



**March 2022**

## **Joint Statement to the School Teachers' Review Body (STRB) The united view of the profession on pay issues**

### **Consensus on the key issues**

- 1 The remit from the Secretary of State seeks STRB recommendations on pay increases for 2022-23 and 2023-24. The remit also acknowledges broader structural issues but does not seek recommendations on those issues in this round.
- 2 This statement to the STRB sets out our collective and united view on the pay increases needed and the broader structural issues to be addressed. Each of our organisations will also provide separate written evidence to the STRB.
- 3 We represent virtually all teachers and school leaders in England and this joint statement represents the united view of teachers and school leaders on the key pay issues. We urge the STRB to recognise the consensus in the profession on the key teacher and school leader pay issues.

### **Significant pay increases for all teachers and school leaders**

- 4 The STRB must consider the issue of pay increases for 2022-23 and 2023-24 with reference to the huge cuts to real terms pay suffered by teachers and school leaders since 2010 and the damage this has done to the position of teaching in the graduate labour market. It is this objective hard reality, not the ideological and partial Treasury evidence to the review bodies, which sets the context within which the STRB must consider teacher and school leader pay issues.
- 5 Teachers and school leaders will rightly judge the adequacy or otherwise of the STRB's recommended increases, not only against the extent to which they secure significant reversal of the pay cuts since 2010 but also against how well their pay reflects the crucial role they carry out; and whether it enables them to pay for everything they need it to, such as mortgage/housing and other living costs.

- 6 We are united in our opposition to differential pay increases. Such approaches to pay, for example those which provide a higher increase at starting pay but lower increases for more experienced teachers and school leaders, are fundamentally unfair. Our members have reacted with dismay to previous differentiated increases.
- 7 Differentiated increases not only demoralise experienced teachers and school leaders, but they also add significantly to retention problems. The STRB itself has recognised this, having previously rejected the government’s renewed case for a differentiated uplift in favour of early career teachers, stating unequivocally that the ‘targeting’ or ‘differentiation’ of uplifts in favour of early career teachers risked ‘being ineffective in its own terms’,<sup>1</sup> while in its 31<sup>st</sup> Report, the STRB rightly noted<sup>2</sup> that “teacher retention remains a pressing concern.” Any further differentiated increases, disadvantaging more experienced teachers and school leaders, will increase the already pressing retention concerns.
- 8 We note the statement in the Secretary of State’s remit letter that the Government remains committed to increasing teacher starting pay to £30,000 outside of the London areas. The Government has given no updated timetable for implementation. This move should have been in place by September 2022, but progress towards it has been delayed by the pay freeze imposed in 2021. This adds to the force of our argument for a significant increase to starting pay, alongside equivalent increases to starting pay in the London areas and to the pay of all other teachers and school leaders, with these increases fully funded by the Government.
- 9 Addressing the pay gap at entry to the profession would be welcome but must not be done independently of other pay ranges. Any failure to increase pay for all teachers and school leaders at the same level as the increase in starting pay will not solve the recruitment issue and will exacerbate retention problems. As the STRB has recognised,<sup>3</sup> those graduates considering joining the profession do not only consider starting pay – they look at career development opportunities and how their pay will grow as they gain experience and expertise. Any recruitment benefit from higher starting pay will be undermined if pay for more experienced teachers and school leaders is held back.
- 10 We ask the STRB to address the particular situation of supply teachers, many of whom have failed to receive even the inadequate teachers’ pay awards in recent years. The supply teacher shortage during the Coronavirus pandemic has demonstrated the extent to which supply teachers have left the profession because they have been cut adrift from the national teachers’ pay and conditions framework.

### **Impact of pay cuts**

- 11 The impact of the pay freeze remains a live issue for our members and must be a key part of the STRB’s deliberations. Our members continue to see the impact of the pay freeze, as each month their pay remains frozen but inflation continues to rise.

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<sup>1</sup> STRB 29th Report 2019 p xi

<sup>2</sup> STRB 31<sup>st</sup> report Executive Summary, page 2.

<sup>3</sup> STRB 29th report, 2019 p 74

- 12 In its 31<sup>st</sup> Report the STRB said that a pay freeze of more than one year would risk “a severe negative impact on the competitive position of the teaching profession.” To undertake the objective and comprehensive analysis required, the STRB must not accept the damage caused by the pay freeze but must investigate its ongoing impact and recommend the action needed to reverse the damage.
- 13 The real value of teacher and school leader pay has fallen hugely against inflation measured by the Retail Prices Index (RPI). Pay freezes and below-inflation pay cuts in the 2010s were followed by last year’s pay freeze. The cumulative impact of these unjustified attacks on teacher and school leader living standards has been devastating. This will only be made worse from April 2022 with the increase in National Insurance contributions<sup>4</sup> and the 54% increase in the energy price cap<sup>5</sup> from April 2022, meaning that households bills will rise dramatically.
- 14 Even before the September 2021 pay freeze, pay for teachers and school leaders was around a fifth lower in real terms than if it had been increased in line with RPI since 2010. With RPI in September 2021 at 4.9% as pay was frozen, teachers and school leaders saw another significant real terms cut to their pay when the Government should instead have been getting on with the urgent job of restoring the value of the pay already lost.
- 15 Inflation was already taking off when the Government imposed the pay freeze, but it has increased still further in recent months. The latest ONS data available at the time of writing<sup>6</sup> show RPI at 7.8% in January 2022.
- 16 The latest Treasury analysis of inflation forecasts<sup>7</sup> shows that the increase in inflation is likely to be sustained, with RPI expected to be at 6.4% in the fourth quarter of 2022. The Treasury’s latest forecast for inflation was revised upwards from the month before, so these predictions for inflation may turn out to be an underestimate.
- 17 Not only did teachers and school leaders see their pay cut significantly against inflation in September 2021, but they also saw pay increases in the wider economy surging ahead. ONS figures show an increase in average total pay across the economy of 5.9% in the three months to September 2021. The latest ONS data show that growth in average earnings has been sustained, at 4.3% in the three months to December 2021.<sup>8</sup>
- 18 Alongside average earnings data, the latest information on pay settlements also highlights the increases in pay across the wider economy as teacher and school leader pay is frozen. Labour Research Department (LRD) data<sup>9</sup> show a significant increase in the median pay settlements, from 2% in the three months to September 2021 to 3.8% in the three months to January 2022.
- 19 Recruitment and retention problems got much worse in the 2010s, as pay cuts damaged the ability of teaching to compete in the graduate labour market. In its 31<sup>st</sup> Report, the STRB noted that any recruitment gains during the pandemic might be short-lived given the experience of the 2008 recession.

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<sup>4</sup> <https://ifs.org.uk/publications/15929#:~:text=From%20April%202022%2C%20the%20rates,percentage%20points%20from%20April%202022.>

<sup>5</sup> <https://www.ofgem.gov.uk/publications/price-cap-increase-ps693-april>

<sup>6</sup> <https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/czbh/mm23>

<sup>7</sup> <https://www.gov.uk/government/statistics/forecasts-for-the-uk-economy-february-2022>

<sup>8</sup> <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/timeseries/kac3/lms>

<sup>9</sup> [www.lrd.org.uk](http://www.lrd.org.uk)

- 20 Information on recruitment shows that this has indeed proved to be the case. Teacher trainee numbers are already back to their pre-pandemic levels,<sup>10</sup> with the latest data showing a 24% drop in applications.<sup>11</sup> Meanwhile, the slight increase in retention rates according to the latest data available at the time of writing still left around a quarter of teachers leaving within three years and around a third leaving within five years.<sup>12</sup>
- 21 We also face the prospect of an increase in the number of teachers and school leaders leaving the profession in the wake of the pandemic. Evidence from our respective member support functions indicates that many late career teachers and leaders may exit the profession early. The loss of late career teachers and leaders would further negatively skew the profession's experience profile, which is already at the bottom of the OECD average.<sup>13</sup>
- 22 The full impact of this has yet to be seen, but we do know that the severe impact of the pandemic on our members' workload and wellbeing makes this a significant factor in recruitment and retention. This is particularly so given that the Government's "reward" for the contribution of teachers and school leaders was a pay freeze.

### **Urgent pay structure reform needed**

- 23 The focus on pay levels in the remit should not deter the STRB from assessing the urgent reforms needed to the pay structure.
- 24 The dismantling of the national pay structure and imposition of performance-related pay (PRP) have added to the problems caused by the attacks on pay levels. Not only has the real value of pay been reduced, but unfair obstacles to pay progression have been imposed on our members. Workload and stress have been made worse by excessive accountability, including that associated with the pay system.
- 25 There is no credible justification for the use of PRP in education – but there is clear evidence that it is unfair, discriminatory, undermines teamwork, creates significant pay inequalities, damages relationships in schools, creates significant additional workload, and undermines positive and developmental appraisal. The government's own evidence shows that PRP has a negative impact on retention.<sup>14</sup> The Government's insistence on the inclusion of performance related pay progression in the pay system appears to fly in the face of this evidence.
- 26 All of our organisations continue to call on the DfE to provide full evidence on the equality issues relating to the pay structure. We note the helpful comments made by the STRB last year on this issue and call on the STRB to again include this issue in its recommendations. However, the lack of DfE evidence on equality issues relating to the teachers' pay structure should not delay recommendations by the STRB to remove current inequalities.

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<sup>10</sup> <https://www.tes.com/magazine/news/general/secondary-teacher-trainee-pandemic-boost-evaporates>

<sup>11</sup> <https://www.tes.com/magazine/news/general/itt-teacher-training-recruitment-applications-plummet-24>

<sup>12</sup> <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england>

<sup>13</sup> OECD (2018). Education at a Glance

<sup>14</sup> <https://www.gov.uk/government/publications/factors-affecting-teacher-retention-qualitative-investigation>

- 27 We remind the STRB that the Government continues to fail to meet its Public Sector Equality Duty (PSED) by failing to monitor equality impacts and to take appropriate remedial action to prevent discrimination and advance equality, so that the pay system reliably delivers fair remuneration to teachers and school leaders with protected characteristics.
- 28 Our organisations have issued joint pay advice<sup>15</sup> to schools in England including national pay points for teachers and school leaders. We continue to call for the restoration of the national pay structure with appropriately-increased and mandatory pay points as a minimum entitlement for all teachers and school leaders. It is our joint view that annual uplifts must be kept separate from any pay progression increases and must be applied to all points within all pay ranges and allowances. The School Teachers' Pay and Conditions Document (STPCD) should be amended accordingly.
- 29 This national pay structure must include pay portability, access to appropriate payments for additional responsibilities, pay arrangements for all school leaders and pay progression as the norm to recognise the acquisition of experience in the profession. As the majority of academy trusts still follow the STPCD it would also be helpful to include advisory pay arrangements for academy Chief Executive Officers (CEOs).

### **The evidence base for improvements in teacher pay**

- 30 In its 30<sup>th</sup> Report of July 2020, the STRB said that the impact of the pandemic represented an opportunity to restore the position of teaching in the graduate labour market. The Government's response was to impose the 2021 pay freeze without justification and despite the huge contribution of teachers and school leaders to the pandemic response. Instead of improving the position of teaching in the graduate labour market, the Government has further undermined it.
- 31 Any improvements in teacher supply due to the temporary impact of the pandemic are fading fast and the long-term recruitment and retention problems remain. Teachers and school leaders will be as essential to the recovery from the pandemic as they have been to the pandemic response, but teacher supply problems have been made worse by continued attacks on the real and relative value of teacher pay.
- 32 Paying teachers and school leaders properly is a matter of fundamental fairness, to recognise the crucial and demanding jobs they do. It is also, however, essential for parents, for young people and for our economic future that we repair the damage to teacher supply. It is therefore in the national interest that we secure fair and improved pay and conditions and workload for teachers and school leaders.
- 33 The Treasury evidence to the review bodies represents another attempt by the Government to inappropriately restrict review bodies' considerations. We will respond in detail to the Treasury evidence in our separate responses to the STRB, but we note in the meantime that we are united in rejecting the partial and ideologically-driven Treasury evidence on key issues. These include the comparison between public and private sector pay, and public sector pay in the wider macroeconomic context.

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<sup>15</sup> <https://neu.org.uk/pay-advice>

- 34 Teacher and school leader pay issues must be addressed on their merits and in the context of the pay cuts since 2010, and not on the basis of spurious comparisons to the private sector.
- 35 Developing the skills of our young people is essential to our economy. Teachers and school leaders make a crucial contribution to developing the nation's skills base.
- 36 We need to recruit, retain and support teachers and school leaders, not underpay and undermine them. Significant increases in public sector pay including for teachers and school leaders are therefore not against the country's economic interests, but instead essential to economic prosperity and sustainable growth.

## **Conclusion**

- 37 The evidence is clear: teacher and school leader pay has been cut against inflation; pay has been frozen as pay in the wider economy has grown; and the severe recruitment and retention problems which emerged as pay was hit year after year still remain.
- 38 We urge the STRB to reject the Government's attempts to constrain it. The STRB must look at the whole picture on teacher pay and conditions and recommend undifferentiated pay increases for all teachers and school leaders that are significantly higher than RPI inflation, so that we see an urgent restoration of the pay cuts in 2022 and 2023. This must be accompanied by urgent action to cut teacher and school leader workload, and to restore fair pay for teachers and school leaders within a national pay structure.
- 39 These essential objectives cannot be achieved within the existing inadequate funding envelope. The Government must increase the funding envelope and we must ensure that teachers and school leaders get the pay increases needed. The work of the STRB must be based on objective assessment of the evidence and the STRB must not allow the Government to use the inadequate funding levels to restrict its consideration of the issues.
- 40 Determination of school funding levels is a political choice for the Government to make. The consequences of that political choice are for the Government to take. The STRB must engage with the profession and make the evidence-based recommendations we need to repair the damage caused by the Government's political choices.
- 41 We continue to reject the Government's failed approach. We remain committed to ongoing objective and evidence-based review of teacher and school leader pay levels and structural issues, incorporating all relevant factors. We call on the STRB to reflect in its recommendations the need for such an approach to teacher and school leader pay and conditions issues.