









31 March 2022

Dear Gerry,

# Further Education pay claim 2022/23

The government has ambitions for the further education sector - politicians of all persuasions hail a skills revolution. None of this can be achieved without funding and without the staff to deliver it. Increasing levels of funding have been available to the sector since August 2020 and staff are asking, quite rightly, where is this funding going?

Staff in further education go above and beyond every single day and never has this been so evident as during the pandemic. As the country tries to get back to 'normal' the work of this vital, yet under-paid, workforce needs to be recognised and rewarded. The AoC's recent survey of colleges confirms that FE is increasingly unable to attract staff in a market place where schools and vocational trades pay much more. Therefore pay in FE must be prioritised as extra funding has arrived. There can be **no more excuses on pay**.

This claim is set at a level that we believe recognises the following key points:

- Major increases in the cost of living, most significantly fuel, food, travel and national insurance are significantly eroding the value of staff wages.
- Pay recommendations in the sector have fallen behind inflation by more than 35% since 2009. FE needs to keep up with inflation and start to close the pay gap.
- Increased vacancy rates across the economy make competitive wages more crucial than ever.
- Average pay settlements across the economy are significantly higher across the private sector as competition for staff increases.
- The 6.6% increase in the minimum wage will reduce pay differentials between staff with different levels of skills, experience and responsibilities unless all staff receive a significant pay rise.
- Appropriate reward is needed to sustain morale and productivity of staff in their crucial role of delivering high quality services.

- The further education (FE) sector has had two rounds of significant funding increases since 2020, the last being the biggest in more than a decade.<sup>1</sup>
- The gap between pay for school teachers and FE lecturers is estimated to be £9000 which is severely impacting on recruitment and retention in FE
- Poor pay has led to unprecedented staff shortages creating unmanageable workloads for all staff

# **Summary of claim:**

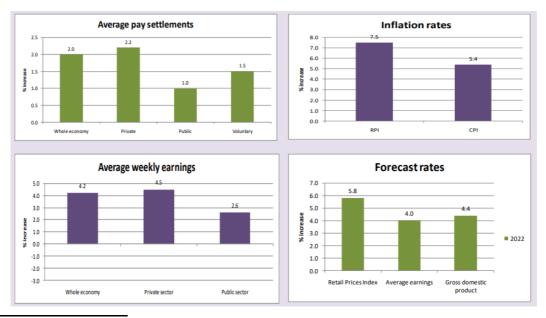
We are seeking:

- A 10% increase on all pay points with a minimum uplift of £2000
- All colleges to become accredited Foundation Living wage employers
- Significant movement towards meaningful national agreements to address workload in colleges

All elements of the claim to be implemented from 1 August 2022

#### Latest headline rates:

Inflation rates exploded over 2021, putting the February 2022 RPI rate at 8.2% and the CPI rate at  $6.2\%^2$  - inflation rates not seen in three decades. Within these figures, some costs are rising significantly faster, such as gas bills at 28.8%, petrol and oil at 27.4%, and electricity bills at 18.8%. Significantly, energy prices are set to rise even more sharply from April 2022, when the price cap receives an enormous lift and the average bill is expected to increase from £1,277 to around £2,000 a year<sup>3</sup>. The price



<sup>&</sup>lt;sup>1</sup> https://www.gov.uk/guidance/16-to-19-funding-information-for-2022-to-2023

<sup>&</sup>lt;sup>2</sup> Inflation and price indices - Office for National Statistics (ons.gov.uk)

<sup>&</sup>lt;sup>3</sup> Resolution Foundation, January 2022

of housing also remains one of the biggest issues facing employees and their families. Across the UK, house prices rose by 10% in the year to November  $2021^4$  and private rental prices have also seen a significant increase, taking the average monthly rent for new tenancies in the UK up 8.3% to £1,060 in December  $2021^5$ . Childcare costs represent a key area of expenditure for many staff in FE. Therefore, it is also worth noting that the cost of a nursery place for a child under two rose by 4% since the previous year, with the annual cost of 25 hours care per week hitting £7,000 in Britain<sup>6</sup>.

These are the pressures that staff face every day. There are staff in colleges in significant debt and some who have needed to use a food bank<sup>7</sup>. These staff are looking to their employer for a decent pay rise as nothing else will enable them to meet the demands of the current economic climate.

### The labour market context:

The UK economy is thought to have grown by 7% in 2021 and is predicted to run at 4.4% over 2022, restoring the economy to an approximation of its pre-pandemic value. The unemployment rate was the lowest level for 44 years in September 2019 at 3.8%. While the impact of the pandemic saw that figure temporarily rise, the rate has now fallen back to 4.1% in the three months to November 2021. Forecasts now put the average unemployment rate at 4.6% in 2022 and then on a gradual decline closer to 4% over the subsequent three years. Meanwhile, the Office for National Statistics indicates that the vacancy rate across the economy had bounced back to 4.1% by December 2021, taking the level substantially higher than before pandemic measures hit the economy and **putting the total number of vacancies at over a million for the first time since records began**. The number of unemployed people per vacancy fell from 5.8 in 2011 to 1.6 by September 2019, before the pandemic lifted the figure back up to 3.5 by mid-2020. However, recovery has seen the numbers competing for a job drop back even further than pre-pandemic levels to 1.1 by December 2021 (the lowest level in more than two decades).

The further education sector knows it needs to recruit and retain high quality staff. Shortages abound across the sector, both in teaching and support staff. The sector needs to compete for staff and recover at least some of the highly experienced and qualified staff it has lost in the last few years as managers struggle to balance budgets; pay cannot be restrained any longer.

All those who work in FE do it because they care about their students. Their primary motivation does not justify FE lecturers being paid less than others doing the same job in schools or FE in other nations.

<sup>&</sup>lt;sup>4</sup> Office for National Statistics, UK House Price Index: November 2021, published January 2022

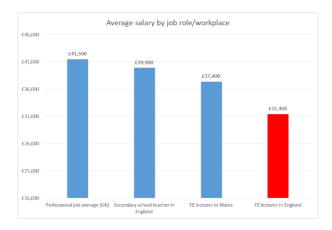
<sup>&</sup>lt;sup>5</sup> HomeLet Rental Index, December 2021

<sup>&</sup>lt;sup>6</sup> Family & Childcare Trust, Childcare Survey 2021

<sup>&</sup>lt;sup>7</sup> UNISON keeping in touch survey Sept 2021

<sup>&</sup>lt;sup>8</sup> HM Treasury, Economic Forecasts for the UK, January 2022

<sup>&</sup>lt;sup>9</sup> HM Treasury, Forecasts for the UK Economy, November 2021



Significant action to begin to bridge the gap between school and FE teachers which has grown over years in needed to recruit and retain high-quality teaching staff.

# The Real Living Wage (as calculated by the Living Wage Foundation):

The Living Wage has become a standard benchmark for the minimum needed for low-paid staff to have a "basic but acceptable" standard of living. Studies supported by Barclays Bank have shown that Living Wage employers report an increase in productivity, a reduction in staff turnover / absenteeism rates and improvements in their public reputation. Consequently, there are now almost 9,000 employers accredited as Living Wage employers by the Living Wage Foundation, including almost half of the largest companies listed on the UK Stock Exchange and household names such as Barclays, HSBC, Nationwide, Google and IKEA are among them.

We welcome the move by the Association of Colleges in 2021/22 to recommend that all colleges pay the Living Wage as a minimum. However, there are still thousands of staff who will not benefit even if their employer follows this advice – contracted-out staff. These staff perform functions vital to the smooth running of colleges; canteen, security, cleaning and administration. These staff need to be able to afford a decent standard of living and colleges need to be able to retain these important staff if they are to be able to realise their ambitions.

For this reason, a simple recommendation to pay the Living Wage does not go far enough and colleges must become accredited Living Wage employers to ensure everyone working in a college receives a decent rate of pay.

### Workload

The workload of staff in FE is becoming untenable and we believe action from the employers is necessary. Our 2021 workload survey of UCU members shows that

- 41% of respondents believe their workload is mostly or entirely unmanageable
- 81% believe that the pace and intensity of work has increased significantly
- 47% believe their working hours have increased significantly in the past 12 months.

In annual surveys of support staff workload has consistently been one of the top three concerns, alongside pay and funding in colleges<sup>10</sup>.

While there may be a suggestion that these pressures have been made worse by the pandemic, we would suggest they suggest an endemic problem within the sector which the past 48 months have simply made starker. Surveys carried out by individual UCU FE branches indicate the following are common in FE colleges:

- Working beyond contracted hours
- College management not taking workload seriously
- A lack of a healthy work-life balance
- High levels of stress caused by workload
- Excessive workloads leading to less time for 121 student support and less time for the production of learning resources

The AoCs own report "College Staffing Challenges in 2022" noted that 96% of respondents reported that the current record level of vacancies (exacerbated by lack of pay parity with other sectors, especially schools) is creating increased pressure on existing staff.

The 2021 Teacher Wellbeing Index concluded that organisational culture has a significant impact on staff wellbeing. Where a college's organisation culture is at odds with the professional needs of staff and where college management are unwilling or unable to respond positively to trade union representation on workload, the impact on wellbeing is clear.

The lack of effective national agreements on working hours, Planning Preparation and Assessment time etc are the root cause of excessive and unhealthy workloads. Equivalent post 16 teachers subject to School Teachers Pay & Conditions have the protection of such agreements.

We note the AoC offer in December 2021 of discussions on "guiding principles". We seek meaningful negotiations on effective national agreements which would include:

- An agreed national policy on the delivery of guided learning hours
- The resourcing of more administration and support staff
- Nationally agreed class size recommendations
- Wellbeing and workload protocols

An important aspect of excessive workload and low pay is a perception by FE college staff that they do not receive the professional esteem and regard they deserve. Effective national action on pay and workload would begin to address this. In addition, we would seek meaningful national agreement on valuing the professional judgement of practitioners including:

- Establishing college forums to agree professional development programmes
- Recognition of the positive role that union learning representatives play and the provision of facilities time
- Recommendation that colleges negotiate local learning agreements with recognised unions

<sup>&</sup>lt;sup>10</sup> UNISON Keeping in Touch surveys 2018, 2019, 2020, 2021

### The morale of the workforce

Working against a background of tight budgets and the unprecedented demands of the Covid-19 pandemic, staff have been facing greater workload pressures. The resulting increased stress puts the morale of the workforce at risk and poses a long-term threat to FE sector's ability to provide a consistent quality of service. A UNISON survey<sup>11</sup> revealed increasing levels of anxiety amongst support staff with 9 in 10 support staff feeling anxious about their wellbeing and a five-fold increase (over the course of one year) in staff feeling anxious about their workload.

Almost all colleges offer initiatives to support mental wellbeing and they are welcome but staff tell us that their anxiety is caused by worries about their jobs. They are anxious about not being paid enough to make ends meet and having too much work to do in a day – colleges need to focus on good, well-paid jobs.

This is the year that staff must be prioritised above and beyond all else.

Yours sincerely,

Jon Hegerty

UCU

Head of Bargaining, Organising,

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UNISON

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Joint Trade Union-Side Secretaries

<sup>&</sup>lt;sup>11</sup> Mental health in further education survey March 2021