

Spring Budget 2021 Pre-Budget Briefings

# **Education and gender**

## Education, gender and Covid-19

Pre Budget briefing from the **UK Women's Budget Group**

### Key points

- A well-funded, high-quality public education system is vital to economic prosperity, as well as to reducing inequalities.
- With successive lockdowns and school closures widening gaps between disadvantaged pupils and their peers, adequate funding for schools is even more important now than it was prior to the pandemic.
- Between 2010 and 2019, schools in England saw **per pupil funding decline by 9% in real terms**. While the 2019 Spending Round sought to reverse these cuts through £7.1 billion of additional spending, some of these gains are now under threat from Covid-related pressures.
- A recent survey found that **nearly half of schools said they were having to draw on reserves to cover Covid-related costs**, and a similar proportion said they were unlikely to balance their books by the end of the year.
- **Additional support from government has been modest and poorly targeted**, with an £80 per pupil catch up premium and £350 million tutoring scheme, but only the latter targeted specifically at disadvantaged pupils.
- Working in the education sector during the **pandemic has impacted the wellbeing of its mainly female workforce** and there are indications that **infection rates were higher among teachers** than the general population, although this is not evident in ONS statistics for the whole of England.
- Even prior to the pandemic, the teaching workforce was **struggling with recruitment and retention due to low pay and poor conditions**. In July 2020, the government announced a 3% year-on-year pay increase for teachers, with the highest increase for starting salaries so that these reach £30,000 by 2022.
- **Women continue to earn less than men at all levels of education** and are, proportionally, **less likely to be in senior roles** than men. The biggest gender pay gap – 31.7% – is among staff in Academy and Trust schools.
- **Further education receives the least educational spending** of any sector and has seen the biggest decline in funding since 2010. The Skills White Paper released in January 2021 sets out ambitious goals for the role of the sector in 'building back' after the pandemic. For these to be realised, the White Paper will need to be matched by equally sizeable funding increases and a commitment to ensuring that access to apprenticeships and training leading to higher paid roles (e.g. engineering, construction) is widened.
- **The funding of higher education teaching through tuition fees and loans is having a disproportionate adverse impact on women**. Women pay a significantly larger proportion of their income back in loan repayments than men because of the gender pay gap in graduate occupations and due to time out of the workforce for unpaid caring. Having a student loan also appears to have a negative impact on when women, but not men, marry and begin having children.
- **The gender pay gap for university staff is on average 13.7% and women are under-represented in senior roles**.

The Covid-19 pandemic has drawn attention to the important role that the education system plays in reducing inequalities. With schools shut for most children during the initial lockdown in April 2020 and

again during the third lockdown in January 2021, early indications are that the gap between disadvantaged children and their fellow pupils has widened.<sup>1</sup> This means that adequate funding for schools, and

<sup>1</sup> Education Endowment Foundation (2020) Impact of school closures on the attainment gap: Rapid Evidence Assessment (<https://bit.ly/37MHsx6>)

especially a focus on schools with high levels of deprivation, is even more important now than before the pandemic.

The first part of this briefing covers the impacts of the Covid pandemic on the education sector, with the second half examining longer term issues in the sector.

## Covid-19 and the education sector

### *Schools and Covid-19*

Prior to the pandemic, school spending had seen sharp declines in the period from 2010 to 2019, with per pupil spending dropping by 9% in real-terms in what the IFS termed the 'biggest real-terms fall' in education spending in more than 30 years.<sup>2</sup> The announcement of a new 3-year settlement in the 2019 Spending Round sought to reverse these cuts by increasing total school spending by £7.1 billion to 2022/23. This equates to a 9% real-terms increase in per pupil spending and returns funding to 1% below 2009/10 levels.

However, Covid-19 has increased cost pressures on schools, both in terms of direct costs associated with ensuring 'Covid-safety' as well as in respect of supporting pupils as the UK moves out of lockdown. In December 2020, a survey of 700 schools by the Education Policy Institute (EPI)<sup>3</sup> found that more than 50% of schools had used reserves to cover increased costs as a result of Covid-19 and a similar proportion said they were 'unlikely' to balance their budgets by the end of the year. While the government introduced an 'Exceptional Costs Fund' as part of its Covid-19 response for education, the survey found that only around 31% of school's costs were covered by this.

The pressure to help students catch up on lost learning and, in particular, to reduce the gaps between disadvantaged pupils and their peers are also expected to be significant. The Education Endowment Foundation (2020) reviewed the empirical evidence on widening inequalities after the

first lockdown and projected, in their median scenario, for inequalities to have widened by 36% by September 2020.<sup>4</sup> It is noteworthy that this projected widening of inequalities comes against the backdrop of the fall in per pupil spending from 2009/10 to 2018/19, which had been disproportionately borne by the most deprived schools. While the 'least deprived' (Quintile 1) schools saw per pupil spending fall by 8% over this period, in the 'most deprived' schools (Quintile 5) spending fell by 12%.<sup>5</sup>

The government announced a 'catch up' premium of £80 per pupil aged 5 to 16 (a total of £650 million in 2020/21), as well as £350m for a National Tutoring Programme (NTP) targeting disadvantaged pupils.<sup>6</sup> The plans have been criticised for being insufficiently targeted at disadvantaged pupils, with only around a third of the funding focused on disadvantaged pupils so far, and so unlikely to be commensurate with either the scale of the learning lost or the increased educational inequalities.<sup>7</sup>

### *Impacts on school staff*

Covid-19 has had significant impacts on the mainly female workforce in schools. While according to ONS data infection and death rates are not elevated relative to the working-age population across England, there are indications that in some localities infection rates have been much higher among school teachers than in the local population.<sup>8</sup> The government, however, continues to maintain that education staff are not at increased risk and, at time of writing, teachers were not considered a priority group for the immunisation roll-out, despite considerable pressure to vaccinate teachers prior to the reopening of schools in March 2021.<sup>9</sup>

Surveys have found negative impacts on mental well-being for both teachers and school leaders. A survey of more than 3,000 education professionals conducted after the first lockdown in 2020 found that 52% felt that their wellbeing had declined either considerably or a little and 6 out of 10 were worried

<sup>2</sup> IFS (2020) 2020 Annual report on education spending in England (<https://bit.ly/3bAle1a>)

<sup>3</sup> EPI (2020) Assessing Covid-19 cos pressures on England's schools (<https://bit.ly/3dKvvvD>)

<sup>4</sup> Education Endowment Foundation (2020) Impact of school closures on the attainment gap: Rapid Evidence Assessment (<https://bit.ly/37MHsx6>)

<sup>5</sup> IFS (2020) 2020 Annual report on education spending in England (<https://bit.ly/3bAle1a>)

<sup>6</sup> Department for Education (2021) Catch up premium (<https://bit.ly/3utkdSp>)

<sup>7</sup> EPI (2021) Education reopening and catch-up support across the UK (<https://bit.ly/3pYgkdT>)

<sup>8</sup> Guyoncourt, S. (2021) Covid virus rates among teachers outstrip those in local community, figures reveal (<https://bit.ly/3swwzaG>)

<sup>9</sup> Whitehead, J (2021) Matt Hancock rejects call for teachers to be given priority in vaccine queue (<https://bit.ly/3stKRJ4>)

about Covid-19 returning. For school leaders this was exacerbated by the lack of timely government guidance, with half of school leaders describing this as challenging.<sup>10</sup> The same survey found that only 15% of education professionals felt somewhat appreciated by the government.

### **Further Education and Covid-19**

Even prior the pandemic, many Further Education (FE) and sixth form colleges were struggling after a decade of funding cuts that had seen funding decline per learner by 7% in real terms between 2013/14 and 2018/19. A report by the National Audit Office found that a third (34%) of colleges reported an operating deficit in 2018/19 and that at February 2020 the government was intervening in half of colleges for financial health reasons.<sup>11</sup> Like schools, the FE sector is expected to face challenges relating to learning loss and, in addition, will be vital in supporting retraining opportunities in the wake of Covid-19. FE colleges were, however, initially excluded from the government's education 'catch up' fund announced in June 2020. After significant pressure, a £96m 'catch up' premium was announced for the sector.<sup>12</sup>

### **Higher education and Covid-19**

Initial forecasts projected significant financial impacts for higher education institutions due to reduced numbers of international students and threats to the financial sustainability of a number of institutions.<sup>13</sup> These predictions have largely not come to pass, with increased numbers of domestic students compensating for lower numbers of international students, which have also not dropped off as much as expected.<sup>14</sup> The latest estimates project a long-run impact on government finances of £5 billion, primarily due to lower student loan repayments as a result of reduced graduate employment and earnings.<sup>15</sup>

## **Long-run issues in the education sector**

### **Schools**

#### **State schools**

The main concern for schools has been funding pressures as a result of the significant real-term cuts between 2010 and 2019. The impact of the fall in real-terms school funding has been widespread and included cuts to spending on teaching staff, educational resources, special needs support and after-school clubs,<sup>16</sup> as well as some instances of schools reducing their regular hours<sup>17</sup>.

These cuts have impacted women disproportionately in several ways. Firstly, women are more likely to be teaching staff and so impacted by reduced spending on staff. Secondly, mothers, who take on the majority of caring responsibilities for school-age children, are disproportionately impacted by cuts to after school clubs and special needs support.

#### **Independent schools**

Independent schools are effectively subsidised by government because, as charities, they receive tax relief on business rates estimated at £522 million in the five years between 2017-2022,<sup>18</sup> as well as VAT relief. The Conservative Party Manifesto in 2017 threatened to remove the charitable status of independent schools if they did not contribute to meeting the educational needs of other children. The government has withdrawn this threat and instead, following a consultation in 2018, encouraged partnership between independent schools and poorly-performing community schools.<sup>19</sup>

#### **Free schools**

While funding fell for the state system of schooling between 2010 and 2019, the government targeted additional money to schools outside the state system

<sup>10</sup> Education Support (2020) Covid-19 and the classroom: Working in education during the coronavirus pandemic (<https://bit.ly/3uB0MXG>)

<sup>11</sup> NAO (2020) Financial sustainability of colleges in England (<https://bit.ly/3uzv79i>)

<sup>12</sup> Camden, B. (2020) DfE offers £96m grant for 16-19 tutoring after Covid catch-up fund U-turn (<https://bit.ly/3qXdSMQ>)

<sup>13</sup> IFS (2020) Will universities need a bailout to survive the COVID-19 crisis? (<https://bit.ly/2P5wE6w>)

<sup>14</sup> IFS (2020) 2020 Annual report on education spending in England (<https://bit.ly/3bAle1a>)

<sup>15</sup> Ibid.

<sup>16</sup> OFSTED (2020) Making the cut: how schools respond when they are under financial pressure (<https://bit.ly/3bFnuoT>)

<sup>17</sup> BBC News (2019) Coming to a school near you? The four-and-a-half-day week (<https://bbc.in/2MqNFam>) 9

<sup>18</sup> The Guardian (11 June 2017) 'Private schools to save £522m in tax thanks to charitable status' (<https://bit.ly/2rRbdYP>)

<sup>19</sup> DfE (2018) Schools that work for everyone (<https://bit.ly/2ymBv8m>); House of Commons Library (2019) Charitable status and independent schools (<https://bit.ly/3bKaVsm>)

under its 'Free schools' policy. This flagship policy was touted as a way for innovation and greater parental and community involvement. However, recent research finds that it has increasingly become a route for academy chains to open schools, with four out of five new 'Free Schools' since 2015 having been set up by academy chains.<sup>20</sup> In this way, the policy has led to increasing privatisation of schooling, with impacts for both pupils and staff (see below on gender pay gap).

Free schools can be selective, and they include 'faith schools'. Selective schools, whilst benefiting the educational attainment of those selected, tend to under-represent low-income families among their pupils, and have a negative impact on students not selected.<sup>21</sup>

By 2018, 29% of free schools approved were 'faith schools'.<sup>22</sup> In the past, such schools have been obliged to offer 50% of their places to non-faith-based students. Traditionally, faith schools have been voluntary-aided or voluntary-controlled, which meant that 10% of capital cost came from a faith organisation that then comprised its governing body. These schools can use 100% faith-based selection. The government will allow faith schools who are willing to contribute 10% of their capital costs to apply for free school status and operate 100% faith-based selection. Faith schools have the potential to have a negative impact on religious and social class integration and on gender equality.

In October 2017, the Court of Appeal ruled that it was illegal to have gender segregation in mixed-sex schools apart from for the purposes of the exceptions set out in the Equalities Act.<sup>23</sup> The government subsequently reminded schools that there should be no inequality in the allocation of resources to single-sex activities. For example, girls' football should be given the same resources as boys' football.<sup>24</sup>

---

<sup>20</sup> National Foundation for Educational Research (2018) Free For All? Analysing free schools in England, 2018 (<https://bit.ly/3qYUjYH>)

<sup>21</sup> IFS (2016) Can grammar schools improve social mobility? (<http://bit.ly/2ci89e4>)

<sup>22</sup> National Foundation for Educational Research (2018) Free For All? Analysing free schools in England, 2018 (<https://bit.ly/3qYUjYH>)

<sup>23</sup> Judiciary UK (2017) Press summary: HM Chief Inspector of Education, Children's Services and Skills (Appellant) v The Interim Executive Board of Al-Hijrah School (Respondent) [2017] EWCA Civ 1426  
On appeal from: [2016] EWHC 2813 (Admin)  
<https://bit.ly/2J7xj0t>

## **Teachers' pay**

Teachers' salaries are paid for out of school budgets. With budgets under pressure, the government and individual schools have looked for ways to reduce their spending on teachers' salaries. This has led to declining wages in real terms and a young teaching workforce, with a recent OECD report finding that Britain has more than twice the proportion of teachers under 30 than other developed countries.<sup>25</sup>

Low pay has contributed to a crisis in recruitment and retention which risks damaging the learning environment in schools. Not only are teachers younger, but also the proportion of male teachers has declined since 2010, with men now accounting for just 35.5% of secondary teachers and 14% of primary teachers.<sup>26</sup> The decline in the proportion of male teachers has been linked to the fall in real-terms wages over this period, with classroom teaching becoming a low-paid area of female employment.<sup>27</sup>

In July 2020, the government announced plans to increase teacher salaries, with an overall pay increase of 3.1% per year and a rise in starting salaries of 5.5%.<sup>28</sup> As part of this, the government has pledged to bring starting salaries for teachers above £30,000 by 2022. Taken together, these measures represent the biggest pay increase for teachers since 2005.

However, further action is also required to address the gender pay gap education. Average salaries are higher for male teachers across all grades in the state school system.<sup>29</sup> In the latest workforce survey (only state schools are included), male teachers on average earn £900 more per year than female teachers. The gap is even more pronounced in average headteacher salaries, with male headteachers earning £77,362 on average and female headteachers earning £68,870 on average. Across both primary and secondary, 24.2% of

<sup>24</sup> DfE (2018) Gender Segregation in Mixed-sex schools. Non-statutory Guidance, June (<https://bit.ly/2Kjg40e>)

<sup>25</sup> OECD (2019) Education at a Glance 2019 (<https://bit.ly/3kBZM1b>)

<sup>26</sup> EPI (2020) Trends in diversity of teachers in England (<https://bit.ly/3qVJlcU>)

<sup>27</sup> Ibid.

<sup>28</sup> Department for Education (2020) Teachers set for biggest pay rise in fifteen years (<https://bit.ly/2ZTpe8A>)

<sup>29</sup> National Statistics (2020) School workforce in England: Reporting Year 2019 (<https://bit.ly/2NyX7cw>)



teachers are male but account for 34.7% of headteachers, with disparity most apparent among headteachers in secondary schools.<sup>30</sup>

The gender pay gap is even more pronounced in Academy and Trust schools. In 2018, Academy and Trust schools were required to publish their gender pay statistics for the first time. The average gender pay gap was 31.7% in men's favour. Median pay gaps at individual academy trusts ranged from 62.7% in men's favour to 19.2% in women's favour, although only 11 out of 471 trusts reported pay gaps in favour of women. One in ten trusts reported a gender pay gap of 50% or more in men's favour.<sup>31</sup> By mid-2018, the government had contacted 213 academy trusts querying staff salaries of over £150,000.<sup>32</sup>

### **Further education**

Further education (FE) saw the biggest declines in per pupil funding of any sector of the education system. Funding per student in further education and sixth form colleges fell by 12% between 2010/11 and 2019/20 and by 23% in school sixth forms.<sup>33</sup> As noted earlier, this has threatened the financial sustainability of many further education colleges,<sup>34</sup> a concerning situation for the primarily female workforce.

The Post-16 Skills White Paper published in January 2021 sets out an ambitious role for the sector in 'building back' after the pandemic and Brexit.<sup>35</sup> The paper includes a focus on 'improving' core skills, particularly technical skills, and on building a 'German-style' apprenticeship system. These plans have been accompanied by a recent funding increase of £400million for 16-18 education in 2020/21, but this increase may be quickly eroded if the expected increase in student numbers over the next several years occurs.<sup>36</sup>

For women to benefit from this repositioning of further education, it is vital that the gender disparity in apprenticeships and technical skills training is addressed. In 2018/19, women made up 41% of all apprenticeship starts.<sup>37</sup> They were more likely to start an apprenticeship that leads to low-paid occupations, such as hairdressing and childcare, while there are 25 men for every woman starting an engineering apprenticeship.<sup>38</sup>

Women comprise the majority of staff across all grades in further education, including leadership grades. Despite this, there is a gender pay gap in every grade, ranging from 7% among management staff to 3% among teaching staff.<sup>39</sup>

### **Higher Education**

The IFS notes the difficulty of measuring changes over time to the funding of higher education (HE) because of the different forms in which this funding is provided.<sup>40</sup> With HE teaching now funded primarily through student tuition fees and consequently loans, most concern has been on the impact on students and graduates of servicing these loans, as well as the debt incurred to the government from unpaid loans.

With a student loan-based funding model for higher education, economic shocks can have significant impacts on government costs if graduate earnings, and consequently loan repayments, are reduced. The IFS has estimated that the additional government cost for the 2020/21 cohort may be 20% higher – an additional 1.6 billion – due to a combination of lower repayments and 15,000 additional domestic students taking up loans.<sup>41</sup> It is worth noting that the government estimates that the value of loan repayments is 55-60% of the face value of the loans in discounted terms.<sup>42</sup> This shows that the loans system

---

<sup>30</sup> Ibid

<sup>31</sup> FFT Education Lab (2018) The gender gap in academy trusts. Nye P. (<https://bit.ly/2CS4g0g>)

<sup>32</sup> TES (6 July 2018) 'Names of 53 academy trusts being quizzed on high pay' (<https://bit.ly/2yodNZk>)

<sup>33</sup> IFS (2020) 2020 Annual report on education spending in England (<https://bit.ly/3bAle1a>)

<sup>34</sup> NAO (2020) Financial sustainability of colleges in England (<https://bit.ly/3uzv79i>)

<sup>35</sup> Department for Education (2021) Skills for jobs: lifelong learning for opportunity and growth (<https://bit.ly/3aVBko9>)

<sup>36</sup> IFS (2020) 2020 Annual report on education spending in England (<https://bit.ly/3bAle1a>)

<sup>37</sup> Department for Education (2020) Apprenticeships and traineeships data (<https://bit.ly/3e0UjQf>)

<sup>38</sup> TUC (2018) Tackling apprenticeship gender inequality (<https://bit.ly/3sriFXa>)

<sup>39</sup> UCU (2018) The gender pay gap in further education. 2016/17 data report (<https://bit.ly/2J1hDM5>)

<sup>40</sup> IFS (2017) Long-run comparisons of spending per pupil across different stages of education <http://bit.ly/2mIVjFc>

<sup>41</sup> OBR (2018) Economic and Fiscal Outlook March 2018 (<https://bit.ly/2lvzKJo>)

<sup>42</sup> House of Commons Library (2018) Higher Education tuition fees in England. Briefing Paper 8151 (June) (<https://bit.ly/2FgBgB9>)

for tuition fees has produced debt for individual students as well as overall government debt.

Tuition fees are higher in England than all other OECD countries and economies except the United States.<sup>43</sup> There are significant gender implications of high tuition fees and loans-based funding. A reduction in tuition fees and a reversal of the policy to replace maintenance grants with loans would be especially welcome for women. Research by the University and College Union demonstrates that, because of the gender pay-gap in graduate occupations and time out of the workforce due to unpaid caring, women pay a significantly larger proportion of their income back in loan repayments than men, and over a longer period of time.<sup>44</sup> A recent review paper published by the Centre for Global Higher Education suggests that having a student loan has a negative impact on family formation for women, but not for men, with graduate women having fewer children and delaying childbearing compared to non-graduate women.<sup>45</sup>

Despite the government making loans available to part-time students from 2012, part-time student numbers have continued to fall. By 2015/16, part-time undergraduate student numbers had fallen by 50% since 2008.<sup>46</sup> Part-time study has historically attracted large numbers of mature entrants, and those with caring responsibilities, the majority of whom tend to be women.

### University salaries

Universities follow the pattern of all sectors of education in paying women staff less than men, on average, and in the same grades, as well as having fewer women at senior level.<sup>47</sup> In 2019/20 only 28% of professors were women<sup>48</sup> and the median gender pay gap across all universities was 13.7% with 9 out of 10 universities paying men more than women.<sup>49</sup>

<sup>43</sup> [https://www.oecd.org/education/education-at-a-glance/EAG2019\\_CN\\_GBR.pdf](https://www.oecd.org/education/education-at-a-glance/EAG2019_CN_GBR.pdf)

<sup>44</sup> London Economics (2017) The impact of student loan repayments on graduate taxes (<http://bit.ly/2yVTpRz>)

<sup>45</sup> UCL Institute of Education (2018) Graduate indebtedness: its perceived effects on behaviour and life choices – a literature review (<https://bit.ly/2RTEfSE>)

### Conclusion and recommendations

Education, at all levels, plays a vital role in ensuring economic prosperity and social wellbeing. It also has the potential to promote greater equality, particularly through investment in high-quality compulsory education. At a time when Covid-19 has significantly widened gaps between disadvantaged pupils and their peers, the need for a high-quality, universal education system is vital.

Prior to the pandemic, in the 2019 Spending Round the government committed to the first real-terms increases in schools spending in nearly a decade with spending set to return to just below 2009/10 levels. Cost pressures associated with Covid-19, and the need for more targeted catch-up support for disadvantaged support, threatens to undo this progress. To this end, we call on the government to ensure that schools are fully compensated for any additional Covid-related costs and that adequate targeted funding is allocated.

Further education, as the Education Minister recognised in the recent White Paper, has a key role to play in ‘building back better’. However, the ambitious aspirations for the sector will need substantial new funding to restore the capacity of a sector that has been hardest hit by funding cuts since 2010. There must also be an explicit emphasis on ensuring that the gains from investing in skills are shared more equally, by encouraging women and other under-represented groups into apprenticeships and training that leads to well-paid jobs.

### Written by

Gill Kirkup, Independent Consultant

Eva Neitzert, Visting Fellow, Marshall Institute, London School of Economics.

### UK Women’s Budget Group, 1 March 2021

WBG is an independent, voluntary organisation made up of individuals from Academia, NGOs and trade unions. See [www.wbg.org.uk](http://www.wbg.org.uk)

Contact: [sara.reis@wbg.org.uk](mailto:sara.reis@wbg.org.uk)



<sup>46</sup> House of Commons Library (2021) Higher education student numbers

<sup>47</sup> UCU (2017) UCU names and shames colleges and universities that hold down women’s pay (<http://bit.ly/2iR5Zxo>)

<sup>48</sup> HESA (2020) Who’s working In HE? Personal characteristics (<https://bit.ly/3bVDqUr>)

<sup>49</sup> THES (6 Apr 2018) ‘Gender pay gap: how much less are women paid at your university?’ (<https://bit.ly/2JnyQ29>)

