

## AoC response to 2024/25 pay claim

**07 October 2024**

*At our meeting on 20 May, we responded to your 13-part claim. Our response today remains unaltered with the exception of aspect one of the claim – that relates to pay:*

**A 10% or £3000 increase in pay, whichever is greater. This is a first step to restore more than the 40% cut in real pay for FE staff over a decade.**

*Our updated response to that part of the claim is set out below.*

In our response to this part of the Joint Unions claim in May, we were clear that after 14 years of punishing funding cuts, college pay is far below where we believe it should be and needs to be.

In the short term, for 2024/25, we also made it clear that we would wish to at least make a pay recommendation that mirrored the school teachers pay award. At that time, the School Teachers Pay Review report had not been published. Following the summer general election and a new government, the Chancellor announced, on 29 July, that it would fund the STRB recommendation for a pay rise for school teachers of 5.5% from 1 September 2024.

As you are aware, teachers in further education and sixth form colleges were excluded from this announcement. This decision extends the already considerable gap between school and FE salaries and does nothing to address the issues you highlight in your claim.

Over the past two months, the Association of Colleges and individual college leaders have made strenuous efforts to lobby government for appropriate funding so that the school teachers pay award can be extended to further education as it was in 2023.

You will be aware that 173 college leaders have written, jointly, to the Chancellor on this and other funding issues. Direct meetings with MPs and ministers, locally and at the Labour Party conference last month, have sought to bring the issue of pay to the widest audience.

Further it is of note that the Secretary of State for Education, Bridget Philipson, is chairing a new social partnership body with employers (including AoC) and the unions covering schools and colleges. This will launch in January 2025. There are three priority areas of work that this new body is focusing on - workforce, SEND and accountability. A working group is being convened on each, and we will work closely with union and government colleagues to make as much progress as we can. The workforce subgroup will not replace or duplicate the pay arrangements in schools and colleges but will seek to make progress in a range of issues, including workload. The work that has been carried out in schools may help us make progress for colleges.

Also, the recent letter to the STRB from the Education Secretary asks the STRB to consider the impact of its recommendations on the FE workforce. This is a very helpful step and will allow DfE to provide evidence of the pay, recruitment and retention challenges in college alongside that of schools. The contrast will be stark and should help us put even more pressure on DfE and on Treasury to address the pay gap. We should expect that the new pay review body for other staff in schools might be asked to have the same consideration of pay in colleges. David Hughes and Gerry McDonald, Chair of AoC Employment Policy Group have written to the Chair of the STRB to offer assistance.

The Chancellor will deliver her first budget on 30 October with a further fiscal event in Spring 2025. We have taken the view that it would be unhelpful to delay a pay recommendation to the sector today in the hope that either of these two events addresses the current and urgent issue of pay. It is worth noting, however that the AoC's submission to Treasury ahead of the Budget makes clear that pay is a barrier to the government achieving its broader goals for the skills system with a request for £250m to ensure the pay gap between schools and colleges does not get any bigger.

We will also continue our work to influence the government's spending review, which is due to report in the spring of next year. For that we will make a much more ambitious bid for mainstream college funding which enables colleges to make progress to closing the pay gap with schools and with industry. The college pay position is not justifiable, other than by reference to the inadequate funding colleges have had to live with. Our work nationally will continue to make the case for a step change in college pay both because it is fair and right to do so, but also because colleges are central to delivering the government's missions and ambitions, and without better pay, colleges will struggle to step up.

Given this context, we wish to make a pay recommendation today for all FE staff which is above both inflation and above the 1.9% increase to 2024/25 funding rates for 16-18 year olds. The recommendation will be challenging for some colleges, particularly those with high volumes of adult provision or other financial pressures.

Our recommendation for the 2024/25 academic year is 2.5% or £750, whichever is greater.

Should our collective pressure, whether that be through lobbying or influence, be successful in the current academic year, we would seek to reconvene and consider the issue of pay again. In the circumstances that additional funding is received by the sector we would envisage making a further recommendation on pay with an expectation that colleges use such funding exclusively for pay.