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Research Report

What has happened to college teacher pay in England?

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Institute for Fiscal Studies

IFS Report 254

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What has happened to college teacher pay in England?

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Executive summary

In the last few months, there has been a [series of strikes](#) by teachers in further education colleges across England over pay and conditions, and [more strikes](#) look set to impact the post-16 education sector this year. With inflation at around 10%, college teachers have experienced large real-terms salary cuts this year, and these follow a sustained period of real-terms cuts to pay. In this report, we set out how college teacher pay has changed over time, we compare the pay of college teachers with that of school teachers and we look at staff retention levels in schools and colleges. Note that the analysis on pay focuses on the roughly 50,000 teachers in general further education colleges across England, so does not include teachers in sixth-form colleges, whereas the analysis on retention levels covers both.

Key findings

1. The recommended pay of college teachers has declined by 18% in real terms since 2010–11. In the same period, teacher pay scales have fallen by between 5% and 13%. There have been especially sharp declines in recent years due to high levels of inflation – recommended college teacher pay has fallen by 9% in the last two years.
2. The gap between the average salary of school and college teachers has grown over time. In 2010–11, the median salary (in today's prices) was around £48,000 for a school teacher and £42,500 for a college teacher. Median pay is now around £41,500 for a school teacher and £34,500 for a college teacher. This means that between 2010–11 and 2022–23, the median salary for a school teacher fell by 14%, while the median salary for a college teacher fell by 19%.
3. In 2010–11, the average starting salary (in today's prices) was around £34,000 for a college teacher and £29,500 for a school teacher. Since then, starting salaries have decreased by 14% for college teachers and by 5% for school teachers. As a result, a new college teacher today earns around £29,000 compared with £28,000 for a new school teacher. In September, starting salaries for school teachers are set to rise to £30,000, which may mean that for the first time on record, new school teachers will earn more than the average new college teacher.

3 What has happened to college teacher pay in England?

4. Cuts to post-16 education funding have made it difficult for colleges to allocate money towards higher levels of staff remuneration. Between 2010–11 and 2019–20, public spending per student (aged 16–18) fell by 14% in colleges, while spending on classroom-based adult education almost halved in the same period.
5. There is a high rate of staff turnover in colleges. Around 25% of college teachers leave the profession after one year compared with 15% of school teachers. Three years in, almost half of college teachers have left compared with around a quarter of school teachers. Ten years after beginning teaching, less than a quarter of college teachers remain in the profession compared with over 60% of school teachers.
6. The exit rate (i.e. the share of staff leaving the profession each year) among college staff is high relative to other public sector occupations: 16% of college teachers exit the profession each year, compared with 10% of school teachers, 10–11% across most NHS occupations and 7–8% in the civil service.

1. College teacher pay over time

There are around 50,000 teachers¹ in further education (FE) colleges across England who educate students aged 16 and over. College teachers are responsible for teaching a wide range of qualifications from BTECs and A levels predominantly taken by young learners through to basic skills qualifications and advanced vocational qualifications taken by adult learners. Over the last few months, many of these teachers have been involved in strike action over pay and conditions. In this section, we look at how the pay of teachers in FE colleges has changed; this does not cover the roughly 10,000 teachers in sixth-form colleges.

The long decline in recommended pay levels

College leaders in England have autonomy to set the pay level of their staff, but their decisions are anchored on annual pay recommendations made by the Association of Colleges (AoC). Each year, the AoC recommends pay awards for FE colleges (there is a separate process for sixth-form colleges) for the next academic year. The AoC typically recommends the same pay award across all college staff irrespective of their current level on the FE pay scale. In Figure 1, we present the AoC's annual pay recommendation for college staff in England alongside inflation in each financial year since 2007–08.

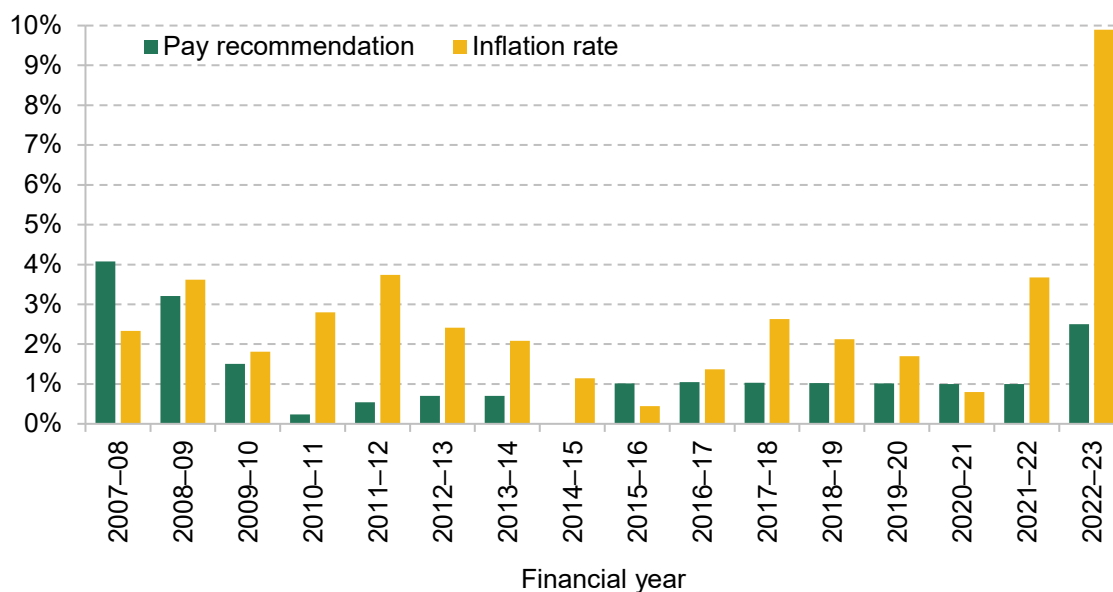
Between 2010–11 and 2021–22, the recommended pay increase for college staff was 1% or lower in every year,² and only in two years (2015–16 and 2020–21) did the pay recommendation exceed the level of inflation. A large part of the reason for these low pay increases is the squeeze on college budgets over the last decade. In our recent annual report on education spending (Drayton et al., 2022), we showed that between 2010–11 and 2019–20, public spending per student (aged 16–18) fell by 14% in colleges, while spending on classroom-based adult education almost halved in the same period. These cuts to post-16 education funding have made it difficult for colleges to allocate money towards higher levels of staff remuneration.

¹ This is the general further education college teacher headcount in academic year 2019–20 (the latest with data available) from table 1.1 in [Further education college workforce analysis: tables](#).

² In many of these years, the pay recommendation was 1% or £250, whichever was higher, which meant that in practice the recommended pay increase for staff earning over £25,000 per annum was 1%.

5 What has happened to college teacher pay in England?

Figure 1. Recommended pay increases for college staff and inflation rate



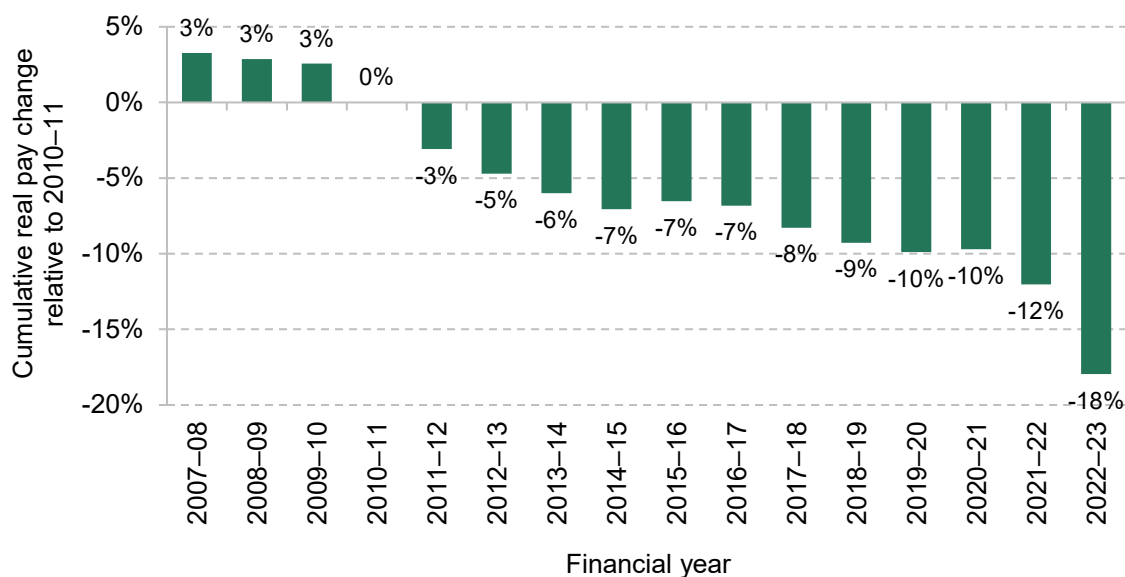
Note and source: Financial year starts in April. College teacher pay recommendations calculated from University and College Union records on [English FE pay scales](#). Inflation rate between 2007–08 and 2021–22 calculated based on average value of Consumer Prices Index including owner occupiers' housing costs ([CPIH index](#)) in the relevant financial year, e.g. for 2007–08 we average the CPIH index between April 2007 and March 2008. Forecasts for 2022–23 inflation (CPI only) taken from Office for Budget Responsibility (2023).

In the last two years, there has been an especially large gap between inflation and the recommended pay increase, which translates into large real-terms pay cuts. For the current academic year, the [AoC recommended](#) a salary increase of 2.5% for college staff plus non-consolidated cost-of-living payments of £500 or £750 for lower-paid staff.³ Although this represents the largest recommended pay increase for 14 years, college teachers still face a real-terms pay cut as CPI inflation is currently around 10%.

The consistent gap between inflation and pay recommendations means that college teacher pay has progressively decreased in real terms (i.e. net of inflation). In Figure 2, we show the cumulative real change in recommended college teacher pay relative to 2010–11. For example, pay had decreased 5% by 2012–13 relative to 2010–11, which reflects the pay recommendation for college staff being roughly 3% below inflation in 2011–12 and 2% below inflation in 2012–13.

³ The £750 non-consolidated payment is recommended for staff earning less than £25,000 per annum, while the £500 non-consolidated payment is recommended for other staff up to a threshold agreed locally and subject to local affordability.

Figure 2. Cumulative real-terms pay changes for college staff relative to 2010–11



Note and source: Financial year starts in April. College teacher pay recommendations calculated from University and College Union records on [English FE pay scales](#). Real-terms values between 2007–08 and 2021–22 calculated based on average value of [CPIH index](#) in the relevant financial year. Forecasts for 2022–23 inflation (CPI only) taken from Office for Budget Responsibility (2023).

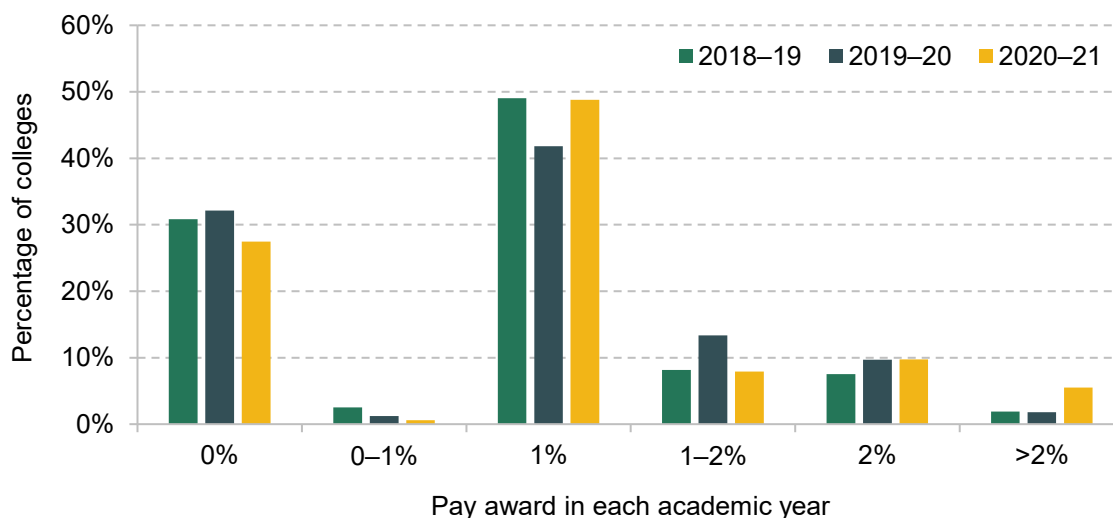
The cuts to college teacher pay have accumulated over the last decade. By 2020–21, salaries were 10% lower in real terms than a decade earlier. Due to high rates of inflation over the last two years, there has been an especially precipitous decline – recommended pay levels have fallen by 9% in real terms in the last two years alone. As a result, recommended college teacher pay levels are currently 18% lower in real terms than in 2010.

How do actual pay awards compare with recommended pay awards?

Thus far, we have looked at how the AoC’s recommended pay level for college staff has changed over time, but college leaders are free to make their own pay decisions and so an important question is how closely they follow the AoC’s recommendations. Unfortunately, data on the salary levels set by individual colleges are not publicly available, which is why we have focused on changes in recommended pay levels. However, we have Freedom of Information data on the actual pay awards made across 166 FE colleges and 16 additional college sites in England across three academic years, which allow us to gauge how closely actual pay awards match those recommended by the AoC.

7 What has happened to college teacher pay in England?

Figure 3. Distribution of pay awards made by colleges in 2018–19, 2019–20 and 2020–21



Note and source: Data collected by the University and College Union from a Freedom of Information request made to all FE colleges in England in Spring 2022, asking about staff terms and conditions in the 2020–21 academic year. The statistics shown here are based on colleges or college sites that provided a response – 159 in 2018–19, 165 in 2019–20 and 164 in 2020–21.

In Figure 3, we show the distribution of consolidated pay awards⁴ made to college staff in the 2018–19, 2019–20 and 2020–21 academic years. In each of these years, the AoC recommended a 1% pay award for college staff, but Figure 3 highlights the fact that many colleges deviated from this recommendation.

Over 40% of colleges awarded their staff the pay award recommended by the AoC (i.e. a 1% pay award) in each year; in 2018–19 and 2020–21, almost half of colleges made the recommended pay award. Some colleges awarded pay deals above the recommended pay level, but it was far more common for colleges not to award any pay increase at all. There was no increase in staff pay in almost a third of colleges in each year. Therefore, in each year, the majority of college leaders made pay awards at or below the recommended level. This suggests that the change in recommended pay levels (analysed in the previous subsection) may actually understate the decline in pay experienced by college teachers.

How does college teacher pay compare with school teacher pay?

In contrast to college teachers, the pay of school teachers is set nationally by the government based on recommendations by the School Teachers' Review Body (STRB). In a recent report

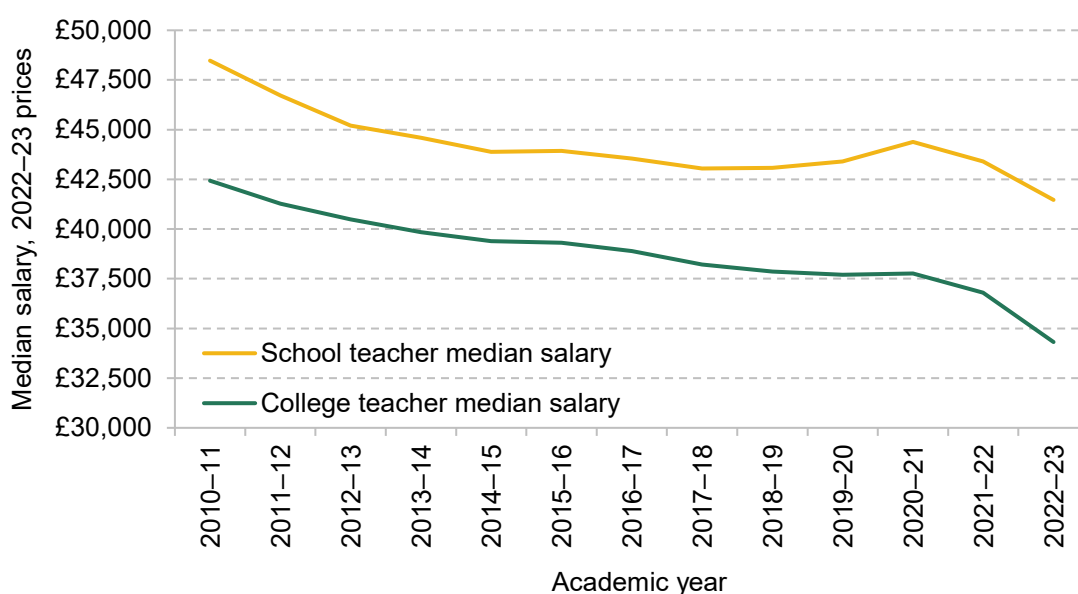
⁴ Some colleges awarded bonuses or non-consolidated amounts, which are not captured in these figures.

8 What has happened to college teacher pay in England?

(Sibieta, 2023), we showed that since 2010, school teacher pay has fallen in real terms by 5% for new teachers and up to 13% for more experienced teachers. Thus, school teachers have experienced a more moderate real-terms decline in pay than college teachers.

In Figure 4, we directly compare the median salaries of college and school teachers in England.⁵ It is important to note that changes in median salary levels do not just reflect decisions about pay level; they may also reflect the characteristics of staff within the sector. For instance, a higher median salary for school teachers may reflect the fact that school teachers are more experienced than college teachers, which we would expect to translate into higher salaries.

Figure 4. Median salary for college and school teachers in England



Note and source: Academic year starts in August. Median nominal salary for college teachers is available between 2010–11 and 2019–20 from table 3.1 in [Further education college workforce analysis: tables](#); for 2020–21 to 2022–23, we forecast median salaries using the University and College Union's [English FE pay scales](#). Median nominal salary for school teachers is available between 2010–11 and 2021–22 from [School workforce in England](#); we forecast 2022–23 based on [School Teachers' Review Body pay recommendations](#). Real-terms values between 2010–11 and 2021–22 calculated based on average value of [CPIH index](#) in the relevant academic year. Forecasts for 2022–23 inflation (CPI only) taken from Office for Budget Responsibility (2023).

In 2010–11, the median salary (in today's prices) stood at around £48,000 for a school teacher and £42,500 for a college teacher – a gap of about 14% in terms of college teacher pay. Between 2010–11 and 2017–18, the median salary for both sets of teachers followed similar downward trajectories. However, in the following three years up to 2020–21, median school teacher salary increased by 3% while the pay of college teachers plateaued at around £38,000 in today's prices.

⁵ Half of teachers earn less than the median salary and half earn more.

9 What has happened to college teacher pay in England?

Both school and college teachers have experienced large real-terms cuts in the last two years, but the decline has been more severe for college teachers. Between 2020–21 and 2022–23, the median salary has fallen by 7% for school teachers and 9% for college teachers.

The median salary for school teachers is currently around £41,500 and that for college teachers is around £34,500. This means that between 2010–11 and 2022–23, the median salary for a school teacher has fallen by 14%, while the median salary for a college teacher has fallen by 19%. The gap in median salary between school and college teachers is now over £7,000 or 21%, which is the largest gap since at least 2010–11 and possibly much earlier.

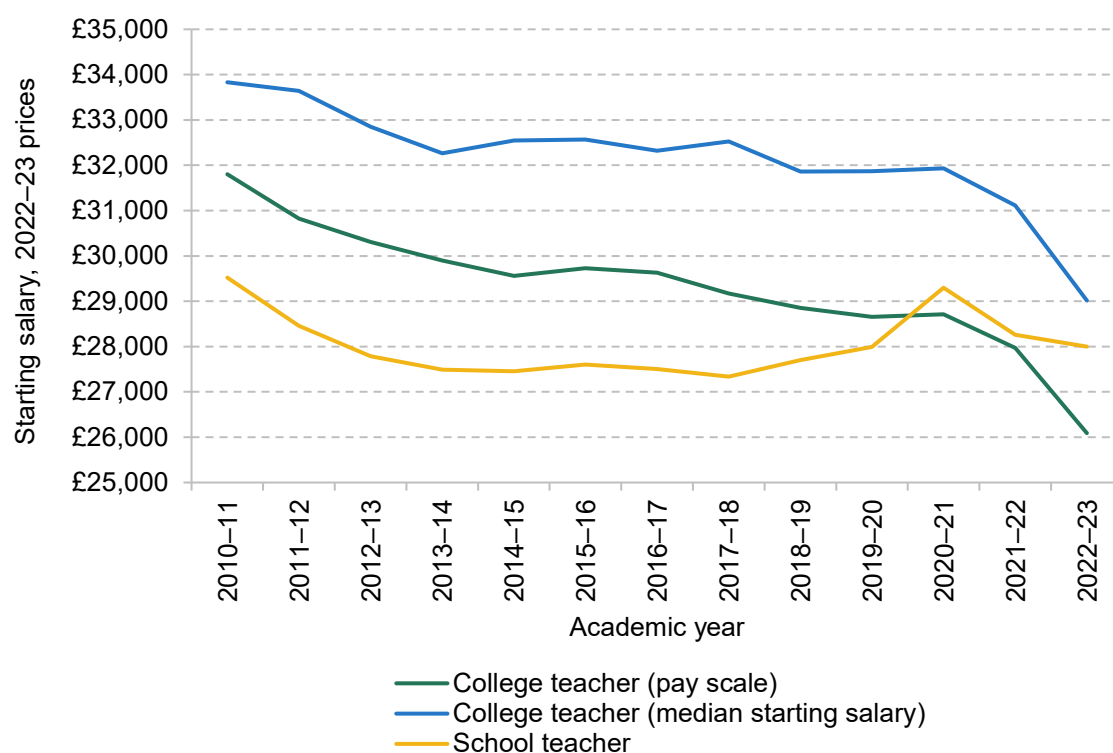
Change in median salary is a useful indicator for how the average teacher in colleges and schools has fared over the last decade, but as we have noted, median salary does not just reflect decisions about pay level; it can also reflect changes in the characteristics of the workforce. The 14% real-terms decline in median school teacher pay being slightly larger than the decline in recommended pay scales stated earlier (i.e. between 5% and 13%) may reflect greater use of less experienced teachers in schools over time or schools moving teachers up the salary pay scale at a slower rate.

To directly compare pay levels for teachers with similar levels of teaching experience, we look at the starting salaries of college and school teachers in England. Unlike for school teachers, there is not a fixed starting salary for college teachers. Therefore, in Figure 5, we show the starting salary for school teachers and two different time series for the starting salary of college teachers: we track the lowest point in the pay scale for an entry-level qualified FE lecturer (in green) and the median starting salary for college teachers (in blue). The median starting salary is above the pay scale value, which reflects the fact that most college teachers receive more than the minimum level for an entry-level qualified FE lecturer.

At the beginning of the last decade, college teachers had a higher starting salary than school teachers. In 2010–11, the median starting salary (in today's prices) was around £34,000 for a college teacher and £29,500 for a school teacher. Between the start of the decade and 2017–18, there was a real-terms decline in the starting salary of both school and college teachers. The median salary of new college teachers fell by 4% in real terms during this period, while the pay of new school teachers fell by 7%.

As with median salaries, 2017–18 marked a departure point. While the starting salary of college teachers continued to fall, the starting salary of school teachers grew by 7% between 2017–18 and 2020–21. By 2020, the starting salary of school teachers was almost the same as it was at the start of the decade (around £29,500), but median college teacher pay had fallen by 6% (to around £32,000).

Figure 5. Starting salary for college and school teachers in England



Note and source: The college teacher (pay scale) starting salary series is constructed using the recommended pay levels for an entry-level qualified FE lecturer (point 23 in the FE pay scale) between 2010–11 and 2021–22 from University and College Union records on [English FE pay scales](#). We forecast the 2022–23 starting salary based on the AoC’s 2.5% recommended pay award for 2022–23. The college teacher (median starting salary) series is constructed using median starting salary between 2010–11 and 2019–20 for college teachers from table 3.1 in [Further education college workforce analysis: tables](#); for 2020–21 to 2022–23, we forecast median salaries using the University and College Union’s [English FE pay scales](#). Starting salaries for school teachers are the recommended pay levels for an entry-level school teacher outside London (point M1 in the school pay scale) from the [School Teachers’ Review Body pay recommendations](#). Real-terms values between 2010–11 and 2021–22 calculated based on average value of [CPIH index](#) in the relevant academic year. Forecasts for 2022–23 inflation (CPI only) taken from Office for Budget Responsibility (2023).

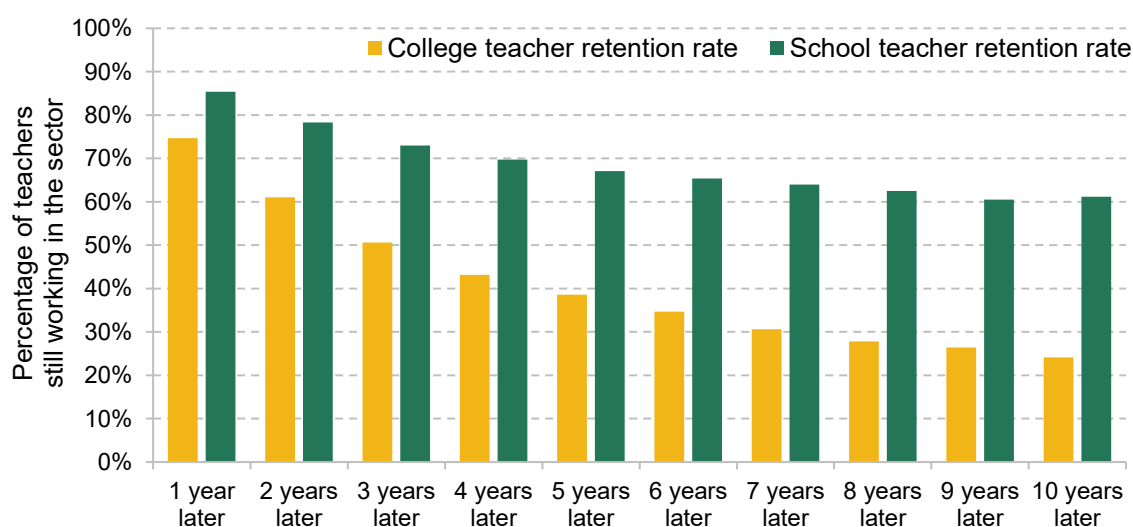
Since 2020–21, the starting salaries of both sets of teachers have fallen in real terms. However, the fall in starting salaries for college teachers has been far more dramatic. In 2022–23, the pay of new college teachers decreased by 7% in real terms whereas the pay of new school teachers fell by 1%. As a result, a school teacher starting today earns 5% less in real terms than they would have done in 2010, while a college teacher earns at least 14% less in real terms.

The difference in starting salaries between colleges and schools looks set to open up in the future. New school teachers have only experienced a 1% real-terms cut to pay this academic year as they received a 9% pay increase in 2022–23 as part of the government’s commitment to increase starting salaries for school teachers. In the next academic year, starting salaries for school teachers are set to increase to £30,000, which may mean that for the first time on record, new school teachers will earn more than the average new college teacher.

2. College teacher retention rates

We now turn to analysing teacher retention. Unlike for the school workforce, the Department for Education (DfE) does not publish regular statistics on the FE workforce. The DfE only launched the [FE workforce data collection](#) in 2021–22, but so far has not published statistics from this data collection. As a result, in the analysis that follows, we rely upon data from a report published by the DfE on the FE workforce in 2021 (Department for Education, 2021), which means that some of the statistics are slightly dated but they are the latest data available to us. The statistics presented on college teacher retention rates encompass teachers in general FE colleges and in sixth-form colleges.

Figure 6. Teacher retention rates for colleges and schools, 2019



Note and source: The graph shows teacher retention rates in 2019, i.e. the retention rates for 1 year later correspond to teachers who began in 2018, while the retention rates for 2 years later correspond to teachers who began in 2017 and so on. The data are from table 3.2 in [Further education college workforce analysis: tables](#) for college teacher retention rates and [School workforce in England](#) data for school teacher retention rates.

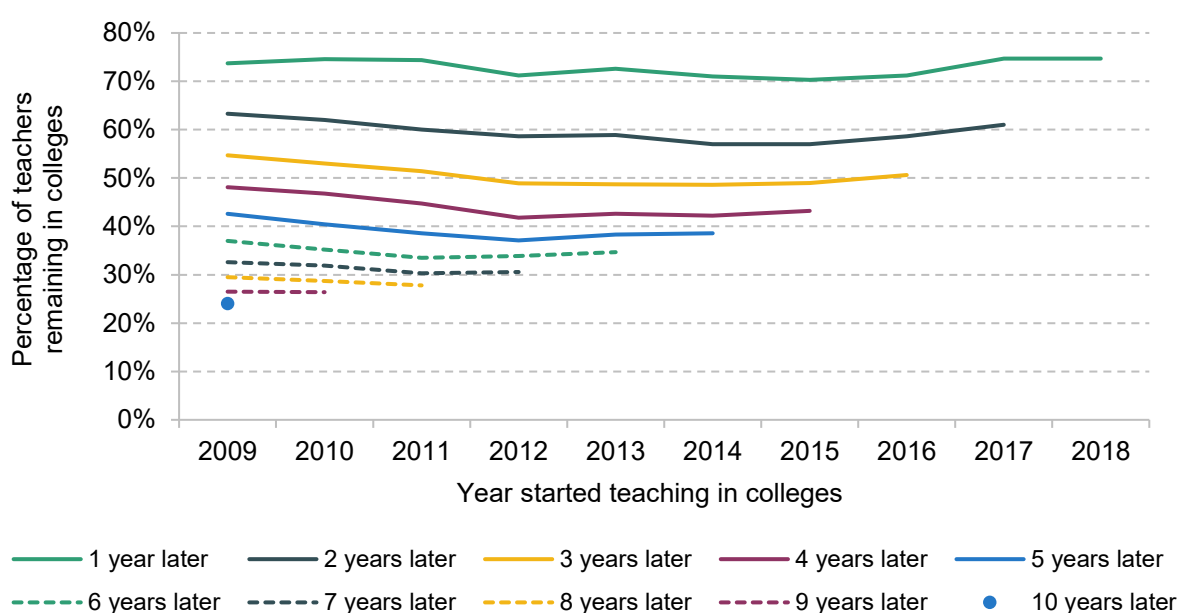
In Figure 6, we show the retention rates for school and college teachers (as measured in 2019). At that point, college teachers were far more likely to leave the profession than school teachers. Around 25% of college teachers left the profession after one year compared with 15% of school teachers and, three years in, almost 50% of college teachers and 27% of school teachers have left. Although there is significant attrition amongst school teachers, the share of school teachers

12 What has happened to college teacher pay in England?

remaining in the profession begins to plateau at around 60% after five years. In contrast, the share of college teachers continues to fall such that less than a quarter of college teachers remain in the profession ten years after they begin teaching.

College teacher retention rates by years of experience have not changed much over time. Figure 7 shows the share of teachers still teaching in colleges by the year in which they started teaching in the sector. As one might expect, retention rates get progressively lower with time since the teacher started. Each line exhibits a slight dip, which suggests that retention rates initially worsened over the last decade. For example, 74% of college teachers starting in 2009 remained in the profession one year later, while that was true for 71% of college teachers beginning in 2012. However, in more recent years, there has been a slight increase in retention, which means that retention rates look very similar to what they were in past. This suggests that low retention rates are a structural feature of the college teaching profession.

Figure 7. Teacher retention by year started teaching in colleges

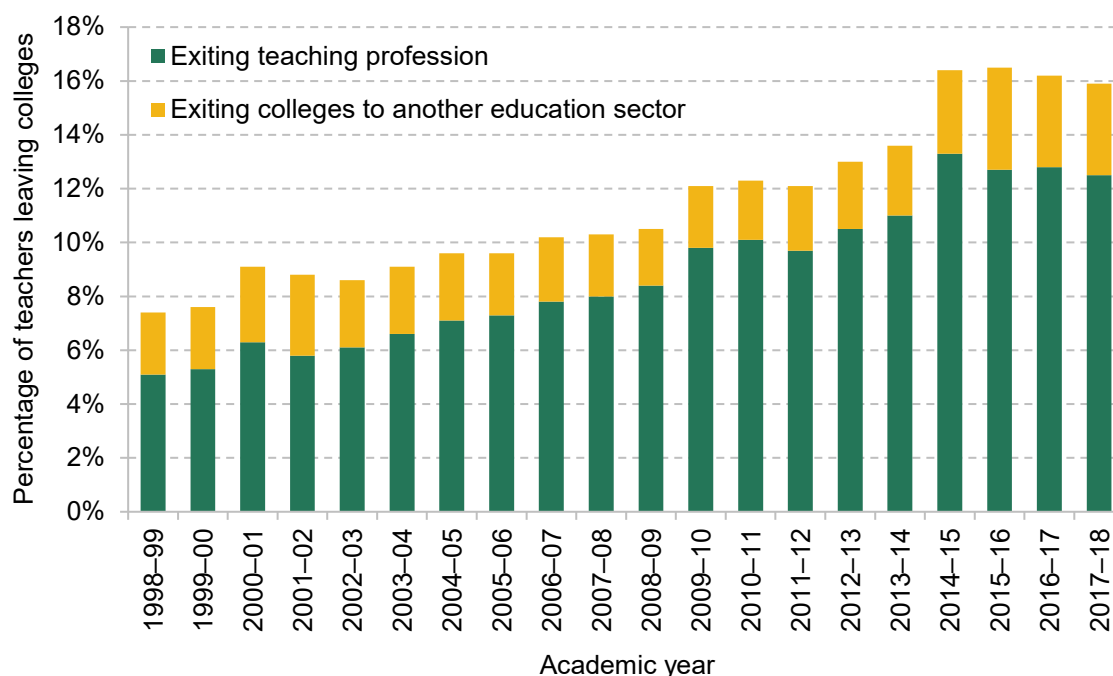


Source: Table 3.2 in [Further education college workforce analysis: tables](#).

In Figure 8, we show the overall share of college teachers leaving the sector each year broken down by whether they move into teaching in another part of the education sector or leave teaching completely. There has been a long-term increase in the exit rate of college teachers (i.e. the share of college teachers leaving the sector each year). In the early 2000s, around 9% of all college teachers were leaving the profession each year; by 2014–15, this had increased to around 16%, which represents a significant churn in the college workforce every year. In terms of where these teachers are going, in the latest year for which we have data (2017–18), around a fifth were

leaving to teach in other parts of the education sector while the other leavers left the teaching profession entirely.

Figure 8. College teachers leaving the sector by exit destination



Source: Table 4.2 in [Further education college workforce analysis: tables](#).

An overall exit rate of 16% for college teachers represents a relatively high level of staff mobility or turnover in colleges, particularly compared with other public sector occupations. For [school teachers](#), exit rates were about 10% leading up to 2020, while they were 10–11% across most [NHS](#) occupations (Palmer and Rolewicz, 2022) and about 7–8% in the civil service (Clyne and Bishop, 2022).

The high turnover of staff presents a number of issues. The fact that overall college exit rates have gone up but they have been stable over time by years of experience (Figure 7) suggests that many teachers leave the profession before building up experience, which means that students will often be taught by inexperienced teachers. For college leaders, there is a continual need to recruit new staff to fill vacancies, which is especially difficult at the moment given high vacancy rates across the economy.

Future outlook

In summary, college teachers have experienced severe pay cuts over the past decade, which is likely to be a key reason why each year a large share of the workforce leave the profession, often within a few years of starting. In the coming months, the Association of Colleges is set to

14 What has happened to college teacher pay in England?

announce its pay recommendations for the next academic year, but college leaders face a difficult challenge in finding money within their existing budgets to fund staff remuneration as well as meet other cost pressures. Although the government has allocated additional funding to colleges in recent spending reviews, this only partially reverses the large cuts to post-16 education funding that took place up to 2020. Moreover, unlike schools, post-16 education did not receive any extra funding in the 2022 Autumn Statement, and colleges also did not receive additional support in the Spring Budget to help them meet rising cost pressures. As a result, the immediate future for the college workforce appears gloomy.

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