

# Government Evidence to the STRB

December 2024

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## Summary

- 1. The Secretary of State wrote to Dr Mike Aldred, the Chair of the School Teacher's Review Body (STRB), on 30 September, to issue the remit for the 2025/26 pay round. This remit asked the STRB for its recommendations on the pay and conditions for teachers and school leaders for 2025/26, an assessment of any changes to flexibilities around Teacher and Learning Responsibility (TLR) payments concerning the existing pro-rata rule, and views on how the current framework can best support teachers from all backgrounds and with protected characteristics, including by promoting flexible working.
- 2. This document sets out the Department's evidence for the 2025/26 pay award, to support the STRB's development of their recommendations and views.
- 3. The 'Teacher Workforce Context' chapter provides the STRB with an update on patterns and trends in teacher recruitment and retention, as well as pointing to wider sources of information that may be relevant.
- 4. The evidence then sets out the Department's ambitions and policies to improve recruitment and retention, including the Opportunity Mission, the pledge to deliver 6,500 new expert teachers, and the steps that the Department has already taken to improve the experience of being a teacher.
- 5. The 'School Budget Context' chapter lays out the economic and affordability considerations which should be taken into account when determining an appropriate and manageable pay award for 2025/26. This includes further context on the funding provided to schools next financial year.
- 6. The 'Supporting Teachers from All Backgrounds' chapter provides further evidence to the STRB to inform their views on how the pay and conditions frameworks can best support teachers from all backgrounds and with protected characteristics. This includes ways the STPCD might support flexible working, whilst prioritising the experience of pupils. This chapter also asks the STRB to consider how prorating of TLR payments could be changed to enable greater flexibility.

## **Teacher Workforce Context**

7. This chapter will set out the current picture of teacher supply in schools, including recruitment and retention, and highlights broader information of interest.

## Summary

- 8. Over the last decade, teacher supply has struggled to keep pace with the growth in pupil numbers. This problem has been concentrated in secondary schools, which have seen pupil teacher ratios rise and acute challenges within particular subjects.
- 9. Over the coming years, pupil numbers are set to fall overall. However, falling rolls will be concentrated in primary schools, with the demographic bulge having moved into secondary, where the pressure is already greater than primary, and the 16-19 education sector, which has its own distinct recruitment and retention context (covered below). While the data suggests there is less risk of primary teacher demand exceeding supply, maintaining a sufficient and high-quality primary workforce, including via improved retention, remains vitally important.
- 10. Adding to that challenge, especially in secondary schools, is that the number of newly qualified teachers is largely locked in for the next few years. Whilst there have been year-on-year increases in postgraduate trainee numbers over the last two cycles, the cohorts recruited to train over the last three cycles have all been smaller than those during either the pandemic period or just prior to the pandemic. Postgraduate Initial Teacher Training (PGITT) cohorts recruited to train in 2022/23, 2023/24 and 2024/25 will make up the vast majority of newly qualified teachers available for schools to employ before 2026/27. The impacts of this will be more pronounced in some perennial shortage subjects, such as maths, physics and computing. The impact will also be more pronounced for schools that evidence indicates are typically already facing the greatest supply challenges, such as schools that have higher levels of disadvantaged pupils.
- 11. Overall leaver rates<sup>1</sup> have returned to levels comparable to the period just before the pandemic, and each of the last five years has seen a leaver rate lower than all but one of the years since 2010. However, retention challenges remain, with the rate of teachers leaving before retirement at its highest since the School Workforce Census (SWC) began in 2010/11, offset in the headline rate by demographic changes in the workforce that have reduced the number of teachers approaching retirement age over recent years.
- 12. While this presents a challenging outlook, teacher pay competitiveness is set to improve in 2024/25, after the Government accepted and fully-funded the 5.5% pay

<sup>&</sup>lt;sup>1</sup> Leaver rate is the percentage of qualified teachers leaving the state funded teaching sector, including those which leave due to retirement or death.

award recommended by the STRB. This represents a pay increase for teachers that is significantly above economy-wide average earnings growth forecasts for the same time period. Over recent years, average earnings growth in the wider economy has shown significant variation at different points on the income distribution. This demonstrates that on some measures of competitiveness, teacher pay is performing more strongly, as discussed in more detail later in the chapter.

- 13. A loosening labour market should also continue to support recruitment and retention across the public sector. While the unemployment rate is low by historical standards, there is substantial uncertainty around the position of the labour market due to ongoing issues with the Labour Force Survey. Other sources<sup>2, 3</sup> suggest that the labour market continues to loosen, with vacancy levels falling, and employee numbers falling in recent months.
- 14. Recruitment and retention challenges vary significantly between individual schools, implying leadership, culture and in-school practice, such as on workload and flexible working, are material. There are also promising signs that identifying issues that drive leaver rates and applying targeted interventions could have strong positive effects: for example, while further evidence on causality is needed, leaver rates for first year teachers have fallen by over 3 percentage points since pre-pandemic, aligning with the introduction of the Early Career Framework (ECF). This indicates that the right mix of measures, aimed at tackling workload and other factors driving teachers from the profession, can materially improve the teacher recruitment and retention picture. The Government's ambitions, as well as the steps it is already taking, are set out in the following chapter.

## **Teacher Workforce Size and Pupil-Teacher Ratios**

15. Ensuring a sufficient supply of high-quality teachers is an ongoing challenge. Teacher numbers have risen over the last decade, from 449,600 in 2013/14 to 468,700 in 2023/24, but this 4% growth has been outpaced by 11% growth in pupil numbers over the same period. As a result, the pupil-teacher ratio has risen from 17.1 in 2013/14 to 18.1 in 2023/24 for state-funded schools overall, with the largest change concentrated in secondary schools. Primary pupil-teacher ratios have risen slightly, from 20.5 in 2013/14 to 20.8 in 2023/24; while secondary pupil-teacher ratios have grown from 14.8 to 16.8, with 90% of that rise (1.8 extra pupils)

<sup>&</sup>lt;sup>2</sup> KPMG and REC, UK Report on Jobs October 2024. Available at: <u>KPMG and REC, UK Report on Jobs -</u> <u>KPMG UK</u>

<sup>&</sup>lt;sup>3</sup> Bank of England Agent's report 2024 Q3. Available at: <u>Agents' summary of business conditions - 2024 Q3</u> <u>Bank of England</u>

per teacher) occurring between 2013/14 and 2019/20, before the pandemic boost to recruitment and retention temporarily interrupted this pattern.<sup>4</sup>

- 16. Pupil numbers are a key driver of schools' demand for teachers. Overall, pupil numbers in state-funded schools are projected to fall by 2% between 2023/24 and 2027/28.<sup>5</sup> The number of pupils in state-funded primary schools peaked in 2018/19 and had fallen by 2% by 2023/24, with projections suggesting a further 5% fall from 2023/24 numbers by 2027/28, the final year of the projection. This decrease in primary school is partly due to the demographic bulge moving into secondary schools. The number of pupils in state-funded secondary school aged 15 or under is expected to peak in 2026/27 before decreasing slightly in the final year of the forecast.<sup>6</sup> The expected increase over the next three years (between 2023/24 and 2026/27) is 1%.
- 17. Relative to primary schools, secondary schools have seen greater supply challenges in recent years, with pupil-teacher ratios rising, and are set to experience further pressure, as pupil numbers are yet to peak, while they are already falling in primary. Maintaining a strong supply of high-quality teachers in primary schools is essential, but the evidence is clear that the current supply challenge is more acute in secondary, particularly within certain subjects.

## Retention

- 18. Teacher retention is key to a sufficient supply of high-quality and experienced teachers. Evidence suggests that there is scope to reduce leaver rates further, despite some improvement in headline data in recent years, given the patterns seen in wastage rates.<sup>7</sup>
- Looking first to overall leaver rates, the pandemic saw a two-year period of strong retention, with leaver rates temporarily falling to 7.3% and 8.1% in 2019/20 and 2020/21, respectively. The overall leaver rates of 9.7% in 2021/22 and 9.6% in 2022/23 are comparable to the rate of 9.4% in 2018/19, immediately pre-

<sup>&</sup>lt;sup>4</sup> Pupil teacher ratios and teachers headcounts, School Workforce Census. Available at: <u>School workforce</u> <u>in England, Reporting year 2023 - Explore education statistics - GOV.UK</u>

<sup>&</sup>lt;sup>5</sup> National Pupil Projections, Annex FC11, Department for Education (2024), Available at: <u>https://explore-education-statistics.service.gov.uk/find-statistics/national-pupil-projections</u>. There were substantial changes to the source data for the pupil projections model which have caused differences between the latest projections and last years. These are explained in detail in the methodology section of the publication. Forecasts for pupils aged 16-19 are not included in the national pupil projections. However, the Teacher Workforce Model does account for estimates of 16-19 pupils when forecasting teacher demand. Due to high uncertainty in the ONS fertility rates forecasts projections this year were only published to 2028 rather than 2032.

 <sup>&</sup>lt;sup>6</sup> Age at the start of the academic year. Pupils aged 15 would therefore broadly map to Year 11 pupils.
<sup>7</sup> Wastage rate is the proportion of qualified teachers leaving the state funded teaching sector for reasons other than death or retirement.

pandemic, and each of the last five years have seen lower overall SWC leaver rates than any year except 2011/12 (9.3%).<sup>8</sup>

- 20. However, the lower overall leaver rate is explained to a significant extent by changes in the composition of the workforce, most notably the reduction over recent years in the share of teachers approaching retirement age, as several large cohorts have passed through into retirement.<sup>9</sup> The number of teachers retiring has fallen from over 13,000 in 2013/14 to 7,000 in 2018/19, and then further to just 3,370 in 2022/23.<sup>10</sup> In contrast, the number of teachers leaving for reasons other than retirement (often referred to as 'wastage') has risen from 31,990 in 2013/14 to 34,040 in 2018/19, and then further to 39,970 in 2022/23. An alternative approach to assessing leaver rates after adjusting for demographic changes is to look at leaver rates for teachers grouped by their level of experience. For most groups with fewer than 30 years' experience, leaver rates are close to or above their highest since 2010.<sup>11</sup>
- 21. Retention challenges are particularly acute for teachers in certain subjects. In STEM<sup>12</sup> for example, retention rates five years after entering teaching have been 4 7 percentage points lower than non-STEM teachers, for each cohort since the SWC started.
- 22. The proportion of pupils within a school that are eligible for the Pupil Premium Fund (PPF) provides a measure of the level of disadvantage in a school.<sup>13</sup> This measure would indicate that teacher supply challenges are greater for schools with a higher proportion of disadvantaged pupils.<sup>14</sup> Leaver, wastage, and turnover rates<sup>15</sup> in schools with higher proportions of disadvantaged pupils are higher than for schools with lower proportions. These retention problems are evident in the composition of the workforce, with schools with higher percentages of

<sup>&</sup>lt;sup>8</sup> See Annes FD2 in the attached analytical document for details. For all retention figures, the most recent year with available data is 2022/23. A teacher can only be said to have left the state-funded sector when they do not appear in a SWC; therefore, the latest analysis uses the November 2023 SWC to verify whether teachers in service in November 2022 have left.

<sup>&</sup>lt;sup>9</sup> See Annex FC3 in the attached analytical document for details

<sup>&</sup>lt;sup>10</sup> SWC reporting year 2023. Retirement rates are likely to also be affected by other factors, such as changes to the retirement age for different cohorts. However, the main driver of lower numbers of retirees is the smaller number of teachers aged 50 and over in recent years, relative to the early 2010s. School workforce in England, Department for Education (2023). Available at: <u>https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england</u>

<sup>&</sup>lt;sup>11</sup> See Annex FD1 in the attached analytical document for details

<sup>&</sup>lt;sup>12</sup> Defined here as anyone teaching science, maths, or computing in their first year of teaching. See Annex TD5 and TD6 in the attached analytical document for details.

<sup>&</sup>lt;sup>13</sup> This is measured using the number of pupils eligible for free school meals, and the number of pupils who have been looked after by a local authority (known as Pupil Premium [PP]). Schools are split into 10 equally sized groups based on PP eligibility. With decile 1 containing schools with the highest proportion of disadvantaged pupils and decile 10 the lowest.

<sup>&</sup>lt;sup>14</sup> See Annex TD7 in the attached analytical document for details

<sup>&</sup>lt;sup>15</sup> Turnover rate is the percentage of teachers leaving one school to move to another school within the state funded teaching sector. These teachers are not leaving the state funded system but move within it.

disadvantaged pupils having a higher proportion of unqualified teachers and a higher proportion of teachers with 5 years or less experience.<sup>16</sup> In secondary schools with higher proportions of disadvantaged pupils, a higher proportion of hours are taught by non-specialist teachers.<sup>17</sup>

- 23. Leaver rates also remain higher in early career than for teachers who have been teaching for longer, though there are encouraging signs in the last two years of data that leaver rates for teachers in their first year have fallen substantially, from 14.6% in the last pre-pandemic year to 12.4% in 2021/22 and 11.2% in 2022/23, even as leaver rates for other groups have rebounded.<sup>18</sup> While it remains too early to say definitively, with more data still needed, this is potentially in response to targeted policies such as the ECF, providing indicative evidence that where specific issues driving leaver rates can be identified and addressed, substantial retention gains can be delivered.
- 24. There are some demographic groups where even small improvements to rates can make a big difference to leaver numbers. This notably includes women aged 30-39 (over 9,100 leavers in 2022/23) who, when splitting by age and gender, make up the largest proportion of all teachers leaving the profession.<sup>19</sup> Therefore, improvements to this cohort's experience of being a teacher could increase the likelihood of them choosing to stay in teaching, which would have a positive impact on the sufficiency of teacher supply.
- 25. When looking at roles, the classroom teacher leaver rate was 9.8% in 2022/23. For leaders, the headteacher leaver rate was 10.5% and for assistant and deputy heads it was 7.2%.<sup>20</sup>

## Recruitment

### **ITT Recruitment: Targets**

26. PGITT recruitment is often a focus of discussions around new teachers joining the state sector. However, it is not the only route to increase the supply of teachers. Therefore, it is important to note that performance against PGITT targets does reflect PGITT recruitment, but also that the size of the target incorporates retention

<sup>&</sup>lt;sup>16</sup> See Annex TD7 in the attached analytical document for details

<sup>&</sup>lt;sup>17</sup> A teacher is defined as a subject specialist if they hold a relevant post A-level qualification in that subject or a subject which closely maps to that subject (details available in the School Workforce Census). The % of hours taught by a non-specialist is the proportion of all subject hours taught by a teacher who does not hold a relevant post A-level qualification in that subject.

<sup>&</sup>lt;sup>18</sup> Leaver rates refer to full-time equivalent (FTE) leaver rates for teachers in their first year since achieving qualified teacher status (QTS). See Annex FD1 in the attached analytical document for details. This will not always match the equivalent headcount-based retention rate in the published retention grids.

<sup>&</sup>lt;sup>19</sup> School Workforce Census, Department for Education (2023). Available from: <u>https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england</u>

<sup>&</sup>lt;sup>20</sup> See Annex TD1 in the attached analytical document for details

strength and the scale of other inflows to the workforce. Where leaver rates are higher, the Teacher Workforce Model<sup>21</sup> produces a higher PGITT target to reflect that there are a greater number of teachers to replace; similarly, where subjects have varying inflows of returners or experienced teachers new to the state-funded sector, the PGITT target adjusts for this. The PGITT target is therefore the number of trainees that is expected to be needed, in order to deliver the residual entrant need for newly qualified teachers only, after accounting for other entrants and leavers. The number of teachers schools need to enter the workforce each year is higher, with much of this met via non-PGITT entrants.

- 27. PGITT targets are also set in advance of the cohort entering the classroom,<sup>22</sup> necessitating that they are based on forecasts for these other flows, such that schools' actual demand for newly qualified teachers could be higher or lower than the target implies, depending on the accuracy of those forecasts.
- 28. Performance against PGITT targets is therefore a useful indicator but should not be considered the sole measure of recruitment sufficiency, in isolation.

### **ITT Recruitment: Secondary**

29. In secondary, recruitment targets have been particularly challenging in recent years, with rising pupil numbers pushing demand for teachers up. Secondary PGITT recruitment in 2024/25 was 62% of target, an increase from 48% in 2023/24. However, recruitment to PGITT is currently low in absolute terms, not only relative to higher targets. The pandemic period saw a temporary surge in recruitment, but trainee numbers have fallen since. In 2022/23, recruitment to secondary PGITT was 4,680 trainees (28%<sup>23</sup>), lower than the 2019/20 cohort, the last to be recruited fully pre-pandemic.<sup>24</sup> Statistics show an improvement in recruitment year-on-year for the 2023/24 cohort, but secondary recruitment remained 3,960 trainees (24%), below the 2019/20 cohort. Provisional statistics for 2024/25 suggest that secondary recruitment has improved again year-on-year but

<sup>&</sup>lt;sup>21</sup> Postgraduate Initial Teacher Training Targets, Teacher Workforce Model. Department for Education (2024), Available at: <u>https://explore-education-statistics.service.gov.uk/find-statistics/postgraduate-initial-teacher-training-targets</u>

<sup>&</sup>lt;sup>22</sup> For example, the PGITT targets for the 2024/25 training cohort were published in Spring 2023 and are based on forecasting newly qualified entrant demand in 2025/26. The targets were set based on SWC data from 2022/23, the latest available at the time, alongside forecasts for supply over 2023/24 and 2024/25, as well as non-NQE flows in 2025/26. Such forecasts carry substantial uncertainty.

<sup>&</sup>lt;sup>23</sup> There were 28% fewer trainees in 2022/23 than in 2019/20. This is not referring to performance against the PGITT target; it does not mean that the percentage of the PGITT target achieved was 28 percentage points lower in 2022/23 than 2019/20.

<sup>&</sup>lt;sup>24</sup> By convention, each cohort is referred to by the year they started training. For example, the 2019/20 cohort trained in the 2019/20 academic year but would (mostly) have been recruited to ITT courses throughout 2018/19. This cohort would mainly then be available to join schools as a qualified teacher from 2020/21.

is likely to remain 12% (c.1,950 trainees) below 2019/20. This is 14,750 secondary trainees in 2024/25.<sup>25</sup>

- 30. Recruitment challenges vary by subject. This is broadly reflected in the performance against PGITT targets being significantly lower for subjects such as Physics (30% in 2024/25) or Computing (37%), than for subjects such as PE (209% in 2024/25) and History (116% in 2024/25).<sup>26</sup>
- 31. However, comparing performance against target does not reflect the relative recruitment challenges across subjects in full. For example, the underperformance against target in subjects such as Maths, Physics, Chemistry, and Computing is especially notable, given the interventions already in place, including PGITT bursaries to support recruitment (set to £29,000 for the cohort starting training in 2025/26), and later, the Targeted Retention Incentive (of up to £6,000 after tax in 2024/25) to support retention (and so reduce the recruitment target, all else equal).
- 32. Without such investments, the underlying recruitment performance against target for some subjects would be substantially weaker. The relative scale of support already in place for each subject should be considered alongside performance against target, when assessing which subjects are experiencing the greatest recruitment challenge.
- 33. This underperformance on PGITT recruitment in recent years has yet to be felt in full in the school system, with the cohorts above yet to move through the pipeline from recruitment and training to becoming a teacher in a state-funded school.
- 34. It is expected that most of the 2022/23 PGITT cohort were available to enter statefunded schools in 2023/24, the most recent SWC year available. This saw the lowest number of newly qualified entrants to secondary school since the SWC began: 8,670 compared to a previous low of 10,520, or between 18% and 28% lower than any previous year.<sup>27</sup>
- 35. The 2023/24 PGITT cohort will make up the vast majority of newly qualified entrants in 2024/25, the SWC year that will be reported on in Summer 2025. With the size of this secondary trainee cohort also over 20% below pre-pandemic levels, it is reasonable to anticipate that the number of newly qualified entrants to the workforce will remain well below historic norms. This may be exacerbated by potential further falls in the number of deferred newly qualified entrants, given these will be drawn mainly from the historically small 2022/23 PGITT cohort.

<sup>&</sup>lt;sup>25</sup> Initial Teacher Training Census 2024/25. Data for 2024/25 is provisional. Annex FD4

<sup>&</sup>lt;sup>26</sup> Initial Teacher Training Census 2024/25. Data for 2024/25 is provisional. Annex FD5

<sup>&</sup>lt;sup>27</sup> Deferred newly qualified entrants, mainly those entering in 2023/24 from the 2021/22 PGITT cohort, also settled back towards a more typical level at 1,440, following a surge in deferred entrant numbers for the pandemic-impacted cohorts. Combining all newly qualified entrants, the 10,100 in 2023/24 was 1,780 under the previous low, or between 15% and 26% lower than any previous year.

- 36. Despite anticipated year-on-year improvements to recruitment for the PGITT 2024/25 secondary cohort, numbers remain provisionally c.12% below 2019/20 levels, constraining growth in new entrants to schools in 2025/26.
- 37. To a significant extent, the number of newly qualified teachers becoming available to schools over the next few years is already locked in and indicates a challenging period ahead. It will be essential to look to other recruitment sources, as well as improving retention, over this period. However, the lead-in time on recruitment cycles means that any increase to PGITT numbers now will support teacher supply in future years.

### **ITT recruitment: Primary**

- In primary, PGITT recruitment has fallen substantially, from 12,220 in 2019/20 to 8,840 in 2023/24. Provisional statistics find trainee numbers fell further for the 2024/25 cohort to around 8,260 or 88% of the target.<sup>28</sup>
- 39. However, this decline in trainee numbers has broadly tracked falling targets, driven primarily by falling pupil numbers and the associated reduced demand for new teachers. Employment rates for primary postgraduate initial teacher trainees awarded QTS in recent years, which have fallen from 83% and 78% for the 2017/18 and 2018/19 cohorts, respectively, to 72% for each of the 2019/20 to 2022/23 cohorts, may indicate that there is not sufficient demand to accommodate a large increase in the supply of new primary teachers.<sup>29</sup>
- 40. In the 2023/24 SWC, there were 8,070 newly qualified entrants and 1,990 deferred newly qualified entrants. Both figures were down on 2022/23.
- 41. While the balance of the data does not suggest significant teacher shortfalls for primary over the near term, maintaining a strong pipeline of interested candidates for primary Initial Teacher Training (ITT) is essential to sustaining a high-quality workforce; the number of new teachers needed is not the only factor to consider.

### **Teachers Returning or New to the State-Funded Sector: Secondary**

- 42. In 2023/24, the 8,210 returning teachers in secondary schools were the highest since the SWC began, at least 970 higher than in any previous year.<sup>30</sup>
- 43. Similarly, the number of entrants who were new to the state-funded school sector (teachers who qualified more than two years before their first post in a state-funded school) was at near-record levels, reaching 2,700. This was just 220

<sup>&</sup>lt;sup>28</sup> Initial Teacher Training Census 2024/25. Data for 2024/25 is provisional. Annex FD4

<sup>&</sup>lt;sup>29</sup> Initial Teach Training Performance Profiles, Department for Education (2024), Available at: <u>https://explore-education-statistics.service.gov.uk/find-statistics/initial-teacher-training-performance-profiles</u> Please note that employment rates are provisional for the 2022/23 cohort.

<sup>&</sup>lt;sup>30</sup> School workforce in England, Department for Education (2023). Available at: <u>https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england</u>

teachers below the previous peak in 2014/15 and over 600 more than in any of the preceding 6 years.

44. It is unclear what drove these increased numbers of non-ITT entrants, but it may be partially in response to the reduced availability of newly qualified teachers from ITT routes. Without a clear understanding of the cause of the increase, it is difficult to determine if this is the beginning of a trend towards higher numbers of non-ITT entrants. The extent to which schools are able to attract high-quality teachers to state-funded classrooms from these pools of already-qualified candidates will be a key factor for the sufficiency of supply over the coming years.

### **Teachers Returning or New to the State-Funded Sector: Primary**

- 45. In 2023/24, there were 7,350 returning teachers in primary schools. This represented a fall of 360 from 2022/23 and stood below pre-pandemic levels. Entrants new to the state funded sector, in contrast, rose slightly year-on-year to 2,000 in 2023/24, a higher number than any year since 2015/16.<sup>31</sup>
- 46. It is unclear what may be driving any changes to these entrant numbers, in the context of primary teacher demand falling and set alongside the PGITT recruitment, trainee employment rates, and newly qualified entrant inflows set out above.

## Earnings Growth: Teachers and the Wider Economy

- 47. Over the past five years, earnings growth data has shown significant variation based on the position in the income distribution. This means that any assessment of the competitiveness of teacher pay, compared to pay in the wider economy, varies substantially depending on the comparator of average earnings used.
- 48. For example, data from the annual survey of hours and earnings (ASHE) from April 2024 showed faster earnings growth at the lower paying deciles of the income distribution.<sup>32</sup> It suggests jobs with earnings more comparable to teaching (c.60th to 70th percentile of the earnings distribution) are seeing slower pay growth than others. Pay settlement data has shown a similar pattern with higher settlements in consumer facing, hospitality and retail sectors, which tend to have

<sup>&</sup>lt;sup>31</sup> School workforce in England, Department for Education (2023). Available at: <u>https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england</u>

<sup>&</sup>lt;sup>32</sup> Low and high pay in the UK: 2024, Office for National Statistics (2024). Available at: <u>https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/low</u> <u>andhighpayuk/2024</u>

more employees on or near the Living Wage (this is partly driven by the increases in the Living Wage and the relatively high public sector settlements).<sup>33, 34</sup>

49. Data shows that the growth in median salaries of teachers over the past five years has kept pace better with earnings growth at the higher end of the income distribution and to employees with at least an undergraduate degree. Using the Graduate Labour Market (GLM) statistics<sup>35</sup> and ASHE median salaries<sup>36</sup> as comparators, table E2 (found in the analytical annex) shows the growth in median salaries between 2018 (pre-pandemic) and 2023 (most recent data) of teachers relative to these benchmarks. The STRB may wish to consider the competitiveness of teacher pay through this additional lens.

## **Further Education Workforce**

- 50. This year, the STRB has been asked to have regard to evidence on the wider state of the labour market, including the impact of recommendations on the further education (FE) teaching workforce in England. To help inform this consideration, the Department is providing some contextual data on the FE workforce.
- 51. A high-quality FE workforce will play a critical role in the success of the Government's Growth Mission and modern Industrial Strategy, ensuring learners progress through their education and move into high value work in key growth sectors such as manufacturing and digital technologies. Additionally, FE providers take on a high proportion of disadvantaged learners.
- 52. The teaching workforce will also experience change over the next few years as demographic changes lead to increased demand in the FE sector in 16-19 education, and reduced demand in primary schools. This includes an estimated increase in the 16-18 year old population from around 2 million people in 2023 to 2.17 million in 2028.<sup>37</sup> It is possible that this will lead to increased movement of the workforce between the FE and schools sectors in common subject areas, which

<sup>&</sup>lt;sup>33</sup> Agents' Summary of Business Conditions 2024 Q3, Bank of England (2024). Available at: <u>https://www.bankofengland.co.uk/agents-summary/2024/2024-q3</u>

<sup>&</sup>lt;sup>34</sup> Median pay increase remains at 5% in three months to April 2024, Incomes Data Research (2024). Available at: <u>https://www.incomesdataresearch.co.uk/resources/insights/median-pay-increase-remains-at-5-in-three-months-to-april-2024-press-mention</u>

<sup>&</sup>lt;sup>35</sup> Graduate labour market statistics, Calendar year 2023, Office for National Statistics (2024). Available at: <u>https://explore-education-statistics.service.gov.uk/find-statistics/graduate-labour-markets</u> There has been falling response rates to this survey and therefore higher sampling variability. Calendar year median salaries are rounded to closest £500, 16-60 year olds, adjusted for full-time.

<sup>&</sup>lt;sup>36</sup> Employee earnings in the UK: 2023, Office for National Statistics (2023). Available at: <u>https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/ann</u> <u>ualsurveyofhoursandearnings/2023</u> Full time employees only. Yearly salaries as of April.

<sup>&</sup>lt;sup>37</sup> Population Projections, Office for National Statistics (2024), Available at: <u>https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/data</u> <u>sets/z3zippedpopulationprojectionsdatafilesengland</u>

could also be a welcome opportunity for teachers to continue developing with new opportunities throughout their careers.

- 53. FE competes with both other education sectors and industry in terms of teacher recruitment. Colleges experience a significant teacher turnover rate, with nearly 50% of teachers leaving the profession within three years. In academic year 2022/23, the teacher vacancy rate across all subjects and FE providers was 4.7 per 100 teaching roles and rising to 5.1 per 100 for General FE Colleges. It is important context to note that further education is diverse, delivering a range of vocational, technical, academic and functional skills provision in a variety of settings, including those of the statutory FE sector- sixth form colleges, general FE colleges and designated institutions- where the majority of classroom FE learners undertake their education. Understanding the FE workforce requires recognising this diversity and the comparator labour markets that influence FE teacher supply.
- 54. FE pay is negotiated nationally by the unions (UCU, NEU, NASUWT, Unison, Unite, and GMB) and the Association of Colleges (AoC) in FE colleges (FECs) and the Sixth Form Colleges Association (SFCA) in sixth form colleges (SFCs). Both sets of negotiations lead to 'non-binding' national recommendations, but whilst SFCs generally implement the SFCA's recommendation without further negotiations, most FECs enter local negotiations using the AoC recommendation as a benchmark. This means that FECs can offer differentiated pay to respond to local skills priorities or teaching shortages.
- 55. The Further Education Workforce annual statistical publication provides comprehensive information on the characteristics of the Further Education Workforce including information on the size of the workforce; workforce characteristics; teacher pay and vacancy rates by subject among other things.<sup>38</sup>
- 56. The Further Education College Workforce analysis (2021) publication uses teacher pension scheme data to provide a time series on teacher headcount, FTE median pay, teacher retention rates and pay progression for new teachers.<sup>39</sup>
- 57. Further publications from the Department on FE are covered in Annex A. The STRB may also wish to note other recent publications on the FE workforce, such as the National Foundation for Education Research (NFER) and Gatsby Charitable Foundation: Building a Stronger FE College Workforce, and the Institute for Fiscal Studies: What Has Happened to College Teacher Pay in England?<sup>40</sup>

<sup>&</sup>lt;sup>38</sup> Further Education Workforce, Department for Education (2024), Available at: <u>https://explore-education-statistics.service.gov.uk/find-statistics/further-education-workforce</u>

<sup>&</sup>lt;sup>39</sup> Further Education College Workforce, Department for Education (2021), Available at: <u>https://www.gov.uk/government/publications/further-education-college-workforce-analysis</u>

<sup>&</sup>lt;sup>40</sup> Building a stronger FE college workforce: How improving pay and working conditions can help support FE college teacher supply, NFER, 2024; What has happened to college teacher pay in England?, Institute for Fiscal Studies, 2023.

# Government's Ambitions and Policies for the Teacher Workforce

- 58. Teachers play a vital role in the education of young people. In fact, high-quality teaching is the within-school and college factor that makes the biggest difference to a young person's outcomes. Good teachers can inspire a love of learning and raise the attainment of their pupils, transforming their future learning and career prospects and ultimately helping to break the link between background and success. This is why improving teacher recruitment and retention is critical to the Government's mission to break down the barriers to opportunity at every stage.
- 59. As set out in the recruitment and retention context chapter, there are teacher supply challenges, which are most acute in the secondary and further education phases where pupil numbers are continuing to grow. This is why the Government has pledged to work with the sector to recruit 6,500 new expert teachers across schools, both mainstream and specialist, and colleges over the course of this parliament to raise standards for young people. The Department's measures will include getting more teachers into shortage subjects, supporting areas that face particular recruitment challenges, and tackling retention issues.
- 60. To achieve this ambition, further work is needed to improve the experience of being a teacher and re-establish teaching as an attractive profession one that existing teachers want to remain in, former teachers want to return to, and new graduates wish to join. This includes addressing broader factors such as workload, wellbeing, and career development opportunities.
- 61. The Government has already taken action to boost school teacher recruitment and retention, including announcing the 5.5% pay award for the 2024/25 pay round, and the funding that accompanied it. This award is above economy-wide average earnings growth forecasts for 2024/25, improving the competitiveness of teacher pay. However, more work needs to be done to achieve these ambitions. The Government is committed to resetting the relationship with the sector and is exploring new ways of working with unions and employer organisations to build consensus on priority areas for reform, including workforce. This will not replace existing forums and statutory processes for negotiations or decision-making on pay and conditions.
- 62. This chapter will set out the actions the Department has already taken in respect of school teachers, as well as looking ahead to the impact of future commitments. The chapter will follow the journey of a teacher from the start: beginning with the Department's new policies and plans intended to increase recruitment of new entrants to the profession, going on to measures intended to improve the retention of current teachers and leaders, and finally covering ongoing work to support teachers throughout their teaching journey. In addition to the material covered here, further detail can be found in the 'Matters for your Views: Supporting Teachers from All Backgrounds' chapter on the Department's activities and

ambitions on flexible working and improving access for teachers of all backgrounds.

## **Recruitment and Pathways into Teaching**

- 63. To begin, this chapter will consider the start of a teacher's journey, as they enter teaching for the first time. The Department aims to attract graduates from all backgrounds into the teaching profession through a multitude of routes into teaching. These pathways enable people to enter teaching from a variety of different backgrounds, providing a larger and more diverse recruitment pool.
- 64. It is vital that potential teachers understand the benefits of a career in teaching from an early stage of their career decision-making. In January 2024, the "Every Lesson Shapes a Life" teacher recruitment campaign was refreshed with a focus on the impact that teaching has on the life of a teacher, as well as that of the children they teach, highlighting the progression, growth and personal satisfaction that a career in teaching offers. The campaign promotes the starting salary for teachers, as well as bursaries and scholarships for priority subjects and signposts potential candidates to the comprehensive Get Into Teaching website where prospective trainees can access support and advice through expert one-to-one Teacher Training Advisers, a contact centre and a national programme of events. In July 2024, recognising the role marketing has in strengthening consideration of a career in teaching, the new Government directed the Department to immediately resume and expand the campaign. This included broadening the campaign's university campus presence, increasing engagement with students and postgraduates, including at Graduate Recruitment fairs.
- 65. As part of the Get Into Teaching service, the Department is continuing to invest in the teaching internship programme, which enables undergraduate and master's students the opportunity to experience teaching before they commit to it as a career. This programme targets potential teachers of chemistry, computing, languages, maths and physics with the aim of increasing the number of applications for ITT.
- 66. Additionally, a new route into teaching the Teacher Degree Apprenticeship (TDA) launched for recruitment in October 2024, with the first trainees due to start in 2025. Eight pilot providers offering Maths TDA courses in schools will be supported with grant funding from the Department, as well as apprenticeship levy funding.<sup>41</sup>

<sup>&</sup>lt;sup>41</sup> In further education (FE), a revised employer-led standard for further education teaching is already in place. The <u>Learning and Skills Teacher (LST) Apprenticeship</u> was published in September 2021, setting a clear benchmark for teaching quality. The maximum funding available through the apprenticeship levy is £7000. At present DfE does not provide any additional financial support e.g. through grants to this scheme.

- 67. In order to ensure there are excellent teachers where they are most needed, there is further to go to improve recruitment in particular subjects. That is why the Department offers additional incentives to encourage people to become teachers in some subjects. In October 2024, the Department announced an ITT financial incentives package worth up to £233m for the 2025/26 ITT recruitment cycle, a £37m increase on the last cycle.
- 68. This includes bursaries worth up to £29,000 tax-free and scholarships worth up to £31,000 tax-free, to encourage talented trainees to key subjects such as mathematics, physics, chemistry and computing, and a languages scholarship worth £28,000 tax-free for French, German and Spanish. The Department also offers a £26,000 tax-free bursary for biology, design & technology, geography and other languages (including ancient languages), a £10,000 tax-free bursary for art and design, music and RE and a £5,000 tax-free bursary for English. The Department is continuing to offer bursaries and scholarships to all non-UK national trainees in languages and physics, attracting teachers to the UK. Providers offering the Postgraduate Teaching Apprenticeship will be able to access grant funding equivalent to the bursary in chemistry, computing, mathematics, physics, French, German and Spanish. This is in addition to the £9,000 apprenticeships levy funding.
- 69. Together, these financial incentives aim to attract people to teach in those subjects where recruitment and retention proves more challenging.

## **Supporting Early Career Teachers**

- 70. Once a teacher has entered the classroom, it is important that they continue to be supported through their first few years of teaching, particularly because early career teachers are more likely to leave than teachers who are mid-career (as discussed in the retention section).
- 71. Teaching is a valued and skilled profession. To ensure all teachers receive the best possible training to set them up for success, the Department has committed to ensuring that new teachers entering the classroom have, or are working towards, Qualified Teacher Status (QTS). This will ensure that new teachers are prepared for their teaching career through high quality, regulated training, and children will benefit from having professionally qualified, well-trained teachers. Additionally, this will clearly signal the high status and prestige of the profession, supporting the ambition to transform the image of teaching.
- 72. Early career teachers (ECTs) need the right support to remain in the profession and provide them with the skills they need to become the best possible teachers. That is why the Department is committed to continuous improvement to transform the training and support for all new teachers, and to review the experiences and needs of ECTs as well as trainees.

- 73. In response to feedback and the findings of a recent review, the Government is committed to implementing improvements to support for ECTs, planned to come into effect from September 2025. These changes include moving to a combined framework for ITT and ECF based induction to create a joined-up programme of development and creating diagnostic tools to give greater flexibility in mentoring and to focus on aspects ECTs most need to develop. In addition, the Government has committed to further update the ECF, maintaining its grounding in evidence to ensure it continues to provide the best possible support for ECTs, with further detail on how this will be achieved to follow in due course.
- 74. As discussed previously, retention of ECTs is of particular importance. As set out in the previous chapter, there are encouraging signs that leaver rates for teachers in their first year have fallen from 14.6% in 2018/19 to 11.2% in 2022/23, indicating that the ECF may be having a positive impact. However, leaver rates for teachers in their second year, and years 3 to 5, have rebounded, to the highest level since the SWC began.
- 75. For 2024/25 and 2025/26, the Department is offering the Targeted Retention Incentive, worth up to £6,000 after tax, for mathematics, physics, chemistry and computing teachers in the first five years of their careers who choose to work in disadvantaged schools. This will support recruitment and retention of specialist teachers in the early years of their career in subjects where recruitment and retention proves challenging, and in the schools that need them most. The Targeted Retention Incentive replaces the previous Levelling Up Premium offer, building on evidence from previous retention incentive pilots. It has also been extended to the Further Education sector, including in additional key shortage technical subject areas, such as building & construction, engineering & manufacturing, early years, and computing, reflecting their role in the economy. Further information is available in Annex A.

## **Continuous Personal Development**

- 76. Obtaining QTS and completing the induction period is only the beginning of a teacher's career and part of having a rewarding career is the opportunity to develop and progress. National Professional Qualifications (NPQs) are a national suite of leadership qualifications designed to support the professional development of teachers and leaders at all levels. They are based on the best available evidence of what works, providing access to high-quality in-role training and support in the areas that matter most to teaching and learning, ensuring they continue to provide the knowledge and skills needed for teachers and leaders to develop their schools and improve pupil outcomes.
- 77. However, evidence is not static and insights evolve. Therefore, the Department will establish a process for reviewing the existing NPQ suite, to ensure the

qualifications continue to be based on the latest evidence and best-practice of what works for teaching and learning.

78. The NPQs are only part of the picture of professional development. The Department understands that there is still variable access to high-quality professional development depending on factors such as location or working pattern and the Department has committed to introducing a new Teacher Training Entitlement to ensure all teachers have the opportunity to stay up to date on best practice. The Department has also committed to developing an Excellence in Leadership programme to expand the capacity of headteachers to improve their schools.

## **Teacher Workload and Wellbeing**

- 79. A key challenge for leaders' and teachers' wellbeing is their workload, and workload is a significant factor in retention decisions with 84% of teachers who had left teaching in the state education sector citing it as a reason for leaving, making it the most cited reason.<sup>42</sup> Tackling high workloads will play a key role in recruiting and retaining excellent school staff and will support the Government's mission to transform the education system so that all children and young people get the high quality education they deserve.
- 80. In order to reduce the workload on teachers and leaders from the pay and conditions system itself, the Department has removed the requirement for schools to use performance related pay (PRP) from the STPCD, in line with the views in the STRB's last report. This came alongside publishing new guidance documents on appraisals, capability, and pay. This change will allow individual schools to determine their approach to pay progression and came following the initial recommendations of the Workload Reduction Taskforce.
- 81. School accountability is non-negotiable and central to driving high and rising school standards. The system of Ofsted single headline grades was high stakes for staff whilst being low information for parents. In September 2024, the Department announced the scrapping of the single headline grade for schools with immediate effect and committed to a new system of school report cards to be introduced from September 2025. The report cards will offer a more nuanced view of how a school is performing, providing a much clearer picture for parents and for schools. The Department is working closely with Ofsted as it enhances the school inspection system to ensure it is supporting high standards for pupils whilst being proportionate for staff. In addition to the changes to the reporting of inspections that the Government has announced, Ofsted has announced that it will consult in

<sup>&</sup>lt;sup>42</sup> Working Lives of Teachers and Leaders Wave 3, Department for Education (2024), Available at: <u>https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-3</u>

early 2025 on a revised inspection framework for schools which will have a greater focus on pupil outcomes to drive higher standards for all pupils.

- 82. Ofsted's response to the Big Listen also included training and policies to make sure inspectors deal appropriately with wellbeing concerns, as well as an 'inspection welfare, support and guidance hub' which offers inspectors and providers information and other support during inspection. These efforts should have a positive impact on the way the accountability system impacts wellbeing and workload and will be considered in the development of Ofsted's new inspection framework.
- 83. Part of the Department's effort to support schools to implement best practice is the Improve Workload and Wellbeing Service. This was developed alongside school leaders, drawing on their valuable experiences and expertise. It contains a range of resources which schools can review and use to support them to reduce workload and improve staff wellbeing. This sits alongside the support offered directly by employers, for example by providing access to employee assistance programmes or similar. In the WLTL Wave 3 survey, high workload and stress and/or poor wellbeing were the two most commonly cited factors by teachers and leader who had left the state school sector as important in their decision to leave.<sup>43</sup>
- 84. Additionally, for school leaders, the Department is funding the charity Education Support to deliver professional supervision to school and college leaders. The programme gives leaders a safe and confidential space to talk about and process challenges at work. It provides professional supervision as a preventative form of mental health support for leaders by facilitating leaders to work with qualified and experienced supervisors to focus on their mental wellbeing and develop new coping strategies to feel more fulfilled and in control in their role. An independent evaluation of the programme in 2023 found there is a strong need and demand for the service amongst school leaders; participants self-reported outcomes included reduced stress and anxiety, improved management of workload and wellbeing, and greater clarity of thinking.<sup>44</sup> Significantly, for some, the support aided their retention and helped them to stay in a role that they were considering leaving.
- 85. The Government will consider the impact of wider schools reforms on teacher recruitment and retention, as this in turn supports high standards for pupils. This includes the independent Curriculum and Assessment Review which the Department has established, covering ages 5 to 18. The review will build on the hard work of teachers and staff across the system who have brought their subjects

<sup>&</sup>lt;sup>43</sup> Working Lives of Teachers and Leaders Wave 3, Department for Education (2024), Available at: <u>https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-3</u>

<sup>&</sup>lt;sup>44</sup> School Leader Mental Health and Wellbeing Service Evaluation, Department for Education (2023), Available at: <u>https://www.gov.uk/government/publications/school-leader-mental-health-and-wellbeing-service-evaluation</u>

alive with knowledge-rich syllabuses, to deliver a curriculum which is rich and broad, inclusive, and innovative. This review will consider the practicalities of implementation and the workload for teachers and leaders. It will seek to ensure that the curriculum and assessment system supports manageable and sustainable workloads for teachers and leaders.

- 86. Furthermore, the Department recognises that the pressures on teachers' workload and wellbeing are not solely within teaching itself. One area that has caused additional burdens on the teaching workforce is the increase in child poverty over the last decade, and the continued impact of cost-of-living pressures on families. The Prime Minister announced a new Child Poverty Taskforce in July, co-chaired by the Department for Work and Pensions and the Department for Education secretaries of state. The Taskforce is working closely with stakeholders, including in the education sector, and will publish its strategy in the Spring.
- 87. The Department is keen to go further, working together with experienced and valued partners across the education system to address the drivers of high workload and wellbeing issues for school staff and drawing on their wealth of experience to improve the Department's policies and interventions.

# **School Budget Context**

- 88. The Department recognises that high quality teaching is the within-school factor that makes the biggest difference to a child's education, giving them the knowledge and skills to succeed throughout life. The Government is committed to supporting teachers to stay in the profession and thrive. The Government was therefore pleased to accept the STRB's recommendation for the 2024/25 pay award in full, despite the challenging financial circumstances.
- 89. Amongst other factors, ensuring teachers are paid fairly supports the recruitment and retention needed to achieve the Government's objectives, including delivering 6,500 new expert teachers and the Opportunity Mission more widely. Achieving these objectives is vital to provide the best possible life chances to all children.

### An Appropriate Pay Award

- 90. The Department's view is that a 2.8% teacher pay award would be appropriate for 2025/26. This level of award would maintain the competitiveness of teachers' pay, despite the challenging financial backdrop the Government is facing. This award would follow a 5.5% pay award for 2024/25 that has meant a combined increase of over 17% over the last three pay awards and which this further pay proposal for 2025/26 could see rise to over 21% in four years.<sup>45</sup>
- 91. Settlement data are the most comparable data to pay review body recommendations, as they are a direct measure of consolidated pay awards and are not directly affected by other factors such as changes to working hours or changes in the composition of employment. According to Brightmine (formerly ExpertHR, provider of HR data and analysis), median settlements across the economy were at 4.8% in 2024 Q2 and 4.0% in 2024 Q3.<sup>46</sup> The OBR's forecast is for average earnings growth to average 4.5% across FY2024/25<sup>47</sup> this measure of average earnings growth has historically been higher than average pay settlements, as it is affected by compositional changes in the labour force and factors such as changes to working hours. Against both of these, the 5.5% award for teachers in AY2024/25 award is ahead of the wider economy, which should support an improvement in recruitment and retention.
- 92. Looking forward, average earnings growth is forecast to moderate further over the coming months, with the OBR expecting earnings growth to fall to 3% in FY2025/26. Survey evidence also points to an easing in wage growth, with

<sup>46</sup> Pay Trends October 2024 Report, Brightmine (2024). Available at: <u>https://www.brightmine.com/uk/resources/press-releases/pay-trends-2024-october-report/</u>

<sup>&</sup>lt;sup>45</sup> This is calculated by combining the pay awards from each year multiplicatively, as each year's pay award compounds previous awards.

<sup>&</sup>lt;sup>47</sup> Economic and Fiscal Outlook October 2024, Office for Budget Responsibility (2024). Available at: <u>https://obr.uk/economic-and-fiscal-outlooks/</u>

Brightmine's survey showing that the median settlement is expected to fall to 3% in 2025.

- 93. In recent years, earnings growth in the upper half of the distribution and for professional occupations has been slower than the whole economy average, as shown earlier in this document. This pattern may continue, given the contribution to average earnings growth of the 6.7% increase to the National Living Wage in 2025-26. The level of teacher pay award that maintains competitiveness with similar occupations may therefore be somewhat lower than 3%, especially as earnings growth across the 2025/26 academic year is forecast to be 2.2%. The Department anticipates that an award of 2.8% is likely to be appropriate, as it would balance maintaining or improving pay competitiveness, while also ensuring the award delivers a real terms pay rise, in the context of CPI forecasts for 2.6% in FY2025-26 (2.4% in AY2025/26).
- 94. It should also be noted that there are substantial pressures on the public purse, in part driven by the macroeconomic context. The rate of UK economic growth since the global financial crisis of 2008 has been substantially lower than in previous decades. Annual real productivity growth (GDP per hour worked) fell by around 1.5 percentage points, from an average of 2.1% in the decade prior to the global financial crisis, to 0.6% between 2010 and 2019. Higher productivity enables higher wages and living standards. Only sustained productivity growth over the medium-term can deliver sustainable long-run economic growth and real-terms wage rises.
- 95. The UK economy has faced unprecedented shocks, including the pandemic, Russia's illegal invasion of Ukraine, and financial turbulence, which contributed to the largest increase in inflation in almost 50 years. Low and stable price inflation is an essential element of a stable macroeconomic environment, and a pre-requisite for sustainable economic growth and improving living standards. Inflation is normalising after these shocks and is expected to remain close to the 2% target throughout the OBR's forecast period, and average 2.6% across 2025/26.
- 96. This means that, as set out at the Autumn Budget, careful consideration of tradeoffs will be required to afford pay awards, and improved productivity will be needed to support above-inflation pay awards.

### School Funding in FY 2025-26

97. At the Autumn Budget, the Chancellor set out that the Government was facing £22 billion of in-year pressures in FY2024-25 and continues to face a challenging fiscal picture. Nevertheless, the Government took the decision to prioritise education, to grow the economy through investing in schools, and put education back at the forefront of national life, breaking down the barriers to opportunity for all children. The significant additional funding provided for education at the Autumn Budget demonstrates the Government's commitment to schools and

ensuring every child can achieve and thrive through its commitment to the Opportunity Mission.

- 98. The Government announced that the core schools budget, which provides funding for mainstream schools and high needs, will rise by £2.3 billion in FY 2025-26. This represents significant additional investment in schools and in teachers, especially against the backdrop of difficult decisions across tax, spending and welfare through the Autumn Budget and Phase 1 of the Spending Review, where additional investment has had to be carefully considered in order to repair the public finances. As a result of this investment, overall school funding will increase in real terms in FY 2025-26.
- 99. The £2.3 billion increase in funding for FY 2025-26 will cover the remaining costs of the 2024 teachers' pay award in mainstream schools, so that the full twelve months of salary costs are fully funded at a national level; an increase to the mainstream schools national funding formula, which delivers core funding to mainstream schools including funding for 2025 pay awards; any increases to other elements of core funding; and allocations for high needs provision (including to cover the remaining costs of the 2024 teachers' pay award for high needs settings), recognising the continued increase in costs. Of the overall increase of £2.3 billion, £1 billion will be directed to high needs, in recognition of the continuing pressures being faced there.
- 100. The increase in funding provided to schools will support new spending, including on pay awards, but schools, like the wider public sector, must continue to drive better value from existing budgets to help rebuild public services. In this context, whilst the allocations made to schools through the National Funding Formula include headroom for further pay awards in the coming year, the Department recognises that schools will also need to prioritise and redeploy resources (as appropriate) to manage overall costs.
- 101. To cover the 2.8% award proposed for teachers, the Department recognises that most schools will need to supplement the new funding they receive in FY2025-26 with efficiencies. The balance between cost increases covered by new funding and those covered through efficiencies in existing budgets will vary at an individual school level, depending on a school's circumstances (for example, changes to its pupil numbers) and previous spending decisions (which will determine, for example, the balance between spending on teachers, support staff and non-staff items).
- 102. Schools will also want to factor in the impact of a 2025-26 pay award for support staff on their budgets. The Department assumes that, in planning their budgets, schools will consider pay awards across the board, i.e. across both teachers and support staff. Any pay award assumptions which exceed what is affordable for a school overall will need to be covered through efficiencies. This includes steps necessary to achieve the proposed pay award for teachers.

### Supporting schools to manage their budgets

- 103. Underpinning the Opportunity Mission is the Government's ambition for all children to be able to achieve and thrive. High quality teaching is the within-school factor that makes the biggest difference to young people's outcomes.
- 104. As set out above, the Department recognises that most schools will need to supplement the new funding they receive in FY 2025-26 with efficiencies.However, schools are not alone in their efforts to better manage their spending. The Department will be developing a suite of productivity initiatives.
- 105. This will start with delivering commercial support to provide schools with access to the Department's energy contracts. When schools' energy contracts are up for renewal, they can join the Department's contract. This is already being piloted. Schools involved in the pilot will save 36% on average compared to their previous contracts.
- 106. The Department will also explore a number of other initiatives including plans to secure better banking solutions for schools (which would result in securing better interest rates for their savings and current accounts), and the creation of Departmental goods and services deals for IT and spend on areas other than technology.
- 107. These new activities complement the Department-funded support already available to schools to deliver their resources as effectively as possible, including:
  - The School Resource Management Adviser programme which identifies savings in schools they work with to use for the benefit of their own pupils.<sup>48</sup>
  - Get help buying for schools a free and impartial procurement service for schools and trusts buying goods and services.<sup>49</sup>
  - Risk Protection Arrangement an alternative to commercial insurance for schools which can help save schools time and money.<sup>50</sup>
  - Teaching Vacancies a free, national search and listing service to help schools save on recruitment costs.<sup>51</sup>
  - The new Financial Benchmarking & Insights Tool which will become the principal place for schools to examine their financial data and benchmark their spending.<sup>52</sup>
  - Planning for Technology a digital service to help schools make strategic decisions about what technology to buy and how to implement it effectively. This is accompanied by 11 digital and cyber standards which provide guidelines to support schools to use the right digital infrastructure and technology.<sup>53</sup>

<sup>&</sup>lt;sup>48</sup> <u>The school resource management advisers (SRMA) programme - GOV.UK</u>

<sup>&</sup>lt;sup>49</sup> Buying for schools: get free help from procurement specialists - GOV.UK

<sup>&</sup>lt;sup>50</sup> Join the risk protection arrangement (RPA) for schools - GOV.UK

<sup>&</sup>lt;sup>51</sup> <u>Teaching</u>, leadership and support jobs - Teaching Vacancies - GOV.UK

<sup>&</sup>lt;sup>52</sup> Home - Financial Benchmarking and Insights Tool - GOV.UK

<sup>&</sup>lt;sup>53</sup> <u>Plan technology for your school - GOV.UK</u>

- Good estate management for schools (GEMS) guidance, tools and resources to help schools manage their buildings strategically and effectively.<sup>54</sup>
- Integrated Curriculum and Financial Planning (ICFP) guidance and support to help schools and trusts plan the best curriculum for their pupils, making the most effective use of the funding they have available.<sup>55</sup>
- A local support offer which provides in-person, practical training at regional events covering a range of financial, leadership, and HR subjects.<sup>56</sup>
- A Mentoring programme and webinars which aims to support school leaders in developing their skills, confidence, and capability.<sup>57</sup>
- 108. This support has evolved from the School Resource Management Programme (SRM), which helped schools realise £1 billion of savings between 2018-22.<sup>58</sup>
- 109. As well as productivity improvements, these new and ongoing initiatives should lead to cashable efficiencies which means efficiencies which will reduce schools' existing spend, and/or increase their revenue, to release funding back into their budgets for reinvestment.
- 110. The Department recognises that the impact of these initiatives will not be uniform across schools. Equally, schools' individual costs will also vary, with some schools facing smaller cost pressures than others. Schools will likely need to identify efficiencies at a local level, on top of those achieved through the Department's support initiatives though the level will depend on each school's position and circumstances.
- 111. The Department has also taken steps to bring forward this year's pay round, including issuing the remit letter three months earlier than last year. This will support schools by allowing a greater lead in period to better plan their resources to support an appropriate award for teachers and school leaders in 2025/26.

### Timing & Future Updates

112. The Government's intention is to re-align the timings of the pay round so that the Department can announce the pay award for teachers and school leaders earlier than in previous years, and well in advance of the start of the academic year in September. This would ensure that teachers and school leaders receive pay awards in the timely manner that they deserve, and that schools are better able to manage their finances.

<sup>&</sup>lt;sup>54</sup> Good estate management for schools - Guidance - GOV.UK

<sup>&</sup>lt;sup>55</sup> Integrated curriculum and financial planning (ICFP) - GOV.UK

<sup>&</sup>lt;sup>56</sup> Develop your skills across the board with our comprehensive ISBL-aligned training — ISBL

<sup>&</sup>lt;sup>57</sup> Home | School Resource Management

<sup>&</sup>lt;sup>58</sup> School savings in non-staff expenditure, Department for Education (2022). Available at:

https://www.gov.uk/government/publications/progress-in-schools-savings-and-resource-management

- 113. It is important the STRB bear in mind that a necessary trade off in bringing the pay round forward is that that the written evidence does not align with publication of the Schools' Costs: Technical Note (SCTN), which is expected to be published in February/March 2025 as usual. The timing of the SCTN is due to its reliance on data becoming available in December (when final Dedicated Schools Grant allocations to local authorities are published).
- 114. The SCTN will, as usual, provide further details on school affordability and the headroom available, at the national level, for pay awards. The pay award figure proposed in this chapter and the assumptions set out above will support schools in making informed budgeting assumptions and, as noted above, the Department recognises that the impact of this will be different across schools and any national affordability figure will only reflect the average position. However, the Department recognises that this is still important in setting out the average impact of the proposed award and the efficiencies it implies, nationally.

### Conclusion

- 115. Overall, the Department's view is that a 2.8% award across all school teachers and leaders in 2025/26 is appropriate based on the economic context, including the OBR average earnings growth forecast for FY2025-26. This is an important step to support the recruitment and retention of teachers while reflecting the need for a prioritisation of resources across the whole of the public sector.
- 116. Pay is an important part of recruitment and retention but is not the only part. More broadly, the Department will continue to work to improve the experience of teaching, including through the measures set out in the 'Government Ambitions' chapter. There is also substantial potential to improve the experience of teaching through increased access to flexible working, and other measures to support teachers of all backgrounds, as will be set out in the next chapter.

# Matters for Your Views: Supporting Teachers from All Backgrounds

### The Benefits of a More Diverse Workforce

- 117. A profession where all teachers are able to thrive, grow their talent and progress will help provide the best education for pupils. Already-published data from the SWC shows that the characteristics of teachers are not representative of the make-up of the wider workforce and tackling these gaps may help to better recruit and retain high-quality teachers. For example, 83.8% of teachers and 89.2% of leaders in state-funded schools identify as White British, compared to 70.8% of the wider workforce. Teaching is also disproportionately female, with women accounting for 75.7% of teachers and 69.4% of leaders.<sup>59</sup>
- 118. Not only are there differences in the makeup of the workforce but there are also differences in how some groups, such as women and teachers from ethnic minority backgrounds, progress through the pay scales, and some groups also report poorer experiences of aspects of the pay system. Understanding this data is vital both at a national level, and for individual employers and schools locally.
- 119. To support better understanding of the available data on the profession as a whole, the Department is publishing the report 'Teacher Pay and Progression: Differences by Teacher Characteristic' in parallel to this evidence, which uses data from the Working Lives of Teachers and Leaders (WLTL) survey waves 1 and 2, and the SWC to look at pay curves by characteristic, as well as different responses to WLTL pay-related questions by characteristic. There continue to be issues with the availability of data on the diversity of the teaching profession. This is a particular challenge for disability data, as set out in the Disability Data Collection in Schools publication previously.<sup>60</sup> Work to improve data collection is ongoing, and the Department is keen to work with the sector to continue to improve the available information, and in turn to improve diversity and inclusion within the teaching workforce.
- 120. Ensuring teachers from all backgrounds can thrive is a social justice issue; promoting equality is central to the Government's Opportunity Mission. This could also lead to retention benefits, given that leaver rates for certain groups, such as teachers from ethnic minority backgrounds, are higher than the average for the profession as a whole.

<sup>&</sup>lt;sup>59</sup> Ethnicity facts and figures: School Teacher Workforce, Department for Education (2023), Available at: <u>https://www.ethnicity-facts-figures.service.gov.uk/workforce-and-business/workforce-diversity/school-teacher-workforce/latest/</u>

<sup>&</sup>lt;sup>60</sup> Disability Data Collection in Schools, Department for Education (2023). Available from: <u>https://www.gov.uk/government/publications/disability-data-collection-in-schools</u>

121. In the context of this ambition, the Government is keen to explore what more can be done to support diversity and inclusion. The Department would, therefore, welcome the STRB's views regarding ways in which the pay and conditions system can be more accessible and supportive of teachers from all backgrounds and with protected characteristics, including by enabling flexible working. This chapter will provide some additional clarification on the request for views, as well as suggest some potential areas of interest to the STRB. Finally, the chapter will also provide the Department's views to inform the STRB's recommendation on the pro-rating of Teaching and Learning Responsibility (TLR) payments.

## Improving working conditions for teachers

- 122. The Government's priority is high and rising standards for pupils. The biggest inschool factor in improving pupil outcomes is the quality of teaching. The biggest within-school factor in improving pupil outcomes is the quality of teaching. Flexible working policies (defined as a range of working arrangements that allow employees to vary the amount, timing, or location of their work) can help to recruit and retain talented teachers which will support teaching consistency.
- 123. Though there can be specific challenges to implementing flexible working in schools due to the face-to-face nature of teaching, many schools and trusts have effectively embedded a range of flexible working practices. These include job-sharing, compressed hours or taking Planning, Preparation and Assessment (PPA) time from home.
- 124. The benefits of flexible working in schools are clear: evidence shows that teachers value working flexibly, and that this may be an important factor in their decision to stay or leave teaching. In 2021, 82% of surveyed leaders (in schools that offer flexible working) agreed that flexible working helped retain teachers and leaders who might otherwise have left and 85% of leaders agreed that flexible working had a positive impact on teacher and leader wellbeing.<sup>61</sup> In the WLTL survey, 47% of teachers and leaders who were considering leaving the state education sector cited a lack of flexible working arrangements may, therefore, allow some people to remain in the profession when they may otherwise have considered leaving. Enabling flexible working can remove barriers to a successful teaching career for many groups, including disabled people, people with caring responsibilities, and teachers within particular age groups.

 <sup>&</sup>lt;sup>61</sup> School and College Panel: December 2021, IFF Research (2021), Available at: <u>https://www.gov.uk/government/publications/school-and-college-panel-omnibus-surveys-for-2021-to-2022</u>
<sup>62</sup> Working Lives of Teachers and Leaders Wave 3, Department for Education (2024), Available at: <u>https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-3</u>

- 125. The opportunity to work flexibly is more prevalent than ever in the wider economy, and those either considering a career in teaching or already in the profession increasingly expect flexibility in their work.<sup>63</sup>
- 126. These expectations are mirrored in recent legislative changes relating to flexible working. Earlier this year all employees were granted the right to request flexible working from day one of a new job, and employers required to have a conversation with their employee before rejecting an application enabling both parties to explore whether alternative workable options may be available. The Government will build on this including in the upcoming Employment Rights Bill to further support and facilitate flexible working agreements and make flexible working the default.
- 127. Given the broader expectation, flexible working may therefore also become increasingly important for recruiting new, typically younger, teachers: the Tomorrow's Teachers report showed that 56% of Gen-Z consider having a good work-life balance the most important factor when considering a career, and 36% say that flexible working is the most important factor.<sup>64</sup> Furthermore, in 2022/23, 46% of graduates reported they mainly worked from home and 65% reported they worked either fully remote or in a 'hybrid' arrangement.<sup>65</sup>
- 128. Increasing access to flexible working could therefore support the Department's goals of growing a more diverse and inclusive profession, particularly but not exclusively for women and people with caring responsibilities.
- 129. The WLTL Wave 3 survey showed that the proportion of teachers saying they are working flexibly has remained consistent in 2024 at 46%, and the most common form of flexible working arrangement was still working part time (21% in 2023). This follows an increase in flexible working between 2022 and 2023 (from 40% to 46%), which can mainly be attributed to increases in time spent performing planning, preparation and assessment work offsite, ad-hoc requests for changing start or finish times, or ad-hoc requests for personal days off.<sup>66</sup> Overall, 5% of teachers and leaders in WLTL 2, 2023, reported having a home/remote working arrangement.<sup>67</sup>
- 130. Flexible working may also improve staff wellbeing by better allowing teachers to fit their work time around their other commitments, and in turn help to provide the

<sup>&</sup>lt;sup>63</sup> Teacher Labour Market in England Annual Report 2024, NFER (2024), Available at: <u>https://www.nfer.ac.uk/publications/teacher-labour-market-in-england-annual-report-2024/</u>

<sup>&</sup>lt;sup>64</sup> Tomorrow's Teachers: A Roadmap to get Gen Z into the Classroom, Teach First (2024), Available from: https://www.teachfirst.org.uk/reports/tomorrows-teachers

<sup>&</sup>lt;sup>65</sup> Teacher Labour Market in England Annual Report 2024, NFER (2024), Available at: <u>https://www.nfer.ac.uk/publications/teacher-labour-market-in-england-annual-report-2024/</u>

<sup>&</sup>lt;sup>66</sup> Working Lives of Teachers and Leaders Wave 3, Department for Education (2024), Available at: <u>https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-3</u>

<sup>&</sup>lt;sup>67</sup> Working Lives of Teachers and Leaders Wave 2, Department for Education (2024), Available at: <u>https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-2</u>

high-quality teaching needed to make the biggest within-school difference in a child's education.

131. Increased access to flexible working can facilitate equality of access to promotion and development opportunities for aspiring school leaders from all backgrounds. This therefore contributes to the Department's goal of retaining excellent teachers at all career stages and ultimately the key priority of securing positive outcomes for pupils.

## **Existing Government Activity**

- 132. As part of delivering the Growth Mission and supporting individual opportunities, the Government is working to deliver a new deal for working people, focused on raising household incomes and making work pay. These plans include improvements to working conditions through the new Employment Rights Bill and the planned Equality (Race and Disability) Bill. These include proposed changes to day-one rights to parental leave, introducing disability and ethnicity pay gap reporting and strengthening the right to request flexible working. These changes will also apply to schools and benefit teachers, though in some cases this will depend on the size of their employer. The Department is considering how best to support schools to prepare for new legal requirements, for example how to support them to improve their equalities data collection so that they can be better aware of potential gaps experienced by protected groups.
- 133. As discussed above, flexible working is one way to improve access to teaching. To realise the benefits of flexible working for teachers and schools, the Department is already taking action to support schools to embed flexible working. This includes non-statutory guidance and case studies available on gov.uk<sup>68</sup> and a flexible working toolkit,<sup>69</sup> which contains practical resources to help school leaders implement flexible working and to support school staff to request it. These resources were co-produced with school leaders and other sector experts. The Department is also delivering a programme focused on embedding flexible working in schools, and multi academy trusts (MATs) which includes the delivery of supportive webinars and peer support provided by a cohort of flexible working ambassador schools and MATs.

<sup>&</sup>lt;sup>68</sup> Flexible Working: Resources for Teachers and Leaders, Department for Education (2019-2024), Available at: <u>https://www.gov.uk/government/collections/flexible-working-resources-for-teachers-and-schools</u>

<sup>&</sup>lt;sup>69</sup> DfE Toolkit for Flexible Working in Multi-Academy Trusts and School. <u>Available at:</u> <u>https://www.flexibleworkingineducation.co.uk/dfe-toolkit</u>

## Clarifying the Ask to the STRB

- 134. The Department is interested to hear the STRB's view on where changes to the STPCD and associated guidance may assist in promoting equal opportunity for all teachers, as a thriving workforce will support pupils to achieve the best possible outcomes.
- 135. Individual teachers and schools know their own needs and requirements best, and the STPCD should ensure they have the ability to adapt to their local situations, and that any changes to employment arrangements are feasible. The STRB should therefore be mindful of the wider implications of their views, including the risk of being overly prescriptive or creating additional costs or burdens on schools.
- 136. The STRB will also need to bear in mind that some aspects of pay and conditions which will have a substantial impact on how teachers from different backgrounds can best be supported, such as leave arrangements, are covered by other policies not managed by the Government, including the Burgundy Book.<sup>70</sup> Where this is the case, the STRB may wish to consider whether any additional barriers are posed by the STPCD, whilst recognising that its influence on these areas is limited.
- 137. The STRB are encouraged to consider the issue of flexible working. The Department would be interested to hear views on any areas where the STPCD may pose a barrier to flexible working, or where wording could be amended to more clearly support flexible working. In the context of flexible working, the STRB should bear in mind the broader requirements on schools (including around time in school for pupils), and how flexible working practices can be implemented without being overly burdensome on school leaders or budgets. The STRB may also want to consider practical differences across school types, such as the different implications of flexible working in primary and secondary schools.
- 138. Adopting a strong flexible working culture in schools can bring a range of benefits including improved retention, reduced absences and improved teacher wellbeing. However, increasing access to flexible working and realising these benefits more widely will require a broader cultural shift within the education sector. Only 19% of teachers and leaders surveyed as part of WLTL 3 felt choosing to work flexibly would not affect their opportunities for career progression. Further to this, more than half (56% in 2023 and 2024) of teachers and leaders disagreed that flexible working is compatible with a career in teaching (up from 51% in 2022).<sup>71</sup> Whilst this cultural shift requires further work, the focus

 <sup>&</sup>lt;sup>70</sup> The Burgundy Book is a national agreement between the five teacher unions and the national employers (NEOST). The handbook sets out the conditions of service for school teachers in England and Wales.
<sup>71</sup> Working Lives of Teachers and Leaders Wave 3, Department for Education (2024), Available at: https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-3

of this section of the remit is on those aspects of flexible working covered by the STPCD.

## **Enabling Flexible Working**

- 139. To inform their views on flexible working, the STRB may wish to consider some of the following flexible arrangements that could be of benefit to teachers.
- 140. One aspect of flexible working is the provision for teachers to work part time. For part-time teachers, the STPCD already provides provisions for how directed time should be pro-rated, however stakeholders have expressed concerns about expectations for part-time teachers to work on their non-working days, for example, to attend training or INSET days. There are also concerns around part-time teachers having inconsistent non-working days, or having their non-working days changed and the amount of notice they receive when this happens. The Department would welcome the STRB's views on whether the STPCD should clarify the arrangements for part-time teachers, and in which ways.
- 141. An alternative to an individual working part time could be working in a job share, enabling two teachers to do one job and split the hours. The WLTL wave 2 survey found that in 2023 12% of Primary teachers and leaders work as part of a job share, compared to 1% in Secondary schools.<sup>72</sup> The STRB should consider whether any amendments to the STPCD might be required to enable and encourage this arrangement.
- 142. The Department is also interested in identifying ways experienced teachers can be retained part time as they enter retirement, given their expertise in teaching and the wider benefits they bring across a school. The Teacher Pension Scheme (TPS) enables teachers to take a phased retirement, allowing them to continue teaching part-time into older ages, which helps keep excellent teachers in the workforce for longer. The Department would be interested to hear the STRB's views on whether there are any ways the STPCD could be more conducive to partial retirement, or otherwise supporting the transition into retirement, particularly where the alternative would be a teacher leaving the profession sooner.
- 143. The Department understands that some schools are trialing new approaches to structuring teachers' directed hours in a way that may allow for additional flexibility, often in some form of 'compressed hours'. This includes, for example, re-organising their timetable to offer teachers a 9-day fortnight of classroom teaching with PPA time on the remaining day, whilst not impacting pupil hours. The Department would welcome the STRB's views on the extent to which similar arrangements should and could be facilitated in the STPCD. In this, it will be

<sup>&</sup>lt;sup>72</sup> Working Lives of Teachers and Leaders Wave 2, Department for Education (2024), Available at: <u>https://www.gov.uk/government/publications/working-lives-of-teachers-and-leaders-wave-2</u>

particularly important to prioritise delivery for pupils in any arrangements, as well as ensuring manageability for school leaders.

- 144. Other groups of teachers, such as disabled teachers or those with caring responsibilities, may benefit from start and end times that are staggered from the normal school day. Such an arrangement may not change the total hours worked on a given day, but rather alter what part of the day is worked, allowing teachers to collect their own children from other schools or care for relatives at a time that is more convenient for them.
- 145. However, these arrangements can present challenges for leaders in delivering the full timetable and ensuring sufficient staffing levels. In the event that a school decides to make changes to its staffing arrangements, it will be important to consider the wider impact and to prioritise delivering an excellent education for all pupils. The STRB may wish to offer views on ways that such arrangements could be supported in schools, and whether any aspects of the pay and conditions framework would need clarifying to accommodate those arrangements.
- 146. Alongside the last pay award, the Department clarified the position on PPA time, so schools are clear that they can allow teachers to use this time more flexibly, at home and in one chunk of time, where operationally feasible. Whilst the STPCD did not previously disallow this practice, by making it clear in the STPCD, the Department expects that the practice will become more widespread, and schools will have greater certainty that they can implement it. There may be further similar changes in the STPCD that can make explicit positive practices that schools can be undertaking, and the Department would welcome suggestions of this nature.

# Supporting the Use of Judgement Within the Pay and Conditions Framework

- 147. Judgement is required when taking many management decisions such as appointments, awarding TLRs, making decisions about pay progression, applications for flexible working or using pay flexibilities. It is right and essential that headteachers have the flexibility to determine the right arrangements for their school, and an element of judgement will always be necessary, but it may be that more could be done to support headteachers with guidance and best practice to ensure decision-making processes are inclusive. Given that the 'Teacher Pay and Progression: Differences by Teacher Characteristic' report shows that progression through the pay scales is not consistent across all groups of teachers, this may help to facilitate equality of opportunity and progression across a broader range of teacher/protected characteristic groups.
- 148. The STRB should therefore consider whether there are adjustments or clarifications that could be made to the STPCD to help reduce or avoid any unequal barriers to progression and ensure the wording in the STPCD and accompanying guidance promotes and supports fair and inclusive decision-

making. This should be considered whilst maintaining the overall principles of the pay and conditions framework, including flexibility for schools to tailor their approach to suit local circumstances. Within this, the STRB may wish to consider evidence on school-level practices in particular and consider whether the STPCD needs clarification to avoid any concerning practices and to encourage fair and inclusive decision making.

## **TLR Payments**

- 149. The Department is keen to review how the pro-rata rule applies to TLR payments. Enabling flexible working opportunities for classroom teachers and creating more consistency in the allocation of Teaching and Learning Responsibility (TLR) payments supports broader work on the recruitment and retention of high-quality teachers which is crucial to a young person's outcomes. While the STRB has been asked for views on the broader question, this issue is for recommendation.
- 150. Recommendations are expected to focus on TLR1 and TLR2 payments. TLR3 payments are already exempt from the pro-rata principle, and so are largely out of scope for this review, though the STRB may wish to ensure consistency by strengthening understanding of how payments should be allocated across TLRs as a whole.
- 151. TLRs are an important way for schools to recognise the additional responsibilities teachers take on in middle leadership and to be able to financially reward them for doing so. The appointment to a role that attracts a TLR is a key progression step that allows classroom teachers to take on additional responsibility and can be a step towards moving into a leadership role, by helping to develop skills and gain experience in managing staff and/or leading an area of work. Without the experience of a middle leadership role that attracts a TLR payment, such as Head of Year or Head of Department, it can be harder for a teacher to progress to the leadership team. While some gradual progress has been made in terms of representation of different groups in the profession, evidence shows that progression is not equal across different teacher/protected characteristic groups meaning, for example, that there are fewer female leaders than female classroom teachers.
- 152. Currently, the STPCD requires TLR payments given to part-time staff to be prorated in line with their part-time contract. Where this is working well, the responsibilities are also adjusted to the same level as the pay, so that teachers are receiving the right level of pay for the work done.
- 153. However, it can be difficult for schools to adjust TLRs for part-time teachers in line with their part-time contract. This can lead to part-time teachers in these situations not receiving TLRs as schools struggle to adjust responsibilities, or part-time teachers not feeling that the responsibilities they take on match the payment. In these cases, schools and teachers may be better served by having the flexibility to give the full TLR responsibility, and the full TLR payment, to a teacher who is otherwise part-time.
- 154. Therefore, the Department would appreciate the STRB's views on whether and how the language around TLRs in the STPCD can be adjusted to enable schools and staff to agree the right arrangement for their situation. This includes allowing

for pro-rated TLRs with clarity about the responsibilities being fairly adjusted, but also allowing for the full TLR to be given (and paid) to a part-time teacher.

- 155. The Department also asks that the STRB consider whether and how the pro-rata rule in relation to TLR payments may need to be adjusted so that part-time workers are receiving appropriate compensation for the role they take on, as the current language in the STPCD could be clearer about the pro-rating of responsibilities where the payment is pro-rated. The STRB may also wish to consider the changes the Independent Welsh Pay Review Body (IWPRB) made in their third report to inform their thinking on TLR pro-rating.<sup>73</sup>
- 156. Removing the mandatory pro-rating of TLRs for part-time teachers could have a positive effect on women (76% of the workforce) who are more likely to work part time (29% of women work part time compared to 9% of men).<sup>74</sup> Considering 14% of part-time teachers are in receipt of a TLR compared to 21% of full-time teachers,<sup>75</sup> enabling the full TLR payment to be made to part-time teachers (where appropriate) could reduce barriers to part-time teachers moving into middle leadership roles, and reduce the risk of responsibilities being removed from teachers returning from parental leave.
- 157. This flexibility may bring further benefits to schools by supporting them to better retain the benefits of experience. For example, if there were particular circumstances that meant a full-time head of a specific department is essential to the good running of the school, and the incumbent moves to part-time working, the school might lose the benefit of their experience if the role cannot be fulfilled on a part-time basis. To reduce risk of experience loss through these situations, the STRB are encouraged to consider whether there are any more creative solutions to ensure inclusivity in their allocation. This may include considering situations where a TLR is pro-rated in order to be shared across two individuals such as in a job share.
- 158. Currently, schools should be ensuring that the responsibilities of a TLR payment are adjusted for part-time teachers in line with the pro-rata payment that they receive. Where responsibilities are adjusted in this way, the TLR should continue to be paid on a pro-rata basis. Therefore, where schools are already compliant with the STPCD and treating part-time teachers fairly, this should have no financial implications. Rather, allowing more flexibility in TLR payments for part-time teachers could allow TLRs that cannot be reduced to part-time levels to be

<sup>&</sup>lt;sup>73</sup> Independent Welsh Pay Review Body: Third Report 2021. Available at: <u>https://www.gov.wales/independent-welsh-pay-review-body-third-report-2021</u>

<sup>&</sup>lt;sup>74</sup> Data from School Workforce Census 2023, See Annex TF2 in the attached analytical document for details

<sup>&</sup>lt;sup>75</sup> Data from School Workforce Census 2023, See Annex TF3 in the attached analytical document for details

awarded to any teacher regardless of their part-time status, increasing equality of opportunity and allowing schools to choose the most suitable candidate.

- 159. Given the variable payment rates for TLRs (within the ranges set out in the STPCD), there is limited scope to identify how many teachers are currently receiving a pro-rated TLR. It is also possible that for existing TLRs, schools may have looked at the responsibilities, the payment amount, and the effect of pro-rating in combination when they first award the teacher the TLR. For this reason, it is not possible to conclusively estimate how widespread any changes would be, though it should be noted that schools may need to individually consider any transitional arrangements.
- 160. The Department would be interested in views from the STRB on how to support schools to determine whether TLRs should be pro-rated for part-time workers, including whether guidance might be appropriate.

### Summary of Inputs to the Matters for STRB Views

161. The Department would welcome any views the STRB has on how the STPCD could be made to be more supportive of teachers from all backgrounds, beyond the areas discussed above, as well as views on how to support any other forms of flexible working not explicitly discussed here. This could be by specific measures being mentioned or a general strengthening of language that supports inclusive workplaces and flexible working. The principal priority of schools as they implement improvements to staffing arrangements and greater flexibility should be to ensure that pupils receive the best possible education.

# **Annex A: Relevant Departmental Publications**

Please note the majority of annexes relevant to the 2024 Government Evidence to the STRB can be found in the spreadsheet published alongside this document. The STRB may further be interested in the following publications and statistical releases from the Department.

#### **Teacher Pay and Progression: Differences by Teacher Characteristic**

This publication updates and builds on pay progression and pay curve analysis conducted in the 2022 Government Evidence to the STRB<sup>76</sup> using data from both School Workforce Census and Teacher Pension scheme. This is alongside new analysis of the Working Lives of Teachers and Leaders surveys, wave 1 and wave 2. Differences between pay, progression rates and teachers' perceptions of their pay are broken down by teacher characteristics, including gender and ethnicity.

#### Working Lives of Teachers and Leaders (WLTL) Survey

The working lives of teachers and leaders is an annual survey of teachers and leaders in state schools in England. It started in Spring 2022 and is intended to run for at least 5 years. The STRB may wish to consider the evidence presented in the Wave 3 summary report when published.

Over time, the WLTLs will provide invaluable insight into the experiences and views of teachers over an extended period of time to strengthen the Department's evidence base across a number of areas, including teacher diversity, workload, flexible working and CPD, helping the Department design policies that support these aims.

- Wave 1 (carried out in spring 2022) <u>Working lives of teachers and leaders –</u> wave 1 - GOV.UK
- Wave 2 (carried out in spring 2023) <u>Working lives of teachers and leaders –</u> wave 2 - GOV.UK
- Wave 3 (carried out in spring 2024) Working lives of teachers and leaders: wave 3 - GOV.UK

#### School Workforce Census

The census runs each November and collects information from schools and local authorities on the school workforce in state-funded schools in England. It is updated annually, and the next update is expected in June 2025.

<sup>&</sup>lt;sup>76</sup> Evidence to the STRB: 2022 Pay Award for School Staff, Department for Education (2022). Available at: <u>https://www.gov.uk/government/publications/evidence-to-the-strb-2022-pay-award-for-school-staff</u>

### <u>School workforce in England, Methodology - Explore education statistics -</u> <u>GOV.UK</u>

### **Teacher Pension Scheme**

This publication contains estimates of median teacher full-time equivalent pay in statefunded schools in England and breakdowns by school phase and by teacher grade using Teacher Pension Scheme (TPS) data. It covers the academic years 2010/11 to 2023/24.

• <u>https://explore-education-statistics.service.gov.uk/find-statistics/median-teacher-pay-using-teacher-pension-scheme-data/2023-24</u>

### **Disability Data Collection in Schools**

Whilst the Department has good data on gender (sex) and other characteristics from the SWC, there is limited data on disability in the workforce, preventing reliable reporting. This publication explores the challenges in collecting disability data about the school workforce.

• Disability data collection in schools - GOV.UK

The Department also provides guidance for schools, local authorities and trusts to prepare for and complete the SWC for employed staff. The guidance sets out the importance of collecting and reporting complete and accurate and includes a number of resources which schools, local authorities and trusts may find helpful when considering their roles and responsibilities.

• <u>School workforce census guide 2024: Guide for schools</u>

### Initial Teacher Training (ITT) Publications

These statistics cover applications for ITT courses in England starting in the 2024 to 2025 academic year.

• Initial teacher training application statistics for courses starting in the 2024 to 2025 academic year - Apply for teacher training - GOV.UK

This publication provides information on recruitment to initial teacher training (ITT) programmes by training route and subject.

 Initial Teacher Training Census, Academic year 2024/25 - Explore education statistics - GOV.UK

Guidance on grant funding associated with school initial teacher training (ITT) courses. This guidance refers to ITT funding for the academic year 2025 to 2026.

• Funding: initial teacher training (ITT), academic year 2025 to 2026 - GOV.UK

### **Targeted Retention Incentives Payments for School Teachers**

Eligible chemistry, computing, mathematics and physics teachers can apply for targeted retention incentive payments until March 2025. The below link provides guidance for eligible teachers.

• Targeted retention incentive payments for school teachers - GOV.UK

### **Further Education Workforce Census**

The Further Education Workforce annual statistical publication provides comprehensive information on the characteristics of the Further Education Workforce including information on the size of the workforce; workforce characteristics; teacher pay and vacancy rates by subject among other things.

• Further Education Workforce Census

### Further Education College Workforce Analysis (2021)

This publication uses Teacher Pension Scheme data to provide a time series analysis on teachers' pay, new entrant teachers and teachers leaving FE colleges. The information is provided for teachers at General FE Colleges, Sixth Form Colleges and Specialist Colleges (including Art, Design and Performing Arts Colleges and Land Based Colleges).

• Further Education College Workforce Analysis (2021)

### **Targeted Retention Incentives for Further Education Teachers**

Eligible further education teachers can apply for the first round of targeted retention incentives payments until 31 March 2025. The below link provides guidance for teachers including eligible subject areas.

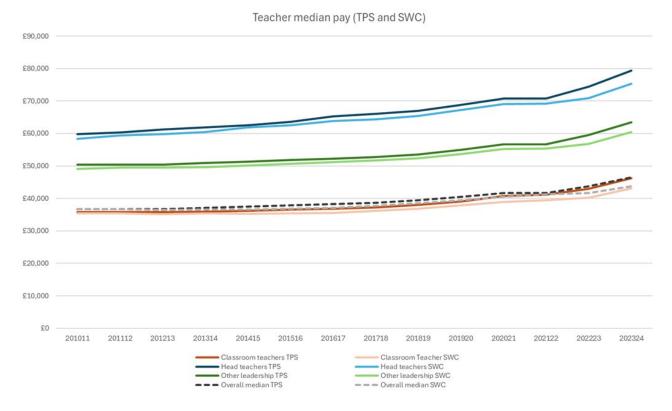
• Targeted retention incentive payments for further education teachers- GOV.UK

# Annex B: Teacher Pension Scheme (TPS) Compared to SWC Median Pay

- B1. Annex D of last year's written evidence discussed the issues with the SWC median pay estimates not reflecting the year on year pay awards.<sup>77</sup> This is mostly a timing issue with the SWC being in November, and many schools not having implemented the year's pay award yet, especially with pay awards being agreed later than usual the past few years.
- B2. The annex presented alternative estimates using the TPS which better reflected the pay awards. TPS data is administrative data collected in the process of managing the contributions of teachers and their employers to their pensions. Unlike the SWC, which provides a snapshot of data on the census date, the TPS data is retrospectively updated with any pay decisions that were backdated to before the census date in November each year.
- B3. The TPS data analysis has been further developed and now included in a statistical publication in June 2024.<sup>78</sup> The publication includes the back series to the start of the census data collection as well as breakdowns by teacher role and school phase.
- B4. When comparing the two data sources, the TPS estimated median pay is higher than the SWC in all years and for all subgroups. This comparison also suggests that the divergence of the two data sources increases with the size of the pay awards.
- B5. The data indicates that a gap opened up between the estimates of median pay after 2013/14. Prior to 2014/15, the difference between the two data sources was under £600 each year (Figure B1). This then increased to an average of around £1,000 between 2014/15 and 2020/21, inclusive. In 2021/22, the difference narrowed significantly. This is likely due to the pay freeze in 2021/22, meaning that the effect of delayed pay award implementation was not present. The difference has substantially increased in the past two years to over £2,000, which reflects the greater impact of delayed pay awards when those awards are higher, as they have been in the last two years.

<sup>&</sup>lt;sup>77</sup> Government Evidence to the STRB for the 24/25 pay round, Department for Education (2024), Available at: <u>https://www.gov.uk/government/publications/evidence-to-the-strb-2024-pay-award-for-teachers-and-leaders</u>

<sup>&</sup>lt;sup>78</sup> Median Teacher Pay Using Teacher Pension Scheme Data, Department for Education (2024), Available at: <u>https://explore-education-statistics.service.gov.uk/find-statistics/median-teacher-pay-using-teacher-pension-scheme-data/2023-24</u>



### Figure B1: Median teacher pay by role from 2010/11 to 2023/24 for TPS and SWC

B6. The back series using TPS shows year on year rises that match the pay awards back to 2010/11 and finds that the median teacher, nationally, is on the U3 pay band in the rest of England (Table B1).

	Median teacher pay	Year-on-year p	ercentage change
2010/11	£36,756		
2011/12	£36,756		0.0%
2012/13	£36,756		0.0%
2013/14	£37,124		1.0%
2014/15	£37,496		1.0%
2015/16	£37,871		1.0%
2016/17	£38,250		1.0%
2017/18	£38,633		1.0%
2018/19	£39,406		2.0%
2019/20	£40,490		2.8%
2020/21	£41,604		2.8%
2021/22	£41,604		0.0%
2022/23	£43,685		5.0%
2023/24	£46,525		6.5%

Table B1: Teacher median pay from 2010 to 2024 and year-on-year growth using TPS data



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