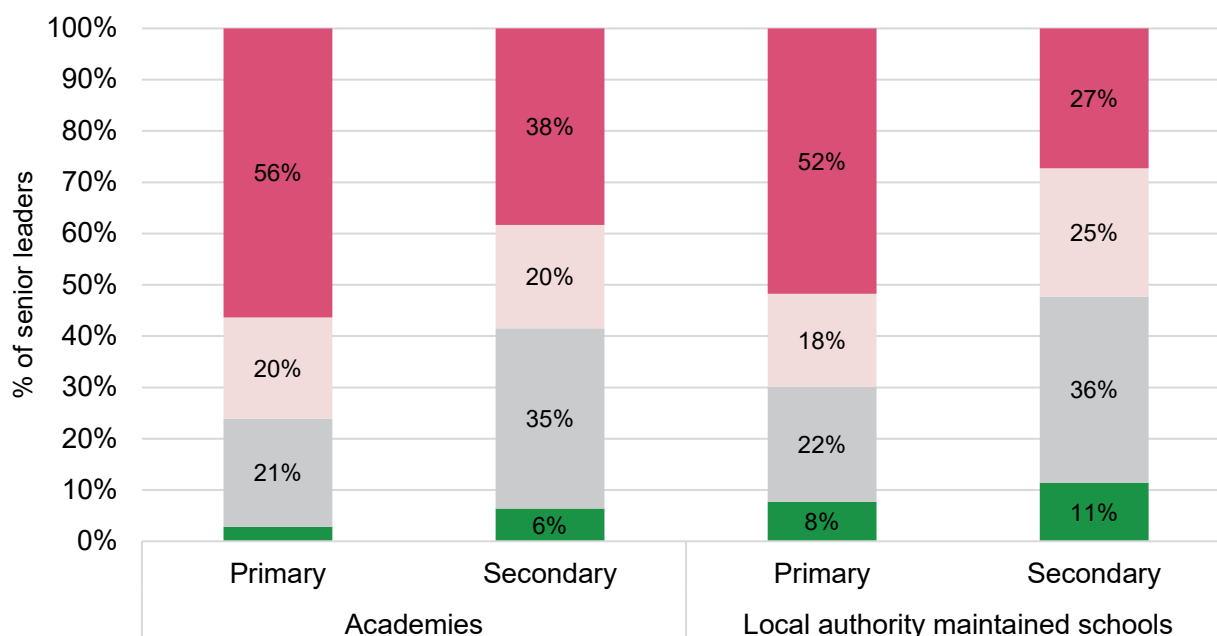
More than half of primary school leaders (56 per cent of primary academies and 52 per cent of primary maintained schools) report that they expect a budget deficit and are likely to make further

²² The financial year for LA maintained schools runs from March to April, whereas for academies it runs from September to August.

cuts to their provision in 2024/25. While the outlook for secondary leaders is more positive than primary leaders, 38 per cent of secondary academy and 27 per cent secondary maintained school leaders still expect an in-year budget deficit and report expecting to need to make cuts to their provision for 2024/25.

This illustrates that without action from government, school leaders only expect their financial situations to deteriorate and for this to have further impacts on their provision. This is consistent with the fact that, while the schools budget is set to increase by a further billion in 2024/25 (in addition to the increase of £4 billion that took place in 2023/24) (HM Treasury, 2024), analysis by the Institute for Fiscal Studies has shown that this is unlikely to cover the scale of expected cost pressures (Sibieta, 2024).

Figure 17 Schools' expectations of their budget and provision for the 2024/25 financial year



- We expect to have a budget deficit and are likely to make cuts to our provision in 2024/25 compared to the current year
- We expect to have a budget deficit but do not plan to make any cuts to our provision in 2024/25 compared to the current year
- We expect our budget to break even
- We expect to have a budget surplus

Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 40

5. Conclusions and recommendations

Schools in England have continued to contend with significant cost pressures over the last year including meeting increases in the cost of living, alongside wider pressures (such as funding teacher pay increases and managing a reduction in income due to a drop in primary pupil numbers). Our findings highlight that these pressures are having a profound impact on schools.

Without urgent intervention, high levels of need among pupils are at risk of becoming entrenched, particularly within the most disadvantaged schools

Cost-of-living pressures have continued to contribute to sustained high levels of need among pupils, particularly in the most disadvantaged schools. Pupils' mental health, in particular, remains a significant concern for schools and continues to present a significant challenge to schools and teachers who are struggling to access the support needed from external mental health services.

Many mainstream schools continue to provide urgent support to pupils

While this may go beyond schools' statutory duties, teachers recognise that pupils whose most basic needs are not being met – whether it is going to school hungry or being unable to afford the costs of transport – are less likely to attend school and successfully engage with learning (The Food Foundation, 2022). Schools and teachers may feel they have little choice but to provide additional support to pupils to ensure they can continue to engage with learning. In some circumstances, this extends to teachers using their own personal funds to meet pupils' pastoral and welfare needs.

Our research also highlights that the set of pupils who are in need of additional support continues to extend beyond those who attract additional funding for their schools. This suggests that the criteria for being eligible for FSM need to be reviewed.

Looking to the future, these challenges cannot be fixed by schools working in isolation

A lack of suitable support for families is leading schools to step in to fill the void. To date, schools and teachers have been providing this urgent support to pupils largely by themselves. However, with living standards set to remain lower for years to come (as outlined in Section 1), a system-wide solution which goes beyond schools is clearly needed to address these challenges.

In the short term, pupils and their families are still likely to require urgent support as cost-of-living pressures continue. Unless other support is provided, schools and teachers will face little choice but to continue to step in to ensure their pupils can engage with learning. Action is also needed to consider how families can be better supported (e.g. via the benefits system) through the current pressures.

Despite improvements in the wider economic situation since last year, schools continue to face significant financial pressures which are affecting core teaching and pastoral provision

Our findings highlight that cost pressures have led schools to make difficult trade-offs and cuts across their core provision (involving staffing as well as resources and support). Furthermore, a notable proportion of schools, particularly primaries, are expecting their financial situations to worsen over the coming year and anticipate that they will have to make further cuts to their provision.

5.1. Recommendations

Our research highlights the scale of the pressures impacting families and schools which has entrenched high levels of need among pupils. As a result, schools are continuing to take unprecedented steps to meet need. The level of unmet need among pupils, coupled with the significant resourcing pressures affecting schools, is likely to impact on pupil attainment outcomes in both the short and long term and widen longstanding gaps between disadvantaged pupils and their more advantaged peers.

It is imperative that the Government prioritise the following:

1. Extend the current eligibility for FSM to ensure pupils in need who do not meet the current eligibility criteria can benefit. At the absolute minimum, this should involve uprating the income threshold for eligibility to reflect inflationary pressures since 2018/19²³.
2. Provide targeted financial support to help schools address pupils' well-being needs, alongside meeting the additional direct costs (e.g. salary and running costs) associated with current cost pressures.
3. Increase the capacity and responsiveness of CYPMHS and the wider support around families to ensure pupils can access the appropriate support and specialist services in a timely manner, rather than schools and teachers having to step in to fill those gaps in support. This could include revisiting current levels of welfare support for families.

²³ The income threshold for FSM eligibility has remained at £7,400 since 2018/19, despite high levels of inflation since then.

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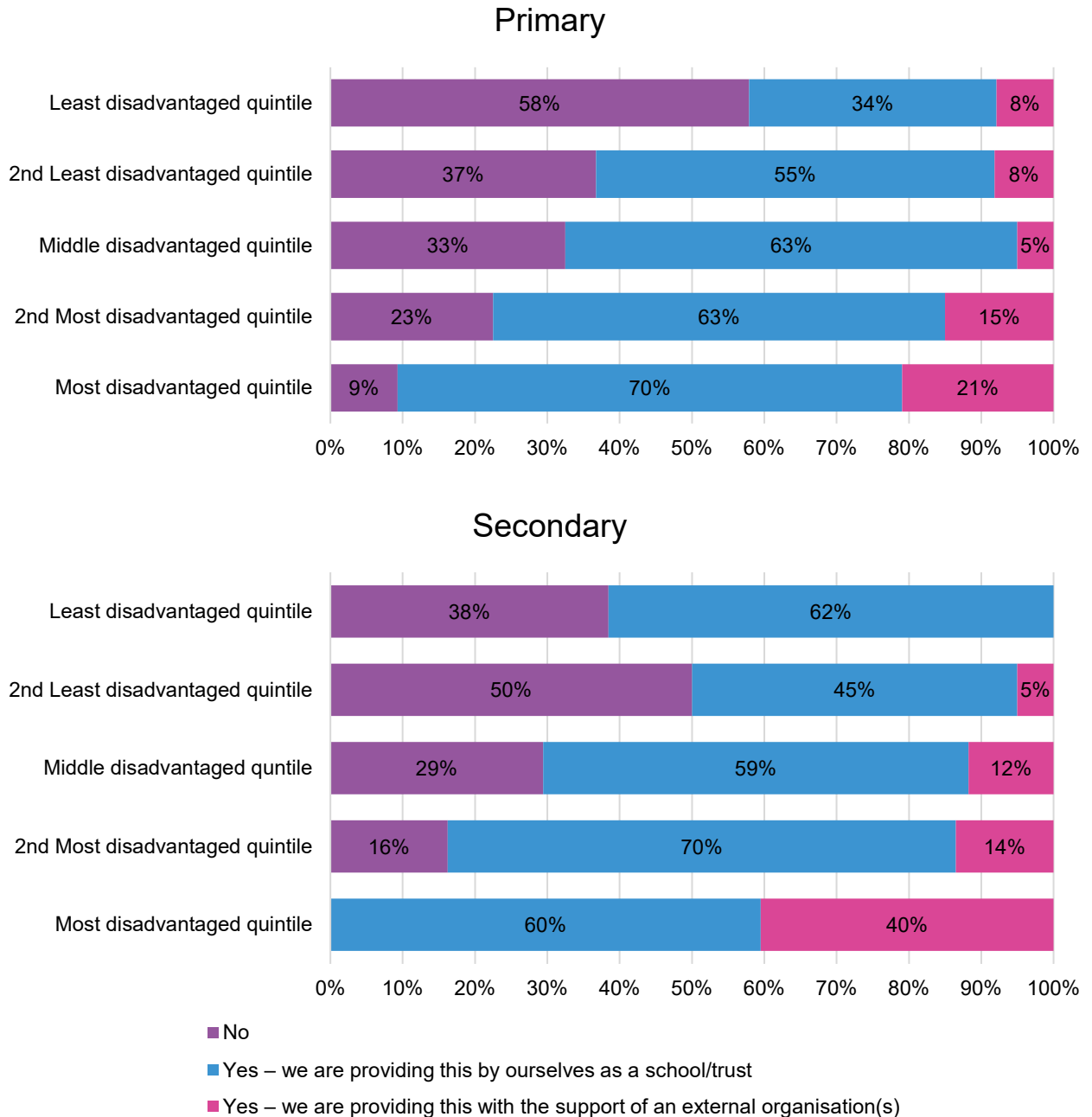
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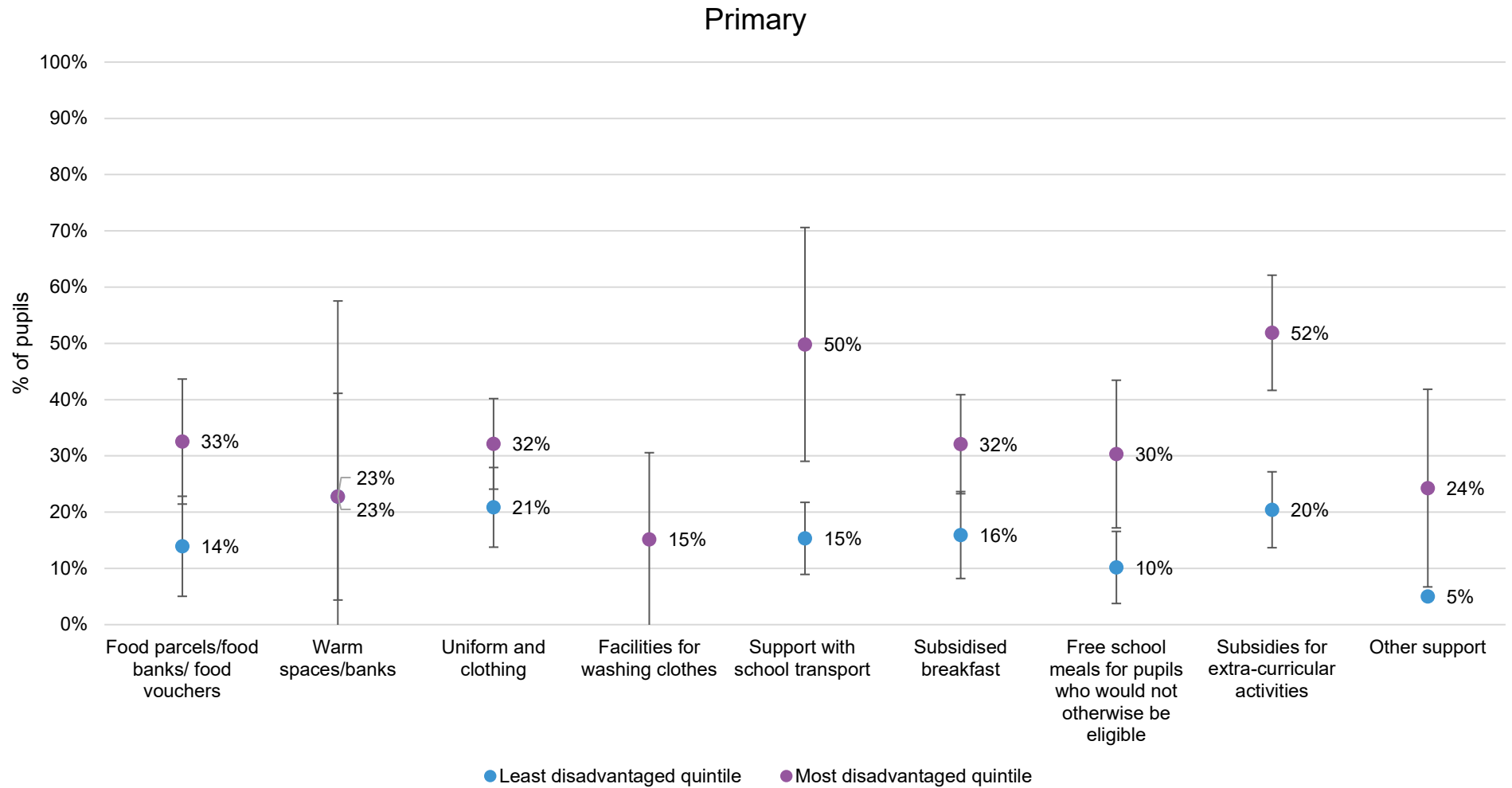
Appendix A: Additional figures

Figure 18 Percentage of schools providing subsidised breakfasts to pupils by school-level disadvantage and phase

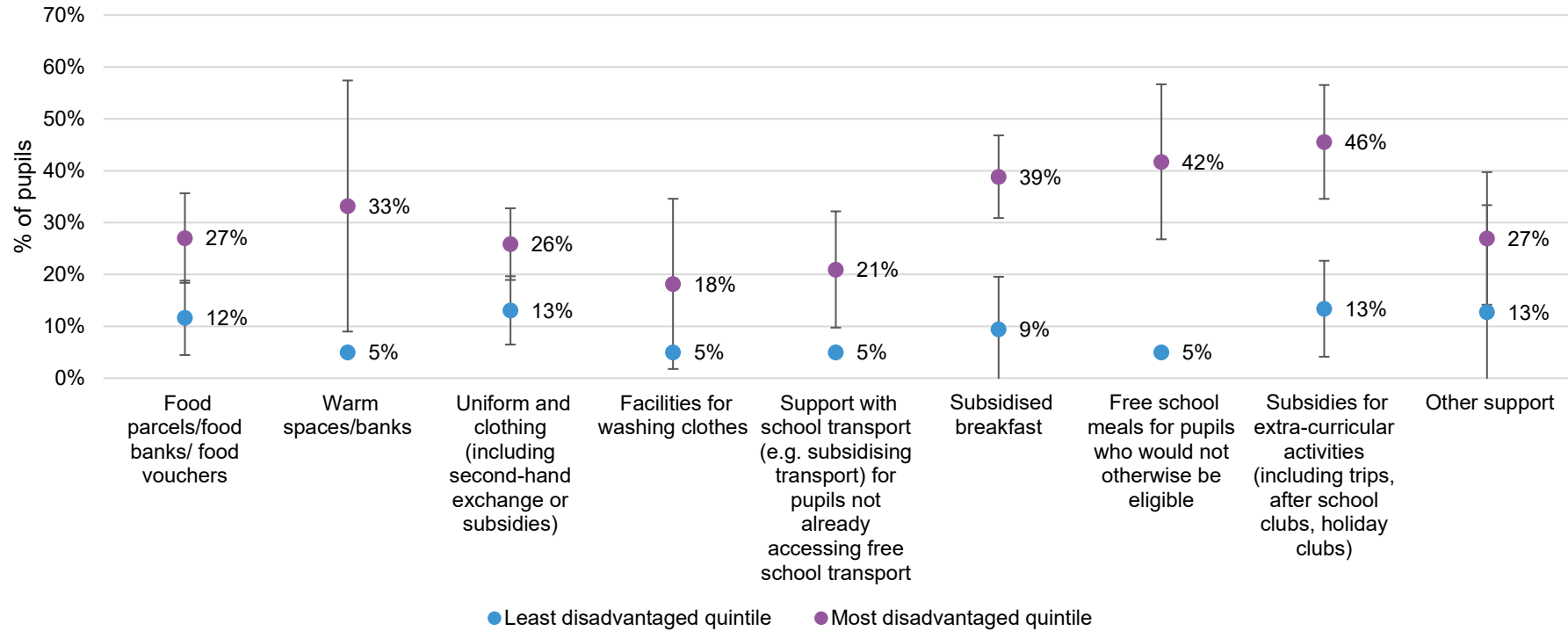


Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 138

Figure 19 Average proportions of pupils taking up the support/services offered by schools by school-level disadvantage and phase



Secondary



Source: NFER survey of 398 senior leaders: the minimum number of responses given to an individual item was 21

Appendix B: Methodological approach for descriptive analysis

Linking to administrative data sources

Our survey data was linked to NFER's Record of Schools (ROS), compiled from the DfE's [Get Information About Schools](#) (GIAS) data, in order to identify school-level characteristics such as type of school and proportion of pupils eligible for free school meals (FSM) (GOV.UK, 2024b).

A note on derived variables

We created FSM quintiles by identifying the proportion of pupils eligible for FSM in the population of mainstream schools, split by phase (primary and secondary, with all-through schools treated as secondary). Based on this, we then split schools into five evenly sized groups (quintiles) by phase and school type.

To estimate the number of pupils in need of additional support across different areas, senior leaders were asked selected one of the following ranges: 'over 90 per cent of pupils', 'between 71 and 90 per cent', 'between 51 per cent and 70 per cent', 'between 31 per cent and 50 per cent' and 'less than 10 per cent'. Mid-points were used to estimate an average across senior leaders currently (as of April 2023) and compared to the same point last year.

Classroom teachers were asked how much of their personal funds they had had to spend on pupils or school this academic year, with the following ranges to select from: 'Less than £25', '£25 to £49', '£50 to £99', '£100 to £199', '£200 to £300', 'Over £300'. Mid-points for each of these ranges were again used to estimate an average amount spent amongst classroom teachers and comparisons made between phase of education.

A note on sample weighting for mainstream schools

When analysing the data collected from the survey, it is important to consider the representativeness of the responding sample. Both primary and secondary samples had good levels of representation across key school level factors including school type, performance and local authority type. However, the secondary school and combined samples were not nationally representative by FSM eligibility. To address this, weights were calculated using FSM eligibility data on the primary school, secondary school and combined samples and then applied to create a more representative sample of all schools.

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