



Teacher Pay: the problems and the solutions

National Education Union
Submission to the School Teachers' Review Body
January 2018

THE NATIONAL EDUCATION UNION

The National Education Union, formed on 1 September 2017, brings together the membership, traditions and principles of the Association of Teachers & Lecturers and the National Union of Teachers into a new teacher organisation.

The National Education Union represents the views and aspirations of over 450,000 serving teachers and members in academies and schools across England and Wales and other parts of the UK education service. As the largest teachers' organisation in Europe, and the fourth largest trade union in the UK, it speaks authoritatively on behalf of teachers.

This submission sets out our views on teachers' pay. We ask the members of the School Teachers Review Body to read our views, adopt our proposals and work with us and our partner teacher unions in helping to address the problems facing teachers, schools and the children they serve.

INTRODUCTION

1. In proposing wholesale changes to the teachers' pay structure in 2012, the then Secretary of State for Education, Michael Gove, told the STRB and everyone else involved in teaching that *"the current pay system is rigid, complex and difficult to navigate and does not support schools to recruit high-quality teachers or leaders."*
2. The STRB accepted that case and recommended wide-ranging changes, including the end of fixed pay scales and the extension of PRP to all points of the pay structure with far more discretion for schools on the standards and criteria required for progression.
3. The STRB also acquiesced, as it has continued to acquiesce, in the imposition of excessively strict limits on public sector pay increases, which have cut teachers' pay substantially in comparison to other professional workers and in real terms.
4. The result, as we show in this submission, is that teaching is now a career with no certainty of expectation with regard to earnings and a growing problem of capricious, unfair and even discriminatory pay decisions. Inadequate national pay awards and falling rates of pay progression are now being compounded by an increasing willingness on the part of schools to seek to deny teachers any cost of living pay increase at all.
5. Combined with excessive workload – the even greater problem facing teachers – this is contributing to teacher supply problems which are spiralling out of control, with recruitment to teaching this year below target, applications for teacher training places next year falling through the floor, resignation rates among early career teachers continuing to be far too high, and resignation rates among older teachers increasing faster than in any part of the workforce.
6. It would now be fair to say, to echo Michael Gove, that *"the current pay system is flexible, complex and difficult to navigate and does not support schools to recruit high-quality teachers or leaders."*
7. This submission makes the case for immediate action to help remedy these problems, both through a significant pay increase for all teachers as the start of a programme of restoration of their pay levels, and through a further reform of the pay structure to reverse the mistakes which were, despite our warnings, so eagerly made.

SUMMARY OF PROPOSALS

11. The National Education Union has already submitted a joint statement to the STRB in partnership with ASCL, NAHT, UCAC and Voice setting out our joint position on teachers' pay. This followed a joint letter to the then Secretary of State, Justine Greening, in November 2017 which similarly set out our concerns and our proposed solutions. Both are appended to this submission.
12. This submission considers the available evidence in more detail in order to establish the case for significantly higher pay for teachers as a necessary step in addressing the teacher supply crisis, establishing fair levels of reward for teachers and supporting the delivery of the best possible education for pupils.
13. In common with our sister teacher organisations, the National Education Union believes that teachers' pay has been allowed to fall too far and must now be substantially increased across the board. Pay should be restored at least to the levels which prevailed before the misguided policies of public sector pay restraint and discretionary decision-making on pay increases and pay progression were implemented. That will establish a more secure platform for teacher supply, allowing the longer term position on teacher pay to be considered further in an atmosphere where teachers are not underpaid and pay is not actively contributing to a crisis in the profession.
14. The National Education Union and its co-signatories to the joint statement believe that this process must begin with a substantial increase from September 2018 which makes an immediate difference to teachers and to teacher supply and demonstrates that there is indeed a commitment to fair pay for the long term.
15. The National Education Union is therefore calling on the STRB to recommend that:
 - teachers' pay should be subject to a substantial immediate increase from September 2018, which begins the process of restoring pay in both real and comparative terms;
 - this increase should take the form of a 5 per cent pay increase for all teachers in post, not simply an increase to all pay and allowance ranges; and
 - this should be the start of a further process of restoration of teachers' pay, at least to the real terms levels prevailing in 2010, with this increase achieved over as short a period as possible.
16. As noted above, we believe that this should not be an end point, but rather a starting point for a further review which determines fair and appropriate pay levels for the longer term.

17. We believe that differentiated awards are not in any way helpful, as recent experience has shown, and ask that the increase is uniformly applied both to all pay and allowance ranges and to all salaries in payment.
18. We have sought to emphasise in our campaigning work over the past year that schools are facing a funding crisis. We do not wish to see school governors forced to prioritise between spending money on teachers, support staff or pupils (although clearly expenditure on pay is itself expenditure on pupils). We ask the STRB to recommend that:
 - the Government should provide sufficient additional funding to all schools to meet any recommended pay increase for teachers and school leaders.
19. However, given that the STRB has allowed itself to be constrained in recent years by the Government's pay policy and the funding position of schools, we wish to make it clear that we do not wish to see the STRB limit its recommendation on the basis of concerns over funding or affordability. The STRB should make the recommendations which it believes to be appropriate, placing the political decisions on affordability before Ministers where they properly belong. We ask the STRB to ensure that, should it decide to limit its recommendations on the basis of any concerns over affordability, it sets out what should, in its view, be the appropriate levels of pay for teachers and school leaders in the absence of such concerns, in order to inform the political discussions which will then ensue.

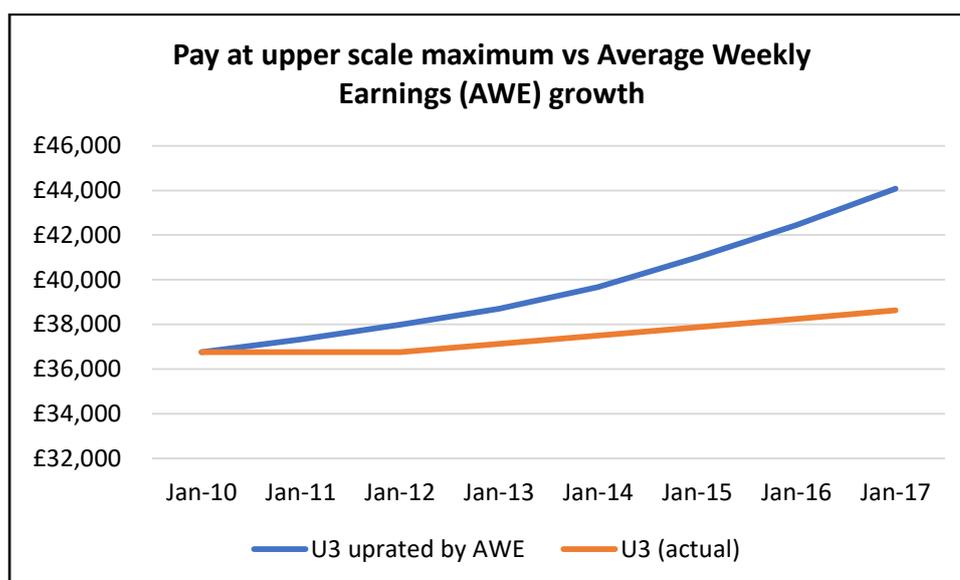
TEACHER PAY, RECRUITMENT AND RETENTION

Introduction

20. This submission seeks to highlight, describe and analyse the extent of the teacher supply problem at various stages of the journey through the teaching career and the impact which teacher pay has at those different career stages. It is, however, important to consider at the outset of this submission the position in more general terms and in particular the key statistics with regard to teacher supply and pay across the whole of the teaching profession, across England and Wales and in all school settings.
21. The recruitment and retention problems in teaching manifest in different ways, but one root cause contributes in all cases: the damage caused by Government policy to the pay and career offer that teaching provides. The issue of teacher workload is equally, if not more, influential and we do not wish to seek to disguise that – rather, we will seek to highlight the problems caused by excessive workload at every opportunity, including this one. Nevertheless, pay in teaching is causing major problems for teacher supply; and any effective solution to these recruitment and retention issues must involve a significant pay increase for all teachers in all areas of England and Wales at all of the stages of their careers.
22. The recruitment and retention problems are systemic and can only be properly addressed holistically. Sticking plaster solutions such as differential pay or recruitment incentives for different phases of education, subject areas or types of school will only make matters worse by creating new recruitment and retention hotspots whilst not addressing the underlying causes of the crisis. We will discuss this, inter alia, when considering recruitment incentives for the prospective teacher later in this submission.
23. The scale of the overarching problem is already well known. The STRB itself in July 2017 said this: *“The cumulative impact of (recruitment and retention problems) creates a real risk that schools will not be able to recruit and retain a workforce of high quality teachers to support pupil achievement”* (STRB 27th report, Executive Summary). The data now available on the profession as a whole and at its different stages shows that this problem is becoming even worse – and this is in large part due to the failure of the STRB to recommend, or the Government to implement, the improvements needed to teacher pay.

Teacher pay in comparative terms

24. The recovery in the labour market in general, and the continuing buoyancy of the graduate job market in particular, are compounding the damage caused by inadequate increases in teacher pay. Pay in other graduate professions and career prospects for new entrants to those professions continue to be better than those offered by the teaching profession. This is evident in the data available on average pay and pay growth across the economy as a whole (and therefore comparative pay in general terms), which we discuss in this section; and in the starting pay rates and pay progression available in other graduate professions, which we discuss subsequently.
25. Teachers' median earnings have grown more slowly than earnings across both the whole economy and the public sector for over a decade, as the STRB has acknowledged. If pay at the top of the upper scale had increased in line with average earnings growth across the economy since September 2010 it would now be worth £44,078. This is 14% higher than its actual current figure of £38,633.



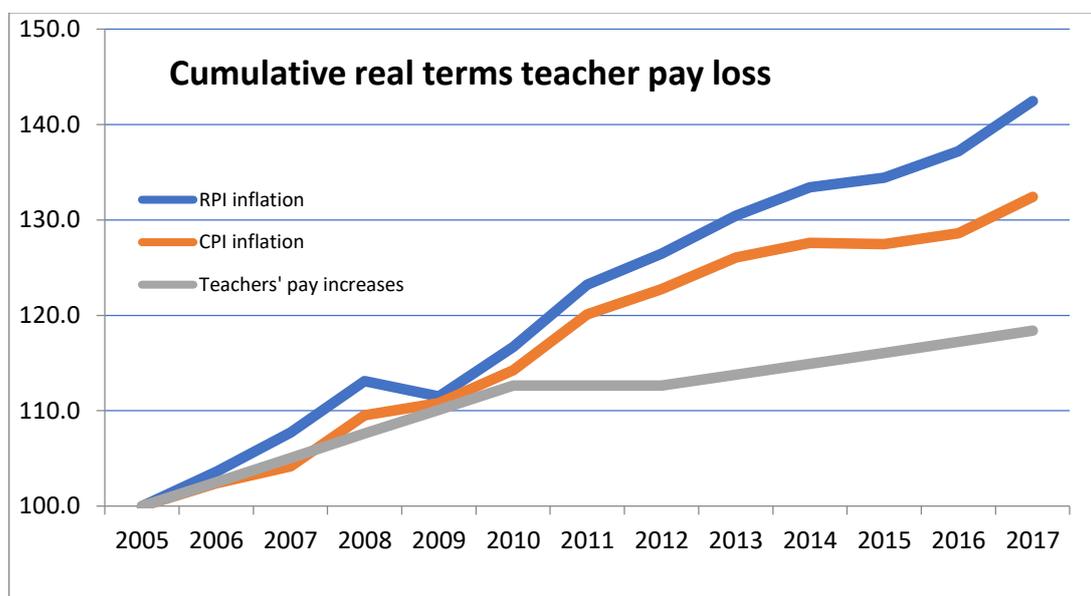
26. Research conducted for the OME and published in June 2017 noted that although real median hourly earnings for non-Pay Review Body teachers fell by more than for Review Body teachers between 2005 and 2015, the difference was not statistically significant.¹ More notably, the authors of the report acknowledged the difficulties in establishing suitable comparators for Pay Review Body occupations. While this is unfortunately true, we can nonetheless observe the headline trends in relation to pay growth outside teaching which shows that the comparative pay position is not favourable.

¹ Alex Bryson (UCL) and John Forth (NIESR), June 2017, [Wage Growth in Pay Review Body Occupations](#)

27. The latest findings from the Annual Survey of Hours and Earnings (ASHE), published in October 2017, show that private sector median weekly earnings increased by 2.8% compared to an increase of only 0.9% in public sector earnings.
28. The STRB is aware of the misgivings we have about the methodology used for comparing public and private sector earnings, but clearly the Government's attacks on public sector pay are resulting in an overall worsening of public sector pay compared to the private sector.
29. In addition to the overall picture on public/private sector pay, the ASHE data is also instructive with regard to teachers. The ASHE data shows that median full-time weekly gross earnings for all employees increased by 2.3% on the previous year. Median pay for teaching and educational professionals, in contrast, fell by 1.9% compared to the previous year. This was the worst performance in pay terms of any of the four groups in the ASHE Professional Occupations category. (ASHE October 2017, table 2.1a).

Teacher pay in real terms

30. The National Education Union's joint submission in partnership with ASCL, NAHT, UCAC and Voice, making the case for an immediate, fully-funded pay increase for all teachers, refers in particular to the decline in teachers' pay compared to levels of inflation. The scale of the problem, and the need for urgent action, is clear from the graph below.



31. The cumulative impact of the freezes and restrictions on teacher pay increases since 2010 mean that the value of teacher pay points has been cut in real terms by over 16% in some parts of the structure, compared with inflation as measured by the Retail Prices Index (RPI). The decline is 15.1% in the real value of starting pay at the MPR minimum (formerly M1); 14.0% in the real value of the MPR maximum (formerly M6); and 16.3% in the value of the maximum pay rate for the experienced classroom teacher (the UPR maximum, formerly U3). (As we show below, the “flexibility” imposed by the Government and STRB means that the UPR maximum is now potentially a misleadingly high figure for pay comparison purposes, now that increasingly fewer teachers are progressing on the UPR.)
32. The RPI is widely recognised as the appropriate measure for pay bargaining purposes. For that reason we and others continue to use it as the principal measure of inflation for reference purposes. Even when measured against Consumer Prices Index (CPI) inflation, however, teacher pay has been cut significantly in real terms. At the MPR minimum, formerly M1, the decline against CPI since 2010 is 9.4%. At the UPR maximum, formerly U3, the decline against CPI is 10.5%.
33. In addition to the cut in the real value of their pay, teachers have seen their take-home pay cut due to increased pension contributions. These have increased on average by a half – from 6.4% prior to April 2012, to an average contribution of 9.6% of pay by April 2014. For higher-paid teachers, the percentage increase in their pension contributions will have been even greater. Furthermore, the removal of contracting-out for occupational pension schemes has further reduced teacher take-home pay by increasing National Insurance contributions.
34. Inflation currently stands at 4.1% for RPI and 3.0% as measured by the CPI (December 2017). Retail price inflation ended 2017 at its highest for six years. The latest HM Treasury forecasts for inflation available at the time of writing showed that RPI is expected to remain above 3% for 2018². These figures, in combination with those relating to the scale of the decline already experienced in the real value of teacher pay, set the context for the STRB’s assessment and recommendations on pay.

Trends in teachers’ pay – results from the 2017 National Education Union member survey

35. The latest National Education Union survey on pay and pay progression, conducted in November and December, underlines our concerns about the impact of Government pay and funding policy on teacher pay and career prospects. The survey report is attached to this evidence. In this section we highlight some key overall findings, while results relevant to discussion of the various career stages are included in the relevant sections below.

² HM Treasury: [Forecasts for the UK Economy, December 2017](#)

36. This latest NEU survey provides further evidence that, under PRP, pay progression rates have been cut – and that the impact has been particularly severe for some groups of teachers. Increasingly, more and more teachers say they are being denied any cost of living pay increase. Decisions are being taken on the basis of the school’s funding position, confirming teachers’ views that the current arrangements are fundamentally unfair. Although they feel unfairly treated, many teachers decide against appealing against denial of pay progression as they fear adverse consequences should they do so. Teachers feel that appraisal has been undermined by PRP. None of this reflects any expressed policy intention on the part of the STRB or indeed the Government.
37. The NEU survey shows that 19% of those who knew their September 2017 pay progression outcome when responding to the survey had been denied progression. These latest figures are similar to those for the 2015 and 2016 surveys, indicating that the denial of pay progression to around a fifth of eligible teachers has become entrenched. On the main pay range, 9% were denied progression, rising to 39% of respondents on the upper pay range.
38. Teacher pay progression has worsened significantly following the pay reforms imposed by the Government. The OME/STRB Teacher Pay Survey from 2009 showed that almost all teachers on the then Main Scale secured progression. More than 90% of teachers applying for progression from the Main Pay Scale to the Upper Pay Scale secured progression. (Comparable figures for progression on the Upper Pay Scale are not available but we believe that those rates were also significantly higher than those now in place.)
39. One quarter of all respondents to the latest NEU survey had still not been informed about their progression when completing the survey in November and December, far later than the recommended (and formerly statutory) deadline for decision making.
40. Some 92% of those denied progression were not told during the year that they were not meeting the standards needed to progress, despite Government guidance³ that this should happen.
41. Worryingly, but unsurprisingly, one in six (17%) of those denied progression were explicitly told that they were being denied progression for budgetary reasons, despite Government guidance that funding should not be a factor.
42. The survey again creates concern about potential unfairness in pay progression decisions, with teachers who did not work full-time being far more likely to be denied pay progression, and lower rates of progression also observed for disabled teachers, BAME teachers on the Upper Pay Range, and teachers who are trade union representatives. This has been the case in each year of this survey.

³ DfE, [Implementing Your School’s Approach to Pay](#), page 17

43. The concerns uncovered by previous years' surveys about downwards trends in pay progression and potential unfairness were supported by information gained from requests made for information on pay progression under collective bargaining information and Freedom of Information Act provisions. We have previously called for the DfE to collect and make available information on pay progression through its annual School Workforce Census. In addition to their duties to disclose under TULRCA and Freedom of Information provisions, employers are obliged to fulfil their Public Sector Equality Duty to advance equality. The need for this has become more acute, as local authorities are less likely now to collect, let alone disclose this information. The absence of this information is unacceptable – we need robust monitoring of this key aspect of the pay landscape. Teachers rightly wonder why the DfE has not produced this information.
44. We have also previously called for the STRB to support our call for the DfE to collect and publish comprehensive and robust information on pay progression, including by protected equality characteristic. Last year the STRB recommended that: *“The Department should expand and improve its evidence base in relation to the teaching workforce.”* In this report, the STRB must in our view recommend specifically that an equality impact assessment is undertaken as a matter of urgency, to assess the equality impact of the current pay progression system on teachers, compared to the pre-2013 pay progression system; i.e., the comparative average pay of women teachers, disabled teachers and Black and minority ethnic teachers under the respective systems.
45. We have, however, presented significant evidence of actual and potential problems on pay progression. These are affecting pay prospects and contributing to recruitment and retention problems. The STRB should reconsider its previous support for the current structure, based on the unwelcome, inappropriate and unfair concept of performance-based progression, and recommend a consistent set of national criteria on pay progression which should preferably remove PRP from teaching altogether.
46. Problems of lack of pay progression are now being compounded by the lack of access to any annual cost of living increase, as schools increasingly take up the STRB's offer to consider whether to seek to deny any such increase to teachers. Despite the STRB's decision to recommend an uplift in pay ranges last year, around one in five teachers (21%) received no cost-of-living pay increase in September 2017, and a further 30% had not yet heard about their pay outcome at the time of completing the NEU survey. The denial of a cost-of-living award to such a large proportion of teachers is a matter of serious concern. This phenomenon represents a further restriction on teacher pay which is, furthermore, often driven by funding considerations rather than issues of pay or performance.

47. Despite the STRB's recommendation of a 2% increase in the minimum and maximum of the main pay range, respondents who told us they were on point M1 or M6 were still more likely to have received a 1% cost-of-living increase or no increase at all than they were to have received a 2% increase.
48. Teachers were again more likely to have received no cost-of-living increase in 2017 if they were female, disabled, LGBT+, non-White-British or worked part-time. Heterosexual, White British, non-disabled male teachers on full-time contracts were denied a cost-of-living award just 17% of the time. To break this down:
- 21% of women told us they had not received a pay award, compared to 19% of men;
 - 22% of those working part-time or other flexible working arrangements were denied a pay award, compared to 20% of full-time workers;
 - 24% of those who defined themselves as disabled received no increase, compared to 21% of those who did not; and
 - 20% of those who defined themselves as heterosexual received no award, compared to 22% defining themselves as lesbian, gay, bisexual or other.

International comparisons

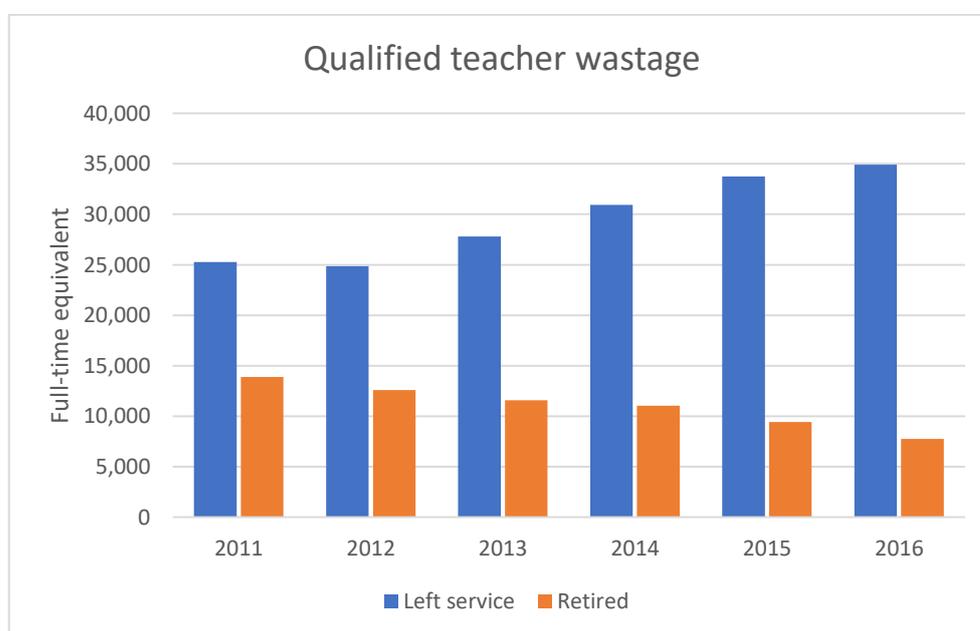
49. The OECD reported that, between 2000 and 2015, teachers' salaries in most countries increased overall in real terms. England was, however, highlighted as a notable exception with a decline of around 5%. The report went on to say that since 2005 teacher salaries in England fell by around 10%.⁴ The OECD states that starting salaries and the likely growth in earnings have a huge influence over a graduate's decision to become a teacher. The OECD concludes that it is not sufficient to offer attractive starting salaries; there is also a need to ensure suitable career prospects in order to retain staff.
50. The OECD report shows that in England, primary teachers earn only 77% of what other workers of similar educational attainment are paid. Secondary teachers receive just 79% of the earnings received by workers in comparable jobs. Of the 18 nations for which the OECD was able to gather data, this places England in thirteenth place when looking at both primary and lower secondary school teachers' earnings relative to comparable employees in the same country.

Recruitment and retention: a systemic and not a regional problem

51. There are significant shortfalls in teacher recruitment, and significant wastage, across the teaching profession. This ranges from problems in attracting entrants to high turnover in the early years of teachers' careers and retention problems for teachers in the later stages of their careers.

⁴ OECD, [Education at a glance 2017](#), September 2017 (page 366-7)

52. The current position is, in summary, that the profession is failing to attract sufficient numbers into training and subsequent employment to meet its recruitment targets; that teachers at all career stages continue to leave the profession in increasing numbers; and that schools consequently continue to struggle to fill posts, with many remaining vacant and covered by means other than the intended permanent appointment, while large numbers of pupils continue to be taught by teachers without a relevant qualification in the subject concerned.
53. This section looks at some headline figures on overall patterns of recruitment and retention, as a precursor to a discussion in more detail below in the sections on each teacher career stage.
54. The number of teachers leaving the profession has been steadily rising⁵. More than 50,000 teachers left the profession in the year to November 2016, more than 5,000 more than in 2012. Some 10.5% of qualified teachers left the English state-funded sector in the year to November 2016, up from 9.5% four years before. We also know that more than 100,000 potential teachers have never taught, despite having completed their training⁶.
55. Teachers are increasingly voting with their feet and leaving the profession before retirement age. Five years ago, more than a third of those leaving the English state-funded sector were retirees; now it is less than one in five.



⁵ DfE – [School Workforce in England](#), November 2016 - Table 7a

⁶ Ibid – Table 23

56. These trends in wastage mean that in recent years we have seen a continuing decline in the number of qualified teachers in service in the maintained sector, and also an increase in unqualified teachers in service⁷.
57. The loss of serving teachers and the failure to replace them with sufficient new entrants comes as the number of pupils continues to rise. In July 2017, the DfE reported that the number of children enrolled in state schools would increase by almost 800,000 in the ten years to 2026⁸. The demand for new teachers is therefore increasing, not falling.
58. Unfortunately, however, targets for recruitment to teaching continue to be missed, with targets missed in almost every secondary school subject. We set out in more detail on the problems of recruitment to the profession in paragraphs 75 onwards below.
59. On vacancies, the STRB is aware of our view that the DfE data on vacancies continue to understate the true extent of the problem. This is also acknowledged by the DfE itself, as recorded by the National Audit Office (NAO) in its report on teacher retention, *Retaining and Developing the Teaching Workforce*⁹ (p35): *“The Department accepts that the following figures are likely to be an underestimate, partly because it collects the data in November when vacancy rates in schools are comparatively low”*. The reason for this is that, by November, many schools will have taken steps to address their understaffing issues by measures such as reallocating classes, not by having recruited to those vacancies.
60. If the DfE includes this data in its evidence to the STRB for this year, it will fundamentally discredit itself in terms of its professed impartiality as a provider of data. Nevertheless, it is worth noting that even these flawed official figures have seen a marked increase. In November 2016, there were 920 teacher vacancies and 3280 temporarily-filled posts where a vacancy existed – an increase of 600 unfilled posts compared to the previous year¹⁰. There is no reason to assume that, whatever the true level of vacancies, it did not similarly increase from the previous year.
61. The increased level of vacancies creates disruption and additional costs for schools – analysis from the Labour Party has shown that schools spent £56 million on advertising for vacant posts in 2015, a 61% increase compared to 2010. These costs are likely to have increased still further since 2015, as vacancy levels have grown and recruitment and retention problems deepened.

⁷ Ibid – Table 3a

⁸ DfE – [National Pupil Projections](#), July 2017

⁹ NAO – [Retaining and Developing the Teaching Workforce](#)

¹⁰ DfE – [School Workforce in England](#), November 2016 - Table 14

62. The NAO noted the challenging context for teacher retention – including real terms cuts, costs pressures outside schools’ control and the significant growth in pupil numbers.
63. The NAO noted that the DfE had “*not set out in a coherent way and shared with schools and the teaching profession how they can work together to improve the teacher workforce.*” DfE interventions to support the existing teacher workforce had been “*relatively small scale*” and that any evidence that the initiatives were making a difference was limited. Schools were still finding it increasingly difficult to fill posts.
64. A key recommendation of the NAO was that the DfE should explicitly assess the workforce implications for schools of all key policy changes and guidance. This is in accordance with our case that Government policy on issues like school funding and pay restraint has a direct impact on teacher recruitment and retention but that this impact is routinely ignored by the Government.
65. The latest school workforce information for England shows that, although the proportion of teachers without a relevant post- A Level qualification in the subject they taught fell slightly in most subjects compared to the previous year, subject mismatch continued to be significant across the curriculum. In ten of the eleven subject areas, a fifth or more of teachers had no relevant post-A Level qualification.¹¹
66. As noted above, although recruitment and retention problems emerge in different ways, the problem is widespread and not confined to certain geographical areas, career stages or school settings.
67. The DfE has now sought to move towards “more local analysis” of the problems besetting teacher supply¹². The initial report from this DfE study supports the point that, while workload is the biggest single factor in teachers’ decisions to leave teaching, the problems with pay are not helping with either recruitment or retention. While pay is not an overwhelming factor for leaving the profession, teachers leaving in earlier career were more heavily influenced by pay considerations, and most teachers leaving on this basis were able to secure higher pay in their new employment. Most teachers leaving did not move into employment paying in more money but this does not mean that better pay in teaching would not have influenced their decision whether or not to stay.

¹¹ DfE – [School Workforce in England](#), November 2016 - Table 12

¹² DfE, [Analysis of school and teacher level factors relating to teacher supply](#) (Sep 2017)

68. The DfE study identifies that the status of the profession is a nationally significant factor affecting teacher supply. Pay cuts and damaging changes to the pay structure have, of course, consistently sent a negative signal to serving and potential teachers about the status of the profession. The DfE study contains a range of initial findings at local and school level. The DfE admits that its methodology is experimental, so the STRB should treat it with caution. Nevertheless, the DfE methodology has demonstrated that many common recruitment and retention problems apply to schools irrespective of circumstances, and the majority of schools surveyed reported teacher supply problems, some for multiple years. The DfE itself says that *“We can see no clear geographic patterns in schools facing supply issues.”*
69. The DfE study also contains a section headed “Decomposition of teacher pay rises” which makes surprising claims with regard to the extent of increases in teacher pay. In December, we raised significant questions with DfE about the methodology used in this section. At the time of writing no response had been received from DfE officials, but for the STRB’s information we have reproduced at Appendix 2 the note sent to DfE officials by the National Education Union.

Conclusion

70. Demand for teachers is increasing, but far from meeting the targets required just to stand still, supply is falling further and further behind demand. At the same time, pay is becoming less and less competitive.
71. We know that the STRB shares these concerns – last year, it again accepted the need to make teacher pay more competitive.
72. Unfortunately, the STRB did not accompany this conclusion with recommendations sufficient to address the lack of competitiveness in teacher pay. The STRB’s pay recommendations for September 2017 meant that serving teachers again saw the value of their pay fall in real terms, sending another unhelpful signal to serving and potential teachers alike. Until teachers’ pay is restored, at least to the levels that were in place in 2010 and with funding to support it, the teacher recruitment and retention crisis will continue to be severe.
73. The STRB must respond to the damage caused by successive years of pay restraint, misuse of the pay structure and funding cuts with recommendations that can effectively repair this damage. The STRB must recognise the problems caused by previous public sector pay policy and teacher pay reforms and the need to challenge the Government’s inadequate investment in schools and teachers.

THE CAREER JOURNEY: PAY AND ITS IMPACT FROM ENTRY TO LATE CAREER

Introduction

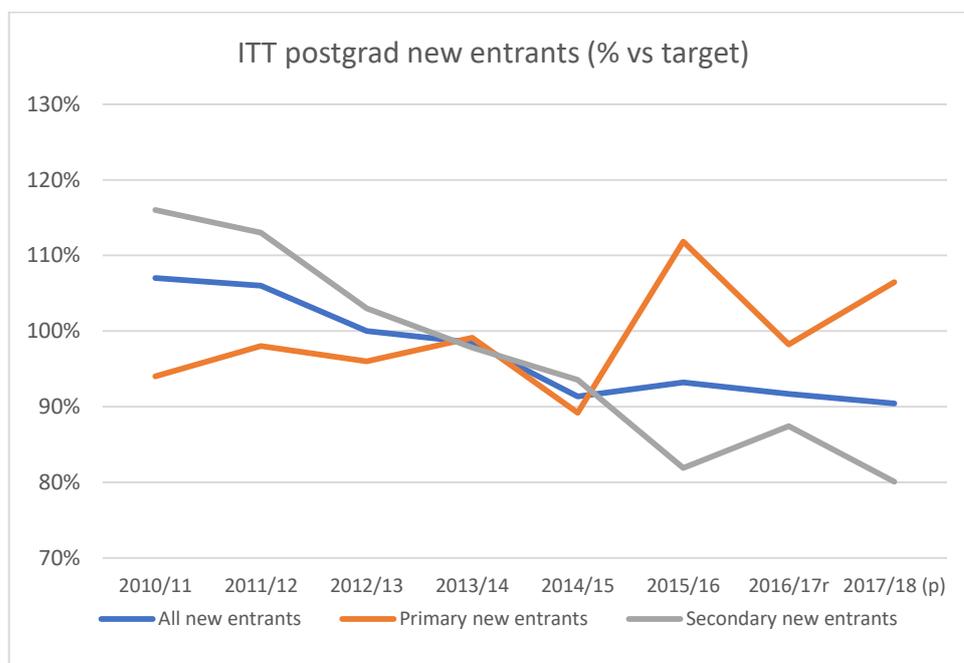
74. We note that the Government has indicated that the next remit to the STRB will look at ways in which the pay framework can “*support a clear and compelling career pathway for teachers.*”¹³ Obviously, we believe that it would be an important step in aiding recruitment and retention if teachers at all career stages were adequately treated and supported by adequate funding. The STRB and the Government do need to address the fact that it is their own previous actions such as the dismantling of the pay structure and pay restraint which now make it harder for potential and serving teachers to map out a pathway for earnings with any confidence. This section considers each of the teacher’s career stages in turn.

The prospective teacher

75. This section looks at the most recent data on teacher recruitment and shows that recruitment problems continue to worsen. We highlight some underlying causes of the problems, including the continuing disadvantaged position of pay in teaching compared to pay in other graduate professions.
76. As noted earlier, the current recruitment targets to initial teacher education (ITE) are seeking to help schools cope with a substantial increase in the school population. Unfortunately, however, the Government again failed to meet its ITE recruitment targets in most subjects for the 2016-17 cycle. Postgraduate ITE recruitment fell from a 7% oversupply in 2010/11 to a 10% shortfall in 2017/18, based on the DfE’s own Teacher Supply Model.
77. In secondary teacher training, the picture is bleaker still, with recruitment falling from a 16% oversupply in 2010/11 to a 20% shortfall in 2017/18. Only 80% of the required numbers of secondary trainees were recruited, the worst performance since comparable records began seven years ago.
78. The total number of new secondary ITT entrants declined by almost 500 from last year, at a time when DfE estimated that an increase of over 1,000 trainees was necessary. In almost every single secondary school subject, targets were missed.

¹³ DfE, [STRB remit: matters for report](#), 7 December 2017

79. Only in History and PE, historically the subjects with fewest recruitment problems, were enough trainees recruited. In core subjects like computing and physics, targets were missed by over 30%. In design & technology, the subject with the biggest recruitment problem, just 33% of the required number of trainees were recruited. Moreover, as the chart below shows, every single subject apart from PE is in a worse position than last year, relative to recruitment targets.



80. In early January, it emerged that the number of people applying for postgraduate teacher training for 2018-19 was down by a third compared to the previous year. According to UCAS data, by mid-December 12,820 people had applied to start teacher training in the next academic year – compared to 19,330 applicants around the same time in 2016. Applications to training for secondary teaching were down by 31% compared to the previous year. Although these figures are not the final position for the year, if anything like this level of decline is maintained in the final numbers then it will be a disaster for teacher recruitment¹⁴.
81. We believe that the attacks on teacher pay are sending out a very negative signal to potential recruits. The fact that the collapse in teacher training intakes since 2010-11 has happened during a period of severe pay restraint for teachers, including the pay freezes and the pay cap, is in our view no coincidence.

¹⁴ [UCAS Report of Teacher Training applicants](#), Monday 18 December 2017

82. Looking at the alternatives to teaching for graduates, we see that overall graduate recruitment rose by 1.6% in 2017 with the top employers planning on increasing graduate recruitment by a further 4.3%.¹⁵
83. Graduate starting salaries were predicted to remain unchanged in 2017 at a median of £30,000. A sixth of graduate places are offered in excess of £40,000 per annum and thirteen of the top graduate employers offer salaries in excess of £45,000. This compares unfavourably to salaries at the bottom of the main pay range. We must also account for the additional year of post-graduate study that teachers undertake before entering the workplace and the impact that this has on earning potential when compared to other graduate careers.¹⁶
84. High Fliers also found that graduates who had not undertaken work experience were unlikely to be placed on a graduate programme. This could further weaken the outlook for the teaching profession. For example, graduates considering teaching may decide to maximise their options and undertake non-teaching work experience – and may then find the opportunities in these alternative careers more attractive than those in teaching.¹⁷
85. The prospects for teacher training recruitment may be further eroded where graduates with an interest in teaching first undertake broader work experience, discovering in doing so that another career presents a more attractive alternative.
86. The Government has heavily relied on its bursaries system to recruit teachers into key subject areas. The National Education Union remains unconvinced that the Government’s bursaries approach is either effective or represents value for money. The NAO reported that the DfE spent £620 million on bursaries in the five years to 2014/15 and planned to spend £167 million per year in 2015/16 and 2016/17.¹⁸ Despite these incentives, the initial teacher education numbers are not improving. The National Foundation for Educational Research (NFER) found that the generous bursaries offered to science and MFL teacher trainees “do not appear to be incentivising recruitment or retention to the levels required.”¹⁹
87. The National Education Union agrees with the NFER’s recommendation that financial incentives should be “structured to explicitly incentivise retention.” We have previously advocated the introduction of a scheme to repay student loans for teachers for as long as they remain in the profession.

¹⁵ High Fliers [Graduate market in 2017](#)

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ National Audit Office – [Training new teachers](#), February 2016

¹⁹ National Foundation for Educational Research, [Teacher Retention and Turnover Research](#), Interim Report, 2017, page 5

The newly and recently-qualified teacher

88. This section looks at pay and workload problems for new and recently-qualified teachers. A key problem in this area is the failure of teaching to offer starting pay and pay progression that is competitive with other graduate professions. Both problems are long-established.
89. In terms of pay progression, the STRB noted the disadvantaged position of teachers relative to other graduates in its 27th Report (STRB, paragraph 3.28 and Chart 7). The adverse impact on teachers of this long-established disadvantage is being compounded by the restrictions on pay progression highlighted in the latest National Education Union survey on pay progression, discussed in detail later in this submission.
90. Many newly qualified teachers cannot afford to join the Teachers' Pension Scheme, often cited as a significant benefit and a justification for suppressing public sector wages. Newly qualified teachers face marginal deductions from their earnings of almost 50% for each extra pound earned, since they pay income tax at 20%, Class 1 NICs at 12%, student loan repayments at 9% and then pension contributions at either 7.4% or 8.6% (the latter in Inner London). This is a total marginal tax rate of either 48.4% or 49.6% and the only element of this which they have control over is the pension contribution.
91. We have mentioned to the STRB in previous submissions that mortgage companies are reducing offers to teachers when they see pension contributions being deducted from salaries. The National Education Union continues to stress to new and recently qualified teachers the importance of retirement planning but it is understandable that at a time when their salaries are being cut in real terms, progression is being withheld, housing costs are escalating and the cost of living is reducing the real-terms value of their salaries, they are looking for savings wherever possible.
92. The number of monthly opt-outs from the Teachers' Pension Scheme has been increasing consistently in recent years (especially since the increase in employee pension contributions to an average 9.6 per cent in 2014-15). DfE opt-out data indicates that opt-outs are now running at around 800 a month, up from 350 a month in 2012-13 and 500 a month in 2014-15. The highest number of opt-outs among full-time workers is in the 25-29 age category for women, and 30-34 for men, indicating that it is younger teachers who are threatening their financial future. A DfE paper provided to the TPS Scheme Advisory Board states that the most common reason given for opting-out, at 63 per cent of the total, is personal financial reasons.
93. The DfE's workload survey showed notably that newly and recently qualified teachers worked significantly longer hours even than the 50+ hours worked every week by their more experienced colleagues. Care will need to be taken by schools that the perception of burning out new teachers within a few years of entering the profession does not become embedded.

94. We mention below that teachers on the upper pay range are often expected to undertake additional duties without receiving additional payments. We do not discount the possibility that this may also be the case for some main pay range teachers who agree to undertake additional duties in order to secure progression on that pay range.

The early career teacher on the Main Pay Range (MPR)

95. This section highlights issues for teachers on the MPR, showing that pay problems are contributing to retention problems in early career.
96. The poor rates of retention in early career should be as much of a concern to the Government as missed recruitment targets. The OECD has stated that *“countries that are looking to increase the supply of teachers...might consider offering more attractive starting wages and career prospects. However, to ensure a well-qualified teaching workforce, efforts must be made not only to recruit and select, but also to retain the most competent and qualified teachers.”*²⁰
97. MPR teachers are, on the whole, still developing their teaching practice and attention should be paid to ensuring access to CPD, mentoring and support to allow them to develop. Supporting new and recently qualified teachers does place an additional workload burden on the teachers and leaders assigned to assist. This is an essential part of retaining new teachers in the classroom and the resource implications must be fully addressed.
98. The Government’s own figures show that rates of retention in early career have deteriorated in recent years. Since 2010, those teachers remaining in teaching year on year has declined by around 3%. Of those teachers who entered the profession in 2010, 77% were still teaching after three years compared with just 74% of the 2013 intake²¹.
99. The most common reasons for teachers aged 20-30 leaving the profession were salary level and the lack of progression.²² Our members have commented that career changers find the slow rate of progression especially frustrating. Schools simply do not have the available funds to accelerate progression and, in any event, will be wary of enshrining provisions for this in their school pay policies.
100. The overall rate of denial of progression to teachers on the Main Pay Range remains a concern. The 2017 National Education Union pay progression survey found that 9% of teachers on the Main Pay Range who knew their progression outcome were denied it, similar to the 10% in the 2016 survey.

²⁰ Ibid (page 364)

²¹ DfE, [School Workforce Statistics](#), November 2016

²² DfE, [Analysis of school and teacher level factors relating to teacher supply](#), September 2017 (Table 4 p 40)

101. The NEU survey also found that only 28% of eligible teachers on the Main Pay Range who were denied progression lodged an appeal against the decision despite over 90% believing that the decision was unfair. There remains a strong feeling among teachers on the MPR that there is little or no point in appealing a decision not to allow them to progress as the decision is unlikely to be overturned. Our survey showed that of those MPR teachers who did lodge an appeal only 8% were successful.
102. We do not believe that all this accurately reflects the position with regard to teachers' standards of performance. Rather it shows that schools are not complying with the STPCD provisions which enshrine the STRB's own stated position that all teachers should expect to progress to the top of the MPR within a reasonable time scale on the basis of continued good performance.
103. Main pay range respondents were also unlikely to be rewarded for undertaking additional responsibilities. Only 7.45% of respondents received a TLR1 payment, 17% a TLR2 payment and 3% a TLR3 payment. Other pay flexibilities were also unlikely to be awarded to teachers on the main pay range, with only 1.7% of respondents in receipt of a recruitment or retention payment.
104. Similarly, the proportion of eligible teachers successfully progressing from the MPR to the UPR is a concern. We know that 90 per cent of those teachers applying to access the then Upper Pay Scale in the period before 2010 were successful (see for example STRB 21st Report, figure 4.1, page 36²³). The proportion of teachers on M6 who were eligible for and had applied for progression, knew the outcome and had been denied progression was 28% in our 2017 survey, unchanged from the result in 2016.
105. Teachers on both the MPR and the UPR in primary settings find it particularly difficult to access payment for responsibilities – teachers in primary settings are only around half as likely to receive TLRs as teachers in secondary settings. (ADD REF)

The mid-career teacher on the Upper Pay Range (UPR)

106. This section examines the problems faced by teachers on the UPR, including restrictions on pay progression. We note the emphasis in the Secretary of State's remit letter on the pay award on the early years of a teacher's career. This issue is of course important, but the STRB must give equal emphasis to the pay issues for more experienced teachers. We show in this section the damage that pay restriction causes for experienced classroom teachers.
107. When it was introduced, the then Upper Pay Scale was described as a mechanism to reward classroom teaching through higher pay, albeit accessed via performance-related progression. The lower rates of progression now observed, however, mean that the maximum of the UPR is no longer a secure aspiration even for good teachers.

²³ School Teachers' Review Body [21st Report](#) (2012)

108. We noted last year the evidence that the rate of pay progression was significantly lower for teachers on the UPR than for those on the MPR. The latest National Education Union pay progression survey shows that 39% of UPR teachers who were eligible for progression and knew their outcome were denied progression, with teachers on the UPR therefore being over four times as likely to be denied progression as those on the MPR.²⁴ Potential and serving teachers will be concerned that a new and much lower ceiling for classroom teacher pay is effectively being created.
109. The STRB noted in its previous report the importance of retaining teachers who had progressed to the UPR and said that there were “*concerning signs about the retention of more experienced teachers*” (STRB 27th Report, paragraph 5.30). Now, with evidence of worsening retention problems, the STRB must accept that the changes to the national teacher pay structure, particularly those allowing schools to set widely varying standards for progression and take decisions on the basis of funding, are root causes of those problems.
110. UPR teachers have accrued and developed valuable skills and expertise. They represent an essential pool of potential recruits to school leadership positions. They add huge value to education. Yet they are being lost in significant numbers. The latest DfE School Workforce Survey shows, for example, that only 60% of 2006 recruits remained in service ten years later.²⁵ This rate of loss reduces the expertise available to schools, disrupts the supply chain for school leadership roles and sends out a devastating signal about the attractiveness of teaching. If those considering teaching as a career see experienced teaching professionals terminating their own careers and leaving the profession, they will draw seriously negative conclusions.
111. It should also be noted that teachers on the UPR are now commonly expected to take on additional duties without receiving additional payments. This is inconsistent with the principle in the STPCD that undertaking additional responsibilities should be separately rewarded, but it is sufficiently common to have given rise to the recent ludicrous proposal to allow teachers to “step down from the Upper Pay Range” which the STRB fortunately rejected. Failure to provide additional payment where merited puts further downward pressure on pay and adds to retention problems.
112. The unfair blocks on pay progression mean that it is not possible for potential and serving teachers to map out a career route with any confidence. Even before they reach the UPR, they will know that factors outside of their control, notably the budgetary position of the school in which they work, will be the key determinants of their career and pay progression. They will also know that graduate professions other than teaching provide more secure career and pay progression paths.

²⁴ National Education Union, Teachers’ Pay and Progression Survey 2017

²⁵ DfE, [School Workforce in England](#), November 2016 – Table 8

113. We noted above the continuing and significant poor relative rates of pay progression in the first five years of teaching compared to other graduate professions, even when they make the expected progression on the Main Pay Range. Having lost out in this way in the early years of their careers, teachers then face significantly increased comparative losses as they encounter greater obstacles to pay progression once they reach the top of the MPR.
114. Effectively, we have moved from a position where a very high proportion of UPR teachers – quite rightly – received pay progression, recognising their developing skills and expertise, to a position where most UPR teachers do not receive pay progression. This is not due to any deterioration in the performance of UPR teachers, but to the increased pay flexibility given to schools combined with the real terms funding cuts.
115. We know this is a significant issue because our survey shows that a significant proportion of teachers eligible for progression to and on the UPR had been explicitly told that their pay progression was being blocked due to the school's funding position.²⁶ We can be certain that funding was a factor in many other adverse decisions as well, despite Government guidance that funding should not be a factor. It is devastating for hard-working professionals, who have done all that is asked of them in an extremely demanding profession, to be denied their rightful pay progression and this underlines the need for the STRB to make recommendations not only to restore incremental progression, but also for such progression to be fully funded by the Government.
116. Having seen the UPR either frozen or limited to a 1% uplift in recent years, when some increases for the MPR were higher, and having experienced higher than average pension contribution increases, classroom teachers on the UPR have been particularly poorly treated in recent years.
117. In its 27th Report, the STRB argued that a separate upper pay range, with movement to that range subject to assessment, seemed “anomalous”.²⁷ Our view is that the UPR fractures the pay structure, creating unnecessary and unfair hurdles to pay progression. As part of a restored national pay structure for teachers, the MPR and UPR must be merged with faster and incremental progression solely on the basis of experience. Such a reform would mean that teachers' acquisition of experience and expertise is properly valued. It would send the kind of strong positive signal about fairness and transparency that is needed if we are to begin to repair the damage caused to teacher pay and supply in recent years.

²⁶ National Education Union, Teachers' Pay and Progression Survey 2017

²⁷ School Teachers' Review Body - [27th Report](#) (2017)

Classroom teachers in later career

118. In this section we highlight issues for classroom teachers in later career, showing that teachers with valuable expertise are being lost to the profession.
119. Clearly, action to address issues like teacher workload and pupil behaviour and better access to high quality continuing professional development is needed if we are to effectively support the retention of experienced classroom teachers. Nevertheless, the STRB also needs to understand that pay issues play a major role in teacher retention problems.
120. We know from NFER research that wastage rates increase sharply for secondary teachers above the age of 50²⁸. Wastage rates are also increasing more sharply among teachers in their late forties and early fifties than for other teachers. The effect is that careers are shortened, valuable expertise is lost and problems with retention of experienced teachers compound those caused by the loss of teachers in the early years of their careers.
121. Classroom teachers in later career have, like other teachers, seen the value of any cost of living award more than wiped out by inflation. Many have been denied any cost of living award, which for teachers at the maximum of their pay scale means no pay increase at all. At the same time, these highly experienced and skilled professionals will note that pay increases in the wider economy outstrip those in teaching.
122. The age profile of the teaching profession has become significantly lower in recent years and is now very much out of line with comparable countries. The OECD's Education At A Glance 2016 report noted that: *"The UK has among the youngest teaching workforce of all developed countries ... The proportion of teachers over 50 has fallen by more than in any other country surveyed over the past ten years."*²⁹ This adds to the evidence on the loss of skilled and experienced teachers to the profession.
123. We note elsewhere the increasing number of teachers leaving the profession before retirement age. We again remind the STRB about our research highlighting the misuse of capability procedures to push older teachers, mistakenly seen as a problem rather than an asset, into leaving their schools. A 2013 NUT survey of NUT caseworkers revealed that women teachers over the age of fifty were disproportionately represented in their capability casework.³⁰ Inadequate pay increases will further reduce the likelihood of these disenfranchised teachers remaining in the profession.

²⁸ National Foundation for Educational Research, [Teacher Retention and Turnover Research](#), Interim Report, 2017, pages 12-13

²⁹ OECD [Education at a Glance 2016](#)

³⁰ NUT Survey of Divisions and Associations on Capability, 2013

124. The NAO noted in its September 2017 report *“Retaining and Developing the Teaching Workforce”* that 85 per cent of secondary school leaders surveyed said that they did not received sufficient support from the Department for Education to retain high quality teachers. The NAO noted the “increasingly challenging context” within which schools work and drew attention in this context to the real terms cuts being imposed on schools³¹. As the NAO pointed out, it is not efficient to lose high quality teachers from the profession.

Teachers in leadership roles

125. In this section we highlight problems for teachers in leadership roles. The role of a school leader is becoming increasingly complex and this is compounded by the need to innovate in an environment of real terms funding cuts. At the same time, high stakes observations and testing are increasing the insecurity felt by head teachers. Workload pressures for teachers in leadership roles are compounded by the bureaucracy and conflict created by the inappropriate and damaging PRP requirements.
126. STRB consultees highlighted leadership group recruitment and retention problems in last year’s round.³² The latest evidence shows that those problems have significantly worsened since last year.
127. The latest annual recruitment survey published by the NAHT is likely to be referred to in detail by the NAHT in its evidence to the STRB. In the meantime, we note that the latest assessment by NAHT shows that schools are increasingly struggling to recruit senior leaders. The proportion of head teachers failing to recruit a new assistant head almost doubled compared to 2016.³³
128. There was a steep increase in the proportion of school leaders who said that budget pressures were to blame for recruitment problems – up from 9% in 2016 to 33% in 2017. This is direct evidence from school leaders of the impact of real terms cuts to school funding on teacher recruitment and retention.
129. Like other teachers, teachers in leadership roles face growing problems with pay progression. The latest National Education Union pay progression survey shows that teachers on the leadership scale who were eligible for progression and knew the outcome of their progression decision were denied it in 26% of cases. This was, unfortunately, a significant increase on the equivalent figure of 20% in last year’s survey.

³¹ NAO [Retaining and Developing the Teaching Workforce](#) (2017)

³² School Teachers’ Review Body - [27th Report](#) (2017)

³³ Schools Week – [NAHT: Senior leader recruitment getting even worse](#), November 2017

130. We note above the OECD finding that the UK has among the youngest teaching workforce of all developed countries. This highlights the loss of expertise to the profession and the danger of schools being led by those with insufficient expertise, with a potentially negative impact on the working lives of other teachers in the school. We need to ensure that there is sufficient investment to ensure that school leaders are adequately prepared and supported in their role.
131. It is essential that any recommendation from the STRB on pay increases is applied equally across all grades, including leadership group posts. As noted in the joint union statement to the STRB, a significant increase in pay for all teachers and school leaders, irrespective of their career stage, setting or geographical location, is essential.
132. There must also be greater consistency and objectivity in leadership group pay setting, in order to safeguard against pay decisions being driven by funding issues or pay rates for individual leaders becoming divorced from the school's circumstances or the actual responsibilities or performance of the individual. We remain concerned that the current leadership pay structure does not support such consistency and objectivity.

THE PAY STRUCTURE

133. We note the continued emphasis by the Government, including in the Secretary of State's remit letter to the STRB of 7 December 2017, on the Government's "flexible" approach to public sector pay.³⁴ This "flexibility" is already now enshrined in the recent changes to the teachers' pay structure. We have set our view on the impact this has had on pay levels. In this section, after considering some further problems with regard to the provisions of the pay structure, we also set out our preferred solutions to these problems of structure as opposed to levels of pay.
134. DfE-commissioned research³⁵ on the impact of the recent changes to the teachers' pay structure was published in October 2017. The researchers reviewed the picture since these changes were implemented from 2013 onwards. In our view, the research demonstrates both the extent to which these changes were and remain unwanted by the profession and the fact that the beneficial impact anticipated by Government has in fact been a damaging one.
135. The research shows that the majority of reforms which had been implemented by schools were those which were statutorily required (eg relating pay progression to performance on the Main Pay Range). Academies, which were not statutorily required to adopt these changes, were less likely to have adopted them. Other changes of a discretionary nature, such as departure from the long-established pay scale structures, were overwhelmingly not being adopted.
136. The vast majority (84%) of head teachers reported that their pay policies were similar or identical to those for other schools in the area, and generally maintained the previous statutory pay structures.
137. The research also shows that few teachers felt that the "reforms" helped achieve fairer pay or motivate under-performing teachers, while most thought it had made no difference to the way that they worked but had increased their overall workload. Hardly any head teachers felt that the reforms had had or would have a beneficial impact on recruitment.
138. Nevertheless, this promotion of "flexibility" in the national pay structure, in combination with the cuts in the value of pay, has undermined confidence, transparency and fairness. Transparent national pay arrangements would embed the principle of a rate for the job, smoothing teacher mobility and allowing serving and potential teachers to map out a career path with confidence. Instead, serving and potential teachers know that the combination of pay reforms and funding cuts means that their pay will depend on issues beyond their control – notably the funding position of their school.

³⁴ Letter from Justine Greening to Dr Patricia Rice – [School Teachers' Review Body \(STRB\) remit letter for 2018](#)

³⁵ NFER IFS & others for DfE, [Evaluation of Teachers' Pay Reform](#), October 2017

139. This combination does appear to be resulting in downward pressure on teacher pay levels overall. The School Workforce Census states that average teacher pay increased by barely 1 per cent between 2011 and 2016, well behind inflation, although compositional changes in the workforce also influence this figure.³⁶
140. The removal of the right to pay portability means that teachers who might wish to make sideways moves for the purposes of career progression, or take career breaks, now know that this may damage them in pay terms. The impact of this reform in practice so far appears limited – most schools appear unwilling to explicitly adopt policies which would deter potential applicants or to apply such policies in practice. They may however be more willing to take advantage of applicants who are not currently in post, creating (as we have pointed out previously) a direct detrimental impact on women teachers, who are more likely than male teachers to have career breaks to care for family members, and teachers whose careers have been interrupted by disability or ill-health. Meanwhile, teachers in post may see a disincentive to moving, and at times this dampener on mobility may be just as much an issue for the profession and for individual schools as excessive turnover prompted by other factors.
141. The recent changes to the national pay structure have also, in our view, undermined attempts to address equalities issues in teacher pay. As we have said previously, the STRB's failure to carry out or require an equality impact assessment of the changes before their implementation remains deplorable, and an assessment of their impact since implementation remains essential. This must cover issues such as the impact of pay portability and the reports we have heard of older teachers, often but not always female, being forced into retirement.
142. There are significant gaps in pay between men and women teachers at most levels of the profession. Women teachers in all state-funded schools including academies earn, on average, £2,900 less than their male counterparts every year.³⁷ The pay gap in teaching is heavily influenced by lack of access to promotion. In 2016, there were 7,400 male head teachers (6.2% of all men teachers on a head count) compared to 14,500 female head teachers (just 4.3% of all women teachers), and 14,800 male assistant or deputy heads (14.8% of all men teachers) compared to 32,800 female assistant or deputy heads (just 9.7% of all women teachers).³⁸ However, women leaders also earn less per year than their male counterparts, and this gender pay gap for women leaders increases with age – for example, while women head teachers under 40 in all state funded schools earn £5,400 less than their male counterparts, those in their 40s earn £7,700 less, those in their 50s £11,300 less and those aged 60 or over £13,500 less.³⁹

³⁶ DfE – [School Workforce in England](#), November 2016 – Table 9a

³⁷ DfE – [School Workforce in England](#), November 2016 – Table 9a

³⁸ DfE – [School Workforce in England](#), November 2016 – Table 4

³⁹ DfE – [School Workforce in England](#), November 2016 – Table 9d

143. We again urge the STRB to recommend that practical support is given to employers to ensure accurate collecting, monitoring and reporting on the gender pay gap in individual schools and academies, multi-academy trusts and local authorities; and that these institutions are sufficiently resourced to identify unequal pay within the workforce and to take restorative action to equalise pay within the workforce.
144. Pay reforms and the imposition of PRP in particular have loaded unnecessary additional burdens and costs onto schools at a time when funding is already being cut in real terms. PRP leads to schools wasting resources on over-the-top monitoring and lengthy appeals. The National Education Union pay progression survey showed that 48% of teachers and 55% of appraisers believed that PRP had added to their workload. This finding has also been supported by NfER, which stated that *“many teachers said that the process of gathering and reviewing evidence had added to their workload – affecting both appraisers and those being appraised.”*⁴⁰
145. The STRB has acceded to the Government’s wish to conflate pay progression and the annual cost of living award. The principle of an annual cost of living award, applied to all salaries in payment and distinct from pay progression, is essential to support teacher recruitment and retention. The principle of an annual cost of living award is widely supported by STRB consultees, not just the teacher unions which joined the NEU in our joint statement this year. The STRB must confirm that its recommended pay award for September 2018 is a cost of living award to be applied to all salaries and allowances in payment, for the purpose of maintaining the value of teacher pay, and must not be conflated with pay progression.
146. We also emphasise again the need to restore prescribed pay points on prescribed pay scales. Despite the attempts to push schools and local authorities away from using fixed pay scales, they continue to be widely used in schools and academies and to be endorsed by local authorities and multi-academy trusts. Clearly, there is no appetite for personalised pay with all of the uncertainty, unfairness and damage to teacher recruitment and retention it brings. To support schools and to help address recruitment and retention issues, the STRB must recommend the restoration of fixed pay points to the School Teachers’ Pay and Conditions Document (STPCD) – or at the very least recommend the restoration of advisory fixed pay points, uplifted each year simultaneously and in line with the uplift in the value of pay ranges.
147. We therefore call upon the STRB to:
- revisit and re-evaluate the recent pay “reforms” as part of its current review;
 - recommend that the Government ends its damaging experimentation with performance related pay for teachers; and
 - recommend that the Government should reintroduce the previous statutory provisions for prescribed pay scale points, pay progression based on experience and pay portability.

⁴⁰ NfER, [Are teacher pay reforms having an impact on schools?](#), 20 October 2017

SCHOOL FUNDING

148. With the vast majority of schools facing continuing real terms cuts, the impact of funding on teacher pay has continued to grow. The then Secretary of State's remit letter for this review does not seek to place any specific limit on the pay award but continues to refer to "the need to ensure that any proposals are affordable."⁴¹ This seeks to place a responsibility on the STRB which is entirely that of the Government. The STRB should feel itself able to recommend the action on pay that is necessary to tackle the recruitment and retention crisis effectively. It is then for the Government to decide whether to implement those recommendations and whether to provide any necessary additional funding for schools in England and Wales.
149. Last year the STRB asserted that it should not make recommendations on Government funding policy.⁴² We fundamentally disagree. While effective solutions to the recruitment and retention crisis must inevitably involve an assessment of the resources available to schools, the STRB should not adopt the view that it is constrained by the Government's inadequate funding envelope, unable to make the recommendations it sees necessary, or unable to express a view on the impact of such recommendations or their implications for Government funding policy.
150. Nevertheless, it is appropriate to review the position on school funding and how it is contributing to the problems of teachers' pay.
151. The NEU has worked hard over the past two years to ensure the fullest awareness of the funding situation of schools in England and Wales. The School Cuts website⁴³ established by the NEU and other education unions has played a key role in highlighting the real picture. By enabling parents to see the impact of the real terms cuts since 2015 and the extent of further planned cuts, the School Cuts website pushed school funding up the political agenda to the extent that research showed that 750,000 voters changed their vote as a result, in whole or part, of concerns about school funding.⁴⁴
152. The information provided is not, as the Government sought to suggest, inaccurate. The Institute for Fiscal Studies, for example, has in a number of studies confirmed the significance and scale of the cuts in funding.⁴⁵ The Government has refused to address the problems seriously and the "smoke and mirrors" announcement on funding by the then Secretary of State of September 2017 will do nothing to reverse the real terms cuts in the value of funding between 2015 and 2017.

⁴¹ Letter from Justine Greening to Dr Patricia Rice – [School Teachers' Review Body \(STRB\) remit letter for 2018](#)

⁴² School Teachers' Review Body - [27th Report](#) (2017)

⁴³ NEU and others, [School Cuts website](#)

⁴⁴ TES Online – [750,000 voters switched support as a result of school funding cuts, survey finds](#) – June 2017

⁴⁵ eg IFS – [Election battleground in the playground?](#) – April 2017

153. The School Cuts website notes that year-on-year real terms cuts to school funding mean that £2.8 billion has been cut from school budgets since 2015. Even taking account of the limited reallocation of funding announced in September and any gains predicted from the implementation of the proposed national funding formula, 91% of schools will still lose funding in real terms between 2015 and 2020. The average cut is predicted to be £54,000 for primary schools and £205,600 for secondary schools.⁴⁶
154. The impact of the funding situation on teacher pay cannot be denied. Decisions taken on the basis of school funding are contributing to the recruitment and retention crisis. Pay “flexibility” is consistently exercised to the disadvantage of teachers, with decisions on pay progression based not on teacher performance but on funding concerns. Serving and potential teachers see their pay prospects limited by the funding shortage.
155. Recommendations to address teacher recruitment and retention problems must therefore address the funding issue. Objective assessment of the action needed to address recruitment and retention issues is not possible if the STRB only assesses proposals within the Government’s inadequate funding envelope. The STRB must be clear in its recommendations to the Government that pay recommendations need to be fully funded. But the STRB must nevertheless recommend the necessary pay increase, even if it feels unable to make a recommendation that that increase should be fully funded by the Government.
156. Another funding issue facing schools is the additional cost of recruiting temporary and supply teachers as a result of the recruitment and retention crisis. A Parliamentary Written Answer of 20 November 2017 showed that schools in England spent £1.3 billion on supply teachers in 2015-16⁴⁷.
157. Finally in this section, we note the reference in the remit letter to “*improvements to public sector productivity*.” It would be inappropriate to discuss productivity – leaving aside the important debate about definitions and measures – without assessing the adverse impact of key Government policies on the workplace in education.
158. Cuts have reduced the amount of investment in infrastructure – the NAO noted in its February 2017 report⁴⁸ “Capital Funding for Schools” that £6.7 billion was needed to return school buildings to satisfactory or better condition. Schools need to be able to support teachers’ professional development, but again funding cuts limit such support. The workload burden on teachers limits opportunities to share expertise. The value of appraisal has been undermined by the link to pay under PRP arrangements. All of these factors must be addressed in any discussion about productivity in education.

⁴⁶ NEU and others, [School Cuts website](#)

⁴⁷ [Written Parliamentary Answer](#) to Anna Turley MP, 20 November 2017

⁴⁸ NAO, February 2017, [Capital Funding for Schools](#)

TEACHER WORKLOAD

159. We said at the outset that we would take this opportunity to restate our concerns about teacher workload and the extent to which it contributes to the teacher supply crisis. We would welcome the STRB's support for our continuing call for meaningful action on this issue. It is clear that we will continue to struggle with recruitment and retention until teachers and school leaders feel adequately rewarded for their contribution and that the continuing level of workload, and the commitment shown in the face of this, simply reinforce the case for better pay.
160. Excessive workload is of major concern to teachers and school leaders with over 43,000 responses to the Government's Workload Challenge consultation.⁴⁹ It is cited by ex-teachers as one of the key reasons for their leaving the profession – a recent DfE study accepted research findings that 75% of those leaving teaching had cited workload as the main reason for leaving teaching.⁵⁰ Research by the NFER suggests that there has been a *“substantial increase in the leaving and churn rate of teachers between 2010 and 2015 that is not explained by changes in the composition of the workforce and schools.”*⁵¹
161. The DfE's attempts to drive down workload are welcome but they are not making a tangible impact on the lives of teachers. Schools need to take responsibility for the wellbeing of their staff and initiatives such as wellbeing committees and focused action to tackle and remove unnecessary tasks are important. The National Education Union agrees with the NFER's conclusion that schools must enable teachers to work more flexibly⁵² and fully supports the initiatives following on from the Government's first Flexible Working in Schools Summit.⁵³ Analysis has suggested that it is teachers' perception as to whether or not their workload is manageable which leads to greater job satisfaction⁵⁴ and, by extension, to retention.
162. The National Education Union is running a major campaign on workload and received over 8,000 responses to a 2017 survey of classroom teacher members on workload issues. Our survey found that 81% of respondents had considered leaving the profession in the last year. This is not surprising when 52% of respondents stated that their workload was sometimes manageable with 32% saying that it was never manageable. Less than 1% stated that they could always achieve a good balance between work and their private life with 13% saying they could achieve this most of the time, 52% saying sometimes and 34% never being able to achieve what they considered a good balance.

⁴⁹ DfE, [Workload Challenge: Analysis of teacher consultation responses](#), February 2015

⁵⁰ DfE, [Analysis of school and teacher level factors relating to teacher supply](#), September 2017 (Page 39)

⁵¹ NFER, [Teacher retention and turnover research - interim report](#), October 2017 (para 5.1)

⁵² NFER, [Is the grass greener beyond teaching?](#), 7 December 2017

⁵³ DfE, [Leading organisations pledge to boost flexible working in schools](#), 11 December 2017

⁵⁴ DfE, [TALIS 2013: Working conditions, teacher job satisfaction and retention](#), November 2017

163. Figures published by the Liberal Democrats support this, finding that 3,750 teachers in England were on long-term sick leave of one month or more due to stress or mental health issues in 2016/17, up 5% on 2015/16. This equates to one in 83 teachers, up from one in 95 three years ago and one in 90 last year. The Liberal Democrats said the figures "*laid bare the impossible pressures teachers are under*" and warned that stress caused by an obsession with exam results is fuelling the teacher recruitment crisis.
164. The NEU survey showed that most members were unaware of the Government's "workload challenge", with only 14% of respondents having seen the DfE workload poster, despite the NEU sending it into all schools in a bid to increase awareness of its contents. 59% of respondents said that their workload has actually increased since the Government's "workload challenge" began in October 2014, with only 2% seeing a reduction. Our members feel that the main cause of workload is national policy from Government or Ofsted (47%). Our pay survey showed that only 40% of respondents believed that linking performance to pay had not increased their workload.
165. A recent DfE report on TALIS research stated that "*once working conditions have been controlled for, neither the disadvantage of a school's intake nor its Ofsted grade has a statistically significant association with teachers' desire to leave their school.*"⁵⁵ In that case, the focus should be on improved working conditions for all teachers, not extra rewards to encourage teachers to work in schools with particular characteristics.
166. The NEU welcomes the current DfE consultation on improving access to CPD for all teachers. If the programme is successful, it will have a positive impact on the career prospects of teachers and has the potential to have a positive impact on retention. TALIS research has found that "*increased levels of effective professional development are associated with a reduced desire for teachers to move schools.*"⁵⁶
167. Many of our members say they are choosing to work part-time in order to manage workload. The number of part-time teachers rose by 12% between 2010 and 2016 to 116,800. Part-timers now make up 25.5% of the overall FTE workforce, up from 23.6% in 2010. NFER has shown that part-time teachers are more likely to leave the profession than full-time teachers.⁵⁷
168. Reducing teacher workload will be a key factor in addressing the recruitment and retention crisis. Teachers are regularly towards the top of the TUC's unpaid overtime list and the DfE's workload diary survey shows teachers regularly working more than 55 hours per week. This workload, coupled with the high stakes testing regime and the threat of Ofsted inspections, is adversely impacting on teachers' wellbeing. The failure to address the fall in living standards through appropriate pay increases is adding to teachers' disillusionment with the profession.

⁵⁵ DfE, [TALIS 2013: Working conditions, teacher job satisfaction and retention](#), November 2017

⁵⁶ DfE, [TALIS 2013: Working conditions, teacher job satisfaction and retention](#), November 2017

⁵⁷ NFER, [Teacher retention and turnover research - interim report](#), October 2017

CONCLUSION

169. The evidence of widespread recruitment and retention problems is unarguable. The extent to which teachers' pay contributes to these problems is, we believe, also clear. The STRB has accepted the serious and extensive nature of the problem in its recent reports, but has failed to make the recommendations which it had said would be necessary. Recommending an extra 1% uplift in most pay and allowance ranges last year, and failing to ensure that all teachers would receive even a 1% increase, fell far short of expectations and were grossly inadequate to have any meaningful impact.
170. The STRB must now accept that it has a duty to address the problems so clearly set out in this submission, unconstrained by the policies and wishes of a Government which is continuing to fail itself to address these problems.
171. We therefore call on the STRB to put forward recommendations which secure a significant improvement to the pay offered by teaching and which achieve an immediate pay increase demonstrating a commitment to restoring the real value of teacher pay.

APPENDIX 1: JOINT TEACHER UNION STATEMENT TO THE STRB

Sent on behalf of ASCL, NAHT, National Education Union, UCAC & Voice

JOINT STATEMENT TO THE SCHOOL TEACHERS' REVIEW BODY

Our organisations, representing the overwhelming majority of teachers and school leaders, have set out our strongly held concerns about the longstanding erosion of pay across the teaching profession as a whole. This joint statement sets out our common views on the most pressing points for the STRB to consider on the matters within the 28th remit from the Secretary of State. We will submit detailed evidence separately from each of our organisations which will clearly demonstrate that there is an urgent need for a significant pay increase for all teachers and school leaders.

Teaching is a demanding and important profession and teachers' pay should reflect this

The teaching profession has faced unprecedented levels of change over the last seven years, including the introduction and implementation of a new national curriculum and new assessment systems across all phases of education, but has at the same time seen its pay fall both in real terms and compared to other professions.

Our organisations agree with the Chief Secretary to the Treasury who stated in her letter of 21 September 2017 that public sector workers “deserve to have fulfilling jobs that are fairly rewarded.” We believe that after seven years of reductions in the real pay of the teaching workforce, it is now time for the Government to make a restorative pay award to teachers and school leaders to ensure that they are fairly and appropriately rewarded. This was also recognised in the STRB's 26th report which stated that “there is a case for an uplift higher than 1% to the national pay framework, to strengthen the competitive position of the teaching profession at a time of growing demand for graduates.”

In November 2017, we wrote to the Secretary of State for Education making a strong case for a 5% pay increase from September 2018 for all teachers and school leaders as a first step to restoring pay levels in real terms. A copy of this letter is attached.

An annual cost of living increase is required

As a matter of justice and fairness, all teachers and school leaders require an annual cost of living increase to ensure that their salaries keep pace with rising prices, so that no teacher or school leader is worse off in real terms from year to year.

Our organisations disagree with and urge the STRB to reconsider its position, encouraged by HM Treasury, that teachers' pay awards should be entirely based on performance and that uplifts to the national framework should not necessarily lead to pay increases for individual teachers. We are clear that a cost of living increase should be applied to all salaries and allowances. While some of our organisations have differing positions on the principle of performance related pay progression, we all agree that the concept of the cost of living increase in pay should be maintained and should be wholly distinct from pay progression based on performance.

A differentiated pay award is inappropriate

As set out above, our organisations agree that all teachers and school leaders deserve a significant salary uplift this year. We therefore reject the Government's assertion that differentiated awards can have a positive impact on teacher recruitment or retention. Targeting scarce resources in this way has been unsuccessful in recent years and, crucially, undermined teacher morale and the value and status of the profession.

Annual pay increases must be fully funded

Our organisations believe that any pay increases arising from the recommendations of the STRB must be fully funded by Government for schools in both England and Wales, with sufficient funding passed on to the Welsh Government for this purpose. Without additional funding to achieve this, schools may find themselves in a position where a choice must be made between teachers and school leaders' remuneration and funding for the curriculum. Paying teachers and school leaders fairly cannot be at the expense of their pupils. We therefore call upon the STRB to endorse this principle as one of its specific recommendations.

Conclusion

To ensure that the profession can continue to be competitive with other graduate professions, it is critical that the STRB fully considers and makes a recommendation on an appropriate pay increase for all teachers and school leaders, taking account of the decline in teachers' real pay over the last seven years. Government must provide sufficient additional funding to all schools to meet any recommended pay increase for teachers and school leaders.

The STRB has allowed its recommendations in recent years to be constrained by the Government's pay policy and the funding position of schools. We therefore ask the STRB also to set out what would be, in its view, the appropriate levels of pay for teachers and school leaders if unconstrained by such matters, in order to set a benchmark for the longer-term restoration of pay in the profession.

The evidence from our organisations of a growing crisis in recruiting and retaining teachers and school leaders means that the STRB must take this opportunity to fully exercise its functions as the independent pay review body for the profession. We believe that this must lead the STRB to recommend a significant increase in pay for all teachers and school leaders, irrespective of their career stage, setting or geographical location.

Association of School and College Leaders
National Association of Head Teachers
National Education Union
Undeb Cenedlaethol Athrawon Cymru
Voice

APPENDIX 2: JOINT TEACHER UNION LETTER TO SECRETARY OF STATE FOR EDUCATION, NOVEMBER 2017

Sent on behalf of ASCL, NAHT, National Education Union, UCAC & Voice

Rt Hon Justine Greening MP
Secretary of State for Education
Sanctuary Buildings
Great Smith Street
London WC1P 3BT

2 November 2017

Dear Justine

TEACHERS' PAY 2018 AND BEYOND

We are writing to you to express our grave concerns about the state of teacher supply in England and Wales. We share the STRB's concern that teachers are paid less than other graduate professions, and that this is true both for early career teachers and for more experienced teachers and school leaders. After seven years of real terms cuts in the value of pay due to the Government's public sector pay policy, we believe that a significant pay increase is now required for all teachers and school leaders.

We note the STRB's view that uncompetitive teacher pay, in a strong labour market with increasing opportunities for graduates, makes it a difficult environment in which to recruit and retain high quality graduates as teachers. Evidence presented to the STRB set out significant recruitment issues in school leadership roles, with independent reports of a brewing crisis in developing and retaining sufficient numbers. There is also evidence that the impact of declining reward and increasingly punitive accountability are deterring teachers and middle leaders from aspiring to headship, and driving those already in the profession out.

No education system can exceed the quality of its teachers

In England, we are failing to recruit sufficient trainee teachers, particularly in the EBacc subjects which the Government requires schools in England to offer to the majority of their pupils. We are alarmed by the STRB's stark warning that the current crisis in teacher supply, in the STRB's words: 'presents a substantial risk to the functioning of an effective education system, particularly in the context of increasing demand for secondary phase teachers and specialists in EBacc subjects.' Wales needs to recruit more teachers to implement the Donaldson recommendations, address specific subject shortages and meet the demand for Welsh medium education.

The increasing pressures and autonomy of our education system requires outstanding school leaders, and it is imperative that we can encourage the brightest and the best into school leadership roles.

We note that England is a complete outlier in terms of teacher retention, with less than half of secondary school teachers (48%) having been in teaching for more than ten years. As a result, as the Education Policy Institute notes, the supply line to middle and senior leadership posts in schools is increasingly broken. Similarly there are significant retention issues in Wales, with one third (33.6%) of teachers planning to leave the profession within the next three years and schools facing increasing challenges to fill leadership posts.

Action needed on teachers' pay for an effective education system

The situation is now so critical that it requires firm and decisive action. In order to support and secure recruitment and retention, teachers' pay levels must be restored at least to the levels that existed before the start of pay restraint in 2010. We believe that teachers must be given an immediate pay rise of 5% in 2018 as a step towards this.

It is absolutely essential that all pay rises, including any increases in on-costs, are fully met by additional Government funding given the reality that 88% of schools in England and all maintained schools in Wales currently face further real terms cuts over the life of this Parliament. In addition, the Government must commit to a national framework of pay and conditions for all education staff in publicly funded schools to ensure consistency, fairness and transparency.

We ask you to put this position forward as a matter of priority in discussions within Government in order to ensure that it forms the basis of your remit and evidence to the STRB, and your response to the STRB's recommendations, and is supported by additional funding in the Chancellor's Budget statement this Autumn.

We would be pleased to meet with you to discuss these matters directly.

Association of School and College Leaders
National Association of Head Teachers
National Education Union
Undeb Cenedlaethol Athrawon Cymru
Voice

APPENDIX 3: NOTE ON TEACHER PAY INCREASES SENT BY THE NATIONAL EDUCATION UNION TO DfE OFFICIALS, DECEMBER 2017

Did teachers receive an average 4.6% pay increase last year?

[This claim](#) was made in Parliament by Chief Secretary to the Treasury, Liz Truss MP, on 24th October, stating that “teachers received, on average, a 4.6% pay rise last year, including promotions and responsibility allowances”. The National Education Union has investigated the source and statistical basis of the figure and believes it is wholly misleading and unreliable and considerably overstates the actual pay increase for teachers.

The Department for Education (DfE) admits that its calculation is limited to those teachers in service in both consecutive years, removing leavers and joiners from the equation, and also admits to a huge and unexplained discrepancy in its calculations, attributable to gaps in its data, which effectively makes the figure statistically invalid.

What is the source of the figure?

The figure appears in an “experimental analysis” of teachers’ pay in a DfE research paper, [“Analysis of school and teacher level factors relating to teacher supply”](#) (September 2017), which in turn is based on data from the School Workforce Census.

The DfE paper says there was an average pay increase of 4.6% between September 2015 and September 2016, and 3.9% between September 2014 and September 2015, for those teachers in service in both years ie excluding those leaving and those joining in each year.

An inappropriate measure

Excluding those leaving and those joining the profession each year adds in to the average the full impact of pay progression and promotion received by a few teachers, while completely removing the impact of changes in the workforce. In effect, the DfE figure is one of the highest average figures that could be achieved by selective use of data.

The [School Workforce Census](#) (SWC) found that the average pay increase for all teachers, calculated on a mean average basis for all teachers in service on both dates, was 1.6% between September 2015 and September 2016 and 1.2% between September 2014 and September 2015. This is far closer to the School Teachers’ Pay and Conditions Document pay increase of 1% on pay ranges and allowances in both years.

Regrettably the SWC does not collect teachers’ pay data in such a way as to identify separately pay increases via annual cost of living increases, incremental progression or promotion, or indeed to allow any analysis on matters such as potential discriminatory decision making on pay progression. The NEU has consistently called for better data collection on teachers’ pay.

Discrepancy in the data

The DfE analysis seeks to break down the overall average pay increase on the basis that Average increase = Progression effect minus Composition effect.

Progression effect = the total paybill increase for teachers staying in the profession, whether through the annual cost of living increase, incremental pay progression or promotion.

Composition effect = the total paybill saving due to more experienced and expensive teachers leaving the workforce and newly qualified and cheaper teachers entering the workforce.

In theory, the average increase should equal the former minus the latter.

However, the DfE acknowledges that its sums don't add up. Although the DfE says in its report that there is a "small discrepancy", it is far from that:

- Average increase between September 2015 and September 2016 = 1.6%
- Progression effect = 4.6%
- Composition effect = 2.3%

BUT 4.6% minus 2.3% is not 1.6%, it is 2.3%. There is a discrepancy of 0.7% from the calculation which the DfE cannot account for.

This figure of 2.3% is 44% bigger than the correct answer of 1.6%. This is not a small discrepancy. Something has gone badly wrong.

The DfE admits in its report that there is missing data so that "some weighting and grossing is used to match back to the published totals". It appears that in fact one-third of the relevant data is actually missing, although missing data alone does not seem a sufficient reason for the scale of the error.

Conclusion

The 4.6% figure is simply not a reliable figure. Ministers should not use "experimental" figures which they know to be wrong.