

Press Release

First study comparing overall costs and benefits of new teacher training routes

Government is making significant changes to initial teacher training (ITT) in England, with a shift towards school-based training and away from traditional university-based routes. New school-based routes trained around 20% of trainee teachers in 2013/2014, and this percentage is set to expand, despite limited knowledge of the overall costs and benefits across alternative routes.

In new research led by the Institute for Fiscal Studies, produced in collaboration with the Institute for Education and the National Foundation for Educational Research with funding from the Nuffield Foundation, we provide the first estimates of the likely costs and benefits involved in providing training across different routes.

There is remarkable variation in the cost to central government across routes and according to the trainee's degree class, subject, and location of training. Each trainee can cost government as little as £10,000 (some undergraduate ITT courses) or as much as £42,000 (the School Direct unsalaried route for trainees in high priority subjects such as maths and physics).

The *overall* net cost for each route depends not only on the cost to central government, but also the benefits and costs incurred by schools involved in the training. We calculate the monetary value of the benefits to schools to allow the net costs to schools to be incorporated into the overall net cost.

Looking at costs to central government we find that:

- The cost of providing student finance for tuition fee funded training routes is high and variable (between £13,000 and £18,000 per trainee for postgraduate ITT and between £10,000 and £27,000 for undergraduate ITT). This is because a teacher with typical career progression would not pay back the full value of their loan before it is written off.
- A typical teacher from a postgraduate training route will not even *begin* to pay back this loan, which raises questions about the structure of student finance for initial teacher training.
- The most expensive training route for central government is the new School Direct (unsalaried) route in cases where the trainee is training in a subject defined as high-priority (such as maths and physics) – around £42,000 per trainee. This is because trainees are eligible for a bursary award or scholarship funding (which can have a 25% uplift) in addition to student finance.

But teacher training doesn't just involve a cost to government it also imposes costs on the schools where the teachers are trained. Looking at the net cost to schools, based on responses from 291 primary schools and 196 secondary schools, we find that:

- Schools are more likely to state that benefits outweigh costs for school-based routes than for university-based routes. This gives some support to the government's emphasis on the benefits of school-based training, although schools' experiences are far from universally positive.

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Embargo

Until 00.01 Mon 10th
November 2014

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- The overall monetary value of all benefits for schools we calculate (such as the contribution to teaching and capacity at the school) are largest for *Teach First*. This suggests that while *Teach First* may be relatively expensive for schools involved, the perceived benefits are also proportionately larger than for other routes.
- A very important issue for schools is the perceived quality of the trainee teacher with “better” ones giving larger benefits. There were few significant differences in the “quality” of trainees between routes.
- The presence of a trainee teacher in the primary school or secondary school department has no significant impact on pupil attainment, despite this being a concern for schools considering involvement with ITT.

Commenting on the research, Ellen Greaves, senior research economist at IFS and lead author of the report said:

“The overall costs and benefits of different teacher training routes depend largely on the costs to central government and these costs vary significantly by route and trainee characteristics. Being clear about the rationale for the current system of funding is important.”

“There is now a broad range of initial teacher training routes which may help ensure that a wide range of potential trainee teachers consider and train for the career. Importantly, our research finds that trainees from different routes are perceived by schools to be of largely similar “quality”.”

Chris Belfield, research economist at IFS and co-author of the report said:

“Remarkably under the new student loan system the government receives no repayment of the loan provided for a postgraduate ITT course from a typical teacher. That fact may not be appreciated by those considering a career in teaching who may be put off by an apparent cost they will in fact be unlikely to bear”.

ENDS

Notes to Editors:

1. For embargoed copies of the report “The Costs and Benefits of Different Initial Teacher Training Routes” or other queries, please contact: Bonnie Brimstone at IFS: 020 7291 4818 / 07730 667013, bonnie_b@ifs.org.uk
2. The authors gratefully acknowledge funding from the Nuffield Foundation, who provided generous support for our research via the project “The costs and benefits of different teacher training routes”. The Nuffield Foundation is an endowed charitable trust that aims to improve social well-being in the widest sense. It funds research and innovation in education and social policy and also works to build capacity in education, science and social science research. The Nuffield Foundation has funded this project, but the views expressed are those of the authors and not necessarily those of the Foundation. More information is available at <http://www.nuffieldfoundation.org>
3. Support from the ESRC-funded Centre for the Microeconomic Analysis of Public Policy at IFS is also very gratefully acknowledged.
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