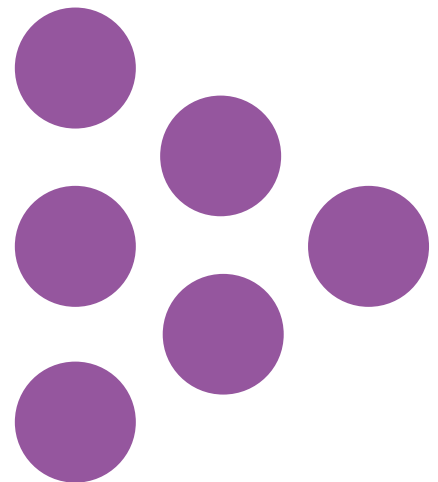

Report

Building a stronger FE college workforce

How improving pay and working conditions can help support FE college teacher supply

National Foundation for Educational Research (NFER)



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How improving pay and working conditions can help support FE college teacher supply

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Executive Summary

Context and background

Further education (FE) plays a key part in the post-16 educational landscape in England in delivering technical and academic education that is vital to the country’s supply of skilled workers. Yet, despite this importance, the sector has been facing significant challenges in recent years, including critical staff shortages in some subject areas. Data and research on FE teaching staff shortages, including their main causes, is limited. However, the available research points towards a deterioration in real-terms pay for FE teachers, and the resulting emergence of pay gaps with industry and teachers in other settings, as a likely contributor.

This research, commissioned by the Gatsby Charitable Foundation, utilised a mixed-methods research design to build upon existing literature and provide new insights on the FE workforce, including estimates of the magnitude of pay disparities between FE teaching and industry. The research also explores other factors that may impact on recruitment and retention, alongside pay.

As this was an exploratory research project, its scope was focussed specifically on the technical education routes where the research suggests both pay gaps for FE teachers relative to ‘outside’ industry occupations (Lake *et al.*, 2018) and unfilled vacancy rates are the highest (DfE, 2023c): (1) Construction and the built environment, (2) Engineering and manufacturing and (3) Digital.

The project involved the collection of interview data from teaching staff and heads of departments in our focus subjects working in general FE colleges. We then conducted analysis of secondary data to contextualise and support the main qualitative findings from the interview data. The primary data collection focussed specifically on FE colleges located in the North East, South East and the West Midlands as these regions cover a variety of different labour market contexts. Future research in this area could take a similar approach while expanding the focus of the study to consider other subject areas, types of institutions and/or regions.

Key findings

Overall, our research highlighted many of the positive aspects associated with teaching in FE colleges. Teachers and Heads of Department that we interviewed reflected on how teaching is inherently fulfilling. Some also mentioned a number of benefits that they viewed as attractive – primarily the substantial holiday allowance and pension, as well as the opportunity to work more locally and maintain a better work-life balance (particularly compared to the irregular hours of the Construction industry).

However, both our interviewees and the secondary data confirmed that recruiting and retaining sufficient numbers of high-quality FE teachers with the appropriate experience in Construction, Engineering and Digital is a significant challenge. Our findings showed that there are often numerous barriers standing in the way of people being willing and/or able to enter and remain in an FE teaching role.

Key Finding 1: The combination of skills shortages within Construction, Engineering and Digital and the pay differential with both industry and other education roles places FE at a disadvantage for both recruitment and retention.

Our interviewees reported perceiving earnings in FE teaching to be lower than what they would generally receive in industry. This perception was supported by the secondary data, which showed that median earnings for FE teachers tend to be lower than median earnings in industry.

We estimated that, in 2021, median earnings for full-time Engineering and Digital FE teachers were about 11 per cent lower than median earnings in relevant industry occupations, while median earnings for Construction FE teachers were about three per cent lower than in comparator occupations in industry.

Limitations to the data sources available to researchers meant that we were unable to consider self-employment earnings in our comparator occupations in industry. Data suggests that earnings can often be higher in self-employment than in employment in the Construction trades (Hudson Contract, 2023; ONS, 2024b), which could have led to an underestimation of the earnings gap for Construction teachers.

The size of the earnings gap depended on numerous factors such as an FE teacher’s subject, region, level of experience and whether they would be self-employed in industry. However, the disparities were large overall and have grown significantly in the last decade.

Our research also suggested that, in 2021, FE teachers tended to earn 23 per cent less than those who work elsewhere in the education sector, similar to existing estimates of the gap in earnings relative to school teachers (Sibieta and Tahir, 2023). This was based on occupations that our interviewees reported FE teachers would commonly move into after leaving FE teaching (e.g. specialised technical training, HE and secondary schools).

Interviewees emphasised that the cost-of-living crisis has increased the significance of this pay gap as individuals are more reticent to take perceived financial risks.

Key Finding 2: The financial responsibilities of younger workers mean they are generally less able to take the pay cut to move from industry into FE, driving an ageing workforce.

Interviewees reported that widening industry earnings disparities have made it more challenging to recruit new FE teachers from industry, particularly for potential recruits not already nearing the end of their careers. This contributes to an increasingly ageing workforce and worsening retention due to higher retirement rates.

Key Finding 3: FE salary bands are narrow, limiting opportunities for pay progression – particularly where unqualified teachers are recruited straight from industry at the top of the band to reduce the pay gap.

Interviewees reported that colleges often mitigated against low pay by recruiting teachers from industry at the top of the FE teacher pay scale, thereby limiting future pay progression. This was supported by the secondary data, which suggested that Construction and Engineering teachers with no prior experience in an FE teaching role tended to earn more than inexperienced teachers in other subjects, but also tended to hit an ‘earnings ceiling’ more quickly.

Placing new recruits at the top of the pay scale, alongside successive below-inflation pay rises for FE teachers over the last decade, has translated into lower pay progression in FE teaching than in industry. Our analysis showed that the earnings disparity between FE teaching and relevant occupations in industry was significantly larger when comparing top earners (i.e. those at the upper quartile of earnings) in FE teaching with top earners in industry. While it may be unrealistic for FE colleges to match the level of pay for top earners in industry, interviewees noted that the relative lack of progression opportunities in FE colleges compared to industry created challenges for retention, particularly for more experienced teaching staff.

Key Finding 4: Offering higher pay to support recruitment feeds poor retention by creating pay inequalities that lower staff morale.

Recruiting new staff from industry at the top of the FE teacher pay scale also affects the morale of existing staff. Interviewees reported that new recruits would often be paid the same as or more than experienced staff for the same role, negatively affecting the job satisfaction of their colleagues.

Key Finding 5: FE teachers consider their workload to be excessive and inappropriately centred on unfulfilling administrative work.

Interviewees reported that teaching staff have too many, and constantly changing, administrative responsibilities, contributing to an unmanageable, stressful and unfulfilling workload. This was often perceived to be a surprise for new recruits coming into teaching from industry. Several interviewees also emphasised that it is the relationship between workload and pay that is problematic – that is, that they are not adequately compensated for their level of responsibility and amount of work that they do. This feeds into poor retention, as well as a poor reputation of the role, exacerbating challenges around recruitment.

Key Finding 6: The pressures placed on new recruits with inadequate support drives high turnover in the initial period after entering the FE sector.

Some interviewees noted that, due to existing staff shortages, new recruits were often not provided with the level of support they needed to settle into their new role in FE. Data shows that FE teachers are most likely to leave teaching in the first few years of their career (DfE, 2021), which this lack of support could be contributing to.

Key Finding 7: Student behaviour and mental health can be a challenge for retaining new FE teachers, and this has been exacerbated by the pandemic.

Some interviewees reported that students' behaviour and mental health have deteriorated since the pandemic, which has added to the existing workload pressures for staff. This challenge then feeds into broader job dissatisfaction – particularly for those who felt they did not have the adequate support or tools to address the challenge.

Recommendations

Overall, our findings from this research show that the teacher supply challenge in FE is not dissimilar to that facing schools. However, the challenges in FE have been exacerbated by real-terms funding cuts and a historical lack of policy focus on the FE workforce. Our research therefore points towards several recommendations that could help address issues contributing to staff shortages.

Recommendation 1: We recommend that Government continue to increase funding to the FE sector to help colleges, at a minimum, match FE teacher pay with that of school teachers.

Our analysis shows that FE teacher pay has grown increasingly uncompetitive compared to both industry and teachers in other educational settings, which our interviewees reflected felt incommensurate with the level of workload and responsibility expected from them.

It is unlikely to be realistic or practical for FE colleges to match teacher pay with industry, due to the wide variety of jobs and significant variation in pay across sectors, working patterns and regions. However, our analysis shows that occupations in industry are not the only ‘outside option’ available to FE teachers looking to earn more outside of the profession. Many FE teachers leave their role to move into HE lecturer, specialised vocational instructor or state sector secondary teacher roles, where they can also often earn more.

Matching FE teacher pay with pay for teachers working in secondary schools, a role which interviewees perceived to involve a similar workload and level of responsibility, would therefore be a good starting point. Our analysis suggests that this would be an important contributor to addressing both the recruitment and retention challenge. However, this would require an increase in funding to the sector from Government to be affordable for colleges.

Recommendation 2: Colleges should consider how they can help recruit and retain more teaching staff from industry, by improving onboarding procedures for new staff and by better promoting the positive lifestyle benefits of the role to potential recruits.

Colleges also have a role to play in helping to recruit and retain sufficient teaching staff. Our interviewees emphasised that teaching in FE brings many positive beyond when compared to industry, such as the satisfaction teachers receive from working with young people and, in comparison with some industries, better pension benefits, holidays and the ability to work locally.

These benefits can, to some degree, compensate for the pay cut that potential recruits may have to face if they leave industry for FE teaching. Therefore, colleges facing constraints on the salaries they are able to offer new recruits should consider how they can maximise use of the positive lifestyle benefits that the role can offer to aid in their recruitment of new teaching staff.

On the other hand, our interviewees also reflected varied practice in how colleges’ recruitment procedures support new teaching staff, perceiving insufficient support as linked to high turnover for new recruits. Colleges should therefore consider if, and how, they can reform their recruitment and onboarding procedures to provide better support to new staff.

Recommendation 3: We recommend that Government devise a long-term evidence-based strategy and concrete resources to help reduce FE teacher workload, similar to what exists for schools. This strategy should be informed by further research on how improving working conditions can help support FE teacher supply, including by collecting qualitative and quantitative data on teacher workload.

Our research suggested that challenging working conditions (high workload, insufficient support for new staff members, student behaviour challenges, etc.), which can feel incommensurate with pay in the role, is a crucial contributor to poor retention.

The situation in FE is comparable to the state primary and secondary education sector, insofar as the challenge around working conditions has grown significantly worse post-pandemic. However, in contrast to the state primary and secondary education sector, there is an overall paucity of research on how working conditions impact FE teacher supply, as well as a lack of government guidance or support around how to address it. Indeed, while the Government now provides rich annual data on teacher workload for state-sector primary and secondary teachers (based on the Working Lives of Teachers and Leaders survey), there is no equivalent source of either quantitative or qualitative data on workload for FE teachers.

Understanding these challenges within the FE context is crucial, in order to take account of the additional complexities around industry-specific recruitment practices and the impact of the pandemic on the FE sector.

Collecting data on FE teacher workload should be part of the wider strategic focus on how tackling high workload in FE can help with recruitment and retention of staff. This should match the emphasis on data collection and support for primary and secondary teachers.

Recommendation 4: The long-awaited FE Workforce Data Collection is a welcome new source of data on the FE teaching workforce. We recommend that Government continue to support improvements to future waves of data.

While quantitative data to inform teacher supply policy has been well-established for primary and secondary education for over a decade, it has only recently become available for the FE teaching workforce. The long-awaited FE Workforce Data Collection (FEWDC) is a welcome new source of data on the FE teaching workforce, but there are still opportunities for further enhancements to ensure its longstanding value and ability to track trends over time.

For instance, achieving higher response rates would help improve the representativeness of the data, especially for vacancies. In addition, greater consistency and coverage in how roles, years of experience and other characteristics are coded in the data would help provide even more valuable information about how pay varies across the workforce.

Finally, the way in which staff members are identified in the data should be further developed to enable tracking of the same staff member over time, as well as the identification of staff members who work at multiple colleges. This will be essential for understanding the patterns of how staff work across different institutions and, once additional waves of data are available, for analysing retention rates. Improved staff identifiers are crucial to ensure the data has the potential to offer insights similar to those available for school teachers.

1 Introduction

1.1 Background and policy context

Further education (FE) plays a key part in the educational landscape in England in delivering technical and academic training to post-16 students. This is of critical importance given the ongoing and worsening skills shortages in England in many highly-skilled industries such as the construction trades (Winterbotham *et al.*, 2020). The technical skills training programmes provided by the FE sector are seen as one potential solution to the skills shortage challenge (Edge Foundation, 2023).

The FE sector also plays a key role in social mobility more generally, by helping students from disadvantaged backgrounds progress into the labour market and into higher education (HE). Around half of FE students are in the bottom two material deprivation index (MDI)¹ quintiles (DfE, 2022). Research shows that students from disadvantaged backgrounds are more likely to attend FE colleges than sixth form colleges, and those who do are more likely to continue into HE as compared to their disadvantaged sixth form peers (Lisauskaite *et al.*, 2021).

According to the Association of Colleges (AoC), in 2023 there were 225 FE institutions in England, the majority (158) of which were general FE colleges (Association of Colleges, 2023c). General FE colleges typically have a wide range of provision for both young people and adults, across a breadth of disciplines, and ranging from foundation learning to higher education. FE colleges typically deliver qualifications up to level 3 (e.g. A-levels and T-levels), but can also award qualifications at higher levels (e.g. Higher National Certificates (HNCs) and Higher National Diplomas (HNDs)). In addition, FE colleges play a key role in the delivery of apprenticeships, particularly at levels 2 and 3. The FE sector has been at the forefront of key reforms in technical education in recent years, such as the delivery of T-levels.

Despite the important role FE plays in post-16 education and training, the sector has been facing significant challenges in recent years, including teacher shortages. Data from the AoC shows that, in 2022, there were an estimated 6,000 vacancies for teaching and support staff at FE colleges, with an average of 30 unfilled vacancies per college (Association of Colleges, 2022).

Evidence indicates that these staff shortages have been driven partly by poor recruitment into FE. Data from the Education and Training Foundation (ETF), which ran the Department for Education's (DfE's) flagship Taking Teaching Further (TTF) FE teacher recruitment programme until 2022/23, suggested that recruitment into FE teaching training programmes was below target in each year the programme operated (Patel, 2023).

High leaving rates also drive FE teacher shortages. Data from the DfE shows that over half of the FE teachers who entered the profession in 2014/15 left within five years (DfE, 2021). This was 60 per cent higher than for primary and secondary school teachers who entered teaching in the same year (DfE, 2024c). Staff churn between institutions is also relatively high – data from the 2019 College Staff Survey shows that, among FE teachers leaders surveyed, 13 per cent had moved

¹ The MDI is a direct measure of poverty that reflects an individual's ability to afford a set of items deemed to be necessary for a minimum standard of living.

college within a year, and 46 per cent of movers had been in their original college for less than three years. This is higher churn than in HE but lower than for primary and secondary schools (Thornton *et al.*, 2020).

Research shows that, for school teachers, the competitiveness of pay compared to jobs outside of teaching is linked to recruitment and retention (Dolton and van der Klaauw, 1999; Hansen *et al.*, 2004). The same is likely to also hold true in FE, where falling FE teacher pay may be contributing to the recruitment and retention challenge.

Unlike in primary and secondary schools, pay for FE college teachers is not set directly by Government. Instead, the AoC provides recommendations on FE teacher pay to its member colleges, but colleges are responsible for setting pay scales themselves. The AoC bases its pay recommendations on the amount of funding Government commits to providing for FE each year alongside what the AoC deems to be generally affordable for college budgets.

Funding for the FE sector from Government has, however, fallen significantly in real terms in the last decade. In the 2023/24 academic year, Government funding per student in FE colleges is projected to be about £7,100. This is higher than for sixth-form colleges, mainly because FE colleges tend to have higher proportions of disadvantaged students and students studying technical subjects, which attract higher funding rates. However, FE college funding was eight per cent lower in real terms compared to 2013/14 – even after a significant increase in funding from 2020/21 (Drayton *et al.*, 2023).

The DfE have announced that 16-19 funding rates for students in 2024/25 are to rise by 1.9 per cent compared to 2023/24 (DfE, 2024a). However, analysis by the AoC suggests that this funding increase is likely to constitute an effective decrease in funding given the effect of inflation and a 40 hours per year increase in teaching time requirements for teachers (Association of Colleges, 2024b).

In line with this long-term real-terms decrease in funding to the FE sector, pay for FE college teachers has also fallen in real terms over the 2010s. For the 2023/24 academic year, the AoC recommended an FE teacher pay rise of 6.5 per cent (Association of Colleges, 2023a). This was the highest recommended pay rise in 15 years and matched the pay rise offered by the DfE to primary and secondary teachers (Drayton *et al.*, 2023). However, the AoC's 2023/24 pay recommendation has not reversed the cumulative deterioration in pay FE college teachers have experienced since 2010/11. Research shows that the AoC's recommended FE teacher pay has fallen by 18 per cent in real terms since 2010/11 (Sibieta and Tahir, 2023). Furthermore, the Government has accepted the recommendation to provide school teachers with a 5.5 per cent pay rise for the 2024/25 academic year, but this recommendation was not extended to college teachers (Patel, 2024).

Colleges are under no obligation to follow the AoC's guidance on pay, and existing evidence suggests that, between 2018/19 and 2020/21, about a third of FE colleges did not raise teacher pay at all (Sibieta and Tahir, 2023). Staff at a significant proportion of colleges may therefore have experienced a pay cut of more than 18 per cent in real terms over that period.

A real-terms deterioration in FE teacher pay has led to the emergence of pay gaps between teachers in FE and teachers in schools.² Research shows that, in 2022/23, median earnings for FE teachers were £7,000, or 21 per cent, lower than median earnings for state-sector school teachers (Sibieta and Tahir, 2023). This gap is likely to have been exacerbated both by the rise in teacher starting salaries to £30,000 (which took effect in 2023/24) and the 5.5 per cent teacher pay rise for 2024/25.

Research also suggests that pay gaps have emerged between FE teaching and industry, and are the largest for FE teachers in Construction, Engineering and Digital (Lake *et al.*, 2018). The existing literature in this area is limited, however, and does not provide robust estimates of the magnitude of industry pay disparities, nor does it explicitly draw any links between pay gaps and ongoing staff shortages in FE. Data from the DfE’s FE Workforce Data Collection (FEWDC), published for the first time in 2023, also shows that unfilled vacancy rates in these subjects tend to be significantly higher than for other subjects, indicating that many colleges appear to struggle to recruit and retain sufficient numbers of teachers in these key subjects.

At the same time, colleges report that demand by students for courses in Construction, Engineering and Digital continues to grow, outstripping the capacity of many colleges to deliver training in these areas. Analysis shows that around half of colleges have introduced extra courses in Construction, Engineering and Digital subjects to meet demand, while other colleges report resorting to waiting lists for students to register on courses in these areas (Association of Colleges, 2023b).

The DfE has responded to shortages of FE teachers in these subjects by increasing the value of financial incentives to attract more people into teaching in the subjects most chronically in shortage. For instance, in 2023/24, eligible Mathematics, Science, Engineering and manufacturing and Computing trainees were able to receive a tax-free £29,000 bursary to cover their training cost, a £3,000 increase from the previous year (DfE, 2023b). Bursary increases have been shown to have a significant impact on secondary teacher recruitment (McLean, Tang and Worth, 2023) and while no robust evidence currently exists for the FE sector, it is likely that bursary increases will similarly also have a positive impact on FE teacher recruitment.

The DfE also announced that, in 2024/25, the Levelling Up Premium would be extended to FE teachers for the first time, with eligible FE teachers in the first five years of their careers teaching priority subjects in disadvantaged schools able to receive up to £6,000 per year tax free. The Levelling Up Premium is targeted towards subject areas which are deemed to be most in shortage, such as Construction, Engineering and manufacturing, Science and Mathematics (DfE, 2024b).

Pay is likely to be only one of many contributing factors to growing FE staff shortages. For example, research shows non-pay factors such as workload also have an impact on retention. Data from the University and College Union’s (UCU) 2021 Workload Survey showed that staff in FE colleges reported that they performed two days of unpaid work every week, while 41.6 per cent of college staff described their workload as unmanageable (University and College Union, 2022).

² We use the term ‘school teacher’ in this report to refer to teachers in state primary or secondary schools. Independent schools are excluded from this.

Research shows that high workload is a key reason why school teachers leave the profession (Lynch *et al.*, 2016; Adams *et al.*, 2023). This is likely to hold true in the FE sector as well, contributing further to shortages of FE teaching staff.

Cost pressures for FE colleges, alongside falling Government funding for FE, led the AoC and Members of Parliament to call on the Government to review and improve 16-19 funding in the summer of 2023 (UK Parliament, 2023). The AoC published a series of reports in 2023 and 2024 outlining recommendations to Government to make the system ‘fairer, more efficient and more effective’ (Association of Colleges, 2023d, 2024a). In spring 2024, the AoC also published a series of detailed policy papers outlining recommendations across a number of topics, including workforce. The workforce recommendations included promoting broader knowledge of the FE workforce through strategic marketing, ensuring education is included as a priority sector in local skills improvement plans (LSIPs), closing the pay gap between FE teachers and school teachers, and providing more funding for staff development and up-skilling (Association of Colleges, 2024c).

In July 2023, Government announced a funding increase for FE colleges totalling £185 million and £285 million in the 2023/24 and 2024/25 financial years respectively (Education and Skills Funding Agency, 2023). The higher funding rates are intended to help support providers with teacher recruitment and retention and were provided to FE colleges alongside the £900 million additional funding allocated to schools to help with the costs of the 6.5 per cent pay award for school teachers.

The DfE has committed approximately £150 million per year to be used to double the rates of the Levelling Up Premium and to fund its expansion to cover all FE colleges in addition to state-sector schools (DfE, 2023a).

This additional funding may help to slow the slide in real-terms pay that FE teachers have experienced over the last decade, and therefore improve FE teacher recruitment and retention. However, it remains to be seen to what extent these reforms will help to improve the competitiveness of FE teacher pay.

1.2 Motivation for this research

Existing research into the FE teacher workforce is limited, and there is an even more limited evidence base on how FE teacher pay compares to pay in occupations outside of FE teaching. There is a clear need to address this gap to support a better understanding of the factors underpinning FE teacher shortages and, in particular, to highlight how pay may relate to staffing shortages.

The existing analysis on pay gaps has key methodological limitations and calls for further research in the area. This report, commissioned by the Gatsby Charitable Foundation, aims to build upon existing research to provide rich new insights on the FE workforce, including new estimates of the magnitude of pay disparities between FE teaching and industry. The research also explores the wider FE teacher workforce landscape to help contextualise how pay relates to other factors such as workload, which are also linked with recruitment and retention.

This is an exploratory research project, utilising a mixed-methods design. The research design involved gathering primary data to explore the main themes in the FE teacher supply landscape,

supported by extensive analysis of secondary data sources. We provide further details on the methodology for the project below.

1.3 Methodology

This mixed-methods research design combined primary data collection with analysis of secondary data sources. Secondary data sources focussing on the FE sector are sparse, so primary data is a crucial source of information about the experiences of FE teachers, in addition to helping to support and contextualise our secondary data analysis. We used the primary data collection to identify comparator occupations, to understand teachers' motivations to enter and stay in FE teaching and to determine how pay and other factors interacted with each other to affect overall teacher shortages.

Our primary data collection involved a sample of 61 FE college Heads of Department and teachers who may not necessarily be representative of FE teachers as a whole. We therefore used the secondary data analysis to assess whether the selection of 'comparator' occupations and perceptions of pay disparities with industry were generalisable to the wider population of FE teachers in our focus subjects and regions.

As this was an exploratory research project, its scope was focussed specifically on the subjects where the research suggests pay gaps for FE teachers relative to 'outside' industry occupations are the largest (Lake *et al.*, 2018) and where data indicates unfilled vacancies are the highest (DfE, 2023c): (1) Construction and the built environment, (2) Engineering and manufacturing and (3) Digital.

The primary data collection focussed on general FE colleges located in the North East, South East and the West Midlands. These three regions were chosen as they cover a variety of different labour market contexts across which industry earnings may vary. Future research in this area could involve using a similar approach while expanding the focus of the study to consider other subject areas, types of institutions and/or regions.

1.3.1 Primary data collection and analysis

We aimed to engage all FE colleges in the three regions in the study. Project stakeholders disseminated information about the research project to encourage engagement. We identified target colleges and potential interviewees via these networks and, where necessary, through additional internet and social media searches. We conducted semi-structured remote interviews via Microsoft Teams with teachers and Heads of Departments who agreed to participate in the research.

In total, we interviewed 34 teachers and 27 Heads of Department from Construction (and the Built Environment), Engineering (and Manufacturing) and Digital departments in 23 colleges. The number of teachers we interviewed was evenly spread across departments and regions. However, due to study recruitment challenges, we interviewed about three times as many Heads of Construction compared to the other two subject areas. We also interviewed significantly fewer Heads of Departments in the South East than in the other regions.

Most Heads of Departments that we interviewed had worked in FE for 10 or more years. FE experience for the teachers we interviewed varied, though the majority had between five and 15 years of experience. We discuss other key characteristics of the interviewees in more detail in Appendix A in the accompanying technical appendix published alongside this report.

Interviewees were asked about the benefits and drawbacks of working in FE, the roles they had undertaken or would consider in industry, and their views on FE teacher recruitment and retention more generally. The interview data was then analysed thematically using a combination of deductive and inductive coding.

Interview data was also used to develop the list of ‘comparator’ industry occupations for FE teaching - that is, roles that FE teachers in these three departments would commonly come from or move into. We asked interviewees to give the specific job roles in industry that they had come from or might go into if they considered leaving FE, as well as roles that former colleagues had transitioned into. The roles that interviewees reported were then matched to a Standard Occupational Classification (SOC) code, which played a key role in our analysis of earnings in comparator occupations.

1.3.2 Secondary data analysis

Analysis of secondary data on FE teacher pay and vacancies

We supported our qualitative analysis with quantitative analysis of data from the FEWDC. The first wave of FEWDC data (for the 2021/22 academic year) was published in summer 2023 and provides a valuable new source of quantitative data on the FE teacher workforce. The second wave of FEWDC data became available in summer 2024 after the analysis for this report had already been completed.

The FEWDC is split into three modules: covering teacher contracts, staff vacancies and colleges’ governing bodies. We analysed the contracts module to provide supporting data on the characteristics and pay of FE teachers in the three focus subjects and to compare with other subjects.

We also used the FEWDC to show how FE teacher pay varied across numerous dimensions such as region, role and a teacher’s years of FE and industry experience. Finally, we analysed the vacancies module to provide supporting data on how the average number of vacancies for teachers in our key focus subjects compared to other subjects and how the number of vacancies differed across regions.

While responding to the FEWDC is a statutory requirement, response rates were less than 100 per cent for all types of FE providers. For general FE colleges, the response rate for the staff survey was more than 97 per cent, which was sufficiently high to draw generalisable conclusions from the analysis. The DfE indicates, however, that the response rate for the vacancies survey for 2021/22 was about 74 per cent (DfE, 2023c). We therefore re-weighted the vacancies data to make it more representative of the general FE colleges who responded to the contracts module survey. Details on the re-weighting are provided in Appendix B in the accompanying technical appendix.

Alongside response rates, there were also some quality issues with other key variables used in the analysis. We discuss these issues in more detail in Appendix B.

Occupational transitions in the Annual Survey of Hours and Earnings data

We used data from the Annual Survey of Hours and Earnings (ASHE) to cross-reference with feedback from interviewees about the occupations FE teachers often transitioned into and out of. Our analysis of the ASHE data helped to ensure that the list of ‘comparator’ occupations was representative of the wider population of FE teachers in both the focus departments and regions.

The ASHE is a survey dataset collected by the Office for National Statistics (ONS) which can be used to analyse flows of people into and out of different occupations. We provide more detail on the structure of the survey in Appendix B. At the time we undertook the analysis, ASHE data was available to us for the years 1997 to 2021. We used this full set of years to identify FE teachers using occupation and industry codes. See Appendix B for further details on how we identified FE teachers in the ASHE data.

Our main sample consisted of 3,451 FE teachers in the ASHE, of which we identified 1,144 who had left FE teaching and were working in another job within one year.³ We identified the occupations that were the most common for FE teachers to be working in during the two years after they left teaching, and which were the most common occupations that individuals were working in during the year prior to becoming an FE teacher. We reported the most common destination occupations at the three-digit SOC code level and compared this list of occupations to those reported by our interviewees. We did this separately by subject specialism where possible. However, the ASHE data does not record the subject specialism of FE teachers, so we inferred subject specialism where possible. There were considerable limitations to this approach, which we outline in more detail in Appendix B.

Earnings disparities between FE teaching and industry

To compare disparities in earnings between FE teaching and industry, we initially limited the range of comparator occupations to those reported to us by interviewees. We then added additional occupations to this list where the ASHE data suggested they were common occupations for FE teachers to transition into or out of they were not mentioned in the interviews. This identified mainly lower-skilled administrative occupations.

We also excluded some occupations from the list where the ASHE suggested transitions between FE teaching and these occupations were particularly rare. These discrepancies - where transitions into comparator occupations were identified by interviewees but not mirrored in the ASHE – were mainly cases where self-employment is particularly prevalent in an occupational group, and hence not picked up in ASHE (for example, plasterers). We discuss how we derived our list of comparator occupations, and provide the list in full in Appendix B.

³ This does not include those who retired from FE, who moved into self-employment, who exited the labour force or who moved into a job where their new employer did not respond to the ASHE survey.

Using our full list of key comparator occupations, we then estimated median and upper quartile earnings in industry comparator occupations for each year from 2011 to 2021.⁴ We discuss how we estimated earnings in comparator industry and education occupations in Appendix B.

We generated an additional estimate of region-specific earnings in comparator occupations, following the same methodology and including the same occupations as our overall estimates. We also estimated earnings in other education-related occupations, following the same general methodology as for comparator industry occupations, but focussing on the relevant education comparator occupations from the interviews and the ASHE analysis. We outline the full list of comparator education occupations in Appendix B.

Our estimates of industry earnings necessarily excluded self-employment earnings as these are not observed in the ASHE. This exclusion likely contributed to an under-estimate of earnings in Construction comparator occupations. We discuss self-employment earnings (including existing data sources) in more detail in Appendix B.

The final component of our measure of industry earnings disparities is an estimate of earnings in FE teaching. We derived a measure of earnings for FE teachers over time by combining data from the DfE Teacher Pension Scheme data and the FEWDC, which covered the 2021/22 academic year. This was a similar approach to that used in the existing literature (Sibieta and Tahir, 2023).

These were not the only available sources of historical data on FE teacher earnings. We discuss the advantages and disadvantages of different data sources covering FE teachers in Appendix B.

1.4 Limitations

There are limitations inherent in our analysis. Sample sizes used in our primary data analysis were small, but our findings from the primary data were largely supported by findings from our analysis of secondary data, providing confidence that our overall conclusions are generalisable. However, instances where our qualitative findings were based on a sub-sample of interviewee respondents – for example comparisons between departments or regions – should be treated with caution.

There were also limitations inherent in our secondary data analysis. Response rates to the FEWDC vacancies data were lower than for the staff contracts data. While we re-weighted the vacancies data to account for this as much as possible, the analysis may still not be fully representative of all FE colleges in England.

In addition, the absence of self-employed workers from the ASHE meant that we were unable to estimate how self-employed earnings in our key comparator occupations differed from earnings in employment. This was particularly relevant for Construction FE teachers, who were reported to be more likely than teachers in the other subjects to leave FE teaching for self-employment and may have led us to under-estimate earnings in comparator Construction occupations. We discuss earnings in self-employment in more detail in Appendix B.

⁴ Including years before 2011 would have involved mapping SOC 2010 codes back to SOC 2000 which can be challenging where some occupations (particularly Digital occupations) did not exist in the older coding framework.

The absence of self-employment data in the ASHE also meant that we were unable to use it to analyse the number of FE teachers who left FE to move into self-employment. Whilst this did not have any impacts on our main estimates of industry earnings disparities, it meant we could not verify the findings from our primary data collection about the prevalence of self-employment outside of FE teaching.

We also faced numerous challenges in inferring FE teachers' likely subject specialisms, due in part to the lack of ASHE data on self-employment but also more broadly due to the wide variety of career occupations FE teachers worked in prior to becoming an FE teacher. We discussed how we inferred subject specialisms, and the challenges involved in doing so, in Section 1.3.

This had some implications for our measure of earnings in comparator occupations since our analysis suggested a significant 'destination' occupation for FE teachers was lower-skilled administrative occupations (see Appendix B). Challenges with subject specialisms meant that we could not determine how common these occupations were as destination occupations for Construction, Engineering and Digital FE teachers specifically, but we included a small number in our list of comparator occupations due to their overall prevalence.

1.5 Structure of this report

We begin, in Section 2, by summarising our main findings on the general recruitment and retention landscape for FE teachers in Engineering, Digital and Construction departments. While this section mainly incorporates the qualitative findings, we use data from the ASHE to support what our interviewees reported about the typical destination occupations for individuals who leave an FE teacher role. We also highlight what the secondary data and our data from interviewees showed about the scale and impact of staff shortages on colleges' educational provision.

Section 3 summarises our qualitative and quantitative findings around FE teacher pay. In this section, we summarise what the data shows about FE teacher pay, how it varies across subject, role and number of years of experience. We also show how pay for Construction, Engineering and Digital teachers compares to earnings in relevant comparator occupations in industry.

In Sections 4 and 5 we draw out the implications of disparities with industry earnings on FE teacher recruitment and retention, focussing mainly on the insights from our qualitative data. Section 6 offers concluding remarks and recommendations.

This project involved complex analysis of primary and secondary data which may be of interest to other researchers. To keep the size of this report manageable, we provide a detailed discussion of the methodology used in the research in a technical appendix published separately to this main report.

2 FE recruitment and retention in Construction, Engineering and Digital

In this section, we outline our interviewees' perceptions of the overall FE recruitment and retention context. Our interviewees noted that there are numerous aspects of the FE teaching profession that they viewed as attractive. However, overall recruitment and retention of teachers in the sector was perceived to be a significant challenge, leading to intensifying teacher shortages.

2.1 Motivations for entering and remaining in FE teaching

FE teachers are largely motivated by a combination of passion for teaching and the lifestyle benefits that the role offers.

Many interviewees identified a passion for teaching as one of the key factors that motivated people to move into FE teaching and emphasised the fulfilment that they drew from teaching and supporting young people. This passion was often driven by their own positive experiences in education and/or in training/mentoring responsibilities in industry. In cases where interviewees could have chosen to enter university-level or secondary school teaching instead (particularly Digital), they often reported choosing FE because of the age group and type of student. For example, interviewees felt that FE students were at an age where a real impact could be made on their future. It is also quite common for students in FE to have struggled with the format of secondary school, an experience to which some of the interviewees related, and consequently benefitted from additional support from FE teachers in finding a suitable career path.

Other factors also played a role in the decision to teach in FE compared to other phases of education. For example, a few interviewees perceived secondary schools to be stricter environments to work in, demand more marking and that students were less motivated to be there, driving poor behaviour. Others felt that teaching in FE allowed you to specialise more and be more challenged as a teacher, without any of the research demands that would come with a university role.

A passion for teaching was often accompanied by an interest in the lifestyle benefits the role had to offer. In this respect, holidays were the most commonly cited attraction for both recruitment and retention, with one Head of Engineering explaining that this was the primary bargaining chip to attract industry professionals who would have to take a cut in pay (see Section 4). The opportunity to work more locally was also commonly reported as a motivation for entering FE, as this saved both time and money on commuting and travel away from home. A small number of interviewees reported that FE teaching offered them a more flexible schedule and/or the option to work partly from home - although this appeared to be highly dependent on individual college policy and was less applicable in the case of Digital (see Section 5). More holidays and less time spent commuting were lifestyle factors that appeared to be particularly attractive to workers with young families, as they would be able to both spend more time with their family and save on childcare costs. These benefits also appealed to staff at the end of their career, particularly those in Construction and – to a lesser extent – Engineering, as did the appeal of retiring from industry while still having 'something to keep them occupied'.

I came back into education because I am passionate about it. I could have stayed where I was [in industry] whereby my salary would be potentially double what I am earning, but that would have come with a lot of sacrifices, being away from home and not having family.

- Head of Digital

A small number of interviewees reported work-life balance and workplace culture to be motivating factors for entering and remaining in FE teaching – although other interviewees considered these factors to be drivers of high turnover as well. The perception of gaining a better work-life balance appeared to be applicable primarily to construction workers, particularly those who had been self-employed, as they described being able ‘to get their evenings and weekends back’, and knowing when their day would start and finish. Again, this appeared to be particularly important for those with young children, or at the end of their careers.

Several interviewees expressed a preference for the FE workplace culture over corporate culture. For example, one Head of Construction reported that they found the culture in FE teaching to be more supportive, with a greater focus on staff development and wellbeing, as compared to the industry they had come from. Many interviewees identified culture within the department as an important factor for retention more generally, with the potential to offset dissatisfaction with other aspects of the role.

I'm very happy with the team of teachers and colleagues I get to work with, although I can be very dissatisfied with the college in general making strategic decisions that I don't necessarily agree with. It's very much like being in the trenches and working with the people around you and making a success out of whatever madness is thrown your way.

- Digital teacher

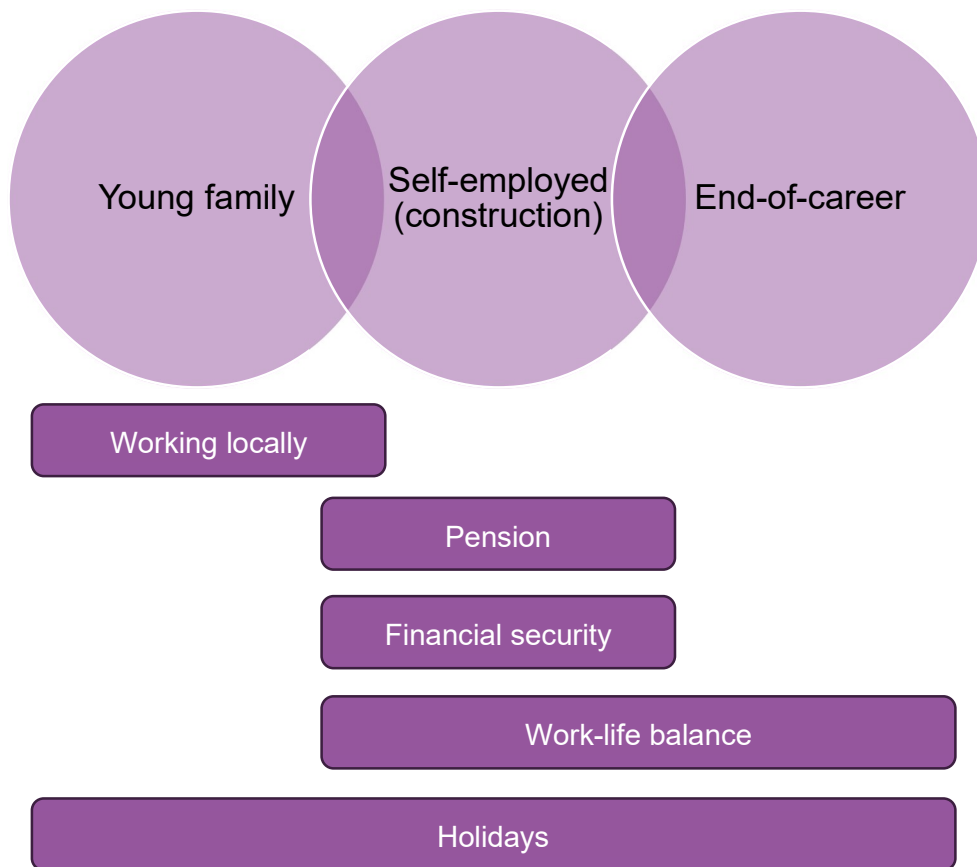
There were contrasting views regarding learning and development opportunities in FE compared to industry. Some interviewees cited funded teacher training opportunities, continuous professional development (CPD) and the possibility of additional responsibilities as elements that attracted them to the role and/or contributed to their job satisfaction, while others perceived a lack of professional development opportunities as a driver for poor retention. Several teachers reported satisfaction with the autonomy of the role, which enabled them to develop programmes, engage employers, undertake additional research and pursue their interests.

Finally, financial considerations were reported to play an important role in both recruitment and retention. The pension offer was the most commonly reported benefit of FE teaching after holidays, particularly among interviewees in Construction. The financial security and stability of the role (including paid holidays and sick leave) was seen by several interviewees to be an attractive element, particularly for individuals coming from self-employed work in Construction, where factors outside their control, like health and weather, could cause a loss of income. It was reported that this stability became particularly attractive during the Covid-19 pandemic, as workload became less predictable in Construction and lay-offs more common in Engineering. Once again, those with young families or at the end of their careers were reported to be particularly drawn to these benefits. The financial security offered by permanent FE teaching roles also attracted people in

other less stable education roles, such as in agencies and private training providers. In this way, several Construction and Engineering interviewees reported that past periods of recession had resulted in an increased interest in FE roles from industry applicants – although it is unclear how applicable this may be to the cost-of-living crisis (see Section 5).

Overall, the findings suggest that the kinds of lifestyle benefits offered by FE teaching are particularly attractive to certain profiles of workers, as summarised in **Error! Reference source not found.** below.

Figure 1 Common profiles attracted to FE teaching and associated motivating factors



Source: NFER analysis of primary data collection

Construction workers (and, to a lesser extent, engineering professionals) experienced the added attraction of FE offering the opportunity to move off-site. One Head of Construction reported that this was the primary motivation for three-quarters of the applicants they interviewed. In these cases, moving into teaching means working inside (where it is clean, warm and dry), and in a role that requires no physical strain. This latter point was reported to be particularly appealing for older industry workers and/or those with injuries or health conditions. A small number of Heads of Construction suggested that the primary reason that plumbing and electrical teachers were the most difficult to recruit was because they did not experience the kinds of conditions that site

workers did. For both Construction and Engineering, cases were reported of older workers looking to move into FE to ‘wind down’ at the end of their careers in what they saw as being a less demanding role.

While these motivations may boost the number of applicants to a particular teaching role, a few Heads of Department reported that they tried not to recruit individuals coming into the sector solely for these reasons, as they did not feel this was the right kind of motivation for becoming a good teacher, and that their retention could be poor. One Head of Construction stressed that FE ‘is not a retirement home for the trade areas’. However, with the staff shortages they are experiencing (see Section 2.4), this Head reported having been forced to recruit even those applicants that they felt were entering the role for the wrong reasons.

Overall, interviewees indicated relatively high levels of satisfaction with their role, with most rating it 3 or above out of 5 (where 1 is not at all satisfied and 5 is very satisfied), and two-thirds rating it 4 or 5. Likewise, most reported that they planned to still be in FE in five years’ time (or until they retired), citing their love for the job, ambitions for senior leadership, learning opportunities, pension, and financial security and stability. For those who were planning or considering leaving FE within this time frame, their reasons included workload and staff shortages, department culture, policy changes, stress, lack of career progression and dissatisfaction with pay.

2.2 Recruitment challenges

Despite the benefits of working in FE teaching highlighted by our respondents, recruitment was reported to be a large and growing challenge for all three departmental areas.

The majority of interviewees across all departments and regions reported recruitment to be incredibly challenging. They shared stories of putting out vacancies up to five times without filling them, having received very few and/or only unsuitable applications – or even no applications at all. Heads of Construction, in particular, reported that some job adverts would be open for months to years at a time.

Even when suitable applicants were found, this was no guarantee of success – with one Construction department offering a plumbing teacher role to eight applicants who all turned down the role for a better offer in industry. Several interviewees felt that the situation had grown significantly worse in the last three to 10 years. At the same time, a small number of interviewees reported a rising demand in the courses their department offers.

These accounts are reflected in the FEWDC data, which shows that among colleges that had at least one Construction teaching vacancy in 2021/22, 86 per cent reported that the vacancy was difficult to fill. Similarly, 83 per cent of colleges with at least one Engineering vacancy reported it was difficult to fill. This was higher than for other subjects outside of Construction, Engineering and Digital, where 79 per cent of colleges reported that vacancies were difficult to fill.

Both Construction and Engineering interviewees reported difficulties recruiting across all subject areas within their department. Over half of the Heads of Construction reported having vacancies in building services (plumbing and/or electrical) at the time of interview, and most reported that this was also the most difficult subject area for recruitment.

I think we're going to get to the stage where we're not going to have any plumbers or electricians if we're not careful. I've got a huge demand for electrical courses, but at the moment I'm really concerned about who's going to teach them.

- Head of Construction

Within Construction, vacancies in bricklaying, carpentry and joinery were also common, and some interviewees considered bricklaying to be a particularly challenging subject for recruitment.

Subject-specific recruitment trends were less clear for Engineering, where vacancies were spread across a range of roles, although some interviewees reported that high-end technology skills such as programme logic controllers were particularly hard to find.

The FEWDC data showed that 51 per cent of colleges with a vacancy in Digital subjects reported it was difficult to fill. This was lower than in Construction and Engineering and indeed lower than the average for all subjects outside of Construction, Engineering and Digital. However, interviewees revealed that there were stark divisions between subject areas in Digital, with the majority of interviewees reporting recruitment to be challenging in the areas of software and networking sides, but less so in hardware.

Level 3 Construction courses were viewed as particularly challenging to recruit for, as interviewees reported that most people in industry would only be trade-qualified up to Level 3, when many FE colleges require teachers to have a trade qualification at least one level above the level they teach. A small number of staff in Digital and Construction also reported concerns about being able to recruit appropriate staff for delivering T-levels, which they consider to be 'bordering on HNC' (a Level 4 qualification).

Views were mixed regarding the potential value of part-time roles as a facilitator for recruitment. Those who said that it was easier to recruit for part-time roles, as compared to full-time, argued that this would often be a route for people looking to try FE teaching without having to commit immediately to the full drop in pay, as they could continue working in industry alongside. Part-time work was also seen as an option for industry workers looking to semi-retire.

Others argued, however, that the pay cut from a full-time industry role was too severe. A few interviewees felt that it was equally hard to recruit for either type of role and that it just depended on the specific circumstances of each individual applicant.

Recruitment challenges mean colleges have been struggling to find suitably qualified and experienced staff.

Several interviewees emphasised the rare combination of qualities, skills, qualifications and experiences that are required for a high-quality FE teacher applicant (see Figure 2).

Figure 2 Profile of a high-quality FE teacher applicant



Source: NFER analysis of primary data collection

Many interviewees reported that very few applicants fulfilled the desirable – or even necessary – criteria to take on the role. Finding applicants with relevant, meaningful industry experience was reported to be particularly challenging, despite many seeing this as essential for FE teaching roles, particularly in Construction and Engineering.

These reports are supported by the FEWDC data, which showed that a lack of relevant industry experience was a relatively common barrier to filling teaching vacancies in Construction and Engineering. Specifically, around three-quarters of FE colleges that had difficulty filling one or more Construction and Engineering teaching vacancies cited candidates' lack of relevant industry experience as one of the reasons for this.

Lack of industry experience was cited by 84 per cent of FE colleges that reported difficulty in recruiting for Digital subjects. This is slightly higher than for Construction or Engineering. However, our interviewees noted that a lack of relevant industry experience was generally less crucial for Digital than for the other two subject areas and both the interviewees and the FEWDC data suggested that recruitment was generally seen to be a little less challenging for Digital than for the other two subject areas.

Interviewees explained that industry experience enables teachers to draw on their own experiences when teaching, which both brings the lessons to life and gives them greater credibility in the students' eyes. Nonetheless, interviewees reported that many applicants come straight from purely academic backgrounds, with one Engineering department reporting that the vast majority of their applicants were recent graduates. Moreover, industry experience must be in the relevant subject specialism – for example, one Head of Digital reported hearing from a large number of applicants with hardware experience when the department's need related to software. In departments like Engineering and Digital, where the technology used in industry is continually

changing at a rapid rate, this experience must also be as recent as possible. A few interviewees mentioned that a substantial proportion of the applications they received came from abroad, often from individuals without the right to work in the UK.

Finding someone with both industry *and* teaching experience and/or qualifications is even more challenging. According to the FEWDC data, around two-thirds of FE colleges that reported difficulty filling a teaching vacancy in Construction and Engineering cited a lack of teaching experience as a reason. This was the case for three-quarters (78 per cent) of colleges with that reported difficulty in filling a Digital vacancy. Lack of teaching experience was the third most commonly cited reason for difficulty filling vacancies, behind only colleges receiving no responses to their job adverts and applicants seeking more pay than the college was offering.

There aren't many people lying under a bath, fixing the bath, who have teaching qualifications, assessor award, etc.
– Construction teacher

A small number of Heads of Department we interviewed explained that neither industry nor teaching experience was listed as a requirement in their job adverts, as they claimed they would not receive any applicants if it was. A few Heads of Department explained that they would recruit new staff without the necessary experience and/or qualifications in teaching and support them to develop these on-the-job instead. In several cases, departments reported 'growing their own', that is, recruiting graduates from their own college (or even current students) to teach at levels 1 or 2. Where industry experience was required, a small number of colleges reported supporting the graduate recruits to gain this experience alongside their teaching work by putting them on apprenticeships or enabling them to work in industry alongside their teaching responsibilities. Others worked to develop the teaching skills of non-teaching staff, such as technicians and tutor-demonstrators, to support them to move into a teaching role.

2.3 Retention challenges

The retention picture was more varied than that of recruitment: some departments observed strong retention, while others reported rapid turnover.

Interviewees presented a more mixed picture in relation to retention compared to recruitment. Many interviewees reported very strong retention in their departments, losing very few staff and largely only to retirement. This appears to be particularly common in Construction. A few other departments reported experiencing 'stable periods' or describing their situation as 'not too bad'.

However, there were also some reports of poor retention, with a small number of interviewees describing their department as a 'revolving door'. For example, one Digital department reported losing 100 members of staff over the past 10 years, and one Construction department 15 over the past two years. In several cases, a workforce that had been relatively stable for some time had suddenly lost a large number of staff members over a short period. However, there were also several reports of a core group of committed long-term staff members, even if there was some turnover beyond this.

Several interviewees reported that it was quite common for recruits from industry to return to industry within the first six months to a year after joining FE. A small number suggested that this

tendency is exacerbated where recruits are head-hunted through an agency, rather than seeking to move into FE of their own volition. This may be, in part, driven by a mismatch of their skills with the demands of the role, as many interviewees reported that agencies often failed to provide staff of the desired quality.

As with the observed trend of recruitment becoming more challenging in recent years, several interviewees reported that turnover rates had been growing worse, with even long-term staff members starting to leave – and not due to retirement alone.

Many interviewees expressed concerns about the ageing profile of their department, and what this will mean for retention over the coming years.

Retirement, including early retirement, was reported to be one of the main reasons for people leaving the FE workforce due to industry workers moving into FE only at the end of their careers. One interviewee noted that the Covid-19 pandemic had accelerated the rate of retirement. Older staff members moving to part-time was also reported to be relatively common.

This finding was supported by our analysis of the FEWDC data, which showed that 61 and 58 per cent of Construction and Engineering teachers respectively were over 50, compared to 43 per cent of teachers in subjects outside of Construction, Engineering and Digital.

The age profile of the team gives me cause for concern because going forward at some point we will probably have nobody.

- Head of Engineering

People leaving an FE role for reasons other than retirement tend to be relatively evenly split between going into industry or into another education role.

Interviewees were asked to share their knowledge of where former FE teaching colleagues in their college had gone on to work after leaving FE teaching.

There was a mixed picture in terms of where staff who left for reasons other than retirement went, with some moving into industry and others into a different education role. There was no clear indication of which of these destination types was more common.⁵ Certain trends could be observed within each of these pathways, however.

In Construction, those who left for industry tended to go 'back onto the tools', usually either to be self-employed or to re-join the company they had just left. A small number of interviewees said staff would go back into managerial roles. Surveying, health and safety, and design consultancy were some of the other, less commonly mentioned roles .

⁵ The FEWDC data also showed that the proportion of FE teachers who resigned from their teaching job in 2021/22 and went into another teaching job versus industry was relatively similar. However, there were potential data quality issues with this variable as the majority of FE teachers who resigned from their job were recorded as having resigned for 'other' reasons. It is unclear whether some of these 'others' actually constituted transitions into another education or industry job and, if so, how this may have affected the overall destination picture.

In Digital, software specialists would typically move into programming roles, usually with a company but in some cases self-employed. Interviewees reported that it was less common for hardware specialists to move into industry but, where they did, it would often be into an IT support role.

Similarly, in Engineering, it was reported that staff members would usually leave to return to the same sector and in a similar role to the one they had left, such as CNC programmer or operator, maintenance engineer or product developer. However, when asked where they would go if they were to leave FE, interviewees placed slightly more emphasis on managerial and training positions.

Where staff members left for other education roles, it was common for them to move to another FE college. However, university roles were also common in Engineering and Digital, as were secondary schools in the latter case. These were not always teaching positions, with some taking on managerial or support roles in these education institutions instead, particularly for Digital. Private training providers were another very common destination, but only small numbers moved into agency roles.

Only a small number of interviewees mentioned that the pay disparity with other education roles (including secondary school and university) was a key driver for recruitment challenges. Instead, it was primarily seen to be problematic in terms of retention, with interviewees noting that their pay felt disproportionately low relative to school teachers, for a job they felt had similar demands and responsibilities. Interviewees reflected that this engendered a feeling that FE teachers were undervalued relative to other teachers, contributing to a sense of dissatisfaction with the role.

The common destination occupations outside of FE as reported by the interviewees were reasonably representative of broader patterns in the ASHE data.

To support what our interviewees shared with us about common destination occupations (i.e. the occupations FE teachers transitioned into after leaving FE), we compared these occupations with our analysis of the ASHE data. Many of the common destination occupations reported by interviewees were also common transitions in the ASHE. For instance, the most common destination occupation category for FE teachers in the ASHE was teaching and educational occupation⁶. This SOC code group comprises other education occupations such as teaching in HE,⁶ primary and secondary schools, specialised technical training, and education administration. This aligns with what our interviewees reported about the frequency of transitions into other education-related jobs.

⁶ The ASHE showed that there were a considerable number of cases where an FE teacher (SOC 2010 code 2312) moved to HE (SOC 2010 code 2311) in the next year, while still being in the same job as the previous year. This may suggest that there is some ambiguity in whether FE teachers are coded under SOC code 2312 or SOC 2311 each year, which could inflate the number of FE teachers in the ASHE who leave for HE. Nonetheless, even if the number of leavers for HE is somewhat overstated, our interviewees emphasised that HE was an important destination occupation, which is broadly supported by the ASHE.

Outside of the education sector, the ASHE data showed that there was a vast array of different occupations that FE teachers left FE teaching for. Indeed, the number of FE teachers who left FE teaching for most individual occupations were too small to report, so we were extremely limited in the common destination occupations from the ASHE that we were able to report. This was compounded by the challenges inherent in identifying subject specialists, and being unable to observe how common it was for FE teachers to move into self-employment (see Section 1.3 and Appendix B).

Nevertheless, in terms of broad categories of destination occupations (i.e. at the three-digit SOC code level), the ASHE indicated that it was common for FE teachers to leave FE teaching for business, information technology, manager or director roles, and natural and social science occupations.⁷ This was likely reflective of some of the more common destination occupations reported to us in the interviews (such as construction managers, IT support technicians, electrical engineers, etc.).

Indeed, of the common destination occupations that interviewees shared with us, most that did not involve self-employment matched up with at least one FE teacher in the ASHE who left FE teaching for that job. While the small sample sizes mean that it was challenging to compare how common one particular destination occupation was relative to another, the results were nonetheless broadly supportive of the types of common destination occupations that our interviewees reported to us.

However, the ASHE also showed that there was a considerable number of FE teachers who left teaching and moved into other, lower-skilled occupations (e.g. administrative occupations and personal services, etc.).⁸ These transitions may not be representative of likely transitions for Construction, Engineering and Digital FE teachers specifically, but are common transitions for FE teachers more generally. This is relevant for our analysis of industry earnings disparities, which we discuss in Section 4.2.

2.4 Staff shortages and implications

The unfilled vacancies rate in the FEWDC measures the number of teaching vacancies posted in an FE college during the 2021/22 academic year and that remained unfilled at the end of the year, for each 100 teaching positions at the college. Where colleges have a higher unfilled vacancies rate, they are likely to face greater challenges in recruiting. This, in turn, can lead to shortages of teaching staff.

The FEWDC data suggests that, in 2021/22, the average general FE college had 17, 14 and 10 unfilled vacancies per 100 teaching staff for Construction, Engineering and Digital, respectively. The average FE college had five unfilled vacancies per 100 staff for all other subjects, suggesting that, while shortages of teaching staff are not unique to our three focus subjects, it appears to be considerably more of a challenge in these subjects than in many others.

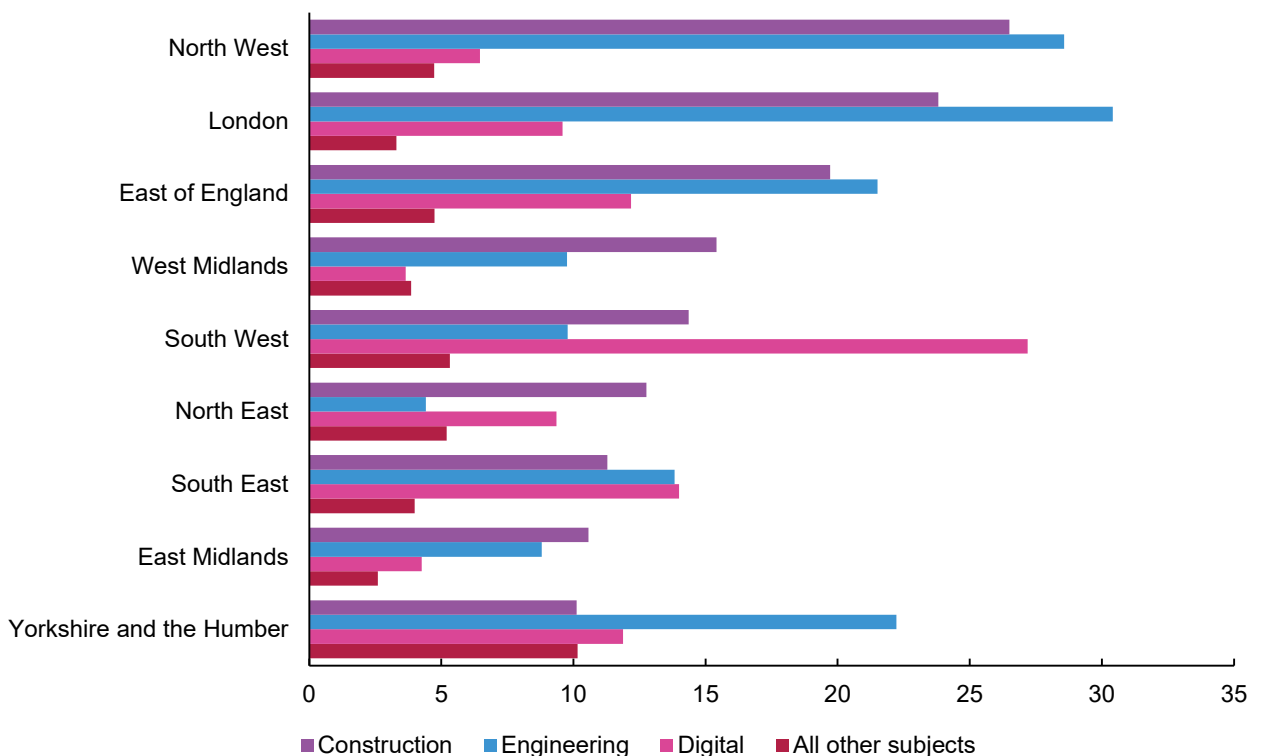
⁷ This corresponded to three-digit SOC codes 242, 213, 113 and 211.

⁸ This corresponded to three-digit SOC codes 415, 614 and 416.

Colleges that had higher numbers of unfilled vacancies generally tended to have higher numbers of teaching staff overall. However, the number of unfilled vacancies differed significantly across colleges, reflecting the varied recruitment and retention challenges faced by different institutions - as noted by our interviewees (see Section 2.3). For Construction, 39 per cent of colleges had no unfilled Construction vacancies at all, while 21 per cent had six or more vacancies. For Engineering, 57 per cent of colleges had no unfilled vacancies while 8 per cent had six or more. For Digital, 65 per cent of colleges had no unfilled vacancies and less than two per cent had six or more.

Shortages in these three subjects were noted across the country, with some variation in pattern. Unfilled vacancy rates in our three focus subject areas were higher than the average for other subjects in virtually all regions of England, as shown in Figure 3. Unfilled Construction and Engineering vacancy rates were highest in the North West and in London, while the highest rates for Digital were in the South West.

Figure 3 Number of unfilled vacancies per 100 staff by subject and region (2021/22)



Source: NFER analysis of FEWDC data (for 2021/22).

The national picture of staff shortages is reflected in our interview data

Most Heads of Department reported having vacancies in their department at the time of interview, and usually more than one. The situation in Construction appeared to be the most challenging, mirroring patterns in the national data: nearly a third of Heads of Construction reported four or more vacancies in their team at that point in time, while all Heads of Digital and Engineering reported three or fewer.

I deal with Heads [of Department] from other colleges in the North East who run the same type of departments as I do and every one of them has staffing issues. [...] Some of them have 4-5 vacancies out. It's frightening really. And what do you do? Do you stop delivering the courses? Do you not take as many students? That's not fair on the students. Do you try to bridge the gap? I don't know what the answer is. More money.

- Head of Engineering

I filled a vacancy last week, but I have six posts out at this moment in time and some of these posts have been out for over a year.

- Head of Construction

These staff shortages have significant negative consequences for both students and existing staff.

One consequence of staff shortages, as mentioned by some interviewees, was the requirement for other staff members to shoulder the additional workload this created, including through covering lessons and supporting new staff. For example, a small number of interviewees in Digital and Engineering spoke of the stress of having to deliver courses in areas they were not confident in due to staff shortages – contributing to job dissatisfaction.

It's a vicious circle. Because we were unable to recruit staff, staff were having to cover, which meant staff were burning out, which meant staff were going off sick, which meant staff were having to cover, which caused burnout, and then everyone started looking elsewhere, this bred a negative attitude among the staff, morale dropped [...] and when one starts leaving it starts a bit of an exodus.

- Head of Digital

Moreover, in a few cases, managers sought to relieve the pressure on their staff by covering teaching responsibilities themselves, which then reduced their capacity to focus on the strategic and managerial responsibilities of their role.

It can be very problematic trying to steer the department in the right direction when you're standing in a classroom.

- Head of Construction and Engineering

Several Heads of Department reported becoming actively involved in recruitment in an effort to reach industry workers, whom they felt conventional HR recruitment strategies tend not to reach – particularly in Construction.

Staff shortages also have an impact on the experience of students. Construction interviewees, in particular, spoke of courses being cancelled or student demand not being met as a result of being unable to recruit the necessary staff.

Right at this moment I'm concerned about September because I'm not convinced I'm going to have enough staff to cover all the classes we're planning.

- Head of Construction

Even where courses remain open, several interviewees expressed concerns regarding a drop in the quality of provision as a result of staff shortages and high turnover. This stemmed primarily from feeling obliged to recruit staff who they did not feel were right for the role simply to fill vacancies, including recent graduates with no industry or teaching experience. A small number of Digital teachers spoke of courses being delivered by staff with no expertise or experience in that subject area. One Digital teacher explained that, where in the past staff had been able to teach the same courses for multiple years and develop them over time, they are now forced to pick up any courses that need covering. These temporary fixes are likely to lead to further turnover, which again creates additional workload for the rest of the staff team and inconsistent or poor-quality provision for students. Even where teachers were able to deliver their specialism, workload pressures were seen to compromise the quality of the lessons as staff did not have time to reflect on or receive the necessary support to improve their practice.

Some interviewees spoke of using agency staff to fill gaps in their department but tended to have negative views on the quality of these staff. A few Heads of Department noted that agency workers did not provide the same commitment to wraparound support as a full-time, permanent member of staff would, despite being significantly more expensive to employ. The same number of teachers reported that they created additional workload for the other staff members who would be required to provide support and direction.

3 FE teacher pay in England and how it relates to other industries

In Section 1.1, we outlined how FE teacher pay may be a key contributing factor to worsening FE teacher recruitment and retention. However, the existing literature provides no indication of the magnitude of earnings gaps between FE teaching and industry and how they compare across subjects. In this section, we use our primary data alongside our secondary data analysis to provide a more detailed picture of FE teacher pay in England and how it compares to earnings in the occupations suggested by our interviewees as the most relevant comparator occupations in industry.

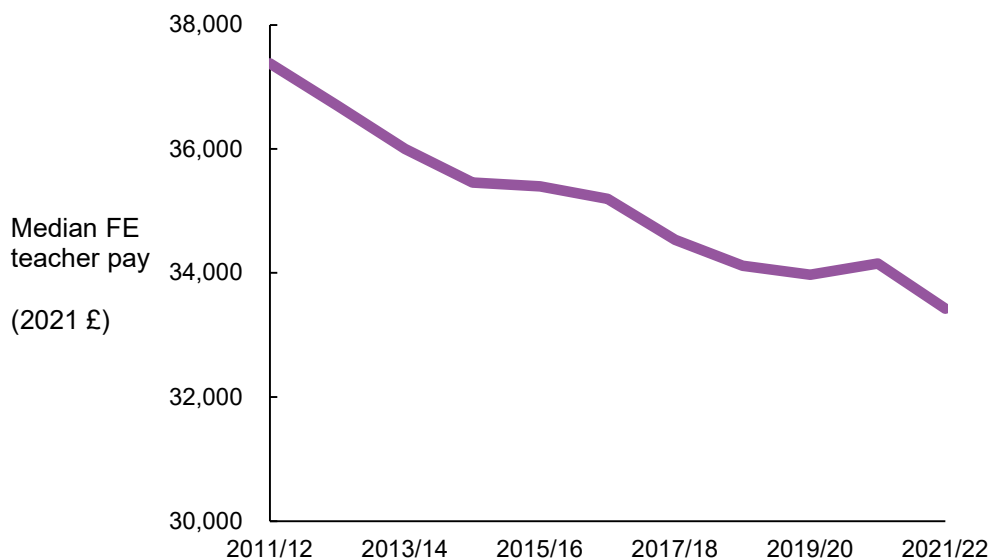
3.1 FE teacher pay in England

There are relatively few secondary data sources on FE teacher pay. Existing analysis shows a significant real-terms fall in pay for many FE teachers over the last decade (Sibieta and Tahir, 2023). To provide a quantitative indication of how FE teacher pay has evolved over time, we combined two separate data sources – the DfE’s estimates of FE teacher pay based on pension records and the FEWDC. This is similar to how previous research has analysed FE teacher pay over time (Sibieta and Tahir, 2023) – we discuss this in more detail in Appendix B.

FE teacher pay has fallen by about 11 per cent in real terms in the decade to 2021/22.

This analysis shows that median pay for FE teachers working full time in a general FE college fell from £37,379 (in 2021 prices) in 2011/12 to £33,426 in 2021/22. This was also broadly in line with average earnings reported by our interviewees (see Appendix A).

Figure 4 Median FE teacher pay 2011/12 – 2021/22 (in 2021 prices)



Note: Median FE teacher pay for 2020/21 estimated based on the average growth in FE teacher pay scales versus the previous years. Reflects full time equivalent (FTE)-adjusted median pay for 2011/12 – 2020/21 and pay for full-time FE teachers in 2021/22. All earnings adjusted to 2021 prices using the Consumer Prices Index including owner occupiers’ housing costs (CPI-H).

Source: NFER analysis of DfE pension records (for 2011/12 to 2019/20), recommended pay scales (for 2020/21) and FEWDC data (for 2021/22).

The range of earnings for FE teachers is relatively narrow.

Our analysis of interview data showed that there was little variation in pay between FE teachers. Every teacher interviewed for this study reported a salary of between £30,000 and £45,000 per year (including any market rate supplement). More than half of the salaries fell within the £35,000-£39,999 pay bracket, with the rest sitting immediately above and below this bracket in equal proportions.

This aligns with data from the FEWDC, which suggested that the distribution of earnings for FE teachers⁹ also tends to be relatively narrow. In 2021/22, around half of FE teachers earned between £29,000 and £39,000, representing a similar, though slightly wider distribution of earnings, than the earnings data our interviewees reported.

There is little variation in earnings between subjects, but slightly more across regions.

The FEWDC data shows that, on average, there was little variation in earnings for FE teachers across subjects. Overall, median earnings for teachers in general FE colleges was £34,868. This was very slightly higher for Construction and Engineering teachers (£35,124 and £35,146, respectively) and slightly lower for Digital teachers (£34,276). Average earnings as provided by our interviewees followed a similar pattern. The FEWDC also suggests that the distribution of earnings within subjects is relatively narrow – with three-quarters of FE teachers in all three of our focus subjects earnings less £38,000 (which was within £4,000 of median earnings for each subject).

Part of the reason that Construction and Engineering teachers tend to earn more than other subjects could be because teachers in these subjects tend to be slightly older (and therefore likely to have more industry experience) than in other subjects. However, on the other hand, the narrow distribution of earnings for FE teachers suggests that pay may not necessarily progress greatly as a teacher gains experience.

Another reason for higher earnings in Construction and Engineering may be market rate supplements, which are paid to teachers in the subjects where earnings in industry tend to be much higher than in teaching. However, our interviewees suggested that market rate supplements were relatively uncommon. Only four colleges offered a market rate supplement of between £3,500 and £6,000, in the North East and the South East, primarily for Construction.

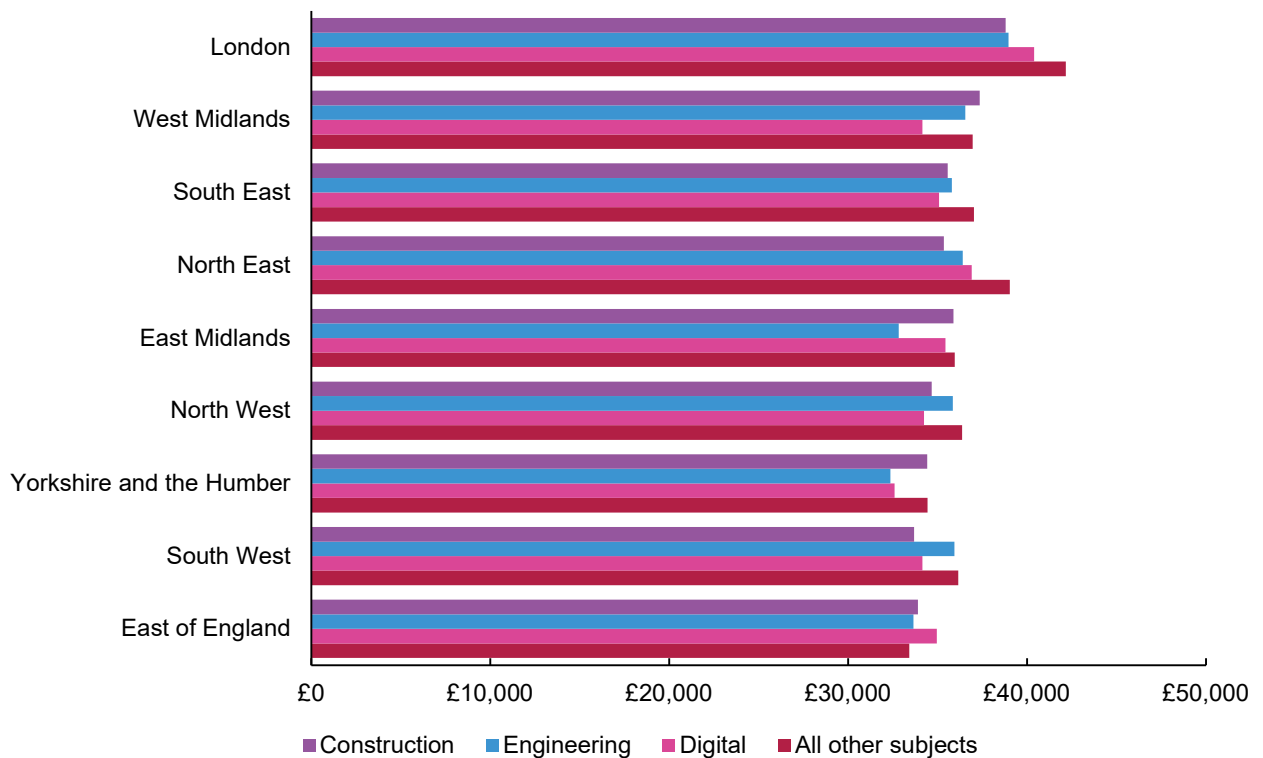
There was somewhat more variation in earnings across regions, though earnings in all regions were within about 15 per cent of overall average earnings for each subject. Teachers in London in all subjects were the highest earners. In 2021/22, average¹⁰ earnings for Construction and Engineering teachers were ten per cent higher in London than the overall average. For Digital and

⁹ Our analysis of FEWDC data focusses specifically on teachers (i.e. those with ‘lecturer’ or ‘teacher’ in their role title), since this was the main focus for our interviews. However, the trends and patterns in pay for staff in other roles such as instructors, tutors and assessors in FE colleges were very similar to teachers, so the conclusions can broadly be generalised to all FE staff with teaching responsibilities.

¹⁰ Due to smaller sample sizes in the region breakdowns, we reported average earnings rather than median.

all other subjects, average earnings were about 15 per cent higher in London than overall. This is unsurprising, given the cost of living in London and generally higher average earnings for all occupations compared to the rest of the country (ONS, 2023b).

Figure 5 Average FE teacher earnings by region (2021/22; in 2021 prices)



Note: Based on earnings for teachers in general FE colleges in England only. Average rather than median earnings are reported due to small sample sizes.

Source: NFER analysis of FEWDC data (for 2021/22).

Earnings in the West Midlands were also slightly higher than average, but only for Construction and Engineering (by five and three per cent, respectively) while earnings in the North East and North West were similar to the overall average for all three subject areas. Conversely, average earnings in Yorkshire and the Humber were the lowest in the country for Engineering and Digital (which were eight and seven per cent lower, respectively, than the average). Earnings for Construction teachers in the South West and the East of England were the lowest in the country (each about five per cent lower than the average). These regions were also slightly lower than average for Engineering and Digital, but to a lesser extent than Yorkshire and the Humber.

Construction, Engineering and Digital teachers were more likely to work full-time compared to teachers for other subjects.

A higher proportion of teachers in Construction, Engineering and Digital worked full-time (versus part-time) than in other subjects. Specifically, 85, 81 and 70 per cent respectively of Construction, Engineering and Digital teachers worked full-time, compared to 56 per cent for all other subjects.¹¹

Median pay for teachers working full-time was slightly higher for Construction and Engineering than for Digital and other subjects. Median earnings for those working part-time were slightly lower for Construction, Engineering and Digital than for all other subjects (by about four, five and eight per cent, respectively), though this could reflect differences in hours worked for part-time teachers.

Construction, Engineering and Digital teachers were also more likely to work on a permanent contract (versus a fixed term, variable hours or zero hours contract) than other subjects. Specifically, 89, 85 and 83 per cent of Construction, Engineering and Digital teachers were on permanent contracts, compared to 78 per cent of teachers in other subjects. The FEWDC data did not record earnings for those not on permanent contracts so it was not possible to assess whether there were significant pay differences across subjects for those on different contract types.

Earnings for Construction and Engineering teachers in the first year of their teaching role tend to be higher than earnings for teachers in other subjects with a similar level of experience, but pay progression is slower.

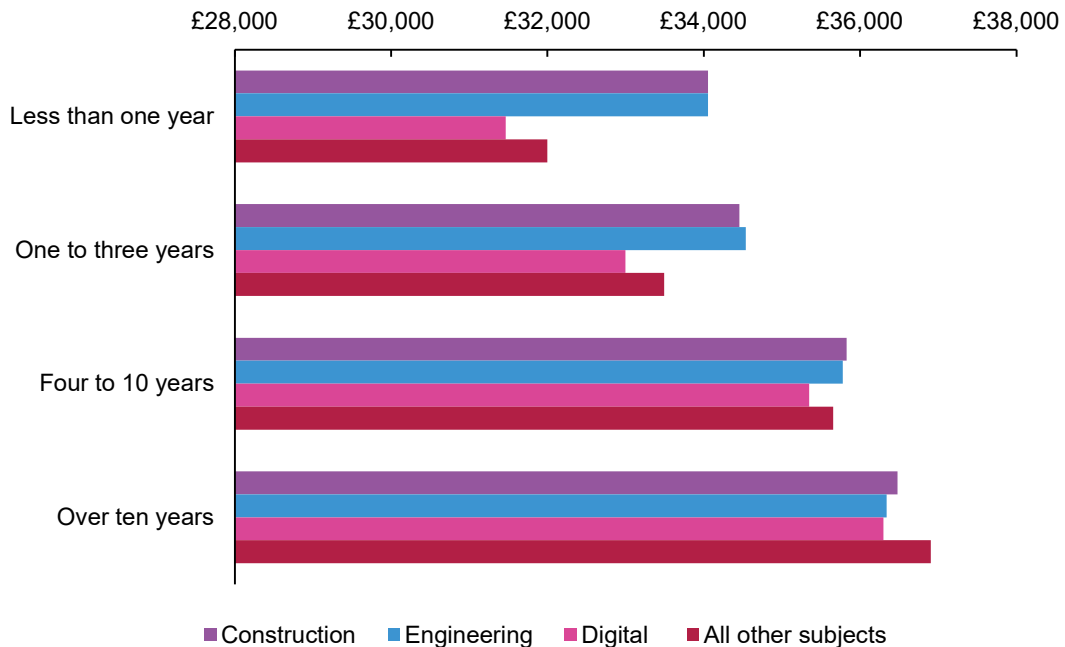
The data shows that, unsurprisingly, FE teachers' earnings tend to rise with additional teaching experience and the number of years spent in the same role. However, earnings for teachers with less than a year of experience in their teaching role in Construction and Engineering tend to be higher than for teachers with no teaching experience in other subjects. While earnings increase with every additional year of experience in all subjects, the higher starting point in Construction and Engineering mean that teachers in these subjects may be hitting an 'earnings ceiling' more quickly than in others.

Overall, these patterns may be reflective of colleges using higher starting salaries to attract applicants in those subjects that face the most critical recruitment shortfalls. Some caution is needed in inferring a relationship between earnings and years of experience in a teaching role as the years of experience variable was missing data for a significant proportion of FEWDC respondents, meaning the analysis may not necessarily be representative of all FE teachers as a whole.¹² However, our qualitative evidence also supports the suggestion that colleges use higher starting salaries in Construction and Engineering as a recruitment aid – we discuss this in more detail in Section 4.

¹¹ This excludes the relatively small proportion of FE teachers who had an 'unknown' working pattern.

¹² The data also suggests that there is a similar pattern for pay relative to industry experience. However, response rates to the years of industry experience question in the FEWDC survey were too low to be reliable so we have not reported these findings.

Figure 6 Median earnings for FE teachers by subject and number of years of experience in their teaching role



Note: Based on earnings for teachers in general FE colleges in England who provided the number of years of experience they had in their teaching role to the FEWDC survey only. Years of experience was missing for a significant number of respondents who were excluded from the analysis.

Source: NFER analysis of FEWDC data (for 2021/22).

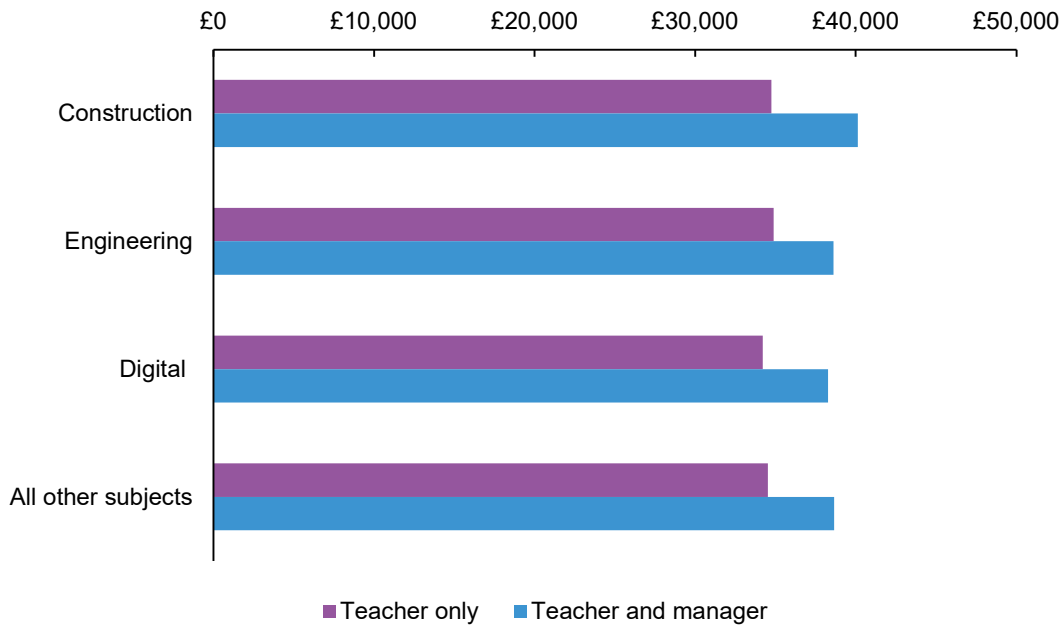
Construction and Engineering teachers who also work in a management role tend to earn more than colleagues in a similar role in other subjects.

The FEWDC data suggests that FE staff members with primarily management responsibilities (e.g. Heads of Departments, curriculum leads and programme leads) tend to earn more than teaching staff. Similarly, those whose main role is in leadership (e.g. directors, head teachers, assistant head teachers¹³) tend to earn most of all. This holds true in all subjects and the difference in earnings between teaching staff, managers and leadership staff appears to be broadly similar across subjects.

However, our analysis showed that Construction, Engineering and Digital teachers who worked in a management role alongside their teaching role tended to earn more than those who work just in a teaching role. This is true in all subjects, but earnings for those who worked in a teaching and management position in Construction tended to be slightly higher than for other subjects, as shown in Figure 7.

¹³ Head teachers and assistant head teachers are often referred to as principals or deputy principals in FE but have been recorded as head teachers and assistant head teachers in the FEWDC.

Figure 7 Average earnings for teachers and teachers who take on a management role alongside teaching, by subject



Note: These estimates are based on average earnings, rather than median earnings, as sample sizes were too small to report medians.

Source: NFER analysis of FEWDC data (for 2021/22).

The FEWDC data also suggested that those working in Construction and Engineering in both a teaching and management role tended to have less experience working in FE compared to those in a similar role in other subjects. This may indicate that teaching staff in these subjects tend to be promoted into management more quickly than in other subjects. This could potentially reflect the need for colleges to quickly promote new staff into more senior positions to fill gaps in their workforce where turnover rates are high.

3.2 Earnings disparities between FE and industry

While the data suggests that earnings in FE teaching have fallen significantly in real terms over the last decade, this has not generally been the case in other industries. Indeed, ONS data shows that average weekly earnings in real terms in Great Britain were about four per cent higher in January 2021 than in January 2011 (ONS, 2023a). The data also shows that earnings in construction and business services (which includes engineering, scientific and technical occupations) have grown at roughly the same rate as the overall average, which could indicate a growing disparity between earnings in FE and many of the ‘outside’ options in industry.

To estimate how FE teacher pay has evolved compared to other occupations, we focussed on the key ‘comparator’ occupations which interviewees told us were the most common destinations for FE teachers to move into (we outlined how we identified comparator occupations in Section 2.3

and the full list of comparator occupations for each subject specialisation are provided in Appendix B).

We then estimated median earnings in the relevant comparator occupations for Construction, Engineering and Digital. We outline how we calculated earnings in comparator industries in more detail in Section 1.3 and Appendix B.

In 2011, earnings in FE teaching were broadly similar to earnings in industry for Engineering and Digital FE teachers.

Figure 8 shows that, in 2011, overall¹⁴ median earnings for full-time teachers working in FE colleges were around £37,000 (in 2021 prices). This was not significantly different from median earnings in Engineering and Digital comparator occupations in the same year, which were between £36,000 and £39,000.

Median earnings in Construction comparator occupations were slightly lower than for Engineering and Digital comparator occupations. In 2011, median earnings in Construction comparator occupations were about £34,500, suggesting that FE teachers generally earned slightly more than they would have in industry in that year. However, as we outlined in Section 1.3, we were unable to include self-employment earnings in our estimates, which may have led us to under-estimate earnings in Construction comparator occupations. We discuss the effect of excluding self-employment earnings on our estimates in Appendix B.

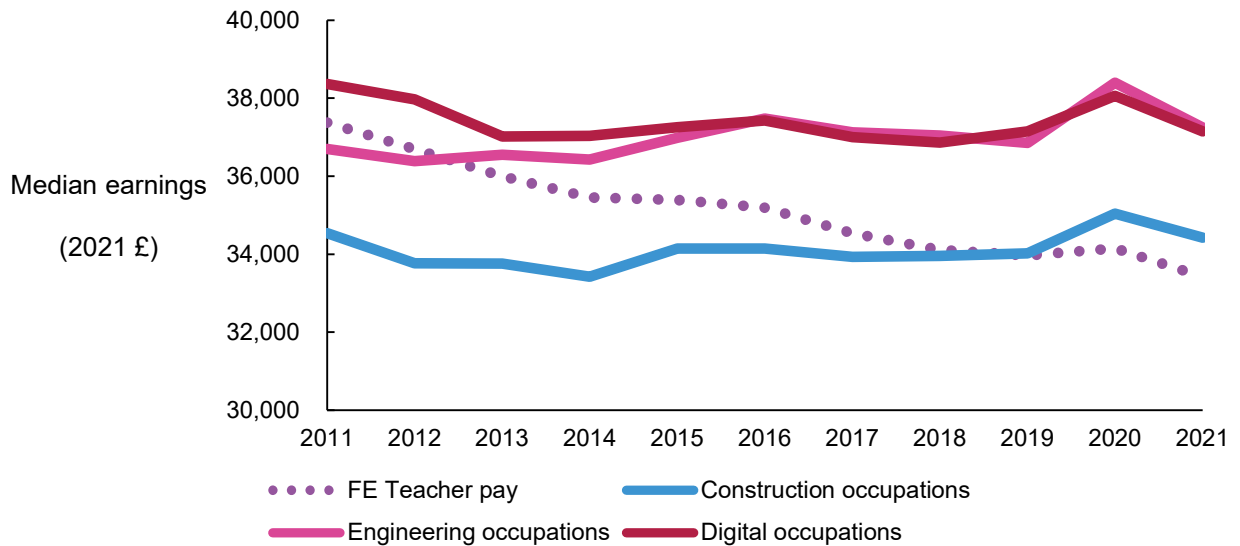
Since 2011, a significant earnings disparity has emerged between FE teaching and industry.

Figure 8 shows that, in all three subject areas, median earnings in industry have not changed dramatically in real terms over the last decade. Earnings for FE teachers, meanwhile, have fallen by about 11 per cent in real terms between 2011 and 2021, leading to a widening earnings gap relative to industry.

In 2021, median earnings for an FE teacher working full-time were around £3,800 (11 per cent) per year lower than for median earnings in Engineering and Digital comparator occupations. They were also around £1,000 (about three per cent) per year lower than for median earnings in Construction comparator occupations. This suggests that FE teacher pay has become less competitive to industry over time.

¹⁴ We were unable to estimate median earnings for FE teachers separately for Construction, Engineering and Digital because there is no historical data on subject-specific earnings. However, in Section 3.1 we showed that there is generally little variation in earnings across subjects, so overall median earnings likely provide a reasonable estimate of trends in subject-specific FE teacher earnings.

Figure 8 Median earnings for FE teachers and in Construction, Engineering and Digital comparator occupations, 2011 - 2021



Note: We estimated median earnings from the ASHE data in the most relevant Construction, Engineering and Digital industry occupations identified from interview responses. Earnings excluded self-employment earnings, were adjusted to 2021 prices using the CPI-H and reflected employees' full-time equivalent earnings. Occupations were weighted based on how frequently they were mentioned in interviews as destination occupations. See Appendix B for further details on how we constructed this measure.

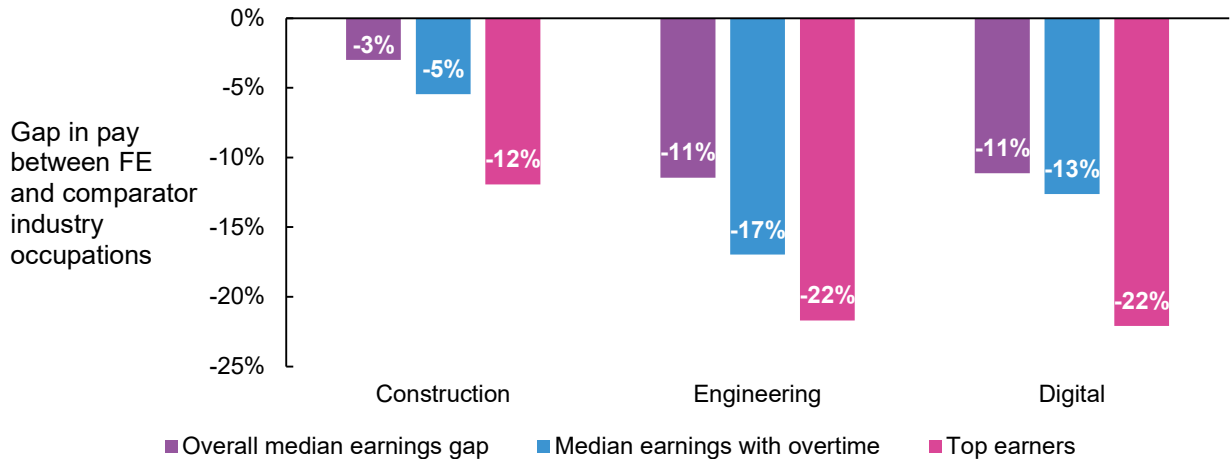
Source: NFER analysis of ASHE, DfE and FEWDC data for 2011 to 2021.

Industry earnings disparities are larger after accounting for overtime earnings in industry.

As we note later in Section 5, some interviewees reported that the ability to work overtime in industry was a key way to increase their pay, particularly for Construction workers. This is supported by our analysis of the ASHE data. Median earnings in Construction comparator occupations were about two per cent higher after we included overtime earnings, while for Engineering and Digital comparator occupations, earnings were about five and one per cent higher with overtime, respectively. In comparison, FE teachers are generally not paid for overtime – in 2021, earnings for FE teachers with overtime were less than one per cent higher than without.

Accounting for overtime earnings, therefore, industry earnings gaps are larger - median FE teacher pay was six per cent less than in comparator Construction occupations, 18 per cent less than Engineering comparator occupations and 13 per cent less than Digital comparator occupations.

Figure 9 Industry earnings disparities accounting for overtime earnings and comparing top earners in FE teaching with top earnings in industry (2021 only)



Note: ‘Top earners’ refers to those in the upper quartile of earnings in FE teaching and in comparator industry occupations. We estimated median and upper quartile earnings from the ASHE data in the most relevant Construction, Engineering and Digital industry occupations identified from interview responses. Earnings excluded self-employment earnings, were adjusted to 2021 prices using the CPI-H and reflected employees’ full-time equivalent earnings. Occupations were weighted based on how frequently they were mentioned in interviews as destination occupations. We estimated pay for FE teachers at the upper quartile using data from the ASHE. See Appendix B for further details on how this measure is constructed.

Source: NFER analysis of ASHE and DfE data for 2021.

Earnings disparities were larger when comparing top earners in industry with top earnings in FE teaching, suggesting pay growth in industry tends to be higher.

Industry earnings gaps also depended highly on an FE teacher’s level of work experience. FE teachers who transition back into industry may also find that their years of experience in industry and in teaching mean that they can earn more than other less experienced workers.¹⁵ If we consider those ‘top earners’ in FE and in industry (i.e. those in the upper quartile of earnings for FE teachers and for a given industry occupation), industry earnings gaps are considerably larger than at the median.

Specifically, the ASHE data¹⁶ suggests that, in 2021, top earners in Engineering and Digital comparator occupations earned about 22 per cent more than top earners in FE teaching. For

¹⁵ Due to our limited ability to infer subject specialisations and very small sample sizes of transitions from FE teaching into individual occupations, we were unable to use the ASHE data to pinpoint exactly where in the earnings distribution of their destination occupation FE teachers typically landed.

¹⁶ We used the ASHE to estimate the upper quartile of FE teacher earnings, as the DfE pension records do not report upper quartile earnings for each year. Slight sample differences between the data sources may mean that comparing FE teacher estimates from the two sources is not exactly like-for-like. In Appendix B we show that estimates of FE teacher earnings at the median and upper quartile were similar between the ASHE and pension records data, so this is unlikely to have significantly impacted this result.

Construction comparator occupations, it was 12 per cent more. This points towards a much wider distribution of earnings in industry than in FE teaching, suggesting that, not only are median earnings in industry higher, but opportunities for earnings growth is likely also higher in many comparator industries outside teaching.

Some FE teachers may move into management (e.g. heads of departments, curriculum leads and programme heads) and leadership (e.g. directors, head teachers, assistant head teachers) positions at their college to advance their careers. As shown in Section 3.1, those in management and leadership positions tended to earn more than teachers. However, with the exception of those in leadership positions (who make up a small proportion of the FE workforce), managers still tend to earn less than those at the upper quartile of industry earnings in all three subject areas.

Furthermore, our analysis showed that, for those in the bottom quartile of earnings in industry (i.e. those who may have less experience), earnings disparities relative to industry were smaller. Since our interviewees reported that Digital FE teachers were more likely than in other departments to enter FE teaching with fewer years of industry experience, this may mean that, for less-experienced Digital FE teachers, earnings disparities could be smaller than for the other two subject areas. We explore the implications of this in more detail in Section 5.

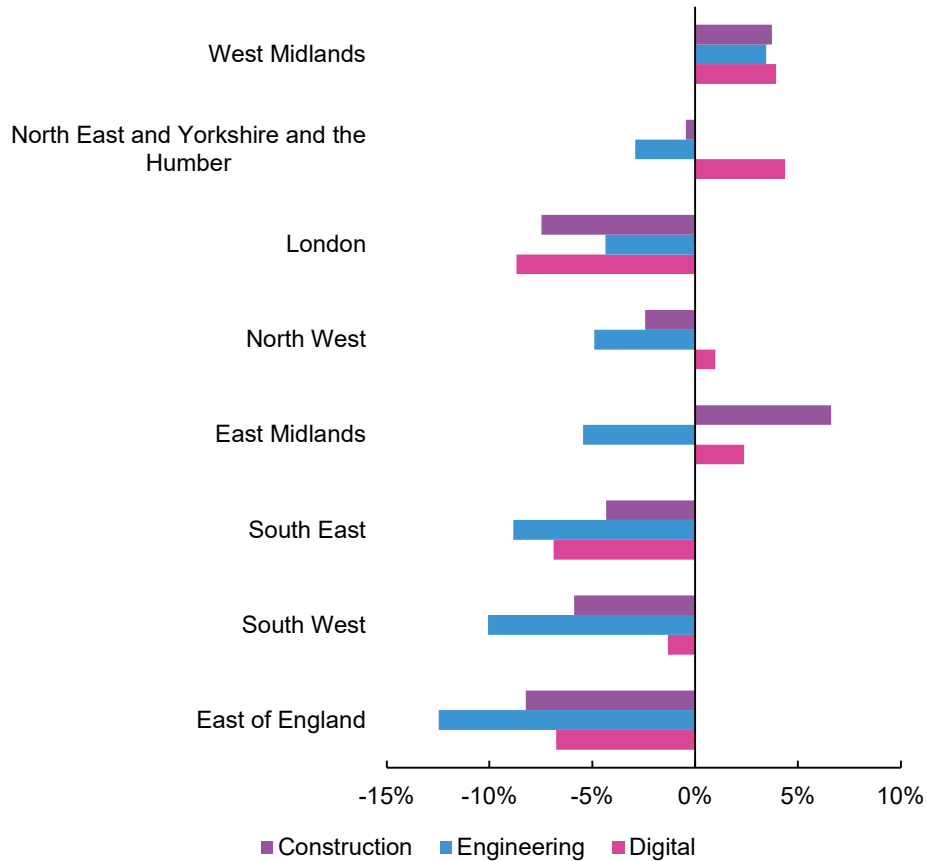
Industry earnings disparities were smallest in the West Midlands and largest in the South East, South West and East of England.

We estimated average earnings in comparator occupations for all regions in England (see Section 1.3 and Appendix B for methodological details). Figure 10 shows that, in 2021/22, earnings disparities for Engineering were negative in every region except for the West Midlands. This is because the FEWDC data shows that FE teacher earnings in that region were higher than average and indeed slightly higher than median industry earnings for all three subject areas. Engineering earnings disparities were negative in all other regions with the largest negative gaps in the South East, East of England and South West.

Earnings disparities for Digital were slightly positive in a few regions, including the West Midlands, North East/Yorkshire and the Humber, North West and East Midlands. This suggests that FE teacher pay for Digital is more comparable to industry in these regions. However, disparities were negative and larger in the South East, South West, East of England and London, driven largely by higher industry earnings in these regions.

Disparities for Construction were also positive in a few regions, though negative and relatively larger in the South East, South West and East of England. As we outlined earlier in this section, however, our estimates of earnings in Construction comparator occupations excluded self-employment earnings. This likely led us to under-estimate Construction industry earnings and therefore industry earnings disparities in each region.

Figure 10 Regional comparator industry earnings disparities (2021)



Note: This measure is based on the average FE teacher and comparator industry earnings in each region, rather than the median. This is because sample sizes were too small to report medians. The region of an FE college in the FEWDC is recorded as the head office of the college and may not cover all locations or regions the provider operates in.

Source: NFER analysis of ASHE and FEWDC data for 2021.

Regional industry pay disparities were subject to some statistical noise due to small sample sizes of those working in industry, the limitations in our measure of industry pay disparities and limitations to how an FE college’s region is coded in the data. These uncertainties may to an extent obscure any true variability in pay across the country. Nonetheless, the data suggested that industry earnings disparities tend to be larger in the southern regions than in the Midlands and the northern regions.

Regional industry pay gaps may also be associated with variation in unfilled vacancy rates. In Section 2, we showed that unfilled vacancy rates tend to be slightly smaller in the West Midlands and slightly higher in the southern regions. This broadly aligns with smaller earnings disparities in the West Midlands and larger ones in the south. We outline the qualitative findings around the role pay plays in recruitment and retention in Sections 4 and 5.

Overall, the results suggest that the earnings gap between FE teaching and relevant occupations in industry has widened significantly over the last decade. The magnitude of the earnings gap depends on factors such as region, years of experience, one’s working patterns in industry and their subject specialisation. However, earnings gaps have significantly widened over the last decade for all subjects and appear to be felt broadly across the country, with the largest disparities appearing to be in the South West, South East and East of England.

3.3 Earnings disparities compared to other education occupations

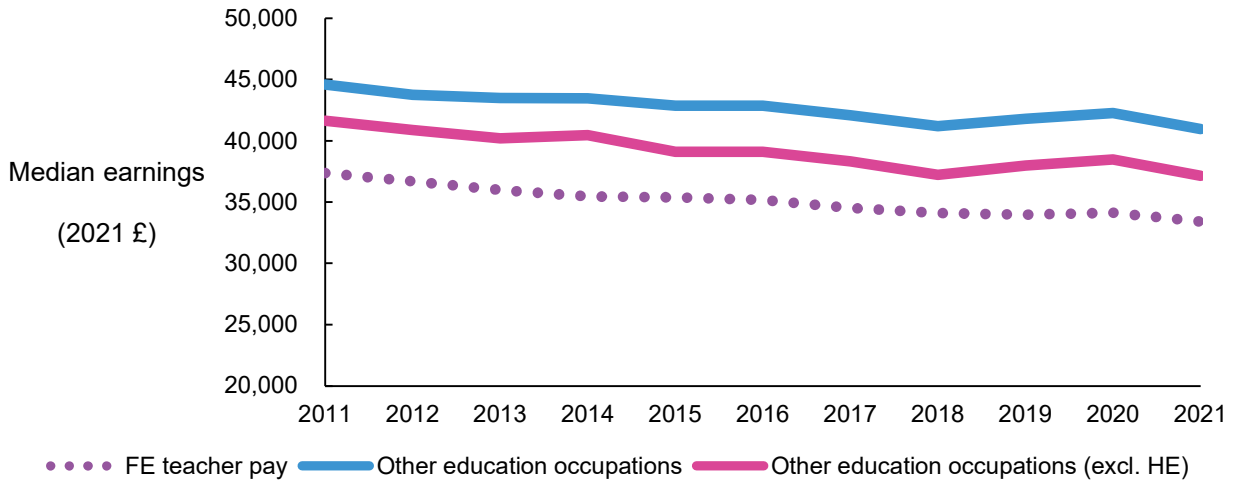
While the data suggests that significant disparities in earnings have emerged over the last decade between FE teaching and industry, our interviewees and our analysis of data from the ASHE suggested that FE teachers also leave FE for other jobs in the education sector. Indeed, research shows that other education occupations, in particular secondary teaching, represent key comparator occupations 'relevant for determining future FE policy' (Lake *et al.*, 2018).

As we outlined in Section 1.1, existing research shows that pay for primary and secondary classroom teachers tends to be higher than for FE teachers. Our interviewees and our analysis of data from the ASHE, however, suggested that classroom teacher is not the only occupation that FE teachers commonly leave FE teaching for. Other common destination occupations in the education sector include specialised technical training, HE, educational support assistants and others.

We therefore used a similar approach to our calculations of industry earnings gaps to estimate how earnings in FE teaching compared to the jobs in the wider education sector that FE teachers most commonly leave for (primary and secondary teachers, HE, technical trainers, education advisors and educational support assistants – see Appendix B for a full list of occupations included in this measure). Our results indicate that, in 2021, median earnings for FE teachers were about 23 per cent lower than median earnings in these other relevant roles in the education sector.

Funding challenges across the education sector have led to a real-terms fall in pay for staff, in particular for classroom teachers (McLean, Worth and Smith, 2024), which is why Figure 11 indicates that median earnings in all education comparator occupations appear to fall over time. However, the literature shows that the real-terms fall in earnings has been slightly larger for FE teachers (Sibieta and Tahir, 2023) than for classroom teachers. This has led to a widening of the earnings gap over time. Our analysis of the ASHE data shows that, in 2011, median earnings for FE teachers were around 19 per cent lower than other education occupations, compared to 23 per cent in 2021.

Figure 11 Earnings disparities between FE and other relevant education occupations (2011-2021)



Note: We estimated median earnings from the ASHE data in the most relevant education occupations identified from interview responses and our secondary data analysis. Earnings exclude self-employment earnings, were adjusted to 2021 prices using the CPI-H and reflect employees' full-time equivalent earnings. Estimates also incorporate a weight based on interviewee reports on how common it was for FE teachers to move into that occupation. See Appendix B for further details on how this measure is constructed.

Source: NFER analysis of ASHE data for 2011 to 2021.

Our measure of earnings in education comparator occupations included those who worked as teachers in HE, which tends to be relatively highly paid compared to other education jobs. Our interviewees also suggested that HE was not necessarily a common destination for all FE teachers, especially for those in Construction. However, even after excluding HE, a significant earnings gap between FE and other education occupations remains. For instance, in 2021, FE teacher pay was about 11 per cent lower than remaining education occupations such as classroom teachers and technical instructors in industry. This gap has remained broadly unchanged since 2011.

These results paint a picture of deteriorating real-terms earnings for FE teachers that have eroded the competitiveness of pay relative to comparator jobs in industry and led to a persistent earnings gap compared to the wider education sector. In Sections 4 and 5, we discuss the qualitative evidence around the role that pay specifically has played in FE teacher recruitment and retention.

4 Role of pay in FE recruitment challenges

Interviewees considered the pay gap between FE and industry to be a key challenge for recruitment.

At least one interviewee from every college identified the pay differential between industry and FE teaching to be a key barrier to recruitment. It was also clear that the roles with the highest earning potential in industry tended to be the most difficult to recruit for in FE. The same trend was reported to hold for the quality of the employee. One Head of Digital and Engineering reported that increasing the pay scale had resulted in a larger number and better calibre of staff, which had also improved retention. ‘Golden Hellos’ were also mentioned by several interviewees as beneficial for recruitment, although there were no reports of their college currently having one in place.

To get the quality that you require [...] you need to pay [staff] a commensurate salary.

- Engineering teacher

Several interviewees also argued that the pay cut required to move from industry into FE teaching meant only individuals in particular financial circumstances would be able to make the move. In most cases this constituted older workers without major financial responsibilities (such as younger families and/or a mortgage), and often with a good retirement package already collected from their industry. This was seen to contribute to the ageing demographics of the FE workforce, with colleges struggling to replace the staff they lose to retirement. A small number of interviewees also considered younger employees to have value in themselves, due to a perceived greater facility with digital technologies, familiarity with current practice and rapport with the learners. A small number of interviewees argued that the benefits offered by FE teaching (see Section 2.2) were not sufficient to compensate for the pay differential with industry, and the lifestyle changes that the associated pay cut would demand.

Our college has got very good pension contributions, it's got very good holiday, very good CPD... It's got all that fantastic stuff, but the bottom line is you'll earn more if you lay bricks. [...] In pretty much every single [construction] job, you'll earn more. And I think that, if people are living in their means on £38,000 per year, dropping £5,000 means they might not be able to sustain that.

- Head of Construction

Several interviewees emphasised that the cost-of-living crisis has made pay a more significant consideration than ever, with workers likely to prioritise income over pension or other benefits. In this sense, not only is pay failing to act as an incentive, it is acting a barrier to those who would otherwise be interested in what FE teaching has to offer.

Why would you leave an £80,000 job for £24,000? That's financial suicide. Especially now.

- Digital teacher

The significance of the pay differential between FE and industry is exacerbated by the major skills shortages that all three of these sectors are currently facing (as outlined in Section 1.1). As of November 2022, over one fifth (21 per cent) of construction businesses were facing staff shortages – the second highest of any sector (Francis-Devine and Buchanan, 2023). As of May 2023, all Engineering Professional codes were listed as shortage occupations in the UK – as were four of the six codes under Information Technology and Telecommunications Professionals, including programmers and software development professionals (Home Office, 2024). This means that the FE sector is competing with both industry and the rest of the education sector to attract from the limited available pool of eligible workers. With FE teacher pay unable to compete with the pay offered by comparator roles, staff shortages are likely to hit FE harder than industry, where there may be more pay flexibility.

Moreover, skills shortages often motivate companies to work hard to retain their employees, and industry has much greater freedom and resource to negotiate in terms of the lifestyle benefits they can offer, compared to FE. One Head of Construction, for example, reported that industry is now looking to retain the knowledge base of older staff who would previously have had to move out of industry if they wanted to work off-site, while a teacher noted that construction site conditions have improved significantly in recent years, as has support for mental health among workers. At the same time, several Construction interviewees emphasised that attitudes around pay within the construction sector have made it particularly challenging to convince workers from industry to take the pay cut demanded by moving into FE. And, while the offer of a pension in FE may be particularly attractive to some self-employed construction workers (see Section 2.2), for many others it is irrelevant as they have already arranged their own retirement funds through property development and/or they are too close to retirement for a pension to be helpful.

If you're on the tools, all you get out of bed for is money. We don't get out of bed for a laugh. We don't get out of bed because we have a nice warm building, and someone supplies free coffee and tea. We work on building sites in -13 degrees, and we just do it. [...] It's only the money that's the driver.

- Head of Construction

Digital industry roles are more likely to offer flexible working arrangements than teaching roles in FE.

In Section 2.1, we outlined how some interviewees referenced the greater work-life balance in FE in comparison to their industry role. This was particularly pertinent for those entering FE from the Construction industry, where more regular working hours and the ability to work locally were seen to be attractive.

Digital interviewees, on the other hand, reported that the flexible working arrangements offered by the digital industry, particularly in terms of working from home since the Covid-19 pandemic, meant that industry could often offer a better work-life balance than is currently possible in FE.¹⁷ Some

¹⁷ ONS data shows that working from home has continued to be prevalent in the workforce since the pandemic (ONS, 2024a)

interviewees suggested that this may offset the smaller pay gap that generally exists between industry and FE teaching in Digital compared to Engineering or Construction.

When you come down to the hardware and software development, the money isn't a million miles away from what we pay, but the flexibility of the jobs... I have friends in IT and there's no way they'd be turning up at quarter to nine in the morning to teach.

- Head of Construction, Digital and Engineering

Industry was also generally seen to offer the benefit of greater flexibility in terms of hours worked and flexitime. A small number of interviewees highlighted that, while FE teaching roles generally come with a greater holiday allowance than in industry, there is much less flexibility around when this can be taken, and it tends to be in periods when associated costs are much higher (i.e. prices tend to increase during college/school holidays). For example, one Head of Engineering observed that the option to work from home in industry can outweigh the benefit of additional holidays in FE for some people. Remote working opportunities also reduce the incentive of working locally that FE colleges had offered many workers in the past (see Section 2.1).

The decline of the reputation of the FE sector is due to a combination of the lifestyle changes due to Covid, and inflation. It's too rigid. If you work in education, you won't get holidays in term time, you'll work from 8am until whenever the [college] closes, you can't pop into town to sort your banking out, have a doctor's appointment, dentist appointment or haircut.

- Head of Digital

Recruitment is further hampered by the reputation the education sector has gained for high workload and low pay.

Several interviewees felt that the reputation of the education sector for a combination of low pay and high workload and stress has contributed to the growing recruitment challenges. One Digital teacher described education as having a 'stigma' attached to it of being 'over-worked, under-paid [and] not appreciated'. Several interviewees saw the prospect of working with young people to likewise be a deterrent for recruitment. This appeared to be a particular issue in Construction, although it was not clear why this should be the case.

When I got into education over twenty years ago, I was really excited about getting this job, and I competed with tough people to get the job because then it was the kudos. It was the pinnacle of your career: I've been a good bricklayer, I've been a good joiner or plumber and the next step for my career would be teaching because I'm really really good. I just don't feel that kudos is there anymore.

- Head of Construction

One Head of Construction, Digital and Engineering argued that workers moving back into industry from FE and sharing their experiences with their colleagues was a likely contributing factor to this increasingly poor reputation.

A small number of interviewees felt that, even within the education sector, FE is not given the same attention or seen to have the same prestige as schools and universities, and some colleges

do not offer the equivalent holidays – eliminating what was seen to be a key drawcard for other colleges in the sector.

FE as a sector is a bit the unloved child. It's not seen as a viable career path because it doesn't get the attention [that teaching in schools does].

- Digital teacher

A reluctance to retrain on top of a full-time role was likewise seen to be a barrier for recruiting from industry – particularly when they would have to take a pay cut in return. This problem appears to be exacerbated for Construction by what interviewees described as the relatively common profile of workers who did not enjoy school and have limited academic experience or inclination.

I'd love to sit here and say if FE decided to put the salary bands up [to match industry] it would solve the problem [...], but I don't think you would. The job is tough, it's demanding. If you want to come into the sector you have to learn several new skills over and above the fact you'd probably be paid the same. Except you're not, you're paid less.

- Head of Construction

5 Role of pay in FE retention challenges

The majority of interviewees identified pay as a key challenge for retention, and many teachers reported that they were not happy with their pay. However, the role of pay in retention is more complex than in recruitment, as it is not so much a direct effect of the differential with industry but the consequence of various, interrelated cycles in which pay interacts with a range of other factors, including recruitment strategies, demographics, workload and pressures, as well as the state of the national economy. As a result, this section will discuss the ways in which pay interacts with other factors to contribute to retention concerns within the FE sector.

I know we've got some apprentices who are on more than members of staff, which isn't good for morale.

- Head of Construction

Recruitment strategies to address the pay gap can negatively impact retention.

Several interviewees, particularly in Construction, reported that they were starting new recruits at the top of the pay scale, even where they have no teaching qualifications or experience, in an effort to plug vacancies in their department. This was supported by our analysis of FEWDC data, which showed that pay for FE teachers in Construction and Engineering with no experience in an FE teaching role was higher than in other subjects (Section 3.1).

While this approach appears to facilitate recruitment in the short-term, it carries longer-term negative implications for retention as new staff members are subsequently faced with reduced scope for pay progression within the teacher pay scale. As one Engineering teacher noted, this means that a staff member who has been working in FE for a decade could be earning the same salary as someone just starting in the sector.

Several interviewees spoke of existing staff members becoming demoralised by significant variation across salaries for the same role, particularly when this did not reflect levels of experience and/or qualifications. In some cases, this was reported to be the result of market rate supplements being given to some staff but not to others. As a result, several interviewees indicated that market rate supplements remain controversial despite being seen to be effective as a recruitment strategy. One Head of Construction and Engineering explained that any staff members in receipt of this supplement were also given additional responsibilities, in an effort to address any adverse impacts on wider morale. Interviewees also highlighted other limitations of the market rate supplement, such as the additional workload it creates for Heads of Department by requiring justification on a case-by-case basis.

Nonetheless, the negative impact a market rate supplement may have on staff morale must be considered in the context of the challenges departments face seeking to recruit individuals from industry without it, particularly when their lack of teaching qualification would situate their salary at the bottom of the pay scale. This is particularly significant given that the lack of pay standardisation across the sector means that staff members may be lost to another college offering higher rates. Many interviewees reported that pay differentials between colleges created problems for retention

within their department. One Construction teacher reported that there could be as much as a £10,000 difference in the salary offered for the same role between colleges within the same area, particularly when some colleges offered market rate supplements while others did not. In the case of the South East specifically, colleges were also having to compete with London salaries for staff willing to commute.

Interviewees emphasised that factors that Heads of Department had influence over, such as work culture, were not always able to compete with another college's higher pay offer. The only major college characteristic that appeared to be able to compete with pay was location, with FE teachers tending to choose the closest college to their home, even when the pay was lower – in part for convenience, but also in response to the cost of the commute. This tends to place particularly remote colleges at a disadvantage when looking to recruit and retain staff.

Limited opportunities for pay progression feed poor retention.

As shown in Section 3.1, the earnings distribution in FE teaching tends to be narrower than in industry. This means that top earners in industry tend to earn more than top earners in FE. Several interviewees identified the limited pay progression opportunities this narrow pay range offers as a key challenge for staff morale, and something that could be addressed to support better retention. For example, two Digital interviewees reported cases of staff members moving into industry for a pay cut, but then quickly progressing beyond their FE salary. A small number of interviewees identified this limited scope for pay progression as being particularly problematic for retaining younger staff members, feeding into an ageing workforce.

I can categorically say [...] that I have had a 10 per cent pay rise over 18 years, and that is including being qualified as a teacher because there was a step up for that. If I had been in industry, it would have been three to five [per cent] for every year.

- Engineering teacher

In a small number of cases, interviewees reported that additional responsibilities did not necessarily result in commensurate pay – meaning that there was no incentive or reward for going above and beyond. Where this was reported, it tended to be the result of a failure to implement college policy, rather than a fault with the policy itself.

Many interviewees felt demoralised by the feeling that their pay failed to reflect the demands of their role.

Many interviewees emphasised that it was not so much the pay in isolation that was a problem for retention, but the extent to which it fell short in providing proportional compensation for the demands of the job. At least one interviewee from every college considered workload to be a major contributing factor to poor retention.

Several interviewees reported feeling that workload had increased in recent years, with staff now working evenings, at weekends and during holidays. Moreover, a few interviewees reported that they felt the majority of this workload was purely administrative, taking time away from what their teaching responsibilities, which they saw as the meaningful part of their role. This appeared to be

particularly challenging in Construction, where new recruits from industry were seen to be less likely to have the digital or administrative skills required for this aspect of the role.

The negative impact of workload on FE workforce morale, and consequently retention, was seen to be exacerbated by a lack of overtime pay across the sector, which is significantly out-of-step with the high remuneration for overtime typically seen in the equivalent industries. This point was supported by data from the ASHE, which showed that earnings disparities between FE and industry were larger after accounting for industry overtime earnings (as discussed in Section 3.2). One Engineering teacher observed that, at times, they would work a 70-hour week, and only get paid for their usual working week. A small number of interviewees also reported having to complete teaching and/or additional subject qualifications in their own time. The staff shortages resulting from recruitment and retention challenges were seen to feed into the vicious circle of high workload and low morale.

One of the reasons I would consider walking away is purely based on the fact that you can't recruit and because you can't recruit the workload goes through the roof.

- Head of Construction

Several interviewees expressed concerns about the impact of policy-related factors on the job satisfaction of the FE workforce. Accountability measures such as Ofsted were seen to create additional administrative burden for teachers, increase stress, restrict teachers' professional autonomy and shift the focus away from responding to individual students' needs.

We're changing paperwork all the time, we have the pressure of Ofsted and what they're looking into all the time, and I don't think there's that understanding of how intense things are in education and how much change there is. We're always stripped back in terms of funding. Everything that is spoken about is in terms of schools and universities. You don't hear about the FE problem and what that means in terms of the workforce and the challenges.

- Head of Construction

The introduction of T-levels raised concerns about additional administrative burden stemming from the need to organise industry placements – particularly given the complexities of health and safety considerations for on-site Construction and Engineering placements. Some teachers also reported finding T-levels less rewarding to teach as it was seen to be less relevant to the kind of learners they typically worked with.

Time spent on student behaviour and pastoral work was seen to exacerbate workload-related stress and feed turnover.

Several long-term FE staff members reported feeling that the nature of their role had changed significantly in recent years, becoming much more complex and with a wider range of responsibilities compared to the past – particularly on the pastoral side. Some perceived that there had been an increase in the number of students with Education, Health and Care Plans (EHCPs) entering FE since the pandemic, with no designated specialised staff in place to manage these changes. A small number of interviewees also expressed concerns about the broader culture of the FE management within their institution in terms of the young people's wellbeing not being seen as

the priority. Some interviewees considered challenges with student behaviour management to be a key driver of poor retention – particularly within Construction.

Particularly the last two years – there are so many mental health issues, so much disruption, non-attendance, low-level and high-level behaviour [issues]. It has actually become more of a management of kids. [...] We've seen that build up and up and up over the past decade. But then when Covid hit it was almost like a magnifying glass. It has accelerated a lot. The levels of mental health and anxiety and safeguarding and the stuff that was slowly creeping up has exploded. It has become really difficult.

- Head of Construction, Digital and Engineering

The pressures faced by FE teachers are particularly acute for new recruits from industry, driving high rates of turnover after only a short time in the sector.

Some interviewees reported that new starters faced a steep learning curve when entering FE and that this could be demoralising, especially as they may feel they are not receiving the necessary support to reach the expected standard. The situation is likely exacerbated by new starters increasingly not having the desired experience or skills for the role due to recruitment challenges (see Section 2.2), at the same time as existing staff having workloads that make it difficult for them to find the time to provide adequate support.

The first two to three years of a new teacher's life is like serving an apprenticeship again – having to learn all the new things but without having any sort of time off, any remission from it. You're still delivering and teaching and assessing and marking and planning for the same number of lessons as a qualified teacher, but you're learning all of the systems that are in place to support an FE college. I think that's quite overwhelming for a lot of new teachers.

- Engineering teacher

Some interviewees argued that the nature of the role could also come as a 'shock' in part due to common misconceptions around the level of work, responsibility and wraparound support that FE teaching work involves.

Some of [the new recruits] see themselves as popping in to do the classes and then going home. They don't think of the prep, the development, the marking. People think teachers have so much holiday, they don't realise how much of that time is taken up preparing new materials for delivery and how many evenings are sat by the TV marking with a glass of wine. And that's when the disillusionment kicks in.

- Head of Construction

A very small number of interviewees reported proactive efforts within their department to address these challenges in an effort to improve retention of new starters. These efforts included a buddy system and a shadowing role for the new recruit's first year.

Other education roles were seen to offer a more attractive package in terms of pay relative to workload, which may be tempting for dissatisfied FE teachers who wish to remain in education.

As highlighted in Sections 2.3, it is relatively common for FE teachers to move into other education roles. This was seen to be the result of having access to a better pay in relation to workload in these other roles, compared to in FE. University roles, in particular, were seen to offer higher pay for a lower workload - including in terms of behaviour management and pastoral responsibilities.

Other interviewees reported that the large pay differential between FE and other education occupations, particularly secondary school teachers (discussed in Section 3.3), had a negative impact on morale. Similarly, secondary teaching roles were seen to offer higher pay for what interviewees considered to be equivalent workload and levels of responsibility, particularly given the technical knowledge and industry experience required in FE, as well as the extent to which FE staff have increasingly taken on the wrap-around responsibilities of a ‘full-fledged teaching role’. Sixth-form colleges, in particular, were seen to offer higher pay for essentially the same role – even within the same campus or college group. This was supported by data from the FEWDC, which showed that median earnings for teaching staff in sixth form colleges in 2021/22 was almost 30 per cent higher than for FE teachers in general FE colleges (DfE, 2023c).

Agency work within FE was likewise seen to offer better pay for less work and greater flexibility, discouraging even experienced FE teachers from taking on permanent roles, or tempting them out often through proactive headhunting. A few interviewees argued that recent developments had only made agency work a more attractive offer. Agency rates have increased in recent years while pay for permanent roles had remained static. At the same time, staff shortages create a demand for agency workers that guarantees regular work while retaining the flexibility of the role. Private and independent training providers were similarly seen to offer more pay with less work and greater flexibility, such as the ability to work from home.

Some FE teachers reported that the cost-of-living crisis had exacerbated concerns around pay.

A small number of teachers expressed concerns that they would not be able to maintain their current lifestyle (or had already had to make changes to it) as a result of inflation, and that this may push them back into industry, when otherwise they would have wished to remain in FE. Others described their financial situation as ‘not comfortable’.

A few interviewees mentioned doing additional work on the side to help sustain them financially – with this being particularly common in Construction. One Digital teacher reported that staff members with a family and a mortgage can struggle to pay their bills, even with a second income. Those who did not express concerns about their financial situation emphasised that this was unusual and a result of specific scenarios such as inheritance, low outgoings, a market rate supplement or savings from previous industry roles.

Obviously, you have to be passionate about teaching the learners, that is part of it, but at the end of the day if that doesn't pay your mortgage [...] it's going to lose its appeal, more than it already has.

- Construction teacher

While the pay differential between FE teacher and industry salaries appears to be pivotal for FE recruitment, retention seems to be a more nuanced picture where the interplay of pay and workload is a key determinant of staff morale and, consequently, rates of turnover. The fact that both conditions and pay are seen to be better in other education roles exacerbates the demoralising effect.

6 Conclusions and recommendations

Overall, our research highlighted many of the positive aspects associated with teaching in FE colleges. Teachers and Heads of Department that we interviewed reflected on how teaching is inherently fulfilling. Some also mentioned a number of benefits that they viewed as attractive – primarily the substantial holiday allowance and pension, as well as the opportunity to work more locally and maintain a better work-life balance (particularly compared to the irregular hours of the Construction industry).

However, both our interviewees and the secondary data confirmed that recruiting and retaining sufficient numbers of high-quality FE teachers with the appropriate experience in Construction, Engineering and Digital is a significant challenge. Our findings showed that there are often numerous barriers standing in the way of people being willing and/or able to enter and remain in an FE teaching role. We outline these factors and how they interact in Figure 12. The numbers below correspond to the location of each factor in Figure 12.

1

The combination of skills shortages within Construction, Engineering and Digital and the pay differential with both industry and other education roles places FE at a disadvantage for both recruitment and retention.

Our interviewees reported perceiving earnings in FE teaching to be lower than what they would generally receive in industry. This perception was supported by the secondary data, which showed that median earnings for FE teachers tend to be lower than median earnings in industry.

We estimated that, in 2021, median earnings for full-time Engineering and Digital FE teachers were about 11 per cent lower than median earnings in relevant industry occupations, while median earnings for Construction FE teachers were about three per cent lower than in comparator occupations in industry.

Limitations to the data sources available to researchers meant that we were unable to consider self-employment earnings in our comparator occupations in industry. Data suggests that earnings can often be higher in self-employment than in employment in the Construction trades (Hudson Contract, 2023; ONS, 2024b), which could have led to an underestimation of the earnings gap for Construction teachers.

The size of the earnings gap depended on numerous factors such as an FE teacher’s subject, region, level of experience and whether they would be self-employed in industry. However, the disparities were large overall and have grown significantly in the last decade.

Our research also suggested that, in 2021, FE teachers tended to earn 23 per cent less than those who work elsewhere in the education sector, similar to existing estimates of the gap in earnings relative to school teachers (Sibieta and Tahir, 2023). This was based on occupations that our interviewees reported FE teachers would commonly move into after leaving FE teaching (e.g. specialised technical training, HE and secondary schools).

Interviewees emphasised that the cost-of-living crisis has increased the significance of this pay gap as individuals are more reticent to take perceived financial risks.

2 The financial responsibilities of younger workers mean they are generally less able to take the pay cut to move from industry into FE, driving an ageing workforce.

Interviewees reported that widening industry earnings disparities have made it more challenging to recruit new FE teachers from industry, particularly for potential recruits not already nearing the end of their careers. This contributes to an increasingly ageing workforce and worsening retention due to higher retirement rates.

3 FE salary bands are narrow, limiting opportunities for pay progression – particularly where unqualified teachers are recruited straight from industry at the top of the band to reduce the pay gap.

Interviewees reported that colleges often mitigated against low pay by recruiting teachers from industry at the top of the FE teacher pay scale, thereby limiting future pay progression. This was supported by the secondary data, which suggested that Construction and Engineering teachers with no prior experience in an FE teaching role tended to earn more than inexperienced teachers in other subjects, but also tended to hit an ‘earnings ceiling’ more quickly.

Placing new recruits at the top of the pay scale, alongside successive below-inflation pay rises for FE teachers over the last decade, has translated into lower pay progression in FE teaching than in industry. Our analysis showed that the earnings disparity between FE teaching and relevant occupations in industry was significantly larger when comparing top earners (i.e. those at the upper quartile of earnings) in FE teaching with top earners in industry. While it may be unrealistic for FE colleges to match the level of pay for top earners in industry, interviewees noted that the relative lack of progression opportunities in FE colleges compared to industry created challenges for retention, particularly for more experienced teaching staff.

4 Offering higher pay to support recruitment feeds poor retention by creating pay inequalities that lower staff morale.

Recruiting new staff from industry at the top of the FE teacher pay scale also affects the morale of existing staff. Interviewees reported that new recruits would often be paid more than experienced staff for the same role, negatively affecting the job satisfaction of their colleagues.

5 FE teachers consider their workload to be excessive and inappropriately centred on unfulfilling administrative work.

Interviewees reported that teaching staff have too many, and constantly changing, administrative responsibilities, contributing to an unmanageable, stressful and unfulfilling workload. This was often perceived to be a surprise for new recruits coming into teaching from industry. Several interviewees also emphasised that it is the relationship between workload and pay that is problematic – that is, that they are not adequately compensated for their level of responsibility and

amount of work that they do. This feeds into poor retention, as well as a poor reputation of the role, exacerbating challenges around recruitment.

6 The pressures placed on new recruits with inadequate support drives high turnover in the initial period after entering the FE sector.

Some interviewees noted that, due to existing staff shortages, new recruits were often not provided with the level of support they needed to settle into their new role in FE. Data shows that FE teachers are most likely to leave teaching in the first few years of their career (DfE, 2021), which this lack of support could be contributing to.

7 Student behaviour and mental health can be a challenge for retaining new FE teachers, and this has been exacerbated by the pandemic.

Some interviewees reported that students’ behaviour and mental health have deteriorated since the pandemic, which has added to the existing workload pressures for staff. This challenge then feeds into broader job dissatisfaction – particularly for those who felt they did not have the adequate support or tools to address the challenge.

Recommendations

Overall, our findings from this research show that the teacher supply challenge in FE is not dissimilar to that facing schools. However, the challenges in FE have been exacerbated by real-terms funding cuts and a historical lack of policy focus on the FE workforce. Our research therefore points towards several recommendations that could help address issues contributing to staff shortages.

Recommendation 1: We recommend that Government continue to increase funding to the FE sector to help colleges, at a minimum, match FE teacher pay with that of school teachers.

Our analysis shows that FE teacher pay has grown increasingly uncompetitive compared to both industry and teachers in other educational settings, which our interviewees reflected felt incommensurate with the level of workload and responsibility expected from them.

It is unlikely to be realistic or practical for FE colleges to match teacher pay with industry, due to the wide variety of jobs and significant variation in pay across sectors, working patterns and regions. However, our analysis shows that occupations in industry are not the only ‘outside option’ available to FE teachers looking to earn more outside of the profession. Many FE teachers leave their role to move into HE lecturer, specialised vocational instructor or state sector secondary teacher roles, where they can also often earn more.

Matching FE teacher pay with pay for teachers working in secondary schools, a role which interviewees perceived to involve a similar workload and level of responsibility, would therefore be a good starting point. Our analysis suggests that this would be an important contributor to

addressing both the recruitment and retention challenge. However, this would require an increase in funding to the sector from Government to be affordable for colleges.

Recommendation 2: Colleges should consider how they can help recruit and retain more teaching staff from industry, by improving onboarding procedures for new staff and by better promoting the positive lifestyle benefits of the role to potential recruits.

Colleges also have a role to play in helping to recruit and retain sufficient teaching staff. Our interviewees emphasised that teaching in FE brings many positive beyond when compared to industry, such as the satisfaction teachers receive from working with young people and, in comparison with some industries, better pension benefits, holidays and the ability to work locally.

These benefits can, to some degree, compensate for the pay cut that potential recruits may have to face if they leave industry for FE teaching. Therefore, colleges facing constraints on the salaries they are able to offer new recruits should consider how they can maximise use of the positive lifestyle benefits that the role can offer to aid in their recruitment of new teaching staff.

On the other hand, our interviewees also reflected varied practice in how colleges' recruitment procedures support new teaching staff, perceiving insufficient support as linked to high turnover for new recruits. Colleges should therefore consider if, and how, they can reform their recruitment and onboarding procedures to provide better support to new staff.

Recommendation 3: We recommend that Government devise a long-term evidence-based strategy and concrete resources to help reduce FE teacher workload, similar to what exists for schools. This strategy should be informed by further research on how improving working conditions can help support FE teacher supply, including by collecting qualitative and quantitative data on teacher workload.

Our research suggested that challenging working conditions (high workload, insufficient support for new staff members, student behaviour challenges, etc.), which can feel incommensurate with pay in the role, is a crucial contributor to poor retention.

The situation in FE is comparable to the state primary and secondary education sector, insofar as the challenge around working conditions has grown significantly worse post-pandemic. However, in contrast to the state primary and secondary education sector, there is an overall paucity of research on how working conditions impact FE teacher supply, as well as a lack of government guidance or support around how to address it. Indeed, while the Government now provides rich annual data on teacher workload for state-sector primary and secondary teachers (based on the Working Lives of Teachers and Leaders survey), there is no equivalent source of either quantitative or qualitative data on workload for FE teachers.

Understanding these challenges within the FE context is crucial, in order to take account of the additional complexities around industry-specific recruitment practices and the impact of the pandemic on the FE sector.

Collecting data on FE teacher workload should be part of the wider strategic focus on how tackling high workload in FE can help with recruitment and retention of staff. This should match the emphasis on data collection and support for primary and secondary teachers.

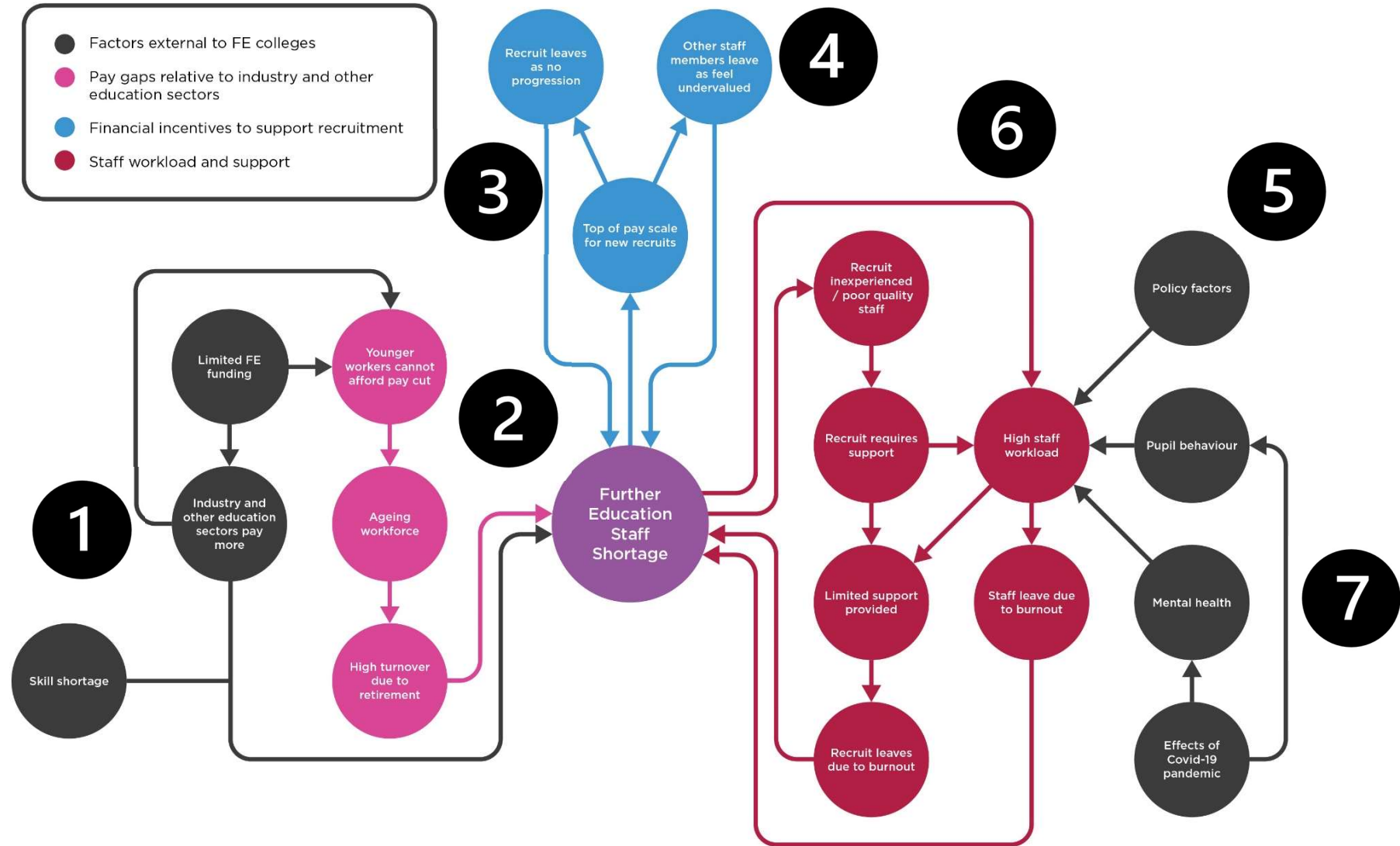
Recommendation 4: The long-awaited FE Workforce Data Collection is a welcome new source of data on the FE teaching workforce. We recommend that Government continue to support improvements to future waves of data.

While quantitative data to inform teacher supply policy has been well-established for primary and secondary education for over a decade, it has only recently become available for the FE teaching workforce. The long-awaited FE Workforce Data Collection (FEWDC) is a welcome new source of data on the FE teaching workforce, but there are still opportunities for further enhancements to ensure its longstanding value and ability to track trends over time.

For instance, achieving higher response rates would help improve the representativeness of the data, especially for vacancies. In addition, greater consistency and coverage in how roles, years of experience and other characteristics are coded in the data would help provide even more valuable information about how pay varies across the workforce.

Finally, the way in which staff members are identified in the data should be further developed to enable tracking of the same staff member over time, as well as the identification of staff members who work at multiple colleges. This will be essential for understanding the patterns of how staff work across different institutions and, once additional waves of data are available, for analysing retention rates. Improved staff identifiers are crucial to ensure the data has the potential to offer insights similar to those available for school teachers.

Figure 12. Factors influencing FE staff shortages



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