



School Teachers'  
Review Body

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THIRTY-FOURTH REPORT - 2024

*Chair:* Dr Mike Aldred

CP 1115



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Thirty-Fourth Report - 2024

*Chair:* Dr Mike Aldred

**Presented to Parliament by the  
Prime Minister and the Secretary of State  
for Education by Command of His Majesty**

**July 2024**



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ISBN 978-1-5286-4953-7

E03133636 07/24

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

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## OUR REPORT AT A GLANCE

### Our recommendations

- We recommend increases to teachers' pay of 5.5% at all grades. In addition, a 5.5% increase to all allowance ranges.
- The primary objective of our recommendations is to continue to address, in a balanced way, the structural deterioration in the pay of teachers relative to comparable professions and to improve levels of recruitment and retention.
- It is our view that the recommendations represent taxpayer value for money.

### Our conclusions are based on data (see [Chapter 2](#))

- **Nominal earnings growth** has reduced since summer 2023 but remains high compared to the last decade. In the three months to February 2023, annual growth in regular pay was 6.0%.
- **Pay settlements:** The median settlement in the three months to the end of March 2023 was 4.8%. Early indications for the remainder of 2024 are for median settlements of around 5%.
- **The relative value of teachers' earnings** has fallen behind the wider labour market (by 14 percentage points since 2010).
- **Teacher and leadership pay** is at the low end of the competitive range for jobs of comparable size and scope.
- **Teacher recruitment** continues to significantly miss targets across all secondary subjects with all but three subjects falling short. The trend in both primary and secondary recruitment is worsening.
- **The teacher leaving rate** has returned to pre-pandemic levels. The trend is concerning.
- **Price inflation:** CPI inflation was 3.2% in the year to March 2024 following a sustained period of higher inflation.
- **Funding:** In the next school year our recommendations will cost approximately £1.65 billion. Given the cost pressures on schools, adequate funding should be put in place to accompany the pay increases.

### Broader observations (see [our observations in full](#))

- Further work to develop career pathways and supporting structures should proceed as soon as practicable.
- Work on a strategic and transparent workforce plan for the teaching profession should commence as soon as practicable.
- National equality, diversity and inclusion data should be improved and published annually.
- Changes to guidance on appraisal and pay progression should be published as a priority.
- More proactive work on flexible working and flexibility in remuneration is needed.
- An appropriate standing timetable would enhance the STRB process.

### Targeting Remuneration (see [Chapter 3](#))

Targeting of remuneration already exists in teaching and is, to some extent, successful. We recognise that the expansion of targeting by subject is controversial and would likely have a negative overall impact if it is not done in a way that is broadly recognised as fair and reasonable. We set out a review of the current available evidence, consultees' views and identify a framework for future work on this topic. If done well, this might be a useful approach in helping to address the recruitment and retention of shortage subjects in a cost-effective manner.

## CHAPTER 1

### Introduction and context to the remit

- 1.1 This chapter sets out the context to our consideration of the remit, explains our approach to conducting the review and outlines the structure of this report.
- 1.2 The School Teachers' Review Body (STRB) is an independent body, established in 1991, that provides advice on the pay and conditions of school teachers in England to the Prime Minister and the Secretary of State for Education. As specified in the Education Act 2002, the role of the STRB is to consider matters referred to it by the Secretary of State and provide recommendations.
- 1.3 Our current membership is:
  - Dr Mike Aldred (Chair)
  - Mark Cornelius
  - Lauren Costello OBE
  - Harriet Kemp
  - Martin Post
  - Claire Tunbridge
  - Dr Andrew Waller

### ***STRB's 33rd report***

- 1.4 Our 33rd report was delivered to the Government in May 2023 in response to its request for pay recommendations effective from September 2023.
- 1.5 We recommended an increase of 6.5% to pay and allowance ranges of all grades, with higher increases to deliver a starting salary outside London of £30,000. The recommendations were accepted in full by the Government.
- 1.6 We also made a series of observations relating to performance-related pay progression, workload, targeting remuneration, career pathways and detailed equality and inclusion data.

### ***The remit for the STRB's 34th report***

- 1.7 We received our remit letter from the Secretary of State on 20 December 2023<sup>1</sup>. It set out the following matter for recommendation: An assessment of the adjustments that should be made to the salary and allowance ranges for classroom teachers, unqualified teachers, and school leaders in 2024/25.
- 1.8 The letter also noted the STRB's observation in its 33rd report on targeted remuneration to address subject-specific recruitment and retention challenges and

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<sup>1</sup> GOV.UK (2023) *School Teachers' Review Body (STRB) remit letter for 2024* - <https://www.gov.uk/government/publications/school-teachers-review-body-remit-letter-for-2024>

asked for its further views on the potential benefits, in principle, of targeting remuneration by subject in the future.

- 1.9 In making its recommendations, the remit letter set out a range of factors that the STRB should have regard to. These can be found in the full letter reproduced in [Appendix A](#). The remit letter requested a report from the STRB in May 2024.

### ***The pay review process***

- 1.10 Following receipt of the remit letter in December 2023, we invited our consultees to submit initial written representations and evidence by 21 February 2024. The Department submitted its evidence late, on 29 February. Notwithstanding this delay, our report is being submitted to the Secretary of State and Prime Minister in May 2024, as requested.
- 1.11 Any delay to the process is unfortunate and adds to the existing concerns of consultees about the timing of the publication of our reports and the Government's decision on pay increases, frequently at the end of the academic year, which makes timely implementation more challenging for schools.
- 1.12 After initial written evidence was received, links to the submissions were shared with all consultees who were invited to make a supplementary submission commenting on other parties' representations by 20 March 2024. The STRB then conducted oral evidence sessions with eight consultees in April 2024.
- 1.13 We would like to thank all those who provided evidence. Full versions of the submissions we received can be found at the links below.
- [ASCL](#)
  - [ASCL supplementary evidence](#)
  - [BATOD](#)
  - [The Department for Education](#) and [HM Treasury](#)
  - [Community](#)
  - [Community supplementary evidence](#)
  - [Joint union statement](#)
  - [NAHT](#)
  - [NAHT supplementary evidence](#)
  - [The NASUWT](#)
  - [The NASUWT supplementary evidence](#)
  - [NEOST](#)
  - [The NEU](#)

- [The NEU supplementary evidence](#)
- [NGA](#)

- 1.14 In addition to considering consultees' evidence, we commissioned from our secretariat analyses of the teaching workforce, based on a range of statistics and research that are cited in this report and presented more fully in and [Annex B](#) (Teacher labour market analysis). As in previous years, we have carefully examined data on the recruitment and retention of teachers, the wider labour market for graduates and on teachers' pay. Given our submission date of May 2024, the report has drawn on data published up to the end of April 2024.
- 1.15 As part of our regular annual programme of visits, we convened a combination of face-to-face and virtual discussion groups in late 2023 with teachers, school leaders, school business leaders and local authorities. We heard views on a range of matters including pay, recruitment and retention and school finances. As ever, the discussions strengthened our understanding of the issues and challenges faced by schools and teachers. We would like to thank all the individuals and organisations who facilitated the visits and shared their views with us. A summary of the key points we heard is provided in [Appendix C](#).



## CHAPTER 2

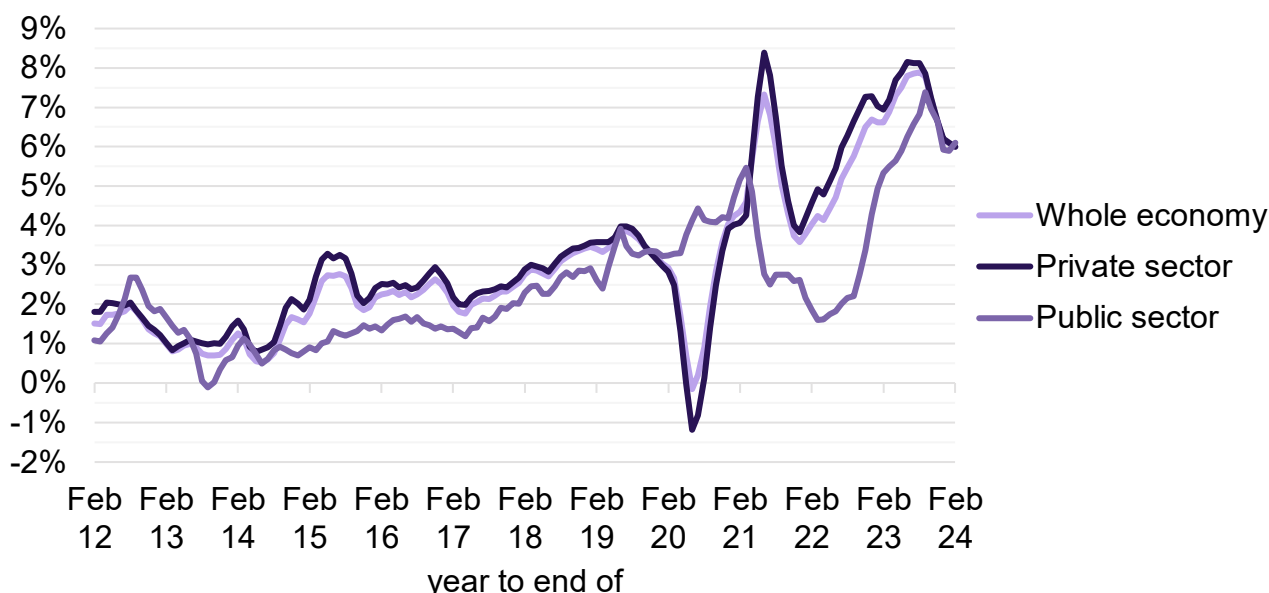
### Our conclusions and recommendations

#### Introduction

- 2.1 This chapter provides the recommendations of the School Teachers' Review Body (STRB) to the Prime Minister and Secretary of State on changes to the teacher pay and allowance framework effective from September 2024. Details of the remit and the factors we were asked to consider are set out in [Chapter 1](#) and [Appendix A](#).
- 2.2 Links to consultee evidence are provided in [Chapter 1](#). Our own evidence and analysis can be found in [Annex A](#) (Evidence on targeting remuneration) and [Annex B](#) (Teacher labour market analysis). We have carefully considered the full range of evidence available to us.
- 2.3 In this chapter we start by summarising themes from the relevant evidence and illustrate them with a selection of data drawn from our wider evidence base. We then proceed to set out the conclusions we have drawn and our recommendations.
- 2.4 In addition to our recommendations, we make a number of broader observations on matters we consider relevant to our purpose as an independent pay review body.

#### Earnings growth

**Figure 1: Average Weekly Earnings, annual growth rates (3-month average), regular pay, Great Britain<sup>2</sup>.**



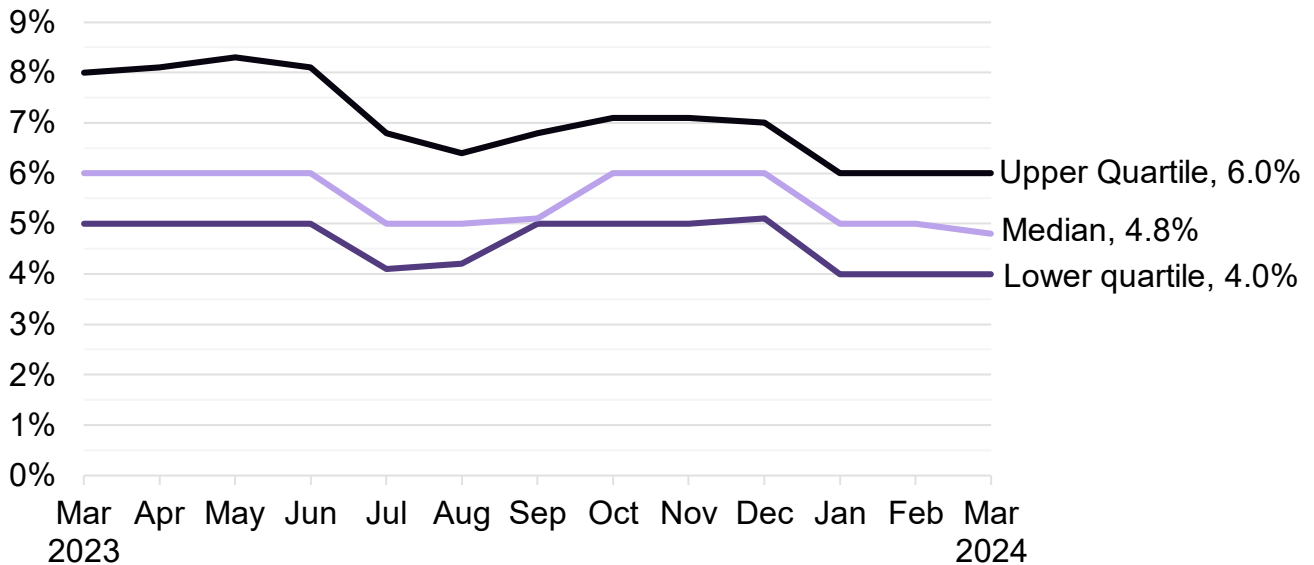
- 2.5 Earnings growth in the rest of the economy is an important factor affecting the ability to recruit and retain teachers.
- 2.6 The current rate of nominal earnings growth has reduced since summer 2023 but remains high compared to the last decade. In the three months to February 2024,

<sup>2</sup> ONS (2024) *EARN01: Average weekly earnings*, released 16 April 2024 - <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/averageweeklyearningsearn01>

annual growth in regular pay across the economy was 6.0% and also 6.0% for the private sector<sup>3</sup>.

## Pay settlements

**Figure 2: Economy-wide annual pay settlements, rolling three months, March 2023 to March 2024, percentage increase in basic pay<sup>4</sup>.**



2.7 Pay settlements are another indicator of pay trends across the wider economy. While earnings growth reflects past increases in pay, settlements are a forward indicator of changes.

2.8 Median pay settlements in the three months to the end of March 2024 were in the range 4.8% to 5%<sup>5</sup>. Based on awards so far this year, a median pay rise of around 5% is predicted across 2024<sup>6</sup>.

<sup>3</sup> ONS (2024) *Average weekly earnings in Great Britain: March 2024* - <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/averageweeklyearningsingreatbritain/march2024>

<sup>4</sup> OME analysis of Brightmine (formerly XpertHR) data. Available to Brightmine subscribers.

<sup>5</sup> Brightmine (formerly XpertHR) data. Available to Brightmine subscribers. IDR (2024) *Median pay award persists at 5.0%* - <https://www.incomesdataresearch.co.uk/resources/viewpoint/median-pay-award-persists-at-50>. Available to IDR subscribers.

<sup>6</sup> Brightmine (formerly XpertHR) data. Available to Brightmine subscribers.

## Price inflation

Figure 3: Annual CPI inflation rates, UK, March 2014 to 2024<sup>7</sup>.



2.9 Price inflation determines the real value of teachers' pay and affects school spending against budgets.

2.10 From April 2023 to March 2024, the 12-month inflation rate as measured by the Consumer Prices Index (CPI) has decreased from 8.7% to 3.2%. Prices are now rising more slowly than in 2022 and 2023 but are 21.6% higher than in March 2021.

2.11 Price inflation affects the ability to attract and retain when it results in higher general earnings growth if that growth is not also reflected in teachers' pay.

## Earnings forecasts

2.12 Forecasts of future earnings growth in the wider economy are relevant to our decision because our recommendation is for a settlement that will take effect in the future, in September 2024. In its March forecast, the Office of Budget Responsibility (OBR) projected four-quarter nominal earnings growth of 2.5% in 2024Q3 and 3.4% in 2024Q4<sup>8</sup>.

2.13 Our recommendations for teachers' pay in this report relate to increases effective in September 2024. The earnings growth information most directly relevant to our consideration is over the preceding year.

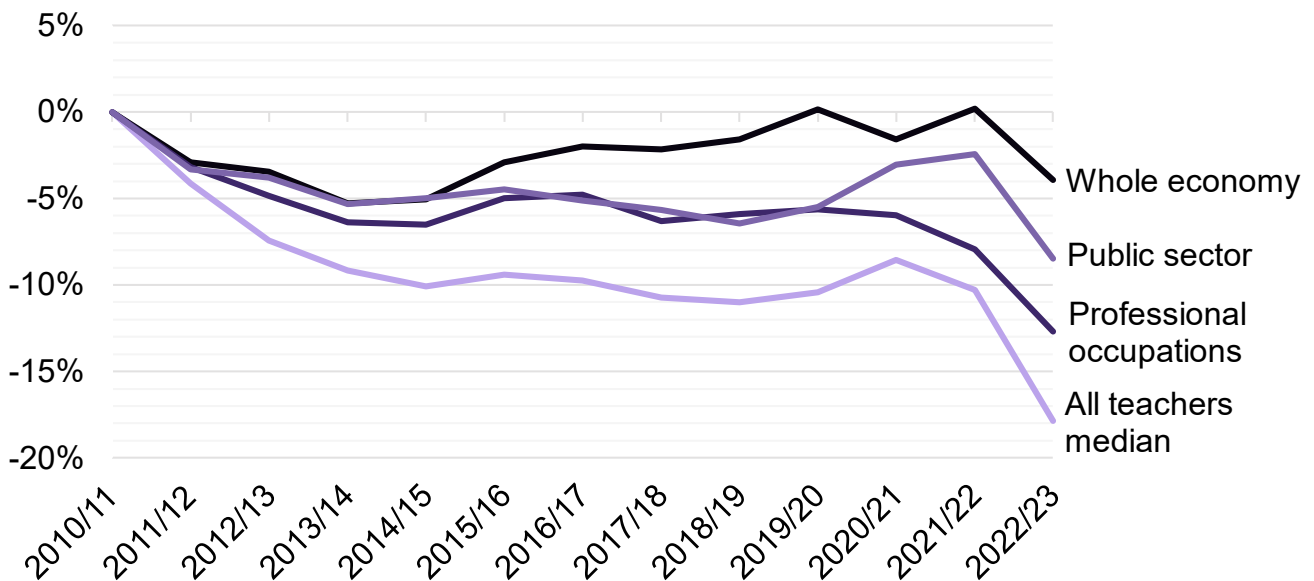
<sup>7</sup> OME analysis of ONS (2024) *Consumer price inflation, UK: March 2024* -

<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/march2024>

<sup>8</sup> OBR (2024) *Economic and fiscal outlook - March 2024* - <https://obr.uk/efo/economic-and-fiscal-outlook-march-2024/>

## Teachers' relative pay

**Figure 4: Real-terms change in median gross earnings for teachers in state-funded schools, the whole economy (England), public sector (England) and other professional occupations (England), compared to level in 2010/11<sup>9,10,11</sup>.**



2.14 Teachers' relative pay indicates how the financial attractiveness of teaching has changed compared to other occupations.

2.15 The relative value of teachers' earnings reduced throughout the early 2010s and has reduced further than earnings across the economy, the public sector and other professional occupations since then.

2.16 On a range of comparisons, the competitiveness of teachers' average pay has reduced markedly over a number of years.

<sup>9</sup> Nominal earnings have been adjusted using annual CPI figures (financial year). ONS (2024) *Consumer price inflation tables* -

<https://www.ons.gov.uk/economy/inflationandpriceindices/datasets/consumerpriceinflation>

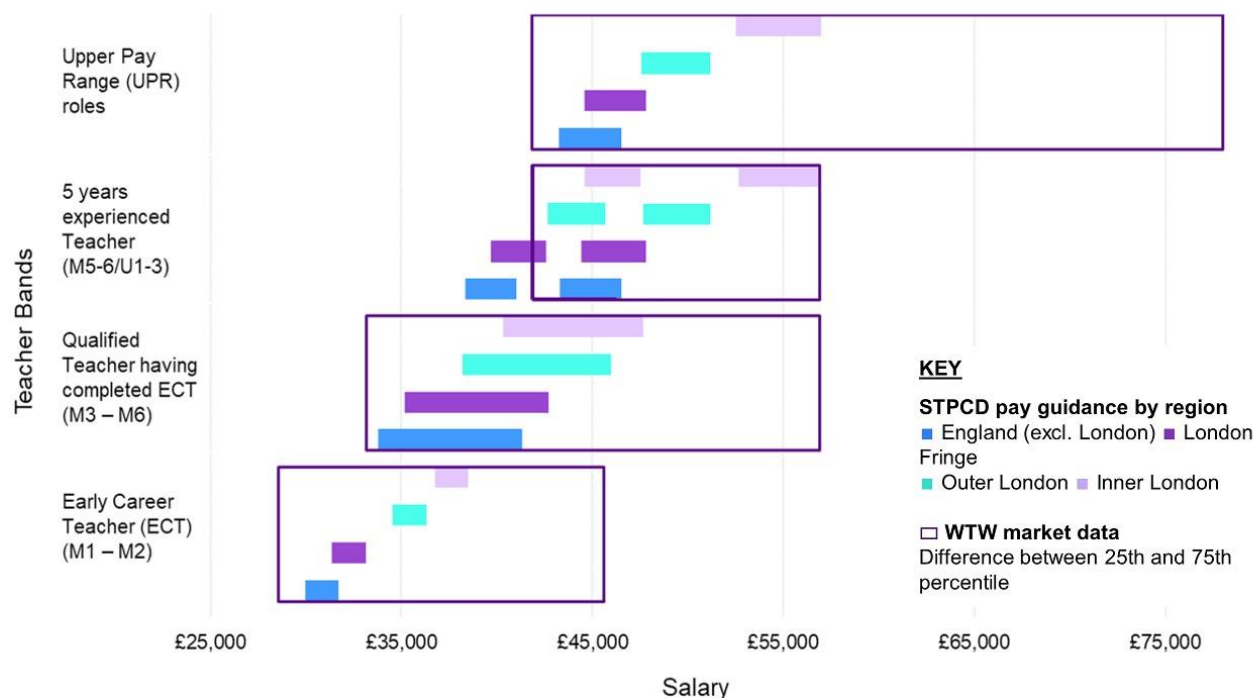
<sup>10</sup> Data for the whole economy and for professional occupations represent full-time median gross annual earnings in England. OME analysis of unpublished ASHE data. 2022/23 figures are provisional.

<sup>11</sup> OME analysis of Department for Education (2023) *School Workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england>. Note that the 2022/23 SWC data does not fully reflect the 2022/23 pay award.

## Pay benchmarking

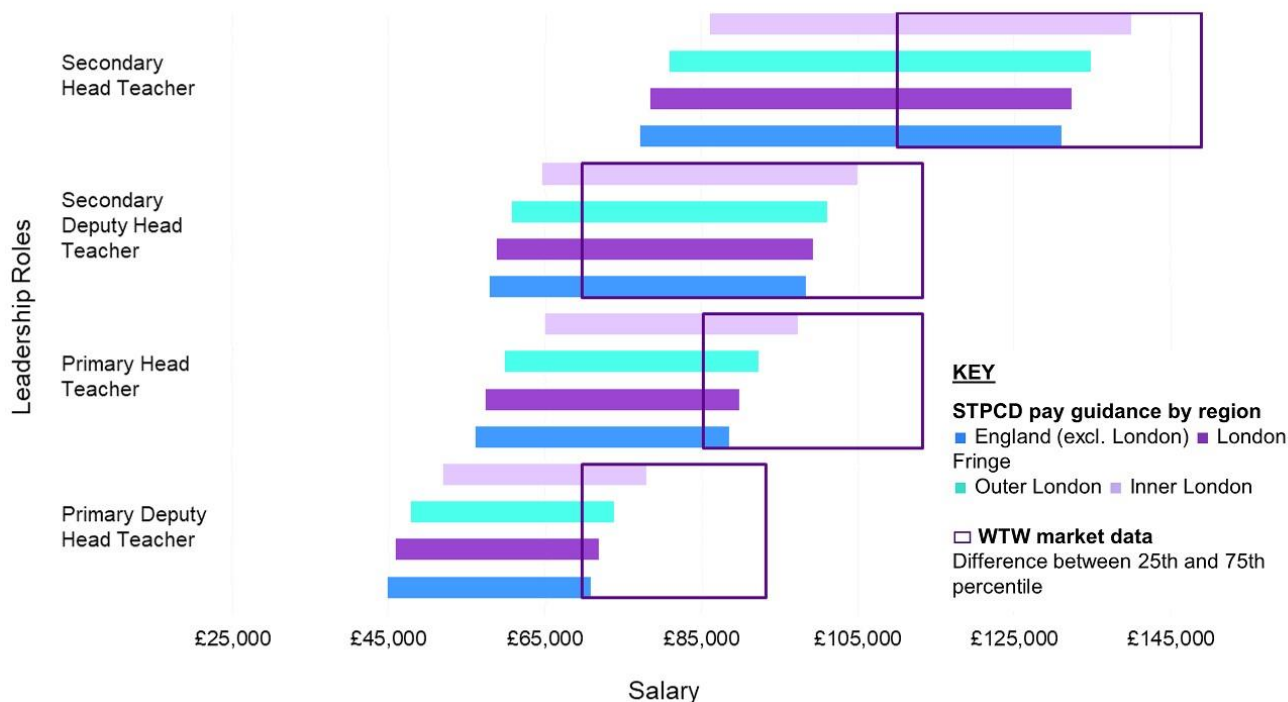
- 2.17 The analysis in the preceding sections provides comparative information on the rate of change of price inflation, earnings, pay settlements and teachers' pay relative to an historic point in time. Whilst these are useful inputs, they do not directly respond to a central important question: how competitive is teacher pay currently?
- 2.18 To assist the STRB in considering this question, we commissioned a leading pay benchmarking firm to undertake work in this area. More information about this work and a link to the full report we received can be found in [Annex B](#) (Teacher labour market analysis).
- 2.19 Benchmarking teacher and leadership roles against remuneration data for jobs of comparable size, scope and complexity provides an insight into the relative competitiveness of pay in the profession.
- 2.20 The coloured horizontal bars in the charts below indicate the current levels of teacher and leadership salaries. The boxes show a range of salaries for roles identified as broadly comparable in size and scope at various career stages. The market data is not geographically specific.

**Figure 5: Benchmarking teachers' salaries against the wider market<sup>12</sup>.**



<sup>12</sup> WTW (2024) *Teacher Job Levelling*. Published alongside this report and available at <https://www.gov.uk/government/organisations/school-teachers-review-body> (see Research and Statistics).

**Figure 6: Benchmarking leadership salaries against the wider market<sup>13</sup>.**



2.21 The minimum starting salary for teachers is between the lower quartile and median for comparable roles. The position is less competitive for teachers with more experience who progress up the Main Pay Range (MPR). Teachers at M5-6 are currently positioned below the lower quartile for roles identified as comparable.

2.22 The salary for teachers on the Upper Pay Range (UPR) is in a better comparative position, located between the lower quartile and median pay level.

2.23 The comparative salary position of Leadership roles in primary schools is generally below the lower quartile base salary data in all regions, whilst roles in secondary schools are better aligned to the market base salary data.

2.24 Benchmarking is a useful way to provide insights to the important central question of how competitive current pay is. It involves making a number of assumptions and judgements, which is why we have sought expert professional input. Benchmarking relies on finding an objective way to compare roles which, whilst different, share important characteristics in terms of size and scope. Whilst the outputs should be treated with care, and are based on a sample, it does provide a useful alternative lens to examine the competitiveness of pay. This type of exercise is standard practice in the private sector. We plan on building on this work in future reports.

<sup>13</sup> Ibid.

## ***The graduate labour market***

**Table 1: Graduate and teacher starting salaries, 2019 to 2024<sup>14</sup>.**

| <b>Source</b>               | <b>2018<br/>(£)</b> | <b>2019<br/>(£)</b> | <b>2020<br/>(£)</b> | <b>2021<br/>(£)</b> | <b>2022<br/>(£)</b> | <b>2023<br/>(£)</b> | <b>2024<br/>(£)</b> |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| ISE (organisational median) | 28,250              | 29,000              | 29,667              | 30,500              | 30,921              | 32,000              | -                   |
| High Fliers                 | 30,000              | 30,000              | 30,000              | 30,000              | 32,000              | 33,500              | 34,000              |
| Teachers (England)          | 23,720              | 24,373              | 25,714              | 25,714              | 28,000              | 30,000              | -                   |
| Teachers (Inner London)     | 29,664              | 30,480              | 32,157              | 32,157              | 34,502              | 36,745              | -                   |
| Teachers (Outer London)     | 27,596              | 28,355              | 29,915              | 29,915              | 32,407              | 34,514              | -                   |
| Teachers (Fringe)           | 24,859              | 25,543              | 26,948              | 26,948              | 29,344              | 31,350              | -                   |

2.25 Teaching is a graduate profession. The ability to attract well-qualified graduates is critical.

2.26 Data continue to show a post-pandemic recovery in the wider graduate market with a range of sources showing increases in opportunities for new graduates and in starting salaries.

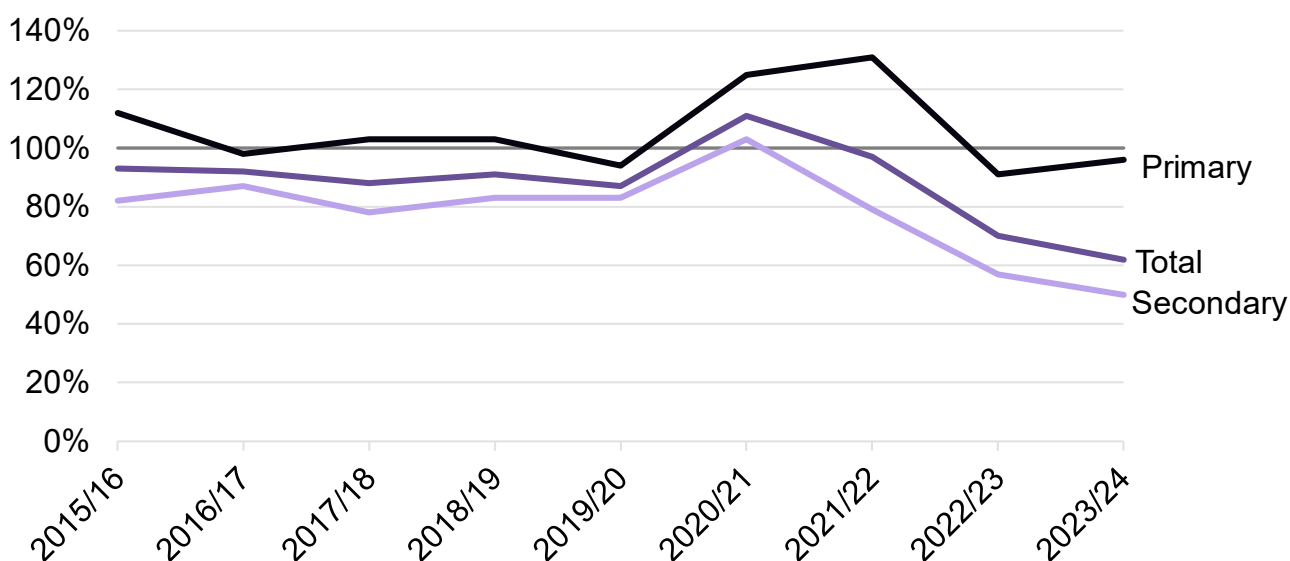
2.27 The latest data on starting pay across the graduate labour market show that some professions are offering significantly higher starting salaries than teaching although recent increases have made teacher starting salaries more competitive.

2.28 We note that some caution is required as the data may not be representative of graduate earnings in all areas of the country.

<sup>14</sup> Institute of Student Employers (2023) *Student recruitment survey 2023* - <https://ise.org.uk/page/ISEPublications>. Available to ISE members. High Fliers (2024) *The Graduate Market in 2024* - <https://www.highfliers.co.uk/>

## Recruitment

**Figure 7: Percentage of postgraduate ITT recruitment target reached, for primary, secondary and total, 2015/16 to 2023/24<sup>15</sup>.**



2.29 Newly qualified teachers are a key component of the totality of entrants to teaching each year.

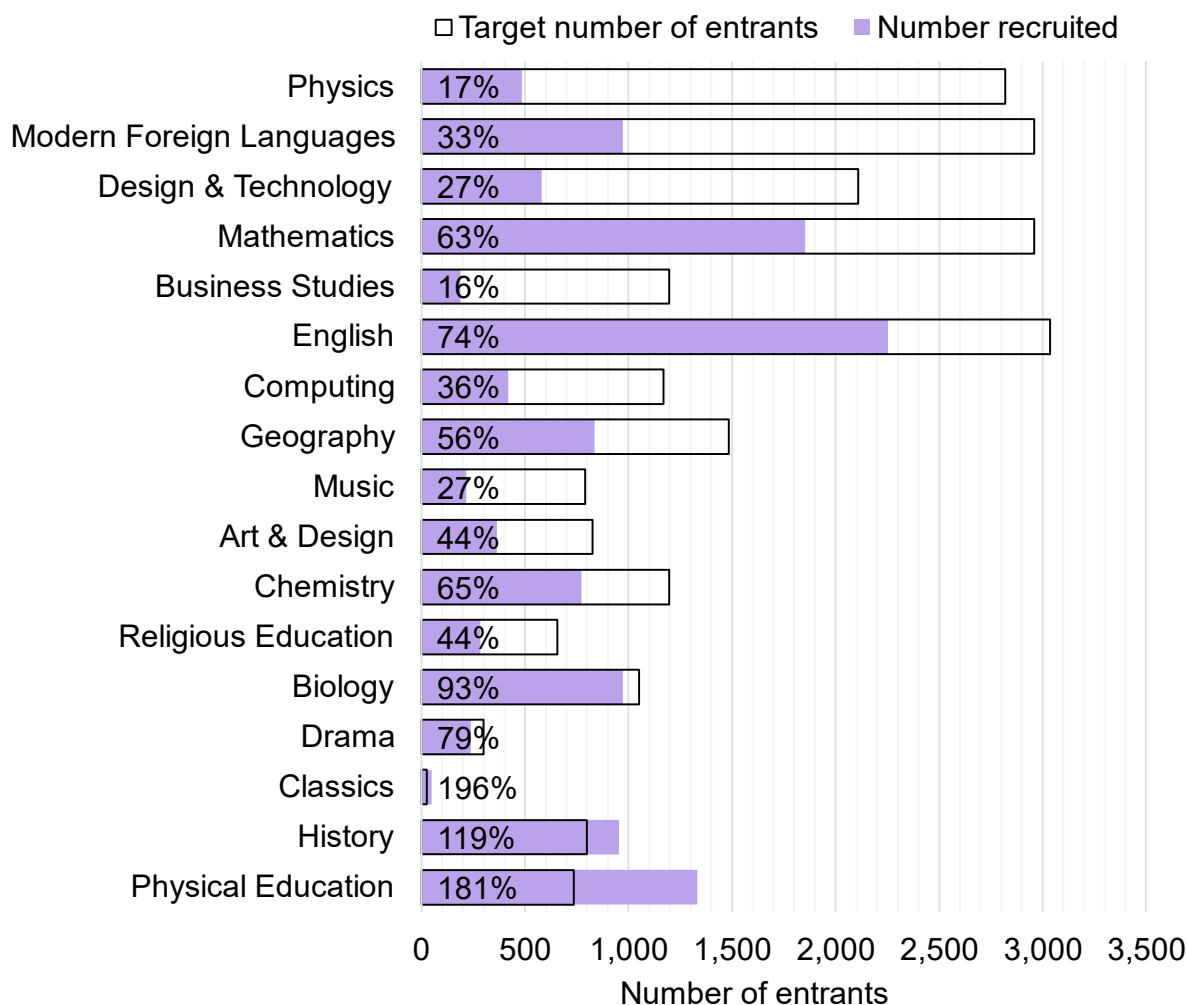
2.30 Performance against Initial Teacher Training (ITT) targets tells us whether enough suitable students to meet schools' needs have applied to teacher training courses. It is a key indicator of the adequacy of the future supply to the teaching profession as well as a lead indicator of the attractiveness of the profession.

2.31 Numbers were below headline targets in 2023/24, at 96% for primary and 50% for secondary (for which the target has not been met since 2012/13, except in 2020/21). This provides further evidence that the positive change to recruitment during the COVID-19 pandemic was short-lived. The measure for secondary recruitment is now well below pre-pandemic levels.

<sup>15</sup> OME analysis of Department for Education (2023) *Initial teacher training Census Academic year 2023/24* - <https://explore-education-statistics.service.gov.uk/find-statistics/initial-teacher-training-census>. Figures for 2023/24 are provisional and are subject to change. 2022/23 figures have been revised.



**Figure 8: Secondary subjects: entrants to ITT compared to targets 2023/24<sup>16</sup>.**



2.32 Fourteen out of seventeen secondary subjects did not achieve their target number of recruits in 2023/24. Twelve fell short by more than 25% and six fell short by more than 60%.

2.33 The number of teachers from overseas awarded qualified teacher status (QTS) has declined sharply (from 5,004 in 2017/18 to 2,002 in 2022/23), despite a 19% increase on 2021/22.

2.34 The STRB remains deeply concerned about the overall level of recruitment, the general trend emerging and what appears to be a firmly established and persistent problem of under-recruitment in certain subjects.

2.35 Persistent recruitment problems can result in a vicious circle where a shortage of teachers in a subject results in a deterioration in teaching quality. This in turn adversely impacts the supply of future teachers as there would be an insufficient number of graduates in those subjects to recruit from. In addition, if teaching can no longer attract a selection of the best talent in a particular subject, the sentiment

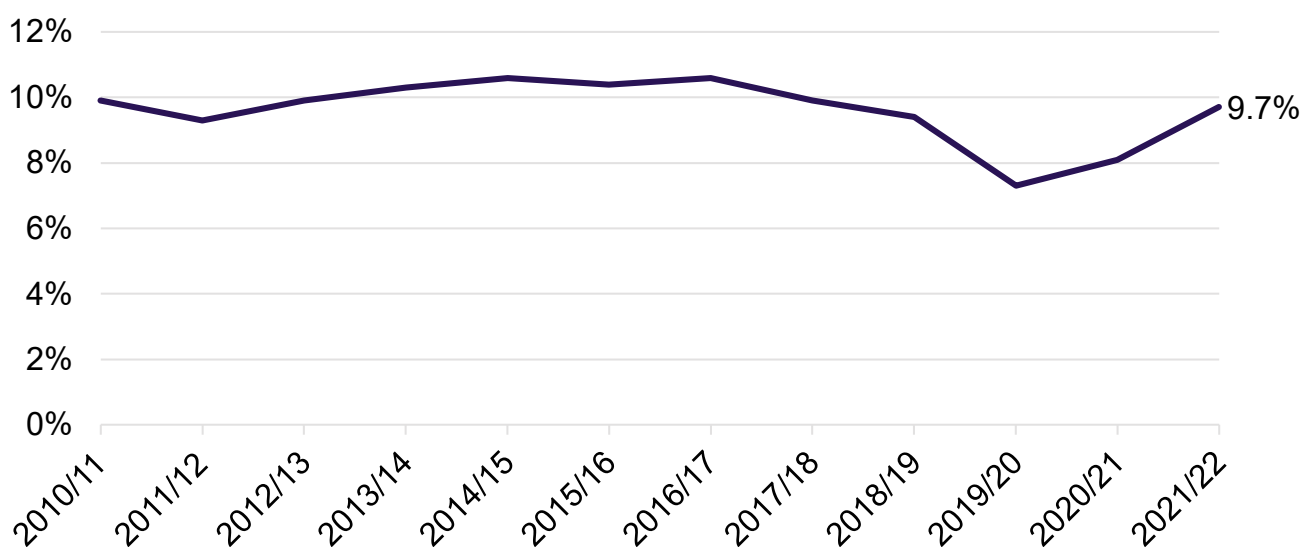
<sup>16</sup> OME analysis of Department for Education (2023) Initial teacher training Census Academic year 2023/24 <https://explore-education-statistics.service.gov.uk/find-statistics/initial-teacher-training-census>. Figures for 2023/24 are provisional and are subject to change. Physical Education includes Dance. Subjects are sorted by absolute shortfall to target.

surrounding a career in teaching may turn negative and potential new joiners will seek alternative careers.

2.36 The shortages we see in some subjects do not appear to be simply temporary but are systemic and require focussed remediation with a long-term plan. In parallel we must also prevent a wider range of subjects falling into this pattern. NFER's projection for ITT recruitment in 2024/25, based on application data, indicates that 10 out of 17 secondary subjects are at risk of under-recruiting<sup>17</sup>.

## Leaving rates

**Figure 9: Overall leaving rate for qualified teachers in state-funded schools, 2010/11 to 2021/22<sup>18</sup>.**



2.37 Alongside recruitment, leaving rates are key in determining whether schools have enough teachers.

2.38 Headline leaving rates fell between 2016/17 and 2018/19, reflecting a long-term downward trend in retirements as well as a fall in those leaving the sector for other reasons. They then fell further as the pandemic reduced job opportunities in the wider labour market. The most recent available data, leaving rates up to November 2022, show rates have returned to pre-pandemic levels, fully reversing the downward trend from 2019/20. This is a cause for concern.

2.39 Leaving rates vary across school phases and subjects. They are typically higher in secondary schools compared to primary schools and, within secondary schools, in Science, Technology, Engineering and Mathematics (STEM) subjects compared to non-STEM subjects. They are also higher in Modern Foreign Languages<sup>19</sup>.

<sup>17</sup> National Foundation for Educational Research (2024) *Teacher Labour Market in England Annual Report 2024* - <https://www.nfer.ac.uk/publications/teacher-labour-market-in-england-annual-report-2024/>

<sup>18</sup> OME analysis of Department for Education (2023) *School Workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

<sup>19</sup> Source: The Department's written evidence. <https://www.gov.uk/government/publications/evidence-to-the-strb-2024-pay-award-for-teachers-and-leaders>

2.40 According to the Department’s Working Lives of Teachers and Leaders Survey (WLTL), conducted in spring 2023, more than a third (up from a quarter in 2022) of teachers and leaders reported that they were considering leaving the state school sector in the next 12 months for reasons other than retirement<sup>20</sup>.

2.41 Vacancy levels can also indicate how far recruitment and retention are sufficient to meet needs. SchoolDash, which collects data on teacher vacancy adverts found each week on school and college websites, provides more recent vacancy data than those from the School Workforce Census. SchoolDash’s data show that the cumulative number of vacancies for 2023/24, to date, is running close to the exceptionally high levels seen in 2022/23<sup>21</sup>.

## School finances

**Table 2: Core schools’ funding in England (£ billion) from financial year 2020-21 to 2024-25<sup>22,23</sup>.**

| Financial year | £ billion | Change (£ billion) | Change (%) |
|----------------|-----------|--------------------|------------|
| 2020-21        | 47.6      | -                  | -          |
| 2021-22        | 49.8      | 2.2                | 5%         |
| 2022-23        | 53.8      | 4.0                | 8%         |
| 2023-24        | 57.7      | 3.9                | 7%         |
| 2024-25        | 59.6      | 1.9                | 3%         |

2.42 Core schools’ funding settlements have been confirmed for the period up to, and including, financial year 2024-25. Costs arising from this year’s pay award will impact on both financial year 2024-25 and 2025-26. There is no funding settlement in place for the latter.

2.43 Schools’ budgets will increase by different amounts each year depending on pupil numbers and characteristics. What individual schools can afford may vary significantly from the average position.

2.44 There was a strong consensus on school finances from consultees. They stressed that cost pressures continued to squeeze budgets. All these consultees called for the pay award to be fully funded by government. At the time of giving evidence, the Secretary of State and the Department did not propose additional funding.

<sup>20</sup> Department for Education (2024) *Working lives of teachers and leaders: wave 2 summary report* - <https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-2/working-lives-of-teachers-and-leaders-wave-2-summary-report>

<sup>21</sup> OME analysis of SchoolDash Insights data. Available to SchoolDash subscribers.

<sup>22</sup> House of Commons Library (2022) *School funding in England* - <https://commonslibrary.parliament.uk/research-briefings/cbp-8419/>

<sup>23</sup> 2024-25 figure correct at time of STRB receiving written evidence. This figure has since been revised to £60.7 billion, reflecting additional pensions funding.

## ***Our conclusions and recommendations for 2024/25***

- 2.45 Recruitment and retention of sufficient numbers of high-quality teachers remains the key objective of our pay considerations. Both continue to be below the level required to fill posts across regions, school types and subject specialisms with appropriately qualified teachers.
- 2.46 Last year, we observed that recruitment shortfalls were particularly concerning and getting worse. That picture is largely unchanged. The latest data show retention levels have also deteriorated following an improvement around the pandemic. The loss of experienced teachers, including those who may transition to leadership and other non-classroom roles, is a significant concern.
- 2.47 While several factors affect teachers' motivation, we believe the supply challenges are influenced in part by pay. Salaries need to be sufficiently competitive to recruit and retain high-quality teachers and leaders, but there is strong empirical evidence that they are failing to achieve this. This is supported by data showing teacher pay has deteriorated in relative terms against economy-wide earnings and other professional occupations. This is also consistent with the results of the benchmarking study for comparable roles.
- 2.48 In its evidence, the Government said the 2024/25 pay award must strike a careful balance between recognising the vital importance of teachers whilst being mindful of overall financial sustainability, challenging macroeconomic conditions and value for the taxpayer.
- 2.49 We recognise that government ultimately makes the decisions on budgets. Our role is to provide independent recommendations which take into account all the relevant evidence. We are mindful of the funding position and note the settlement for the financial year 2025-26 is still to be decided. The evidence is clear that there are cost pressures in some places so it will be important that the implementation of the pay award is supported financially, as was the case in 2023. We recognise that the implementation of our recommendations is a significant challenge for both the Department and for schools.
- 2.50 We have again considered best value for money for taxpayers, and the need for our recommendations to be cost-efficient while supporting the recruitment and retention of a high-quality teaching workforce. We noted last year that, while spending more than is needed is not a good use of public funds, spending too little may also give rise to serious problems with subsequent costs which can represent poor value for money.

## ***Recommendations***

- 2.51 With effect from September 2024, we recommend a 5.5% increase to all pay ranges and advisory points for classroom teachers, unqualified teachers and school leaders.
- 2.52 Given that the various allowances form part of teachers' total pay, we concluded it is appropriate to increase their values by the same rate (5.5%), ensuring that the headline award rate is reflected across all elements of a teacher's pay.
- 2.53 The proposed pay and allowance ranges, and advisory pay points, are set out in full in [Appendix D](#).

2.54 We understand our recommendations would increase the paybill for state-funded mainstream schools by 5.5% or approximately £1.65 billion over the next school year.

### ***STRB's observations***

2.55 In sharing our candid, broader observations we hope to make a constructive contribution to the future development of the longer-term planning needed for successful teacher recruitment and retention.

### **Career paths**

2.56 Last year, the Secretary of State asked for initial views on work to support coherent and fulfilling career pathways for teachers. We noted that, over time, individual adjustments and interventions had reduced the clarity and coherence of career paths open to teachers. We suggested that the system needed to play a more active role in enabling teacher development in order to provide teachers with greater clarity on career options and, thereby, to support teacher recruitment and retention.

2.57 We set out our initial thinking as well as the principles which might underpin our proposal for collaborative work with stakeholders. That work would look to articulate career pathways and develop the supporting pay and conditions framework.

2.58 Our initial thinking was well received and the evidence from several of our consultees this year supports the need for such work to progress with some urgency. Updating the approach in this area is overdue and has the potential to make a material difference to the attractiveness of the profession. We suggest that our previous advice is acted upon.

**STRB observation: Further work to develop career pathways and supporting structures should proceed as soon as practicable.**

### **Workforce plan**

2.59 There are systemic and persistent shortages of teachers, especially in some secondary subjects. In some locations it is particularly difficult for schools to recruit and retain the teachers they need. Our view, supported by the evidence we received from consultees, is that the profession lacks a coordinated long-term strategic workforce plan aimed at ensuring staffing levels are sufficient and sustainable.

2.60 Such a plan would improve the ability to make best use of the school workforce, to reliably forecast future need, to act on those forecasts, and to better match staffing and funding to educational need.

2.61 In addition to enabling sufficient staffing in the right places, the plan should set out coherent action to support recruitment, retention and professional development. Currently, there is a range of initiatives in place to support recruitment. However, supply remains insufficient, and more action is required.

2.62 To ensure broad confidence in such a workforce plan we think that this approach and model should be as transparent as possible with stakeholders having access to the methodology and assumptions. We think more can be done to ensure that the Department's workforce planning is widely trusted.

**STRB observation: Work on a strategic and transparent workforce plan for the teaching profession should commence as soon as practicable.**

### **Equality, diversity and inclusion**

- 2.63 Last year, we highlighted the need for more frequent and detailed equality, diversity and inclusion data at a national level (in addition to the existing disclosure obligations at employer level). We noted that data transparency was a prerequisite for identifying and addressing inequalities and inclusion challenges, and for securing stakeholders' confidence in the Department's commitment to addressing these.
- 2.64 The evidence we received this year suggests the sector believes more still needs to be done and that a lack of timely data is inhibiting planning of initiatives that might improve these issues. The Department should provide leadership on this issue and produce regular and timely reporting at a national level.

**STRB observation: National equality, diversity and inclusion data should be improved and published annually as a priority.**

### **Performance-related pay progression**

- 2.65 Last year, we suggested that the existing obligation on schools to operate performance-related pay progression should be withdrawn, pending further work.
- 2.66 The Department has already indicated its agreement and we encourage it to publish updated guidance in good time for the new school year.

**STRB observation: Changes to guidance on appraisal and pay progression should be published as a priority.**

### **Flexibility**

- 2.67 Greater flexibility in a number of areas, applied sensibly, can support recruitment and retention. This applies to aspects of both working terms and conditions as well as remuneration.
- 2.68 On working conditions, we support the broader call for improved opportunities for flexible working. More proactive work is needed in what is a challenging policy area.
- 2.69 On remuneration, examples might include greater flexibility to support phased retirement and a more flexible application of allowances (e.g. permitting Teaching and Learning Responsibility payments to be paid in full to part-time teachers where they carry out the entirety of the role).

**STRB observation: More proactive work on flexible working and flexibility in remuneration is needed.**

### **The STRB process**

- 2.70 This year's STRB process has once again been impacted by delays to the delivery of evidence. The timing of the process is unpredictable and is later than needed by schools. This has, to some extent, undermined confidence in the process and is a distraction to both consultees and the review body in its work. The delays also increase the implementation challenges for schools. This has become a pattern but is avoidable.

2.71 We believe the process should be transparent and predictable for all parties. Since most aspects of this process are needed every year, it would be sensible to plan time accordingly and not rely on a political decision to initiate the routine aspects of the work. The process could be guided by a standing timetable, prescribing the key milestones and making it possible to review and implement recommendations in a timely manner.

**STRB observation: An appropriate standing timetable would enhance the STRB process.**

## CHAPTER 3

### Targeting remuneration

#### *Introduction*

- 3.1 This year's remit letter from the Secretary of State invites our views on the potential benefits, in principle, of targeting remuneration by subject in the future.
- 3.2 In our 33rd report, we noted there are flexibilities available to schools to support the recruitment and retention challenges they face and that fuller use of these may help to alleviate shortfalls. Our view was that the extent of the shortfalls suggested it may be necessary to go further and target resources so that they are better focussed towards the most acute recruitment and retention challenges.
- 3.3 We have sought the views of consultees on these issues. These have complemented our own work which we describe in this chapter.
- 3.4 The chapter's structure reflects the approach we have taken in developing our initial thoughts. It covers:
  - The remit question and our interpretation;
  - Evidence of the recruitment and retention challenges;
  - Consultees' views;
  - Approaches to targeting remuneration in the wider economy and in schools, with evidence of impact;
  - Issues of principle and practice to consider in exploring further interventions;
  - Our views on how targeting remuneration could address supply issues for secondary subjects.

#### *The remit question*

- 3.5 STRB's remit letter is clear that the initial thinking sought from STRB is in relation to the supply challenges with secondary school subjects. While we note challenges in other areas of the workforce, our focus here is on the specific remit question.
- 3.6 In its evidence to STRB, the Department confirmed its interest in hearing our views on the benefits, principles and wider considerations of targeted remuneration to inform exploration of this concept over the longer-term.
- 3.7 The remit letter does not seek detailed recommendations at this point so our aim here is to examine the issues and provide our considered view, taking into account consultees' input, which may be useful in planning possible future work.

#### *Evidence of the recruitment and retention challenges associated with secondary subjects*

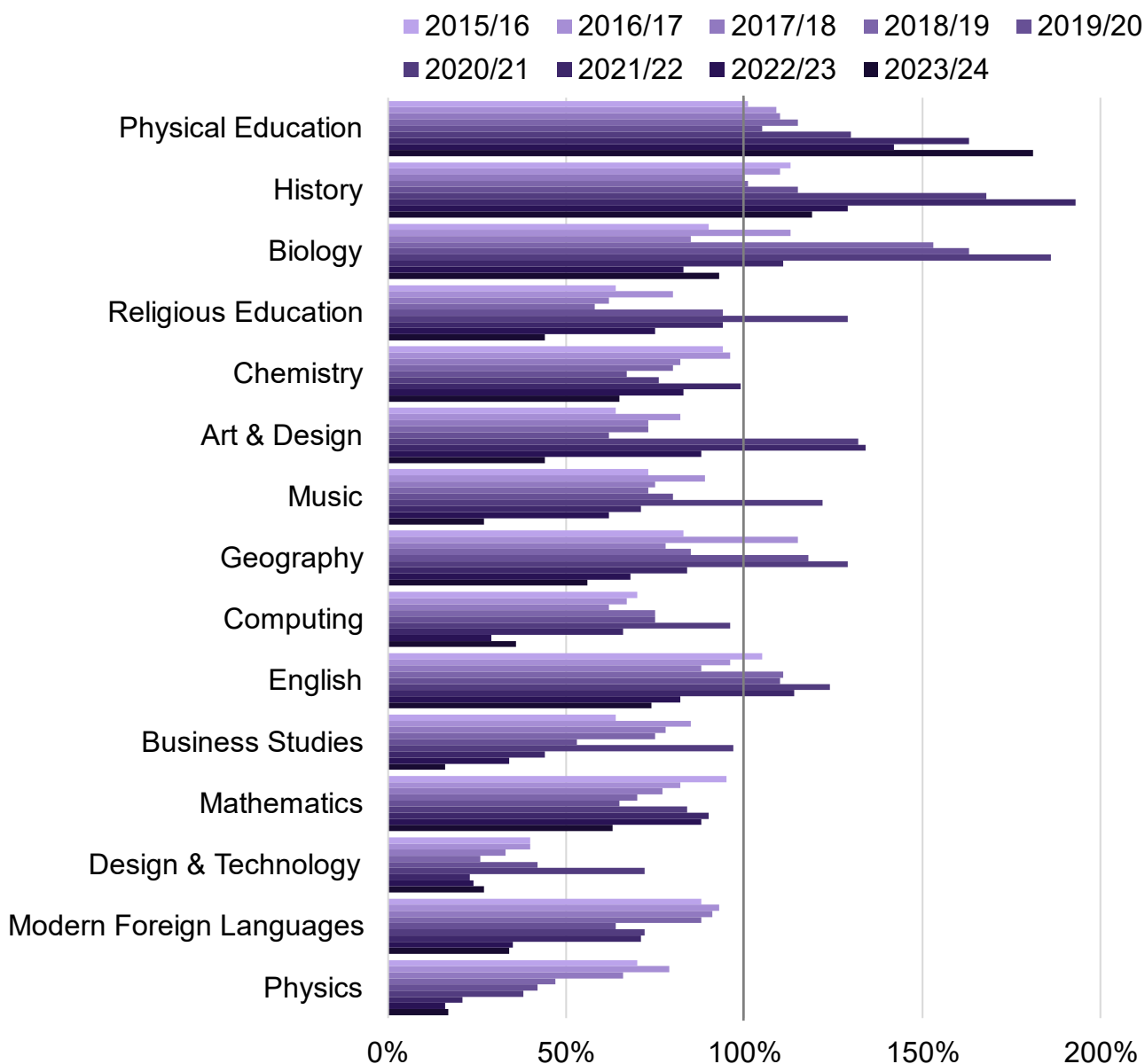
- 3.8 There is a broad acceptance that the supply of teachers for a range of secondary subjects is inadequate. The extent of the problem varies between and within



geographies and across different subjects. We set out below some of the key data evidencing the challenges.

## Recruitment

**Figure 1: Percentage of ITT target met by subject, 2015/16 to 2023/24, in descending order of targets achieved in 2023/24<sup>24</sup>.**



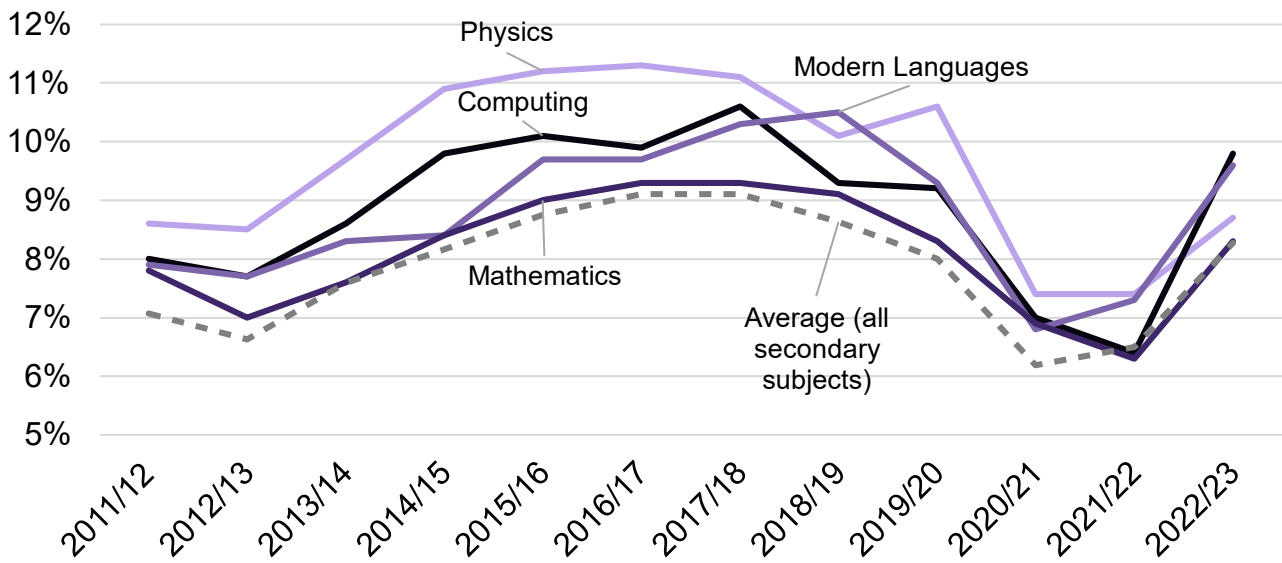
3.9 Recent years have seen large shortfalls in the recruitment against target of ITT students for a range of secondary subjects.

3.10 We see some subjects that fall perennially below target (e.g. Mathematics, Physics, Chemistry, Computing, Modern Foreign Languages, Design and Technology). The most recent year's data, though, show that the shortfalls to ITT recruitment apply to 14 of the 17 secondary subjects. The only exceptions are History, Physical Education and Classics.

<sup>24</sup> Department for Education (2023) *Initial Teacher Training Census Academic year 2023/24* - <https://explore-education-statistics.service.gov.uk/find-statistics/initial-teacher-training-census/2023-24>

## Retention

**Figure 2: The percentage of teachers that leave service and are under the age of 55, selected subjects compared to the average rate across all secondary subjects<sup>25</sup>.**



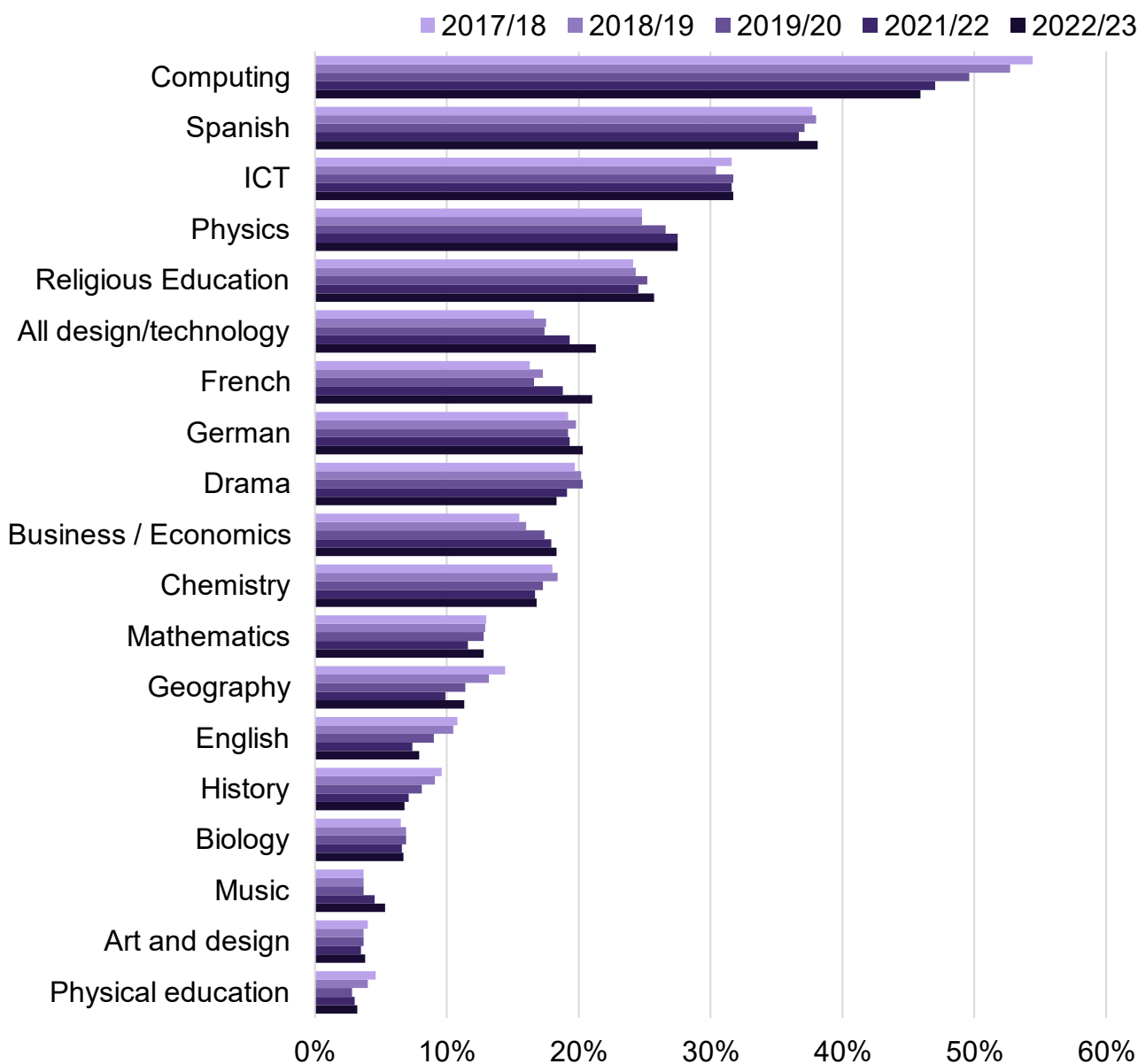
3.11 Physics, Computing and Modern Languages typically have the highest leaving rates.

3.12 Leaving rates are highest among those in years 1-5 in the profession. Department for Education data show that retention after each year of service is consistently lower for STEM subjects than non-STEM.

<sup>25</sup> Department for Education (2024) Postgraduate initial teacher training targets: 2024 to 2025 - <https://www.gov.uk/government/statistics/postgraduate-initial-teacher-training-targets-2024-to-2025>. Leaving rates here are derived from the Teacher Workforce Model (TWM) where 'leavers' also include those leaving state-funded primary and secondary schools to teach in PRUs and special schools, which is not the case in the SWC data.

## Hours taught by qualified specialist teachers

**Figure 3: Percentage of hours taught by teachers with no relevant post A-level qualification, selected subjects, 2017/18 to 2022/23<sup>26</sup>.**



3.13 The proportion of hours taught by teachers without a post-A-Level subject qualification varies considerably by subject, from 3% for Physical Education to some 50% for Computing. The picture for individual subjects has remained relatively stable over recent years.

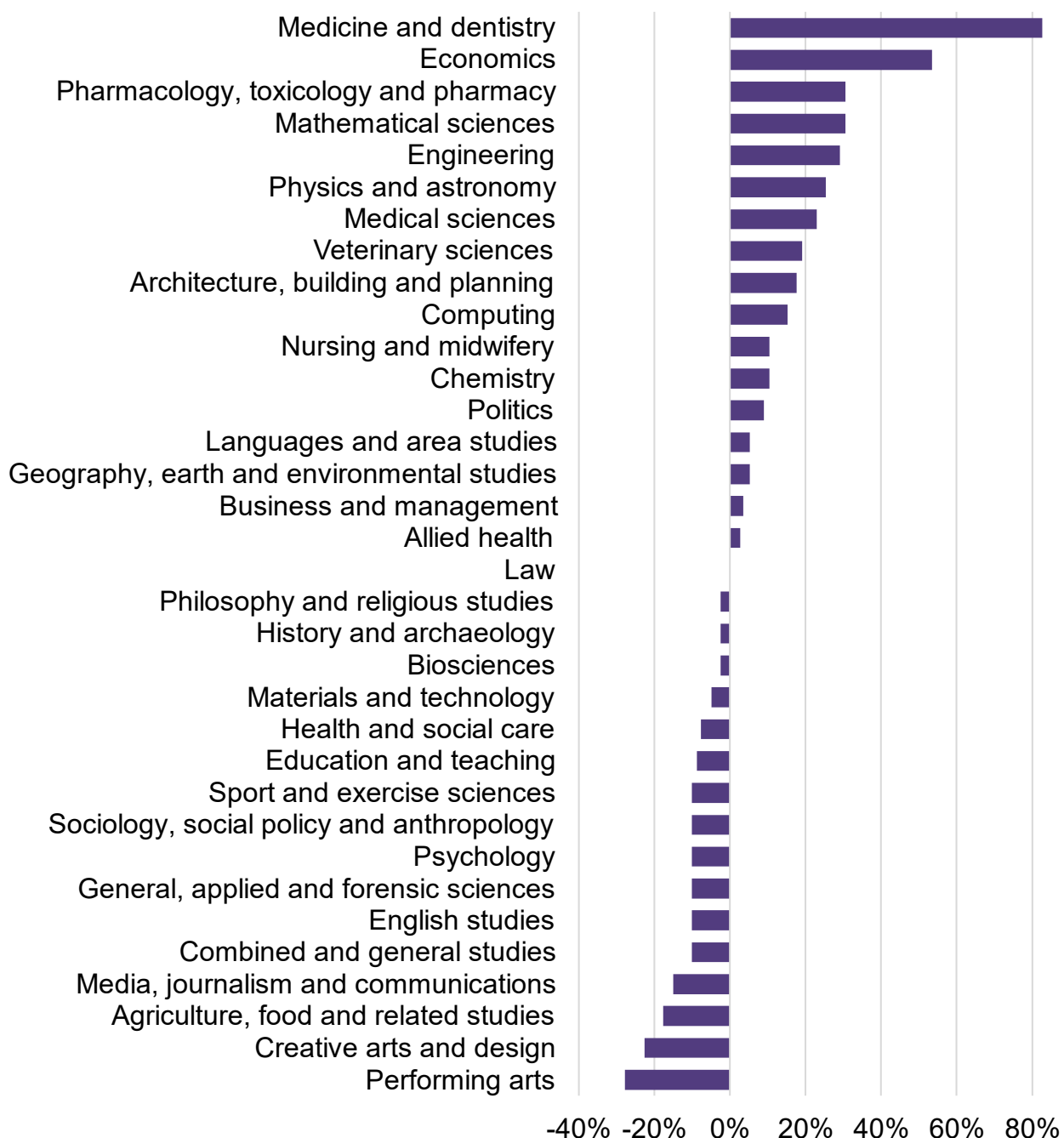
3.14 Hours taught by teachers without the relevant qualification are not evenly distributed. This is most acute in the most disadvantaged schools (measured by the proportion of pupils eligible for free school meals (FSM))<sup>27</sup>.

<sup>26</sup> OME analysis of Department for Education (2023) *School Workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

<sup>27</sup> EPI (2020) *Teacher shortages in England: analysis and pay options* - <https://epi.org.uk/publications-and-research/teacher-shortages-in-england-analysis-and-pay-options/>

## Earnings by graduate subject

**Figure 4: Median earnings by degree subject (as percentage of overall median earnings), five years after graduation, 2020/21 (2014/15 graduates)<sup>28</sup>.**



3.15 There is considerable variation by degree subject in graduate earnings. Data for earnings five years after graduating shows median pay ranging from 28% below the overall median (Performing arts) to 83% above (Medicine and dentistry).

3.16 Earnings for those studying Computing, Economics, Mathematics and Science subjects are amongst the highest.

<sup>28</sup> LEO graduate outcomes provider level data <https://explore-education-statistics.service.gov.uk/data-tables/permalink/09e96115-ed18-4ee2-9046-08dc562c85bb>. Analysis based on degree subject; graduates could be working in any profession.

3.17 Overall, the evidence of the supply challenges associated with secondary subjects shows that:

- There is a major problem with recruitment to several secondary subjects.
- This is compounded by relatively poor retention rates for some subjects.
- The outside-earnings opportunities for teachers of certain subjects are greater than for others. This is consistent with the observation that recruitment into teaching is less successful for these subjects.
- There is considerable variation across subjects in the proportion of teachers with a relevant post-A-Level qualification.

3.18 This impact is unequal in its distribution with shortages of qualified subject specialists more acute in schools with a higher proportion of free school meals eligibility. As a result, those pupils who are already socially and economically disadvantaged also have to deal with the unfairness of less specialised teaching in certain subjects. This merits a high degree of concern. It is unfair to deprive those who are disadvantaged financially from equality of opportunity. As well as being unfair, in our view the current approach also represents poor long-term value for money by wasting the potential of children in these subjects.

### ***Consultees' evidence and views***

3.19 We received a range of comments from consultees.

3.20 Key points from the Department's evidence were:

- The Department recognised that recruitment and retention has been more challenging for some subjects than others. It was committed to addressing these challenges and therefore believed it worthwhile considering whether the pay system could do more.
- It set out some of the measures it already takes, including bursaries, scholarships, levelling-up premia, the availability to schools of existing flexibilities, partnerships with STEM professional organisations and the provision of Subject Knowledge Teaching Programmes.
- The UK labour market was particularly competitive for STEM graduates and there was a relationship between higher relative pay outside teaching and higher leaving rates from the profession.
- Research suggested a positive retention impact from financial incentives, concluding that enhanced pay could improve the supply challenge in shortage subjects, particularly where it provided prospective and current teachers with certainty of a higher ongoing salary.
- Potential teacher effectiveness benefits arose from improved retention, as well as savings in recruitment costs and the potential for raising pupil outcomes.
- In oral evidence, the Secretary of State said that recent historically high pay awards were not sustainable and that 'we need to be more targeted'. She suggested that competitive pay for STEM subject teachers in particular was an

issue, noting they could earn more outside teaching, adding that it was now important to 'get the competitiveness baked in'. She said 'a one size fits all' approach did not work, would therefore welcome greater flexibility and that it was potentially too costly not to act.

3.21 NEOST reported mixed views from its members: 58% of Academy Trusts and 38% of local authorities supported the principle of pay targeting for specific subjects.

3.22 In oral evidence, it said it believed there were already sufficient flexibilities in the School Teachers' Pay and Conditions Document (STPCD) to address shortages. It made no proposals but suggested the following principles should apply to any new initiative: clarity; transparency; the need to consider temporary versus permanent interventions; and the need to consider the impact on non-recipients.

3.23 The NGA said it heard no particular calls from members for additional flexibilities although noted bursaries were not having a sufficient impact. It noted potential risks of further industrial action and suggested improvements to conditions might be an alternative approach to targeting pay. It suggested transparency and clear communication would be key to any possible new measures.

3.24 The joint unions expressed opposition to targeting, suggesting pay differentiation had added to recruitment and retention problems. They said fully-funded, significantly above-inflation and undifferentiated pay increases would better address supply challenges.

3.25 ASCL said it sought a competitive pay framework that did not differentiate and a responsive career-long retention scheme that could be adjusted as demand required. It suggested it would be more comfortable with a programme sitting alongside the core pay framework that could be adjusted to address shortages. It also noted it had previously suggested using a student loan forgiveness mechanism to achieve this.

3.26 In oral evidence, it suggested existing flexibilities were under-utilised due to funding constraints. It raised a number of issues that would require consideration when exploring any new intervention:

- Increased funding as a prerequisite for any new pay measures.
- Potential unintended consequences, e.g. of division.
- Universal measures not to be 'baked-in'.
- The need to avoid 'cliff edges' when payments end.
- The need to recognise the 'life journey' of a teacher.
- Transparency - with new measures part of the STPCD and applied equally across all schools.

3.27 NAHT suggested pay targeting had no place in the remit and opposed salary differentiation by subject, phase or location. It suggested subject-based differentiation would be divisive, risked equalities issues and failed to recognise the complexity and interconnectedness of the education system.

3.28 In oral evidence, it made the following points:

- Differentiation increased unfairness, ignored the interconnectedness of teaching and risked unequal pay for equal value.
- It did not believe individual subjects were more important than others or than primary education.
- Differentiation could have unintended consequences in moving the problem to another place.
- Bursaries had not worked and gave recipients an inflated expectation of salary.
- Incentives could work, but 'not when we are at rock-bottom'.
- In terms of a proposal, it suggested a fundamental review of the pay framework was required.
- In terms of non-pay interventions that might work, it suggested student loan forgiveness, a key worker scheme, travel assistance and help with housing but that these benefits should be applied to all teachers.

3.29 NASUWT said existing mechanisms had failed to improve recruitment and retention and that existing flexibilities were not being used to pay teachers more but to make savings. It made no proposals on targeting shortage subjects and suggested a system-wide solution was required, noting that, in any case, there were practical issues where teachers teach across a range of subjects. It suggested a more effective solution lay with improving conditions and the overall quantum of pay for all teachers.

3.30 In oral evidence, it made the following points:

- Existing flexibilities were not being used to pay teachers more, but to control budgets. Academies, with their greater freedoms, did not use them.
- Existing flexibilities had not improved recruitment and retention (recruitment and retention allowances were under-utilised).
- A system-wide solution was required. While there was already pay differentiation, the recruitment and retention crisis affected all subjects and phases. Increasing differentials within schools would have a negative impact and, in any case, teachers frequently taught multiple subjects, creating a practical issue on eligibility.
- The Government's proposal for pay differentiation was more about dividing up the existing funding quantum rather than increasing it.
- Overall, it believed solutions lay with improving working conditions and the overall quantum paid to all teachers.

3.31 NEU said the depth and breadth of recruitment and retention problems highlighted the need for a whole-market solution. It suggested targeting created concerns around fairness and potential discrimination.

3.32 In oral evidence, it made the following points:

- Pay flexibility had not worked and only a small minority (8%) of schools used recruitment and retention flexibilities, partly due to inadequate funding.
- It did not consider that one subject was more important than others and, in any case, supply problems cut across most subjects. A whole-market solution was required.
- It suggested targeting would adversely impact collegiate working in the profession.
- It suggested retention was key and that the profession needed more people to stay longer than five years, the point at which pay progression often ended.

3.33 Community's evidence refuted the suggestion that targeting was necessary, suggesting problems were system-wide. It said targeting would be inherently unfair, would jeopardise team dynamics and, in any case, would face practical difficulties with teachers deployed across a range of subjects. It noted a lack of evidence and suggested more research would be required into the efficacy of targeting.

3.34 In oral evidence, it also made the following points:

- Where targeting existed, such as accelerated starting pay, there had been limited impact on retention although evidence was patchy.
- There were practical difficulties, with many teachers deployed across a range of subjects.
- Team dynamics, key to the profession, would be jeopardised by targeting, which could also give rise to equalities issues.
- Lack of funding was also a deterrent in using additional pay mechanisms.

### ***Approaches to targeting remuneration in the wider economy***

3.35 While most pay systems equate roles broadly by job weight or size, there are often shortage skills which require a pay premium above other roles of similar size in either the short or long term.

3.36 Employers can achieve this through a variety of mechanisms. Examples of approaches to differentiating pay for target groups with recruitment and retention issues include:

- **Job families.** Categorising jobs using job families provides a basis for grouping jobs by common characteristics. Job families can support targeting, for example by linking pay levels to competitive pay by job family.
  - In the armed forces, for example, there are four sets of pay scales to which individual trades are allocated (linked to job evaluation), as well as separate pay scales for nurses, chaplains, vets, medical officers, dental officers, which maintain rank equivalence.
  - In the civil service, a new pay system has been introduced for commercial specialists which is more aligned with the private sector. This includes higher pay rates, higher bonus potential and a defined contribution pension to enable external recruitment.



- **Ongoing pay supplements for specific roles.** These are more akin to skills pay, with specific supplements or higher pay to those qualified to work in particular areas. Examples would be allowances for pilots or submariners in the armed forces.
- **Recruitment and retention allowances.** These are temporary allowances paid to specific roles with recognised recruitment and retention issues. These can be targeted at specific roles and locations. Examples include targeted variable pay in the police (Service Critical Skills Payments (SCSPs)) and market supplements in the prison service.
- **Higher starting pay.** Pay ranges or scales can give the flexibility to appoint on a higher salary than the pay band minimum. Examples include pay for external recruits in the civil service and flexibility on starting pay for new joiners to the police.
- **One-off retention payments.** These might be to induce specific key workers to stay until the end of a project and are commonly used in the private sector. Examples also include pivotal role allowances paid to senior civil servants delivering critical programmes such as major transport infrastructure, and those responsible for implementing government priorities such as EU exit or the COVID-19 pandemic response, as a tactical solution to address flight risk.
- **Recruitment or training incentives.** As with teacher training bursaries, some areas offer incentive payments to encourage people to move into them. An example is flexible pay premia for doctors in training in England.
- **Enhanced benefit eligibility** for certain roles or functions. Utilising the wider benefit package to attract and retain key skills.
- **Differentiated pay ranges.** Based on external market benchmarking, higher pay ranges where there is evidence of a differentiated market rate for certain functions.
- **Starting payments.** 'Golden Hellos' paid to employees starting roles in a specified function.

### ***Targeting remuneration in schools***

- 3.37 We have described above a range of approaches deployed in the wider economy. There are a number of measures in the schools sector that are already used to support both teacher recruitment and retention using targeted approaches.
- 3.38 Several of those approaches are variants of the measures we see in the wider economy, i.e. using additional remuneration to focus on particular groups of staff in response to labour supply pressures.
- 3.39 The targeting measures in schools apply in various forms: by grade (reflecting experience and capability, including at the training stage), by geography and, to an extent, by job type.
- 3.40 The ensuing differences in pay are not driven by an assumption that the role is necessarily more complex or that individuals need to work harder, but as a necessary

response to the fact that the employment market differs for different job families or types.

3.41 We set out below examples of these approaches:

- **Bursaries and scholarships.** Varying sums for different subjects.
- **Levelling-Up Premium payments.** Additional payments for STEM and Computing teachers in disadvantaged schools.
- **Early-career payments for shortage subjects** (superseded by Levelling-Up Premium payments). Additional pay in disadvantaged areas to eligible Chemistry, Languages, Mathematics and Physics teachers.
- **Student loan repayments.** Some cohorts of Biology, Chemistry, Physics, Computing and Languages teachers could claim back student loan repayments (this scheme is now closed).
- **Differential pay by geography.** Separate pay ranges for Inner London, Outer London and the London Fringe.
- **Differential pay by role.** For example, additional pay for special educational needs and disabilities (SEND) specialists.
- **Locally administered recruitment and retention incentives and benefits.** Additional payments or financial assistance as an incentive for recruitment and retention.
- **Other uses of the existing framework.** For example, variable starting pay, use of the leadership range as a retention tool.

### ***The impact of targeting remuneration in schools***

3.42 There is a range of evidence examining the impact of some of the interventions aimed at improving teacher supply. We set out some of the key points below and provide fuller references to the research at [Annex A](#) (Evidence on targeting remuneration).

3.43 Key points from the research are:

- Bursaries offer good cost-effectiveness compared to some other targeted measures<sup>29</sup>.
- Bursary increases are associated with increases in recruitment and sustaining an increase in long-term supply<sup>30</sup>.
- Evaluation of a policy aimed at improving retention by providing targeted uplifts of 8% of gross salary for early-career Mathematics and Physics teachers found

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<sup>29</sup> NFER (2023) *The impact of training bursaries on teacher recruitment and retention: An evaluation of impact and value for money* – <https://www.nfer.ac.uk/publications/the-impact-of-training-bursaries-on-teacher-recruitment-and-retention/>

<sup>30</sup> Ibid.

eligible teachers 23% less likely to leave teaching in the years they received payments<sup>31</sup>.

- Replacing part of a bursary with a modest retention payment does not necessarily improve overall supply although this was based on one particular configuration of bursary plus early career payment<sup>32</sup>.
- Targeted payments are likely to be most cost-effective when targeted at early career teachers. One recommendation of the researchers is to expand early career payments to all subjects that are not reaching their recruitment target, with higher payments in disadvantaged schools<sup>33</sup>.
- Researchers suggest paying early career Science and Mathematics teachers a 5% salary supplement from 2010 to 2015 would have eliminated the specialist teacher shortage. This would have been at a lower cost than increasing the recruitment of new teachers<sup>34</sup>.
- Evaluation of a teacher student loan reimbursement scheme in England did not find strong evidence of an impact on teacher retention. However, a separate study in the USA did suggest a positive impact<sup>35</sup>.
- A US study showed \$1,800 bonuses paid to Mathematics, Science and special education teachers in challenging schools was associated with a reduction in turnover of 17%, with experienced teachers most likely to respond to the programme<sup>36</sup>.

3.44 The evidence referred to above examines the efficacy of a variety of intervention types. A number of interventions are yet to be fully evaluated. While the evaluations are of specific incentives and paint a mixed picture of impact, we are encouraged that several do demonstrate degrees of positive effect on teacher supply in terms of both recruitment and retention.

## **Future work**

3.45 We have considered some of the key issues to address in further work on targeting remuneration. Many of these have been raised by consultees in their written and oral

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<sup>31</sup> Sims & Benhenda (2022) *The effect of financial incentives on the retention of shortage-subject teachers: evidence from England* Centre for Education Policy and Equalising Opportunities, UCL - <https://www.gatsby.org.uk/uploads/education/reports/pdf/the-effect-of-financial-incentives-on-the-retention-of-shortage-subject-teachers-evidence-from-england.pdf>

<sup>32</sup> Department for Education (2023) *Evaluation of the phased maths bursaries pilot: Final report* - <https://www.gov.uk/government/publications/evaluation-of-the-phased-maths-bursaries-pilot-final-report>

<sup>33</sup> NFER (2023) *Policy options for a long-term teacher pay and financial incentives strategy* - <https://www.nfer.ac.uk/publications/policy-options-for-a-long-term-teacher-pay-and-financial-incentives-strategy/>

<sup>34</sup> Sims (2017) *What happens when you pay shortage-subject teachers more money? Simulating the effect of early-career salary supplements on teacher supply in England* - <https://www.gatsby.org.uk/uploads/education/datalab-simulating-the-effect-of-early-career-salary-supplements-on-teacher-supply-in-england.pdf>

<sup>35</sup> Department for Education (2023) *Teacher student loan reimbursement scheme: evaluation report* - <https://www.gov.uk/government/publications/teacher-student-loan-reimbursement-scheme-evaluation>

<sup>36</sup> Clotfelder et al. (2008) *Would higher salaries keep teachers in high-poverty schools? Evidence from a policy intervention in North Carolina* - <https://doi.org/10.1016/j.jpubeco.2007.07.003>

evidence. The material below is not exhaustive but may help shape future work on this issue.

3.46 Firstly, we see any new intervention being guided by a set of principles. These include, but are not restricted to, the need for any intervention to be:

- **Evidence-based.** We have described in this chapter some of the evidence demonstrating both the labour market challenges associated with 'shortage subjects' and evaluating a range of measures aimed at improving supply. Any further work should continue to refer to, and learn from, the evidence base to ensure its integrity.
- **Simple.** Some of the evidence suggests potential beneficiaries have been confused about eligibility for available payments. It is paramount, to optimise the effects of any future intervention, that it is straightforward to understand. Teachers need to be able to see clear career and salary paths.
- **Transparent.** Any future mechanism should be well communicated and visible to all in the sector. If appropriate, it should be included in school and local authority pay policies and added to the STPCD.
- **Easy to Implement.** The operation of an intervention should be as simple as possible, minimising the burden for employers and making things simple for recipients.
- **Fair and reasonable.** Any additional payment should be considered to be fair. This addresses both fairness in labour market terms by recognising the value of scarce skills and fairness to the pupil population some of which currently suffers disproportionately from the shortage of subject-specialist teachers. It should also be fairly and consistently applied across schools, i.e. teachers in different schools with same eligibility should receive the same payment.
- **Coherent.** A new intervention should complement features of the existing core pay framework.
- **Efficient.** A new mechanism should be designed to optimise value for money for the taxpayer.
- **Long-term.** Subject to learning from evaluation, any new intervention should be subject to as little further modification as possible so that schools and teachers can be confident arrangements are stable and can plan accordingly.

3.47 Additional features of any new arrangements should include:

- **Communications and guidance.** The need to provide clear guidance and effective communication to all relevant stakeholders.
- **Good data.** A new measure will need to be informed by good evidence on recruitment and retention and robust data on characteristics/qualification to ensure eligibility is assessed fairly.
- **Avoidance of unintended consequences.** The preparatory work would need to consider and mitigate the risks associated with introducing a new measure.

- **Consideration of impact on the workforce.** Careful communication of the rationale for any measure will be important in addressing the impact on wider morale and retention.
- **Monitoring and evaluation.** Where pay is linked to recruitment and retention issues, the evidence needs to be reviewed regularly over time, ideally annually. Any programme of monitoring should also provide an assessment of equality, diversity and inclusion.

3.48 In terms of more detailed design issues, the following will be important questions to address:

- **Eligibility (subject).** The subject specialisms to which an intervention should apply and the criteria for inclusion.
- **Eligibility (years in service).** Whether a payment is applicable to teachers for an initial specified numbers of years' service or whether it extends further, or indefinitely.
- **Means of withdrawal/expansion.** The possible need to strengthen, reduce or withdraw an intervention when its existing form is no longer supported by the evidence, and the mechanics required.
- **Nature of payment.** The precise form, and status, of the payment.
- **Funding.** The impact on the funding quantum.
- **Local versus national administration.** Whether payments are made directly to teachers from the Department or the funding is devolved to schools. There is mixed evidence on this topic. In theory, local flexibility might allow optimisation of interventions but it can be hard at this level to differentiate without the existence of a broader approach.
- **Pensionability.** Whether any additional pay is pensionable. External practice varies on this and employers have some flexibility in determining what pay is pensionable, depending on the nature and duration of the payment with temporary payments less likely to be considered pensionable.

3.49 While this year's remit is not seeking detailed recommendations for a precise mechanism, we have also examined some possible approaches in terms of their expected impact and complexity. Again, these are not intended to be exhaustive but may provide a useful input into future work.

3.50 We set out below a tabular summary depicting our view of such approaches in terms of the likely impact and complexity of implementation. Our judgements here are not necessarily based on a particular existing form of an intervention type but on what we see as its potential in principle. We have also provided our current view of the likely impact of the type of approach and the degree of complexity involved in implementing it. We would expect further work to robustly review these initial assessments.

| Scheme type  | Potential impact  | Complexity of implementation  |
|--|---|---|
| Permanent salary changes   | <p>High</p> <ul style="list-style-type: none"> <li>• Permanent pay likely to be most optimal for recruitment and retention.</li> <li>• More visible pay planning.</li> <li>• More visible career paths.</li> </ul>  | <p>High</p> <ul style="list-style-type: none"> <li>• Fairness challenge.</li> <li>• Financial impact on schools.</li> <li>• Schools' willingness to implement.</li> <li>• Inflexibility to reflect changes in shortage subjects.</li> <li>• Risk of inefficiency, e.g. deadweight costs.</li> </ul> |
| Early career/levelling-up payments   | <p>Medium</p> <ul style="list-style-type: none"> <li>• Temporary measure (early career years only).</li> <li>• Limited geographically.</li> <li>• Cliff-edge issue.</li> <li>• 'Jury is out' on impact.</li> </ul>  | <p>Low</p> <ul style="list-style-type: none"> <li>• Easy to implement - already in place.</li> <li>• Communication needs improvement.</li> </ul>  |
| Retention payments/deferred pay  | <p>High</p> <ul style="list-style-type: none"> <li>• Quantum and duration can be designed and flexed to reflect issue.</li> <li>• Addresses retention.</li> <li>• Heightened flight risk at payment end.</li> <li>• Simple.</li> </ul>  | <p>Low-medium</p> <ul style="list-style-type: none"> <li>• Straightforward – payment already exists.</li> <li>• Modifying quantum as shortages change could be complex.</li> <li>• Financial impact on school.</li> </ul>   |
| Student loan forgiveness   | <p>Low-medium</p> <ul style="list-style-type: none"> <li>• Not as simple as other payments.</li> <li>• Modest increase to take-home pay if interest rather than loan principal 'forgiven'.</li> <li>• Could be designed to endure longer than early career payments, or indefinitely.</li> <li>• Less visible/impactful than a 'positive' payment.</li> </ul> | <p>Medium-High</p> <ul style="list-style-type: none"> <li>• Trialled scheme not straightforward for applicants.</li> <li>• Some teachers do not have loans.</li> </ul>  |
| <p><b>Other potential recruitment and retention incentives:</b></p> <ul style="list-style-type: none"> <li>• Free Travel.</li> <li>• Shortage worker access to housing.</li> <li>• Pensions contribution flexibility.</li> <li>• Sabbaticals.</li> <li>• Subsidised study.</li> <li>• Removal of fees for Postgraduate Certificate in Education (PGCE).</li> </ul> |   |   |

## **Concluding comments**

- 3.51 This chapter has sought to set out evidence of the significant challenges we see with the inadequate supply of sufficient teachers for several secondary subjects. The evidence shows that some subjects have suffered shortfalls consistently over a large number of years to the extent that they have become normalised; for others this has been a more recent issue.
- 3.52 These shortages directly impact students; significant numbers of lessons are not able to be taught by teachers with the relevant subject qualification and expertise. This risks diminishing student outcomes. Moreover, there is evidence of an inequality in the distribution of this effect, with the most socially and economically disadvantaged students least likely to access the most suitably qualified teachers. This is both unfair and poor value for money.
- 3.53 The evidence also shows that outside earnings opportunities for prospective and existing teachers are higher for certain specialisms and are a key barrier to getting the best possible teachers for all students.
- 3.54 We have reviewed the key evidence examining the efficacy of previous and existing pay interventions aimed at improving supply. While the interventions vary in their efficacy, we are encouraged that some measures do have a positive impact.
- 3.55 Given the magnitude of the current under-supply, and its differential impact on those in the most challenging locations, we believe further action is required. While there is no easy fix, we believe there is scope to develop a solution.
- 3.56 Targeting of remuneration successfully exists to some extent already in teaching but we recognise that the expansion to targeting by subject is controversial. Targeting pay by subject could have unintended negative consequences and would, in our view, likely have a negative overall impact if it is done in a way that is not broadly recognised as fair and reasonable.
- 3.57 However, if done well, this might be a useful approach in helping to address the recruitment and retention of shortage subjects in a cost-effective manner.
- 3.58 We have identified principles and prerequisites that in our view would be important to ensuring such an approach was done well. We have also identified some of the practical issues that require further consideration. Collectively, these provide a potential framework for future work.
- 3.59 Targeting of pay by subject is not a replacement for addressing across-the-board shortages. The context in which targeting by subject is introduced is important. As we observed last year and remains the case at the moment, our priority is correcting the general deterioration in the competitiveness of teachers' pay.
- 3.60 However, once the overall competitiveness of teacher pay has been materially repositioned, we see a potential role for some degree of pay targeting by subject.
- 3.61 Unless there is a fundamental reworking of the pay and grade framework, we would suggest targeting is expanded using the mechanisms that are least complex and controversial and that evidence suggests have the greatest likelihood of impact.

## ANNEX A: EVIDENCE ON TARGETING REMUNERATION

We set out below references to the research we consulted as part of our work this year on targeting remuneration, and the key points we observed.

### A. The impact of training bursaries on teacher recruitment and retention: An evaluation of impact and value for money (NFER, 2023)

- <https://www.nfer.ac.uk/publications/the-impact-of-training-bursaries-on-teacher-recruitment-and-retention/>
- Bursary increases are associated with increases in recruitment into ITT and with a sustained increase in long-term teacher supply.
- The additional teachers are also more likely to teach in schools that tend to struggle most with filling vacancies, such as in London and schools serving disadvantaged communities. Bursaries are therefore an effective policy tool for addressing national shortages and the associated staffing challenges in the most affected schools.
- Bursaries also offer good cost effectiveness compared to other targeted policy measures such as early career payments, especially where the existing bursary for a subject is low.

### B. The effect of financial incentives on the retention of shortage-subject teachers: evidence from England (Benhenda and Sims, 2022)

- <https://www.gatsby.org.uk/uploads/education/reports/pdf/the-effect-of-financial-incentives-on-the-retention-of-shortage-subject-teachers-evidence-from-england.pdf>
- Evaluation of a policy aimed at improving retention by providing targeted uplifts in pay worth 8% of gross salary for early-career Mathematics and Physics teachers.
- Eligible teachers were 23% less likely to leave teaching in state funded schools in years they were eligible for payments. This implies a pay-elasticity-of-exit of -3, similar to results from evaluations of similar policies in the USA.
- The analysis suggested the cost per additional teacher retained through the policy was 32% lower than training an equivalent replacement teacher.
- Taken together, these results suggest that persistent shortages of mathematics and science teachers can be reduced through targeted pay supplement policies.

### C. Evaluation of the phased maths bursaries pilot: Final report (Department for Education, 2023)

- <https://www.gov.uk/government/publications/evaluation-of-the-phased-maths-bursaries-pilot-final-report>
- The phased maths bursaries (PMB) pilot design was introduced in the 2018/19 academic year and offered a £20,000 bursary or a scholarship of £22,000. Early Career Payments (ECPs) of £5,000 each were then paid in the third and fifth years of teaching, increasing to £7,500 in high need areas. This package replaced a £25,000 bursary only.



- The Department for Education recognised reducing the value of the ITT bursary would reduce initial recruitment. The introduction of ECPs was designed to increase retention to more than offset the decline in recruitment, leading to more mathematics teachers overall.
- The PMB pilot includes a second ECP payable in the 2023/24 academic year. The data necessary to evaluate the impact of this second payment is not yet available. However, the initial conclusion is that the PMB pilot is likely to result in a net reduction of teachers by the end of the policy period (i.e. retention gains did not offset reduced recruitment).
- Qualitative evidence suggested ECPs were usually perceived as a welcome reward for a commitment to teaching rather than an incentive that kept teachers in teaching. Most believed the value of the ECP was insufficient to keep teachers who wanted to leave the profession.
- As suggested by the recruitment evidence, lower bursaries had a negative impact on recruitment while ECPs had some impact on retention, albeit the final net gain in teaching years remains unknown because eligible teachers need to receive their final ECP before the true impact can be measured.
- There is no quasi-experimental evidence to show ECPs influence recruitment. The qualitative evidence suggests an ECP is a useful retention tool for some.
- Overall, the findings suggest the Department for Education was right to return to a higher mathematics bursary to improve recruitment and provide some evidence in support of using ECPs to increase mathematics teacher retention. However, this evaluation only tested the recruitment and retention impacts of the PMB pilot, so it is not possible to fully understand what impact other configurations of bursaries and ECPs would have on teacher retention and recruitment.

D. Policy options for a long-term teacher pay and financial incentives strategy (NFER 2023)

- <https://www.nfer.ac.uk/publications/policy-options-for-a-long-term-teacher-pay-and-financial-incentives-strategy/>
- Increasing teacher pay at a higher rate than the expected growth in average earnings would begin to restore relative pay and likely have positive effects on teacher supply.
- Flattening of the main teacher pay scale by increasing teacher starting salaries at a faster rate than those of more experienced teachers has helped support the Government's ambition to increase teacher starting salaries to £30,000. Continuing with this approach could be cost-effective as scarce resources are targeted at teachers who are more responsive to changes in pay.
- A bolder option for pay would be to separate the primary and secondary pay scales; splitting the pay scales could be a cost-effective longer-term option.
- Bursaries and early career payments boost teacher supply through targeting incentives at subjects and schools where challenges are most acute.

- The analysis suggests a strong case for increasing the funding allocated to early career payments and that payments have higher cost effectiveness when targeted at early career teachers rather than all teachers.
- The analysis has shown that there is little difference between teacher supply challenges faced by schools in Education Investment Areas compared to those that are not, while there are considerable differences by FSM quintile. The greater recruitment and retention challenges faced by schools serving disadvantaged communities would appear to be a compelling reason for targeting resource at retention in these schools, but the case for targeting Education Investment Areas seems weaker.
- The authors recommend expanding early career payments to all subjects that are not reaching their recruitment target to all schools, with teachers in schools with higher proportions of FSM attracting higher payments.

E. The impact of pay and financial incentives on teacher supply (NFER, 2022)

- <https://www.nfer.ac.uk/publications/the-impact-of-pay-and-financial-incentives-on-teacher-supply/>
- To improve teacher supply, the Government should introduce additional financial incentives, including increasing bursaries and applying the 'levelling-up premium' early-career retention payment to all teachers of shortage subjects in England.
- Combinations of additional financial measures could support the improvement of teacher supply in Physics and Computing, but no reasonable set of measures are compatible with the current target being met. In relation to Physics, this finding should prompt debate about how the education system can realistically and sustainably staff science departments in schools with a range of specialists.

F. How might teacher shortages be reduced? (Benhenda, 2022)

- <https://www.economicsobservatory.com/how-might-teacher-shortages-be-reduced>
- Shortages of teachers – caused by a long-term decline in the competitiveness of their pay as well as challenging working conditions – are a global concern. Effective policy interventions could include targeted pay supplements and encouraging more supportive leadership practices in education.
- Teachers are paid less than their non-teacher university-educated counterparts. They face this pay penalty in most developed countries. This has been on a worsening trajectory since the mid-1990s ([Allegretto, 2022](#)).
- In England, the teacher pay penalty is lower but still significant. Teachers in England are paid, on average, around 10% lower than the average tertiary (university or college) educated worker ([OECD, 2021](#)). These averages hide large differences by teaching subject. Most of the teacher wage penalty is borne by Mathematics and Science graduates as some non-Science graduates – such as Art graduates – benefit from a pay premium when they choose a career in teaching ([Allen et al., 2018](#)).

- This is correlated with higher attrition rates among Mathematics and Science teachers. The odds of newly qualified teachers leaving the profession are 20% higher for Science teachers than for non-Science teachers ([Allen and Sims, 2017](#)).

#### G. Teacher shortages in England: analysis and pay options (EPI, 2020)

- <https://epi.org.uk/publications-and-research/teacher-shortages-in-england-analysis-and-pay-options/>
- There are big differences in graduate earnings by subject studied. Teachers are paid less than Mathematics and Physics graduates, particularly amongst men. It is therefore unsurprising to see greater recruitment and retention difficulties in these subjects.
- There is also clear empirical evidence showing that offering higher salaries or payments can attract young teachers to disadvantaged schools.
- Given the scale of the problem, the government should consider expanding existing additional payments and offering them to all early career teachers in shortage subjects.
- The authors estimate that doing this and doubling the extra payments for teachers in challenging schools or areas would cost less than £35m extra as compared with the current payments. This is less than one fifth of the existing budget for teacher training bursaries.

#### H. What happens when you pay shortage-subject teachers more money? Simulating the effect of early-career salary supplements on teacher supply in England (Gatsby Foundation, 2017)

- <https://www.gatsby.org.uk/uploads/education/datalab-simulating-the-effect-of-early-career-salary-supplements-on-teacher-supply-in-england.pdf>
- Applies findings from US research to the teacher labour market in England to ask: would introducing a 5% salary supplement for new science and mathematics teachers in the first five years of their career eliminate the shortage of teachers in these subjects, and how much would it cost?
- The research finds that paying early-career Science and Mathematics teachers a 5% salary supplement from 2010-2015 would have eliminated the Mathematics and Science teacher shortage. Furthermore, it would have done so at a lower cost to government than increasing the recruitment of new teachers, assuming that was even possible.

#### I. Teacher student loan reimbursement scheme: evaluation report (Department for Education, 2023)

- <https://www.gov.uk/government/publications/teacher-student-loan-reimbursement-scheme-evaluation>
- This evaluation measured awareness of the teacher student loan reimbursement (TLSR) scheme, assessed whether the application and claims process were

effective, and measured any self-reported impact on teacher recruitment and retention.

- Teachers showed mixed awareness of the scheme (67% among eligible teachers who did not claim). The scheme was found to be operationally effective with some suggestions of improvements to administrative elements and clearer communication on the timing of payments.
- The scheme's influence on career choices was subtle. There was evidence that TSLR plays a part in retention for some teachers and financial incentives motivate those who worry about their student loan to remain a teacher.
- Statistical analysis conducted by the Department did not find strong evidence of any effect of receiving TSLR on teacher retention.

J. The Impact of Incentives to Recruit and Retain Teachers in "Hard-to-Staff" Subjects (Feng and Sass, 2017)

- <https://doi.org/10.1002/pam.22037>
- Investigates the effects of a US statewide programme designed to increase the supply of teachers in designated 'hard-to-staff' areas, such as Special Education, Mathematics and Science.
- The loan forgiveness component of the programme was effective, reducing mean attrition rates for middle and High School Mathematics and Science teachers by 10.4% and 8.9% respectively.
- The impact of loan forgiveness varied with the generosity of payments; when fully funded, the programme reduced attrition of Special Education teachers by 12.3 percent but did not have a statistically significant impact when funding was substantially reduced.
- A one-time bonus programme also had large effects, reducing the likelihood of teachers' exit by as much as 32 percent in the short run.
- The loan forgiveness and the bonus programme were both estimated to be cost effective.

K. Would higher salaries keep teachers in high-poverty schools? Evidence from a policy intervention in North Carolina (Clotfelter et al., 2008)

- <https://doi.org/10.1016/j.jpubeco.2007.07.003>
- For three years from 2001, North Carolina awarded an annual bonus of \$1,800 to certified Mathematics, Science and Special Education teachers working in public secondary schools with either high-poverty rates or low test scores.
- Results suggest that this bonus payment was sufficient to reduce mean turnover rates of the targeted teachers by 17%.
- Experienced teachers exhibited the strongest response to the programme.

- The effect of the programme may have been at least partly undermined by the state's failure to fully educate teachers regarding the eligibility criteria so estimates most likely underpredict the potential impact.
- L. Teacher turnover: Effects, mechanisms and organisational responses (Gibbons et al., 2021)
- <https://doi.org/10.1016/j.labeco.2021.102079>
  - Examines the causal relationship between teacher turnover and student performance, the mechanisms through which turnover affects student learning, and evidence on how schools respond to mitigate the disruptive effects of turnover.
  - A higher teacher entry rate has a small but significant negative effect on students' final qualifications from compulsory-age schooling.
  - This is the first study to document that the lack of school-specific human capital in incoming teachers is the main mechanism through which turnover disrupts student performance. Also finds evidence that schools mitigate the effects of turnover by assigning new teachers away from high-risk student grades.
- M. Teacher shortages in England: analysis and pay options (EPI, 2020)
- <https://epi.org.uk/publications-and-research/teacher-shortages-in-england-analysis-and-pay-options/>
  - There is clear evidence to suggest that recruitment and retention difficulties are more significant for disadvantaged schools, where teachers are less likely to possess Qualified Teacher Status and a degree in a relevant subject.
  - These problems are worst in shortage subjects and in more disadvantaged schools outside London. For example, only about 15% of Physics teachers in disadvantaged schools outside of London have a Physics degree.
- N. What works in attracting and retaining teachers in challenging schools and areas? (See et al., 2020)
- <https://doi.org/10.1080/03054985.2020.1775566>
  - A review of international research evidence found that financial incentives were the only effective measure in attracting teachers to challenging schools but less effective in retaining them. To keep teachers working in challenging schools a supportive and conducive working environment would be needed.
- O. Structural indicators for monitoring education and training systems in Europe 2023: The teaching profession (Eurydice, 2023)
- <https://data.europa.eu/doi/10.2797/849109>
  - Highlights the commonality across EU member states of teacher shortages being most acute in some subjects with Science, Technology, Engineering and Mathematics (STEM), Informatics, Languages and Special Education Needs (SEN) the most commonly reported.

- Policies to address teacher shortages in general may include the objective to prevent or tackle shortages in specific subjects. These policies usually aim to increase the supply of specialist teachers by reskilling in-service teachers, easing the qualification requirements for new entrants or increasing the number of Initial Teacher Education graduates.

## ANNEX B: TEACHER LABOUR MARKET ANALYSIS

### Introduction

1. This Annex presents a summary of the evidence used to inform our assessment of the teacher labour market. Given our submission date of May 2024, we have been able to draw on data published up to the end of April 2024. We discuss the wider economic context, the graduate labour market and present a range of information relating to the school workforce, examining recruitment and retention trends.
2. The key source relating to the teacher workforce is the 2022 School Workforce Census (SWC) data<sup>37</sup>. This census took place in November 2022 and the data were published by the Department for Education in June 2023.

### Summary

- Inflation has fallen from its recent peak in October 2022. In the 12 months to March 2024, the CPI rose by 3.2%, the Consumer Prices Index including owner occupiers housing costs (CPIH) rose by 3.8% and the Retail Prices Index (RPI) rose by 4.3%.
- Pay settlements data indicate that, in the three months to the end of March 2024, the median pay award was 4.8% for the whole economy. Expectations are for the median settlement across the year to be around 5%.
- Annual growth in Average Weekly Earnings for December 2023 to February 2024 was 6% (regular pay).
- The median graduate starting salary reported by the Institute of Student Employers (ISE), from its survey that ran in summer 2023, was £32,000 in 2022/23. Median graduate starting salaries varied significantly by region with the London graduate salary being the highest at £34,500.
- High Fliers, an independent market research company which specialises in student and graduate recruitment research, reported a median starting salary of £34,000 for 2024, a small increase on 2023. The highest median starting salary was reported for the investment banking sector at £55,000; the public sector reported the lowest median starting salary for graduates at £25,500.
- In 2022/23, ISE reported a continuation of the post-pandemic recovery in graduate hiring with employers reporting increased difficulty in recruiting. High Fliers, by contrast, reported a decrease in graduate opportunities in 2023.
- In 2022/23, male teachers had higher earnings overall than female teachers across all school types. Median earnings were higher in secondary schools than in primary and nursery schools.
- When comparing teachers' pay to that of other professional occupations by age and region, teachers fell below the comparator groups in virtually all groups. The

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<sup>37</sup> Department for Education (2023) *School workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

gaps between median teacher pay and that of other professionals was greatest in London.

- The real-terms value of median teacher earnings has fallen since the early 2010s. The fall in real teacher pay has been greater than that for other professional occupations.
- Based on benchmarking data, starting pay for teachers is between the lowest quartile and median for roles of comparable size and scope. The position is less competitive for teachers with more experience on the MPR but improves for teachers on the UPR. The comparative basic salary position of Leadership roles in primary schools is generally below the lower quartile base salary data, whilst roles in secondary schools are better aligned to the market base salary data.
- The full-time equivalent (FTE) teacher workforce increased by 0.6% or 2,844 between 2021 and 2022. Secondary schools saw the largest absolute increase in teacher numbers.
- The proportion of teachers from an ethnic minority background remained stable with 90% of teachers across state-funded schools White. This proportion increases for leadership roles.
- The pupil population attending nursery and primary schools peaked in 2019. Since this point, numbers have decreased. The secondary school pupil population is projected to peak in 2024 then gradually decline through to 2032.
- Pupil to teacher ratios (PTRs) and pupil to adult ratios (PARs) across state-funded schools were largely unchanged in 2022/23.
- In 2022/23, there were 47,954 FTE qualified entrants to teaching in state-funded schools, a 9.0% increase from 2021/22.
- Between 2021 and 2022 there were 43,997 FTE qualified teachers who left teaching in state-funded schools. This is 21.6% higher than in 2020/21.
- The overall leaving rate was 9.7%, an increase from 2020/21 (8.1%). Improvement in retention associated with the pandemic now appears to have been reversed.
- The overall teacher vacancy rate was 0.5%, higher than the previous year (0.3%) and the highest in the range of years available (from 2010). In absolute terms, vacancies schools increased by 770 on the previous year, reaching 2,334. The increase is driven by secondary schools; nursery and primary schools saw a slight decrease.
- According to the Department for Education's Working Lives of Teachers and Leaders Survey, carried out in spring 2023, a 36% of teachers and leaders reported that they were considering leaving the state school sector in the next 12 months for reasons other than retirement (up from 25% in 2022).
- For 2023/24, headline postgraduate ITT (PGITT) targets for new entrants were not met for primary (96% of target reached) or secondary (50% of target



reached). The total number of entrants to ITT in 2023/24 was 5% below the number in 2022/23.

- The number of postgraduate entrants was below target for all but three secondary subjects (including Classics).
- There were 2,002 Overseas Trained Teachers awarded QTS in the year to March 2023, a 19% increase on the previous year but well below preceding years.

## **Economic context**

### ***Economic activity and public finances***

3. The UK economy has proven more resilient than many forecasters expected in the face of high energy prices, inflation, and interest rates. In its Economic and Fiscal Outlook<sup>38</sup> accompanying the Spring Budget 2024, the OBR forecasted that the economy would grow, albeit slowly in the short-term. Inflation is expected to fall further, but interest rates are projected to remain higher for longer than was thought in the OBR's March 2023 projection. As announced in the Autumn Statement 2023, the Government is focusing on five areas to strengthen the economy in the longer-term: reducing debt; cutting tax and rewarding hard work; backing British business; building domestic and sustainable energy; and delivering world class education<sup>39</sup>.
4. UK real gross domestic product (GDP) is estimated to have grown by 0.2% in the three months to February 2024, compared with the three months to November 2023<sup>40</sup>. While the economy shrank for two consecutive quarters in the second half of 2023, GDP is estimated to have increased by 0.1% in 2023 as a whole compared with 2022<sup>41</sup>.

### ***Inflation***

5. Inflation, as measured by the CPI, was 3.2% in the 12 months to March 2024, down from 3.4% in February. CPI inflation peaked at a 40-year high of 11.1% in October 2022. The CPIH rose by 3.8% in the 12 months to March 2024, unchanged from February (see Figure 1)<sup>42</sup>. The Retail Prices Index (RPI) rose by 4.3% in the 12 months to March 2024.

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<sup>38</sup> OBR (2024) *Economic and fiscal outlook – March 2024* - <https://obr.uk/efo/economic-and-fiscal-outlook-march-2024/>

<sup>39</sup> HM Treasury (2023) *Autumn Statement 2023* - <https://www.gov.uk/government/publications/autumn-statement-2023>

<sup>40</sup> ONS (2024) *GDP monthly estimate, UK: February 2024* - <https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpmonthlyestimateuk/february2024>

<sup>41</sup> ONS (2023) *GDP first quarterly estimate, UK: October to December 2023* - <https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpfirstquarterlyestimateuk/octobertodecember2023>

<sup>42</sup> ONS (2024) *Consumer price inflation, UK: March 2024* - <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/march2024>

**Figure 1: CPIH and CPI annual inflation rates, UK, March 2014 to 2024<sup>43</sup>.**



- The Bank of England indicated in its February Monetary Policy Report that inflation may dip below 2% in the near term as a result of energy price movements. But the persistence of domestic inflationary pressures means that inflation may recover and remain just above its 2% target rate for much of the next year or so<sup>44</sup>.

### **Employment and earnings**

- The UK unemployment rate was estimated at 4.2% in December 2023 to February 2024, 0.3 percentage points above estimates a year ago and 0.1 percentage points above pre-pandemic levels (December 2019 to February 2020)<sup>45</sup>. The OBR expects the unemployment rate to rise to a peak of 4.6% in 2025 as it is a lagging indicator of economic activity<sup>46</sup>.
- The economic inactivity rate had been on a downward trend since 2010 but increased during the COVID-19 pandemic. The rate was estimated at 22.2% in December 2023 to February 2024, 0.6 percentage points higher than a year earlier and 1.7 percentage points higher than before the COVID-19 pandemic (December 2019 to February 2020)<sup>47</sup>.
- The number of job vacancies in January to March 2024 fell by 204,000 over the year to 916,000. However, overall vacancies remain 120,000 above their pre-pandemic levels (January to March 2020)<sup>48</sup>.
- The 12-month growth of Average Weekly Earnings for December 2023 to February 2024 exceeded 5% in both the public and private sectors (see Table 1) and whole-

<sup>43</sup> OME analysis of ONS (2024) *Consumer price inflation, UK: March 2024* -

<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/march2024>

<sup>44</sup> Bank of England (2024) *Monetary Policy Report - February 2024* -

<https://www.bankofengland.co.uk/monetary-policy-report/2024/february-2024>

<sup>45</sup> ONS (2024) *Employment in the UK: April 2024* -

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/employmentintheuk/april2024>

<sup>46</sup> OBR (2024) *Economic and fiscal outlook – March 2024* - <https://obr.uk/efo/economic-and-fiscal-outlook-march-2024/>

<sup>47</sup> Ibid.

<sup>48</sup> ONS (2024) *Vacancies and jobs in the UK: April 2024* -

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/jobsandvacanciesintheuk/april2024>

economy average earnings increased over the same period when adjusted for inflation<sup>49</sup>.

**Table 1: Average Weekly Earnings annual growth rates in Great Britain, seasonally adjusted, December 2023 to February 2024<sup>50,51</sup>.**

| Average Weekly Earnings              | Whole Economy (%) | Private Sector (%) | Public Sector (%) |
|--------------------------------------|-------------------|--------------------|-------------------|
| Total pay (including bonuses)        | 5.6               | 5.6                | 6.0               |
| Regular pay (excluding bonuses)      | 6.0               | 6.0                | 6.1               |
| Real total pay (including bonuses)   | 1.8               | -                  | -                 |
| Real regular pay (excluding bonuses) | 2.1               | -                  | -                 |

11. Average real pay grew in the second half of 2023, following negative growth in the previous 12 months. In its March 2024 forecast, OBR projected whole-economy nominal earnings growth of 3.6% in 2024 and 2.1% in 2025<sup>52</sup>.
12. According to Brightmine, which collates data on pay settlements in the public and private sectors, the median increase in basic pay by number of pay reviews in the 12 months to the end of March 2024 was 5.5%, a quarter of awards were below 4.5% and a further quarter in excess of 7.7%. In the 12 months to the end of March 2024, the private sector recorded a median increase in basic pay of 5.5%, lower than the public sector at 7.0% (see Table 2).
13. For the 3 months to the end of March 2024, the median increase in basic pay by number of pay reviews was 4.8%. This is 1.2 percentage points lower than a year earlier. Incomes Data Research's (IDR) analysis of median pay rise across the economy was 5.0% for the three months to March 2024<sup>53</sup>.
14. Brightmine are predicting a median pay rise of around 5% in the year to December 2024, based on the first set of pay awards for 2024. Initial analysis by IDR for the 3 months to April show median pay award across the economy to remain at 5%. We note that January and April are the busiest periods for pay awards<sup>54</sup>.
15. The Bank of England's Agents reported in March 2024 that early indications of pay settlements for 2024 suggest that average wage growth will be lower than in 2023 (6% average) owing to lower expected inflation, a looser labour market and concerns around the affordability of pay offers<sup>55</sup>.

<sup>49</sup> ONS (2024) *Average weekly earnings in Great Britain: April 2024* - <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/averageweeklyearningsingreatbritain/april2024>

<sup>50</sup> Ibid.

<sup>51</sup> Real average weekly earnings using CPI dataset, excluding owner occupiers' housing costs.

<sup>52</sup> OBR (2024) *Economic and fiscal outlook – March 2024* - <https://obr.uk/efo/economic-and-fiscal-outlook-march-2024/>

<sup>53</sup> IDR (2024) *Median pay award persists at 5.0%* - <https://www.incomesdataresearch.co.uk/resources/viewpoint/median-pay-award-persists-at-50>. Available to IDR subscribers.

<sup>54</sup> OME analysis of Brightmine (formerly XpertHR) data. Available to Brightmine subscribers.

<sup>55</sup> Bank of England (2024) *Agents' summary of business conditions - 2024 Q1* - <https://www.bankofengland.co.uk/agents-summary/2024/2024-q1>

**Table 2: Percentage increase in basic pay (pay settlements) for the 12 months, and 3 months to end of January to March 2024<sup>56</sup>.**

|                                  | 12 months to end |               |            |
|----------------------------------|------------------|---------------|------------|
|                                  | January 2024     | February 2024 | March 2024 |
| Median (by organisation)         | 5.6              | 5.5           | 5.5        |
| Lower quartile                   | 4.6              | 4.6           | 4.5        |
| Upper quartile                   | 7.8              | 7.7           | 7.7        |
| Private median (by organisation) | 5.5              | 5.5           | 5.5        |
| Public median (by organisation)  | 7.0              | 7.0           | 7.0        |

|                          | 3 months to end |               |            |
|--------------------------|-----------------|---------------|------------|
|                          | January 2024    | February 2024 | March 2024 |
| Median (by organisation) | 5.0             | 5.0           | 4.8        |
| Lower quartile           | 4.0             | 4.0           | 4.0        |
| Upper quartile           | 6.0             | 6.0           | 6.0        |

## The graduate labour market

16. This section provides a summary of information for the wider graduate labour market in the UK. We also include graduate pay comparisons. Information has predominantly been sourced from three reports on the graduate labour market: ISE’s Student Recruitment Survey 2023, Prospect Luminate’s What do graduates do?, and High Fliers’ The Graduate Market in 2024.

- The ISE recruitment survey concentrates on the immediate graduate recruitment market, i.e. the graduate jobs individuals would apply for in a given academic year.
- The Prospects Luminate report discusses the employment outcomes of graduates 15 months after graduating. Its 2023/24 report focuses on the 2020/21 academic year graduate cohort.
- The High Fliers report provides a forecast as well as the status of the current graduate labour market. It also has a different sample than the most immediately comparable report produced by the ISE. The High Fliers report focuses solely on the organisations named in the Times Top 100 Graduate Employers.

17. The **ISE survey**<sup>57</sup> ran during July and August 2023. It received 169 responses from large student employers, covering 42,846 hires in 2022/23, with limited representation from small and medium-sized enterprises. 47% of hires were graduates, 12% were school and college leavers and 29% were interns and placement students. Key points from the surveys conducted for 2021/22 and 2022/23 are provided in Table 3, with predictions for the growth in hires for 2023/24.

<sup>56</sup> Brightmine (formerly XpertHR) data. Available to Brightmine subscribers.

<sup>57</sup> Institute of Student Employers (2023) *Student recruitment survey 2023* - <https://ise.org.uk/page/ISEPublications>. Available to ISE members.

**Table 3: Key results from the ISE survey on immediate graduate recruitment, 2021/22 to 2022/23, with predictions for 2023/24.**

| Survey area   | 2021/22              | 2022/23              | 2023/24<br>(prediction) |
|---|----------------------|----------------------|-------------------------|
| Recruitment of student hires (change on previous year)                                | +26%                 | +16%                 | +9%                     |
| Recruitment of graduate hires (change on previous year)                               | +17%                 | +6%                  | +5%                     |
| Ease of graduate and school and college leavers recruitment compared to previous year | Increased difficulty | Increased difficulty | -                       |
| Mean number of applications per vacancy   | 62                   | 86                   | -                       |
| Change in mean number of applications per vacancy                                     | -32%                 | +23%                 | -                       |
| Graduate positions filled   | 91%                  | 95%                  | -                       |
| Median reported graduate salary   | £30,921              | £32,000<br>(+3%)     | -                       |

18. The rising cost of living and high inflation may lead to applications for multiple roles, driving up applications per vacancy. The median graduate salary varied significantly by region with the London graduate salary the highest at £34,500, followed by the South East at £30,000. The lowest median graduate salary was Northern Ireland at £28,000.
19. The **What do graduates do?** report uses data from the Higher Education Statistics Agency (HESA) Graduate Outcomes survey and is produced by Prospects Luminate (part of Jisc), in collaboration with the Association of Graduate Careers Advisory Services (AGCAS)<sup>58</sup>. The survey covers first degree graduates from UK higher education providers (HEPs) and further education colleges (FECs) in England, Wales and Northern Ireland.
20. The latest survey collected 206,465 responses from those who graduated during the 2020/21 academic year; graduates were surveyed (in late 2022) around 15 months after graduating. These students attended university during the COVID-19 pandemic and were surveyed after all lockdowns were lifted. Key points are provided in Table 4.
21. Prospects Luminate commented that a significant long-term effect of the COVID-19 pandemic has been the shift to hybrid working, which was more common among high earners<sup>59</sup> and the more qualified. Hybrid working has become the norm for many graduate employers.

<sup>58</sup> Prospects Luminate (2023) *What do graduates do? 2023/24* - <https://luminate.prospects.ac.uk/what-do-graduates-do>

<sup>59</sup> ONS (2022) *Is hybrid working here to stay?* - <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/i-shybridworkingheretostay/2022-05-23>

**Table 4: Key outcomes from the Prospects Luminate survey on employment outcomes of graduates 15 months after graduating.**

| Outcome (15 months after graduation)  | 2020                | 2021                | 2022                |
|---|---------------------|---------------------|---------------------|
|   | (2018/19 graduates) | (2019/20 graduates) | (2020/21 graduates) |
| In full-time employment   | 52%                 | 57%                 | 60%                 |
| In employment and further study   | 11%                 | 11%                 | 11%                 |
| In part-time employment   | 12%                 | 11%                 | 10%                 |
| In full-time further study  | 9%                  | 9%                  | 8%                  |
| Unemployed (including those due to start work)  | 9%                  | 6%                  | 5%                  |
| In high skilled employment  | 72%                 | 75%                 | 76%                 |
| 'Primary education teaching professionals' likelihood ranking amongst professional jobs     | 3 <sup>rd</sup>     | 5 <sup>th</sup>     | 4 <sup>th</sup>     |
| 'Secondary educational teaching professionals' likelihood ranking amongst professional jobs | 6 <sup>th</sup>     | 6 <sup>th</sup>     | 5 <sup>th</sup>     |
| Working as education professionals (of employed)  | 8%                  | 8%                  | 8%                  |
| In £24,000-£26,999 salary band (of full-time employed) <sup>60</sup>                        | 21%                 | 22%                 | 21%                 |
| In £27,000-£29,999 salary band (of full-time employed) <sup>61</sup>                        | 11%                 | 12%                 | 14%                 |

22. The **High Fliers research**<sup>62</sup> was conducted in January 2024. It provides an assessment of the graduate recruitment cycle in 2023 and examines expected graduate vacancies in 2024. Key points were:

- Graduate recruitment decreased unexpectedly in 2023, following a sharp increase in graduate vacancies in both 2021 and 2022 as employers sought to compensate for lower-than-usual recruitment during the COVID-19 pandemic. The number of graduates recruited in 2023 decreased by 6.4% on 2022.
- Graduate starting salaries (not including additional benefits) are expected to increase to a median of £34,000 in 2024. This is an increase of £500 (1.5%) from 2023. The survey indicated that two-fifths of employers were increasing their graduate starting pay for 2024, most by up to 5%; a quarter of employers were offering more generous increases. Three-fifths of employers were not planning on increasing their starting salary.
- The sectors with the highest median starting salaries were investment banking and law, at £55,000 and £50,000 respectively. The public sector (which included employers such as the Civil Service, Local Government, NHS and Police Now) was the sector offering the lowest median starting salary for graduates, at £25,500.

23. Table 5 presents median graduate starting salaries, as recorded by ISE and High Fliers. We note High Fliers and ISE samples are heavily weighted towards graduate

<sup>60</sup> HESA (2023) *Graduate Outcomes 2020/21: Summary Statistics - Summary* - <https://www.hesa.ac.uk/news/31-05-2023/sb266-higher-education-graduate-outcomes-statistics>

<sup>61</sup> Ibid.

<sup>62</sup> High Fliers (2024) *The Graduate Market in 2024* - <https://www.highfliers.co.uk/>

jobs in London and the South East, so may not be representative of earnings for all regions of the country. The table shows that graduate starting salaries, as recorded by High Fliers, have continued to increase after many years of stability. The teacher starting salary in Inner London has been above the ISE and High Fliers medians since 2019. Teacher starting pay in Outer London has been above ISE's and High Fliers' medians from 2022.

**Table 5: Graduate and teacher starting salaries, 2018 to 2024.**

| Source                      | 2018<br>(£) | 2019<br>(£) | 2020<br>(£) | 2021<br>(£) | 2022<br>(£) | 2023<br>(£) | 2024<br>(£) |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| ISE (organisational median) | 28,250      | 29,000      | 29,667      | 30,500      | 30,921      | 32,000      | -           |
| High Fliers                 | 30,000      | 30,000      | 30,000      | 30,000      | 32,000      | 33,500      | 34,000      |
| Teachers (England)          | 23,720      | 24,373      | 25,714      | 25,714      | 28,000      | 30,000      | -           |
| Teachers (Inner London)     | 29,664      | 30,480      | 32,157      | 32,157      | 34,502      | 36,745      | -           |
| Teachers (Outer London)     | 27,596      | 28,355      | 29,915      | 29,915      | 32,407      | 34,514      | -           |
| Teachers (Fringe)           | 24,859      | 25,543      | 26,948      | 26,948      | 29,344      | 31,350      | -           |

### ***Pay in the UK nations***

24. We note that starting pay for teachers, and indeed pay structures, vary by country within the UK. Table 6 shows classroom teacher salaries for teachers in England compared to those in Wales and Scotland.

- Teacher starting salaries are higher in Wales (+2.5%) compared to England. This difference takes into account the revised September 2023 pay award in Wales.
- In Scotland, salaries are higher compared to England for all pay scale points. We note that, at the time of writing, the pay revision for teachers in Scotland has raised starting salaries to £32,217 for probationers or £38,655 for M1, as of 1 January 2024<sup>63</sup>.

<sup>63</sup> EIS (2023) *Revised Teachers Salary Scales* - <https://www.eis.org.uk/new-pay-offer/paytables>

**Table 6: Classroom teacher salaries in the UK<sup>64,65,66</sup>.**

| Pay point   | England<br>(from 1 September 2023) | Wales<br>(from 1 September 2023) | Scotland<br>(from 1 January 2024) |
|-------------|------------------------------------|----------------------------------|-----------------------------------|
| MPR         |                                    |                                  |                                   |
| Probationer | N/A                                | N/A                              | £32,217                           |
| M1          | £30,000                            | N/A                              | £38,655                           |
| M2          | £31,737                            | £30,742                          | £40,848                           |
| M3          | £33,814                            | £33,212                          | £43,218                           |
| M4          | £36,051                            | £35,771                          | £45,960                           |
| M5          | £38,330                            | £38,587                          | £48,516                           |
| M6          | £41,333                            | £42,466                          | N/A                               |
| UPR         |                                    |                                  |                                   |
| U1          | £43,266                            | £44,024                          | N/A                               |
| U2          | £44,870                            | £45,656                          | N/A                               |
| U3          | £46,525                            | £47,340                          | N/A                               |

## Teachers' pay

25. This section provides various metrics on teachers' pay, split by school type, grade, and gender, using published FTE pay data from the SWC. In 2022/23, gross median earnings for all classroom and leadership teachers across state-funded schools were £41,604, a 0.8%<sup>67</sup> increase from 2021/22. Figure 2 shows median earnings for all teachers, by school type and gender. In 2022/23, male teachers had higher earnings overall than female teachers across all school types. We can also see that median earnings were higher in secondary schools than in primary and nursery schools.

<sup>64</sup> Department for Education (2023) *School teachers' pay and conditions document 2023 and guidance on school teachers' pay and conditions (valid from 1 September 2023)* -

<https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>

<sup>65</sup> Welsh Government (2023) *School teachers' pay and conditions (Wales) document 2023* -

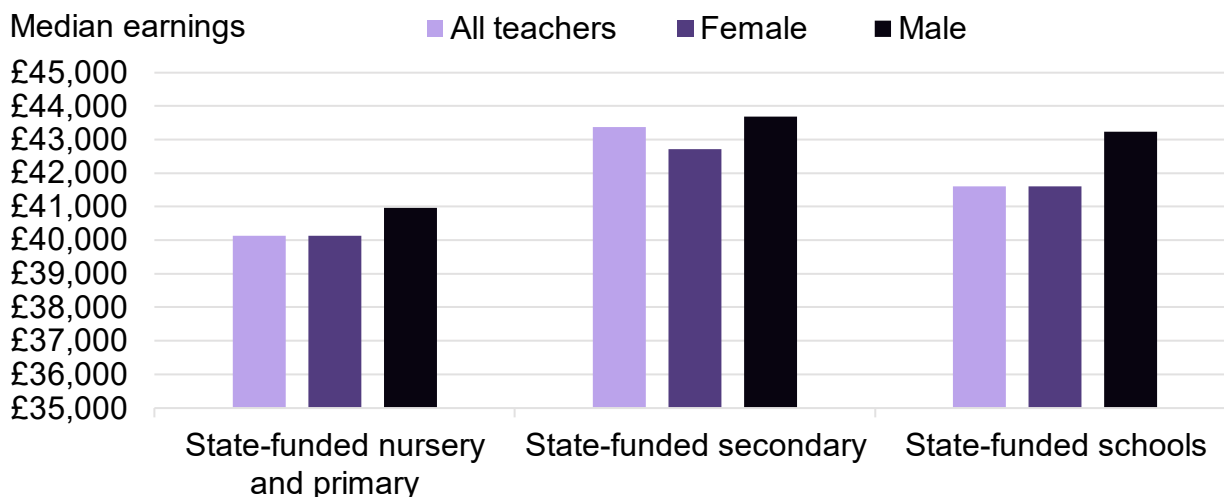
<https://www.gov.wales/school-teachers-pay-and-conditions-wales-document-2023>

<sup>66</sup> EIS (2023) *Current salary scales* - <https://www.eis.org.uk/pay-and-conditions-of-service/salary-scales>. This includes the most recent revision of pay scales of a cumulative pay award.

<sup>67</sup> This figure takes account of the previous pay award. However, the effect of the pay award may not accurately be reflected due to the lag in the award being applied at school level and potentially due to compositional changes.

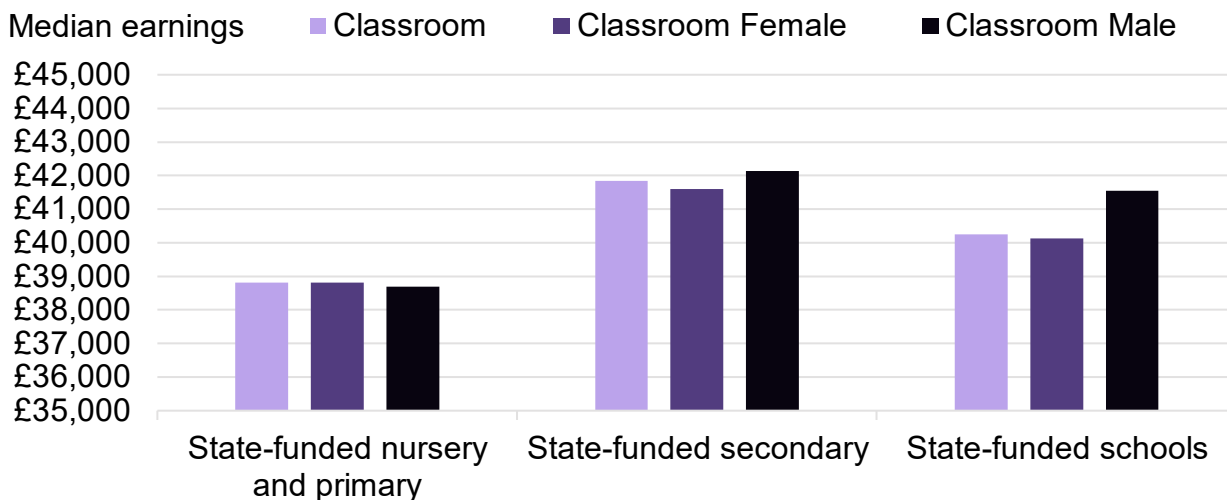


**Figure 2: Median earnings for all teachers, by school type and gender, 2022/23<sup>68</sup>.**



26. We can also break down teachers' pay by grade. Figure 3 shows how median earnings varied for classroom teachers in 2022/23. Male teachers had marginally lower median earnings than female teachers in nursery and primary schools (-0.3%). In contrast, male classroom teachers' earnings were slightly higher in secondary schools (+1.3%), after being equal in 2021/22. Across all state-funded schools, median earnings for male classroom teachers were above female teachers (+3.6%); this may reflect the distribution of male teachers, whereby there are proportionally more male teachers in secondary than nursery and primary schools.

**Figure 3: Median earnings for classroom teachers, by school type and gender, 2022/23<sup>69</sup>.**

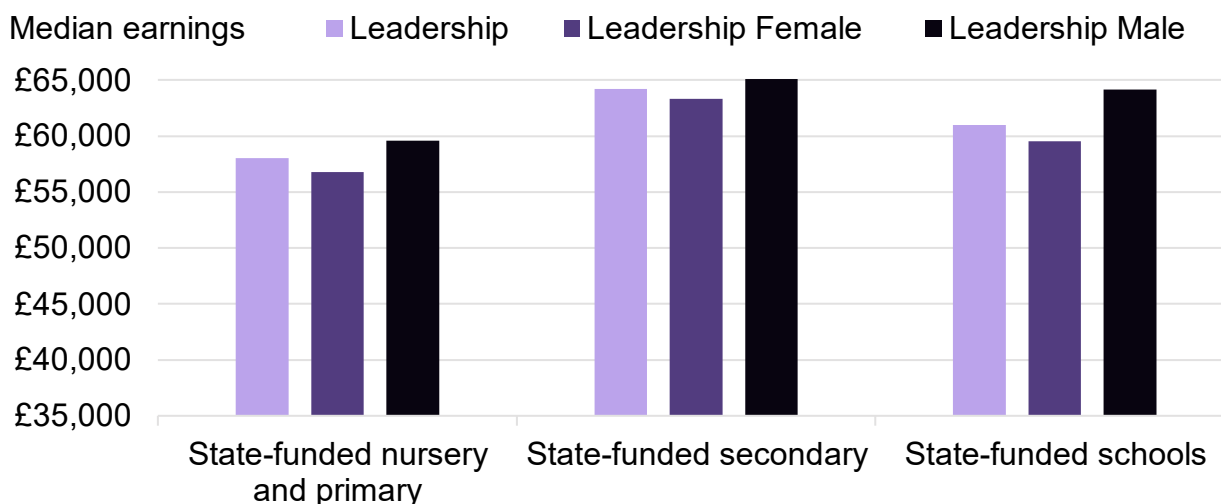


27. Figure 4 compares median earnings for all leadership teachers. Male leadership teachers have higher median earnings across both phases: +4.9% for nursery and primary and +3.8% for secondary, which is a slight reduction in the pay gap from 2021/22.

<sup>68</sup> Note y-axis does not start at zero. OME analysis of Department for Education (2023) *School Workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

<sup>69</sup> Ibid.

**Figure 4: Median earnings for all leadership teachers, by school type and gender, 2022/23<sup>70</sup>.**



## Teachers' pay compared to earnings in other professional occupations

28. We have examined the relative position of the teachers' pay framework by tracking the position of school teachers' pay ranges against the wider distribution of earnings, in terms of annual gross pay. The analysis was produced using the data from the Office of National Statistics' (ONS) Annual Survey of Hours and Earnings (ASHE). The latest ASHE data cover the financial year 2022-23<sup>71</sup>, therefore the 2022 STPCD has been used. We have specifically compared teachers' pay against the earnings of other 'professional occupations' as this is the occupational group which teachers fall into within the ONS's occupational coding system<sup>72</sup>.
29. We note that interpreting ASHE earnings data for 2020 and 2021 is difficult due to the effects of the COVID-19 pandemic. Growth rates were affected by the pandemic's impacts on wages, hours worked and the collection of data. We also note that furloughed workers are present in the 2019-20 and 2020-21 data. There has also been a change to ONS's occupational coding system from Standard Occupational Classification (SOC) 2010 to SOC 2020; earnings estimates from 2020-21 onwards are affected and represent a break in the ASHE time series, therefore previous estimates will not be directly comparable<sup>73</sup> and the ONS recommends looking at longer-term trends.
30. Contextually, in England median gross annual earnings for full-time employees in 'Professional occupations' were £43,419 in 2022-23, a 4.3% increase from 2021-22. Across all occupations in England, median gross annual earnings for full-time employees were £35,106 in 2022-23, a 5.5% increase from 2021-22<sup>74</sup>. The

<sup>70</sup> Ibid.

<sup>71</sup> The latest ASHE data is provisional and is subject to change.

<sup>72</sup> According to the SOC 2020, 'occupations at this level normally require a degree or equivalent period of relevant work experience'. ONS (2023) SOC 2020 -

<https://www.ons.gov.uk/methodology/classificationsandstandards/standardoccupationalclassificationsoc/soc2020/soc2020volume1structureanddescriptionsofunitgroups>

<sup>73</sup> ONS (2023) *Employee earnings in the UK: 2023* -

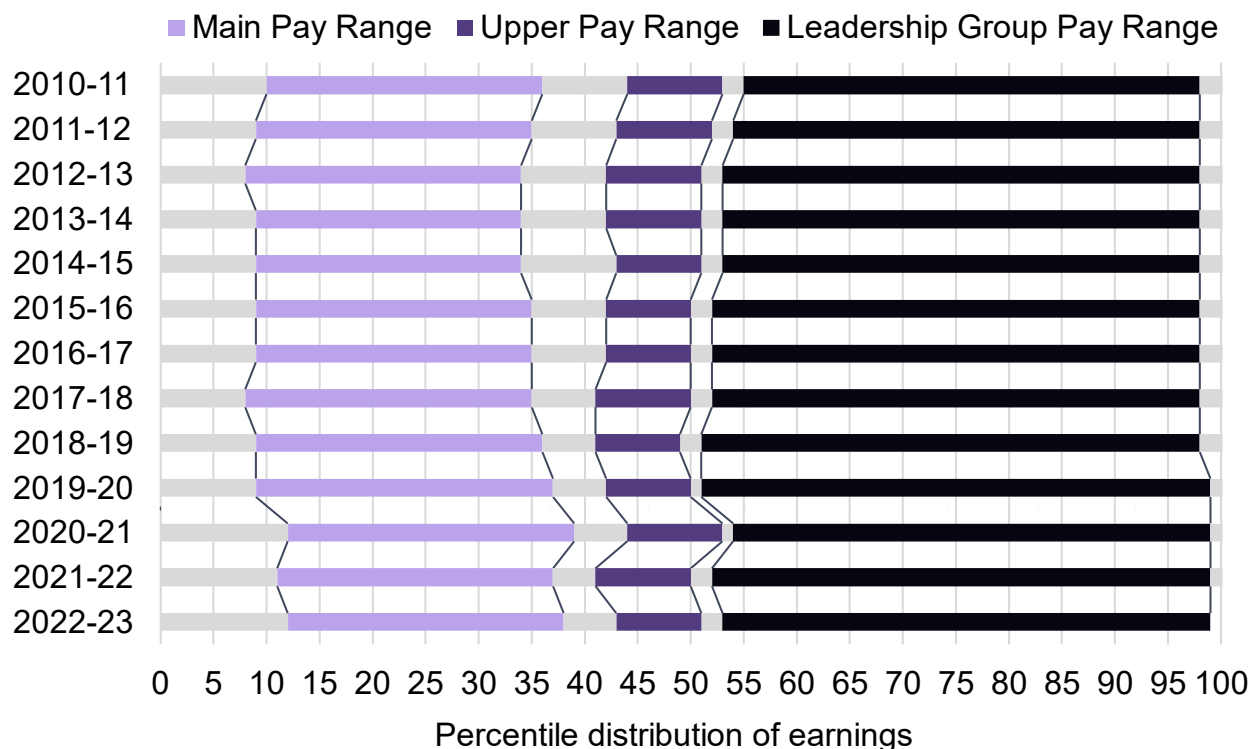
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2023>

<sup>74</sup> OME analysis of unpublished ASHE data.

'Professional occupations' category can be further broken down into specific occupations within the ASHE data.

31. Figure 5 shows how the MPR, UPR and Leadership Group Pay Range (LPR) compare to the distribution of earnings for those in professional occupations. Between 2010-11 and 2019-20, where SOC 2010 is used:
- The relative position of all pay scale minima decreased. The position of the LPR minimum decreased the most, by four percentiles.
  - The relative position of the maxima for the MPR and LPR increased slightly by one percentile. However, the position of the UPR maximum decreased by three percentiles.
  - The gap between the MPR maximum and the UPR minimum has been decreasing both in percentile and cash terms.
32. Between 2020-21 and 2021-22, the relative position of all pay scale minima and maxima decreased, and from 2021-22 to 2022-23 all increased again. The relative deterioration is likely attributable to the pay pause; teachers' pay scales were not uprated from 1 September 2021, whereas the earnings for professional occupations did increase between 2020-21 and 2021-22. Improvements in the relative positions from 2021-22 to 2022-23 are likely due to the uprating from 1 September 2022. Overall, since 2020-21, the relative position of the MPR minimum did not change, whilst the maximum decreased by one percentile. The relative position of the minimum and maximum of the UPR were most affected, decreasing by one and two percentiles respectively. The LPR minimum decreased by one percentile whilst the maximum remained constant.

**Figure 5: Position of the MPR, UPR and LPR in the percentile distribution of economy-wide annual gross earnings, professional occupations only, England, 2010-11 to 2022-23<sup>75</sup>.**

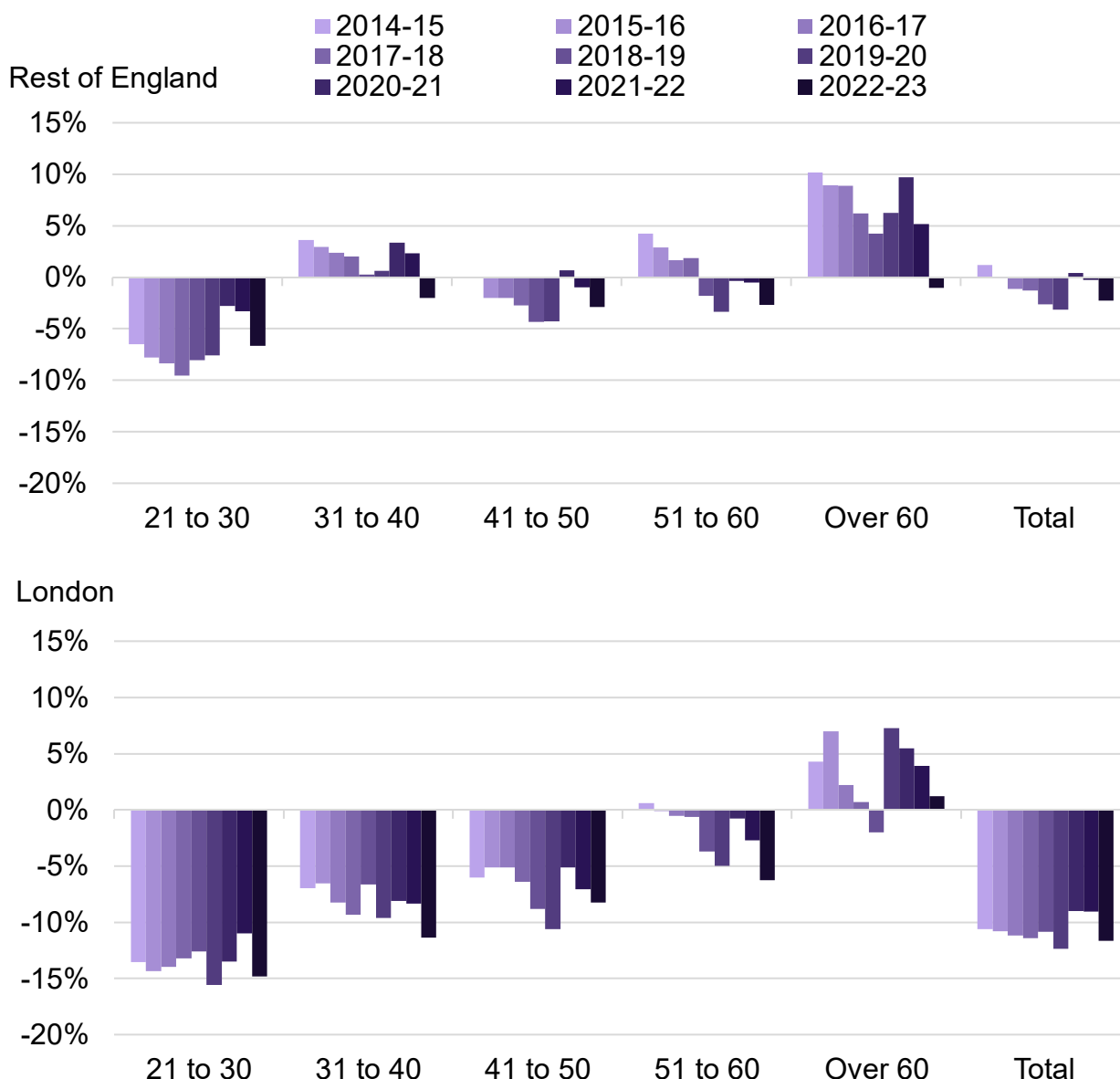


33. Figure 6 compares the estimated earnings of teachers with those working in other professional occupations (excluding teachers) by broad age bands. The teacher sample covers all qualified, full-time teachers, including leaders; the teacher data are drawn from the SWC. To maintain sufficient sample sizes, this analysis is conducted only for London and the Rest of England. Figure 6 presents the pay comparisons in the form of the percentage differentials between estimated teachers' median earnings and those of the comparator group (a negative value indicates that teachers' earnings fall below those of the comparator). The figure shows:

- In 2022-23, for the Rest of England, teachers' median earnings were below those of the comparator groups for most age bands, including for those aged 31 to 40 and those over 60 which previously had been above the comparator groups. In London, teachers' median earnings were below all of the comparator groups, except for those over 60. The gaps between teachers' earnings and those of the comparator group were greatest in London.
- Across most age categories, the relative earnings of teachers deteriorated from 2014-15 to 2019-20, both in the Rest of England and London. This was also the case for the latest period, from 2020-21 to 2022-23.
- Overall, teachers aged 21 to 30 compared least favourably against the other professional occupations, both in the Rest of England and in London. Those in the oldest age group (over 60) compared most favourably.

<sup>75</sup> OME analysis of unpublished ASHE data. Data for 2022-23 are provisional and are subject to change. The dashed line represents a discontinuity from 2020-21 due to a change in ONS's occupational coding from SOC 2010 to SOC 2020.

**Figure 6: Percentage difference between median full-time qualified teachers' earnings and those in other professional occupations (excluding teachers), by age band, the Rest of England and London, 2014-15 to 2022-23<sup>76</sup>.**

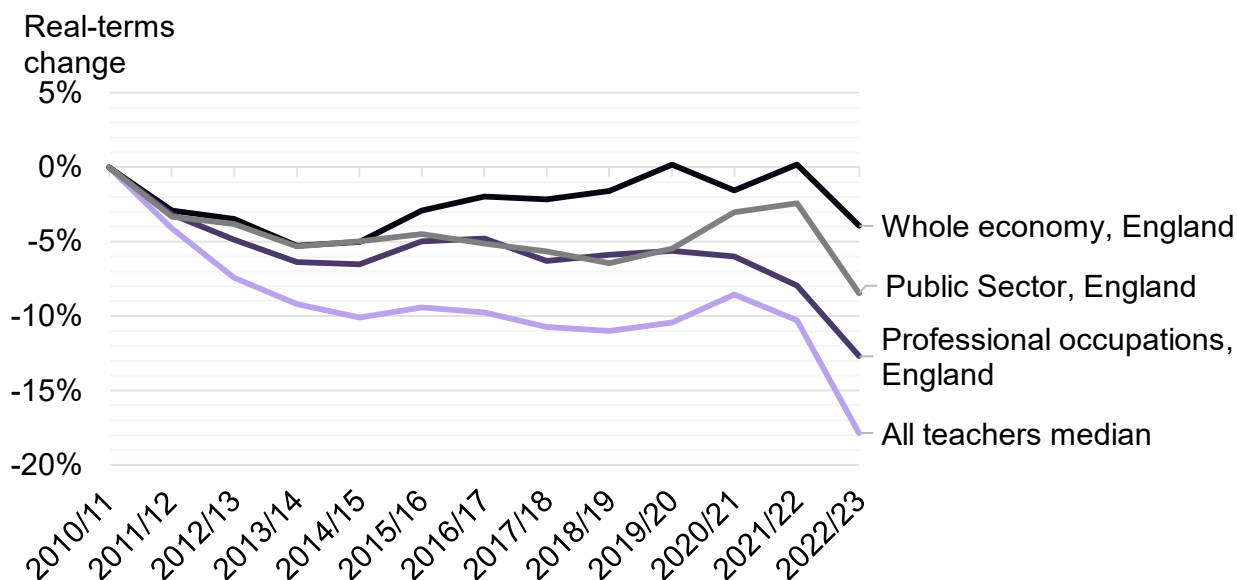


34. Our analysis of real-terms pay changes over time suggests that the competitiveness of teachers' earnings compared to the whole economy, wider public sector and to professional occupations, was lower in 2022/23 compared to 2010/11. Figure 7 shows how the real-terms value of teachers' median earnings fell throughout the early 2010s. The chart shows there was some improvement for teachers between 2018/19 and 2020/21, driven by above-inflation rises in recent years, prior to the pay pause in 2021/22, followed by a decline to 2022/23. We estimate that teachers' median gross earnings in 2022/23 were 17.9% below their level in 2010/11 in real terms. Median gross earnings for the whole economy were 3.9% below their 2010/11

<sup>76</sup> OME analysis of unpublished SWC and ASHE data (2022-23 data are provisional and are subject to change). To make the SWC data more directly comparable to the ASHE we have converted the SWC data into financial years. There is a break in the ASHE series from 2020-21 due to a change in ONS's occupational coding from SOC 2010 to SOC 2020. Note that the 2022/23 SWC data does not fully reflect the 2022/23 pay award.

level and median gross earnings for professional occupations were 12.7% below their 2010/11 level, in real terms.

**Figure 7: Real-terms change in median gross earnings for teachers in state-funded schools, the whole economy (England), public sector (England) and professional occupations (England), compared to levels in 2010/11<sup>77,78,79</sup>.**



35. We have also estimated the real-terms change to teachers' pay scales/ranges, as specified in the STPCD, for which 2023/24 salary data are available. Between 2010/11 and 2023/24, whilst all pay points and ranges have declined in real terms, M1 declined the least (by 4.7%) whilst the leadership maxima declined the most (by 14.5%). Real-terms changes to STPCD pay values are summarised in Table 7.

**Table 7: Real-terms change in teachers' salaries from 2010/11 to 2023/24, based on the STPCD<sup>80</sup>.**

| STPCD spine point | Real-terms change from 2010/11 to 2023/24 |
|-------------------|---|
| M1                | -4.7%                                     |
| M6                | -10.1%                                    |
| UPR1/UP3          | -13.2%                                    |
| Leadership min    | -13.6%                                    |
| Leadership max    | -14.5%                                    |

<sup>77</sup> Nominal earnings have been adjusted using annual CPI figures (financial year). ONS (2024) *Consumer price inflation tables* -

<https://www.ons.gov.uk/economy/inflationandpriceindices/datasets/consumerpriceinflation>

<sup>78</sup> Data for the whole economy, public sector and for professional occupations represent full-time median gross annual earnings in England. OME analysis of unpublished ASHE data. 2022-23 figures are provisional and are subject to change. There is a break in the ASHE series from 2020-21 due to a change in ONS's occupational coding from SOC 2010 to SOC 2020.

<sup>79</sup> OME analysis of Department for Education (2023) *School Workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>. Note that the 2022/23 SWC data does not fully reflect the 2022/23 pay award.

<sup>80</sup> Nominal earnings have been adjusted using annual CPI figures (financial year). ONS (2024) *Consumer price inflation tables* -

<https://www.ons.gov.uk/economy/inflationandpriceindices/datasets/consumerpriceinflation>

## Benchmarking against market data

36. Benchmarking teacher and leadership roles against remuneration data for jobs of comparable size and scope provides an insight into the relative competitiveness of pay in the profession.
37. Research commissioned for STRB analysed the job levels of teaching and leadership roles and, using external salary survey data, compared these roles with jobs of a similar size, scope and complexity. We have reproduced the headline findings in this report and the published output is available on the OME website<sup>81</sup>.
38. Benchmarking relies on finding an objective way to compare roles which, whilst different, share important characteristics in terms of size, scope and complexity. While the outputs are based on a sample of incumbents in comparable roles and should therefore be treated with some care, they do provide indicative comparisons allowing the user to draw high level conclusions. The approach provides a useful additional lens to examine the competitiveness of pay. This type of exercise is standard practice in the private sector and is something STRB plans to build on.
39. The headline analysis is presented below in Figure 8 and Figure 9. The coloured horizontal rows in the charts indicate the current levels of teacher and leadership salaries. The boxes show a competitive range of salaries for roles identified as broadly comparable in size and scope at various career stages<sup>82</sup>. The market data is not geographically specific. Key points are:
  - The minimum starting salary for teachers is between the lower quartile and median for comparable roles. The position is less competitive for teachers with more experience who progress up the MPR. Teachers at M5-6 are currently positioned below the lower quartile for roles identified as comparable.
  - The salary for teachers on the UPR is in a better comparative position, located between the lower quartile and median pay level.
  - The comparative salary position of Leadership roles in primary schools is generally below the lower quartile base salary data in all regions, whilst roles in secondary schools are better aligned to the market base salary data<sup>83</sup>.

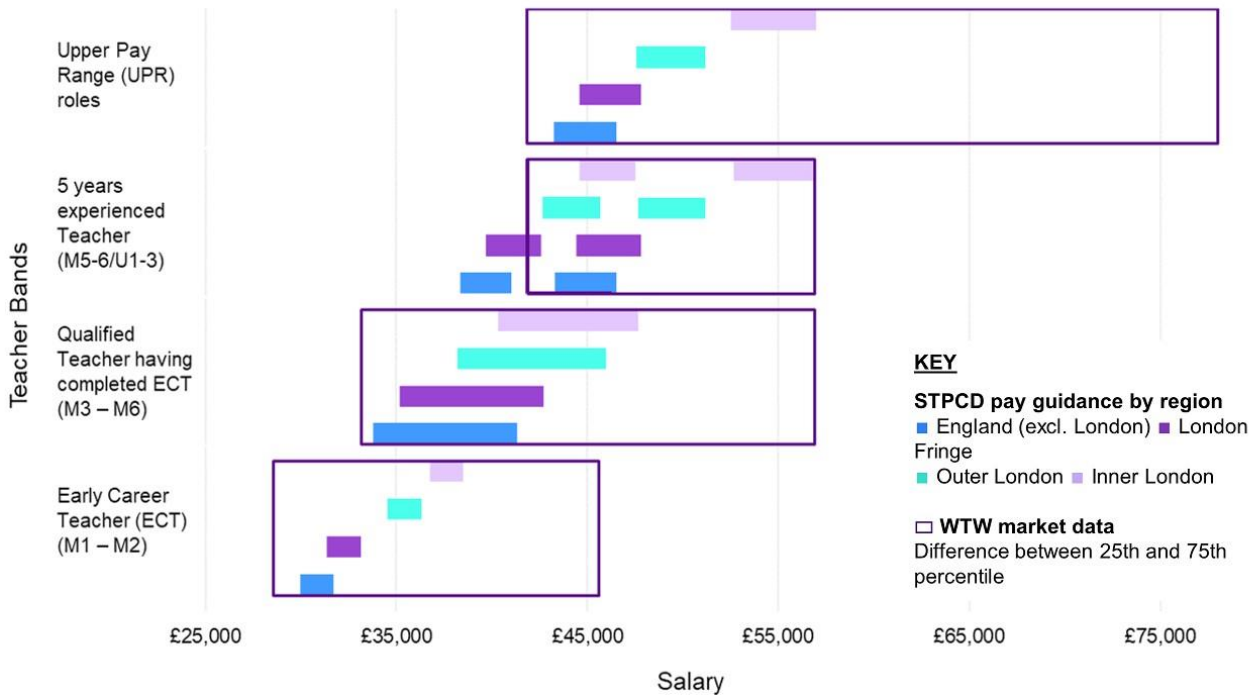
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<sup>81</sup> WTW (2024) *Teacher Job Levelling*. Published alongside this report and available at <https://www.gov.uk/government/organisations/school-teachers-review-body> (see Research and Statistics).

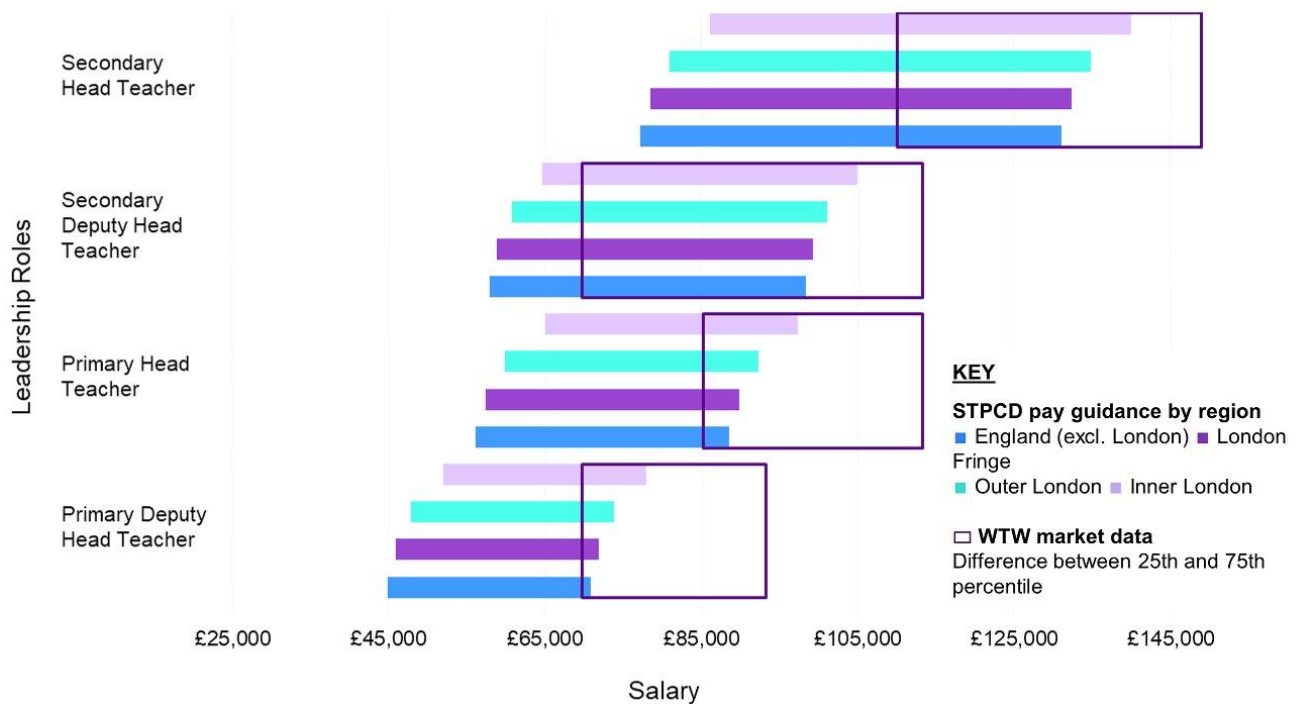
<sup>82</sup> In some cases, groups of teacher or leadership roles were matched to more than one comparator job level (e.g. 'leadership roles', 'Upper Pay Range teachers'). In these cases, the displayed range for comparator roles is based on the 25<sup>th</sup> percentile of the lower comparator salary range and the 75<sup>th</sup> percentile of the higher comparator salary range.

<sup>83</sup> For the purposes of these comparisons, primary head pay was based on STPCD head teacher groups 2-4 and secondary heads on head teacher groups 6-8. Estimated pay levels for Deputy Heads are based on OME analysis of School Workforce data.

**Figure 8: Comparison of base salary data with STPCD pay - classroom teachers.**



**Figure 9: Comparison of base salary data with STPCD pay - school leaders.**

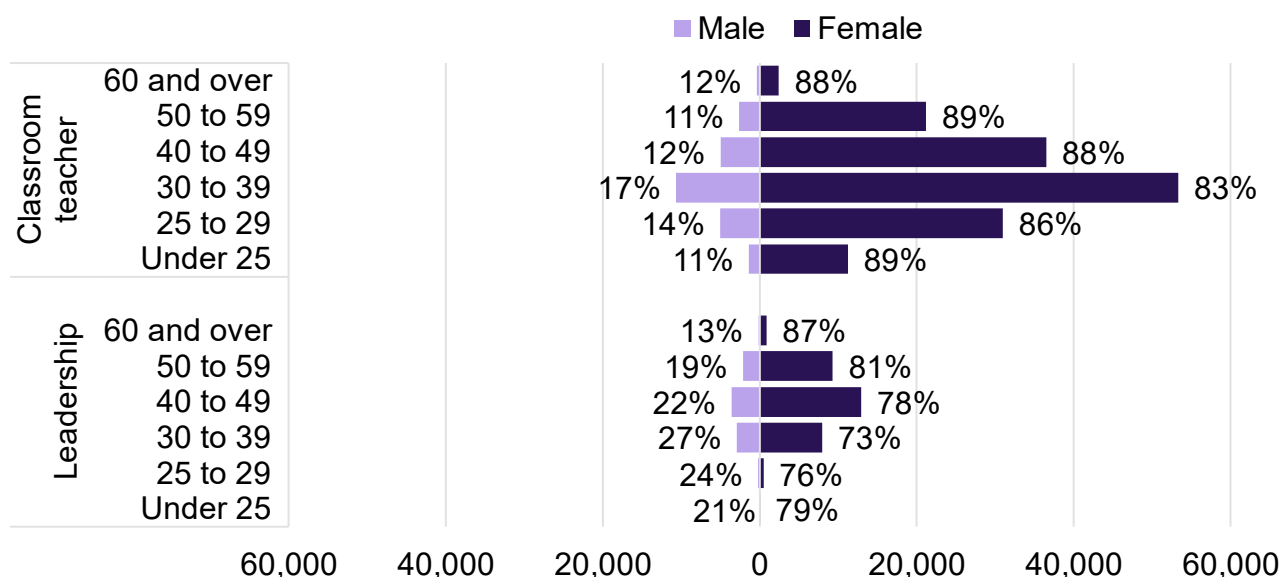




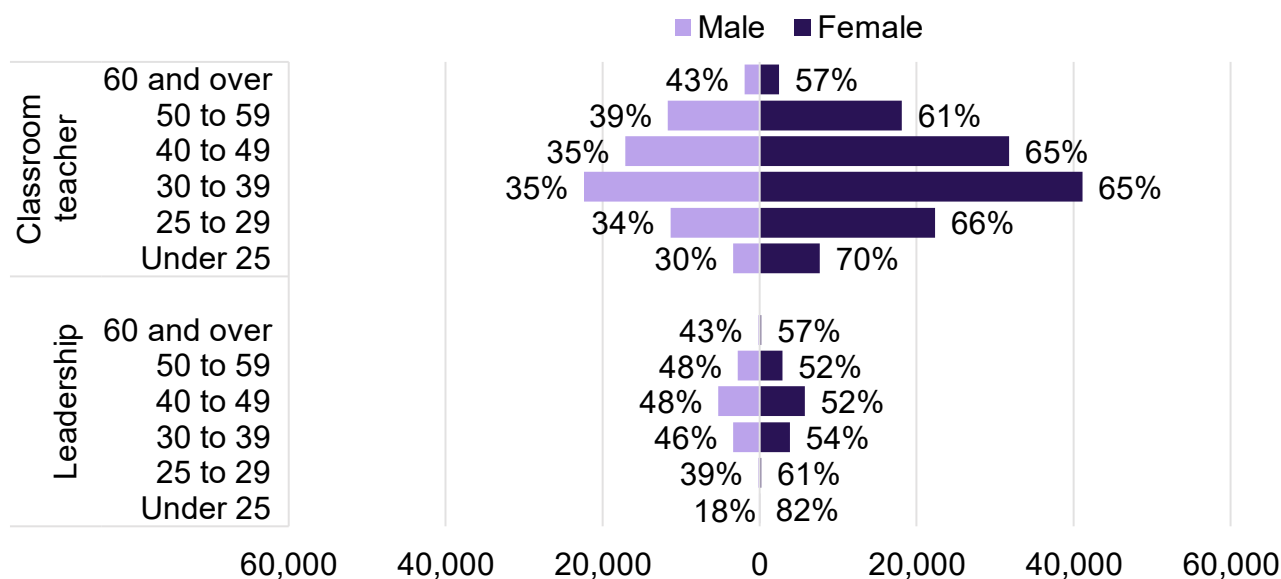
## Teacher numbers and characteristics

40. This section presents statistics on teacher numbers and their characteristics, such as age and gender. Ethnicity data are also presented for teachers and pupils.
41. There were 468,371 FTE teachers working in state-funded schools in England in November 2022, an overall increase of 0.6% (2,844 staff) from 2021. Between November 2021 and 2022:
- FTE nursery and primary teachers decreased by 0.4% (997 staff)
  - FTE secondary teachers increased by 1.1% (2,447 staff)
  - FTE special school or pupil referral unit (PRU) teachers increased by 4.4% (1,137 staff)
  - FTE centrally employed teachers increased by 7.1% (256 staff)
42. Of the 468,371 teachers, around 42% work for Local Authority (LA) maintained schools and therefore fall within the STRB's remit group. The remaining 58% work in the academy sector. By school type, 59% of primary and nursery schools fall within the STRB's remit, whereas only 21% of secondary schools do. The proportion of teachers in the STRB's remit group was slightly higher in 2021/22, at 43% across state-funded schools (and decreasing since 2010/11). In 2022/23 the total state-funded primary and nursery teacher workforce was 2.5% larger (221,331) than the secondary teacher workforce (216,013).
43. Figure 10 and Figure 11 show the numbers of teachers by grade, age and gender across state-funded nursery and primary, and secondary schools. Key points from the figures and underlying data are:
- 30 to 39-year-olds made up the largest proportion of the total workforce across state-funded schools.
  - A higher proportion of classroom teachers was female in both primary (86%) and secondary (65%) schools. Across all state-funded schools 75% of classroom teachers were female. These proportions have remained stable since 2020/21.
  - Whilst 15% of the total primary workforce was male, males accounted for 22% of primary leadership roles (assistant heads, deputy heads and heads). In secondary schools, whilst 37% of the total workforce was male, males accounted for 47% of leadership roles.

**Figure 10: Numbers of FTE teachers, split by age and gender, across state-funded nursery and primary schools, England, November 2022<sup>84</sup>.**



**Figure 11: Numbers of FTE teachers, split by age and gender, across state-funded secondary schools, England, November 2022<sup>85</sup>.**



<sup>84</sup> OME analysis of Department for Education (2023) *School Workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

<sup>85</sup> Ibid.

44. Table 8 to Table 10 show the ethnicity of all teachers and pupils of all ages. Ethnicity information was available for 91% of teachers and 98% of pupils. We have also included estimates of ethnicity for the total population in England. The tables show, in 2022/23:

- 90% of all teachers across state-funded schools were White; this compares to 72% of school pupils. These figures are similar to 2021/22. According to the ONS's population estimates, 81% of the population in England was White in 2021<sup>86</sup>.
- The proportion of teachers who were White increases by grade. For example, whilst 89% of classroom teachers were White, 96% of heads were.
- A larger proportion of teachers in nursery and primary schools were White (92%) compared to secondary schools (87%).
- The pupil population is much more diverse than the teacher population, across school types.

**Table 8: Ethnicity of teachers by grade and pupils in state-funded schools (headcount), England, 2022/23 and ethnicity of the population in England, 2021<sup>87,88,89</sup>.**

|                          | White | Any other Mixed background | Asian or Asian British | Black or Black British | Any other ethnic group |
|--------------------------|-------|----------------------------|------------------------|------------------------|------------------------|
| Head teacher             | 96%   | 1%                         | 2%                     | 1%                     | <1%                    |
| Deputy head teacher      | 94%   | 1%                         | 3%                     | 1%                     | <1%                    |
| Assistant head teacher   | 92%   | 2%                         | 4%                     | 2%                     | <1%                    |
| Classroom teacher        | 89%   | 2%                         | 6%                     | 3%                     | <1%                    |
| Total teachers           | 90%   | 2%                         | 5%                     | 3%                     | <1%                    |
| Total pupils             | 72%   | 7%                         | 13%                    | 6%                     | 2%                     |
| Total population England | 81%   | 3%                         | 10%                    | 4%                     | 2%                     |

<sup>86</sup> ONS (2022) *Ethnic group, England and Wales: Census 2021* -

<https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/ethnicity/bulletins/ethnicgroupenglandandwales/census2021#how-ethnic-composition-varied-across-england-and-wales>

<sup>87</sup> OME analysis of Department for Education (2023) *Schools, pupils and their characteristics: Academic year 2022/23* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-pupils-and-their-characteristics>

<sup>88</sup> OME analysis of Department for Education (2023) *School workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

<sup>89</sup> ONS (2022) *Ethnic group, England and Wales: Census 2021* - <https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/ethnicity/bulletins/ethnicgroupenglandandwales/census2021#how-ethnic-composition-varied-across-england-and-wales>

**Table 9: Ethnicity of teachers by grade and pupils in state-funded secondary schools (headcount), England, 2022/23 and ethnicity of the population in England, 2021<sup>90</sup>.**

|                          | White | Any other Mixed background | Asian or Asian British | Black or Black British | Any other ethnic group |
|--------------------------|-------|----------------------------|------------------------|------------------------|------------------------|
| Head teacher             | 94%   | 1%                         | 3%                     | 1%                     | <1%                    |
| Deputy head teacher      | 92%   | 1%                         | 4%                     | 2%                     | <1%                    |
| Assistant head teacher   | 91%   | 2%                         | 4%                     | 2%                     | <1%                    |
| Classroom teacher        | 87%   | 2%                         | 7%                     | 4%                     | 1%                     |
| Total teachers           | 87%   | 2%                         | 7%                     | 3%                     | <1%                    |
| Total pupils             | 71%   | 7%                         | 13%                    | 6%                     | 2%                     |
| Total population England | 81%   | 3%                         | 10%                    | 4%                     | 2%                     |

**Table 10: Ethnicity of teachers by grade and pupils in state-funded nursery and primary schools (headcount), England, 2022/23 and ethnicity of the population in England, 2021<sup>91</sup>.**

|                          | White | Any other Mixed background | Asian or Asian British | Black or Black British | Any other ethnic group |
|--------------------------|-------|----------------------------|------------------------|------------------------|------------------------|
| Head teacher             | 96%   | 1%                         | 2%                     | 1%                     | <1%                    |
| Deputy head teacher      | 95%   | 1%                         | 2%                     | 1%                     | <1%                    |
| Assistant head teacher   | 92%   | 2%                         | 4%                     | 2%                     | <1%                    |
| Classroom teacher        | 91%   | 2%                         | 5%                     | 2%                     | <1%                    |
| Total teachers           | 92%   | 1%                         | 4%                     | 2%                     | <1%                    |
| Total pupils             | 72%   | 7%                         | 13%                    | 6%                     | 2%                     |
| Total population England | 81%   | 3%                         | 10%                    | 4%                     | 2%                     |

## Pupil numbers

45. Pupil numbers do not translate directly into the required number of teachers; however, they do provide some measure of demand. Figure 12 shows actual pupil numbers from 2012 to 2023, as well as a projection to 2032. The data show:

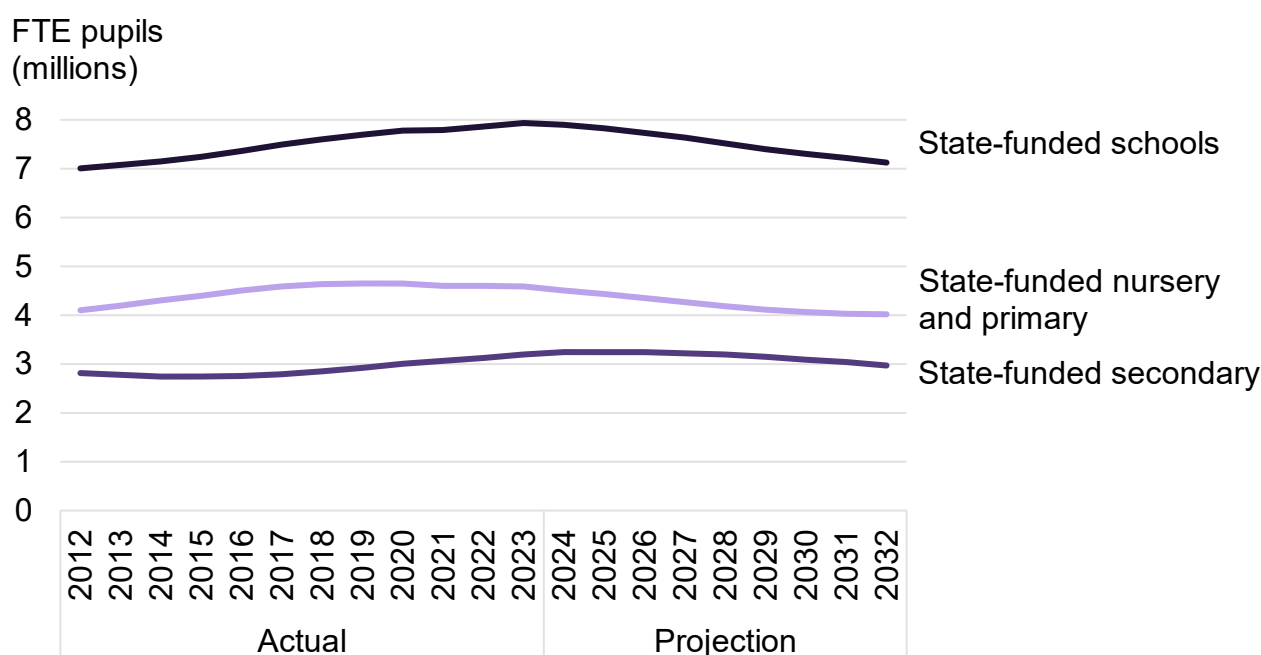
- The actual pupil population in state-funded schools was 7.9 million in 2023. The pupil population seems to be peaking and is projected to decrease by 0.8 million by 2032.
- The nursery and primary pupil population peaked in 2019 at 4.7 million. Since this point, numbers have decreased. This is mainly due to continued reductions in the number of births since 2013; the drop in 2021 may be due to the COVID-19 pandemic, with parents choosing to home school.

<sup>90</sup> Ibid.

<sup>91</sup> Ibid.

- The secondary school population is projected to peak in 2024 at 3.2 million then gradually decline through to 2032, the end of the forecast period.

**Figure 12: FTE pupil numbers up to and including age 15, in state-funded schools, England, 2012 to 2032 (projection from 2024)<sup>92</sup>.**

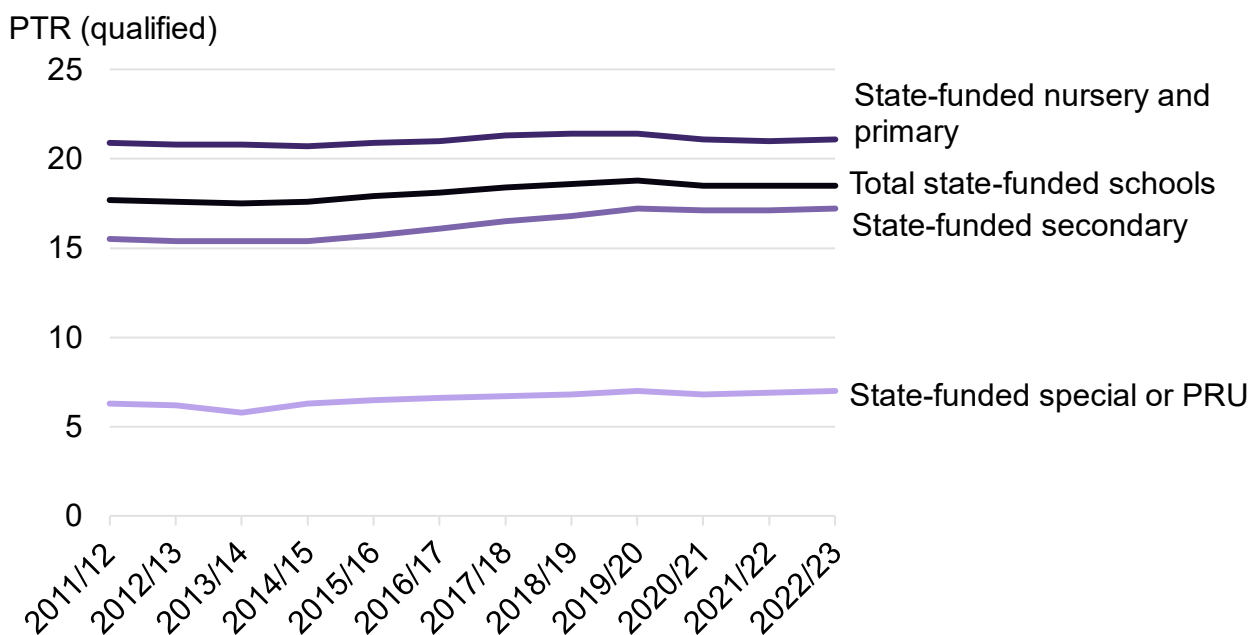


## Pupil to teacher ratios

- Figure 13 shows the PTR for qualified teachers within schools by school type from 2011/12 to 2022/23. PTRs show the size of the qualified FTE teacher workforce in relation to the size of the FTE pupil population; a decrease in the PTR means there are fewer pupils per teacher.
- For secondary schools, the PTR for qualified teachers was 17.2 in 2022/23, relatively stable from 2021/22 (17.1). The overall PTR has been on an increasing trend since 2015/16, driven by increasing secondary school pupil numbers, which are projected to continue to rise until 2024. This increase in pupils has been offset by an increase in teachers in recent years. The average secondary class size was 22.4 in 2022/23, relatively stable from 2021/22 (22.3) and an increase from 2015/16.
- For nursery and primary schools, the PTR for qualified teachers was 21.1 in 2022/23, relatively stable from 2021/22 (21.0). The PTR increased between 2015/16 and 2018/19, but has decreased from 2019/20, driven by decreasing pupil numbers, with the nursery and primary population projected to decrease through to 2032. The average primary class size was 26.7 in 2022/23, relatively stable from 2020/21 (26.6) and a decrease from 2015/16.
- The figure also shows how the PTR is considerably lower across state-funded special schools or PRUs.

<sup>92</sup> OME analysis of Department for Education (2023) *National pupil projections: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/national-pupil-projections>

**Figure 13: Pupil to teacher ratios for qualified teachers in state-funded schools, England, 2011/12 to 2022/23<sup>93</sup>.**



50. PAR give the number of FTE pupils per adult (FTE teachers and support staff) employed in schools (excluding administrative and clerical staff). Data on PARs show:

- The PAR for all state-funded nursery and primary schools was 10.9 in 2022/23, stable from 2021/22.
- The PAR for all state-funded secondary schools was 12.0 in 2022/23, similar to 2020/21 (11.9).

## Teacher flows: entrants and leavers

51. The following section focuses on entrants to, and leavers from, the teacher workforce<sup>94</sup>. In 2022/23 there were 47,954 FTE qualified entrants to teaching in state-funded schools, a 9.0% increase from 2021/22. The overall entrants' rate was 10.5%. This is higher than in 2021/22 when the rate was 9.7% and back to similar values as pre-COVID-19 pandemic levels. Of the qualified new entrants there were:

- 21,653 newly qualified teachers (NQTs), 45% of all entrants.
- 16,737 teachers returning to teaching after a break, 35% of all entrants.
- 4,750 deferred NQTs, 10% of all entrants.
- 4,814 teachers new to the state-funded sector, 10% of all entrants.

52. Between November 2021 and November 2022 there were 43,997 FTE qualified teachers who left teaching in state-funded schools. This is 21.6% higher than in

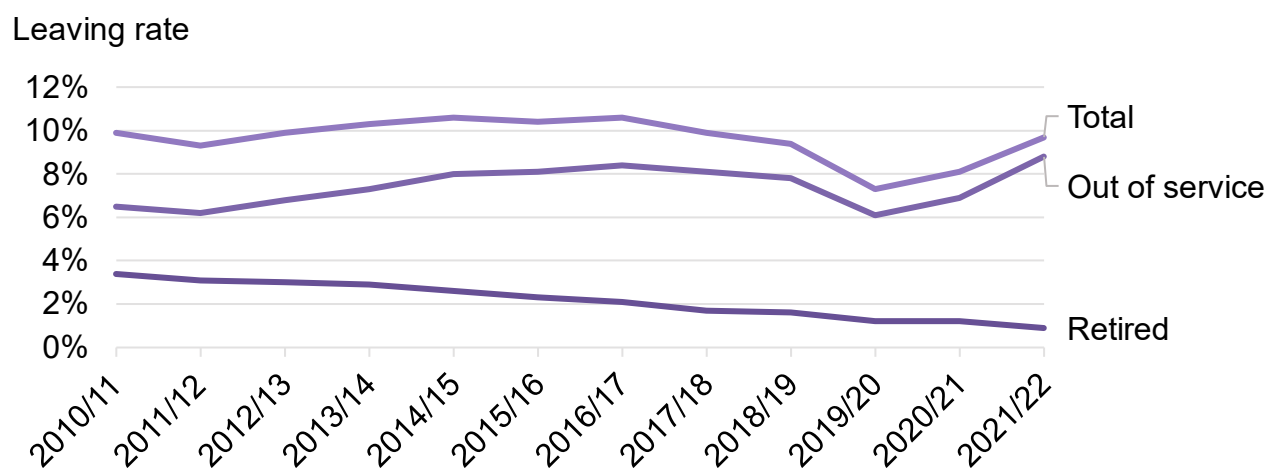
<sup>93</sup> OME analysis of Department for Education (2023) *School workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

<sup>94</sup> Note that entrants values refer to the year 2022/23, whilst leavers refer to the year 2021/22, as the latest data are from November 2022.

2020/21 and marked a return to pre-pandemic levels. The overall leaving rate was 9.7%, an increase from 2020/21 (8.1%) back up to similar levels as in 2018/19 (see Figure 14). Of the teachers who left in 2021/22 there were:

- 39,930 teachers out of service, 91% of all leavers.
- 3,929 teachers who retired, 9% of all leavers.

**Figure 14: Overall leaving rate for qualified teachers in state-funded schools, 2010/11 to 2021/22<sup>95</sup>.**



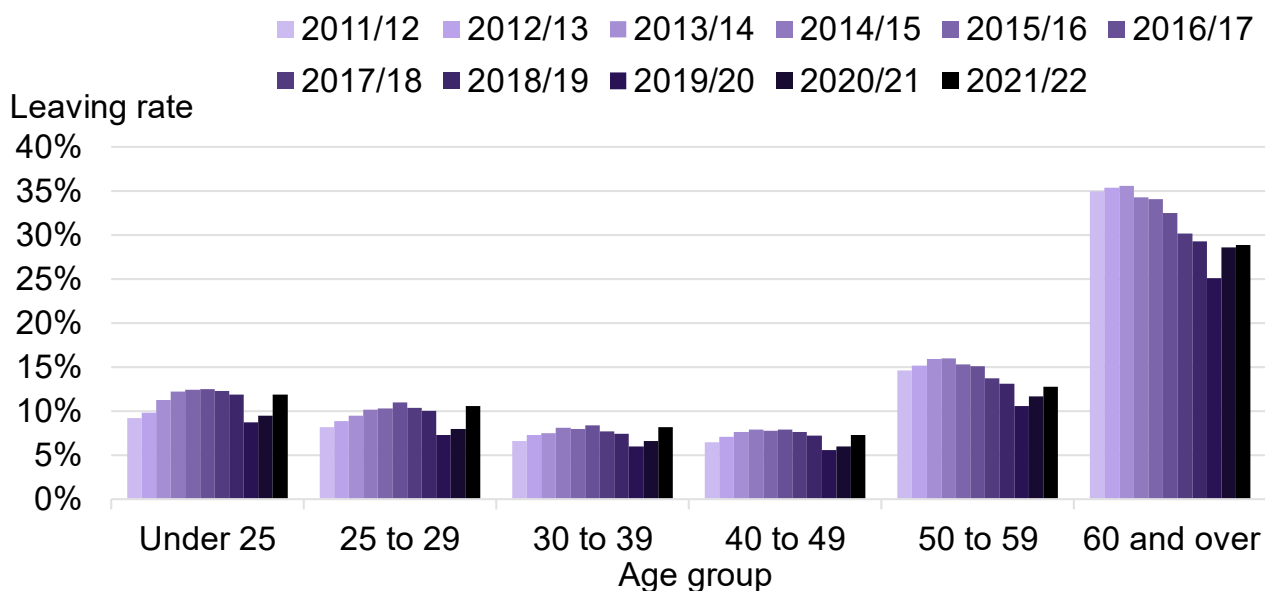
- The proportion of leavers who retired has fallen each year from 2010/11 (34%) to 2021/22 (9%). This is consistent with a reduction in the proportion of teachers who were aged 50 or over from 23% in 2010/11 to 19% in 2022/23.
- Within the overall leaving rate, there is variation by school type. The leaving rate for primary schools has been consistently lower than for secondary schools since 2010/11 but have converged for 2020/21 and 2021/22. The primary school leaving rate was 9.6% in 2021/22, an increase from 8.0% in 2020/21. The secondary school leaving rate was 9.5% in 2021/22, an increase from 7.8% in 2020/21.
- LA maintained schools have tended to have lower leaving rates than academies, for both the primary and secondary phases. For example, the LA maintained secondary school leaving rate was 8.5% in 2021/22 whereas the secondary academy leaving rate was 9.8%.
- In addition to entrants and leavers, changes to working patterns also affect the number of FTE teachers. In 2021, 4% of qualified teachers increased their working hours and 5% decreased theirs. Overall, this led to a decrease of around 2,160 FTE qualified teachers between 2020 and 2021. This decrease is smaller than from 2019 to 2020 (2,300 FTE qualified teachers).
- Overall, there were 2,844 more FTE teachers across state-funded schools in 2022/23 compared to 2021/22. This increase is smaller than that seen from 2020/21 to 2021/22 (an increase of 4,423 FTE teachers) but brings the total FTE teacher workforce up to the highest level since 2010/11.

<sup>95</sup> OME analysis of Department for Education (2023) *School workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

## Leaving and wastage rates by age

58. Figure 15 presents leaving rates by age on leaving per year from 2011/12 to 2021/22. During this period, the leaving rates for those aged 50 to 59 and 60 and over have steadily decreased. Over the same period, the leaving rates for all age groups under 50 increased until around 2016/17 before decreasing to historically low rates in 2019/20. Since then, leaving rates increased for all age categories, year-on-year.
59. In absolute terms, the largest number of qualified teacher leavers was from the 30 to 39 and 50 to 59 age categories in 2021/22, with 12,374 and 9,384 leavers respectively. Absolute numbers of leavers by age are shown in Figure 16. The figure highlights that, whilst leaving rates are high for teachers in the Under 25 and 60 and over categories, the absolute numbers of leavers are relatively low in comparison to other age categories.

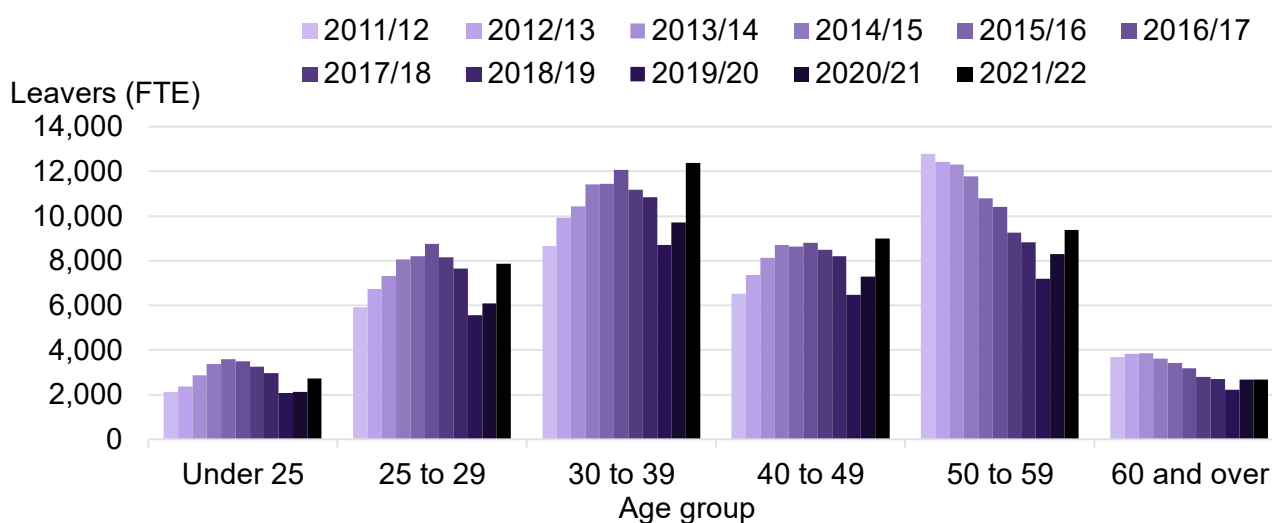
**Figure 15: Leaving rates of FTE qualified teachers by age on leaving, across all state-funded schools, England, 2011/12 to 2021/22<sup>96</sup>.**



<sup>96</sup> Ibid.



**Figure 16: Numbers of FTE qualified teacher leavers by age on leaving, across all state-funded schools, England, 2011/12 to 2021/22<sup>97</sup>.**



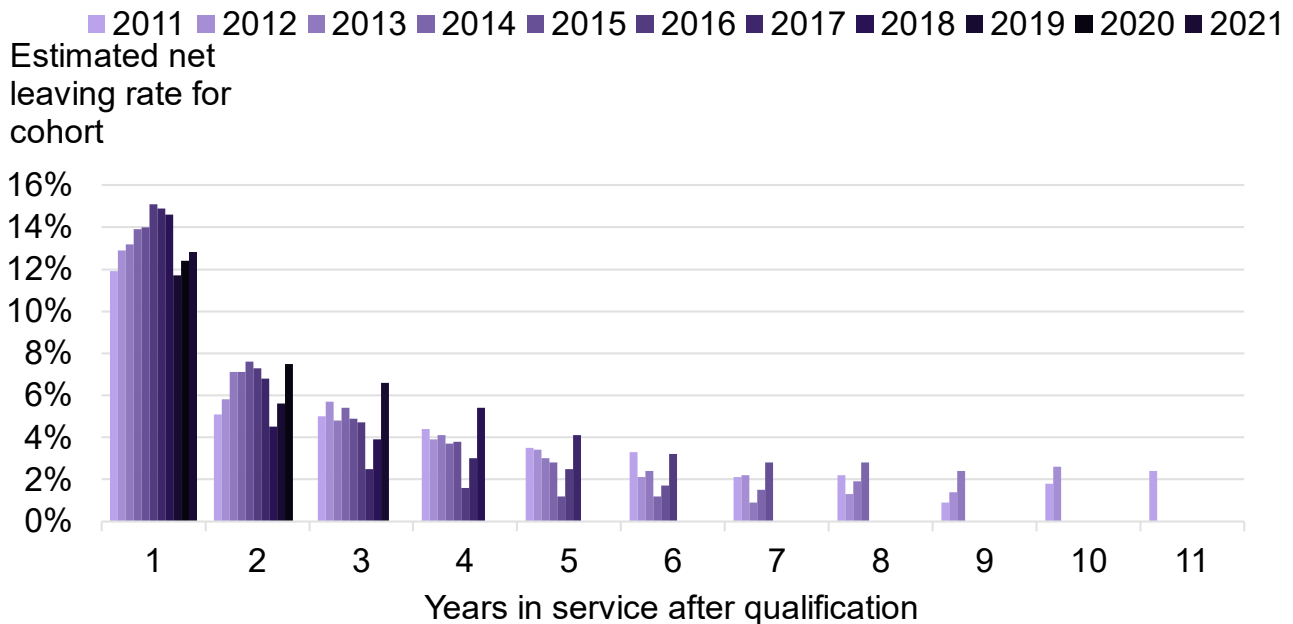
### **Leaving rates by length of service**

60. Figure 17 estimates, for each cohort of new entrants, the percentage of that cohort leaving after each year of service. For example, for the 2011 entry cohort, it shows the percentage of teachers in that cohort who left after one year of service, two years of service, and so forth. In some cases, a teacher from a given cohort may leave and subsequently return to service; in such cases, they cease being treated as a leaver from the year they are recorded as having returned. In this sense, we are measuring 'net leaving rates'.
61. The net leaving rates for any given cohort decline quickly after the first few years of service and then flatten out. Figure 17 highlights increases in the leaving rates after one and two years of service for the 2011 to 2016 entry cohorts. Leaving rates then dropped for the 2019 entry cohort before increasing for the 2020 and 2021 cohorts. This is likely a result of the COVID-19 pandemic, given that teacher retention tends to improve during recessions as the options outside teaching carry more uncertainty. Lockdown restrictions may have also made it harder for teachers to move jobs.
62. Figure 18 draws upon the underlying data from Figure 17 and shows how retention rates have changed for selected cohorts. The figure shows:
  - 87.2% of teachers who joined in 2021 were retained after one year; the corresponding figure for the 2011 cohort was 88.1%.
  - 76.1% of teachers who joined in 2019 were retained after three years; the corresponding figure for the 2011 cohort was 78.0%.
  - 68.7% of teachers who joined in 2017 were retained after five years; the corresponding figure for the 2011 cohort was 70.1%.
  - 64.0% of teachers who joined in 2015 were retained after seven years; the corresponding figure for the 2011 cohort was 64.7%.

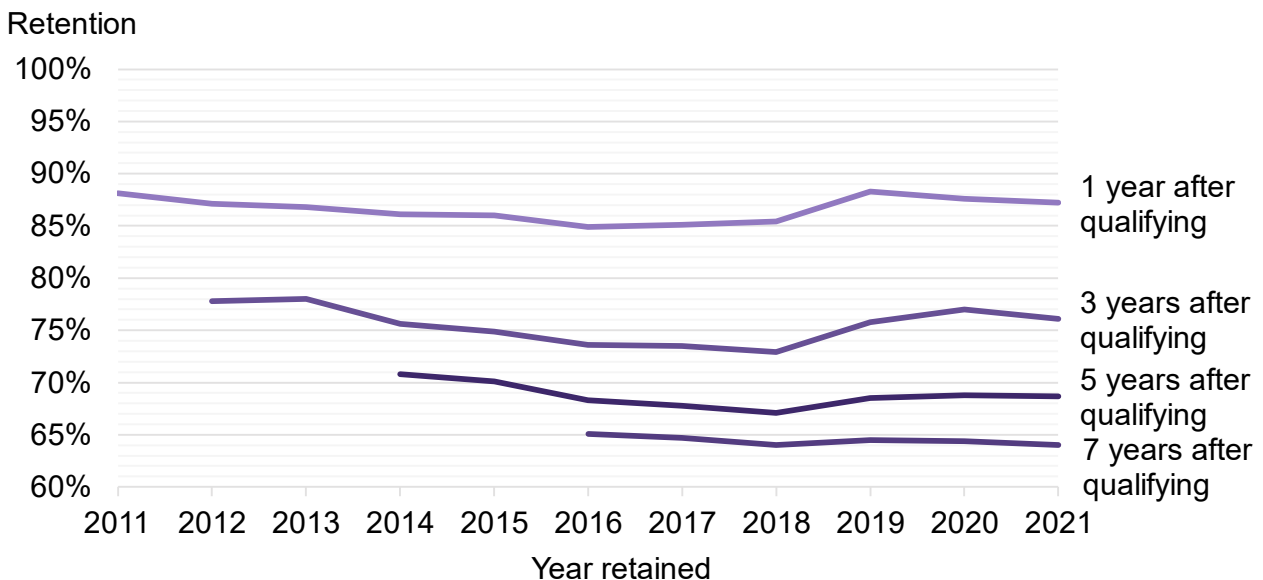
<sup>97</sup> Ibid.

63. All of the more recent cohorts listed above have lower retention rates than the 2011 cohort. Improvements in retention associated with the pandemic now appear to have been reversed; leaving rates for the most recent year are equal to, or have exceeded, pre-pandemic rates for staff in service for 2 years and above. This is also reflected in the overall leaving rate (see Figure 14 above).

**Figure 17: Estimated net leaving rates at each year of service (full-time and part-time qualified teachers), for teachers qualified in 2011 to 2021, England<sup>98</sup>.**



**Figure 18: Percentage of teachers still in service 1 to 7 years after qualifying, by year of leaving 2011 to 2021, England<sup>99</sup>.**



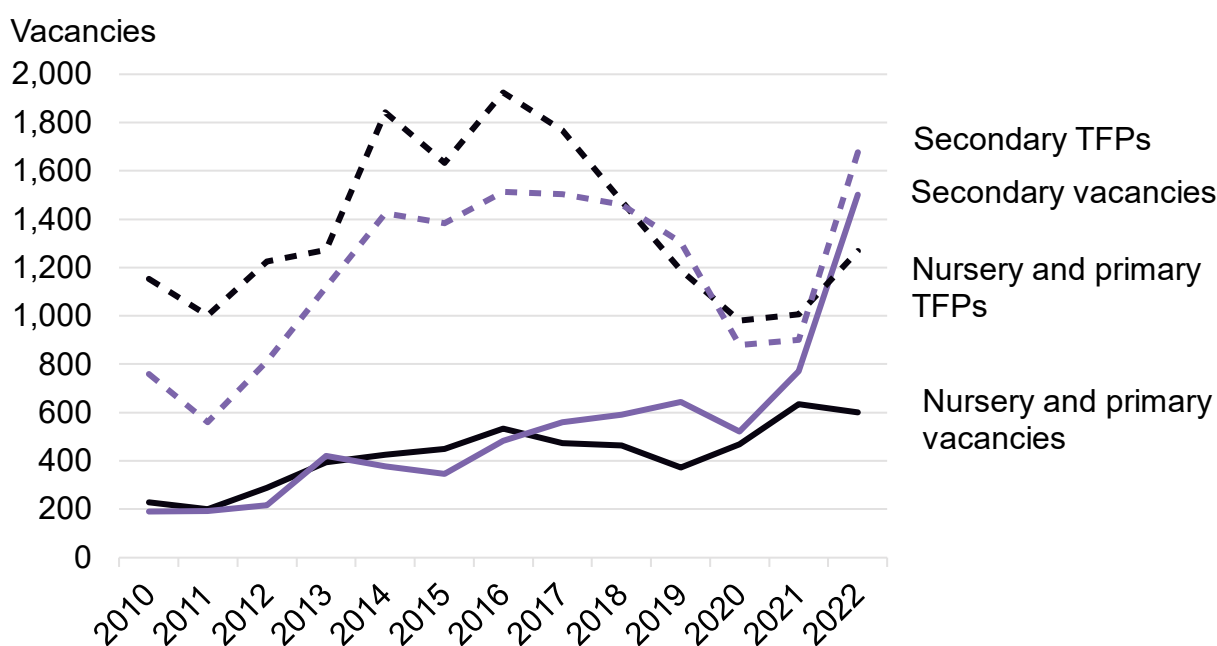
<sup>98</sup> Ibid.

<sup>99</sup> Note y-axis does not start at zero. OME analysis of Department for Education (2023) *School workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

## Teacher vacancies

64. In November 2022, according to the SWC data, the teacher vacancy rate (including full-time and part-time teachers) across all state-funded schools was 0.5%, higher than the previous year (0.3%)<sup>100</sup> and the highest in the range of years available (from 2010). The vacancy rate for classroom teachers was also 0.5%, whilst that for all leadership was 0.3%.
65. In absolute terms, the number of vacancies across state-funded schools increased by 770 compared to the previous year, reaching 2,334. The increase in the headline total is driven by the increase in secondary schools, as nursery and primary schools saw a slight decrease (see Figure 19).
66. Temporarily filled posts (TFPs) are those where a vacancy exists which is being filled by a teacher on a contract of at least one term but less than a year. The vacancy rate for TFPs across all state-funded schools was 0.7% in 2022, up from 0.5% in 2021. In absolute terms, there were 3,308 TFPs in 2022. After peaking in 2016/17, the number of TFPs fell in 2020/21, and have risen again (see Figure 19).

**Figure 19: Teacher vacancies (both full-time and part-time) and temporarily filled posts (TFPs) in state-funded schools, England, November 2011 to 2022<sup>101,102</sup>.**



67. Subject-level vacancy rate data for secondary schools are shown in Figure 20. Two of the Design and Technology (D&T) subjects had some of the highest vacancy rates,

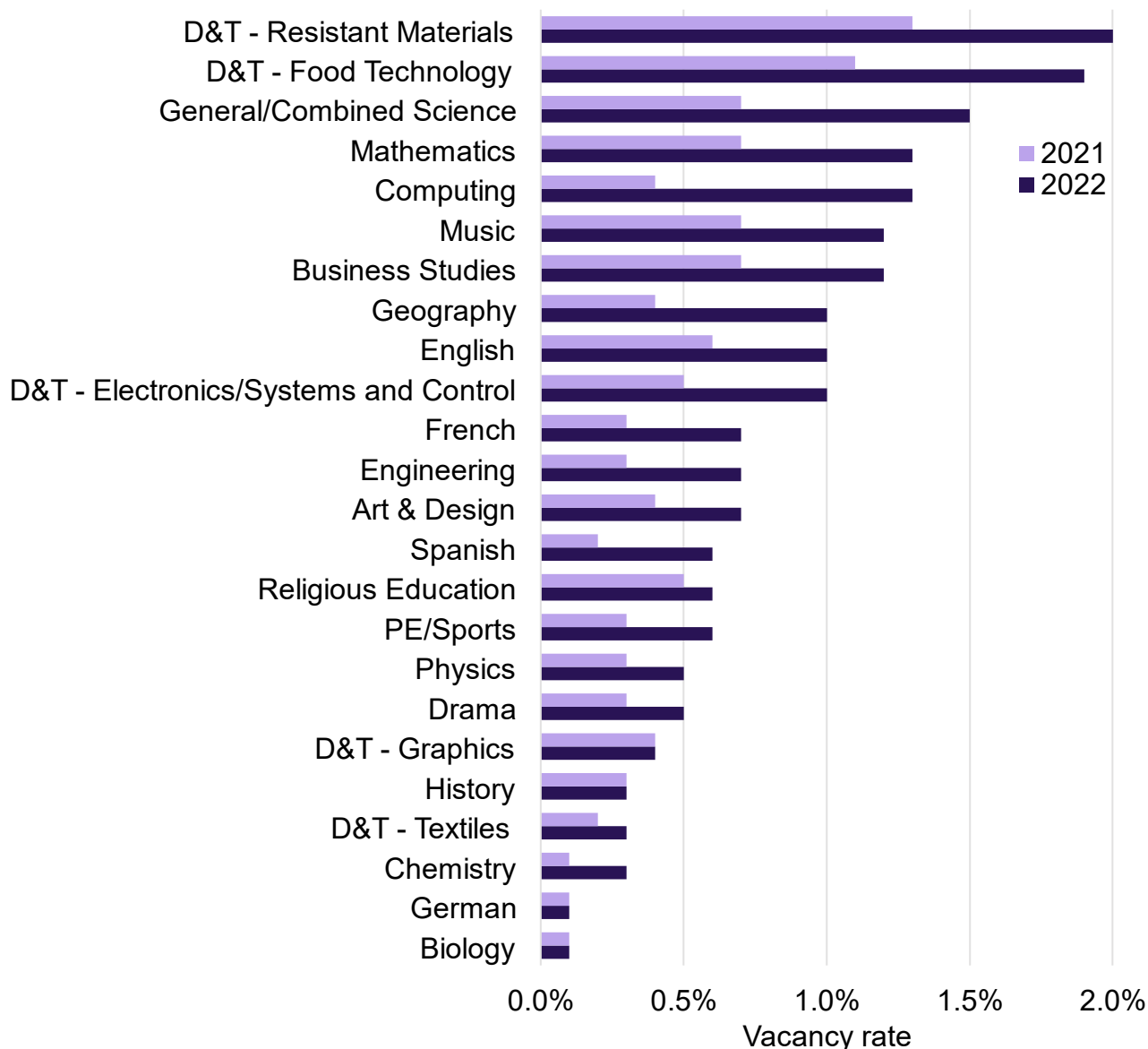
<sup>100</sup> A vacancy refers to a full-time appointment of at least one term's duration that, on the November census date, had been advertised but not filled. Vacancies exclude those filled on a temporary basis unless it is by someone on a contract of less than a term. We note the limitation of the vacancy data in that the data is a mid-term snapshot. As vacancies may have been filled in time for the start of the school year, the school vacancy data does not reflect the challenges faced by schools throughout the year, as vacant posts may be advertised at other times such as over spring/summer.

<sup>101</sup> To reduce burden during the COVID-19 pandemic, schools and LAs were not required to provide the tenure (full-/part-time working pattern) of teachers in the November 2020 School Workforce Census. Therefore, the figure for 2021 includes both full- and part-time staff vacancies, whereas previous publications have focused only on full-time vacancies.

<sup>102</sup> OME analysis of Department for Education (2023) *School workforce in England: Reporting year 2022* - <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england/2022>

although in absolute terms, the numbers were relatively small. Mathematics and General/Combined Science have the highest number of vacancies in absolute terms and some of the highest vacancy rates amongst STEM subjects.

**Figure 20: Secondary school vacancy rates by subject, November 2021 and November 2022<sup>103</sup>.**



68. As the latest vacancy data from the SWC refers to a snapshot in November 2022, which contrasts with the seasonal peak of hiring in April/May, we have also looked at other available vacancy data.

69. Information from SchoolDash, an organisation which collects data on job adverts for teacher vacancies in England<sup>104</sup>, indicates that the rate at which secondary schools in England have been advertising teacher vacancies has risen sharply since the end of the COVID-19 pandemic and has reversed all the fall in adverts seen during the two years of the pandemic-related disruption. Cumulative vacancy data for all secondary school subjects showed that the number of vacancies in the 2022/23

<sup>103</sup> Ibid.

<sup>104</sup> SchoolDash gathers weekly advert data from school and college websites. It covers all registered secondary schools, sixth form colleges and colleges of further education in England.

academic year was 28% above that recorded in 2018/19 (pre-pandemic) and 9% higher than in 2021/22<sup>105</sup>.

### **Teacher conditions and satisfaction**

70. Teacher wellbeing and workload, alongside pay, are important influences on the teacher labour market. In its 2024 annual Teacher Labour Market report, NFER's analysis of teachers' working hours showed that teaching involves more working hours in a typical working week than for similar graduates in other occupations. Whilst the number of hours full-time teachers worked during a typical week had been falling from 2017/18 to 2021/22, teachers were found to work 6 hours per week more on average than similar graduates in 2022/23 (up from 4.5 in 2021/22)<sup>106</sup>.
71. In the Department's Working Lives of Teachers and Leaders Survey<sup>107</sup> (WLTL), wave 2 carried out in spring 2023, teachers and leaders expressed greater levels of dissatisfaction with their pay and pay prospects in 2023 compared with 2022, and the majority of teachers and leaders felt that their work was having a negative impact on their health and wellbeing. Key outcomes from the survey are given in Table 11.

**Table 11: Key outcomes from the Department for Education's WLTL, 2022 and 2023<sup>108,109</sup>.**

| Survey question response   | 2022 | 2023 |
|--|------|------|
| Disagreed that their workload was acceptable   | 72%  | 73%  |
| Agreed that they had sufficient control over their workload  | 26%  | 30%  |
| Disagreed that they are satisfied with the salary they received for the work done                        | 61%  | 69%  |
| Disagreed that they are satisfied with longer-term salary prospects compared with other career paths     | 58%  | 69%  |
| Agreed that they experienced stress in their work  | 86%  | 88%  |
| Agreed that their job does not leave them enough time for their personal life                            | 65%  | 73%  |
| Agreed that their job negatively affected their mental health  | 56%  | 63%  |
| Agreed that their job negatively affected their physical health  | 45%  | 52%  |
| Were considering leaving the state school sector in the next 12 months for reasons other than retirement | 25%  | 36%  |

72. The most cited reasons for considering leaving were high workload (94%), stress or poor wellbeing (84%), and teachers' views not being valued by policymakers like the government (83%). The reasons were similar to the reasons for leaving cited by

<sup>105</sup> OME analysis of SchoolDash Insights data. Available to SchoolDash subscribers.

<sup>106</sup> NFER (2024) *Teacher Labour Market in England Annual Report 2024* -

<https://www.nfer.ac.uk/publications/teacher-labour-market-in-england-annual-report-2024/>

<sup>107</sup> Department for Education (2024) *Working lives of teachers and leaders: wave 2 summary report* -

<https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-2/working-lives-of-teachers-and-leaders-wave-2-summary-report>

<sup>108</sup> Department for Education (2023) *Working lives of teachers and leaders – wave 1* -

<https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-1>

<sup>109</sup> Department for Education (2024) *Working lives of teachers and leaders: wave 2 summary report* -

<https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-2/working-lives-of-teachers-and-leaders-wave-2-summary-report>

teachers who had actually left the state education sector between the 2022 and 2023 WLTL surveys.

73. Table 12 shows that the 2023 WLTL survey found that average working hours for leaders in both primary and secondary schools were higher than the hours reported in the 2022 WLTL and 2019 Teacher Workload Survey (TWS), and lower than they were in the 2016 TWS. Similarly, the average working hours for teachers in the 2023 WLTL were higher than those reported in the 2019 TWS and 2022 WLTL, and lower than those reported in the 2016 TWS<sup>110</sup>.

**Table 12: Average reported working hours by teachers and leaders, from the TWS 2016 and 2019, and WLTL 2022 and 2023<sup>111,112,113,114</sup>.**

|                    | TWS  |      | WLTL |      |
|--------------------|------|------|------|------|
|                    | 2016 | 2019 | 2022 | 2023 |
| Primary leaders    | 59.8 | 54.4 | 57.2 | 57.9 |
| Secondary leaders  | 62.1 | 56.4 | 58.6 | 59.1 |
| Primary teachers   | 55.5 | 50.0 | 53.2 | 53.9 |
| Secondary teachers | 53.5 | 49.1 | 51.2 | 51.4 |

## ITT Performance profiles

74. The Department for Education provides information on the outcomes for teacher trainees. A change in data source and revision of the methodology means that the current outcomes refer to trainees who were awarded QTS, or who ended their training and were not awarded QTS. It does not include those who are yet to complete their training despite being in their ‘final’ year, which had been included in the previous methodology<sup>115</sup>. The latest data relate to the academic year 2021/22 and were published in July 2023<sup>116</sup>. Numbers have increased since 2017/18 and remained high following an unprecedented increase in 2020/21 likely due to COVID-19. The high numbers of outcomes for 2021/22 may still be due to trainees completing after receiving course extensions due to disruptions caused by COVID-

<sup>110</sup> Department for Education (2019) *Teacher Workload Survey 2019* - <https://www.gov.uk/government/publications/teacher-workload-survey-2019>

<sup>111</sup> Department for Education (2017) *Teacher Workload Survey 2016* - <https://www.gov.uk/government/publications/teacher-workload-survey-2016>

<sup>112</sup> Department for Education (2019) *Teacher Workload Survey 2019* - <https://www.gov.uk/government/publications/teacher-workload-survey-2019>

<sup>113</sup> Department for Education (2023) *Working lives of teachers and leaders – wave 1* - <https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-1>

<sup>114</sup> Department for Education (2024) *Working lives of teachers and leaders: wave 2 summary report* - <https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-2/working-lives-of-teachers-and-leaders-wave-2-summary-report>

<sup>115</sup> To enable comparison between years, previous years’ data from 2017/18 onwards has been revised to reflect this change. Therefore, revised total trainee counts and QTS award rates do not match previous publications. This change has been made to ensure consistency between years as far as possible, however some caution should still be taken when comparing trends over time given the change to a new data source.

<sup>116</sup> OME analysis of Department for Education (2023) *Initial teacher training performance profiles, Academic Year 2021/22* - <https://explore-education-statistics.service.gov.uk/find-statistics/initial-teacher-training-performance-profiles>

19. In total there were 31,747 postgraduate trainee teachers with outcomes in 2021/22, a 0.2% increase from 2020/21. Of these trainees:

- 29,511 (93%) were awarded QTS, a decrease of 590 trainees or 2% compared to 2020/21.
- 22,276 (75%) were estimated to be teaching in a state-funded school within 16 months of qualification, an increase of 387 trainees or 2% compared to 2020/21.
- 2,236 (7%) were not awarded QTS, an increase of 1,597 trainees compared to 2020/21<sup>117</sup>.

75. The proportions of trainees awarded QTS and teaching in a state-funded school have remained similar; 74% of trainees were awarded QTS in 2021/22 compared to 72% in 2020/21. This proportion has reduced from 80% in 2017/18.

76. For primary postgraduate trainees, 94% were awarded QTS. QTS award rates varied by secondary subject, from 87% in physics and 88% in biology, to 97% for both, physical education and classics.

## **Initial teacher training**

77. This section presents information on undergraduate and postgraduate entrants to ITT and includes data relating to entrants' characteristics and delivery against recruitment targets.

### **Total number of entrants**

78. In total there were 26,955 new entrants to ITT in 2023/24, compared to 28,463 in 2022/23. This is a decrease of 5% from 2022/23<sup>118</sup>. Of this overall total:

- There were 21,946 new entrants to PGITT in 2023/24, a decrease of 3% from 2021/22.
- There were 5,009 new entrants to undergraduate ITT in 2023/24, a decrease of 13% from 2022/23. Undergraduate entrants accounted for 19% of new entrants in 2023/24, a slight decrease from 20% in 2022/23.

### **Entrants' characteristics**

79. The broad characteristics of ITT entrants are shown in Table 13 and Table 14. Postgraduate entrants tend to be older and more diverse than undergraduate entrants. The median age for postgraduate entrants in 2023/24 was 24, compared to 18 for undergraduate entrants. Females account for a larger proportion of primary entrants compared to secondary; this applies to both postgraduate and undergraduate entrants.

80. Young entrants form the largest component of each cohort of ITT students. In 2023/24, 94% of undergraduate entrants were aged under 25, an increase of 1 percentage point from 2022/23. 53% of postgraduate entrants were aged under 25,

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<sup>117</sup> These trainees include those who left the course (excluding those who left the course within 90 days of the start) and trainees who did not meet the standards.

<sup>118</sup> Department for Education (2023) *Initial Teacher Training Census Academic year 2023/24* - <https://explore-education-statistics.service.gov.uk/find-statistics/initial-teacher-training-census/2023-24>

in the same as in 2022/23. Despite the changing labour market, the characteristics of ITT entrants have remained broadly similar to previous years.

**Table 13: Characteristics of postgraduate ITT entrants, England, academic year 2019/20 to 2023/24<sup>119</sup>.**

|                               | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|-------------------------------|---------|---------|---------|---------|---------|
| Primary Male (%)              | 17      | 17      | 16      | 16      | 16      |
| Primary Female (%)            | 83      | 83      | 84      | 84      | 84      |
| Secondary Male (%)            | 38      | 39      | 39      | 39      | 39      |
| Secondary Female (%)          | 61      | 61      | 61      | 61      | 61      |
| Minority ethnic group (%)     | 19      | 19      | 20      | 22      | 25      |
| Non-minority ethnic group (%) | 81      | 81      | 80      | 78      | 75      |
| Declared disability (%)       | 13      | 13      | 14      | 13      | 18      |
| No disability declared (%)    | 87      | 87      | 86      | 87      | 82      |
| Under 25 (%)                  | 50      | 51      | 52      | 53      | 53      |
| Median age                    | 24      | 24      | 24      | 24      | 24      |

**Table 14: Characteristics of undergraduate ITT entrants, England, academic year 2019/20 to 2023/24<sup>120</sup>.**

|                               | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|-------------------------------|---------|---------|---------|---------|---------|
| Primary Male (%)              | 13      | 11      | 12      | 11      | 10      |
| Primary Female (%)            | 87      | 89      | 88      | 89      | 90      |
| Secondary Male (%)            | 30      | 23      | 44      | 44      | 37      |
| Secondary Female (%)          | 70      | 77      | 56      | 56      | 63      |
| Minority ethnic group (%)     | 12      | 15      | 17      | 18      | 22      |
| Non-minority ethnic group (%) | 88      | 85      | 83      | 82      | 78      |
| Declared disability (%)       | 16      | 17      | 17      | 19      | 19      |
| No disability declared (%)    | 84      | 83      | 83      | 81      | 81      |
| Under 25 (%)                  | 90      | 91      | 91      | 93      | 94      |
| Median age                    | 19      | 19      | 19      | 19      | 18      |

### ***ITT performance against targets***

81. The teacher workforce model (TWM) provides an annual estimate of the number of trainees needed to start postgraduate ITT each year to provide sufficient numbers of qualified teachers in the year after their training is completed<sup>121</sup>. This results in ITT recruitment targets for both the primary phase and for secondary subjects, taking into

<sup>119</sup> Figures for 2023/24 are provisional and are subject to change. 2022/23 figures have been revised. Percentages may not sum to 100 due to rounding. OME analysis of Department for Education (2023) *Initial Teacher Training Census Academic year 2023/24* - <https://explore-education-statistics.service.gov.uk/find-statistics/initial-teacher-training-census/2023-24>

<sup>120</sup> Ibid.

<sup>121</sup> In 2020, the TWM replaced the Teacher Supply Model (TSM). The TWM considers both recruitment and retention alongside estimates of teacher demand. From the 2021/22 training year (ITT2021), the TWM model has been used by the Department for Education to set postgraduate ITT targets.



account entrants from other sources including returners, deferred NQTs and teachers new to the state-funded sector.

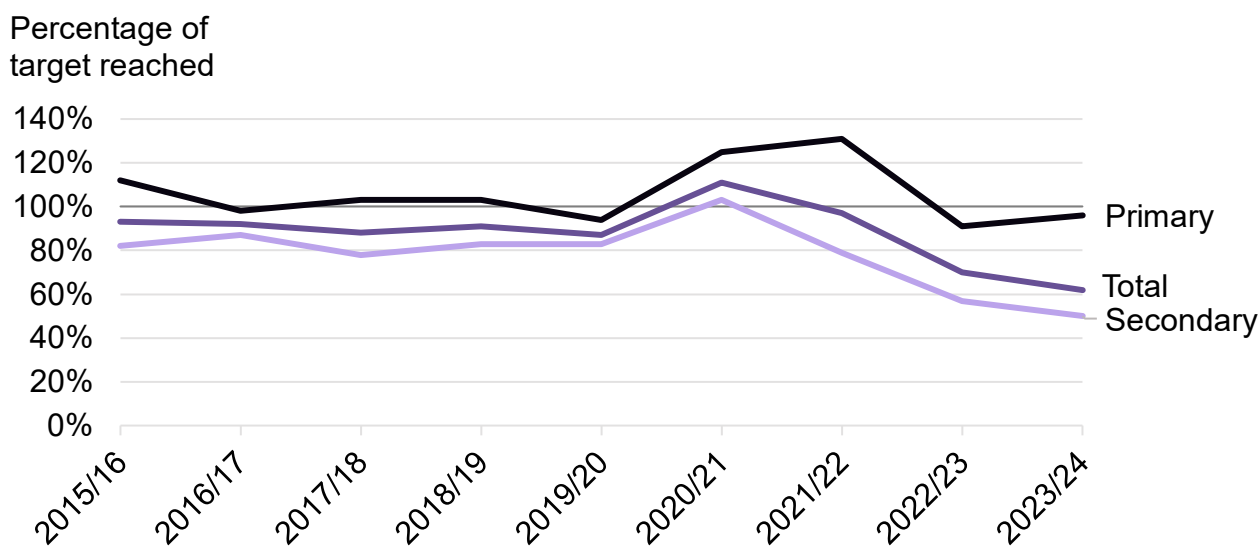
82. In 2023/24, the 21,946 new entrants to PGITT accounted for 62% of the ITT target, down from 70% contribution to target in 2022/23. Within the overall total, 50% of the secondary PGITT target was achieved (13,102 new entrants), down from 57% in 2022/23. This was the net result of an increase in the number of secondary entrants and an increase in target numbers.
83. For primary, the 8,844 new entrants in 2023/24 accounted for 96% of the target. This is an increase from 91% in 2022/23, driven by lower target numbers, despite there being fewer entrants.
84. Table 15 shows the number of postgraduate ITT recruits and target figures for the primary and secondary phases over recent years. Figure 21 highlights how the primary target has had a higher percentage of its ITT target reached compared to the secondary phase over the last nine years. The secondary postgraduate ITT target was only achieved in one of the last nine years; this was in 2020/21 when there was a boost to entrants driven by the COVID-19 pandemic. For 2023/24, the percentage of postgraduate primary target reached (96%) was similar to 2019/20 levels. The percentage of postgraduate secondary target reached in 2023/24 (50%) was its lowest level in the past nine years.

**Table 15: Postgraduate ITT new entrants and targets, 2017/18 to 2023/24<sup>122</sup>.**

| <b>Target</b>                         | <b>2017/18</b> | <b>2018/19</b> | <b>2019/20</b> | <b>2020/21</b> | <b>2021/22</b> | <b>2022/23</b> | <b>2023/24</b> |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Primary                               | 12,500         | 12,888         | 12,216         | 14,380         | 14,110         | 10,868         | 8,844          |
| Primary target                        | 12,121         | 12,552         | 13,003         | 11,467         | 10,800         | 11,655         | 9,180          |
| <i>Percentage of Primary target</i>   | <i>103%</i>    | <i>103%</i>    | <i>94%</i>     | <i>125%</i>    | <i>131%</i>    | <i>93%</i>     | <i>96%</i>     |
| Secondary                             | 14,646         | 16,327         | 16,701         | 20,014         | 15,983         | 12,356         | 13,102         |
| Secondary target                      | 18,726         | 19,674         | 20,087         | 19,485         | 20,230         | 20,945         | 26,360         |
| <i>Percentage of Secondary target</i> | <i>78%</i>     | <i>83%</i>     | <i>83%</i>     | <i>103%</i>    | <i>79%</i>     | <i>59%</i>     | <i>50%</i>     |
| Total                                 | 27,146         | 29,215         | 28,917         | 34,394         | 30,093         | 23,224         | 21,946         |
| Total TSM/TWM target                  | 30,847         | 32,226         | 33,090         | 30,952         | 31,030         | 32,600         | 35,540         |
| <i>Percentage of total target</i>     | <i>88%</i>     | <i>91%</i>     | <i>87%</i>     | <i>111%</i>    | <i>97%</i>     | <i>71%</i>     | <i>62%</i>     |

<sup>122</sup> Figures for 2023/24 are provisional and are subject to change. 2022/23 figures have been revised. OME analysis of Department for Education (2023) *Initial Teacher Training Census Academic year 2023/24* - <https://explore-education-statistics.service.gov.uk/find-statistics/initial-teacher-training-census/2023-24>

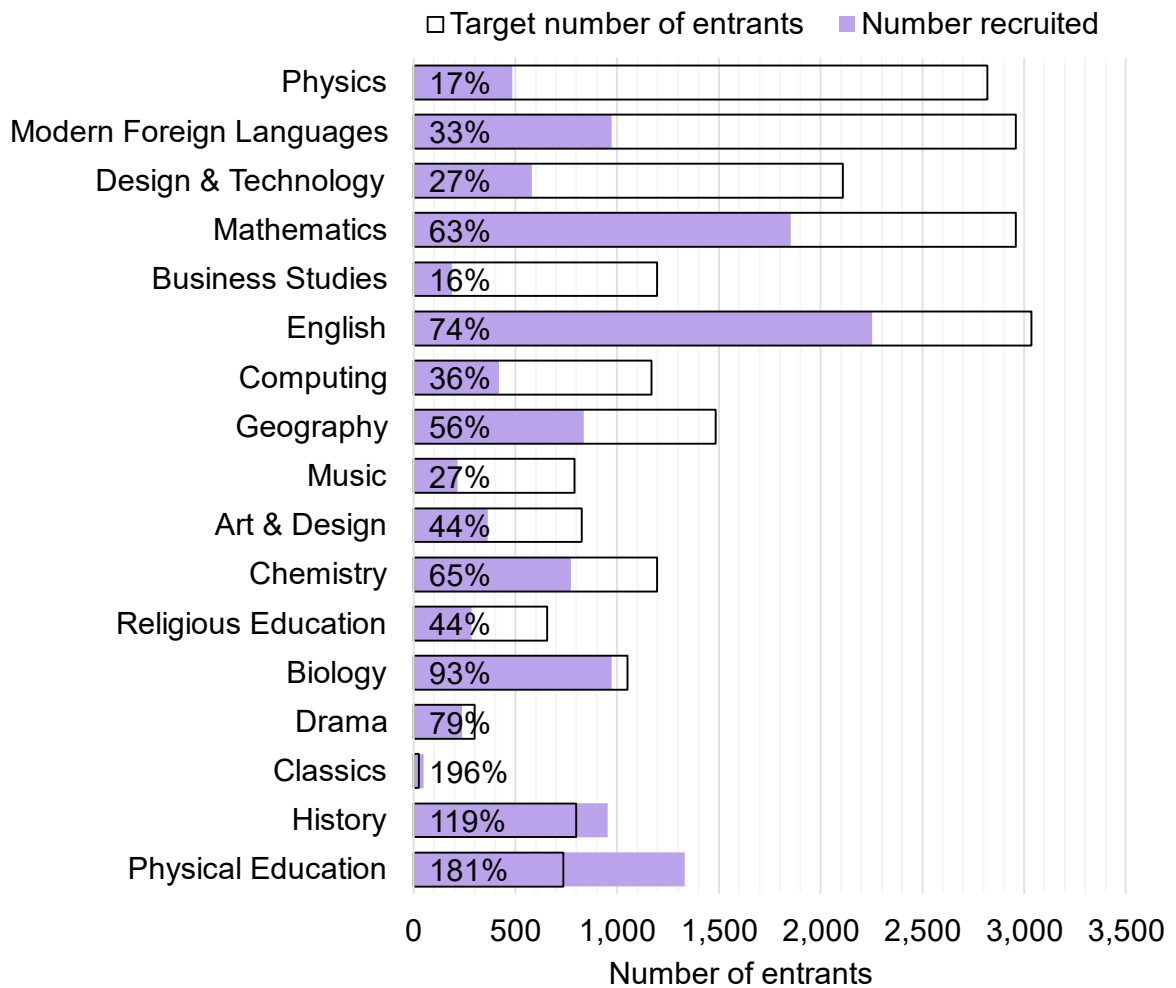
**Figure 21: Percentage of postgraduate ITT recruitment target reached, for primary, secondary and total, 2015/16 to 2023/24<sup>123</sup>.**



85. Figure 22 focuses on 2023/24 and shows the absolute numbers of postgraduate trainees and target numbers, as well as the percentage of the target reached by subject. Only three subjects shown reached or exceeded their targets in 2023/24 (Classics, Physical Education and History). The figure shows how subjects with a similar percentage performance against target can differ in the absolute numbers of trainees by which they fell short. For example, Music and Design & Technology both reached 27% of their targets; this equated to shortfalls of 574 for Music and 1,530 for Design & Technology. The subject with the largest shortfall in entrants was Physics, at 2,336.
86. For STEM subjects (Biology, Chemistry, Computing, Mathematics and Physics), 53% of the PGITT target was reached in 2023/24, slightly lower than in 2022/23 at 54%. None of the individual STEM subjects reached their target in 2023/24. In 2023/24, Chemistry and Mathematics reached the lowest percentage of their respective targets in the past six years. The percentage of their targets reached for Biology and Computing have increased from their lowest in 2022/23, whilst Physics has remained relatively stable at its lowest percentage (in 2022/23).

<sup>123</sup> Ibid.

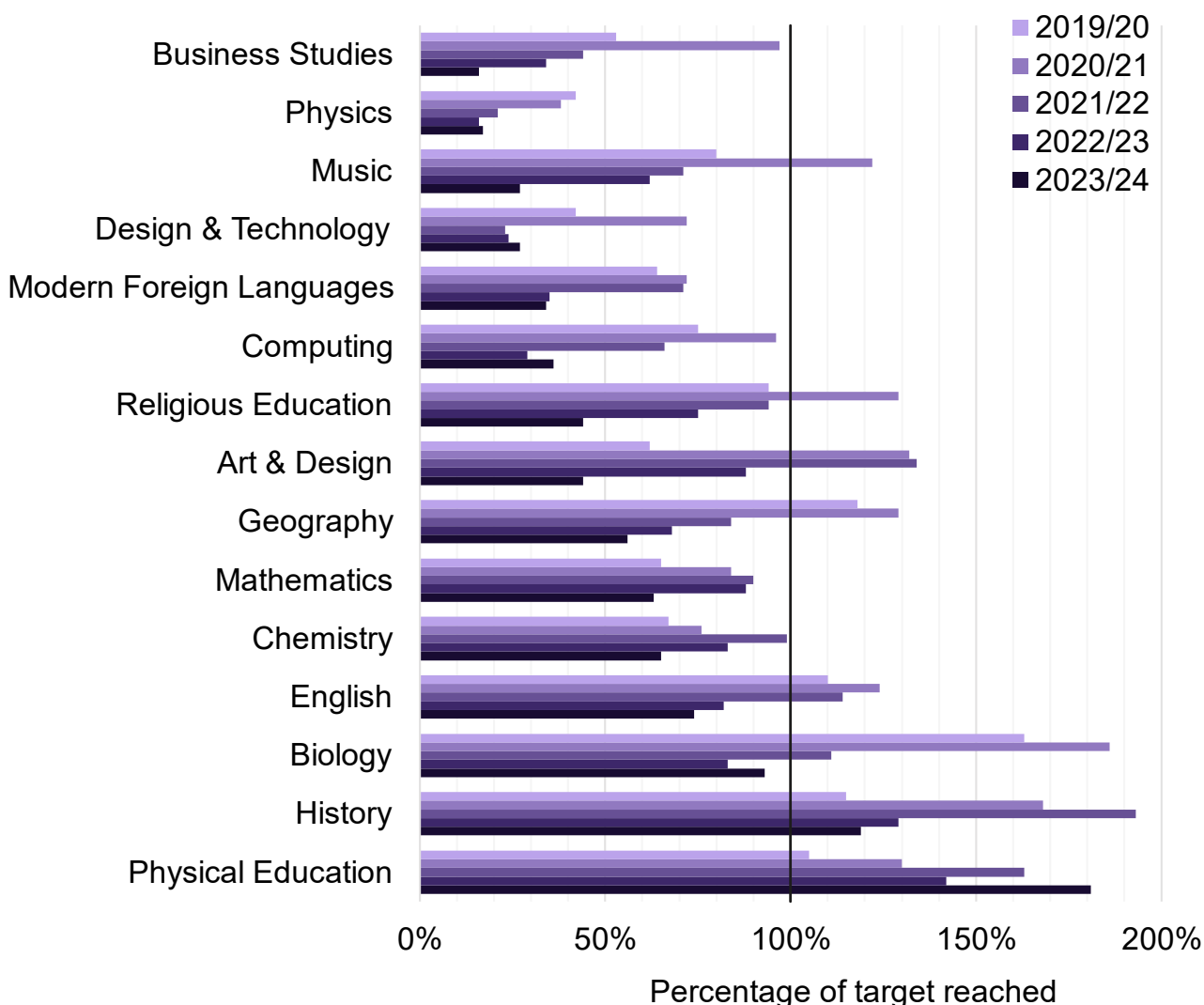
**Figure 22: Secondary subjects' target numbers of postgraduate entrants versus the numbers recruited in 2023/24. Subjects are sorted in order of the shortfall of recruitments against targets<sup>124</sup>.**



87. Figure 23 shows recruitment levels against targets for selected subjects in the last five years. In 2023/24, four subjects reached a higher proportion of their target compared to 2022/23 (Biology, Computing, Design & Technology, and Physical Education).

<sup>124</sup> Ibid.

**Figure 23: Postgraduate ITT contribution to targets by subject, 2019/20 to 2023/24. Subjects are sorted in order of contribution to targets in 2023/24<sup>125</sup>.**



88. In order to provide a sufficient supply of teachers for 2025/26, the Department estimates that 33,355 trainees are required to start PGITT in the 2024/25 academic year. This is a 6.1% decrease from the 2023/24 PGITT target. Within this overall decrease, the 2024/25 target for primary PGITT trainees increased by 2.4% and the target for secondary PGITT trainees decreased by 9.1%<sup>126</sup>. NFER’s forecast for ITT recruitment in 2024/25, based on application data, indicates that 10 out of 17 secondary subjects are at risk of under-recruiting<sup>127</sup>.

### **Bursaries**

89. Bursaries are available to trainees on tuition fee-based teacher training courses in England that lead to the award of QTS, dependent on highest relevant academic award and ITT subject. Table 16 shows recent changes to bursaries for postgraduate subjects. The 2020/21 academic year had bursaries available for most subjects;

<sup>125</sup> Ibid.

<sup>126</sup> Department for Education (2024) *Postgraduate initial teacher training targets, Academic year 2024/25* - <https://explore-education-statistics.service.gov.uk/find-statistics/postgraduate-initial-teacher-training-targets>. Modern Foreign Languages here includes Classics.

<sup>127</sup> NFER (2024) *Teacher Labour Market in England Annual Report 2024* - <https://www.nfer.ac.uk/publications/teacher-labour-market-in-england-annual-report-2024/>

many of these were dropped in 2021/22 and many were reinstated over the years to 2023/24. The number of bursaries available for 2024/25 is similar to 2019/20. We also note that Business Studies which reached only 16% their target number of entrants in 2023/24 does not have a bursary available for 2024/25.

**Table 16: Postgraduate bursaries by subject available in academic years 2020/21 to 2024/25. Subjects sorted by percentage of ITT target reached in 2023/24<sup>128,129</sup>.**

| Subject (postgraduate)                  | 2020/21 (£) | 2021/22 (£) | 2022/23 (£) | 2023/24 (£) | 2024/25 (£) | ITT target performance 2023/24 |
|---|-------------|-------------|-------------|-------------|-------------|--------------------------------|
| Business Studies                        | 9,000       | 0           | 0           | 0           | 0           | 16%                            |
| Physics                                 | 26,000      | 24,000      | 24,000      | 27,000      | 28,000      | 17%                            |
| Design & Technology                     | 15,000      | 0           | 15,000      | 20,000      | 25,000      | 27%                            |
| Music                                   | 9,000       | 0           | 0           | 0           | 10,000      | 27%                            |
| Modern Foreign Languages <sup>130</sup> | 26,000      | 10,000      | 15,000      | 25,000      | 25,000      | 34%                            |
| Computing                               | 26,000      | 24,000      | 24,000      | 27,000      | 28,000      | 36%                            |
| Religious Education                     | 9,000       | 0           | 0           | 0           | 10,000      | 44%                            |
| Art & Design                            | 9,000       | 0           | 0           | 0           | 10,000      | 44%                            |
| Geography                               | 15,000      | 0           | 15,000      | 25,000      | 25,000      | 56%                            |
| Mathematics <sup>131</sup>              | 26,000      | 24,000      | 24,000      | 27,000      | 28,000      | 63%                            |
| Chemistry                               | 26,000      | 24,000      | 24,000      | 27,000      | 28,000      | 65%                            |
| English                                 | 12,000      | 0           | 0           | 15,000      | 10,000      | 74%                            |
| Biology                                 | 26,000      | 7,000       | 10,000      | 20,000      | 25,000      | 93%                            |
| History                                 | 9,000       | 0           | 0           | 0           | 0           | 119%                           |
| Physical Education                      | 0           | 0           | 0           | 0           | 0           | 181%                           |

## Overseas teachers awarded qualified teacher status

90. In addition to trainee teachers, there are existing teachers from overseas who can be awarded QTS without ITT, given their previous experience. All overseas nationals arriving in the UK from 1 January 2021, including those from the European Economic Area (EEA) and Switzerland, come under the UK's points-based immigration system. The main visa route for non-UK teachers in England is the skilled worker visa, which requires certain conditions to be met. Alternative visa routes are also available, such as the Graduate visa or the Youth Mobility Scheme visa. More information is available via the Department's website<sup>132</sup>.

<sup>128</sup> Department for Education (2023) *Funding: initial teacher training (ITT)* -

<https://www.gov.uk/government/publications/funding-initial-teacher-training-itt>

<sup>129</sup> Department for Education (2023) *Initial teacher training (ITT) bursary: funding manual*

<https://www.gov.uk/government/publications/initial-teacher-training-itt-bursary-funding-manual>

<sup>130</sup> The bursaries shown apply to all 'Languages' and for 2022/23 and 2023/24 include 'Ancient Languages'.

<sup>131</sup> The bursary in 2020/21 applies to secondary Mathematics. A bursary of £9,000 was available for primary Mathematics.

<sup>132</sup> Department for Education (2023) *Recruit teachers from overseas* - <https://www.gov.uk/guidance/recruit-teachers-from-overseas>

91. Awarding of QTS was possible for two groups of overseas trained teachers (OTTs)<sup>133</sup>:
- Those fully qualified in the EEA or Switzerland of which there were 672 awarded QTS in the year to March 2023, a 5% fall on the previous year. These figures are markedly lower than earlier years (e.g. ca. 3,500 in 2017-18)<sup>134</sup>.
  - 1,330 teachers qualified in Australia, Canada, New Zealand and the United States of America were awarded QTS in the year to March 2023. This represented a 36% increase on the previous year.
92. Overall, there were 2,002 OTTs awarded QTS in the year to March 2023, a 19% increase on the previous year but well below earlier years. The lower levels of OTTs, which may be associated with the points-based immigration system, may lead to further pressures on teacher supply.
93. We note that teachers trained in Wales can also apply for QTS recognition. In the year to March 2023, 1,326 teachers trained in Wales were awarded QTS. This represents a decrease of 30 or 2% from the previous year. 426 teachers qualified from Scotland and Northern Ireland were also awarded QTS in the year to March 2023, a decrease of 125 or 23% from the previous year.
94. Some overseas teachers may be able to teach without QTS and therefore will not be included within these data. They can do this on an unlimited basis in an academy, free school or private school. Unqualified teachers from overseas can also teach in maintained schools for up to four years whilst they achieve QTS through a recognised route.

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<sup>133</sup> Department for Education (2023) *Routes to qualified teacher status (QTS) for teachers and those with teaching experience outside the UK* - <https://www.gov.uk/government/publications/apply-for-qualified-teacher-status-qts-if-you-teach-outside-the-uk/routes-to-qualified-teacher-status-qts-for-teachers-and-those-with-teaching-experience-outside-the-uk#apply-for-qualified-teacher-status-qts>

<sup>134</sup> Teaching Regulation Agency (2023) *Annual reports and accounts, 2022 to 2023* - <https://www.gov.uk/government/publications/teaching-regulation-agency-annual-report-and-accounts-2022-to-2023>

## APPENDIX A

### Transcript of remit letter from the Secretary of State<sup>1</sup>

Dear Mike,

I want to thank the School Teachers' Review Body (STRB) for its independent expert advice over the past year, and the vital role it plays in the pay round process.

I am pleased that, following your 2023/24 recommendations, we were able to deliver a 6.5% award for experienced teachers and our manifesto commitment to increase starting salaries to at least £30,000, which has now been achieved across England. This was an outcome that required a significant and exceptional additional investment in school funding. As a result of this award and the additional funding provided to support schools to deliver it, unions agreed to end their strikes, and I thank you for your contribution to this outcome. I want to extend my thanks for your work over your two years to date as Chair. I was glad to be able to meet you and issue last year's remit in my first month as Secretary of State, and appreciate our engagement since.

As we start another pay cycle, I am now writing to ask for your recommendations on the pay and conditions for teachers and school leaders for 2024/25. I appreciated your observations on the strategic questions I asked last year, which have been built into the Department's thinking about this year's remit and our broader policy work. I also appreciated the observations in your last report around the benefits of targeted remuneration to address subject-specific recruitment and retention challenges. I would welcome your further views on the potential benefits, in principle, of targeting remuneration by subject in the future.

In 2023/24, pay review bodies across government recommended historically high pay awards for their respective workforces in light of the extraordinary macroeconomic context. Accepting these recommendations, whilst not increasing borrowing, required tough decisions. It is vital that the STRB consider the historic nature of the 2023/24 award and the Government's affordability position that will be set out further in written evidence.

In 2024-25, the government is continuing to increase investment in schools, but it remains important that the STRB carefully considers the Department's evidence on the impact of pay rises on schools' budgets, alongside consideration of the Department's evidence on a fair pay award.

Matters for recommendation

I refer to the STRB the following matters for recommendation:

- An assessment of the adjustments that should be made to the salary and allowance ranges for classroom teachers, unqualified teachers, and school leaders in 2024/25.

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<sup>1</sup> GOV.UK (2024) *School Teachers' Review Body remit letter for 2024* - <https://www.gov.uk/government/publications/school-teachers-review-body-remit-letter-for-2024>

Considerations to which the STRB should have regard

In considering your recommendations on pay and views on wider structural matters you should have regard to the following:

- a) Potential equalities impacts associated with any changes proposed to the STPCD.
- b) The cost pressures that schools are already facing and may face over the year (and how they affect individual schools).
- c) The need to ensure that any proposals are not too difficult or onerous for schools to implement.
- d) 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.
- e) Evidence of the wider state of the labour market in England.
- f) Forecast changes in the pupil population and consequent changes in the level of demand for teachers.
- g) The Government's commitment to increasing autonomy for all head teachers and governing bodies to develop pay arrangements that are suited to the individual circumstances of their schools.

I would be grateful if the STRB could aim to provide a report on this matter by May 2024.

Thank you once again for the significant contribution of the STRB to teacher pay policy. I look forward to receiving your recommendations.

With my very best wishes,

**The Rt Hon Gillian Keegan MP**  
**Secretary of State for Education**



## APPENDIX B

### Conduct of the review

1. To inform our recommendations on the remit matters, we consulted with our statutory consultees and considered a wide range of evidence. Links to the written evidence we received from consultees have been included in [Chapter 1](#). Evidence from our visit programme is summarised in [Appendix C](#). Details are set out below of the statutory consultation we undertook and the visits and meetings which informed our understanding of the issues relevant to this remit.

### Consultation

2. The following organisations were invited to make written representations and provide evidence:

#### Government

- The Department for Education

#### Organisations representing teachers

- Association of School and College Leaders (ASCL)
- National Association of Head Teachers (NAHT)
- The NASUWT
- The National Education Union (NEU)
- Community Union

#### Association of local authorities

- National Employers' Organisation for School Teachers (NEOST)

#### Organisations representing governors

- National Governance Association (NGA)

3. We also notified the following organisations of the remit:

- Association of Directors of Children's Services (ADCS)
- British Association of Teachers of Deaf Children and Young People (BATOD)
- Board of Education, General Synod of the Church of England
- Catholic Education Services for England and Wales
- Confederation of School Trusts (CST)
- Free Churches Education Committee
- Information for School and College Governors (ISCG)

- Methodist Independent Schools Trust
  - Office for Standards in Education, Children’s Services and Skills (Ofsted)
  - SSAT (The Schools Network) Ltd
  - Teach First
4. Our secretariat wrote to consultees on 21 December 2023 to invite them to submit written representations on the remit matters by 21 February 2024. The Department subsequently informed us that it would be unable to meet this deadline and submitted its evidence on 29 February 2024.
  5. The following organisations made written submissions: ASCL, the Department, NAHT, the NASUWT, NEOST, the NEU, NGA, Community Union and BATOD.
  6. Our secretariat shared links to all the consultees’ written submissions and invited consultees to submit supplementary representations commenting on others’ submissions by 13 March 2024. Supplementary submissions were received from the joint unions, ASCL, NAHT, the NASUWT, the NEU and Community Union.
  7. The following consultees made oral representations: The Department, ASCL, NAHT, the NASUWT, NEOST, the NEU, NGA and Community Union. All made these representations in the period 9-17 April 2024.
  8. Links to all the written submissions we received are provided in Chapter 1 of this report.

### ***Visits and Meetings***

9. In total, we held 14 meetings of the Review Body between 15 September 2023 and 10 May 2024.
10. We also heard from teachers, school leaders and other people involved in the education sector during our 2023/ visit programme. Between September and December we conducted four face-to-face visits and held a virtual discussion group. We spoke to a range of staff, including primary and secondary teachers, school leaders and school business leaders. We would like to thank all participants for their time and valuable input into the discussions.
11. In March, the Chair and one STRB member attended a briefing by HMT officials on the Government’s economic evidence to the pay review bodies.
12. As part of our evidence-gathering process, we also received presentations that provided us with information about the wider context to our consideration of teachers’ pay and conditions.
  - In October, we received a presentation from officials from the Department about the context to the forthcoming pay round.

- In November, we received a presentation from NFER summarising their work on a long-term teacher pay and financial incentives strategy<sup>1</sup>.

13. We would like to thank all those who presented to us over this period.

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<sup>1</sup> NFER (2023) *Policy options for a long-term teacher pay and financial incentives strategy* - <https://www.nfer.ac.uk/publications/policy-options-for-a-long-term-teacher-pay-and-financial-incentives-strategy/>

## **APPENDIX C**

### **Findings from the STRB's 2023/24 visit programme**

1. The Review Body undertook a programme of face-to-face and virtual visits in late 2023. Groups of STRB members visited schools in Norwich, Nottingham, Maidstone and Carlisle and undertook a virtual discussion with a group of School Business Leaders.
2. The recruitment of participants in the discussions this year was facilitated by Kent County Council, Nottinghamshire County Council, Norfolk County Council, Cumberland Council and the Professional Body for School Business Leaders (ISBL). We are very grateful to all those who made the visits possible.
3. We were able to speak to staff across school phases and in both the local authority maintained and academy sectors. The discussions were informative and enhanced our understanding of a range of issues. We summarise key points below.

#### ***Pay***

- While the 2023 pay award was generally welcomed, it was seen as an initial step in addressing pay restoration.
- There were mixed views on the £30,000 starting salary. It was viewed by some as supportive of recruitment. However, there were concerns about the flattening of the pay scale, the resultant impact on experienced teachers and perceived stagnation at the top of pay scale.
- Some participants raised the comparative lack of competitiveness of teachers' pay compared to other graduate professions.

#### ***Workload***

- Workload continued to be a universal concern. In some areas, this was most acute for early career teachers.
- Teaching was more demanding as pupils' needs were now more complex. This was linked to a perceived reduction in other support services such as that provided by CAMHS and inadequate provision for SEND pupils. Several participants also observed that pupil behaviour had declined since the pandemic.
- The reported five-hour reduction in weekly workload recorded in recent workload surveys was not recognised.
- Ofsted, and the work associated with inspections, was one of the key factors linked to workload and wellbeing concerns.
- There was an appetite for more flexible working. There was a perception that schools had not built on the experience of the pandemic.

#### ***Recruitment and retention***

- Recruitment and retention challenges varied across, and within, areas. These extended to support staff.

- On recruitment, there were concerns about the size and quality of applicant pools. This applied across a range of types of role.
- Shortages of teachers for some secondary subjects were common with participants reporting a resultant expectation to cover subjects outside their specialism.
- On retention, schools were losing younger teachers to competing graduate professions and early retirement was a common consideration for experienced teachers.
- There was a lack of aspiration to become a school leader. This was frequently linked to a preference to stay in the classroom or a reluctance for increased responsibility and accountability.
- There was a sense that the teaching profession was less respected socially and in wider society than in previous years.

### ***School finances***

- Several participants suggested the 2023 pay award had not been fully funded.
- The timing of the pay award, and associated uncertainty over the precise quantum, made financial planning difficult; An earlier decision on the pay award would help the financial planning process.
- Several schools were using reserves to avoid deficits and make up budget shortfalls.
- RAAC issues, increased energy costs and staff costs associated with the rise in the National Living Wage were all highlighted as having added to financial challenges for schools.

## APPENDIX D

### Recommended pay levels from 1 September 2024<sup>1</sup>

#### *Classroom teachers' pay ranges and advisory pay points*

| Spine point | England excl. the London area (£) | Change from 2023 (%) | Fringe area (£) | Change from 2023 (%) | Outer London area (£) | Change from 2023 (%) | Inner London area (£) | Change from 2023 (%) |
|-------------|-----------------------------------|----------------------|-----------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|
| M1          | 31,650                            | 5.5                  | 33,075          | 5.5                  | 36,413                | 5.5                  | 38,766                | 5.5                  |
| M2          | 33,483                            | 5.5                  | 34,974          | 5.5                  | 38,318                | 5.5                  | 40,609                | 5.5                  |
| M3          | 35,674                            | 5.5                  | 37,141          | 5.5                  | 40,322                | 5.5                  | 42,536                | 5.5                  |
| M4          | 38,034                            | 5.5                  | 39,495          | 5.5                  | 42,430                | 5.5                  | 44,556                | 5.5                  |
| M5          | 40,439                            | 5.5                  | 41,870          | 5.5                  | 45,000                | 5.5                  | 47,069                | 5.5                  |
| M6          | 43,607                            | 5.5                  | 45,037          | 5.5                  | 48,532                | 5.5                  | 50,288                | 5.5                  |
| U1          | 45,646                            | 5.5                  | 47,031          | 5.5                  | 50,210                | 5.5                  | 55,415                | 5.5                  |
| U2          | 47,338                            | 5.5                  | 48,719          | 5.5                  | 52,068                | 5.5                  | 58,138                | 5.5                  |
| U3          | 49,084                            | 5.5                  | 50,471          | 5.5                  | 53,994                | 5.5                  | 60,092                | 5.5                  |

#### *Leading Practitioner Pay Range*

|         | England excl. the London area (£) | Change from 2023 (%) | Fringe area (£) | Change from 2023 (%) | Outer London area (£) | Change from 2023 (%) | Inner London area (£) | Change from 2023 (%) |
|---------|-----------------------------------|----------------------|-----------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|
| Minimum | 50,025                            | 5.5                  | 51,403          | 5.5                  | 53,994                | 5.5                  | 59,478                | 5.5                  |
| Maximum | 76,050                            | 5.5                  | 77,430          | 5.5                  | 80,022                | 5.5                  | 85,509                | 5.5                  |

#### *Classroom teachers' allowance ranges*

| Allowance  | Minimum (£) | Change from 2023 (%) | Maximum (£) | Change from 2023 (%) |
|--|-------------|----------------------|-------------|----------------------|
| Teaching and Learning Responsibility (TLR) payment 3 | 675         | 5.5                  | 3,344       | 5.5                  |
| Teaching and Learning Responsibility (TLR) payment 2 | 3,391       | 5.5                  | 8,279       | 5.5                  |
| Teaching and Learning Responsibility (TLR) payment 1 | 9,782       | 5.5                  | 16,553      | 5.5                  |
| Special Educational Needs (SEN) Allowance            | 2,679       | 5.5                  | 5,285       | 5.5                  |

<sup>1</sup> All pay values have been rounded up to the nearest £.

## Leadership group pay range

|         | England excl. the London area (£) | Change from 2023 (%) | Fringe area (£) | Change from 2023 (%) | Outer London area (£) | Change from 2023 (%) | Inner London area (£) | Change from 2023 (%) |
|---------|-----------------------------------|----------------------|-----------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|
| Minimum | 49,781                            | 5.5                  | 51,151          | 5.5                  | 53,731                | 5.5                  | 59,186                | 5.5                  |
| Maximum | 138,265                           | 5.5                  | 139,632         | 5.5                  | 142,178               | 5.5                  | 147,586               | 5.5                  |

## Headteacher group pay ranges

| Band | England excl. the London area (£) | Fringe area (£)  | Outer London area (£) | Inner London area (£) |
|------|-----------------------------------|------------------|-----------------------|-----------------------|
| 1    | 56,316 – 74,926                   | 57,693 – 76,289  | 60,266 – 78,841       | 65,731 – 84,249       |
| 2    | 59,167 – 80,634                   | 60,540 – 82,006  | 63,117 – 84,550       | 68,583 – 89,957       |
| 3    | 63,815 – 86,783                   | 65,188 – 88,150  | 67,762 – 90,694       | 73,225 – 96,106       |
| 4    | 68,586 – 93,400                   | 69,964 – 94,758  | 72,531 – 97,307       | 78,000 – 102,714      |
| 5    | 75,675 – 103,010                  | 77,051 – 104,377 | 79,630 – 106,925      | 85,092 – 112,333      |
| 6    | 81,441 – 113,624                  | 82,825 – 114,990 | 85,396 – 117,534      | 90,856 – 122,945      |
| 7    | 87,651 – 125,263                  | 89,033 – 126,623 | 91,602 – 129,172      | 97,068 – 134,581      |
| 8    | 96,673 – 138,265                  | 98,045 – 139,632 | 100,623 – 142,178     | 106,083 – 147,586     |

## Pay range and advisory points for unqualified teachers

| Spine point | England excl. the London area (£) | Change from 2023 (%) | Fringe area (£) | Change from 2023 (%) | Outer London area (£) | Change from 2023 (%) | Inner London area (£) | Change from 2023 (%) |
|-------------|-----------------------------------|----------------------|-----------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|
| 1           | 21,731                            | 5.5                  | 23,140          | 5.5                  | 25,758                | 5.5                  | 27,252                | 5.5                  |
| 2           | 24,224                            | 5.5                  | 25,630          | 5.5                  | 28,252                | 5.5                  | 29,745                | 5.5                  |
| 3           | 26,716                            | 5.5                  | 28,123          | 5.5                  | 30,744                | 5.5                  | 32,238                | 5.5                  |
| 4           | 28,914                            | 5.5                  | 30,319          | 5.5                  | 32,947                | 5.5                  | 34,436                | 5.5                  |
| 5           | 31,410                            | 5.5                  | 32,813          | 5.5                  | 35,438                | 5.5                  | 36,925                | 5.5                  |
| 6           | 33,902                            | 5.5                  | 35,305          | 5.5                  | 37,932                | 5.5                  | 39,417                | 5.5                  |

## National living wage

The National Living Wage (NLW) (for those aged 21 and over) increased to £11.44 per hour in April 2024<sup>2</sup>. Employers should ensure that implementation of the pay award complies with the National Living Wage policy. We also expect that the Department will want to satisfy itself that employers are compliant.

<sup>2</sup> GOV.UK (2024) National Minimum Wage and National Living Wage rates - <https://www.gov.uk/national-minimum-wage-rates>

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978-1-5286-4953-7