EVIDENCE SUBMISSION



NASUWT SUBMISSION TO THE SCHOOL TEACHERS' REVIEW BODY 21 FEBRUARY 2024

NASUWT - The Teachers' Union.

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1. INTRODUCTION

The Government's approach to pay over the past 14 years has systematically failed. The country's schools are in crisis. There is a crisis of teacher supply, with fewer graduates choosing to enter the profession, and with increasing numbers of teachers leaving the profession prematurely. Pay is a central factor that is driving the teacher supply crisis. The outcome of the 33rd School Teachers' Review Body (STRB) process resulted in the recommendation of an average 6.5% cost-of-living pay award for teachers in 2023-24. While this was an improvement on the Government's offer during the dispute talks, it did not redress the issue of pay restoration, which the Government had ignored in its remit letter. The STRB must use its role to consider fully the case for pay restoration. In addition to more than a decade of real terms pay erosion, teacher morale is now at its lowest level in years. Unless and until the depth of this crisis is recognised, and a commitment made to use the pay mechanism to restore the status of teachers, schools will not be able to recruit the teachers and headteachers they need to meet the needs of all children and young people.

1.1 We note that affordability has been listed as a key matter for consideration by the STRB. Our evidence confirms that given the scale and depth of the crisis in our schools, the STRB cannot afford to continue with the Government's favoured presumption of further pay austerity, and instead must now address the very serious and damaging shortfall in teachers' pay through a programme of real pay restoration for all teachers across the country.

STRB process

- 1.2 The remit for the 34th Report is set out narrowly as follows:
 - The adjustments that should be made to the salary and allowance ranges for classroom teachers, unqualified teachers and school leaders in 2024/25.
- 1.3 In our evidence, we urge the STRB to consider all matters that impact on its wider role and responsibilities, beyond the constraints imposed by the

Government, including with regard to the matters relating to pay restoration. We trust that the STRB will also specifically consider the issues relating to supply teachers whose pay has worsened more substantially over the period. We believe that it is time for the Review Body to turn its attention to this largely unregulated and important area of teacher supply.

- 1.4 The independence of the Review Body mechanism has been broken by the Government. Since 2012, the Secretary of State for Education has set extremely restrictive remits, frequently seeking to limit the scope for the STRB to make independent cost-of-living pay award recommendations by impressing upon the Review Body the very limited financial constraints the Government is operating.
- 1.5 The STRB process has been consistently undermined by the restrictions placed on it and the failure of the Government to abide by the timeline it committed itself to. On 14 July 2023, The Rt Hon Gillian Keegan MP wrote to the General Secretaries of teaching unions and advised that she would be making changes to the STRB process to address concerns over the timing of the process and the ability of schools to plan and organise effectively. In particular, she confirmed that it is important 'for schools to get their budgets early so they can plan effectively. I plan to align the timing of the STRB process with the school budget cycle to help with that. As someone who has managed budgets across many businesses, I understand how challenging it is not to be able to plan budgets in advance and will work to improve this process.'
- 1.6 NASUWT expects that all stakeholders will follow the published timetable by the STRB, following the publication of the remit letter on 20 December. We have written to the Secretary of State to lodge a dispute over the Government interference in the process by delaying the issue of the 34th remit letter. The Review Body has made NASUWT aware that the Government may not be able to submit its evidence on time. We believe it is now incumbent upon the STRB to defend robustly the process for which it is responsible, without fear

or favour, and ensure that the timetable for evidence submission and reporting is strictly adhered to.

2. THE POSITION ON TEACHERS' PAY

The impact of inflation

- 2.1 It is imperative that the Review Body considers teachers' pay in the context of the significant real terms reduction in pay that teachers have suffered since 2010.
- 2.2 The Office for National Statistics (ONS) publishes inflation statistics using a variety of inflation indices. Considering the range of inflation indices available, Review Bodies are obliged to select the one which is most appropriate to their workforce. NASUWT recommends that the Review Body should prioritise the use of the Retail Prices Index (RPI) when considering the impact of inflation on teachers' pay.
- 2.3 The Government routinely switches between different inflation indices for different purposes. For example, the Consumer Prices Index (CPI) measure is the Government's preferred inflation measure for the purposes of public sector pay and both public and state pension increases. However, rail fares, for example, increase every year by an RPI inflation measure, and the ONS also publishes inflation data using the Consumer Prices Index including owner occupiers' housing costs (CPIH) index, which was designated as the lead measure of inflation used by the ONS from 21 March 2017.
- 2.4 On 17 January 2019, the House of Lords Economic Affairs Committee Inquiry published a report into the use of RPI.¹ The Committee raised concerns that over recent years, the Government has intentionally side-lined RPI in favour of methods that show lower headline inflation. The Committee cited concerns

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¹ House of Lords, Economic Affairs Committee, *Measuring Inflation*, 2019. https://publications.parliament.uk/pa/ld201719/ldselect/ldeconaf/246/24602.htm

with rail fares and student loan interest rates increasing by RPI, whilst public expenditure is uprated by the lower CPI rate. For teachers early in their careers, student loan repayments are a significant item of expenditure and interest on these increases by RPI, not CPI.

- 2.5 Incomes Data Research (IDR) indicates that almost two-thirds (62%) of employers use the RPI inflation index when calculating pay awards for their workforces.² The range of prices, which are included in the index, makes RPI a much more reliable indicator of the increases in prices which impact workers. This also makes the RPI index the inflation measure which is most directly relevant to teachers in a wage-setting context.
- 2.6 Since 2010, there has been significant debate amongst statisticians and economists concerning the best method of measuring UK inflation. On balance, it is clear that the different measures of UK inflation were designed for different purposes:
 - (i) RPI is a true cost-of-living index, since it measures the change in minimum household expenditure needed to maintain a given standard of living.
 - (ii) The Harmonised Index of Consumer Prices (HICP) measure, renamed CPI in the UK since 2010, was designed as a macroeconomic tool to assist European Union (EU) countries to set interest rates. Eurostat, the creators of the HCIP, state specifically that it is 'not suitable for wage bargaining purposes' since it includes no estimation of owner/occupier housing costs.³
 - (iii) CPIH has significant deficiencies in estimating owner/occupier housing costs and is based upon the HICP/CPI to ensure that the same statistical principles and methods were used in each country to set interest rates. It is not designed to ensure the maintenance of a given standard of living.

² Incomes Data Research (IDR), *Pay Climate*, Issue 34, September 2023. www.incomesdataresearch.co.uk

³ Eurostat news release, 'Interim step towards harmonised measurement of consumer prices NEW WAY OF COMPARING EU INFLATION Required for the assessment of convergence for Economic and Monetary Union', 29 February 1996.

 $[\]frac{\text{https://ec.europa.eu/eurostat/documents/2995521/5253882/2-29021996-AP-EN.PDF.pdf/2228be52-e560-48bd-9393-f16e39132b08}{\text{e}}$

CPIH will be significantly amended by the ONS from March 2024, to address known deficiencies in underestimating owner/occupier housing and rental equivalence costs. It is anticipated by ONS that, on average, UK annual percentage change reported by the Price Index of Private Rents (PIPR) is 0.7 percentage points higher than the Index of Private Housing Rental Prices (IPHRP), which PIPR will replace in March 2024.⁴

2.7 As stated by Dr Mark Courtney, the former Head of Economics at the Cabinet Office's Regulatory Impact Unit, in his seminal paper Consumer Price Indices in the UK:

Overall, taking account of both coverage and formula effect differences, the conclusion is that, within the limitations of how price data is collected within the UK, the RPI is as good a consumer price index as one can get for uprating purposes. The systemic differences between the RPI and the CPI are the result entirely of under-estimation by the CPI. ⁵

- 2.8 The failure of CPI to include any estimation of housing costs makes it unsuitable in the context of determining pay awards. The experimental estimation of rental equivalence currently utilised within the Household Costs Indices (HCI), which inform the housing costs element of CPIH, make it an unreliable inflation measure that currently underestimates housing costs, 6 at least until planned improvements are implemented by the ONS from March 2024.
- 2.9 We therefore strongly recommend that the Review Body utilise RPI as the most appropriate and accurate inflation measure suitable when considering teachers' pay awards.

⁴ ONS, *Redevelopment of private rental prices statistics, impact analysis, UK*: December 2023. https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/redevelopmentofprivaterenta/lpricesstatisticsimpactanalysisuk/december2023

⁵ Dr. Mark Courtney, *Consumer Price Indices in the UK*, 2016. https://uksa.statisticsauthority.gov.uk/wp-content/uploads/2016/11/Consumer-Price-indices-in-the-UK.pdf

⁶ Office for Statistics Regulation (OSR), 'National Statistics status of Consumer Prices Index including Owner Occupiers' Housing Costs' (CPIH), 31 July 2017. https://osr.statisticsauthority.gov.uk/wp-content/uploads/2017/07/CPIH-letter-from-Ed-Humpherson-to-John-Pullinger-final.pdf

The real terms cut in teachers' pay since 2010

- 2.10 In 2023, the pay of classroom teachers' starting salaries was more than one-fifth (21%) less in real terms than if it had increased to match RPI inflation in each year since 2010. By the same measure, the pay of classroom teachers on M6 was over one-quarter (28.3%) less in real terms, and the pay of teachers on the Upper, Lead Practitioner and Leadership Pay Ranges was one-third (between 32.8% and 34.8%) less in real terms than in 2010. The Review Body must examine whether teachers' pay now and in the future is comparable with other graduate professions.
- 2.11 In the STRB's 33rd Report, the Review Body recommended for September 2023: 'increases to teachers' pay of 6.5% at all grades. In addition, starting salaries will rise to £30,000, with variations in London'. In September 2023, annual inflation increases, as measured by RPI, stood at 8.9% and at 6.7%, as measured by CPI.
- 2.12 In the STRB's 32nd Report, the Review Body recommended: 'For September 2022, a 5% increase to all pay and allowance ranges and advisory points, with higher increases to some parts of the Main Pay Range'. In September 2022, annual inflation increases, as measured by RPI, stood at 12.6% and at 10.1% as measured by the CPI.
- 2.13 Teachers have endured more than a decade of pay freezes and below-inflation pay awards. The Review Body must act now to restore teachers' pay to 2010 levels in real terms.

The cost-of-living crisis – Members' experiences

2.14 The cost-of-living crisis, soaring inflation and rising interest rates are creating misery for teachers. Nine in ten teachers (89%) say they are worried about their financial situation. The vast majority of teachers (87%) state that they do

- not think that teachers' pay is competitive with other professions, and 82% believe that people are put off a career in teaching because of pay.⁷
- 2.15 Teachers continue to say they are cutting back on everyday expenditure and, significantly, 62% are cutting back on food spending, an increase of 10% on the previous year. For the first time this year, we asked teachers whether they had been forced to cut back on heating costs with almost two-thirds saying they had been.
- 2.16 The proportion of teachers taking a second job has increased for the first time in four years by 42% with almost one in five having a second job.⁸

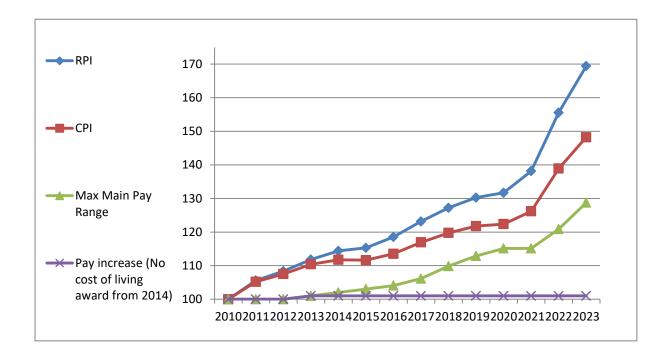
Teacher salary increases compared to inflation increases 2010 to 2023

- 2.17 The following chart shows the extent to which the pay of classroom teachers on the Main Pay Range (MPR) has fallen behind price increases, measured by both the RPI and CPI, since 2010. The chart illustrates pay increases in the best-case scenario where a teacher at the top of the MPR has received the maximum pay award each year since 2010 (Max MPR) and the worst-case scenario, where a teacher on the MPR has received no cost-of-living award since 2014.
- 2.18 The indexed price increases as measured by both RPI and CPI are measured against the indexed increases to teachers' pay on the MPR in each year between 2010 and 2023, to illustrate the cumulative effect of successive below-inflation pay awards since 2010.

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NASUWT Big Question Survey 2023. https://teachertapp.co.uk/articles/phone-policies-side-hustles-rote-learning-and-pride/

Indexed price increases compared to teachers' MPR increases 2010 to 2023

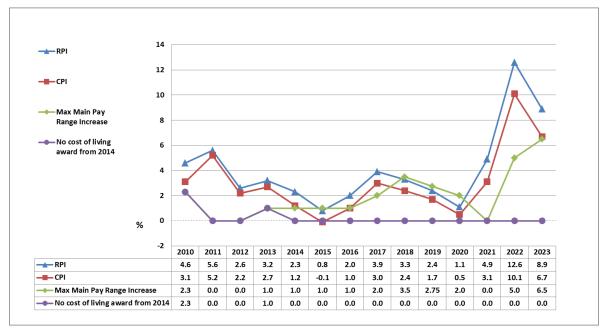


- 2.19 In both the best- and worst-case scenarios, teachers' pay has failed to keep pace with price increases as measured by both the RPI and CPI inflation measures. Since 2010, the cost of living has increased by 69.4%, as measured by RPI, and 48.2%, as measured by CPI, whereas pay for teachers at the top of the MPR has risen by just 28.75%.
- 2.20 Teachers are significantly poorer in real terms than they were in 2010, due to the cumulative impact of pay awards failing to match cost-of-living increases, as measured by both the RPI and CPI inflation measures.
- 2.21 The Government's recommended pay freeze, implemented by the Review Body in September 2021, couldn't have come at a worse time for hardworking teachers who, during the coronavirus pandemic, have paid with their health and sometimes with their lives, as part of a national mission to deliver education during the most difficult of circumstances.
- 2.22 RPI inflation rocketed to a high of 14.2% in November 2022 its highest rate in over 40 years (since December 1980). The STRB's recommended pay

increase for September 2022 of 5%, in the context of 12.6% RPI inflation, represented the biggest real terms pay cut suffered by teachers in 45 years. The 6.5% increase in teachers' pay in September 2023 represented another significant real terms pay cut in the context of 8.9% RPI inflation.

2.23 The following chart illustrates the annual percentage increase in teachers' pay in both the best- and worst-case pay scenarios in each year since 2010, as set out above, together with the 12-month percentage change in inflation for both RPI and CPI in September of each year.

Teacher salary increases compared to inflation increases 2010 to 2023



2.24 Any marginal real terms gains made in 2015, 2018, 2019 and 2020 have had little positive impact on teachers' real terms earnings, which have plummeted since 2010. The pay freeze in 2021, followed in 2022 by the largest real terms pay cut suffered by teachers since 1977, when taken in context of crippling cost-of-living increases, has plunged many teachers into serious financial hardship.

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⁹ In April 1977, teachers received a 5% pay award when RPI inflation was at 17.5%, resulting in a 12.5% real terms pay cut. In September 2022, teachers received a 5% pay award when RPI inflation was 12.6%, resulting in a 7.6% real terms pay cut.

2.25 The real terms pay cut, recommended by the Review Body in 2023, has exacerbated the appalling financial situation many teachers are faced with, as mortgage rates, energy bills and food costs continue to increase at a faster rate than their pay.

Cumulative shortfall in teachers' salaries since 2010

- 2.26 The following table shows the extent to which teachers' salaries have eroded in real terms, as measured by RPI, since 2010. The values of teachers' pay on the MPR are between £6,287 (21%) and £11,702 (28.3%) lower in 2023/24 than if teachers' salaries had increased in each year since 2010 to keep pace with RPI inflation.
- 2.27 Similarly, the salaries of teachers paid on the Upper Pay Range (UPR) are between £14,188 (32.8%) and £15,257 (32.8%) lower in 2023/24 than if teachers' salaries had increased to keep pace with RPI inflation since 2010. Leadership Pay Range (LPR) headteachers' salaries are between £17,854 (33.4%) and £45,599 (34.8%) lower by the same measure.
- 2.28 The Conservative Government's policy to freeze teachers' pay in 2011, 2012 and 2021, to apply a 1% pay cap from 2013 to 2016 and impose successive below-RPI inflation pay increases in 11 out of 14 years in power has devastated teachers' salary levels and their finances. The Review Body has been complicit in implementing the punishing real terms pay cuts of the Conservative Government almost every year since 2010.
- 2.29 The following table shows the cumulative impact on teachers' pay range values since 2010, as a result of successive and prolonged below-RPI inflation salary increases. Teachers and school leaders who have remained in the profession since 2010 are in effect between £42,088 and £262,562 worse off in real terms since 2010, due to the cumulative shortfall in pay.

Teachers' salary shortfall in 2023-2024

England	Salary 2023/24	Shortfall in 2023/24 (£)	Shortfall in 2023/24 (%)	2010/11- 2023/24 Cumulative shortfall (£)	
Main Pay Range		00 007	04.0	040,000	
Minimum	£30,000	-£6,287	21.0	-£42,088	
M2	£31,737	-£7,419	23.4	-£46,766	
M3	£33,814	-£8,490	25.1	-£51,756	
M4	£36,051	-£9,508	26.4	-£56,776	
M5	£38,330	-£10,819	28.2	-£62,707	
Maximum	£41,333	-£11,702	28.3	-£65,722	
Upper Pay Rang	Upper Pay Range				
UPS1	£43,266	-£14,188	32.8	-£80,838	
UPS2	£44,870	-£14,712	32.8	-£83,823	
UPS3	£46,525	-£15,257	32.8	-£86,933	
Leadership Pay Range					
L6	£53,380	-£17,854	33.4	-£101,655	
L8	£56,082	-£18,759	33.4	-£106,811	
L11	£60,488	-£20,234	33.5	-£115,211	
L28	£91,633	-£30,654	33.5	-£174,546	
L43	£131,056	-£45,599	34.8	-£262,562	

- 2.30 The extent to which teachers' salaries have been slashed in real terms since 2010 is deeply concerning. The profession demands credible proposals, independent of the Government, to remedy the situation.
- 2.31 The introduction of a £30,000 minimum starting salary from September 2023 has failed to restore the value of teachers' salaries in real terms. If teachers'

- starting salaries had increased in line with RPI inflation since 2010, they would have increased to £36,287 in September 2023.
- 2.32 NASUWT has, over many years, provided detailed evidence to the Review Body demonstrating both the lower starting salary and slower pay progression of teachers compared to other graduate-level professions. Research from High Fliers shows that: 'For the second year running graduate starting salaries at the UK's leading graduate employers are set to increase in 2023, to a new median starting salary of £33,500'. In comparison, teachers' starting salaries were just £30,000 in 2023.
- 2.33 The Government previously promised that: 'It is vital we ensure that the pay offer for teachers is positioned at the top of the graduate labour market ensuring we recruit and retain a world class profession and that is why we have announced plans to significantly raise starting pay to £30,000 nationally by September 2022.¹⁰ It is now clear that the delay in introducing a £30,000 starting salary for teachers has placed the teaching profession at a significant disadvantage in comparison with other graduate recruiters. The £30,000 starting salary represents a below-average graduate-level award in 2023.
- 2.34 The Review Body can no longer afford to keep artificially depressing the wages of teachers compared to other graduate-level professions, in the vain hope that the recruitment and retention crisis will somehow solve itself. It is time to address the fact that a career in teaching is not a financially attractive option when compared to the other job opportunities open to graduates.
- 2.35 If teachers' starting salaries had increased in line with RPI inflation since 2010, and were to continue to rise in line with RPI inflation of 5.1% in 2024, as forecast by the Office for Budget Responsibility (OBR),¹¹ then teachers' starting salaries would increase to £38,137 in September 2024. To restore

Page 40.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/85 3886/Queen s Speech December 2019 - background briefing notes.pdf

¹¹ OBR, *Economic and fiscal outlook – November 2023*. https://obr.uk/efo/economic-and-fiscal-outlook – November 2023. https://obr.uk/efo/economic-and-fiscal-outlook – November 2023. https://obr.uk/efo/economic-and-fiscal-outlook.

teachers' starting salaries to the same level as 2010 in real terms by September 2023, a 25.2% increase to starting salaries would be necessary in September 2024.

Teacher pay comparisons – UK nations

- 2.36 It's clear from the table below that from September 2023, teachers in England outside of London:
 - (i) start on a lower salary than teachers in Wales and Scotland;
 - (ii) take at least four years longer to reach the top of the pay scale than teachers in Scotland; and
 - (iii) are the highest paid classroom teachers in Wales and Scotland.

Since September 2023	England pay outside London	Wales	Scotland
0	N/A	N/A	£32,217
1	£30,000	N/A	£38,655
2	£31,737	£30,742	£40,848
3	£33,814	£33,212	£43,218
4	£36,051	£35,771	£45,960
5	£38,330	£38,587	£48,516
6	£41,333	£42,666	N/A
U1	£43,266	£44,024	N/A
U2	£44,870	£45,656	N/A
U3	£46,525	£47,340	N/A

Supply teachers

- 2.37 For supply teachers, the real terms pay cuts, together with the lack of effective regulation of agencies, has resulted in even more acute cost-of-living pressures and the exodus of many supply teachers from the profession, including to non-professional occupations, such as retailing, where pay levels are rising.
- 2.38 NASUWT calls for all agency teachers to be guaranteed rates of pay commensurate with all other teachers, and for the Review Body to recommend this.

- 2.39 The situation for supply teachers as agency workers in England is compounded by the fact that employment by or through agencies is currently not pensionable under the Teachers' Pension Scheme (TPS), leaving many supply teachers no alternative other than to make less favourable pension plans, including to rely on inferior auto-enrolment pension arrangements. There is a strong argument that supply teachers, working alongside other employed teachers, should be afforded the right to access the TPS.
- 2.40 Improving pay and conditions for supply teachers could be achieved by abandoning the current arrangements which are characterised by profiteering, market failure and higher costs to schools and the taxpayer.

A restorative pay award

2.41 The following table models the classroom teachers' salary scales, up to and including 2023-24, incorporating the level of increase that would be necessary to restore teachers' salaries in real terms to 2010 levels (RPI increase), if RPI inflation is 5.1% in 2024, as forecast by the OBR.

Salary increases necessary to restore teachers' pay to 2010 levels in real terms (RPI)

England (excluding London & Fringe)				
Spine Point	1 Sept 2022 to 31 Aug 2023	1 Sept 2023 to 31 Aug 2024	1 Sept 2024 to 31 Aug 2025 (RPI increase)	% increase on 1 Sept 2024
Main Pay Range	£pa	£pa	£pa	%
M1 (Minimum)	£28,000	£30,000	£38,138	27.13%
M2	£29,800	£31,737	£41,153	29.67%
М3	£31,750	£33,814	£44,462	31.49%
M4	£33,850	£36,051	£47,882	32.82%

M5	£35,990	£38,330	£51,656	34.77%
M6 (Maximum)	£38,810	£41,333	£55,740	34.86%
Upper Pay Range	£pa	£pa	£pa	%
U1 (Minimum)	£40,625	£43,266	£60,385	39.57%
U2	£42,131	£44,870	£62,621	39.56%
U3 (Maximum)	£43,685	£46,525	£64,934	39.57%
Leadership Pay				
Leader Silip i ay	fna	fna	fna	0/2
Range	£pa	£pa	£pa	%
	£pa £50,122	£pa £53,380	£pa £74,867	% 40.25%
Range	•	•	•	
Range	£50,122	£53,380	£74,867	40.25%
Range L6 L8	£50,122 £52,659	£53,380 £56,082	£74,867 £78,658	40.25% 40.26%

- 2.42 NASUWT continues to call for significant above-RPI inflation increases to all salary points and allowances to address the cumulative shortfall in teachers' salaries since 2010, as detailed earlier in this evidence. In 2022, the Union recommended that the £30,000 starting salary should have been introduced in September 2022 and that, as a minimum, the following increases to teachers' salaries and allowances were necessary to reverse the real terms reduction in pay suffered by teachers in England since 2010:
 - 2022 12%
 - 2023 10%
 - 2024 8%.
- 2.43 The following table illustrates teacher salary values in England (excluding London and the Fringe) from 2021/22 to 2024/25, if recommended NASUWT increases to teachers' salary levels were applied to the Teachers' Salary Ranges in 2021/22.

England (excluding London & Fringe)				
	2021/22	2022/23	2023/24	2024/25
		12%	10%	8%
Main Pay Rang	ge			
M1	£25,714	£30,000	£33,000	£35,640
(Minimum)	220,7 14	200,000	200,000	200,040
M2	£27,600	£30,912	£34,004	£36,725
M3	£29,664	£33,224	£36,547	£39,471
M4	£31,778	£35,592	£39,152	£42,285
M5	£34,100	£38,192	£42,012	£45,373
M6	£36,961	£41,397	£45,537	£49,180
(Maximum)	230,901	241,397	243,337	249,100
Upper Pay Rai	nge			
UPS1	£38,690	£43,333	£47,667	£51,481
UPS2	£40,124	£44,939	£49,433	£53,388
UPS3	£41,604	£46,597	£51,257	£55,358
Leadership Pay Range				
L6	£47,735	£53,464	£58,811	£63,516
L8	£50,151	£56,170	£61,787	£66,730
L11	£54,091	£60,582	£66,641	£71,973
L28	£81,942	£91,776	£100,954	£109,031
L43	£117,197	£131,261	£144,388	£155,940

2.44 The implementation of the recommended NASUWT increases would have begun a process to restore teachers' salaries to a level commensurate with teachers' salaries – had they increased in line with RPI inflation since 2010. The following table shows the percentage increases to current (2023/24) salary values that would be necessary to achieve the recommended NASUWT salary values for classroom teachers in September 2024.

England (excluding London & Fringe)				
	1 Sept 2022 to	1 Sept 2023 to	1 Sept 2024 to 31 Aug	% increase
	31 Aug	31 Aug	2025	on 1
	2023	2024	(NASUWT	Sept
Spine Point	2020	2024	increase)	2024
Main Pay Range	£pa	£pa	£pa	%
M1 (Minimum)	£28,000	£30,000	£35,640	18.80%
M2	£29,800	£31,737	£36,725	15.72%
M3		·		
	£31,750	£33,814	£39,471	16.73% 17.29%
M4	£33,850	£36,051	£42,285	
M5	£35,990	£38,330	£45,373	18.37%
M6 (Maximum)	£38,810	£41,333	£49,180	18.98%
Upper Pay Range	£pa	£pa	£pa	%
U1 (Minimum)	£40,625	£43,266	£51,481	18.99%
U2	£42,131	£44,870	£53,388	18.98%
U3 (Maximum)	£43,685	£46,525	£55,358	18.99%
Leadership Pay	£pa	£pa	£pa	%
Range	Σ ρα	- Σρα	2pa	70
L6	£50,122	£53,380	£63,516	18.99%
L8	£52,659	£56,082	£66,730	18.99%
L11	£56,796	£60,488	£71,973	18.99%
L28	£86,040	£91,633	£109,031	18.99%
L43	£123,057	£131,056	£155,940	18.99%

2.45 As detailed above, to achieve the previously recommended NASUWT salary values in September 2024, it would be necessary to increase salaries for the majority of classroom teachers by 18.99% (two-thirds (67.4%) of teachers are paid on either M6 or the UPR) and for starting salaries to increase by 18.80%.

2.46 NASUWT calls upon the Review Body to increase all teachers' salaries and allowances by at least 8%, as set out in the following table:

England (excluding London & Fringe)				
Spine Point	1 Sept 2022 to 31 Aug 2023	1 Sept 2023 to 31 Aug 2024	1 Sept 2024 to 31 Aug 2025 (8% increase)	% increase on 1 Sept 2024
Main Pay Range	£pa	£pa	£pa	%
M1 (Minimum)	£28,000	£30,000	£32,400	8.00%
M2	£29,800	£31,737	£34,276	8.00%
M3	£31,750	£33,814	£36,520	8.00%
M4	£33,850	£36,051	£38,936	8.00%
M5	£35,990	£38,330	£41,397	8.00%
M6 (Maximum)	£38,810	£41,333	£44,640	8.00%
Upper Pay Range	£pa	£pa	£pa	%
U1 (Minimum)	£40,625	£43,266	£46,728	8.00%
U2	£42,131	£44,870	£48,460	8.00%
U3 (Maximum)	£43,685	£46,525	£50,247	8.00%
Leadership Pay Range	£pa	£pa	£pa	%
L6	£50,122	£53,380	£57,651	8.00%
L8	£52,659	£56,082	£60,569	8.00%
L11	£56,796	£60,488	£65,328	8.00%
L28	£86,040	£91,633	£98,964	8.00%
L43	£123,057	£131,056	£141,541	8.00%

2.47 It is time for the Review Body to assert its independence and reject the futile belief that the teacher recruitment and retention crisis will magically remedy itself.

Targeting remuneration

- 2.48 We have noted the invitation by the STRB to consider the potential benefits and challenges, in principle, of targeting remuneration by subject in the future in order to address subject-specific teacher shortages.
- 2.49 We further note that the letter to statutory consultees from the Review Body presents a number of additional questions to which the STRB may have regard:
 - (i) What key principles should guide any changes to the pay framework?
 - (ii) What evidence is there of existing pay measures successfully supporting the recruitment and retention of teachers in 'shortage subjects'?
 - (iii) What forms of adjustment to remuneration might better support the recruitment and retention of teachers in 'shortage subjects'?
 - (iv) What other issues should be considered in reviewing this matter?
- 2.50 At the same time, the STRB does not intend to make formal recommendations regarding these matters, but it is instead seeking observations that may inform its future work.
- 2.51 NASUWT does not believe it is right for the STRB to be engaging in a fishing exercise. Moreover, the issues of teacher shortage, as we make clear in this evidence submission, are widespread across the profession.
- 2.52 If the STRB believes it is necessary to further consider the matters of pay differentiation by subject, it should seek a specific remit from the Secretary of State to that end.
- 2.53 We would remind the Review Body that the Government has used a range of incentives to target remuneration to shortage subjects over the last decade which have been focussed on recruitment to shortage subjects. This targeted

remuneration in the form of bursaries has certainly had the effect of increasing applicants and those that go onto enter the profession.¹²

- 2:54 The use of targeted remuneration has failed to redress the shortage of specialist teachers, as is evidenced in Table 1 at the end of Section 3 which shows every secondary subject and primary teacher target for ITT has been missed this year. Over the past ten years when target remuneration has been in place, the shortages have become worse. What is needed, and what the Government has failed to address, is a real terms pay uplift alongside substantial improvements to teacher and leader workload and conditions of service.
- 2.55 We would further remind the Review Body that in its 21st Report, the STRB argued that:

Recruitment and retention problems are often related to specific subject shortages. [T]hey require targeted responses, tailored to the needs of individual schools such that they are able to deploy pay provisions as flexibly as possible to address recruitment and retention problems as they arise.

2.56 The School Teachers' Pay and Conditions Document (STPCD) already provides for a range of pay flexibilities in schools, including recruitment and retention pay flexibilities. However, pay decisions in schools are driven principally by budgetary concerns and paying classroom teachers as little as schools can get away with. Too often, we find employers who seek to ration available resources when making pay decisions, to the detriment of securing longer term recruitment and retention goals. All too often, schools demonstrate an overriding desire to minimise expenditure on staff whilst increasing the workload and accountability demands on teachers, which are

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- major contributory factors impacting the recruitment, retention and morale of teachers across all subject areas.
- 2.57 The STRB should also take note of the complexities and possible adverse consequences associated with a system of differential pay based upon subject specialism – e.g. where a teacher teaches across more than one subject area.

The gender and ethnicity pay gaps for teachers

- 2.58 The 2022 School Workforce Census (SWC) data for England¹³ shows that average salaries are higher for male teachers than for female teachers across all grades.
- 2.59 The average salary for all teachers, including those in leadership roles in 2022/23, was £43,285. The average salary for male teachers was £45,569, whereas the average salary for female teachers was £42,556. The pay premium for male teachers' in 2022/23 was £3,013, which represents a gender pay gap of 6.61% in the teaching profession across all grades of teacher in 2022/23.
- 2.60 For male classroom teachers, the average salary in 2022/23 was £40,626 compared to £39,602 for female classroom teachers. The pay premium for male classroom teachers' in 2022/23 was £1,024, which represents a gender pay gap of 2.5% in 2022/23.
- 2.61 In 2022/23, the average salary for men in school leadership' roles, excluding headteachers (Other Leadership), was £60,994, compared to £57,310 for women in similar leadership positions. The pay premium for men in this category in 2022/23 was £3,684, which represents a gender pay gap of 6.04% in 2022/23.

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¹³ Department for Education, School workforce in England 2022, 8 June 2023. https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england

- 2.62 For headteachers, the gender pay gap is at its most extreme. In 2022/23, the average salary for men was £80,988 compared to £72,804 for women. The pay premium for male headteachers is £8,181, which represents a gender pay gap over 10% in 2022/23.
- 2.63 The extent of gender- and ethnicity-based pay inequality within the teaching profession remains a significant concern for NASUWT. The Government's own SWC data clearly demonstrates a significant gender pay gap in 2022/23, which becomes more pronounced in school leadership positions.
- 2.64 Systemic discrimination is denying progress towards a more diverse teaching profession. Research by NASUWT has also found that Black teachers are paid less than their white colleagues, are more likely to be employed in temporary posts, are less likely to be promoted, and are more likely to be disciplined or dismissed from their jobs.¹⁴
- 2.65 The findings of research undertaken recently by the National Foundation for Educational Research (NFER) should be a reminder to both the Review Body and the Government that greater action is needed to tackle the causes and effects of racial discrimination in the teaching profession. Black teachers still face barriers to pay and career progression, as well as covert and overt racial discrimination throughout their careers. In England, there are currently no government targets, programmes or funding to improve ethnic diversity in the teaching workforce, in contrast to both Scotland and Wales.¹⁵
- 2.66 NASUWT continues to call on the Review Body and the Government to undertake a thorough review of both gender and ethnicity pay gaps within the teaching profession and to consult NASUWT and the teaching profession on the formulation of an action plan to explain what actions will be taken to address any gender and ethnicity pay gaps. As a first step, the Review Body

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should strongly recommend that school and college employers publish ethnicity and disability pay gap data, together with gender pay gap data, on an annual basis.

2.67 Since the introduction of mandatory gender pay gap reporting for employers with 250 or more employees, the Government has failed to report on what this means over time in relation to schools and whether the gender pay gap is widening or closing. The Review Body should make this a focus of future work.

3. TRENDS IN TEACHER SUPPLY

- 3.1 The Secretary of State's remit letter asks that, in considering its recommendations, the Review Body should have regard to:
 - '...evidence of the national state of teacher and school leader supply, including rates of recruitment and retention, vacancy rates, and the quality of candidates entering the profession.'
- 3.2 The evidence in this section makes clear that the education system in England continues to be subject to a profoundly debilitating and deeply rooted teacher recruitment and retention crisis. The Review Body will be aware of the longstanding nature of this crisis. In 2017, the House of Commons Education Select Committee described the scale and extent of the teacher supply problems facing the education system and their origins in policy decisions taken since May 2010.¹⁶ The ongoing nature of the crisis has prompted the Select Committee to undertake a further inquiry into this issue.¹⁷
- 3.3 The Education Select Committee's concerns and analysis of this crisis were reflected in the House of Commons Public Accounts Committee's 2018

(https://publications.parliament.uk/pa/cm201617/cmselect/cmeduc/199/199.pdf), accessed on 29.01.24.

¹⁶ House of Commons Education Select Committee (2017). *Recruitment and retention of teachers: Fifth Report of Session 2016–17* (HC 199). Available at: (https://publications.parliament.uk/pa/cm201617/cmselect/cmeduc/199/199.pdf), accessed on

¹⁷ House of Commons Education Select Committee (2023). *Call for Evidence: Teacher recruitment, training and retention*. Available at: (https://committees.parliament.uk/call-for-evidence/3081), accessed on 29.01.24.

- Inquiry into teacher supply. 18 This Committee concluded that the Department for Education (DfE) had 'failed to get a grip on teacher retention'. These matters have been subject to further independent scrutiny and research that serves to emphasise and confirm the Committees' prior analyses. 19
- In January 2019, the DfE published its 'Teacher Recruitment and Retention 3.4 Strategy'. 20 This strategy acknowledges that factors, in respect of the increasing uncompetitiveness of teachers' pay compared to other graduate professions and declining levels of retention, would need to be addressed to improve the current state of teacher supply. However, the Review Body will have noted that the DfE has continued to fail to act on the basis of its own analysis. Despite a commitment to update this strategy, no revised version has yet been published.
- 3.5 Evidence confirms the scale and extent of the current crisis and the direct consequences of the Government's failure to act. This evidence is summarised below.

Recruitment into the teaching profession

3.6 The number of entrants into ITT in England remains substantially below historical levels. Official data confirms that 45,608 applicants entered the 2023/24 applications round through all routes. 21 This figure is substantially

¹⁸ House of Commons Committee of Public Accounts (2018). Retaining and developing the teaching workforce: Seventeenth Report of Session 2017-19 (HC460). Available at: (https://publications.parliament.uk/pa/cm201719/cmselect/cmpubacc/460/460.pdf), accessed on

¹⁹ See, for example: Allen, B.; Ford, I; and Hannay, T. (2023). Teacher Recruitment and Retention in 2023: Teachers views on coping with shortages, job attachment and flexible work. Available at: (https://www.gatsby.org.uk/uploads/education/teacher-recruitment-and-retention-in-2023-ttschooldash-final.pdf), accessed on 29.01.24; Zuccollo, J. (2022). The teaching workforce after the pandemic. Available at: (https://epi.org.uk/publications-and-research/the-teaching-workforce-after-thepandemic/), accessed on 29.01.24.

20 Department for Education (2019a). *Teacher Recruitment and Retention Strategy*. Available at:

⁽https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/78 6856/DFE Teacher Retention Strategy Report.pdf), accessed on 29.01.24.

21 DfE (2023a). *Initial Teacher Training Census*. Available at: (https://explore-education-

statistics.service.gov.uk/find-statistics/initial-teacher-training-census/2023-24), accessed on 29.01.24.

- lower than the 67,289 applicants to higher education institution-based ITT alone, which was recorded at the end of the 2009/10 applications round.²²
- 3.7 Official data on entrants to programmes of ITT confirms the length of time that the education system has been subject to serious problems in respect of the recruitment and retention of teachers. Teacher recruitment has only achieved the centrally-set overall target on one occasion in the last nine years. ²³ It is also important to acknowledge in this context that the targets, based on the DfE's Teacher Supply Model, used during this period may have underestimated the number of teachers required to sustain adequate teacher supply significantly. ²⁴ The total number of entrants into ITT programmes for the 2023/24 academic year through all routes was 26,994, a decline of 5% on the equivalent figure for 2022/23. ²⁵
- 3.8 In 2023/24, recruitment into secondary postgraduate ITT programmes only reached 50% of the centrally-set target required to sustain teacher supply, following on from a 57% overall shortfall in the previous year. Recruitment into primary postgraduate programmes also continued to fail to meet the national target.²⁶ Data for recruitment against target by subject and phase is set out in Table 1.
- 3.9 It is important to note that while these targets relate to postgraduate routes to Qualified Teacher Status (QTS), which represent 81% of all admissions to ITT in 2023/24, they are calculated on the basis that they represent the number of such admissions required to sustain adequate teacher supply.²⁷ The extent of the overall failure to meet these targets over a prolonged period is a matter of profound concern.

²² Graduate Teacher Training Registry (2013). Annual Statistical Report 2013. Available at: (https://www.ucas.com/sites/default/files/gttr-annual-statistical-report-2013.pdf), accessed on 29.01.24.

House of Commons Library (2023a). Teacher recruitment and retention in England. Available at: (https://researchbriefings.files.parliament.uk/documents/CBP-7222/CBP-7222.pdf), accessed on 29.01.24.

<sup>29.01.24.

24</sup> National Audit Office (NAO) (2016). *Training new teachers*. Available at: (https://www.nao.org.uk/wp-content/uploads/2016/02/Training-new-teachers.pdf), accessed on 29.01.24.

²⁵ DfE (2023a). op.cit.

²⁶ Ibid.

²⁷ Ibid.

- 3.10 Many other non-postgraduate routes to QTS have also continued to experience considerable declines. Entrants onto undergraduate teacher training programmes experienced a 13% decline between 2022/23 and 2023/24, further exacerbating the problems associated with the failure to meet the postgraduate target.²⁸
- 3.11 The skills, talents and expertise of teachers with professional teaching qualifications gained from outside the UK are important contributors to the maintenance of overall teacher supply. The Review Body will, therefore, continue to note with concern the continuing decline in the numbers of such teachers entering the education system in England. In 2019/20, 2,458 teachers from European countries with an automatic right to the recognition of their qualifications were granted QTS, compared to just 672 in 2022/23. For teachers with qualifications gained in Canada, the United States, Australia and New Zealand, all of whom have an automatic entitlement to QTS, the annual number of QTS awards declined from 3,868 in 2019/20 to 760 in 2022/23.²⁹
- 3.12 We note that from February 2023, the DfE has widened the number of countries from which teaching qualifications will be accepted for the award of QTS.³⁰ While we have long called for the list of eligible countries to be expanded, experience of recruitment from countries that have had longstanding arrangements for the recognition of qualifications suggests that teaching in England remains unattractive and that migration will not address the extent of the recruitment shortfalls described above. The announcement by the Government of its intention to increase the cost of the annual Immigration Health Surcharge from £624 to £1,035 for those on Skilled Work Visas later this year is likely to create an additional disincentive for teachers to

²⁸ Ibid.

²⁹ Teaching Regulation Agency (2023). *Teaching Regulation Agency Annual Report and Accounts*. Available at:

⁽https://assets.publishing.service.gov.uk/media/64ae88e7c033c1000d8060f6/TRA Annual Report an d_Accounts_2022-23.pdf), accessed on 29.01.24.

30 DfE (2022). A fairer approach to awarding QTS to overseas teachers. Available at:

³⁰ DfE (2022). A fairer approach to awarding QTS to overseas teachers. Available at: (https://www.gov.uk/government/publications/awarding-qualified-teacher-status-to-overseas-teachers--2), accessed on 29.01.24.

work in England's education system. It is likely to increase the propensity of those teachers with visas who are currently working in this country.³¹

Teacher wastage

- 3.13 The education system continues to be subject to historically high levels of teacher wastage from the teaching profession, other than for reasons of agerelated retirement or death-in-service. The SWC confirms that in 2021/22, the number of teachers leaving teaching for reasons other than age-related retirement or death-in-service was 39,930, an unprecedented annual increase of 29% in a single year.³² It is worth noting that the comparable figure for 2010/11 was 27,959.³³ The drivers of increased teacher wastage have been set out in detail in our previous submissions to the Review Body, although the increasing trend in wastage rates makes it clear that their effects have intensified significantly.
- 3.14 It has been estimated that the cost to the Government of training an additional teacher was approximately £22,000 in 2023.³⁴ On this basis, the overall additional annual cost to the public sector of the difference between the wastage rate in 2010/11 and 2021/22 is almost £240m.
- 3.15 We remain concerned that successive DfE submissions to the Review Body continue to underemphasise the extent of the contribution made by later career stage exits from the profession to the teacher supply crisis. Official data confirms that in 2021, less than half of those who had entered the teaching profession ten years previously were still employed as teachers in the state-funded education system.³⁵ This data further confirms that 30% of

³² DfE (2023b). *School workforce in England 2022*. Available at: (https://explore-education-statistics/school-workforce-in-england#dataBlock-71f45e3d-4c19-430f-b5a5-66722b71cbae-tables), accessed on 30.01.24.

³³ Ibid.

³¹ House of Commons Library (2023b). *Immigration fees*. Available at: (https://researchbriefings.files.parliament.uk/documents/CBP-9859/CBP-9859.pdf), accessed on 30.01.24.

McLean,D.; Tang, S.; and Worth, J. (2023). *The impact of training bursaries on teacher recruitment and retention: an evaluation of impact and value for money.* Available at: (https://www.nfer.ac.uk/media/qygfjmpi/the impact of training bursaries on teacher recruitment and retention embargoed.pdf), accessed on 20.02.24.

35 DfE (2023c). *Government evidence to the STRB*. Available at:

DfE (2023c). Government evidence to the STRB. Available at: (https://assets.publishing.service.gov.uk/media/63f4ec048fa8f56139fc0cfe/Government_evidence_to_the STRB.pdf), accessed 30.01.24.

those leaving teaching for reasons other than age-related retirement or death-in-service were aged between 30 and 39, with 22% of those leaving aged between 40 and 49.³⁶

3.16 Feedback we have received from experienced teachers who have left the profession continues to confirm a range of causal factors. This feedback was reflected in the outcomes of independent research that was commissioned by the Office for Manpower Economics for the Review Body in 2021. As the Review Body will be aware, this research employed a discrete choice experiment methodology to identify the factors associated with propensity to leave teaching for teachers across the entire subject, phase, location and experience ranges. The research found that these key drivers included: dissatisfaction with overall levels of pay; excessive workload; poor and declining wellbeing; limited pay and career progression opportunities; and erosion of pay relative to other comparable occupations. This evidence continues to underline the importance of ensuring that pay policy focuses on addressing pay-related drivers of exit from the profession across the entire experience range.

Retirements

- 3.17 The current demographic composition of the teacher and school leader workforce emphasises the likely impact of retirements for levels of teacher supply in future.
- 3.18 In 2021/22, 3,929 teachers left the profession due to age-related retirement.³⁸ Given that almost 19.6% of the total teacher population is aged 50 or over, age-related retirements are likely to continue to exert pressure on securing and maintaining sufficient teacher supply in future.³⁹
- 3.19 In addition to retirements, evidence suggests that a significant proportion of teachers will continue to seek early exit from the profession, including through

³⁶ DfE (2023b). op.cit.

³⁷ Burge, P.; Lu, H.; and Phillips, W. (2021). *Understanding Teacher Retention: Using a discrete choice experiment to measure teacher retention in England.* Available at: (https://www.gov.uk/government/publications/understanding-teacher-retention-a-discrete-choice-experiment), accessed on 20.02.24.

³⁹ Ibid.

the use of actuarially-reduced pensions accessed before retirement age. Of the 9,493 teachers in the state-funded school sector accessing Teachers' Pensions benefits for the first time in 2020/21, 4,028 (43%) took actuarially reduced pensions as a result of retirement before reaching eligibility for full pension benefits. While this proportion fell in 2021/22, the last year for which official data is available, this reflected well-established reasons related to the implications of the Covid-19 pandemic and it is likely that future data will show a re-emergence of previous trends.⁴⁰

3.20 Given the significant financial costs that teachers electing to take actuarially reduced benefits face, the fact that such a large proportion in typical circumstances continue to choose to do so illustrates the strength of the factors that increase the propensity of teachers to exit the profession.

Vacancies

- 3.21 As the Review Body is aware, the way in which current vacancy data is collected and reported serves to understate the challenges the system faces in filling unstaffed teaching posts. These concerns have been validated previously by the National Audit Office (NAO).⁴¹ It is, therefore, difficult to obtain an acceptably reliable understanding of the recruitment and retention pressures across the system from official vacancy data.
- 3.22 However, other independent research has highlighted the significant scale of the problem. For example, a recent analysis of published vacancies by schools in England has demonstrated a significant increase in difficulties in recruiting teachers and leaders, particularly in secondary schools, and that these difficulties are evident nationally and across a wide range of subject areas.42

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⁴⁰ DfE (2023d). Teachers' Pension Scheme (England and Wales): Annual Report and Accounts: 1 April 2022 - 31 March 2023. Available at:

⁽https://assets.publishing.service.gov.uk/media/6508172522a783000d43e734/2022-

²⁰²³ TPS Annual Report and Accounts.pdf), accessed on 30.01.24.

All National Audit Office (2017). Retaining and developing the teaching workforce. Available at: (https://www.nao.org.uk/wp-content/uploads/2017/09/Retaining-and-developing-the-teachingworkforce.pdf), accessed on 30.01.24.

Allen et.al. (2023). op.cit.

- 3.23 The difficulties schools face in recruiting and retaining teachers continue to generate pressures to deploy teachers in subject areas which are not their first specialism or for which they do not possess appropriate academic qualifications. The most recent official data confirms, for example, that only 87.2% of mathematics lessons in year groups 7-13 in 2022/23 were taught by teachers with any relevant post-A-level qualification in the subject, a decline on the equivalent figure for the previous year. This data further confirms that only 72.5% of physics lessons across these year groups, 83.2% of chemistry lessons, 79.0% of French lessons and 54.1% of computer science lessons were taught by staff with relevant post-A-level qualifications.⁴³
- 3.24 Recruitment and retention pressures in the system are reflected in trends in pupil/teacher ratios. It is, therefore, instructive in this context to note that the pupil/teacher ratio rose from 14.8 in 2010/11 to 16.8 in 2022/23 across statefunded secondary schools.⁴⁴

Pupil numbers

3.25 It is important that policy is developed on the basis of an appropriate assessment of likely trends in the pupil population and, in particular, does not rest on a flawed assumption that any projected falls will facilitate movement towards an acceptable position on teacher supply. Official data confirms that in respect of the secondary sector, projected falls in overall pupil numbers between 2023 and 2028 will represent substantially less than 1% of the current total population. While pupil numbers in the primary sector are projected to fall over the same period, this fall would return pupil numbers only to a level that would be above the average headcount for the period 2005-11.

Table 1: Recruitment into ITT programmes against national targets 2023/24 (selected subjects)

⁴³ DfE (2023b). op.cit.

⁴⁴ Ibid.

⁴⁵ DfE (2023e). National Pupil Projections 2023. Available at: (https://explore-education-statistics.service.gov.uk/find-statistics/national-pupil-projections), accessed on 30.01.24.

⁴⁶ Ibid; DfE (2011).

Schools, pupils and their characteristics. Available at:

⁽https://assets.publishing.service.gov.uk/media/5a7c2d44e5274a1f5cc764a7/main_20text_20sfr1220_11.pdf), accessed on 30.01.24.

Subject	Recruitment against target
Biology	93%
English	82%
Religious Education	75%
Geography	68%
Chemistry	65%
Mathematics	63%
Computing	36%
Modern Foreign Languages	33%
Music	27%
Design and Technology	27%
Physics	17%
Primary	96%

Source: DfE ITT census

4. THE WIDER STATE OF THE LABOUR MARKET AND ECONOMY

The disparity between public and private sector earnings growth since 2010

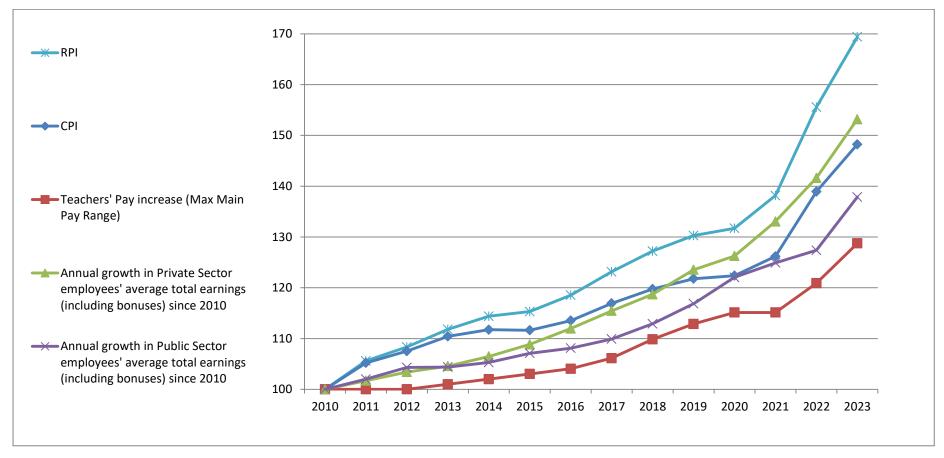
4.1 The latest data on growth in earnings for employees, published by the ONS on 16 January 2024, shows that 'average regular earnings growth was 6.5%

for the private sector in September to November 2023, and 6.6% for the public sector. ⁴⁷

- 4.2 When we consider annual growth in employees' average total earnings (including bonuses) since 2010, it is clear from the ONS data that public sector workers earnings, including that of teachers, has failed to increase in line with private sector workers generally. In September 2010, private sector employees' average total earnings (including bonuses) were £440 per week (£22,879 annually). This had increased to £674 per week (£35,048 annually) by September 2023, which represents a 35% increase since September 2010.
- 4.3 By contrast, in September 2010, public sector employees' average total earnings (including bonuses) were £468 per week (£24,318 annually). This had increased to just £645 per week (£33,526 annually) by September 2023, which represents a 27% increase since September 2010. Public sector workers, including teachers, cannot afford another year of damaging pay austerity.
- 4.3 The following chart shows the extent to which the pay of classroom teachers earning the maximum amount on the MPR (Max MPR) has fallen behind price increases, measured by both the RPI and CPI, since 2010. It also incorporates the ONS data to measure annual total pay growth in September each year since 2010 for both private sector and public sector employees.
- 4.4 The chart illustrates that since 2010:
 - the cost of living has increased by 69.4%, as measured by RPI, and 48.2%, as measured by CPI;
 - average total earnings in the private sector has risen by 53.2%;
 - average total earnings in the public sector has risen by 37.9%; and
 - pay for teachers at the top of the MPR has risen by just 28.75%.

⁴⁷ ONS, Average weekly earnings in Great Britain: January 2024. https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/averageweeklyearningsingreatbritain/january2024

Indexed price increases compared to teachers' MPR increases, private sector and public sector average total pay increases 2010 to 2023



Classroom teachers are significantly poorer in real terms than they were in 2010, due to the cumulative impact of pay awards failing to match cost-of-living increases, as measured by both the RPI and CPI inflation measures. Pay increases for classroom teachers has also failed to keep pace with pay increases in both the public and private sectors since 2010.

- 4.5 The pay of classroom teachers who are paid at the top of the MPR has failed to keep pace with pay increases in both the public and private sector since 2010, whereas private sector earnings have risen faster than price increases (as measured by CPI since 2010). The earnings of public sector workers more generally have failed to do so.
- 4.6 The extent to which the growth in teachers' earnings has fallen behind their counterparts in both the public and private sectors is truly shocking. The ONS data demonstrates the urgent need for a significant above-RPI inflation pay award for the teaching profession, to put an end to the cycle of everdeteriorating real terms pay for teachers when compared the pay of other workers in an increasingly competitive graduate market.

5. FUNDING A FAIR PAY AWARD

- 5.1 The Government has made political choices to defund schools since 2010.
- 5.2 In the late 1970s, education spending represented 12% of total government spending, making it the equal largest area of government spending.
- 5.3 The lack of school capital funding for over a decade has placed a significant burden on the Dedicated School Grant funding that schools receive, and this has to be used in many schools to fund essential capital work.
- 5.4 The average revenue reserves figures for local authority-maintained schools in England 2022-23) has fallen to £162,800 (or by almost 10% from the previous year).⁴⁸
- 5.5 The proportion of local authority-maintained schools in deficit was 13.1%, a lot higher than in 2021-22 when the figure was 8.8%.⁴⁹
- 5.6 Rising inflation and cost pressures have significantly dampened any funding increases in recent years. School spending on energy bills, supply teachers,

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⁴⁸ https://explore-education-statistics.service.gov.uk/find-statistics/la-and-school-expenditure/2022-23 lbid.

learning resources and catering has ballooned. Maintained school spending in 2022-23, when compared to 2021-22, increased to:⁵⁰

- £485.3 million on energy, up 61% before amid soaring bills;
- £953 million on learning resources, up 17%;
- £485 million on agency supply teachers, up 17%;
- 11.3% more on bought-in professional services relating to the curriculum; and
- 6.8% more on catering supplies and staff cost than in 2021-22.
- 5.7 Forty-seven per cent of Trusts now have an in-year revenue deficit, up from 26% in the prior year.⁵¹
- 5.8 NASUWT is calling for a fully funded cost-of-living pay award on all pay points and allowances of a minimum of 8% for 2024-25.
- 5.9 NASUWT believes this can be delivered, provided there is the political will to do so.
- 5.10 Teacher pay austerity is a political choice that the Review Body should reject. Numerous options remain available to the Westminster Government to raise sufficient revenues to fund a fair pay rise for teachers' and other public sector workers, including:
 - i. pursuing all £6bn of fraudulent Covid-19 support payments, rather than the £2bn estimated by HMRC;⁵²
 - ii. sufficiently resourcing HMRC to enable the collection of an estimated £42bn in unpaid tax;⁵³

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⁵⁰ Ibid.

⁵¹ https://schoolsweek.co.uk/wp-content/uploads/2024/02/Kreston-UK-Academies-Benchmark-Report-2024.pdf

⁵² HMRC Annual Report and Accounts 2020 to 2021,

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/103 5552/HMRC_Annual_Report_and_Accounts_2020_to_2021_Web.pdf

⁵³ The Guardian, *Tax collectors lack ambition, say MPs, as £42bn remains unpaid*, 11 January 2023. https://www.theguardian.com/politics/2023/jan/11/tax-collectors-lack-ambition-say-mps-as-42bn-remains-unpaid

- iii. extending the one-off *windfall tax* on oil and gas companies, whose profits continue to rocket beyond expectations;
- iv. levying a financial transactions tax that could raise around £5bn annually in additional income;⁵⁴ and
- v. introducing a *wealth tax* on the richest in society in order to support public services and help the poorest through the cost-of-living crisis. Research undertaken by Tax Justice UK shows that up to £37bn could be raised by introducing a programme of wealth taxes, including equalising capital gains tax with income tax and introducing a 1% tax on assets over £10m.⁵⁵
- 5.11 It is time to address the fact that a career in teaching is no longer a financially attractive option when compared to other graduate professions. NASUWT contends that a minimum 8% increase to all teachers' salaries and allowances should be applied in September 2024, to begin the process of restoring teachers' salaries back to the real terms levels they were at in 2010.

6. OVERVIEW OF THE WIDER ISSUES

- 6.1 NASUWT believes that, in addition to the matters for recommendation in this remit, it is vital that the following elements of the pay and conditions framework are recast:
 - (i) the universality of the pay award;
 - (ii) performance-related pay (PRP) progression;
 - (iii) restoration of pay portability;
 - (iv) a shorter pay scale;
 - (v) flexible working; and

⁵⁴ Robin Hood Tax https://www.rob<u>inhoodtax.org.uk/labour-pledges-introduce-robin-hood-tax</u>

⁵⁵ Tax Justice UK, 'Five policies that could raise up to £37 billion in tax' https://www.taxjustice.uk/blog/five-policies-that-could-raise-37-billion-in-tax

(vi) workload.

The universality of the pay award

6.2 The annual pay award must be universally applied and not linked to performance. NASUWT calls on the Review Body to listen to the views of statutory consultees who have previously called for the annual teachers' pay award to be a statutory entitlement for all teachers and school leaders. This can be achieved by the return to statutory pay scales for all teachers and school leaders.

Performance-related pay progression

- 6.3 NASUWT calls for automatic incremental progression that will give teachers greater certainty over their future pay levels. This will support teacher retention and the removal of threshold applications.
- 6.4 The current system is no longer credible and is not support by a number of employers of teachers in England and in other jurisdictions.
- 6.5 What is required alongside the removal of PRP is the reintroduction of national pay scales and the transferability of pay when teachers move employers, which had previously been referenced in teachers' conditions of service as 'pay portability'.

Equality in pay and progression – NASUWT commentary on DfE data analysis of pay progression

6.6 The most damning evidence against PRP is actually provided by the DfE's own evidence to the STRB's 32nd Report.⁵⁶ It is clear from this DfE evidence that PRP is a key driver of discriminatory outcomes for teachers with different protected characteristics (Annex F).⁵⁷

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https://assets.publishing.service.gov.uk/media/6230624b8fa8f56c1d3113f4/Government evidence to the_STRB_2022.pdf
To University of Warwick Institute for Employment Research, Teachers' Pay and Equality, Longitudinal

⁵⁷ University of Warwick Institute for Employment Research, Teachers' Pay and Equality, Longitudina research into the impact of changes to teachers' pay on equality in schools in England, NASUWT, 2016, https://www.nasuwt.org.uk/advice/pay-pensions/pay-progression.html

- 6.7 In Annex F, the DfE has provided an equality analysis of PRP progression and specifically referenced concerns expressed by NASUWT and other consultees of 'an increase in the vulnerability of the pay and progression system to systematic biases'. To be clear, NASUWT's concern is about systematic biases against teachers in equality groups in the pay progression system.
- 6.8 The DfE has provided an analysis of four teacher groups with protected characteristics under the Equality Act 2010: sex, ethnicity, disability and age. This is, therefore, not a fully comprehensive analysis of all the teacher groups with protected characteristics under the Equality Act 2010.
- 6.9 In general terms, it is important that the DfE makes the SWC and TPS data, used for its analysis, available so that its analysis can be peer reviewed.
 NASUWT makes the following initial observations about the analysis.

Sex

- 6.10 The progression rate analysis (for example, figure F2) does capture the key impact of the 2013 introduction of PRP progression on the main pay scale, which is that automatic incremental progression on this scale was ended and that this reduced pay progression rates considerably. There is a fall in pay progression from 2013 onwards from all pay points, and this increases as teachers move up the MPR.
- 6.11 Prior to 2013, pay progression to the UPR was related to the previous two years' performance, and progression to UPS1 was already running at slightly more than 50% for men in 2012, with a slightly lower percentage (50%) of women progressing. However, by 2018, pay progression for women to UPS1 had fallen to 40%, a lower percentage than for men, and the gap between women and men's pay progression to the UPR had grown.

- 6.12 In terms of pay progression from UPS1 to UPS2 and UPS2 to UPS3, rates of pay progression have remained at around 50%, or just below, from 2010 to 2018, but rates have been consistently lower for women than for men.
- 6.13 Figures F5 and F6 and F7 show a marked reduction in pay progression for part-time teachers from all pay points, which occurred when PRP progression was introduced for the MPR (it is particularly marked for teachers progressing from M1).
- 6.14 The DfE is therefore right to conclude in its evidence: 'Since 2014, the proportion of both genders progressing each year on the main pay range declined from nearly 100%, to about 75%. The drop was especially marked for part-time teachers. ⁵⁸ However, the Review Body should be clear that the decline has been more pronounced for women than men.
- 6.15 Figure F8 shows that the pay progression rate for women school leaders has fallen behind that of male school leaders since the 2014 leadership pay reforms were introduced (NASUWT will make the observation that reforms to leadership pay were made in 2014, not 2013).

Ethnicity

6.16 Figure F13 demonstrates clearly that pay progression rates for Black/Black British and Asian/Asian British full-time teachers are lower than for white teachers. In respect of movement to the UPR, this was also the case before 2013, indicating concerns about the discriminatory nature of threshold progression from 2010 onwards.

Disability

6.17 Figure F18 demonstrates that, in most years since 2013, the pay progression rate for teachers with disabilities is lower than for teachers without disabilities.

⁵⁸ DfE Evidence to the STRB, March 2022, F23.

However, this is most strikingly the case for progression from M3 to M4 and M6 to UPS1.

Age

- 6.18 The DfE defines age 40 as the cut-off point for the definition of younger and older teachers. The DfE should take no comfort from the data indicating that older teachers progress more rapidly through the classroom teacher pay range. ⁵⁹ This means that younger teachers progress less rapidly, which indicates a discriminatory impact.
- 6.19 Figure F21 indicates that success rates for both older and younger teachers in terms of movement to the UPR have been falling since 2013. However, success rates for older teachers were running at approximately 40% in 2018, compared with approximately 50% for younger teachers.
- 6.20 However, one of the most striking aspects of the data relates to progression rates to the UPR for part-time teachers. This is running at 25% for younger part-time teachers, with an even lower progression rate for older part-time teachers.
- 6.21 In general terms, the equalities analysis provided by the DfE of the PRP system does provide evidence of systematic bias leading to discrimination, together with the failure of the PRP system as a framework which rewards teachers appropriately. The DfE analysis also supports NASUWT's case for a single classroom teacher pay scale, with automatic incremental progression and without a threshold to higher classroom teacher pay levels. In addition, there is compelling evidence supporting the need for more robust equality pay gap reporting to be undertaken and published annually by the DfE, employers and schools, with reference to teachers by gender, ethnicity, disability and age.

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⁵⁹ Ibid, F44.

6.22 PRP is costly to administer, creates unnecessary workload and takes school leaders away from activities which are more valuable for them and also for their schools.⁶⁰

A shorter pay scale

- 6.23 NASUWT wants to see the current M1-M6 and U1 to U3 (nine-point pay scale for classroom teachers) shortened to a six-point pay scale, with equal pay steps between the Minima of M1 and Maxima of U3 from 1 September 2023.
- 6.24 NASUWT calls for the abolition of threshold applications linked to the above point.
- 6.25 In the Isle of Man, there has been a step change in relation to teachers' pay and conditions of service as a consequence of years of recruitment and retention issues that resulted from significant pay erosion, increased workload and low morale. Recruitment and retention have been substantially improved in large part, due to:
 - reducing the teachers' nine-point pay scale to a six-point scale commencing at M4;
 - (ii) removing the Upper Pay Spine standards so that equitable standards apply to all teachers; and
 - (iii) the introduction of a maximum 35-hour working week for teachers and leaders.

an increase in the number of vacancies receiving ten or more

6.26 This has resulted in:

(i)

applications; and

https://www.nasuwt.org.uk/static/73a6b3a8-5008-46c6-ad77a84593e82738/Evidence-Submission-to-the-STRB-32nd-Report-March-2022-England.pdf para 6.51 & 6.52

(ii) a reduction in the number of teachers leaving in the last 12 months, with leaver numbers down 16% in 2022/23 (in comparison with 2021/22).

Flexible working

- 6.27 The Covid-19 pandemic transformed the world of work, with remote and home working being imposed on many workers, including teachers, during the two periods of school closures to most pupils. Importantly, many of the flexibility changes have become permanent features in many jobs in the wider workforce, while teachers returned to their classrooms and relatively inflexible work environments.
- 6.28 Data from the Timewise Flexible Jobs Index demonstrates these trends in the wider workforce (Timewise, 2023). The proportion of jobs advertised with flexible working rose from 10% in 2015 to 17% on the eve of the pandemic, highlighting the growing focus on offering flexible working in the wider labour market. The proportion of jobs advertised with flexible working rose further throughout the pandemic, reaching 31% in 2023. The report shows that 60% of workers work flexibly. For teaching to compete, it would need to become more attractive in other ways, including higher pay to compensate for a lack of work flexibility when compared to opportunities in the wider labour market.

Workload and wellbeing

6.29 Teacher workload remains a significant issue affecting retention. Teachers in England work longer weekly hours than workers in other professions and are more likely to report wanting to work fewer hours. Teachers in England also work more hours and spend more time on non-teaching tasks than the average teacher in OECD countries. There remains further work to do in reducing the amount of time teachers spend working in general, and on non-teaching activities such as planning, marking and administration.

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⁶¹ https://timewise.co.uk/article/flexible-jobs-index/

⁶² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/9 19065/TALIS 2018 research brief.pdf#

- 6.30 NASUWT welcomes the work of recommendation of the Workload Reduction Taskforce in reversing the misguided decision by the Government a decade ago: to remove from the teachers' contract the list of illustrative administrative and clerical tasks that teachers should not be required to undertake.
- 6.31 Unmanageable workload is the most cited reason ex-teachers give for why they left.
- 6.32 The removal of the open-ended clause in the teachers' contract (paragraph 51.5)⁶³ must also be urgently addressed. No other profession carries an unlimited working time expectation of workers. It is clear that without sufficient safeguards in the teachers' contract, teachers' working time will remain excessive and open to abuse.
- 6.33 Teacher wellbeing has declined significantly over the past year. 64 The Teacher Wellbeing Index for 2023 observes a significant deterioration in teacher and lecturer wellbeing across a range of measures. The proportion of all staff (78 %) and senior leaders (89%) reporting stress is the highest we have yet recorded.
- 6:34 Of particularly concern is the proportion of educators who experience acute stress or burnout and also feel isolated from others always/often at work (31% of all staff and 23% of senior leaders).⁶⁵
- 6:35 The key recommendations from the Teacher Wellbeing Index 2023 are:⁶⁶
 - (i) suicide prevention;

Suicides are one of the biggest causes of work-related deaths each year.

They are not, however, included in the Health and Safety Executive's annual

⁶³ https://as<u>sets.publishing.service.gov.uk/media/652950f96b6fbf0014b7564d/2023_STPCD.pdf</u>

⁶⁴ https://www.educationsupport.org.uk/media/0h4jd5pt/twix_2023.pdf

⁶⁵ Ibid.

⁶⁶ Ibid.

reporting or its inspection and protection regimes. This exemption must be removed if we are to take suicide in the workplace seriously.

- (ii) an overhaul of the inspection system; and
- (iii) properly funded public services to support schools focus on teaching and learning of pupils.

7. MATTERS FOR RECOMMENDATION

7.1 NASUWT would be pleased to discuss with the STRB additional matters relating to teachers' pay, rewards and working conditions. However, given the limitations placed on the current remit, and the very clear attempts by the Government to place restrictions on the work of the Review Body, it is imperative that the STRB focuses on delivering the pay award that teachers and headteachers deserve, without diluting the quantum of any award by other untested recommendations and measures.

7.2 NASUWT is therefore asking for:

- the introduction of a six-point pay scale starting at the current M4 pay point;
- (ii) the removal of PRP;
- (iii) the reintroduction of pay portability;
- (iv) the removal of threshold application and post-threshold standards; and
- (v) a minimum 8% increase to all pay points and allowances for 2024/25.