NASUWT
The Teachers' Union

EVIDENCE SUBMISSION

THE NASUWT SUPPLEMENTARY SUBMISSION TO THE SCHOOL TEACHERS' REVIEW BODY 12 APRIL 2023

The NASUWT – The Teachers' Union.

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1. INTRODUCTION

1.1 In presenting this supplementary evidence, the NASUWT invites the pay review body to take into account fully the impact of historic pay awards and the ongoing impact of high inflation on the real terms pay of teachers and headteachers. The STRB should also be mindful of the deteriorating industrial relations landscape and the impact of extending the assault on teachers' pay still further. Finally, the NASUWT believes that the STRB should also be concerned that the impact of pay degradation on the teacher supply at a time when schools are experiencing significant recruitment and retention difficulties.

2. The Government's submission

2.1 The Government submission proposes an average 3.5% uplift to pay ranges for teachers and headteachers. The NASUWT rejects this proposal on the basis that it will be insufficient to stemming the teacher supply crisis. Furthermore, it represents a further substantial real terms pay cut for hardworking teachers and headteachers.

2.2 The Government assesses that schools have headroom in their budgets that means a 3.5% pay award is affordable without additional funding. It states:

'The STRB is reminded that estimates in the Schools' Costs: Technical Note (SCTN) are national averages. They do not account for differences in individual school budgets which will increase by different amounts each year depending on pupil numbers and characteristics, and which will also be differentially impacted by cost pressures, like energy costs (given different contract arrangements) and staff pay (given different workforce

demographics). As a result, not all schools will experience the scope for additional expenditure illustrated in the overall SCTN analysis.'[1]

2.3 The Government goes onto state, in its evidence published on 21st February 2023, that:

'The OBR (Office for Budget Responsibility) forecast that inflation has peaked and will now fall, averaging 5% over 2023/24 before turning negative in 2024/25. There are however significant upside risks to inflation. High inflation is the key problem facing the UK economy and public finances. Policy makers are taking several steps to address this. In this context, it is important to note that public sector pay awards that are significantly above the private sector could contribute to risks of higher and more persistent inflation, by placing pressure on other parts of the economy to demand higher wages. This may require the Bank of England to raise interest rates even further.' [2]

2.4 Inflation has, in fact, increased again since the Government produced its evidence. The Consumer Price Index (CPI) inflation measure increased by 0.3% to 10.4% in February 2023 and the Retail Price Index (RPI) inflation measure increased by 0.4% to 13.8% in February 2023. There is no direct evidence between increasing public sector pay and increases in inflation.

2.5 The STRB will be aware that in March, the Government issued an offer of an average 4.5% pay uplift for teachers and headteachers for 2023/24. The government invited unions to present the offer to their members and to seek their views. 86% of the members of the NASUWT who responded to the consultation rejected the pay offer from the Government.

2.6 The Government's pay offer for teachers in England is substantially below the awards made to teachers in Scotland and Wales, and inferior to pay offers to other groups of public sector workers.

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[1] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1137933/Government_evidence_to_the_STRB.pdf (paragraph 49)
[2] Ibid (paragraph 68).

2.7 The NASUWT is calling for the independent pay review body to demonstrate its independence by making a pay recommendation in line with the NASUWT's submission in 2023 for a three year restorative pay award.

2.8 In Spring 2022, the Department for Education (DfE) carried out the inaugural Working Lives of Teachers and Leaders (WLTL) survey. It claimed: '*The study will help the Department to explore factors affecting the supply, recruitment and retention of teachers and leaders. When the findings report is published, the STRB may wish to consider the evidence presented there.'* [3] The study was published on 11th April 2023. It found:

'A majority of teachers and leaders were dissatisfied (61%) with the salary they received for the work they did, and only around half agreed that the decisions their school took about their pay over the last year were fair'.[4]

2.9 It is clear from the Government's own survey that all teachers need a substantial pay increase to halt the exodus from the teaching profession of both new teachers and experienced teachers. This view has also been supported by recent evidence published by the NFER.[5]

2.10 The survey claims, "two-thirds of teachers (66%) reported that they spent over half of their working time on tasks other than teaching, rising to 77% of secondary teachers. Among all teachers, general administrative work was the task most commonly cited as taking up 'too much' of their time (75% of teachers reported this). Around half of all teachers also said that data recording, inputting, and analysis, behaviour and incident follow up, individual lesson planning, and marking took up 'too much' of their time."[6]

2.11 Over the past decade, the Review Body reports have noted the significance of all of these contributors to the teacher supply crisis. The NASUWT has

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[3] Ibid (paragraph 79).

[4] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1148571/Working_lives_of_teachers_and_leaders_-_wave_1_-_core_report.pdf

[5] Teacher Labour Market in England Annual Report 2023 - NFER

[6] Ibid.

repeatedly drawn them to the Government's attention and has set out the steps required to address these issues. Nevertheless, to date, the DfE has failed to take the action required in non-pay areas of policy to enhance recruitment and retention, despite repeatedly stating in its submissions to the Review Body that it would do so.

3 The cost-of-living crisis

February 2022 inflation

3.1 As stated above, despite the Government's predictions, inflation has increased and not fallen. Since submitting our evidence on 22 February, OPEC+ announced (on 2 April) that it is cutting the production of oil by one million barrels per day. This has caused oil prices to rise. Higher oil prices make production and transport more expensive, reducing the spending power of consumers. These have inflationary impacts and are likely to mean costs will stay higher than the government originally had forecast. Whilst the Government originally forecast that it will halve CPI inflation to 5% by the end of 2023, this remains speculative and, moreover, the cost of goods and services will remain higher as a result of inflation over the previous period..

Further interest rate rise

3.2 The Bank of England (BoE) base rate increased to 4.25% during the pay talks. The HM Treasury, in its economic evidence to all public sector review bodies, stated that every 1% increase in the BoE base rate increases average mortgage payments by £850.[7] Base rates have increased by 4% since December 2021 – so £3,400 extra on the average mortgage annual not accounted for in the governments' chosen measure of inflation - CPI.

4 Teacher supply

[7] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1127720/Economic_Evidence_January_2023_-_final_version_PUBLISHED.pdf

4.1 In its annual report on teacher supply, the National Foundation for Educational Research (NFER) found that initial teacher training (ITT) recruitment in 2022/23 was 20% lower than in the year before the pandemic.[8]

4.2 The NFER also found that schools posted 93% more vacancies in 2022/23 than it had done pre-pandemic.

4.3 The NFER also found that median teacher pay in 2021/22 was 12% lower in real terms than it was in 2010/11 - 11% lower than the real-terms growth in average earning across all occupations.

4.4 The NFER report further found that teachers work on average 4.5 hours per week more than similar graduates.

4.5 The NFER annual report concludes that the 2023/24 pay award should exceed the 4.1% forecasted rise in earnings for the wider labour market.

5 Opt-outs from the Teachers' Pension Scheme (TPS)

Teacher hardship

5.1 In circumstances where the level of employee contributions does not increase, opt-outs from the TPS give a very strong indication of levels of teacher hardship.

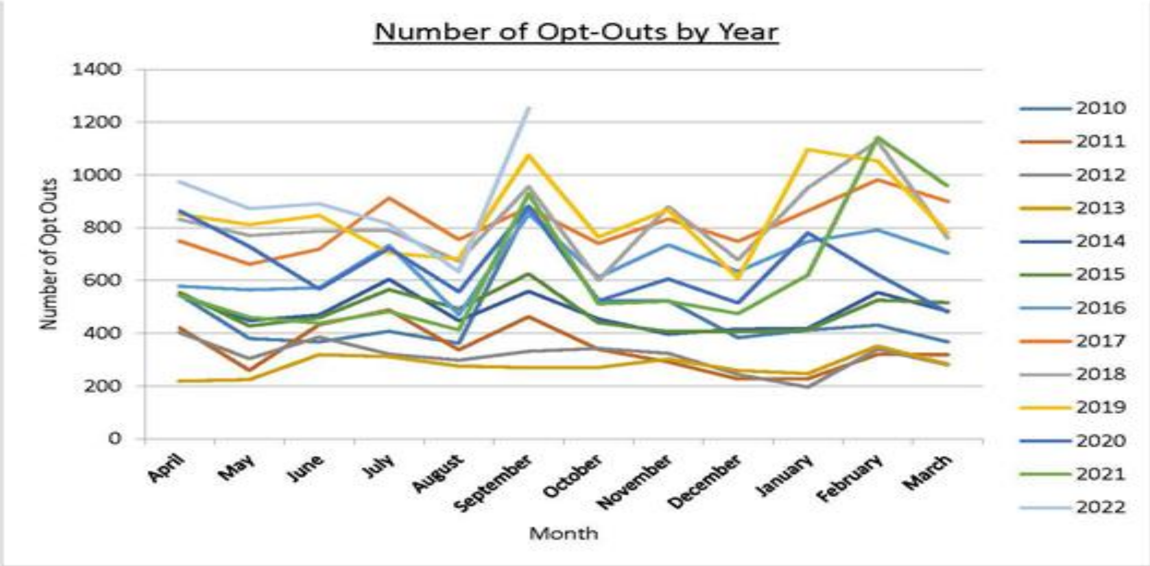
5.2 The DfE began collecting and publishing data on opt-outs from the TPS in 2011 (relating to 2010 onwards), initially to examine the effect of increased employee pension contributions on membership of the TPS. Employee pension contribution tiers, uprated annually by inflation, have remained the same since 2015.

5.3 However, the last 12 months have seen unprecedented levels of employee opt-outs from the TPS, as demonstrated in the following chart:

[8] https://www.nfer.ac.uk/teacher-labour-market-in-england-annual-report-2023/

Total Opt-Outs – Monthly Comparison

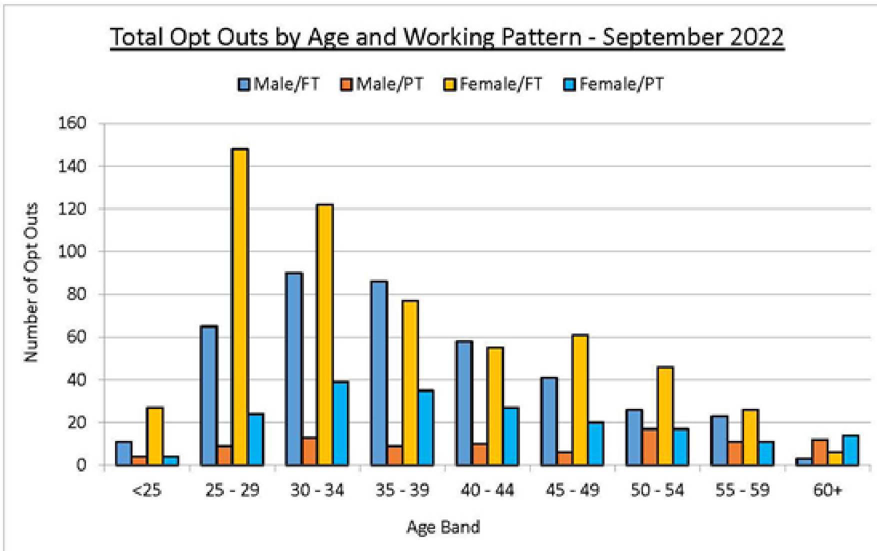
Chart 1a



5.4 The sharp rise in opt-outs cannot be explained as occurring because teachers who are already in receipt of pensions are opting out of the scheme to avoid auto-enrolment when returning to teaching service after retirement. Opt-outs are overwhelmingly focused on younger teachers, as demonstrated by the DfE's data from September 2022:

Opt-Outs by Age and Working Pattern

Chart 2a



5.5 The DfE provides a quarterly analysis of opt-out data. The quarterly report covering April to June 2022 (the most recent report available at the date of submission of the Initial STRB Evidence in connection with its 33rd Report) indicates that opt-outs in April–June 2021 were 1,444, whereas these had risen to 2,738 in the comparable April–June period in 2022, just one year later. The quarterly report is appended to this evidence submission.

5.6 The DfE analysed opt-outs by sector and concluded:

There was an increase in 8 sectors comparison to the period April to June 2021. The sector with the largest increase, 167.1% (371 to 991) was LEA.' [i.e. the local authority maintained sector].

5.7 The DfE also seeks to ascertain the reasons for opt-outs. The closest proxy for 'financial hardship' or the 'unaffordability of pension contributions', which scheme members can select when giving reasons for opting out, is 'personal financial reasons.' The DfE's quarterly report indicates that 63.2% of members opted out during this quarter for personal financial reasons. It should be noted that 7.3% of members opted out for 'other' reasons, presumably because they could not find a DfE category which adequately summarised their reasons for opting out. These teachers could have opted out of the TPS for reasons of unaffordability of pension contributions, but they instead selected the 'other' category to give their reasons for opting out.

6 Supply teachers

6.1 The NASUWT maintains that the STRB must address the exploitation faced by supply teachers by recommending that **all** supply teachers, including agency teachers, fall within the remit of the STRB and that their pay and conditions are set by the Review Body and are consistent with pay and conditions for all teachers across the state-funded schools in England.

6.2 As such, the NASUWT believes that it is now the opportune time for the STRB to stop the exploitation of supply teachers and to improve their pay and conditions. The NASUWT believes that full restoration of the organisation and administration of supply pools must now be established on a regional, or even an all-England, basis as a matter of the utmost urgency.

6.3 The STRB should recommend that the DfE works with local authorities and schools to reintroduce local authority pooled supply arrangements, or, at the very least, insist that schools source supply teachers from such supply pools before resorting to an agency and/or umbrella company.

6.4 In Northern Ireland, supply teaching, or substitute teaching as it is known, is overseen by the Northern Ireland Substitute Teacher Register (NISTR) which is operated by the Department of Education (DE). The NISTR was designed specifically to tackle the practical issues involved in arranging suitable teaching cover identified in the Northern Ireland Audit Office report on *The Management of Substitution Cover for Teachers,* published in 2002.

6.5 All substitute teachers are registered through an online booking system that enables schools to book substitute teachers in real time through a regional centralised database of substitute teachers that they manage and update. They identify when they are available to work and then schools can book accordingly.

6.6 Payment for all approved periods of substitute teaching is then made on a monthly basis, at a daily rate of 1/195 of the annual salary of a comparable teacher on a substantive contract, through the payroll system which is run by the DE.

6.7 This system benefits both schools and teachers in dealing with the practical issues involved in arranging qualified teaching cover. It provides flexibility for the substitute teachers to manage their own availability and the distance they are willing to travel. Schools get the advantage of accessing substitute teachers through a centralised booking system which provides information on previous experience and expertise, as well as on qualifications and criminal record checks. This information can be accessed 24/7 at no cost, in order to book cover for teacher absences.

6.8 The NISTR is supported and endorsed by the DE, employing authorities, the General Teaching Council Northern Ireland (GTCNI), the Northern Ireland Teachers' Council (NITC) and the teaching unions. The NISTR is the only mechanism for engaging substitute teachers in all schools in Northern Ireland.

6.9 Such models would ensure that the schools benefit from the services of well-motivated supply teachers. The supply teachers benefit from being appropriately remunerated and, taken together, this will inevitably be of benefit to the learners.

7. The NEOST submission

7.1 Noting that the pay bill is one of the highest demands on overall school budgets and noting that not all schools are in the same financial position, the National Employers' Organisation for School Teachers (NEOST) continues to argue that adequate and sustainable funding is needed to ensure that any proposed pay award can be fully implemented by all schools.[9]

7.2 The (NEOST) survey evidence also highlights employer awareness about workload pressure and wellbeing concerns for staff. The NEOST is concerned that the financial settlement in school must be a factor to assist in improving recruitment and retention without exacerbating existing cost challenges.[10]

7.3 The NASUWT asks the Review Body to reject the NEOST's request to ask the Secretary of State to include the worsening of salary safeguarding provisions, and the introduction of provisions whereby teachers can be moved from the Upper Pay Range (UPR) to the Main Pay Range (MPR), in a future remit. These matters have been considered by the Review Body very recently and

[9] https://www.local.gov.uk/our-support/workforce-and-hr-support/education-and-young-people/national-employers-organisation-1
[10] Ibid.

the Review Body has advised against their introduction. The introduction of such provisions would deteriorate teachers' national terms and conditions and would have a devastating impact on teacher morale, motivation and retention, when this has already been damaged severely by the workload impact of the coronavirus pandemic and the teachers' pay freeze.