



Rt Hon Gavin Williamson MP
Secretary of State for Education
Sanctuary Buildings
Great Smith Street
London SW1P 3BT

14 September 2021

Dear Secretary of State

School Teachers' Pay: STRB's 31st Report and Government Response

Introduction

This joint response from our organisations once again underlines the impact of the failure to address the key problems in school leaders' and teachers' pay and conditions. The latest School Teachers' Review Body (STRB) report demonstrates that the STRB shares our view on those key problems.

The STRB is clear that teacher supply problems have not been solved and could get much worse, that concerns on the competitiveness of teacher pay remain, that there are severe workload and wellbeing issues; and the STRB notes our concern that the pay structure results in major equalities issues.

The STRB remit and process

As the STRB notes, consultees unanimously rejected the exclusion of the vast majority of teachers and school leaders from consideration of pay uplifts in the STRB remit.¹ Our evidence-based opposition to the pay freeze, including the pay lost in real terms since 2010 and the severe teacher supply problems to which pay losses have contributed, is in stark contrast to the Government's approach.

It is troubling that in restricting the remit of the STRB and insisting on a pay freeze, the Government did not present evidence in support of its case. This fundamentally undermines the evidence-based process that should be the foundation for policy and for the activity of a pay review body.

It is noteworthy that the STRB states in its report: "The Review Body urges that we be allowed to fully exercise our role in making recommendations on pay uplifts for all teachers and school leaders for 2022/23, based on the evidence, including conditions in the wider economy."² Clearly, the STRB felt constrained by the remit.

We urge you to reflect on the impact of these developments on the credibility of the STRB process. Should the Government again seek to restrict the STRB in the next remit, it will once again undermine the credibility of the process and will be flying in the face of the clearly expressed view of the STRB.

Impact of the pay freeze

The STRB's findings underline the concerns we have about the impact of the pay freeze on the real and comparative value of teacher and school leader pay. The concerns expressed by the STRB have been amplified by developments in the wider economy since the STRB reported. This has major implications for teacher and school leader supply, which we explore in a separate section below.

On pay competitiveness, the STRB noted the recovery in earnings and pay settlements in the wider economy. The STRB underlined its concerns at the impact of an upturn in the graduate labour market as teacher and school leader pay is frozen, adding: "This poses significant risks to teacher recruitment and retention."³

Although the STRB did not follow through on this with an analysis of what pay increase it would have recommended had it not been given a restricted remit, the STRB clearly has major concerns about the impact of pay freezes on teacher and school leader pay.

The pay freeze resulted in an abrupt halt to the planned move towards £30,000 starting pay, reinforcing the lack of competitiveness between starting pay in teaching and that in other graduate professions.

The concerns on inflation have increased significantly since the STRB reported.

¹ STRB 31st Report, paragraph 2.13, page 13.

² STRB 31st Report, Executive Summary, page 2.

³ STRB 31st Report, Executive Summary, page 2.

The STRB quotes from the Bank of England Monetary Policy Report of February 2021, when the Bank expected inflation as measured by the CPI to “return to our 2% target later this year.” The latest Bank of England Monetary Policy Report, published in August 2021, was much more pessimistic and noted that inflation was already above the Bank’s target and was expected to rise further in late 2021.⁴

RPI is the more credible measure of inflation for pay purposes. The latest Treasury average of inflation forecasts for the fourth quarter of 2021 shows RPI at 4.3%.⁵

Higher inflation will mean a major cut to the real value of teacher and school leader pay, adding to the significant pay losses against inflation they have already suffered since 2010. This will add to what the Institute for Fiscal Studies described in July 2021 as the “long, long squeeze on teacher pay.”⁶

Similarly, the recovery in pay in the wider economy has gathered pace since the STRB reported. The STRB reported that whole economy average earnings grew by 4.5% in the three months to February 2021. In the three months to June 2021, average earnings grew by 8.8%.⁷

Even if these figures are being temporarily inflated, underlying earnings growth has strengthened considerably as we enter a period when teacher and school leader pay will effectively be cut by some 4% in real terms against RPI. Since the STRB reported that median pay settlements according to XperthHR were at 1.5% in April, XperthHR has reported that pay awards in the second quarter of 2021 were worth double those of the first quarter.⁸ LRD reports that the median pay settlement figure in the three months to July was 2.2%, reinforcing a pattern of increases in the three-monthly pay settlement figure since the start of 2021.⁹

In your statement to Parliament on the STRB report, you noted the “vital role” and “remarkable commitment” of public sector workers including in education, and the “dedication” shown by teachers and school leaders. Yet you went on to confirm the pay freeze and its significant reduction in the value of pay, with reference to “fairness” between the public and private sectors.

Teachers and school leaders know that this attempt to justify the pay freeze has no credibility. The Government selectively presented data from a short time frame at the start of the pandemic to support the pay freeze, ignoring the later recovery in private sector earnings and the context for private/public sector pay comparisons. ONS data for April to June 2021 shows – in contrast to the period April to June 2020 – that the growth in private sector workers’ pay was 10.1% compared to just 2.8% for public sector workers.¹⁰ As noted above, average earnings as a whole grew by 8.8% over this period.

⁴ <https://www.bankofengland.co.uk/monetary-policy-report/monetary-policy-report>

⁵ <https://www.gov.uk/government/statistics/forecasts-for-the-uk-economy-august-2021>

⁶ <https://ifs.org.uk/publications/15552>

⁷ <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours>

⁸ [Xperthhr.co.uk](https://www.xperthhr.co.uk)

⁹ <https://www.lrd.org.uk/index.php?pagid=29>

¹⁰ Average weekly earnings in Great Britain - Office for National Statistics ([ons.gov.uk](https://www.ons.gov.uk))

Moreover, private sector earnings growth was consistently and significantly ahead of earnings growth in the public sector throughout the latter half of the 2010s. After a short period during which the earnings of public sector workers – who made such a huge contribution to the pandemic response – held up better than those for private sector workers, private sector earnings growth is now significantly ahead once more.

The pay freeze will hit the living standards of our members hard, damaging teacher morale and further reducing the ability of the profession to recruit and retain. The pay freeze will also, by reducing the spending power of our members, damage the wider economy including the communities in which our members live.

The Government's attack on pay will have much more of an impact on how valued teachers and school leaders feel than warm words about their contribution during the pandemic. Teachers and school leaders are key workers who have contributed enormously to the pandemic response and will be equally important to the country as we recover from the pandemic. They deserve better than the Government's unjustified attack on their pay, which will further damage the profession after the sustained real terms pay cuts of the 2010s.

Recruitment and retention

The STRB noted that even in the extraordinary circumstances created by the pandemic, recruitment problems were still evident across the curriculum. On retention, the STRB said: "Teacher retention remains a pressing concern." The STRB also noted that any improvements in teacher and school leader supply may well be short-lived as the economy recovers from the pandemic.¹¹ There are already signs of further problems, with applications for secondary courses as at July 2021 falling below the levels seen in July 2020 and month-on-month additions to application numbers significantly down on 2020.

We now know from School Workforce Census (SWC) data published after the STRB drafted its report that, notwithstanding the overall increase in full-time equivalent (FTE) teacher numbers, the number of FTE entrants to teaching fell again in 2020-21.¹²

There was a significant fall in teachers leaving the profession in 2019-20 due to the extraordinary circumstances of the pandemic, but this tells us nothing about the potential for further wastage including for reasons directly relating to the pressure put on teachers and school leaders by the pandemic. This would be in addition to the deep-rooted retention problems which remain. Around a quarter of new teachers still leave the profession within three years of joining it, and around a third leave within five years.

Government initiatives such as flexible working and the new Early Career Framework bring with them changes to working patterns, including moves to part-time working and reduced hours, and increases in off-timetable time. These developments create further supply issues which can only be rectified by higher teacher numbers, yet this is not reflected in the Teacher Supply Model (TSM).

¹¹ STRB 31st Report, paragraph 3.55.

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

We need to remember that the years of under-recruitment and increasing retention problems have left a legacy of teacher shortages. During a period of significant increases in pupil numbers combined with a failure to recruit and keep the teachers and school leaders we need, pupil/teacher ratios and class sizes have increased significantly. Class sizes have reached their highest level in decades, adding further to workload as well as to supply problems.

As the STRB noted, the graduate labour market shows signs of recovery after the impact of the pandemic. Any increase in teacher supply will be short-lived, as it was after the 2008 recession, as the graduate labour market recovers and graduates note the further attacks on teacher and school leader pay.

This is against the background of the increasing concern expressed by the STRB in successive reports about the competitiveness of the teacher and school leader pay framework in the wider graduate labour market. That lack of competitiveness has not been solved by the impact of the pandemic and will be made worse by the pay freeze.

Pay structure

The STRB notes the overwhelming consensus on the need to remove performance-related pay (PRP) from the pay structure.¹³ Our organisations have all presented strong evidence on the damage caused by PRP, its inherent unfairness and the need for it to be removed. As well as creating unfairness and reducing transparency in terms of pay, PRP significantly contributes to the excessive accountability regime and workload problems by adding an unnecessary level of bureaucracy.

Alongside the urgent restoration of the real terms pay cuts, it is essential that we have a fair pay structure in place of the current arrangements. Pay “flexibility” and PRP were imposed in 2013, since which time teacher pay has deteriorated in real and comparative terms, many of our members have not received the pay progression that they deserved due to factors outside their control, and teacher supply problems have intensified. The evidence is clear that pay “flexibility” and PRP have failed.

We are united in our call for a fair national pay structure, progression to recognise the acquisition of experience and expertise, the removal of PRP and the restoration of positive and developmental appraisal that is not linked to pay. All of these reforms would help to improve teacher supply, by providing a fair, clear and transparent national pay structure within which teachers and school leaders, and those considering teaching as a career, could plan their career development.

The restoration of advisory points based on our previous joint pay advice to the STPCD for the main and upper pay ranges last year, and to the unqualified teacher pay range this year, is a step in the right direction. Nevertheless, we need to see mandatory pay points for all teachers and school leaders, with the points regarded as a minimum entitlement for all teachers and school leaders as part of a fair and transparent national pay structure.

¹³ STRB 31st Report, paragraph 2.35.

We were pleased to see that the STRB notes our concerns about the serious equalities issues relating to the pay structure and stressed again the need for the DfE to conduct further research, including through the SWC, to investigate these issues.¹⁴

We note the comments made by the STRB about seeking a review of the classroom teachers' pay framework and its separate invitation to the DfE to consider a remit on leadership pay. Our united view is that there must be a holistic and evidence-based review of the whole pay structure, to include all relevant issues such as the need to restore the real and comparative cuts to the value of pay, urgent solutions to the supply problems including reform of the pay structure and effective action on workload and wellbeing. None of these considerations should be limited by the current inadequate funding envelope. We call on you to consult our organisations fully on the next STRB remit, which should reflect these issues.

Wellbeing and workload

We note the points made by the STRB about wellbeing and workload.¹⁵ These issues interact strongly with pay, affected as they are by the unnecessary additional workload resulting from PRP and excessive accountability. The need for urgent action on workload and wellbeing, including the additional pressures created by the pandemic, also highlights the need for additional investment in education to reduce class sizes and pupil/teacher ratios, and to increase non-contact time. This reinforces the need to undertake the holistic, objective and evidence-based review to which we refer above.

Publication of the STRB Report

Once again, the STRB report was not published until late July. This has again created significant problems for consultation and planning at the school level. This must be addressed for future remits.

Conclusion

Our organisations represent the majority of teachers and school leaders in England. Our members are rightly angry at the unjustified and demoralising pay freeze. The Government is wrong on the key issues, seeks to restrict the STRB in its considerations and is damaging the profession.

In the face of the Government's plans to freeze their pay, teachers and school leaders continue to support the country's response to the pandemic. On their behalf, we urge you to drop the pay freeze and implement the pay increase needed to begin to repair the damage caused by the long period of real-terms cuts to the pay of teachers and school leaders. We also urge you to recognise the consensus on the key issues and to work with us on the urgent solutions needed. They include restoring competitive pay within a fair pay structure, as well as providing the support teachers and school leaders need including reduced workload.

¹⁴ STRB 31st Report, paragraphs 6.3-6.10.

¹⁵ STRB 31st Report, paragraphs 6.11-6.19.

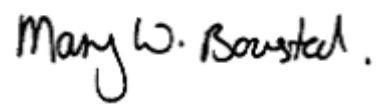
Yours sincerely



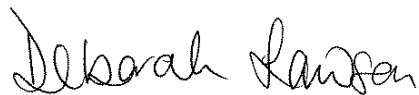
Geoff Barton
General Secretary
ASCL



Paul Whiteman
General Secretary
NAHT



Dr Mary Boustead
Joint General Secretary
NEU



Deborah Lawson
Assistant General Secretary
Voice Community



Kevin Courtney
Joint General Secretary
NEU