



Rt Hon Nadhim Zahawi MP
Secretary of State

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Dr Mike Aldred
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Office of Manpower Economics
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Dear Mike,

SCHOOL TEACHERS' REVIEW BODY (STRB) REMIT: MATTERS FOR REPORT

I would like to first offer my congratulations on your appointment as the new STRB chair and to welcome you to the role. I would also like to extend my thanks to the STRB for its work over the last year on its 31st report. The Government always appreciates the role of the STRB and the independent expert advice that it provides. I am now writing to ask for your recommendations on the 2022/23 and 2023/24 pay awards.

At the 2019 Spending Round, this government committed significant additional investment in schools; by 2022-23 school funding will have increased by £7.1bn compared to 2019-20. Following the 2021 Spending Review we have since confirmed that we will deliver an additional £4.7bn in core school funding by 2024-25 building on spending plans from the 2019 Spending Round which provided the largest school funding increase in a decade. The majority of schools' pay and pensions costs have typically been covered by the core funding schools receive. We provided additional funding to schools and local authorities through separate grants to support schools to implement the 2018 and 2019 teachers' pay awards and the increase in the employer contribution rate of the Teachers' Pension Scheme. Since 2021-22 all funding to schools for teachers' pay has been included in schools' core funding allocations, distributed by the National Funding Formula.

Teacher quality is the most-important in-school determinant of pupil outcomes. That is why, in June, my department announced over £250 million of additional funding to help provide 500,000 world-leading teacher training opportunities throughout teachers' careers. We recognise that alongside this training and development, we also need to reward the best teachers as well as provide a competitive offer that attracts top graduates and professionals into the profession. It is therefore right that additional investment in the core schools' budget is in part used to invest in teachers, with investment targeted as effectively as possible to address recruitment and retention challenges and, ultimately, ensure the best outcomes for pupils.

Investing in the pay of early career teachers remains a critical priority. We need to achieve a significant uplift to starting salaries of classroom teachers to ensure teaching is a competitive and attractive graduate option, alongside creating an early career pay offer that better reflects the challenges experienced in those first few years. To achieve this, the Government remains committed to increasing starting salaries to £30,000 outside of the London pay areas. My written evidence will set out – based on the latest evidence and data – a strong case for delivering this commitment, and that this should be achieved alongside significant, but sustainable, uplifts to the pay of more experienced teachers, but still with the aim of moving towards a relatively flatter pay progression structure. I am grateful for your 2020/21 recommendations which enabled progress towards achieving this and welcome your recommendations for how we can continue to do so. To help support delivery, and to give schools the opportunity to better plan their budgets as we make the uplifts required to reach £30,000, I would be grateful for your recommendations for both the 2022/23 and 2023/24 pay awards.

I would also like to take the opportunity in this letter to acknowledge broader structural issues raised in your previous reports, including matters raised by statutory consultees, which go beyond consideration of annual pay uplifts. While these issues are not included in this year's remit, I do recognise their importance and my department will set out further detail as to when and how we intend to consider such issues. I would welcome you including in your report an overview of the wider issues you think should be addressed in the future.

The Government must balance the need to ensure fair pay for public sector workers with protecting funding for frontline services and ensuring affordability for taxpayers. You must ensure that the affordability of a pay award is taken into consideration to ensure schools are able to continue to invest appropriately in a range of resources and activities that will best support their staff and pupils. My evidence will set out how progress towards a £30,000 starting salary, achieved through pay uplifts across the workforce, can be delivered in a way that is affordable across the school system.

Considerations to which the STRB should have regard

In considering your recommendations on the 2022/23 and 2023/24 pay awards, you should have regard to the following:

- a) The need to ensure that any proposals are affordable across the school system as a whole;
- b) Evidence of the national state of teacher and school leader supply, including rates of recruitment and retention, vacancy rates and the quality of candidates entering the profession;
- c) Evidence of the wider state of the labour market in England;
- d) Forecast changes in the pupil population and consequent changes in the level of demand for teachers;

- e) The Government's commitment to the autonomy of all head teachers and governing bodies to develop pay arrangements that are suited to the individual circumstances of their schools and to determine teachers' pay within the statutory minima and maxima.

Matters for recommendation

I refer to the STRB the following matters for recommendation:

- An assessment of the adjustments that should be made to the salary and allowance ranges for classroom teachers, unqualified teachers and school leaders to promote recruitment and retention, within the bounds of affordability across the school system as a whole and in the light of my views on the need for an uplift to starting salaries to £30,000.
- As part of this, recommendations for the pay awards for both 2022/23 and 2023/24.

I would be grateful if the STRB could aim to provide a report on this matter **during May 2022 at the latest**. I look forward to receiving your recommendations on the 2022/23 and 2023/24 pay awards.

A handwritten signature in black ink, appearing to read 'N. Zahawi', with a large loop at the end.

Rt Hon Nadhim Zahawi MP
Secretary of State for Education