ON THE BREADLINE

The cost of living crisis for England’s college workers

A report by the University and College Union

July 2022
INTRODUCTION

English further education colleges offer high quality courses, training and development that help students succeed in careers such as accounting, construction, health and care, social work, computing and business – as well as providing key entry routes into higher education. They educate around 1.7 million people each year, of whom around 650,000 are 16-18 years old. The Westminster government has emphasised the importance of further education in delivering its levelling up agenda, with the Skills for Jobs White Paper setting out plans to ‘supercharge further and technical education... so that people are trained for the skills gaps that exist now, and in the future’. English colleges have therefore seen their biggest funding increase in over a decade, which will amount to an additional £1.6bn in funding for 16-19 year olds by 2025.

Unfortunately, the Westminster government’s realisation that colleges are key to upskilling the nation comes after years of cuts, which saw spending on 16-18 year old college students fall by over 14% between 2010 and 2020. According to research by the employer representative body, the Association of Colleges (AoC), there are now 6,000 job vacancies across England’s colleges, believed to be the highest in two decades. Meanwhile, job insecurity and dangerously high workloads plague the sector. Over half of teaching staff are employed on some
form of insecure contract and on average teaching staff work the equivalent of two extra days unpaid every week due to chronic levels of overwork.

Job insecurity is rife across further education, and so too is financial insecurity. From 2009 onwards a series of below inflation pay recommendations have seen staff pay fall behind inflation by 35% and today college lecturers earn an average of £9,000 less than school teachers. The AoC recommends that unqualified teachers can earn as little as £21,000 while qualified teachers can start on under £26,000. With inflation now above 11% and the prices of food and energy continuing to rise it is becoming clear that the cost of living crisis is here to stay for those working in further education – unless employers and the Westminster government act.

This report, ‘On the breadline: the cost of living crisis for England’s college workers’, is based on a survey of over 2,700 staff in English further education. In the survey, UCU asked college staff to explain how low pay and the cost of living crisis were impacting them, as well as the extent to which financial insecurity and other workplace issues were affecting their ability to continue working within the sector.

The responses reveal a workforce in financial crisis. Over 19 in 20 (96%) said their income either does not cover the cost of living or only just about covers it, while four in five (80%) said they felt less financially secure than they had a year ago. Beyond the immediate financial impact of falling pay and rising prices, four in five (82%) told us their situation is impacting their mental health and almost half (47%) said their financial situation has damaged relationships with friends and family members.
The bad news in this report does not end there. To make ends meet many college staff are going without food and heating. Of the 42% of respondents who said their income does not cover the cost of living, around two-thirds (64%) said they heat their home less frequently, whilst two in five (40%) said they restrict hot water and a quarter (25%) said they skip meals.

The survey not only details the devastating effects of financial hardship on further education staff in England, but also sounds the alarm about the future of the sector. Due to low pay, high workloads and insecure employment, seven in 10 (70%) said they would probably or definitely not be working in the sector in five years’ time, unless these issues are fixed.

The findings contained in this report should ring in the ears of ministers and further education employers, and act as a catalyst for change across the sector. The over 100,000 staff in England's colleges urgently need proper and lasting uplifts in their pay, an end to insecure employment practices and action to address a workload crisis – all of which are threatening the future of further education.
UCU asked further education staff how financially secure they felt, compared to 12 months ago when inflation was 3.9%\textsuperscript{16}. The responses show the cost of living crisis has made the vast majority of staff less financially secure. Eight in 10 (80\%) said they felt financially insecure or very financially insecure. Just 14\% said there was no change in their financial security compared to a year ago and only 6\% said they felt secure or very secure.
“It has got to an untenable position where I can no longer stay in my current job as I can no longer afford to work there, even though I’m a full time teacher. I have exhausted all savings. I can’t buy a house, as my salary doesn’t cover me to get a mortgage for a single room flat let alone a house![...] I’ve handed my notice in because of my financial situation, and have secured a promotion in the Midlands for 8k a year more, where the cost of living is lower. I could leave education altogether and return to industry where I would be on a minimum £50k (I have had offers). I just don’t want to leave education but if I’m forced to do so because of my finances, I will go.”

“I am currently a full time FE teacher....My wage is so bad I’ve had to move back to my parents’ house”

“Why am I employed full time, yet cannot afford the basic cost of living and must subscribe to Universal Credit?”
Respondents were asked what was putting the biggest pressure on their household finances. The responses reflect recent price rises in energy, transport and food. Energy bills are having the greatest impact, with almost three in five (58%) saying they are the biggest financial pressure. Almost one in five said transport had the greatest impact (15%), and just under one in 10 said food (9%).
Energy prices are predicted to rise to their highest levels since at least the 1950s by autumn 2022\textsuperscript{18}, fuel prices recently reached record highs\textsuperscript{19}, and food prices are rising at the fastest rate in more than a decade\textsuperscript{20}. Over four in five (82\%) blamed energy bills, transport or food for placing the most strain on budgets, which indicates why significant uplifts in pay are needed across the board.

**Comments from staff:**

“Current rises in petrol prices mean that I have a huge outgoing for travelling to work. It currently costs me over £400 a month to travel to work. My college is refusing to allow remote working - even when there are no students in the building i.e. over summer, and because of low income, I am going to really struggle to continue to afford this long term”.

“The fixed rate on my mortgage is about to come to an end, as is the interest free period on the Help to Buy Scheme. This, combined with real terms pay cut and other rising costs means that I need to find an extra £700 per month”

“My electricity bill has more than tripled in the last 12-months”.
Respondents were asked to what extent their income is covering the cost of living and for how long this had been the case. Over four in 10 (42%) either said their income does not cover the cost of living or that their income nowhere near covers their cost of living. While just over half (54%) said their income just about covers their cost of living.
For the 42% of respondents who said their income does not cover the cost of living, nearly three quarters (73%) of them said this had been the case for a year or longer, suggesting the longer-term lack of investment in further education and falling pay has not only caused hardship but left staff extremely vulnerable to the current cost of living crisis.

Comments from staff:

“I've been stuck in a rent trap for almost 15 years due to austerity and pay freezes. I have had to relocate 100 miles away from family and friends to reduce my rent and bills in order to be able to save something towards a mortgage. As such I can afford to exist and work but not have a life outside work”.
“The only way I am able to even remotely make ends meet is by taking on a second part time job in the evenings and weekends.”

“I enjoy my job but am considering moving into something less stressful that also offers greater pay - e.g. all supermarket work!”

“I am a disabled lecturer and my condition will only deteriorate with age. I am worried about how long I can support my family before I will have to take early retirement. I will then struggle through my retirement to make ends meet. Low pay in FE means I cannot save for the future”.

“I have resorted to eating basic meals, like jacket potatoes, as these are relatively cheap, and affordable. I cannot afford more extravagant meals”.

“All properties are now beyond my ability to afford them. If not for a friend willing to share I would soon be homeless”.

“More than 6 years ago my job easily supported my lifestyle. I could afford the mortgage, the odd luxury, a few days out over the year, and a holiday. Now all of that is gone and I feel I am just living day to day, hand to mouth. During the same time the college has gone from dire financial straits to having millions in the bank. That money has come from milking every last penny out of the staff and increasing their workloads and working them to the bone”

“Until recently, I had not had a pay rise since 2008. My wage was exactly the same as it was 14 years ago! The College then wanted to take £1,000 from my salary and forced us to sign a new contract.”
How staff try to make ends meet

If your income is not covering living costs, what steps are you taking to make ends meet?

Of those whose income is not covering the cost of living:
- 64% heat their home less often
- 40% restrict hot water usage
- 25% are skipping meals.

Heating your home less frequently  Heating your home less frequently
Using savings
Using a credit card
Restricting hot water usage
Borrowing from friends and family
Skipping meals
Taking out a loan
All of the above
None of the above
Emergency loan or grant from your local council

Percent

0 10 20 30 40 50 60 70
When pay is suppressed while prices and inflation continue to rise, staff have to take measures to make ends meet, with many respondents saying they are going without essentials and getting into debt. Staff also told us that they have had to take on second jobs. With economists predicting that inflation may hit 14% for the less well off\textsuperscript{21}, the road ahead for those working in further education looks increasingly challenging.

\textit{Reducing utility and food bills}

Those struggling to afford the cost of living are not just trying to reduce costs, but also seek other sources of income apart from their wage. Over half (56\%) say they have had to use savings to cover the increase in prices, with 44\% saying they use a credit card. Nearly a third (30\%) say that have had to borrow from family and friends and nearly one in five (19\%) say they have had to take out a loan to help make ends meet.

\textbf{Comments from staff:}

“I had to find a cleaning job that pays cash in hand to make ends meet. I am also in universal credit which helps towards the rent. But I can’t afford to pay for childcare. So, I either pay for food or for childcare. Things are falling behind”.

“It’s the kids who are penalised the most. I am having to buy more reduced food with yellow reduction stickers from the supermarkets. I only used one supermarket in the past for my weekly shop. Now having to shop 3-4 different supermarkets looking for offers”.

“My day consists of a banana for breakfast and a pot noodle or mini tortilla wrap with a slice of wafer thin ham. I drink water mostly and have a jar of Tesco value instant coffee which I ration”.

\textsuperscript{21} Economist Paul Johnson predicts 14\% inflation for the less well off
“I have had to get a second job on a Saturday morning, I am exhausted, but at least it was better than staying in a cold home. I do not run my heating and I limit hot water, I eat small meals. [...] due to an on-going medical condition I am, according to my doctor, malnourished. He subscribed vitamins, but it is another expense. I try to stay positive, but lately I am exhausted and tired and very concerned”.

“I had to take on a second job to cover my bills. My biggest concern is that I am not putting any money into a pension or saving for retirement. Due to the ever increasing workload I cannot see me staying in education much longer”.

“I am in a position where I am avoiding driving places outside of work because I cannot afford fuel for work and outside. As a disabled member of staff this is very alienating”.

“I haven’t had the heating on since April because of the price hike and I don’t cook meals that take over 20 mins to reduce costs.”

“I am currently having to work 3 jobs in order to be able to live. I am also unable to buy / rent a house or flat so am still living with parents. The expense of travelling is becoming an issue. I had to decline a sick note from doctors due to my low income and no sick pay either, as I can’t afford to have time off.”

“I have cut back on heating, shopping, going anywhere in the car and never go out spending. Life is difficult. It was an insult being given 1% pay rise at work.”
Paying the bills

How would you describe your ability to make payments for bills, credit cards and/or loans?

10% I am unable to pay them on time
19% I do not struggle to pay them
71% I am just about able to pay them on time

UCU also asked further education staff how they would describe their ability to make payments for bills, credit cards and loans. More than seven in ten (71%) said that they are just about able to pay them on time, with another 10% saying they are unable to pay them on time. Overall, four in five (81%) say they are struggling to pay their bills.
Comments from staff:

“The rise in fuel, energy bills, childcare and general bills means that I struggle to look after my mental health with pressures of responsibility. There are many staff that are now needing to use a food bank due to the rise in cost of living.”

“My disposable income is incredibly minimal after mortgage and bills and I feel that this is affecting my quality of life. I cannot afford to travel, and there are events that I would like to attend that I simply cannot afford to on this wage. I feel lucky that I am in a supportive relationship as if I was an individual, I would not be able to afford to rent a 1 bedroom on my own on my salary.”

“As a single parent, I don't know how I will be able to cope when the second increase in energy bills comes in October. I am in debt and it is affecting my mental health. Redundancies at work is making this worse. As we learn about senior management team’s pay rise and bonuses, it feels outrageous that we are not getting a substantial pay rise.”
The Impact

Is your financial situation having an impact on your mental health?

Low pay and trying – or not being able - to make ends meet places a psychological burden upon college staff and the link between low pay and poor mental health is well established\(^2\).
When asked whether financial insecurity was impacting their mental health and relationships with friends and family, the responses show that workers are being pushed to breaking point.

Comments from staff:

“I feel suicidal”

“As a single person living alone, rent and housing costs are crippling me. I cannot afford to buy food or pay my energy bills. I have to drive to work – fuel costs are through the roof. I’m in debt constantly. I’m so depressed I think about death every day as it’s a way out of all this constant worry”.
“The cost of living increases are having such a major impact on my mental health that I’ve started taking anti-depressants”

“I’ve been teaching for less than two years. I work about 55 hours a week, which equates to a take-home pay of about £7.50 per hour. I am so stressed out that my hair has started to fall out in massive clumps. I have started to have anxiety attacks. I am now applying for another job so I can get my life back”.

“The only reason I am able to pay the bills is because I still live with my mother in my 40s. She is paying for the main bills. It has damaged relations with my family because I know I am slowly outstaying my welcome. Plus, other family members don’t think I should be living at home at my age”.
### What staff say is important to them

**Rank the following workplace issues in order of importance to you**

<table>
<thead>
<tr>
<th>Item</th>
<th>Overall Rank</th>
<th>Rank Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher pay</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>More manageable workload</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Reduced admin workload</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>More secure employment</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Equality</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>More promotion opportunities</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Reduced class sizes</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Better procedures for remote working</td>
<td>8</td>
<td></td>
</tr>
</tbody>
</table>

As well as exploring the impact of low pay and the cost of living crisis, UCU asked respondents to rank workplace issues in order of importance to them. The highest-ranking issues for college staff are higher pay, more manageable workloads, a reduction in the admin workload and more secure employment.
That staff in the sector see pay as such a pressing issue shows that employers need to make it a priority after years of real-term cuts. UCU’s workload survey, released last month, shows that college staff work the equivalent of two extra days per week due to excessive workloads. In 2020, around 56% of college staff were on some form of insecure contract.

The future of further education

If these issues aren't resolved, do you think you will still be working in further education in five years' time?

![Pie chart showing responses](chart.png)

The Westminster government claims that the Skills for Jobs White Paper ‘will deliver high quality technical education across the country – and help people retrain and secure better paid jobs’ that will ‘put rocket boosters under our
recovery and Build Back Better. But this report shows that the staff expected to deliver on the government’s priorities are underpaid, overworked and undervalued. Seven in ten said they would definitely not or probably not be working in the sector in five years’ time (70%). Almost a quarter (23%) said they were unsure if they will continue working in further education. Only a small minority (7%) said they probably or definitely would continue to work in education in five years’ time.

Comments from staff:

“I am in debt recovery, which has impacted my ability to secure a mortgage or any further finance. I also suffered with an eating disorder, mainly triggered by the fact I couldn’t afford to buy food and manage my other expenses. My mental and physical health have been seriously impacted by the overwhelming pressures that are continually put on me. I am expected to work weekends, evenings and invigilate exams with no extra pay or time off in lieu. I am at a stage where I am having to look at other sectors.”

“I moved into education for job security and pay, this has not happened in the 11 years I have been employed at the college. I am seriously thinking of going back into my trade which is plumbing.”

“I am literally living hand to mouth. I want to get out of teaching in further education”

“I love teaching but I do not think I can afford to stay in the profession. I have recently completed my PGCE and will have to repay it if I leave. I barely make ends meet and the moment. I have a baby due in the Autumn and combined with the rising costs next winter will end up in serious debt if I am unable to earn more. I feel trapped by my choice of career and resentful for working hard when it does not afford me any luxuries.”
RECOMMENDATIONS

The findings contained in this report reflect what those working in colleges have consistently told UCU: that they cannot continue working in further education unless pay and working conditions improve. With education already in the grips of a recruitment and retention crisis and vacancies at their highest levels in two decades, it is clear that meeting the demands of staff must be a priority in colleges across England.

Raise pay

A 10% increase in pay would be the first step in preventing a mass exodus of staff over the next five years. Importantly, it would start to restore staff wages, which have fallen behind inflation by 35% since 2009. The Westminster government should call on employers to use additional funding it is providing to prioritise staff pay.

Improve job security

Employers should commit to conducting a joint review with UCU of all non-permanent contracts with the express aim of increasing job security, continuity of employment and opportunities for career progression for all staff engaged in any form of teaching.

Close pay gaps

Disabled staff and black staff are more likely to be paid on lower salaries, so addressing these pay gaps will raise the wages of lower paid staff. The Westminster government should introduce mandatory ethnicity and disability
pay gap reporting to show commitment to fair and equal pay. In advance of legislative change, employers should report on ethnicity and disability pay gaps, as well as continue reporting on the gender pay gap, and agree action plans to address any gaps identified with their UCU branch representatives.

**Reduce workloads**

Colleges should provide more resources to hire administrative staff, in order to take away the administrative tasks that have been shifted on to teachers over the years, such as record keeping, data collection and other data compliance requirements. The AoC should agree workload and wellbeing protocols with UCU, such as working from home agreements, with a set of agreed boundaries for contacting staff by email or phone.

**Meaningful bargaining**

National bargaining with recognised unions helps raise pay. Colleges should agree to a binding national bargaining framework to ensure that pay is levelled up across England.

**Trade unions as partners**

Employers should recognise that trade unions are partners and work in the interest of the sector as a whole. Therefore, UCU should have representation on bodies and committees throughout colleges, including governing bodies, and on curriculum and health and safety committees.
METHODOLOGY

UCU sent an electronic survey via email to members working in English colleges. The survey was conducted between 9 - 16 June 2022. It received 2,728 responses from staff working in English colleges. The percentages in the survey have been rounded up or down to the nearest whole number.

UCU is the biggest post-school education trade union in the world. In further education it mainly represents teaching staff.

NOTES

6. UCU conducts a Freedom of Information (FOI) request on FE colleges in England asking for information about the contracts of employment of their teaching staff: https://www.ucu.org.uk/article/8157/Precarious-contracts-in- FE---institution-snapshot
7. UCU’s workload survey has also shown that college staff are working the equivalent of two days per week unpaid due to excessive workloads: https://www.ucu.org.uk/media/12905/WorkloadReportJune22/pdf/WorkloadReportJune22.pdf
8. Staff wages falling behind inflation by 35% was calculated using the latest available data when UCU submitted its pay claim to the Association of Colleges in March 2022. Prices rose by 48% between August 2009 and Jan 2022 (RPI price index). AOC pay recommendations increased pay by 9% over the same period. Pay has therefore fallen behind inflation by 35 percentage points.
10. These are the Association of Colleges recommended payscales for 2021/22: https://www.ucu.org.uk/fescales_england
11. https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/czbh/mm23
14. 2,728
ON THE BREADLINE - The cost of living crisis for England’s college workers  UCU 2022

16  https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/czbh/mm23
17  https://www.ons.gov.uk/economy/inflationandpriceindices/articles/overviewofinflationandthecostoflivingforukconsumers/june2022
21  https://ifs.org.uk/publications/16065
22  https://www.livingwage.org.uk/news/wages-and-wellbeing-link-between-low-pay-and-poor-mental-health#:~:text=The%20report%20found%20that%2046%20affected%20their%20levels%20of%20anxiety
24  UCU conducts a Freedom of Information (FOI) request on FE colleges in England asking for information about the contracts of employment of their teaching staff: https://www.ucu.org.uk/article/8157/Precarious-contracts-in-FE---institution-snapshot
26  https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/ethnicitypaygapsingreatbritain/2019
https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/articles/disabilitypaygapsintheuk/2021