



School Teachers' Review Body

Fifteenth Report – 2005

Chairman: Bill Cockburn, CBE TD

Cm 6663



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Presented to Parliament by the Prime Minister and the
Secretary of State for Education and Skills
by Command of Her Majesty
November 2005

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ABBREVIATIONS USED IN THIS REPORT

Consultees

ATL	Association of Teachers and Lecturers
BATOD	British Association of Teachers of the Deaf
DfES/The Department	Department for Education and Skills
GTC	General Teaching Council
ISCG	Information for School and College Governors
NAHT	National Association of Head Teachers
NASG	National Association of School Governors
NASUWT	National Association of Schoolmasters Union of Women Teachers
NEOST	National Employers' Organisation for School Teachers
NGC	National Governors' Council
NUT	National Union of Teachers
PAT	Professional Association of Teachers
RIG	Rewards and Incentives Group (comprising ATL, DfES, NASUWT, NEOST, PAT and SHA)
Secretary of State	Secretary of State for Education and Skills
SHA	Secondary Heads Association
TDA	Training and Development Agency for Schools
UCAC	Undeb Cenedlaethol Athrawon Cymru (National Association of the Teachers of Wales)

Other Abbreviations

AGR	Association of Graduate Recruiters
AST	Advanced Skills Teacher
Cm	Reference number for command papers presented to Parliament
CPD	Continuing Professional Development
CPI	Consumer Price Index
ESTYN	Her Majesty's Inspectorate for Education and Training in Wales
ETS	Excellent Teacher Scheme
FTE	Full Time Equivalent
GCSE	General Certificate in Secondary Education
HR	Human Resources
ICT	Information and Communications Technology

IDS	Incomes Data Services
IRS	Industrial Relations Services
IPPR	Institute for Public Policy Research
ITT	Initial Teacher Training
LEA	Local Education Authority
MA	Management Allowance
National Agreement	DfES (2003), <i>Raising Standards and Tackling Workload: a National Agreement</i>
NPQH	National Professional Qualification for Headship
OECD	Organisation for Economic Co-operation and Development
NCSL	National College for School Leadership
OFSTED	Office for Standards in Education
OME	Office of Manpower Economics
ONS	Office of National Statistics
RPI	Retail Price Index
RPIX	Retail Price Index excluding mortgage interest payments
SEN	Special Educational Needs allowance
STPCD	School Teachers' Pay and Conditions Document (2005)
STRB/The Review Body	School Teachers' Review Body
TLR	Teaching and Learning Responsibility payment
UPS	Upper Pay Scale

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THE SCHOOL TEACHERS' REVIEW BODY

The School Teachers' Review Body (STRB) was established in September 1991 as an independent body to examine and report on such matters relating to the statutory conditions of employment of school teachers in England and Wales as may from time to time be referred to it by the Secretary of State. The STRB reports to the Prime Minister and the Secretary of State. The legal foundation for the function and work of the STRB is Part Eight of the Education Act 2002. The secretariat for the STRB is provided by the Office of Manpower Economics (OME).

The present membership of the STRB is:

Bill Cockburn, CBE TD (Chair)

Monojit Chatterji

Rodney East

Ros Gardner

Mark Goodridge

Bryn Roberts

John Singh

Jo Stephens

Bruce Warman

We have established a set of values and agreed ways of working to guide our work.

Our Values

We embrace the Seven Principles of Public Life. In order to ensure that the work of the STRB is of the highest achievable quality, we also adopt the following values:

- we act independently, professionally and fair-mindedly;
- we work as a team with trust, openness and frankness;
- we work to maintain good relations with and among all our consultees;
- we give full consideration to the national interest and the interests of the teaching profession; and
- we strive for continuous improvement in our working practices and judgments.

Our Ways of Working

To maximise our effectiveness and value, we will:

- report on time and with robust analysis and conclusions on remits from the Secretary of State;
- consult appropriate parties, consider and give due respect to consultees' representations and examine the evidence they provide and highlight;
- identify and consider relevant statistical, economic and research evidence, including where necessary, seeking external information;
- look to OME to provide analytical, policy, drafting and administrative support;
- keep in touch with schools and services on the ground;
- meet to identify, discuss and advise on those issues fundamental to our role;
- not only react to remit matters, but be proactive as we judge appropriate in support of our vision; and
- be accessible to those who might wish to consult us either publicly or privately, while safeguarding our independence.

BACKGROUND STATISTICS

Size¹

In England and Wales there are:

- 24,400 maintained schools comprising 19,700 nursery and primary schools, 3,600 secondary schools and 1,100 special schools;
- 521,000 teachers (476,000 full-time equivalent) including 87,000 who teach on a part-time basis;
- 271,000 (full-time equivalent) education support, administrative and clerical staff;
- over 8 million pupils;
- around 308,000 governors; and
- 172 Local Education Authorities.

Type of School²

Schools serve a great diversity of local communities in rural, suburban and inner-city areas:

- there are primary schools with only a few pupils and secondaries with more than 2,600 pupils;
- the average sized primary school has about 230 pupils and the average sized secondary school 980 pupils; and
- school budgets range from less than £80,000 in the smallest primary schools to almost £8.9 million in the largest secondary schools.

Expenditure

Expenditure on education, including that funded directly by central government, constitutes the third largest area of expenditure of taxpayers' money after social security and health:

- expenditure on all maintained education services as a whole is over £33 billion;
- over £27 billion of the total is spent by schools;
- the teachers' paybill is about £19 billion³;
- OFSTED and ESTYN have budgets totalling approximately £240 million;⁴ and
- the TDA has a budget of approximately £600 million⁵.

^{1,2,3} Data from DfES and Welsh Assembly Government.

⁴ Data from OFSTED and ESTYN.

⁵ Data from TDA.

RECOMMENDATIONS

Pay Award (Chapter 3)

We recommend:

- an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the values of the main pay scale and upper pay scale for qualified teachers, the pay scale for unqualified teachers and the new eighteen point pay scale for Advanced Skills Teachers;
- a slightly enhanced pay increase for certain points on the main pay scale in pay bands A and B, as outlined in Appendix C; and
- that should the average rate of headline inflation for the twelve months preceding April 2007 (i.e. April 2006 to March 2007) or April 2008 (i.e. April 2007 to March 2008) fall below 1.75% or exceed 3.25%, any of the consultees can ask the STRB to consider the case for seeking a remit from the Secretary of State to review teachers' pay¹.

Leadership Group (Chapter 4)

We recommend:

- an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the values of the leadership group pay scale;
- that the Secretary of State remit us to look fundamentally at the leadership group and how its changing role and responsibilities should be reflected in its future pay structure;
- to provide a sound evidence base for that remit, that a comprehensive independent study be carried out by December 2006 on the roles, responsibilities, structures and reward systems for the leadership group, looking at both current practice and likely future developments, and including at least the following issues:
 - new models of headship;
 - the role and functions of deputy and assistant heads;
 - administrative support;
 - recruitment planning;
 - type of contract; and
 - reward.

¹ Calculations are based on the RPI all items index rounded to one decimal place. The most recent series is based at January 1987 = 100 (CHAW) although if this series is updated its successor should be used. For the April 2007 calculation, first calculate an arithmetic average of the 12 monthly CHAW indices from April 2005 to March 2006 and round this to one decimal place (call the result Y0). Then calculate the arithmetic average of the 12 monthly CHAW indices from April 2006 to March 2007 and round this to one decimal place (call the result Y1). The annual inflation rate is then the percentage change from Y0 to Y1, again rounded to just one decimal place. A similar calculation can be made for April 2008, using averages from April 2006 to March 2007 and April 2007 to March 2008.

Excellent Teacher Scheme (ETS) (Chapter 5)

We recommend that:

- the Excellent Teacher Scheme be reviewed by December 2008 at the latest and that the results of the review be remitted to this Review Body for appropriate consideration and recommendation;
- the salary for the ETS be a spot salary, as previously recommended;
- the spot salary be determined by individual schools and services within an ETS salary range;
- the ETS salary range from September 2006 be £35,000 to £45,000 in pay bands B to D, and extend additionally to £50,000 in pay band A;
- the minimum and maximum of the ETS salary range and ETS spot salaries determined prior to September 2007 be increased by 2.5% in September 2007.

Teaching and Learning Responsibility (TLR) Payments (Chapter 5)

We recommend:

- an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the minimum and maximum of the two TLR ranges;
- an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the value of individual teachers' TLR payments.

Special Educational Needs (SEN) Allowances (Chapter 5)

We recommend:

- an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the value of SEN allowances;
- that the Department draw up guidance, in consultation with all interested parties, including BATOD, on how the payment of higher-level SEN allowances might take account of the enhancement of the teaching of SEN pupils brought about by specialist qualifications;

Unattached Teachers (Chapter 5)

We recommend that:

- the Department investigate the pay and conditions of unattached teachers (including such teachers in the leadership group) in comparison with other teachers. The investigation should be completed in time to inform our next review of teachers' pay.

Part Time Teachers (Chapter 6)

We recommend that:

- the Department undertake further work in association with interested parties to consider the issues in standardising pay and conditions for part time teachers and identify possible solutions;
- the conclusions of this work come back to this Review Body for consideration and recommendation.

Teachers' Professional Development and Pay Progression (Chapter 7)

We recommend that:

- the outcomes of teachers' CPD and, if appropriate, their contribution to others' development, be taken into account as part of a range of evidence when schools assess performance for pay progression purposes; and
- the Department require schools and services to include details in their pay policy about how performance is assessed for pay purposes and how different factors, including the outcomes of CPD and contribution to others' development, are taken into account.

Teachers' Professional Responsibilities (Chapter 8)

We recommend that:

- consultees consider the fundamental question of whether a description of teachers' professional role and responsibilities is needed (specifically whether it is needed in the STPCD), and present us with their written evidence and views by the end of August 2006.

CHAPTER 1

Introduction and Strategic Context

Introduction

1.1 In March, the Secretary of State asked us to review ten matters on teachers' pay and conditions of employment and make recommendations by 28 October 2005. This report is our response. We were required to have regard to a number of specific considerations and to the relevant legal obligations. The Secretary of State's remit letter is reproduced at Appendix A.

1.2 Appendix B describes the way in which we have conducted the review. We would like to thank all the organisations that made written and oral representations and highlighted relevant statistical, economic and research evidence. Throughout this report we refer to such organisations as "consultees".

1.3 We are also grateful to the schools, LEAs and other organisations we have visited, both for their help in organising the visits and for their willingness to give so generously of their time and experience. Such visits greatly enhance our knowledge and provide an invaluable context for the formal consideration of our remit.

1.4 We are conscious of the need to acknowledge the different settings in which teachers work, such as primary and secondary schools, specialist schools, pupil referral units and services managed by Local Authorities. To keep this perspective to the fore, we often refer to "schools and services" throughout the report.

1.5 In Part One of our Thirteenth Report, we developed a vision for schools and services, which we have used to underpin our subsequent work. In this opening chapter, we take stock of recent developments in teachers' pay and conditions, and consider the implications of forthcoming changes for teachers and leaders. At the end of the chapter we outline the structure of our report.

Our role and vision

1.6 In framing our advice and recommendations on teachers' pay and conditions, we aim to contribute to the development of a world-class teaching profession which:

- attracts excellent graduates;
- retains highly motivated and committed teachers;
- is fairly rewarded;

- is efficient, effective and accountable;
- is encouraged, supported and trained; and
- is trusted, respected and valued.

1.7 In support of these aims, we developed our vision, referred to above, of schools and services where:

- governors, heads and teachers are comfortable with the concept of rewards related to performance;
- schools and services are able to make decisions without detailed rules and guidance;
- high quality performance management and professional development are available to all teachers to help them to improve standards;
- schools and services have the confidence and capability to assess performance and reward staff; and
- performance and reward systems are managed effectively, transparently and fairly.¹

1.8 This vision, which was welcomed by the Department, continues to be relevant and challenging. It highlights the importance of confident local self-determination within an enabling, rather than prescriptive, national framework; and it emphasises the central role of rigorous performance management. We draw extensively on both of these themes in this report.

Strategic context

1.9 Before we begin our detailed consideration, we should take stock of where we have reached and where we are headed in the ambitious journey of cultural transformation currently under way. These reflections inform the specific next steps we advocate in the recommendations in subsequent chapters.

1.10 Schools and services are, and will always be, challenging workplaces. They must meet the high expectations of pupils, parents, Government and society in their work to deliver high-quality education, safeguard welfare and provide opportunities for children and young people. The Government is also pursuing an ambitious programme of reform for the future. As we reflected in our Fourteenth Report², the Department's *Five Year Strategy* for England is based on a number of principles:

- personalisation and choice for parents and learners;
- diversity of service provision and new ways of working;
- freedom for and devolution to the frontline, allied with robust accountability;

¹ STRB (2003), *Thirteenth Report Part 1*, HMSO (Cm 5987), paragraph 7.18

² STRB (2005), *Fourteenth Report*, HMSO (Cm 6430), paragraph 1.5

- staff development and teacher professionalism; and
- partnership working between schools, with other services and the wider community³.

1.11 The Strategy made clear that as part of a “new professionalism for teachers”, career progression and financial rewards would “go to those who are making the biggest contributions to improving pupil attainment, those who are continually developing their own expertise, and those who help to develop expertise in other teachers”⁴.

1.12 In Wales, schools and services are currently working to deliver the programme described in *The Learning Country*, which was based on principles including high standards and expectations, the interests of learners, overcoming barriers to learning, parity of esteem between different learning pathways and narrowing inequalities in achievement⁵. The Welsh Assembly Government emphasised that the professional judgement of teachers must be celebrated, and that policy and programme development would be undertaken on the basis of partnership, be evidence-based, and make wise use of resources. In leading specific programmes, for example to improve early years provision and support to parents, transform provision for 14 to 19 year olds and support teachers’ professional development, it has taken a distinctive “made in Wales” approach.

1.13 In their vital role as leaders of teaching and learning, teachers need to be responsive to changes in the curriculum, assessment methods and qualifications. They also need continuously to update their teaching, deepen their subject knowledge and enhance their pedagogy. This is a challenge, particularly at a time of significant and rapid change. Increasingly, the emphasis is on personalised learning to help all pupils achieve the best possible results, to stretch the most able pupils, and to improve the performance of those who do less well. Many more pupils with special educational needs (SEN) are being educated in mainstream schools. And secondary schools will increasingly be working with a range of organisations to provide wider vocational opportunities.

1.14 Schools also have an important role in safeguarding and promoting the welfare of pupils. They work in partnership with other services to help meet the commitments in *Every Child Matters* to enable all children and young people to be healthy, stay safe, enjoy and achieve, make a positive contribution, and secure economic well-being⁶. In particular, schools must identify children at risk or with complex needs and take prompt, appropriate action to protect and help them, often by working closely with specialist services.

³ DFES (2004), *Five Year Strategy for Children and Learners*, HMSO (Cm 6272)

⁴ Ibid. DFES, *Five Year Strategy*, Chapter 5

⁵ National Assembly for Wales (2001), *The Learning Country*

⁶ HMT (2003), *Every Child Matters*, HMSO (Cm 5860)

1.15 The Department has set the goal that within five years all schools in England will be providing a range of extended services, including childcare, parenting support, opportunities for arts, sports and study support activities, community access to facilities, and other services⁷. Schools will provide services directly or in partnership with organisations in the public, private and voluntary sectors. In Wales, schools are being encouraged to become more community-focused⁸. These developments will require each school to look at the expertise it has available and allocate responsibilities appropriately for its total workforce.

1.16 In the *Children's Workforce Strategy* the Government described its vision for a world-class workforce in children's services⁹. Professionals and practitioners from different services would work in multi-disciplinary teams and share common assessment methods. Health, social and youth services would increasingly be co-located in schools. The Government proposed changes intended to create more opportunities for people in the children's workforce to develop and progress their careers across different services, including education. These included:

- a common core of skills and knowledge – including effective communication, children and young persons' development, safeguarding and promoting welfare, supporting transitions, multi-agency working and sharing information – to be built into standards for all key occupations;
- a single qualifications framework for the children's workforce and more work-based routes into senior roles; and
- an expansion of the number of professionals working in early-years settings, perhaps by creating new professional roles similar to roles existing in other countries.

1.17 As acknowledged in *Youth Matters*, secondary schools in particular provide, directly and through partners, good advice, information and guidance for young people on the curriculum and on pastoral matters such as health, careers and wellbeing¹⁰. In addition to reinforcing the need for schools and other services to help young people at risk or facing disadvantages, the paper emphasised the need to:

- help pupils make the transition from primary to secondary school;
- help pupils select GCSE subjects and understand their options for post-16 education;
- encourage and provide opportunities for pupils to do voluntary work; and
- support young people at risk, working closely with health and social services.

⁷ DfES (2005), *Prospectus for Extended Schools*

⁸ Welsh Assembly Government (2003), *Community Focused Schools*

⁹ DfES (2005), *Children's Workforce Strategy*

¹⁰ DfES (2005), *Youth Matters*, HMSO (Cm 6629)

1.18 Schools and services' success in achieving high standards are assessed by OFSTED in England and ESTYN in Wales. Under new accountability arrangements in England, to be introduced between September 2006 and September 2007, there will be more emphasis on the provision of high-quality information about the school for parents and others, and on self-evaluation by schools¹¹. Challenge and support for head teachers will be provided by accredited School Improvement Partners through a "single conversation". A new short-notice inspection system has also been introduced.

1.19 The structure of schools' funding, organisation, capital and workforce is also changing. In England, the Department is introducing a ring-fenced grant for schools, the Dedicated Schools Grant: schools will receive a two-year budget settlement in early 2006 to cover the financial years of 2006/07 and 2007/08¹². Three-year budgets for schools will be introduced from April 2008. These changes will give schools in England greater certainty about their resources and enhanced scope to manage their own finances. In Wales, funding for education is not ring-fenced and is distributed annually by Local Authorities.

1.20 Some schools and services are working under new organisational arrangements, becoming specialist schools, Academies or joining federations. There is also an ongoing programme of capital investment in buildings, facilities and equipment, including information and communications technology.

1.21 In recent years, teacher numbers have increased while pupil numbers have started to decline. But the biggest workforce change has been the significant increase in the number of support staff, including teaching assistants, administrative staff and technicians. Between 1998 and 2005 the number of teaching assistants more than tripled in secondary schools, doubled in primary schools, and increased by 40% in special schools in England¹³. In 2005 there were over 257,000 support staff working in schools in England, an increase of 83% since 1998. Between 1998 and 2005, the ratio of pupils to adults (including teachers and all support staff in schools except administrative staff) in schools in England decreased from 17.8 to 13.4 in primary schools and 14.6 to 12.2 in secondary schools¹⁴.

1.22 The changing composition of the workforce and implementation of the National Agreement have stimulated significant changes in working practices. The Department has stated its intention that this process should continue and encouraged schools to continue to transfer to others in the team any work that does not require teachers' professional skills and judgement.

¹¹ DfES and OFSTED (2005), *A New Relationship with Schools*

¹² Jacqui Smith, MP, House of Commons (2005) Official Reports (Hansard), 21 July 2005, Column 129WS

¹³ DfES statistical evidence to the STRB; and DfES (2004), *Statistics of Education: School Workforce in England*

¹⁴ Ibid. DfES, *Statistics of Education: School Workforce in England*

1.23 As we finalised this report, the Department published a White Paper announcing further changes¹⁵. We were not able to consider the Paper and take account of it in this report, but we note important linkages with the core themes of this report.

Implications for teachers and leaders

1.24 As consultees have highlighted, and our own visits to schools have confirmed, the impact of increasing public expectations and the ongoing programme of reform is clearly being felt in schools and services. Some changes, such as those to working practices, are well under way, while others, notably the extended schools programme, are in their early stages.

1.25 Leaders and governors are at the forefront of meeting these challenges and are accountable for the results their schools and services achieve. To manage this successfully, school leaders need broad and deep professional skills, either personally or drawing on those of others in their teams. Areas that consultees have drawn to our attention include:

- leading teaching and learning;
- managing people and resources, including delegated capital and other budgets;
- leading work to safeguard the welfare and promote the well-being of pupils;
- managing information systems;
- managing and evaluating organisational performance;
- communicating well with a range of local stakeholders, including pupils and parents;
- building strong links and effective working relationships between the school and other agencies providing wider children's services; and
- leading change and engaging staff, pupils, parents and the local community in shaping the school's services and ways of working.

1.26 These weighty and changing demands require flexible arrangements in schools and services and dynamic and responsive styles of leadership. Leaders will need to demonstrate skill and confidence in taking decisions, for example on workforce remodelling, performance management and professional development. And a crucial challenge will be to exercise their flexibility and discretion over teachers' pay and conditions. Pay will need to become more clearly and directly linked to performance, with reward for teachers more dependent on outcomes achieved and less on inputs or time in post. This may well result in increased variability in reward.

¹⁵ DfES (2005), *Higher Standards, Better Schools for All*, HMSO (Cm 6677)

1.27 Success will require focus, discipline, courage and the wise use of resources. It will also require the ability to take, and stick to, decisions for the long term. All of this will take place against a background of questioning and scrutiny from an ever-increasing number of individuals and organisations with an interest in the school or service. Responding to the changed and changing needs of stakeholders will not be an easy task, and it is difficult to over-state the importance of leaders rising to the challenge.

1.28 The changes will also have a substantive impact on teachers. Workforce developments, especially the significant increases in the number of support staff, are enabling teachers to focus on work that requires their distinctive professional skills and expertise. Views from consultees and other parties highlighted a number of factors that will be critical for success, most of which are already part of teachers' experience but whose importance will increase. These include:

- ongoing development of individual professional practice, including maintenance of subject expertise, improving pedagogy, and incorporating new technology;
- working in close collaboration with colleagues, including other non-teaching professionals, within and beyond the school or service;
- management skills, and the ability to achieve results through others; and
- contributing positively to the school's wider goals, including acting as agents of change.

1.29 As professionals, it is important that teachers pro-actively manage their careers to develop and progress. There are now a number of career avenues open to teachers, whether as an Excellent Teacher, Advanced Skills Teacher, or member of the leadership group. Where appropriate, teachers should be encouraged and enabled to develop coaching and mentoring skills to support their colleagues' development.

1.30 A key issue is the development of the extended schools programme and other work to provide better services for children and young people. At the moment it is unclear to what extent leaders and classroom teachers will be required to refocus their responsibilities or take on new ones. The Department and the Welsh Assembly Government have emphasised that the developments need not add to the workload of teachers: schools will need to look at the expertise within the school and allocate responsibilities appropriately¹⁶. Many consultees have, however, expressed concern about the potential impact on workload.

1.31 In this report, we will look at the implications of all these developments for specific aspects of teachers' pay and conditions.

¹⁶ DfES (2004), *Every Child Matters: Change for Children in Schools*; op.cit. DfES, *Prospectus for Extended Schools*; op.cit. Welsh Assembly Government, *Community Focused Schools*.

Structure of this report

1.32 In our recent reports, we made recommendations to help put in place:

- a robust, coherent structure of pay progression, focused on teaching and learning and rewarding excellence;
- broad and attractive career opportunities for teachers, in recognition of the different ways in which teachers contribute to delivering high-quality education; and
- tools for leaders to manage reward as part of their HR strategy and practice, within the parameters of the national pay system.

1.33 Our Fourteenth Report rounded off that substantial phase of work. As the preceding analysis makes clear, we are now beginning a further substantial phase of work, partly to make the changes recently introduced a reality, partly to tackle the new challenges of embedding in schools and services the principles of new professionalism and a culture of continuing and continuous professional development.

1.34 Chapters 2 to 5 of this report concern pay matters. In Chapter 2, we examine the evidence on the labour market for teachers and analyse the key factors that bear on our consideration of teachers' pay. In Chapter 3 we apply this analysis in reaching our recommendations on the pay award for teachers from 2006.

1.35 Chapter 4 looks in detail at the leadership group. The scale of change described above, and the centrality of first class leadership in delivering it successfully, mean the time is right to prepare the ground for specific, detailed attention to this group. We are not yet in a position to make detailed recommendations on major change to leadership pay and conditions, but the chapter sets out our analysis of the position and our views on the way forward.

1.36 In Chapter 5 we address further pay matters. The most substantial is the Excellent Teacher Scheme, where we review developments since our Fourteenth Report and put forward recommendations accordingly. The chapter also looks at the new teaching and learning responsibility (TLR) payments; at special educational needs (SEN) allowances (which are linked to the position of unattached teachers); and at the scope for movement towards more locally-determined pay. We also respond to a pay matter highlighted by a consultee.

1.37 In Chapter 6 we consider four specific groups of teachers: teachers of mathematics and science, with particular reference to secondary Advanced Skills Teachers of these subjects; teachers on the Fast Track scheme; part-time teachers; and teachers working in challenging schools.

1.38 Chapter 7 looks at teachers' continuing professional development (CPD) and how it should be recognised in pay progression. We consider embedding a culture of CPD and continuous improvement in schools to be a challenge of fundamental importance.

1.39 Chapter 8 addresses the question of whether the professional duties of teachers need to be revised to take account of the changes summarised in the present chapter.

1.40 Finally, Chapter 9 takes a forward look and links our conclusions to the key challenges for schools in the years ahead.

CHAPTER 2

Labour Market Context

Introduction

2.1 This chapter describes consultees' and our own views about some key economic and labour market factors that are relevant to our remit.

2.2 Many of the consultees referred to statistical, economic, academic and research evidence in their written representations. Several, including the Department, the Welsh Assembly Government, TDA, NAHT, SHA and NEOST, also provided statistical data. This was very helpful. We have carefully considered this evidence and the points consultees made. In the summaries below, it should be noted that RIG made a joint submission and that some of its members (the Department, ATL, NASUWT and NEOST) also made individual representations.

Representations from consultees

Teacher numbers, recruitment and retention

2.3 Consultees commented extensively on teacher numbers, recruitment and retention, and factors influencing the supply of, and demand for, teachers.

2.4 No-one dissented from the view that pay was an important factor influencing recruitment, retention, morale and motivation; but many consultees emphasised that other factors were also important, for example:

- workload;
- pupil behaviour;
- the intrinsic nature and benefits of the job, notably the professional satisfaction gained from teaching;
- the public perception of teaching as a profession;
- the scale of change, including that arising from Government initiatives;
- funding for schools and services, including capital investment;
- the quality of leadership and management;
- career progression and development opportunities;
- pensions;
- cost of living, e.g. travel, housing; and
- the availability of flexible working opportunities.

2.5 The Department provided statistical evidence. It said that recruitment and retention strategies continued to have a positive impact on the number of teachers and other staff in schools, particularly in key areas. Total vacancies had fallen between January 2004 and January 2005. The vacancy rate in January 2005 was 0.7%, the same as it had been in January 2004 and down from 1.4% in 2001.

2.6 The Department reported that schools were reviewing their staffing structures to ensure optimal management, deployment and allocation of duties and responsibilities across all staff. They were making flexible use of support staff. These developments, combined with the contractual and legislative changes following the National Agreement, would result in improvements in teachers' working conditions. Workforce reform was contributing positively to an improving picture in teacher retention, tackling the factors that teachers had identified as most likely to lead to their leaving the profession.

2.7 The Welsh Assembly Government also provided statistical evidence. It noted that the total number of qualified teachers in Wales had increased between 2003 and 2004. The vacancy rate in maintained schools in Wales in January 2004 was 0.4%, the same as in January 2003. There had been increases in the number of Welsh domiciled students on ITT courses. It also reported that considerable numbers of primary school teachers were having difficulty obtaining jobs in Wales, and that it had reduced targets for recruitment to primary teacher training.

2.8 RIG emphasised that considerable work had gone into addressing the recruitment and retention difficulties of the 1990s, including improving teachers' pay, addressing workload concerns and providing financial recruitment incentives. RIG highlighted data and trends in teacher numbers, entrants to ITT, vacancy rates, wastage and turnover, which it said demonstrated the positive impact that this work was having. It identified, however, pressures in England, particularly in key subject specialisms. There were also regional variations: vacancy rates were higher in London, the South East and East of England than elsewhere in England and Wales. RIG also noted that the introduction of variable tuition fees from 2006 could impact negatively on future recruitment for priority subjects and trainees from under-represented groups: TDA was considering how to mitigate this.

2.9 RIG considered that there was no room for complacency. Care needed to be taken to secure the advances that had been made in the light of new and continuing challenges. Looking ahead, RIG said that the requirement on schools to review their staffing structures, the introduction of TLR payments and the Excellent Teacher Scheme would further improve teachers' working conditions and recruitment and retention. Attracting and retaining good support staff would also be essential if schools were to make improvements in teachers' working conditions.

2.10 NEOST provided its 2004 survey of resignations and recruitment, which it said showed a generally improving picture.

2.11 TDA provided statistical evidence and analysis on applications and recruitment to teacher training. It said that there had been year-on-year increases in entrants to training, but recruitment targets were challenging and it was stretching to fill all training places in priority subjects. It considered that competing to recruit good graduates was, and would continue to be, a common challenge for all employers.

2.12 TDA also said that teacher retention in London was a concern. Many teachers started their careers in London but left when they wanted to buy a house, leading to a less experienced pool of middle managers in London. Citing data from OFSTED on its judgement of leadership in schools, TDA noted that although the quality of leadership in London was rated more highly than in the rest of the country, middle management, for example subject leadership, was judged to be less strong. To give pupils continuity, more teachers needed to be persuaded to stay longer in London.

2.13 NUT emphasised that recent improvements in recruitment and retention should be considered in the context of substantial problems in the preceding few years. Citing DfES data on teacher numbers, it said that half of the increase in teacher numbers between 1997 and 2004 comprised teachers who were not qualified, regular teachers and that teacher numbers in the nursery and primary sector were falling. A range of problems with the supply of teachers remained, which were not limited to a small number of shortage subjects. For example, recruitment to teacher training in 2004/2005 was below target for nine of twelve secondary subjects. A significant proportion of newly qualified teachers did not enter the profession or left soon after qualifying. NUT said that problems remained with retention generally and with recruitment and retention specifically in the leadership group, and noted that recruitment and retention was particularly challenging in London and the South East.

2.14 NUT viewed falling pupil numbers as an opportunity to reduce class sizes, improve teachers' working conditions and pupils' learning: the trend should not, in its view, be used to reduce teacher posts. The age profile of teachers meant that many experienced people would be leaving teaching in the next ten to fifteen years and would need to be replaced. It therefore considered that further improvements in teachers' workload and conditions of service were needed to support recruitment and retention.

2.15 ATL stated that, although the overall position on recruitment and retention showed improvement on historical baselines, the situation remained extremely fragile. Teachers were leaving the profession prematurely in larger numbers than was healthy. Their experience was lost immediately and replaced only over time. ATL said that it was crucial to consider the future.

2.16 NASUWT said that teacher recruitment and retention were moving in a positive direction. Improvements in the pay system and teachers' working conditions had supported this and the process of improvement needed to continue. Factors impacting negatively on recruitment and retention had not

all been resolved completely, and it was not yet certain whether current recruitment and retention levels could be sustained in the longer term. Hot spot locations and difficulties attracting graduates to certain subjects remained.

2.17 UCAC said that many teachers were leaving the profession, in the main because of workload, but also because of pay.

2.18 NASG said that while there had been a dramatic and welcome rise in the number of people coming into the teaching profession, retention was still a challenge: drop-out rates from teaching were high.

2.19 In oral representations, we heard from several consultees that the predicted fall in the number of school-age children in the next ten years and beyond had started to affect primary schools.

Morale and motivation

2.20 RIG said that the 2004 DfES Stakeholder Tracking Survey demonstrated that just over a quarter of teachers planned to leave the profession permanently. These teachers tended to be in the older age bracket, reflecting retirement plans. In RIG's view, the survey demonstrated that the proportion of respondents who felt that the teaching profession was less respected than other professions was 56%, compared to three-quarters in 2002.

2.21 NASUWT said that although the survey showed some improvement, the findings referred to in the preceding paragraph were a cause of concern. It said that the Government's programme of reform was set to continue unabated; that the increasingly rigorous inspection regime placed demands on teachers to sustain a high level of performance; and that low-level disruption by pupils was a growing problem. Added to this there was anxiety and uncertainty about the future of the Teachers' Pension Scheme.

2.22 ATL highlighted that pensions matters were causing uncertainty and great concern for teachers.

Teachers' earnings

2.23 The Department highlighted that 53% of classroom teachers benefited from annual pay progression, for example 8% for classroom teachers on the main scale, in addition to any general inflation rises. When taken across all classroom teachers, the average earnings growth through progression was estimated to be 3.6%. In addition, over 50% of teachers currently received management allowances. Opportunities would shortly exist for teachers who had reached the top of the upper pay scale to access the Excellent Teacher Scheme.

2.24 The Department estimated that once account had been taken of wastage and replacement of experienced teachers with new entrants, the salary drift in an average school would fall to a level between 0.23% and 0.28% in the 2006/07 financial year and between 0.15% and 0.20% in 2007/08.

2.25 The Department reported the Government's view that over the medium term, the growth in individuals' earnings for the whole economy would be around 4.5% to 4.75%. It considered that in the medium-term, growth in public sector pay should be broadly in line with sustainable earnings growth for the economy as a whole, whilst recognising that this may not be an appropriate level for all sectors: it may be appropriate for earnings growth to be above or below these levels, depending on the recruitment and retention needs of the sector and labour market conditions more generally. The Department stated that if teachers received a 2% pay award in 2006 and 2007, the average earnings growth of teachers who remained in the same grade (not the whole teaching profession) would be 5.6% in each year.

2.26 The Department stated that in recent years considerable strides had also been made in the real-terms value of teachers' salaries. It gave examples of increases in real-terms in individual teachers' pay in the period from 1997 to 2005. It noted that there had been a greater overall improvement in real terms for teachers in inner London, reflecting the more competitive labour market conditions and the cost of living pressures in the capital.

2.27 The Department also said that teachers' average pay compared favourably relative to the pay of all non-manual workers and graduates, except in London and the South East. Real-terms improvements in teachers' pay in recent years, through above-inflation pay awards and structural changes, and the improvements being made to job quality through workload reform, had improved the competitiveness of the teaching profession with other graduate professions. The Department cited AGR data on average graduate starting salaries in winter 2004 and compared this with the salary for new entrants to teaching after one year of teaching in September 2005. It said that with the exception of mathematics and science, there were clear signs that it was offering pay "at the right level to attract and retain some of the brightest talent available in the labour market".

2.28 RIG considered that the pay awards and structural changes of recent years had resulted in significant real terms increases in teachers' pay. It gave examples of percentage increases in average pay for certain groups of teachers. RIG noted that incremental pay progression could add up to an 8% pay increase for some teachers. In addition, some teachers received management allowances, special educational needs allowances and/or recruitment and retention incentives. The improvements in teachers' pay and the improvements being made to job quality through workforce reform had improved the competitiveness of the teaching profession with other graduate professions. RIG referred to the AGR data on graduate starting salaries.

2.29 RIG also said that pay was no longer the top priority for teachers. Teachers now placed workload above pay in their list of priorities and attached greater importance to job quality and quality of life.

2.30 TDA said that improvements in pay and enhanced job quality had improved the attractiveness of teaching as a career. It stated that the competitiveness of teachers' salaries should be judged against a number of factors, including salary levels in sectors recruiting graduates from the same pools, and placed in the context of the whole customer offer of teaching, which included financial incentives, salaries, conditions, intrinsic benefits and professional development. It said that, at present, pay was helping to attract people to teaching. It also noted that financial incentives to enter teaching (bursaries and golden hello payments) compared well with similar incentives in other sectors.

2.31 NEOST said that improvements in working conditions and comparative pay levels in recent years had significantly contributed to teacher recruitment and retention. Projected earnings growth for the whole economy should not set benchmarks for particular groups of employees.

2.32 Consultees representing teachers did not think that it was appropriate to take pay progression into account in considering teachers' pay awards. NUT, NASUWT and ATL emphasised that pay progression was not automatic but earned. Many teachers, such as those at the top of the main and upper pay scales, would not progress every year. The three unions said that teachers would not support the view that incremental movement up the main and upper pay scales should be regarded as part of their pay award.

2.33 NUT said that as well as increasing in real terms, teachers' pay needed to keep pace with earnings increases in the rest of the economy, citing data on increases in average earnings and settlements. Teachers' pay and career progression had to be as attractive, if not more attractive, than in other professions, and growth in teachers' earnings should compare with growth in average earnings in the whole economy. Citing IDS data, it said that teachers started at a major disadvantage compared with other graduates in their starting pay. This pay gap widened due to slow rates of pay progression in teaching in comparison with other occupations. In NUT's view, at present teachers' pay compared poorly with salaries in other professions and with teachers in Scotland. It also said that in recent years, pay in the teaching profession relative to other occupations had declined because the Department had frozen teachers' pay in real terms. NUT considered that this was a significant contributory factor to recruitment and retention problems.

2.34 NASUWT said that teachers' salary levels were moving in a positive direction. There had been significant improvements in the pay system. There was still much to be done, however, to achieve pay and conditions that reflected fully that teachers were highly skilled professionals whose contribution was fundamental to securing high standards of education.

2.35 ATL acknowledged recent improvements in teachers' pay. It stressed that it was important that the pay award in 2006 and beyond ensured continued improvements in teachers' standard of living.

2.36 NASG said that there had been a substantial improvement in the relative position of teachers' salaries in the last few years. If any proposal to index-link teachers' pay emerged, NASG would wish to see it linked to incomes rather than prices.

Our analysis

2.37 The main sources of evidence drawn to our attention in consultees' submissions were:

- the Department's statistical evidence to the STRB, including a range of relevant data on the maintained schools sector in England and Wales;
- statistical information provided by the Welsh Assembly Government in its submission;
- statistical information on recruitment to teaching in 1998 to 2005 provided by the TDA in its submission and separately;
- 2005 TDA research findings on the impact of financial incentives on recruitment;
- NEOST 2004 Recruitment and Retention Survey;
- the Department's 2004 Stakeholder Tracking Survey;
- academic reports by Smithers and Robinson¹;
- 1998 to 2005 AGR Graduate Recruitment Surveys; and
- 1998 to 2005 IDS Graduate Starting Salaries Surveys.

We also considered the following evidence:

- TDA 2005 Performance Profiles Aggregate Dataset;
- ONS 1998 to 2004 Annual Surveys of Hours and Earnings;
- the Department's Statistical Release on Sickness Absence;
- STRB Teachers' Pay Survey September 2004; and
- STRB Teachers' Workloads Survey March 2005.

All this information is publicly available from the respective organisations' websites.

2.38. Our analysis covers each of the following areas in turn:

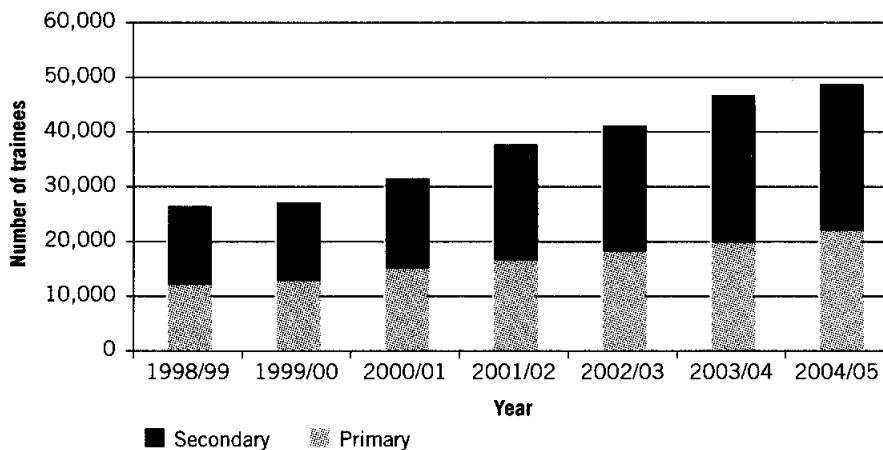
- recruitment;
- retention;
- morale and motivation;
- vacancies;
- financial incentives for new teachers; and
- teachers' earnings.

¹ Smithers, A. and Robinson, P. (2005), *Teacher Turnover, Wastage and Movements between Schools*, DfES Research Report RR640; and Smithers and Robinson (2003), *Factors Affecting Teachers' Decisions to Leave the Profession*, DfES Research Report RR430

Recruitment

2.39 We note recent increases in recruitment to initial teacher training, as illustrated in Figure 2.1. These increases are clearly being maintained and in some cases built on further.

Figure 2.1: Number of trainee teachers through all routes in England, 1998 to 2005²



2.40 We particularly welcome the increase in the number of career changers entering the teaching profession, currently making up more than 30% of all new entrants to training, bringing their diverse experience to the role. Conversely, we understand that some people will choose to move from teaching into a different career: some of these might later re-enter the profession.

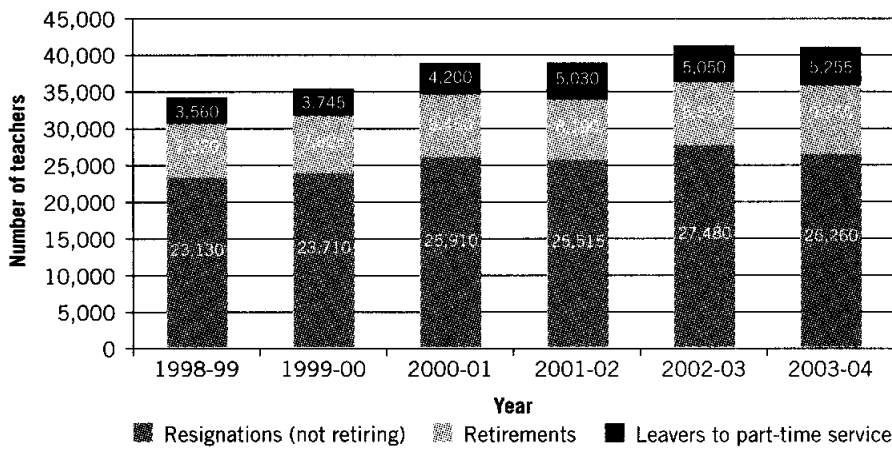
2.41 We note that the data from TDA show that in the 2003/04 academic year the proportion of trainees successfully completing teacher training and entering the profession within six months of completing their training dipped from 81% in 1998/99 to 77% in 2003/04 for primary courses and increased from 79% in 1998/99 to 83% in 2003/04 for secondary courses.

Retention

2.42 In looking at the retention of teachers, we have considered each of the main sources of wastage from the profession as set out in Figure 2.2. The number of full-time-equivalent teachers leaving the profession has increased in recent years. The main drivers of this increase are an upward trend in the number of teachers retiring and in the number of teachers moving from full to part-time working (akin to the loss of part of a full-time-equivalent teacher). The number of teachers resigning, but not retiring, from the profession has been broadly constant in recent years.

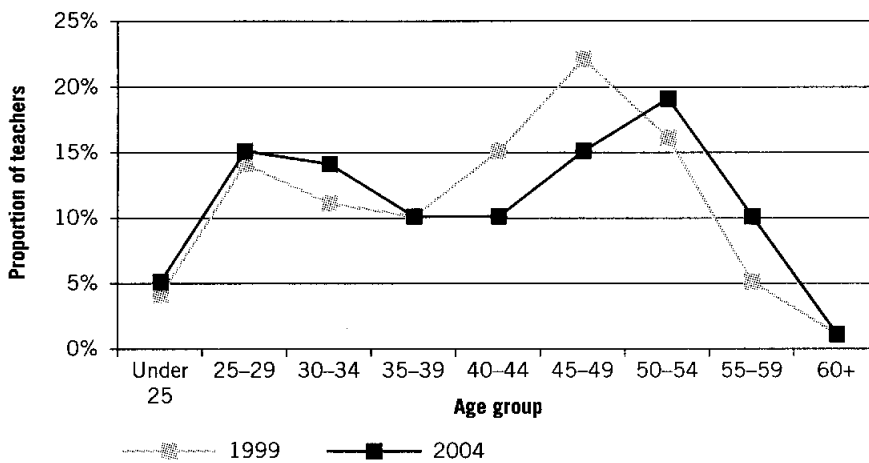
² Op.cit. DfES, *School Workforce in England Statistics*

Figure 2.2: Wastage of full-time equivalent teachers in the maintained sector in England and Wales, 1998 to 2004³



2.43 Figure 2.3 shows that the upwards trend in the number of teachers retiring is set to continue, with a large number of teachers approaching retirement age in the next five to ten years.

Figure 2.3: Recent changes in the age distribution of full-time teachers⁴



2.44 The retention situation is thus less encouraging than the recruitment situation. This needs to be kept in view, particularly with the large number of teachers moving towards retirement age. The overall number of qualified teachers working in the maintained sector has continued to increase. Hence, while the balance between the supply and demand of teachers does not currently appear to be problematic, the situation needs to be monitored.

^{3,4} DfES statistical evidence to the STRB

Morale and motivation

2.45 We have also examined the evidence on teacher morale and motivation, whilst accepting that these factors are always more difficult to assess than others.

2.46 The usual proxy measures for morale and motivation are sickness absence and wastage due to resignations. Data from the Department's statistical release on sickness absence show that the proportion of teachers taking sickness absence, and the number of sick days taken per teacher, have remained broadly constant over recent years, fluctuating within the range 55% to 57% of teachers and 5.3 to 5.4 days per year respectively. As noted above, wastage from the profession due to resignations is also stable at present.

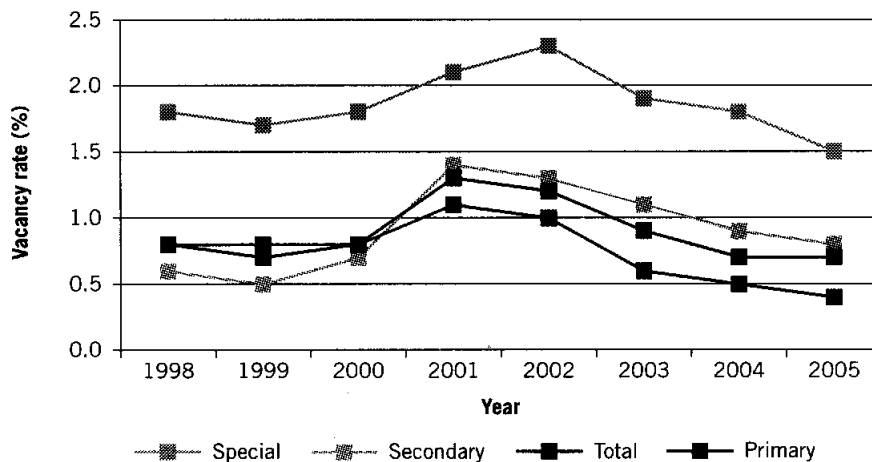
2.47 The Department's Stakeholder Tracking Survey points to teachers holding an increasingly positive view about the profession and a general view that pay levels have stabilised rather than deteriorated or improved.

2.48 The academic research by Smithers and Robinson suggests that of the five main factors found to influence teachers' decisions to leave the profession, workload had the greatest influence and pay had the least influence. This is borne out from our experiences visiting teachers in schools in different parts of England and Wales.

Vacancies

2.49 We welcome the continued downward trend in vacancy rates, as shown in Figure 2.4. There is, however, an absence of hard evidence on the extent to which local vacancy problems are masked by coping strategies employed by schools, and particularly the extent to which these occur in localised hotspots.

Figure 2.4: Vacancy rates in England and Wales 1998-2005⁵



Financial incentives for new teachers

2.50 At present, many entrants to the profession in England and Wales are eligible for training bursaries and/or golden hello payments. Research carried out for the TDA has found that the current levels of incentives have a positive effect on recruitment to teacher training and are considered particularly important to people changing careers⁶. Of the 2005/06 intake to secondary post-graduate initial teacher training, 68% of trainees were eligible for financial incentives. Financial incentives to join the teaching profession compare well with those offered by other employers.

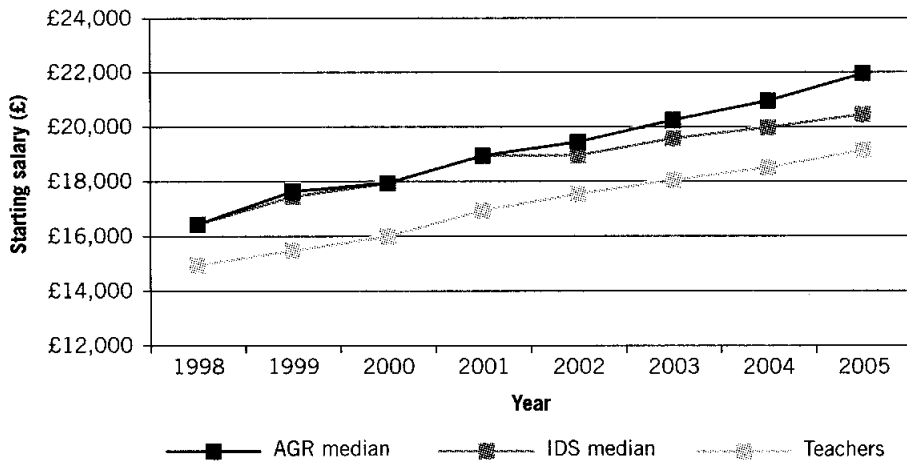
2.51 Figure 2.5 illustrates trends in median starting salaries for graduates since 1998. The two main sources of this information, the AGR and IDS surveys, include data on salaries in a wide range of size and type of organisation. Both include a preponderance of large private sector companies, which tend to offer high levels of pay. For these reasons, whilst the two surveys provide a consistent benchmark against which to judge movements in starting pay over time, in our view it is the trends in the differentials between teachers' starting pay and starting pay more widely that are significant, not absolute pay levels. While no strong messages emerge from these data, we see:

- a narrowing of the differential between teachers' starting salaries and the IDS median between 2001 and 2005 (although there was some widening earlier in the 1990s); and
- a broadly constant differential between teachers' starting salaries and the AGR median.

⁵ DfES statistical evidence to the STRB

⁶ In 2004/05 mathematics and science teacher trainees in England and Wales received a training bursary of £6,000, or £7,000. After completing an induction year, new secondary teachers in priority subjects received a golden hello payment of £4,000: mathematics and science teachers received £5000.

Figure 2.5: Graduate starting salaries since 1998⁷



Teachers' earnings

2.52 The pay system has undergone a number of changes in recent years including:

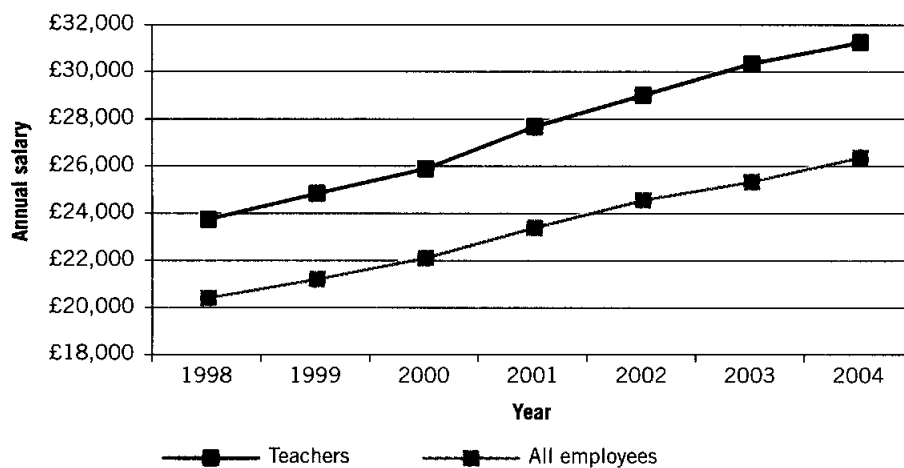
- the introduction of the upper pay scale to promote excellence in the classroom (September 2000);
- shortening of the main pay spine to aid recruitment, help address the historically higher levels of wastage early in teachers' careers, and to reflect the view that most teachers are fully competent and ready to apply for the threshold after five years (September 2002);
- changes made to the inner London pay scale to attract and retain good teachers and middle leaders in inner London schools (September 2003).

2.53 In addition, there have been increases in the number of AST posts and funding made available by the Department for schools to reward good teachers in the leadership group with pay progression.

2.54 Figure 2.6 illustrates the position of teachers' earnings relative to earnings in the wider economy. The above changes have led to the average earnings of the teaching profession rising more quickly than recent increases in the basic rate of pay would suggest. The benefits of the changes, which happened alongside initiatives to tackle the wider factors influencing retention, in particular workload, are clearly reflected in the current positive recruitment, retention and vacancy situation and the overall number of teachers.

⁷ Data from AGR, IDS and STRB reports.

Figure 2.6: Full-time teachers' average earnings relative to full-time earnings in the wider economy⁸



2.55 The first cohort of teachers reaching UPS3 in September 2004 marked the end of the bedding-in of these structural changes. In future years, increases in teachers' average earnings, and hence changes in their relative position in the labour market, will come mostly from the pay award. This is clearly illustrated in the Department's estimates of pay drift in future years⁹.

2.56 Recent changes to the pay system, along with other initiatives such as the Excellent Teacher Scheme and work to improve pupil behaviour, provide teachers with satisfying jobs and reduce teachers' workloads, should help to produce positive results over the next few years. We are convinced by the evidence that workload remains critically important to both recruitment and retention and hope that the signatories to the National Agreement and others will continue to build on their achievements.

2.57 In summary:

- the recruitment situation is currently positive with increasing numbers of entrants to teacher training and the profession;
- the retention situation is less encouraging, particularly with the large number of teachers approaching retirement age;
- the overall number of qualified teachers and data on vacancies are generally encouraging;
- there is no evidence to suggest that teachers' morale and motivation are worsening;
- there are no distinctive signs that there are problems with the level of starting pay; and

⁸ ONS (2005), *Annual Survey of Hours and Earnings 2005*

⁹ In its written representations, DfES estimated that pay drift would be between 0.23% and 0.28% in 2006/07 and between 0.15% and 0.20% in 2007/08 (financial years).

- recent structural changes to the pay system have led to increases in teachers' earnings, but these have now come to an end and salaries will now rise broadly in line with teachers' pay awards.

CHAPTER 3

Teachers' Pay

Introduction

3.1 This chapter concerns changes to classroom teachers' pay from September 2006. The Secretary of State asked us to consider for recommendation:

whether teachers' pay should increase and if so the appropriate increase, taking into account in particular the factors identified [in the remit letter]. I am looking to the STRB, in line with our proposed school funding reforms and the availability of affordability evidence, to make recommendations on an award which runs from September 2006 to August 2008. You should, as part of your enhanced strategic focus, consider how to maximise the advantages and minimise the risks of such an approach.

Context

3.2 In 2003 we recommended a multi-year pay award for teachers for the first time, starting from April 2004, along with a review mechanism to provide protection against unforeseen, major changes in inflation¹. We note that inflation has remained relatively stable over the period of the pay award and that the review mechanism was not triggered in 2005.

3.3 We also recommended that the implementation date for changes in teachers' pay scales be changed from April to September. Teachers' pay scales are now increased in September each year. From September 2006, the Advanced Skills Teacher pay spine will be reduced to eighteen points with values parallel to points one to eighteen of the leadership group spine.

3.4 In July 2005, following a consultation on funding for schools, the Department announced that the financial years 2006/07 and 2007/08 would be a transitional period, after which new funding arrangements, including three year budgets for schools in England, would be introduced. A Dedicated Schools Grant would be introduced from 2006². Under a minimum funding guarantee, in 2006/07 and 2007/08 every Local Authority would receive an increase of at least 5% per pupil above its spend in 2005/06. The Department would announce provisional allocations for Local Authorities in autumn 2005. It remained the Government's intention to move school budgets to an academic year basis, but the Department did not announce a timescale for the change.

¹ Op.cit. STRB, *Thirteenth Report Part 1*, Chapter 4

² Op.cit. Jacqui Smith MP, Official Reports (Hansard), 21 July 2005

3.5 In previous reports, we have looked closely at the differentials between pay for teachers working in or very close to London and teachers working elsewhere in England and Wales³. Our strategy to help address historic recruitment and retention difficulties in the more competitive London labour market has been to align differentials in pay between teachers in London and elsewhere with similar differentials in the wider labour market. There are now four separate pay bands.

Representations from consultees

3.6 Many consultees presented their representations on increases in teachers' pay together with their views and analyses of the labour market situation, as described in the previous chapter. Paragraphs 2.3 to 2.36 are therefore also relevant. In the summaries below, it should be noted that RIG made a joint submission and that some of its members (the Department, ATL, NASUWT and NEOST) also made individual submissions.

Multi-year award

3.7 The Department proposed that teachers should receive a multi-year pay award, with the same pay increase in September 2006 and September 2007. Unexpected fluctuations in inflation could be managed using a review mechanism similar to the one in place for the 2004 and 2005 pay awards. It envisaged, however, that the Secretary of State could consider representations on the case for a review.

3.8 RIG said that a multi-year pay award, linked to the introduction of multi-year budgets, would provide schools with a degree of certainty and stability in their forward financial planning. A multi-year pay award and the level at which it was set would be central to the development of the new professionalism agenda. Schools had benefited from the stability provided by the 2004 and 2005 pay award, which had also given the Department scope to take forward reforms on workforce remodelling and the structure of the teachers' pay system. Another multi-year pay award would be significant in the light of new school funding arrangements, including schools having increasing responsibility to manage their own budgets, and of the transition arrangements for the introduction of TLR payments. Subject to the STRB's recommendation on the headline pay increase and the Secretary of State's response, there might be a need for a review mechanism.

3.9 Several other consultees, including the Welsh Assembly Government, TDA, governors' organisations and NAHT, welcomed the prospect of another multi-year award and highlighted the need for a review mechanism.

³ Op.cit. STRB, *Thirteenth Report Part 1*; STRB (2004), *School Teachers' Review Body Thirteenth Report Part 2*, HMSO (Cm 6164); and op.cit. STRB, *Fourteenth Report*

3.10 NUT did not consider that the STRB process was the right way to determine pay awards of more than one year: a multi year award would most appropriately be part of a collectively agreed package of improvements in pay and conditions. In its view, there was economic uncertainty. It considered that the review mechanism for the 2004 and 2005 pay award did not recognise the problems for teachers caused by increases in inflation during that period. NUT therefore proposed that the STRB recommend a pay increase for 2006 only. In the event that a multi-year pay award was recommended, it would be important to protect teachers from unexpected increases in inflation. NUT proposed that the review mechanism should be invoked immediately when inflation (as measured by RPI) reached a certain point. It should also include consideration of other relevant matters, such as recruitment and retention.

Pay award

3.11 The Department said that any pay award needed to take into account the impact of inflation, the real value of teachers' salaries and the cost pressures on school budgets in the years ahead. It reported that the Bank of England target was that the base rate of inflation (CPI) should be 2%, which would be valid for the lifespan of the 2006 to 2008 pay award. The Government believed that the STRB should make its recommendation within this context. It also emphasised that the pay award should be seen in the context of structural and non-pay reforms which schools would be working towards over the period of the pay award.

3.12 Referring to its representations on recruitment and retention, teachers' earnings, the economic climate and affordability, the Department proposed a 2% increase in teachers' pay in September 2006 and a further 2% increase in September 2007, except for teachers on the first point of the main pay scale (M1) who it proposed should receive 2.25%. It considered that a differential pay award for M1 would help attract new entrants. It also commented that serving teachers would benefit from pay progression in addition to the pay award.

3.13 RIG proposed that the pay award needed to be affordable and take account of the improved position in recruitment and retention, of the need to maintain this position, and of economic and pay-related indicators. The pay award needed to reward teachers fairly and provide a climate that boosted teachers' morale and motivation.

3.14 The Welsh Assembly Government explained that because teachers' pay and conditions in Wales were not devolved, it would not make representations on pay matters unless it considered that changes might have a disproportionately adverse impact on Wales or proposals on pay were linked closely with wider work where responsibilities were devolved. It observed that the case for a pay increase in 2006/07 and 2007/08 in line with domestic price inflation seemed strong. It did not specify a particular measure of inflation.

3.15 TDA stated that teachers' salaries, particularly starting salaries, should remain sufficiently competitive in relation to the overall graduate market to attract large numbers of able and committed participants into teaching. Citing AGR data, it said that graduate salaries were beginning to increase at a faster rate than in the recent past. In TDA's view, the AGR data suggested that should salary levels for teachers stay static in comparison with inflation over the lifetime of the pay award, teachers' salaries could lose competitiveness at a time when employers were finding it increasingly difficult to recruit and were responding in a market-driven manner. With affordability in mind, TDA said that the pay system needed to be fine-tuned to reward competence and performance, adjust to market pressures and provide appropriate rewards for different job roles and weights.

3.16 NEOST said that the pay award, together with other workforce and structural reforms being developed, must be such to recruit, retain and motivate teachers in sufficient numbers and of sufficient quality to continue the drive to raise educational standards.

3.17 NUT said that it had for many years called on the STRB and the Department to make substantial improvements to teachers pay structure and levels to support the achievement of a first class education service and recognise teachers' central role. In addition to helping to address problems in relation to a number of labour market factors (summarised in the previous chapter), the pay award would send a signal about the value accorded to teaching by society. Teachers were valuable to society and central to the education system.

3.18 NUT proposed fundamental structural changes to the pay system, which it said were necessary to support the achievement of competitive pay levels in teaching. It proposed a system in which teachers moved up an incremental salary scale solely on the basis of increased experience, and pay progression was not linked to any measure of performance or professional development. In its proposed system, teachers would not be required to take on duties in addition to classroom teaching unless responsibility allowances were paid. The basic scale would be sufficiently high to recruit, retain and motivate teachers and remove the need for divisive individual payments. As part of assimilation to its proposed new pay structure, NUT proposed that all teachers' pay be increased by £2,500 or 10% in 2006, whichever was greater. It further proposed that there should be an inner London allowance of £6,800, an outer London allowance of £4,550 and a fringe allowance of £3,400.

3.19 NASUWT proposed that the pay award be substantial, above inflation and reflect: the importance of maintaining and securing continued improvement in recruitment and retention; the inherently demanding nature of teaching; the high degree of challenge and professional commitment the Government's agenda of reform would continue to require from teachers; and the need to continue to improve teachers' morale and motivation.

3.20 ATL considered that an increase in pay in line with but not above inflation would send a message to teachers that current salaries were, in the Government's view, at their proper levels, at a time of change and of uncertainty about pensions. This would be perceived negatively and could quickly lead to an increase in the number of experienced teachers leaving the profession. It urged the STRB to recommend a pay award significantly in excess of the expected value of inflation.

3.21 UCAC proposed that teachers should receive a 5% pay increase in 2006 and a further 5% in 2007. This would ensure that teachers' pay was an incentive to recruitment and retention. At present, pay did not adequately compensate for teachers' workload.

3.22 BATOD said that teachers' pay should be sufficient to become a real recruitment and retention incentive.

3.23 NUT, ATL and UCAC all noted that teachers who currently held management allowances (MAs) had not had an increase in the value of the allowances since April 2003, and that this had affected their earnings. It would take time to introduce the new TLR payments, which would further extend the freeze on this element of teachers' pay. In this context, ATL said that if the pay award did not significantly exceed the expected value of inflation, arguments about rewarding teachers undertaking important responsibilities would become more acute.

3.24 Governors' organisations proposed that pay increases should be at least in line with inflation, as measured by the retail price index (RPI).

Measures of inflation

3.25 The Department explained that the Consumer Price Index (CPI) was the measure reflected in the Bank of England's inflation target. In the Government's view, CPI had clear strengths for pay purposes. It was a better measure than the Retail Price Index excluding mortgage payments (RPIX) of the average amount needed to keep people as well off as before. It also took account of consumer behaviour in terms of substitution away from more expensive goods and brands. The Department acknowledged, however, that the STRB was free to consider all available measures of inflation.

3.26 The Department said that the STRB should make its pay recommendations in the context of an anticipated base CPI rate of inflation of 2% per annum from September 2006 to August 2008. It provided projections for RPI of 2.5% per annum in September 2006 and 2.75% per annum in September 2007.

3.27 NUT highlighted that the CPI excluded a number of items that made up a significant proportion of living costs, in particular increases in housing costs. It said that RPI was a familiar and credible inflation measure for pay purposes. The same view was expressed by several other consultees during oral representations. Other than the Department, none of the consultees that expressed a view on this matter considered that CPI was an appropriate inflation measure for pay purposes.

Affordability

3.28 The Department explained that from April 2006, funding for schools in England would be allocated mainly through the Dedicated Schools Grant, which would be ring-fenced and distributed directly to schools by Local Authorities. The Department had committed to increasing the Grant above 2005/06 funding levels by at least 6% in April 2006 and a further 6% in April 2007. The Treasury would undertake a Comprehensive Spending Review to determine funding across Government after March 2008. The increase in funding for schools for the aggregate academic year from September 2007 to August 2008 might be lower than the increase in the financial year from April 2007 to March 2008. So, any pay increase for the academic year 2007/08 might need to be affordable within a lower funding increase.

3.29 The Department highlighted that there would be significant variation in the amount of funding that schools received on the ground. Formulae were used to direct resources to schools that most needed them. It needed to make sure that the pay award was affordable for all schools. There therefore needed to be "a significant gap, as in previous years, between cost pressures and the overall funding increase".

3.30 The Department wanted to give schools greater stability and predictability in their budgets. It planned to give schools three-year budgets starting in April 2008. It had no immediate plans to align school budgets with the academic year. It would make changes to Local Authority allocations gradually in order to avoid some Local Authorities having to face rapid reductions in funding.

3.31 The Welsh Assembly Government explained that funding for schools in Wales was allocated mainly through the Revenue Support Grant to Local Authorities. It did not ring-fence specific levels of funding for schools or specialist services, and Local Authorities had discretion to distribute resources. The Welsh Assembly Government planned to increase the Revenue Support Grant above 2005/06 levels by 3.95% in April 2006 and a further 4.3% in April 2007, but these plans could be subject to change.

3.32 RIG noted recent and forthcoming increases in spending on education in England. It said that the Government's considerable investment in schools had been critical in tackling significant supply-side pressures and securing teachers and other suitably qualified adults to work in schools.

3.33 NEOST said that teachers' pay must be affordable from the Dedicated Schools Grant. Local Authorities should not be expected to supplement school budgets.

3.34 BATOD was concerned about funding for specialist services.

Cost pressures

3.35 The Department provided information on the cost pressures on funding for schools in England. The STRB requested further information and clarification about this prior to and following the Department's oral representations, and the Department responded with further written submissions. The Department emphasised that teachers' pay was by far the biggest spending item for schools. Without taking into account any new pay increases, the total teachers' pay bill would increase because of salary drift, which it estimated at between 0.23% and 0.28% in 2006/07 and 0.15% and 0.20% in 2007/08. At local level, there would be differences in costs or savings due to salary drift, depending on the profile of the teaching staff and changes in staffing over time.

3.36 The Department stressed that teachers' pay was not the only cost pressure faced by schools. Another significant area of pressure was pay for the growing numbers of school support staff, including teaching assistants and people with expertise in HR, finance, health and social services. Increases in the pay bill for support staff were expected as a result of Local Authorities implementing the 1997 single status agreement on the harmonisation of pay and conditions for comparable posts of Local Authority employees and increasing employer contributions to pensions. Costs would vary between Local Authorities, but, making certain assumptions, the Department estimated that increases in the pay bill for support staff could result in a 1% cost pressure on school budgets.

3.37 The Department emphasised that increases in funding were intended to bring real improvements in standards, provide help for schools in challenging circumstances and improve all pupils' life chances. For this to occur, there needed to be room for real growth in provision. It was important that the teachers' pay award left schools with adequate budget headroom to deliver improvements.

3.38 The Department further stated that schools in England would face other costs as they continued to implement Government policies, including:

- ongoing provision for workforce reform, including the contractual changes introduced following the National Agreement. The Department estimated that workforce reform would cost about £70 million in the 2006/07 financial year, though it emphasised that there was funding to meet this cost pressure in school budgets;
- embedding and supporting the *Every Child Matters* agenda, in which it was looking to schools to help achieve more joined-up support for children and young people;
- developing and sustaining extended schools;
- greater personalisation of teaching and learning across the curriculum;

- delivering the proposals in the *14 to 19 White Paper*, including a broader range of learning opportunities with more vocational options⁴;
- the new professionalism agenda, which would require teachers to take their continuing professional development (CPD) very seriously and participate fully in building a more open culture of coaching and mentoring;
- engagement of learning mentors; and
- pay rewards for teachers who took the toughest jobs.

3.39 The Department did not quantify these cost pressures, which it said were difficult to model at school level. Costs would be borne from schools' normal budgets. It also reported that there would be a White Paper in autumn 2005, which would include some specific proposals that would impact on the school system and affect the need for resources during the period covered by the forthcoming Comprehensive Spending Review.

3.40 The Department said that for schools with typical wastage rates, a 2% per annum pay award plus salary drift should be affordable within an envelope of a 6% increase in the school budget. It would, however, be much less affordable for a school with zero wastage. It acknowledged that it was difficult to predict accurately the number of schools that would be subject to zero wastage from 2006 to 2008.

3.41 Most of the consultees who commented on the point expected that the replacement of Management Allowances with TLR payments would represent a neutral or even downward pressure on teachers' pay. The exceptions were NAHT, UCAC and BATOD.

3.42 NAHT considered that the change to TLRs would give rise to costs in the short and medium term due to the safeguarding provisions in the STPCD. It said that schools needed adequate funding to make genuine choices about structures. It went on to say that the sustainability of changes arising from the National Agreement was a cost pressure. Schools were managing significant changes, largely as a result of Government policies, and the related cost pressures were considerable. Its members had reported that funding was a major problem in Wales.

3.43 UCAC said that budgets needed to include flexibility to meet staffing and pay requirements and cover increases in expenditure such as threshold payments, TLR payments and the Excellent Teacher Scheme.

3.44 BATOD highlighted that budgets would need to cover a range of cost pressures, including salaries for support staff, contractual changes following the National Agreement, equipment, training and development and the introduction of the Excellent Teacher Scheme. BATOD also expressed concern about the potential effect of three-year budgets on specialist teaching and support services, since pupil populations for these services could fluctuate in a

⁴ DfES (2005), *14 to 19 Education and Skills White Paper*, HMSO (Cm 6476)

short space of time. Members in special schools had reported that up to 95% of their budget was being used to pay staff and that they were having difficulty meeting pay and contractual requirements without reducing the quality of service provision.

Our views and recommendations

Multi-year award

3.45 We note that the majority of consultees support a two-year award with pay increases in September 2006 and September 2007 and it is clear that a substantial level of confidence now exists in the principle of multi-year awards. Many of the consultees highlighted that an award over the two-year period would provide certainty about a key cost pressure for schools and services. This certainty is one of the advantages of multi-year awards. Another is that fixing pay levels for longer than one year potentially releases time and resources to devote to other matters. At a time of significant change for schools and services this is an important consideration.

3.46 We currently appear to be in an environment of low and relatively stable inflation and note that the Treasury's average of independent forecasts suggests that inflation indicators are likely to converge around the Bank of England's targets over the two-year period within which the pay award will apply. Taking this and the benefits of multi-year awards highlighted above into account, we see merit in endorsing a two-year pay award.

3.47 A drawback with multi-year pay awards can be uncertainty about future changes in the economy, particularly levels of inflation. This is particularly pertinent, given that we are making recommendations on teachers' pay in October 2005, ten months before the pay award takes effect and with an end point that is nearly three years into the future. This requires us to put in place arrangements to protect all parties from unexpectedly high or low levels of inflation.

3.48 As with the teachers' pay award for 2004 and 2005, we have concluded that the pay award for 2006 and 2007 should be subject to a review mechanism. In considering the appropriate mechanism, we have taken into account forecasts of inflation, outlined below, and the degree of shifts in inflation that would be significant enough to warrant consideration of a review of teachers' pay.

3.49 It is important that the review mechanism should remain independent and command the confidence of consultees and other interested parties. If inflation goes beyond the specified boundaries, our view is that any of the consultees should be able to approach the STRB. We would then consider the case in the light of both inflation and the labour market situation and, if convinced that a review of teachers' pay was necessary, seek a remit from the Secretary of State to that end.

Pay award

3.50 In reaching our views on the pay award for September 2006 and 2007, we have taken into account consultees' representations and analysis on the labour market outlined in the previous chapter, relevant statistical and economic information, the need for our recommendations to be affordable and the other considerations specified in the remit letter. We also acknowledge that the Government's objective in pursuing pay reform and modernisation is to ensure that the highest pay rewards go to the teachers who contribute the most, a direction that we firmly support.

3.51 As outlined in Chapter 2, we are encouraged by the positive recruitment situation and the overall numbers of qualified teachers in the profession, but less sanguine about the retention situation, where, despite relatively stable wastage rates, a large number of teachers will be retiring in the next five to ten years.

3.52 As we have said, levels of morale and motivation are always more difficult to judge. The usual proxy measures of sickness absence and wastage due to resignations suggest that both factors appear to be stable, while the Department's survey of stakeholders, cited in the previous chapter, suggests the situation might be improving. The academic research cited in the previous chapter suggests that at present pay is less of a concern to teachers than workload, pupil behaviour and the pace of change, which we have also found during our visits to schools. Motivation, however, is always likely to be fragile during times of substantial change, such as the present, and it is important for teachers to perceive that they are being treated fairly in such circumstances.

3.53 The Department has emphasised that pay increases for classroom teachers arise from pay progression as well as pay awards (see paragraph 2.23). We note this, but emphasise that progression-related increases are an inherent feature of any incremental pay system and are intended to reflect factors such as employees' increased skills and experience. We estimate that each year around half of classroom teachers will receive both an increment and a general pay award, whilst the other half will receive only the general pay award⁵. Averaging increases for all teachers obscures this crucial dichotomy.

3.54 The correct positioning of the teachers' pay structure relative to the wider market is important and reflects the competitiveness of elements such as starting salaries and the market rate for the job. Positioning the pay structure too low relative to the wider labour market could create problems in the medium to long term with recruitment, retention, morale and motivation. Conversely, positioning it too high would not be an effective use of school funding.

⁵ Op.cit. STRB, *Teachers' Pay Survey September 2004*

3.55 The movement of teachers within the pay structure can impact on the overall size of the pay bill. This comes from any imbalance between the cost of awarding increments to some teachers and the savings made to the system as experienced teachers leave the profession to be replaced by new entrants. As all of these movements occur within the pay structure, however, they will not change the relative position of the structure with the wider market.

3.56 The main factors that impact on the relative position of the teachers' pay structure are the annual pay award and the effects of any restructuring of the pay system. Consequently, when setting pay awards, while it is important to consider the overall impact of increments when looking at affordability, over-emphasis on the increases received by some individuals within the pay system could lead to the pay structure as a whole becoming misaligned with the wider market.

3.57 Previous structural changes to the system have now bedded in and balance is being restored between the cost of increments and the savings outlined above. Consequently, in this remit, the main driver of change to both the overall pay bill and the relative positioning of the teachers pay structure is the pay award. This view is supported by the relatively low levels of pay drift expected over the period of the pay award, as estimated by the Department (see paragraph 3.35). A careful balance therefore needs to be struck between the affordability of the award and the direct impact that the award will have on the relative positioning of the pay structure within the wider market.

3.58 We note that the Government considers CPI to be the most appropriate measure of inflation in the context of pay determination. Most other consultees, and commentators more widely, suggest that RPI is the measure of choice for pay bargainers in the wider economy. In our view, each of the different measures of inflation reflects different things and has its strengths and weaknesses. We have not relied on any one indicator and have taken into account changes and predicted changes in each of the main inflation indices, alongside other indicators including average earnings and settlement levels.

3.59 Inflation in the year to September 2005 was 2.5% per annum (CPI) and 2.7% per annum (RPI). According to IRS, in the three months to July 2005 median settlements were at 3.0% in an inter-quartile range of 2.5% to 3.3%. The Treasury's average of new independent forecasts for October 2005 suggested that inflation would ease to 1.9% per annum (CPI) and 2.4% per annum (RPI) in the fourth quarter of 2006 (October to December), around the anticipated time of the first pay increase of the new pay award. We also note that the Bank of England's target for inflation is 2.0% (CPI).

3.60 There are no forecasts for pay settlements, but commentators tend to assume that median settlements will broadly follow RPI. Given current forecasts that RPI will move downwards, it follows that median settlements may also fall from their present levels.

3.61 The levels of pay award sought by consultees for 2006 and 2007 ranged from 2% (DfES), to above and significantly above inflation (several consultees), 5% (UCAC) and 10% (NUT, 2006 only).

3.62 In reaching our view on the appropriate level of pay award, we consider that the recruitment situation and the balance between the supply of and demand for teachers are encouraging. We are conscious, however, of the need to consolidate the improvements made in recruitment and to retain good teachers at a time of significant change. A major factor in this will be earnings in the teaching profession as a whole relative to others in the labour market. Since salary drift will be low for the period of the pay award, this relative positioning will depend substantially on the pay award, as noted above. Taking these factors together, the evidence points to a figure above that sought by the Department but does not justify an award of the order of the higher figures proposed.

3.63 In the light of our analysis, we conclude that a pay award of 2.5% in September 2006 and 2.5% in September 2007 would be appropriate. This level of award should also maintain the competitiveness of teachers' starting salaries. We see no case for altering the differentials between the four pay bands at this time, but have observed that some points on the main scale for bands A and B (inner and outer London) are out of line with differentials across the rest of the scale. We therefore consider it appropriate to give a slightly enhanced pay increase to those points to improve consistency within and between pay bands.

3.64 Bearing in mind the Secretary of State's direction on affordability (see Appendix A), we note the Department's commitment to increase funding for schools in England in the Dedicated Schools Grant by 6% in 2006/07 and again in 2007/08, and its guarantee that, as part of this, all Local Authorities will receive a funding increase of at least 5% per pupil in each year. We also note that the change to academic year budgeting will not be made during the period of the pay award and that no information is available on funding for schools after April 2008 because of the forthcoming Comprehensive Spending Review.

3.65 We estimate that the pay award set out below will result in a cost pressure of approximately 1.5% on the Dedicated Schools Budget in England in 2006/07 and 2007/08. This should allow ample headroom in the budget for the other cost pressures identified by the Department, though we cannot be more precise on this point, since the impact of other cost pressures was not quantified.

3.66 It is more difficult to judge affordability in Wales, since funding for schools is not ring-fenced. We note the Welsh Assembly Government's planned increases for the Revenue Support Grant in 2006/07 and 2007/08 and consider that the pay award we are recommending should be affordable within these increases.

3.67 We estimate that the minor changes to the London pay scales will cost an additional £5 million in 2006/07 and a further £5 million in 2007/08.

3.68 The Department asked us to pay attention to the impact of the award on schools with zero wastage. This is problematic, as we have not been provided with evidence that would allow us to consider affordability at the level of the individual school, and we understand that such evidence would not be readily available. It is the Review Body's responsibility to look at the pay structure as a whole and we think it is right that our consideration of affordability should be at the national level. It is the responsibility of the Department and Local Authorities to ensure appropriate local funding.

3.69 We recommend:

- **an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the values of the main pay scale and upper pay scale for qualified teachers, the pay scale for unqualified teachers and the new eighteen point pay scale for Advanced Skills Teachers;**
- **a slightly enhanced pay increase for certain points on the main pay scale in pay bands A and B, as outlined in Appendix C; and**
- **that should the average rate of headline inflation for the twelve months preceding April 2007 (i.e. April 2006 to March 2007) or April 2008 (i.e. April 2007 to March 2008) fall below 1.75% or exceed 3.25%, any of the consultees can ask the STRB to consider the case for seeking a remit from the Secretary of State to review teachers' pay⁶.**

⁶ Calculations are based on the RPI all items index rounded to one decimal place. The most recent series is based at January 1987 = 100 (CHAW) although if this series is updated its successor should be used. For the April 2007 calculation, first calculate an arithmetic average of the 12 monthly CHAW indices from April 2005 to March 2006 and round this to one decimal place (call the result Y0). Then calculate the arithmetic average of the 12 monthly CHAW indices from April 2006 to March 2007 and round this to one decimal place (call the result Y1). The annual inflation rate is then the percentage change from Y0 to Y1, again rounded to just one decimal place. A similar calculation can be made for April 2008, using averages from April 2006 to March 2007 and April 2007 to March 2008.

CHAPTER 4

Leadership Group

Introduction

4.1 The leadership group merits separate discussion in this report. We summarised in Chapter 1 the profound process of cultural and organisational change that is under way in schools. We have emphasised that transformation on this scale cannot succeed without first class leadership, and that a dynamic and responsive style of leadership will be required. Meeting this challenge is one of the most important priorities facing schools and their leaders.

4.2 The leadership group is included in the Secretary of State's request for recommendations on a pay award for teachers. We were also asked to consider *whether any further modifications are required to the pay arrangements of any particular categories of teacher.*

Representations from consultees

Leadership group pay

4.3 RIG noted that head teachers' average pay had increased by 34% since 1998. RIG did not, however, make any specific proposals on the treatment of leadership group pay. In its separate submission, NEOST proposed that leadership pay increase by the same percentage as classroom teachers' pay.

4.4 NAHT provided three separate submissions on leadership group pay. It said that leaders' pay had fallen substantially behind that of external comparator groups, and was also less attractive internally as differentials with UPS, AST and Excellent Teacher pay had eroded considerably. In addition, heads were finding that their headship time was being eroded by the need to provide Planning, Preparation and Assessment time for other teachers. As a result of all these factors, NAHT considered that increasing problems of recruitment and retention were becoming apparent. In NAHT's view, the discretions in the STPCD to help address recruitment and retention problems were not being used.

4.5 NAHT therefore proposed substantial increases in leadership pay, linked to a major restructuring of the leadership spine. Its proposal involved removing seven points from the bottom of the spine in September 2006 and a further two points in September 2007, with additional points being added on top. After phasing in, the spine would start at £41,550 and finish at £133,770. It also proposed that the differential between the highest paid teacher in the school and the lowest paid member of the leadership group should in future be based on UPS3 rather than UPS1 as at present.

4.6 SHA said that the leadership group should receive a differentially higher award, highlighting increasing difficulties in recruitment and retention, as well as areas of additional responsibility, which it saw as having added to the burden on school leaders. In its view, there were few public services where leaders had such a wide-ranging and challenging agenda. SHA also proposed that differentials between the leadership group and the highest paid classroom teachers should be based on UPS3 rather than UPS1. It accepted that relevant bodies had considerable discretion in setting leadership pay, but said that many did not exercise this discretion.

4.7 SHA pointed to factors such as schools being put into special measures, expectations on progress which it saw as unrealistic, and the new OFSTED inspection regime, all of which were leading to an increasing trend for head teachers to be dismissed. It was aware of at least twenty-four heads being forced to resign in the last academic year and noted that this was over 6% of all secondary heads leaving their post. SHA said that this increased vulnerability ought to be reflected in higher overall levels of pay and in more generous compensation arrangements.

4.8 NUT noted the increasing level of re-advertisements for head teacher vacancies, but did not argue for a differential award, since the leadership group would be covered if its proposal for all teachers' salaries to be increased substantially (see paragraph 3.18) was implemented.

4.9 BATOD said that differentials between the pay of teachers receiving SEN and TLR payments and teachers in the leadership group must be maintained. It stated that further guidance was required on the status of and pay for leaders in specialist services.

4.10 NASG stated that there were recruitment and retention issues in the leadership group. While the explanation could lie in such issues as workload, it said that further consideration should be given to pay differentials for school leaders.

4.11 In oral representations, one consultee said that small differentials between the pay of classroom teachers and the leadership group were discouraging teachers from applying for promotion. Another said that many deputy and assistant head teachers did not wish to become heads because the additional pay rewards were not sufficiently attractive and the workload was much greater. Another consultee said that workload and insecurity were the main factors causing difficulties in recruiting to the leadership group.

Other issues concerning the leadership group

4.12 Consultees also made points concerning the leadership group in their submissions on teachers' professional responsibilities, which in many cases went wider than our specific remit.

4.13 RIG raised points in three main areas concerning the leadership group. The first was continuing professional development (CPD), where RIG put forward the view that the duties on CPD should be amended to reflect an expectation that the leadership group, like other teachers, should be engaged in effective, sustained and relevant professional development throughout their careers. It proposed that head teachers should additionally have a duty to embed CPD in the school's culture and to help create a positive learning environment.

4.14 Secondly, RIG stated that it was necessary to consider head teachers' role, responsibilities and duties more generally. RIG said the review should include:

- whether and how new partnerships and organisational arrangements would increase head teachers' responsibilities;
- whether the existing duties presented potential obstacles to head teachers taking on wider leadership roles;
- whether there was sufficient scope in the STPCD for head teachers to be rewarded for taking on wider leadership roles or whether head teachers should have a separate contract for this;
- giving head teachers an ongoing duty to advise and assist relevant bodies in relation to reviewing and changing the school staffing structure.

4.15 Finally, RIG said that work should be done to consider whether different potential models of school leadership might be appropriate, including separating management from the leadership of teaching and learning. The work could consider whether the head teachers' role should be that of a lead practitioner of teaching and learning and/or the leader of the management and administration of the school.

4.16 NAHT said that it had been its view for some time that head teachers' professional duties were in need of review. It viewed the existing duties in the STPCD as the product of a period of industrial unrest in schools, not a modern professional contract. Despite helpful changes since the National Agreement, there was still some way to go before the benefits of changes in the schools workforce, including enabling head teachers to spend time on leadership, were fully realised. It noted that there had not yet been a significant increase in the number of professionals supporting head teachers with leadership and management, including managing change, and was concerned that head teachers did not receive enough support to deliver their responsibilities in these areas. NAHT therefore concluded that it was premature to make further changes to duties that would require significant work on the ground.

4.17 NAHT had particular concerns about the pay and conditions of head teachers undertaking wider leadership roles. It considered that the best way to reflect head teachers' wider responsibilities, for example in relation to extended schools, was to amend the STPCD to cover them. It did not support head teachers having separate contracts for their wider work. NAHT proposed that working groups of interested parties be established to examine the duties, taking account of TDA's work to revise professional standards for teachers.

4.18 Most other consultees agreed that the professional responsibilities of the leadership group needed to be reviewed.

Our analysis

4.19 The main sources of evidence drawn to our attention in consultees' submissions were:

- the annual Howson reports on the state of the labour market for senior staff in schools¹;
- earnings growth and salaries by grade 1997-2003 (Figures 1 and 2 of the RIG submission to the STRB);
- the Department's statistical evidence to the STRB, especially Tables 10, 29, 35, 36, 42 and 43;
- turnover rates by salary grade (NEOST submission to the STRB, Table 7);
- National Assembly of Wales Statistical Directorate data on teachers in service, vacancies and sickness absence in Wales in January 2004;
- Hay Group Pay Data.

4.20 We also considered the following additional evidence:

- GTC (England) survey of teachers 2005;
- STRB Teachers' Pay Survey September 2004;
- STRB Teachers' Workloads Survey March 2005.

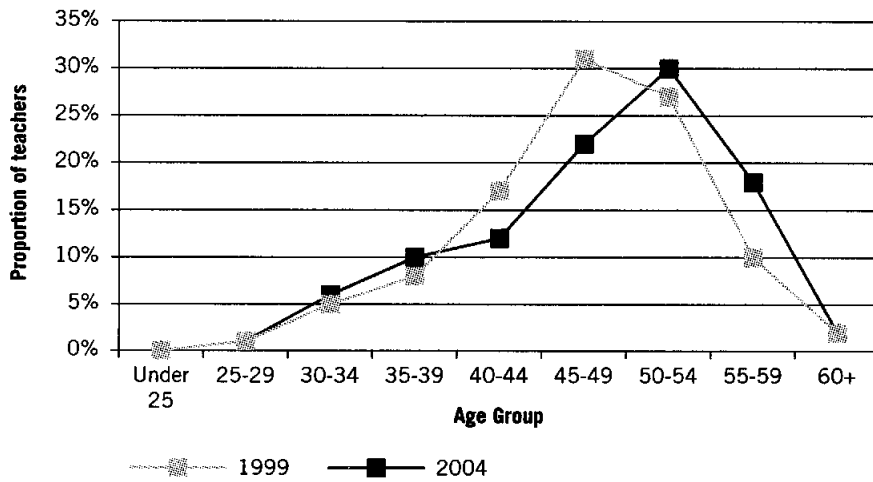
¹ Howson, J. (2000-2005), *Annual Reports on the State of the Labour Market for Senior Staff in Schools in England and Wales*, Education Data Surveys

4.21 Looking at this body of evidence as a whole, the main messages that emerge are:

- From the Howson report:
 - smaller primary schools receive lower numbers of applications per head teacher post than other schools;
 - in recent years there have been noticeable increases in the proportion of recruitment exercises for head and deputy head teacher posts that were unsuccessful;
 - there is a clear downwards trend in the number of applications per head and deputy head vacancy in secondary schools;
 - there are signs that the proportion of leadership group teachers taking age and early retirements is increasing.
- From the Department's statistical evidence:
 - in spite of the above, vacancy rates for leadership group members have been falling in recent years;
 - there is evidence of a slight upwards trend in the number of schools appointing temporary head teachers.
- From the STRB Survey of Teachers' Workloads:
 - primary school deputy heads have seen a statistically significant increase in hours worked since 1994 and a decrease in the amount of time teaching since 2000;
 - secondary school deputy heads have seen a statistically significant increase in hours worked in the last year, though this follows several years of decrease;
 - primary school head teachers have seen a statistically significant decrease in hours worked since 2000 and a decrease in the amount of time teaching in the last year;
 - some other members of the leadership group have seen increases in the headline number of hours worked, though these are not statistically significant.

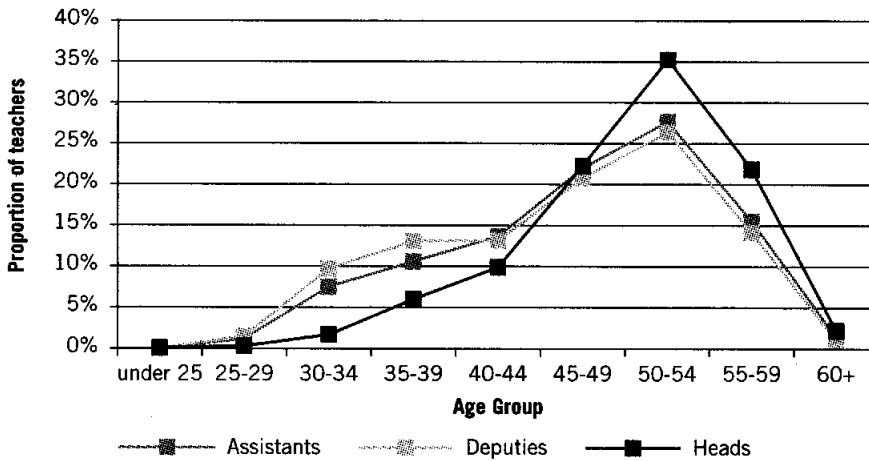
4.22 Figure 4.1 compares the age distribution of leadership group members in 1999 and 2004. In both cases the distribution is skewed, unsurprisingly, towards the higher age ranges. But the shift further in this direction in 2004 shows a greater proportion of leaders approaching retirement age and indicates clearly that the leadership population has been ageing in recent years.

Figure 4.1: Recent changes in the age distribution of leadership group members²



4.23 Figure 4.2 sets out more detail on the age distribution of leadership group members. As noted, it shows a skewed age distribution with 60% of head teachers and over 40% of deputy and assistant heads aged over 50 in March 2004. This has longer-term implications for the profession, since not only is the large body of head teachers moving towards retirement in the coming years, but there is a similar picture for those who would normally be the main source of replacements.

Figure 4.2: Age distribution of heads, deputies and assistants, March 2004³



² DfES (2000), *Statistics of Education, Teachers in England*; DfES statistical evidence to the STRB.

³ DfES statistical evidence to the STRB.

Our views and recommendations

Leadership pay

4.24 In Part One of our Thirteenth Report, we were not convinced that there was a case for a higher pay award for the leadership group⁴. Comparing the labour market situation this time, there is no absolute deterioration as measured by vacancy rates. The other evidence summarised above does, however, suggest that there may be problems of recruitment and retention building up for the future.

4.25 The underlying causes of this situation are not clear. It could be that the salaries at this level are misaligned with the relevant market, or it could be that non-pay aspects are making the leadership role less attractive, or possibly a combination of the two. All of these positions were put to us by consultees. We also note from Howson that advertisements for leadership vacancies tend to be clustered in the first three months of the calendar year, and that this may be making it hard for some schools to attract a reasonable field of applicants (particularly in primary schools)⁵.

4.26 The non-pay aspects deserve attention. Factors which were cited by consultees include:

- pressures on the leadership group as responsibility and accountability are increasingly devolved to schools;
- a claimed increase in dismissals of head teachers;
- the fact that the leadership role is changing, and likely to change further with the advent of extended schools, children's centres, and the children's agenda more generally;
- workload pressures (borne out by our most recent Teachers' Workloads survey, as noted above).

4.27 We recognise the force of these points, which chime in many respects with what we have seen in our visits to schools. A consistent theme from our visits is that deputy and assistant head posts are seen as unattractive, a serious issue as these posts are the major gateway to headship. Whilst pay is cited as a factor, it is the responsibilities and expectations of deputies and heads that are the biggest source of dissatisfaction to job-holders and the most significant deterrent to aspiring leaders. We suspect there may be issues about job-design that are particularly pressing on these grades at this point of transition.

4.28 The analysis above also highlights a striking demographic consideration, in that a considerable number of heads, deputies and assistants will be coming up to retirement in the next few years.

⁴ Op. cit. STRB, *Thirteenth Report Part 1*, Chapter 6

⁵ Op. cit. Howson, *Eleventh Annual Howson Report*, paragraph 1.4

4.29 These important considerations lead us to the conclusion that there are some fundamental issues about the changing role of leadership that need to be addressed. We would like to work towards recommendations in this area, though we are not yet in a position to do so, for reasons we will set out below. It would be premature to make major changes to the salary structure for the leadership group before the fundamental questions have been considered, not least since the current system already provides considerable flexibility in setting the level of remuneration. We therefore consider it appropriate for the leadership group to receive the same pay award as classroom teachers in 2006 and 2007.

4.30 If we are to give the fundamental issues the wide-ranging attention they deserve, there are a number of areas that particularly call for consideration. Several of these were raised by consultees. In all cases, however, we lack an adequate evidence base on present practice and likely future developments. Bearing in mind our experience in looking at teachers' workload in 2001, we see a need for a comprehensive study to address these issues. Our list is not exhaustive, but we would want a detailed picture on at least the following:

- *new models of headship* – it will not necessarily be viable simply to graft additional responsibilities onto traditional models of headship, and we note that some schools are experimenting with dual headships, having an academic and an administrative head, making the role of the bursar more significant in running the school, and other alternatives. New types of establishment, such as extended schools and Children's Centres, also create demands for new approaches. The current and potential range of alternative models needs to be systematically considered and evaluated for its applicability to the challenges faced and for its suitability in schools of different sizes and types;
- *the role and functions of deputy and assistant heads* – as noted, there appear to be issues with these roles, particularly in terms of the administrative burden they bear. Amongst the questions that arise are: whether both functions are still needed or whether a flatter structure would be better; what type(s) of leadership support to the head add most value to the school; how these roles sit in the light of school staffing reviews and the introduction of TLRs; and whether more of the current loading on deputies and assistants could be passed on to administrative support staff;
- *administrative support* – as well as the preceding point, we have noted comments that there may be scope for schools other than formal federations to share resources, particularly in the administrative and back office areas;

- *recruitment planning* –the desirability of looking at ways to avoid the bunching of advertisements in the first three months of the calendar year, and whether schools need to take a more structured approach to succession;
- *type of contract* – at the moment, leaders' responsibilities are listed in great detail in the STPCD (see Chapter 8 on teachers' responsibilities). Other approaches, such as personal contracts for leadership group members, need to be evaluated for their effectiveness in capturing the changing role of leadership and reflecting new responsibilities (such as the requirement we identify in Chapter 7 to foster a culture of CPD in the school or service); and
- *reward* – in addition to providing evidence about current practice and market comparisons, consideration needs to be given to how the pay system should incentivise and reward excellent performance, how to reflect appropriately the risks faced by leaders (including the risks of dismissal), and whether incremental scales are still appropriate. It would also be helpful to understand the factors which appear to be inhibiting the use of current flexibilities in rewarding leaders.

4.31 We envisage a study of this nature being shared with all stakeholders, as with the previous study on workload⁶. It could then form the evidential basis for consideration by the STRB as part of a remit. It could also inform thinking about the development and support the leadership group will require going forward, and the type of qualifications structure that will best support them in meeting this demanding and changing agenda. The report should be ready for publication by December 2006.

4.32 We therefore **recommend**:

- **an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the values of the leadership group pay scale;**
- **that the Secretary of State remit us to look fundamentally at the leadership group and how its changing role and responsibilities should be reflected in its future pay structure;**
- **to provide a sound evidence base for that remit, that a comprehensive independent study be carried out by December 2006 on the roles, responsibilities, structures and reward systems for the leadership group, looking at both current practice and likely future developments, and including at least the following issues:**
 - **new models of headship;**
 - **the role and functions of deputy and assistant heads;**
 - **administrative support;**

⁶ PricewaterhouseCoopers (2001), *Teacher Workload Survey*, OME

- **recruitment planning;**
- **type of contract; and**
- **reward.**

Other issues

4.33 NAHT and SHA highlighted two additional issues. The first is the differential between the highest paid classroom teacher in a school and the nearest member of the leadership group. The associations have said that, as more teachers reach UPS3, the basis of the differential should shift from UPS1 to UPS3, as the current basis means that leadership roles are becoming increasingly less attractive to classroom teachers. This issue has also been raised by deputy and assistant heads during our school visits.

4.34 In the light of the changes under way in schools, we question the need for a prescribed differential on the current model. Depending on how schools restructure themselves and the job weights they assign to, say, a highly experienced head of a major department and a newly appointed assistant head, it does not seem axiomatic that the latter must be paid more than the former. The leadership group is no longer the only route to higher reward in a school, and it would simply be perpetuating an old and inflexible model to insist that senior classroom and junior leadership pay should never overlap in a school. What is most important for junior leadership roles is that they are sensibly designed, fairly rewarded for the responsibilities undertaken, and prepare incumbents who wish to progress for higher levels of responsibility and reward.

4.35 It has been put to us that leadership pay will become increasingly misaligned with the market if it is left to local discretion, since leaders in schools are often reluctant to ask for higher pay, and their governors often do not want to be seen to be allocating scarce resources to senior salaries. We recognise these pressures, but reiterate our vision of schools being comfortable with the concept of rewards related to performance, able to make decisions without detailed rules and guidance, and confident in differentially rewarding staff. We do not see it as a role of the STPCD to insulate heads and governors from the challenging decisions that are integral to their functions.

4.36 We are not persuaded at present that a prescribed differential should be maintained in the arrangements introduced following the comprehensive review recommended above. In the meantime, we underline that the STPCD only prescribes a minimum differential in salary. If the circumstances warrant it, schools already have significant flexibility to give leaders higher pay. We therefore see no case for amending the relevant sections of the STPCD until the conclusions of that review are known.

4.37 We were also asked to comment on the levels of compensation paid to dismissed head teachers. We do not think this lies properly within our remit, though we observe that the levels of compensation cited by SHA do not seem out of line with practice elsewhere. The broader issue is how reward should take account of the risks faced by the head teacher. This will be covered by the reward section of the comprehensive study we have recommended.

CHAPTER 5

Further Pay Matters

Introduction

5.1 This chapter concerns further pay matters: the Excellent Teacher Scheme (ETS), Teaching and Learning Responsibility (TLR) payments, Special Educational Needs (SEN) allowances (which is closely linked to the position of unattached teachers), and the scope for movement towards more locally determined pay. We also respond to a pay matter raised by a consultee. The Secretary of State asked us to consider for recommendation:

what the appropriate spot salary for Excellent Teachers should be in the respective pay regions, following your recommendations in your Fourteenth Report;

whether the level of special educational needs (SEN) allowances and the nationally applicable maxima and minima for the value of teaching and learning responsibility (TLR) payments applicable in England and Wales (currently subject to statutory consultation) should increase in line with any general pay award recommendations;

whether in the light of the investigations you have already made and the evidence you have taken in the light of those investigations, there is scope for movement towards more locally-determined pay.

Excellent Teacher Scheme

Context

5.2 The Excellent Teacher Scheme will be introduced in September 2006. In our Fourteenth Report, we considered and made recommendations on the scope, access criteria and salary level for the scheme following a joint proposal from RIG¹. As we note below, a number of our recommendations were not accepted and others have been deferred for future decision. We are therefore having to make salary recommendations for a scheme which is markedly different in important respects to what we envisaged when we provided an indicative figure in our last report.

Representations from consultees

5.3 RIG said that the salary for the scheme should reflect the coherence of the pay system as a whole and the expectations of the Excellent Teacher role. It asked us to take account of the significant degree of challenge in the role, the need to attract teachers to these demanding posts, and the minimum of twelve years teaching experience of most likely applicants.

¹ Op.cit. STRB, *Fourteenth Report*, paragraphs 5.6 to 5.12

5.4 TDA emphasised that the scheme had to be seen as a gold standard for classroom teaching and should motivate teachers from an early stage in their career to aspire to the standards and to invest time and effort over many years. It had to be a genuinely desirable and credible alternative to the leadership or AST route. The spot salary should recognise and reward the competence and performance of the Excellent Teacher, not job weight. The salary could enhance both recruitment and retention.

5.5 GTC (England) welcomed the introduction of the scheme, which it said offered access to a career development route for teachers that was differentiated from leadership roles and recognised the contribution of quality teaching and teachers' developing others.

5.6 NEOST said that the ETS salary should increase in line with increases to pay scales. This was also the position of UCAC, NAHT and two other consultees in oral representations.

5.7 NUT continued to oppose the scheme. Its view was that it should be replaced by arrangements allowing all teachers to progress to higher pay levels. If, however, the scheme were retained, it said that the salary should increase by the same percentage as teachers' pay.

5.8 UCAC and BATOD said they had strong reservations over the scheme. UCAC questioned its attractiveness given that members could not receive TLR payments, a point also made by ISCG. BATOD and NAHT were unsure about how the scheme would work in special schools.

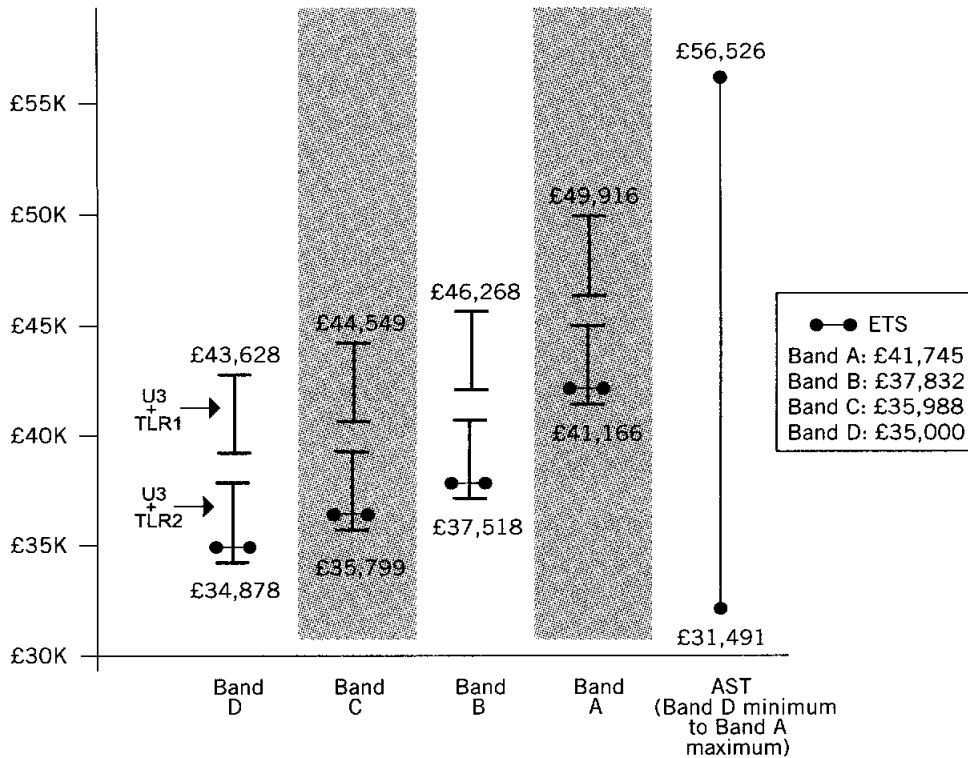
5.9 In oral representations, a number of consultees indicated that they felt the salary for Excellent Teachers should be higher than the indicative figures in our Fourteenth Report². They said that £35,000 would not be attractive in comparison with alternative career paths for teachers, such as management roles with TLR payments. Several consultees also considered that the positioning of the scheme relative to the AST scheme was unclear.

Our analysis

5.10 Figure 5.1 sets out the current position of the indicative ETS salary relative to pay in all four pay bands for those classroom teachers eligible to apply for the scheme (using 2005 values in all cases). In each band, the ETS salary is barely above the level that a teacher can earn if they hold even a minimum second level TLR payment.

² Ibid. STRB, *Fourteenth Report*, paragraph 5.52

Figure 5.1: Relative position of ETS pay³



5.11 Since the changes to the scheme invite more direct comparison with the AST grade, the figure also shows how ETS pay compares to the range for ASTs (shown for simplicity as a single range from the bottom of band D to the top of band A). Of AST salaries actually paid, the Teachers' Pay Survey 2004 suggests around three-quarters of ASTs are paid more than £35,000 per annum and a quarter are paid more than £41,000.

5.12 Table 5.1 describes the estimated actual earnings distribution for UPS3 teachers in pay band D relative to the indicative ETS salary of £35,000. It illustrates the striking situation that around three-quarters of UPS3 teachers in primary and special schools are likely to be earning less than the indicative ETS salary, while a broadly similar proportion of UPS3 teachers in secondary schools are likely to be earning more.

Table 5.1: Earnings of teachers on UPS3 in 2004⁴

	Earning less than ETS	Earning more than ETS	Total
Primary	74%	26%	100%
Secondary	30%	70%	100%
Special	77%	23%	100%

³ Ranges in Figure 1 are based on September 2005 pay scales, January 2006 maximum and minimum values of TLR payments and indicative spot salaries for Excellent Teachers recommended in op.cit.STRB, *Fourteenth Report*, paragraph 5.52. See Appendix C for pay bands

⁴ Figures in Table 5.1 reflect data on management allowances from op.cit. STRB, *Teachers' Pay Survey September 2004*

Our views and recommendations

Structure of the scheme

5.13 We commented in our last report that the joint proposal for the scheme presented by RIG lacked a distinctive positioning compared to the AST and leadership routes⁵. The scheme as it will currently be implemented is substantially the model set out in the joint proposal. We must therefore reiterate our concern on this point.

5.14 The Department has indicated that a number of our previous recommendations have been deferred pending the TDA's review of professional standards for teachers and further reflection on the new professionalism agenda. We regard proper consideration of these issues as fundamentally important for the success of this scheme. There are also other recommendations which have been rejected, notably the use of the title once accreditation has been achieved, the requirement for a sustained record of CPD, and the openness of the scheme to teachers in any school. The absence of these elements potentially weakens the scheme as an aspirational gold standard for the teaching profession, and we believe that these issues should be revisited in due course.

5.15 In the light of these comments, **we recommend that:**

- **the Excellent Teacher Scheme be reviewed by December 2008 at the latest and that the results of the review be remitted to this Review Body for appropriate consideration and recommendation.**

Excellent Teachers' pay

5.16 A number of consultees said that the salary for the ETS from September 2006 should simply be uprated in line with the pay award. Other consultees felt that the figures we proposed last time for each of the pay bands were too low for the responsibilities and expectations attached to the post.

5.17 We continue to believe that the Excellent Teacher Scheme is a sound concept, that it has the potential to provide a distinctive and attractive career option for the most experienced classroom teachers, and that it can make a real contribution in all types and sizes of school. Based on the representations made to us and the analysis above, there is a case for repositioning the salary upwards. In the case of secondary schools in particular, there is a risk that the 70% of secondary teachers on UPS3 who already earn more than £35,000 will not find the ETS as attractive as it should be. Simply uprating the present indicative salaries in line with the general pay award would not materially alter this position.

⁵ Op.cit. STRB, *Fourteenth Report*, paragraph 5.22

5.18 There are two additional factors we need to consider. One is the fact that the changes made to our recommendations mean that Excellent Teachers are now assessed against the same standard as ASTs. Given that Excellent Teachers must pass through the main and upper pay scales in a way that ASTs do not, it would be unreasonable for the ETS salary to remain in its current position, roughly at the lower quartile of AST salaries. On the other hand, we also need to consider that a substantially higher salary could make ETS posts too expensive for many schools, particularly primary and special schools where most UPS3 teachers currently earn less than £35,000.

5.19 We have considered how we might balance these considerations and maintain our basic position that a spot salary is appropriate for the ETS. Our solution is based on the principle underlying the new TLR payments, namely that an individual school should determine the spot salary within a specified range. In determining the level, and recognising that no two ETS posts will be the same⁶, the school would need to have regard to factors such as: the expectations and standards attaching to the ETS; the requirements of the specific post; and the status of the post as an alternative to TLRs or to posts paid on the leadership or AST scales. The school would need to describe a clear and transparent rationale for its decision in its published staffing structure and pay policy.

5.20 In setting the range, we have had regard to the range of salaries and TLRs shown in Figure 5.1 above. A starting point for the range of £35,000 would still represent a step up from UPS3 in pay band D, even when UPS3 is uprated as we propose in Chapter 3. A top end of £45,000 would allow schools in bands B to D considerable flexibility to set a competitive spot rate appropriate to the posts they create. For schools in band A, the range should extend up to £50,000 for the same reason. A range of this nature would look less anomalous alongside other career pathways, and would still be appropriate should the scheme in time move closer to the model set out in our Fourteenth Report.

5.21 **We recommend that:**

- **the salary for the ETS be a spot salary, as previously recommended;**
- **the spot salary be determined by individual schools and services within an ETS salary range;**
- **the ETS salary range from September 2006 be £35,000 to £45,000 in pay bands B to D, and extend additionally to £50,000 in pay band A;**
- **the minimum and maximum of the ETS salary range and ETS spot salaries determined prior to September 2007 be increased by 2.5% in September 2007.**

⁶ RIG (2005), *Excellent Teachers Scheme: Explanatory Notes for Schools*, paragraph 16

Teaching and Learning Responsibility (TLR) payments

Context

5.22 Schools and services can begin paying TLR payments from 1 January 2006. The payments will be introduced as schools complete reviews of their staffing structures. Schools have discretion over what value of TLR to award within the ranges prescribed in the STPCD. There are two levels of TLR payment: TLR 2 (lower range) payments have a minimum value of £2,250 and a maximum of £5,500, and TLR1 (higher range) payments have a minimum of £6,500 and maximum of £11,000.

5.23 In May 2005, RIG published guidance for schools and Local Authorities in England on reviewing staffing structures and introducing TLR payments. The guidance on TLR payments was in the form of amendments to the STPCD. It covered unattached teachers, but, because not all the provisions of the STPCD apply to unattached teachers, noted that Local Authorities could decide what salaries would apply to this category of teacher.

Representations from consultees

5.24 Most consultees, including RIG, said that the value of TLR payments should be increased by the same percentage as teachers' pay scales.

5.25 NUT, ATL and UCAC noted that teachers who currently held management allowances (MAs) had not had an increase in the value of the allowances since April 2003, and that this had affected their earnings. It would take time to introduce the new TLR payments, which would further extend the freeze on this element of teachers' pay. ATL proposed that, if the increase in teachers' pay scales did not significantly exceed inflation, the Review Body should recommend additional increases to the TLR minima and maxima and to the value of individual TLR payments.

5.26 UCAC said that few primary school teachers would have opportunities to receive TLR payments. It proposed that the value of TLR payments be increased by a lump sum every two or three years to maintain differentials between each level of payment. NGC made a similar suggestion.

5.27 NUT raised concerns about the requirements and timetable for schools to review staffing structures. NUT had reservations about the introduction of TLR payments. It proposed that teachers should not be required to take on duties in addition to classroom teaching unless responsibility allowances were paid and that regulations stipulate a minimum number of posts in schools for specific responsibilities. If TLR payments were retained, it considered that they should be increased in line with pay scales.

5.28 NAHT also expressed concern about the requirements and timetable for schools to review staffing structures. In NAHT's view, teachers had not received adequate information about the change and would perceive the introduction of TLR payments as a cut in pay. NAHT members were concerned that schools could face threats of industrial action over the transition to TLR payments unless greater understanding was achieved. It alleged that some schools, especially secondary schools, were competing for teachers by awarding TLR payments to large numbers of staff and assimilating all MAs to TLR payments.

5.29 NAHT proposed that schools should be able to reward genuine fixed-term posts with time-limited TLR payments that would cease after the stipulated time and would not be subject to safeguarding. It also said that employers should be able to change TLR payments without having to review their whole staffing structure.

5.30 BATOD said it was very concerned about TLR payments, which could have significant effects on teachers of the deaf. Its members had expressed disquiet over how reviews of staffing structures may affect them. BATOD said that it was crucial that guidance on reviewing staffing structures apply to Local Education Authority specialist services, delegated and non-delegated unit and resource base staff and to special schools. It was also concerned about the affordability of TLR payments.

5.31 ISCG highlighted practical issues about the introduction of TLR payments. It said that it would be helpful to have guidance on the applicability of TLR payments to pastoral roles and TLR payments for part-time staff. It said that the TLR maxima and minima should move in line with inflation and that governing bodies should have the option of an annual review of the levels of TLR payments.

Our views and recommendations

5.32 TLR payments have yet to be introduced and we think it best to minimise changes to the payments in the near future. Our view is therefore that they should increase in line with the pay award. We are not convinced by NAHT's proposal for short-term TLR payments, but we do note that there is now no obvious scope in the system for schools to pay teachers for short-term or one-off projects. If evidence emerges that the range of pay tools available to schools is too limited, we could consider the matter in a future review. At this stage, however, the priority must be making a success of the transition from MAs to TLR payments.

5.33 **We recommend:**

- an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the minimum and maximum of the two TLR ranges;
- an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the value of individual teachers' TLR payments.

Special Educational Needs (SEN) allowances and unattached teachers

Context

5.34 At present, there are two levels of SEN allowance: £1,773 and £3,507. The first (lower) level SEN allowance is paid to teachers in special schools and to teachers in mainstream schools who wholly or mainly teach pupils with SEN in designated special classes or who mainly teach hearing or visually impaired children. Schools can also award SEN allowances to teachers in ordinary schools whose contribution to the teaching of pupils with SEN is significantly greater than that which would normally be expected of classroom teachers. Schools and services have discretion to award the second (higher) level SEN allowance to teachers eligible for the first level allowance with relevant experience and/or qualifications.

5.35 In our Thirteenth Report, we noted that the Government's policy of moving away from special school provision towards inclusion in mainstream schools had resulted in a wider spread of children with SEN across classes in schools⁷. We expressed concern about evidence from BATOD that some unattached teachers who worked in both special and mainstream schools were receiving the first level SEN allowance for some but not all of their work. We recommended that NEOST consider the pay and conditions of unattached teachers as part of its review of the management of unattached teachers. We note that estimates from the 2004 Pay Survey suggest that there are now over 20,000 unattached teachers in England and Wales⁸.

5.36 We also considered a proposal from BATOD that teachers attaining specialist qualifications should automatically receive the second level SEN allowance. We recommended that the Department draw up guidance, in consultation with the interested parties, on how the payment of second level SEN allowances might take account of the enhancement of teaching of SEN children achieved by teachers attaining specialist qualifications.

5.37 The Department accepted our recommendations. It said that discussion about second level SEN allowances would start once the future of management allowances had been settled. In our Fourteenth Report we urged the Department to start the discussions as soon as possible⁹.

⁷ Op.cit. STRB, *Thirteenth Report Part 2*, paragraph 6.16

⁸ Op.cit. STRB, *Teachers' Pay Survey September 2004*

⁹ Op.cit. STRB, *Fourteenth Report*, paragraph 6.15

Representations from consultees

5.38 Most of the consultees said that the value of SEN payments should increase by the same percentage as teachers' pay scales.

5.39 RIG noted that schools should review SEN allowances as part of their wider review of staffing structures, so allowances awarded in future should be better founded.

5.40 NUT said that unattached teachers continued to be disadvantaged compared to teachers based in schools and did not enjoy the full protection of the STPCD. It proposed that all interested parties should be included in work to follow up the investigative work on the position of unattached teachers done by the NEOST.

5.41 NAHT said that the pay arrangements for teachers working with SEN pupils needed careful consideration. At present, there was confusion in schools about the circumstances in which SEN allowances and/or TLR payments were appropriate. It considered that the guidance in STPCD could be improved.

5.42 BATOD highlighted the specialist expertise and distinctive aspects of the work of teachers in specialist services, particularly teachers of the deaf. Teachers considered the term "unattached teacher" to be derogatory and did not feel recognised as part of organised teams with specific budgets, staff development plan and career structure. It proposed that unattached teachers should have a framework of pay and conditions of employment equitable to that of other teachers. It welcomed the STRB's previous recommendations on unattached teachers, but was extremely disappointed that, in its view, no positive outcomes had yet emerged.

5.43 BATOD proposed that commensurate with the necessity for well qualified and motivated teachers to ensure children with sensory difficulties achieved their potential, unattached teachers should be regarded as part of organised, cohesive services, not as isolated, "unattached" individuals. It said that consideration should be given to classing specialist services as virtual schools and made some specific proposals about funding, standards, staffing governance and leadership of specialist services that went beyond our specific remit.

5.44 BATOD said that the first level SEN allowance should be mandatory for all teachers employed solely to work with pupils with SEN, and that the second level allowance should be mandatory for all teachers working with hearing, visually impaired or multi-sensory impaired children and who held relevant qualifications. Alternatively, consideration could be given to whether teachers of the deaf who worked in combined teaching, support and advisory capacities should be paid on the AST scale. BATOD considered that this would better support the Government's policy of inclusive education for SEN pupils. It highlighted the recommendation in Part Two of our Thirteenth Report (paragraph 6.17): it had not yet been approached by the Department.

5.45 UCAC said that SEN allowances should be uplifted by a fixed sum every few years.

5.46 ISCG proposed that SEN allowances be reviewed separately from general pay increases.

Our views and recommendations

Special Educational Needs (SEN) allowances

5.47 We note that most consultees said that the value of SEN payments should increase by the same percentage as teachers' pay scales. We agree with this.

5.48 Looking at the relevant sections of the STPCD, we also agree there could be scope for confusion about when SEN payments (particularly the second level) and when TLR payments would be more appropriate and about how the transition from SEN to TLR (or vice-versa) should be managed. The guidance could helpfully be clarified.

5.49 We are disappointed that the Department has not yet engaged with interested parties to discuss the relationship between second level SEN allowances and professional qualifications.

5.50 Recent changes in the way pupils with SEN are educated and the introduction of TLR payments suggest that there may be a need at some point in the future to review rewards for teachers making contributions to teaching SEN pupils.

5.51 We recommend:

- **an increase of 2.5% from September 2006 and a further increase of 2.5% from September 2007 in the value of SEN allowances;**
- **that the Department draw up guidance, in consultation with all interested parties, including BATOD, on how the payment of higher-level SEN allowances might take account of the enhancement of the teaching of SEN pupils brought about by specialist qualifications;**

Unattached teachers

5.52 We are concerned that the pay and conditions of unattached teachers have still not been fully investigated. Considerable time has now passed since we first made recommendations on this subject and there continues to be evidence, for example from the 2004 Pay Survey, that unattached teachers do not progress up the pay scale and to senior positions as quickly as other teachers¹⁰.

¹⁰ Op.cit. STRB, *Teachers' Pay Survey September 2004*

5.53 **We recommend:**

- **that the Department investigate the pay and conditions of unattached teachers (including such teachers in the leadership group) in comparison with other teachers. The investigation should be completed in time to inform our next review of teachers' pay.**

Locally determined pay

Context

5.54 We have been asked to consider whether there is scope for movement towards more locally-determined pay.

5.55 The STPCD prescribes national pay and conditions for teachers in England and Wales. Within this framework, there is, however, scope for significant local discretion over pay policy and practice, for example in relation to:

- placing new teachers on the main pay scale;
- pay progression in the main and upper pay scales, for Advanced Skills Teachers and in the leadership group;
- SEN allowances;
- teaching and learning responsibility (TLR) payments;
- recruitment and retention incentives;
- placing teachers on the pay scale when they return to work in the maintained sector after a break.

5.56 We have examined many of these issues in detail in recent reports. In Part Two of our Thirteenth Report, we sought views on some potentially significant changes to the way schools are banded for pay purposes¹¹. From the comments received (summarised in our Fourteenth Report), it was clear that there is some nervousness on the part of our consultees about moving away from geographically based pay spines¹². RIG said that any changes to the present system should:

- help to overcome persistent recruitment and retention difficulties;
- be affordable within existing funding levels;
- support moves towards greater local flexibility over pay;
- not overcomplicate the pay system;
- not lead to cliff-edges where neighbouring schools in different LEAs pay teachers differently; and
- not jeopardise the stability achieved over schools budgets.

¹¹ Op.cit. STRB, *Thirteenth Report Part 2*, Chapter 4

¹² Op.cit. STRB, *Fourteenth Report*, Chapter 6

5.57 The Education and Skills Select Committee has recently said that hostility to the use of recruitment and retention incentives in schools appears to be entrenched. In its view, there is little prospect of their use being expanded¹³. It has proposed that the Department, governors, heads and LEAs should explore alternative ways of rewarding teachers working in challenging circumstances and of supporting recruitment and retention.

Representations from consultees

5.58 RIG said that it was important to look again at the geographical pay scales and consider the extent to which further moves in the direction of local pay might be helpful and appropriate. It noted, however, that there were strong arguments to suggest that the time was still not right to pursue far-reaching changes:

- some of the changes in differentials between the four pay bands would only come into force in September 2005, so their impact could not yet be evaluated;
- it was important to avoid too much change to the pay system in a short period. Following reviews of staffing structures, many schools would be entering a transition period;
- the effect of the rising numbers of new recruits into teaching had not yet fully fed through into the labour market; and
- trends in the supply and demand for teachers indicated that employers should be able to fill teaching posts.

5.59 RIG noted that relatively little was known about the dynamics of teacher recruitment and retention at school level. Evidence of local hot spots was largely anecdotal: there was no reliable information on their number, location or common features. More information was also needed about recruitment and retention in the four pay bands. The Department was improving its data on the school workforce and some useful information should become available from 2008 onwards.

5.60 RIG said that the best way to support the important changes to the pay system currently under way was to retain a national framework, but encourage the local use of existing pay flexibilities. Schools needed a system that allowed them to respond to local issues like high living costs or shortages in particular subjects. RIG would like to see schools make more use of existing flexibilities and planned to monitor their use and impact.

¹³ Education and Skills Select Committee (2004), *Secondary Education: Fifth Report of Session 2004-2005*

5.61 The Welsh Assembly Government said that any move away from national pay covering England and Wales would be undesirable. It was not the right time to devolve more pay decisions to the local level. This could increase the potential for unfair differences in teachers' pay, place new administrative burdens on employers, reduce transparency, and lead to uncertainty about pay which could be detrimental to recruitment and retention. It emphasised that schools were already handling significant changes to the pay system, including the introduction of TLR payments and the Excellent Teacher Scheme. It considered that the effectiveness of existing local flexibilities, in particular the use of recruitment and retention incentives, should be evaluated to inform consideration of any future change.

5.62 TDA said that there were regional and local differences in schools' ability to recruit and retain good teachers. It cited AGR data which it said suggested that regional differences in starting salaries were reducing, but, as noted in Chapter 3, said that retention of experienced teachers was a challenge in London. It agreed with the view expressed in our Fourteenth Report that the effectiveness of the existing four pay bands and the flexibilities schools already had should be evaluated before considering further refinements of the system.

5.63 UCAC was not in favour of any move away from national pay arrangements unless all education matters, including pay, were devolved to the Welsh Assembly Government.

5.64 NUT said that there was already a high level of local discretion in the pay system and that this made it hard for teachers to establish a career and pay path with confidence. It said that the more local discretion employers had over pay, the more scope there would be for discrimination. It had previously submitted extensive analysis on local pay to the STRB, and remained opposed to any move away from national pay arrangements. NUT indicated that discretionary decisions on pay were often influenced by budgetary constraints, a point echoed by NAHT and BATOD.

5.65 NAHT was opposed to any move to introduce new elements to the pay system, including moves towards local pay, until the transition from management allowances to TLR payments had been completed.

5.66 NASG said that local pay variation would create more problems than it solved. It would be confusing and could lead to boundary problems. NASG said that direct action to help teachers become home-owners might be a more fruitful way to address recruitment and retention difficulties. NGC noted that local pay was a controversial matter, even amongst its own membership: some believed that schools should have absolute freedom to negotiate pay against the local labour market; others said that local pay determination could skew the market further against schools already struggling, given the significant local variations in schools' ability to attract staff. ISCG was opposed to locally-determined pay in principle, apart from London weighting.

Our views

5.67 Our views were clearly expressed in our Fourteenth Report, and we note that there is still no appetite for major change. We assume that in due course the Department will evaluate the effectiveness of the present four pay bands and existing pay flexibilities and ask us to consider change as necessary.

5.68 Despite the limited nature of the evidence, it is clear that there continue to be hotspot schools with persistent localised problems of recruitment and retention; though, as RIG has noted, we have little solid evidence on their location and the precise nature of their difficulties. It is likely that these difficulties reflect a complex mix of factors, some of which may be shared with challenging schools (see paragraph 6.39). We welcome the Department's work to enhance its data on the school workforce and look forward to seeing the additional information that results.

5.69 The most pressing matter in relation to local pay is helping schools that face the most acute problems of recruitment and retention, including challenging schools. The pay system already contains a range of flexibilities that allow schools and services to implement recruitment and retention strategies appropriate to their local circumstances. We are concerned about continuing anecdotal evidence, as noted by the Education and Skills Select Committee, that schools and services are not using these tools. As we note elsewhere (see paragraphs 6.2 to 6.4 and Chapter 9), we nonetheless believe that local discretion is the right solution and that the wider process of change and training and support for school leaders will encourage its use on a significantly greater scale.

5.70 In the light of these considerations, we do not recommend any change at present. We will, however, continue to urge the use of local discretion as the principal response to a range of pay matters.

Other matters raised by consultees

Equal opportunities

5.71 The written submission from NUT included a substantial section on equal opportunities. NUT highlighted the pay gap between male and female teachers and the under-representation of women, people with disabilities and ethnic minorities in the leadership group. NUT made some specific proposals, including that:

- the STRB be asked to provide equality impact assessments for all our recommendations on pay;
- the Department conduct an equality impact assessment of the allocation of TLR payments;

- the STPCD specify what pay progression arrangements should apply following career breaks; and
- existing local discretions to award points on the pay scale in recognition of experience outside the maintained schools sector be replaced by mandatory arrangements in the STPCD.

5.72 NUT also highlighted the principles for pay equality agreed at the Public Services Forum, which included the stipulation that regular equal pay audits should be carried out and followed up¹⁴.

5.73 We accept it as a fundamental element of our work that we must have appropriate regard to equal pay and wider equality matters. A requirement on us to undertake equality impact assessments of all our recommendations would, however, go substantially beyond our remit. Nor do we regard ourselves as the appropriate body to undertake equal pay audits: in law these are the responsibility of the employer. The Department also has an important national oversight role in this area.

¹⁴ *Public Services Forum: Pay and Reward Principles*, available at www.cabinetoffice.gov.uk/opsr/news/2005/reward_principles.asp

CHAPTER 6

Specific Groups of Teachers

Introduction

6.1 This chapter concerns four specific groups of teachers. We were asked to consider for recommendation:

whether there should be changes to the pay arrangements for secondary mathematics and science Advanced Skills Teachers;

whether any further modifications are required to the pay arrangements of any particular categories of teachers, including Fast Track teachers;

the extent to which other factors should be taken into account in determining career and pay progression (for example, prior successful experience in challenging classroom roles and in challenging schools);

whether there are any particular issues which should be addressed with regard to the pay and conditions of part-time teachers.

Our approach

6.2 For the first three of the groups discussed in this chapter, we have been asked to consider measures to address problems or send specific market signals. As well as the evidence on the individual issues, we are also guided by two overriding considerations:

- the need to promote the simplification of the pay system, urged on us in successive remit letters, including the present one; and
- the need for schools to make greater use of the flexibilities already in the pay system in the self-confident way outlined in our vision for schools.

6.3 These two considerations go together. Schools and services will not benefit from increased flexibility to make their own decisions and stand by the consequences if the pay system prescribes every detail of those decisions for them. Indeed, there is a danger that any attempt to micro-manage in this way will actively inhibit the work done to date to reduce dependency and foster self-reliance.

6.4 Unless there is an exceptional case to the contrary, our general approach will therefore be to avoid adding complexity to the pay system and encourage local solutions that exploit pay tools that already exist.

Secondary mathematics and science Advanced Skills Teachers

6.5 In our last report, we indicated that we would be willing to return to this subject, but stressed the need for robust evidence on the specific role of pay and the pay system in supporting any proposed line of action¹. We also expressed the view that action should be framed in terms of shortage subjects as a whole rather than naming specific subjects.

Representations from consultees

6.6 RIG's submission welcomed the recommendations in the STRB's Fourteenth Report and indicated that DfES was in the process of implementing them. RIG also agreed it had been right to defer the issue so it could be considered alongside the general pay award this time. It pointed to continuing problems with recruitment to mathematics and science: initial teacher training courses in these subjects had under-recruited last year to the extent of 750 unfilled places. And, while the last two years had seen a reduction in teacher vacancies in schools, including those for mathematics and science, RIG noted that the vacancy rate in these two subjects was still some 50% higher than the average rate for other secondary school subjects.

6.7 RIG emphasised that these problems were long standing and well-attested by the Smith and Roberts reports². The issues to be addressed concerned quality as well as numbers of teachers. The AST grade was identified as appropriate for action as it offered new entrants to teaching, particularly mid-career switchers, the opportunity of early access to high salaries. RIG did not make specific proposals, but indicated that its aim was a quotable, eye-catching salary that would send a clear labour market signal to those considering teaching.

6.8 TDA's submission indicated that recruitment to mathematics and science teacher training had made significant improvements over the last five years but would continue to be extremely challenging, particularly as recruitment targets for priority subjects would not reduce in the same way as those for other subjects. It pointed to the range of measures it had in place to address these issues, including increased financial recruitment incentives, targeted marketing, national roll-out of enhancement courses for mathematics and physics, and a pilot enhancement programme for chemistry.

6.9 TDA recognised the attraction of higher salaries for mathematics and science ASTs, but was cautious about any permanent change to the pay structure. It highlighted the importance for recruitment and retention of a pay and progression scheme that was competitive and simple, and suggested that existing flexibilities should be fully explored before considering more radical options. It would, however, support raising the AST spine maximum so that any AST could, if their contribution merited it, progress further and faster.

¹ Op.cit. STRB, *Fourteenth Report*, Chapter 4

² Smith, A (2004), *Making Mathematics Count*; Roberts, G. (2002), *SET for Success: the Supply of People with Science, Technology, Engineering and Mathematics Skills*, Her Majesty's Treasury

6.10 NUT said that there were particularly severe problems of recruitment to mathematics and science, but that they were not the only subjects experiencing problems. NUT considered that targeted payments to particular groups of teachers were an ineffective solution to teacher shortages: targeted payments already featured strongly in the pay system and had an adverse impact on the morale of teachers who were not eligible. Shortages could only be effectively addressed by proper, professional and competitive pay for all teachers: teaching as a whole needed to offer attractive pay and prospects.

6.11 NAHT, UCAC and NASG did not support higher pay for mathematics and science ASTs. NAHT was not convinced that increases in pay for “so tiny and select a group” would affect recruitment. NASG characterised this as a quick fix solution that might generate further long-term problems for school management.

6.12 In oral representations, several consultees said that schools were not making enough use of their existing pay flexibilities, in particular to pay recruitment and retention incentives and accelerate pay progression. One consultee considered it might be unavoidable to have to pay teachers of some subjects more in order to address shortages. Another consultee, however, took the view that workload and lack of training were the issues, not pay.

Analysis

6.13 A number of consultees cited specific sources of evidence in their submissions. With the exception of the TDA's material, all of the sources cited referred to material we had already considered in reaching our conclusions in our last report. More recent figures on vacancies by subject and OFSTED data on teaching quality in 2004/05 were not available in time for this report.

6.14 From the TDA evidence we note that:

- recruitment to priority subjects continues to be challenging;
- after recent gains in the numbers undertaking postgraduate ITT (with increases in intake of 69% in mathematics and 24% in science between 2000/01 and 2004/05) there has since been a levelling off (with an increase in mathematics intake of 4% and a decrease in science intake of 2% between 2003/04 and 2004/5);
- recruitment to modern languages appears to be deteriorating (while intake increased by 3% between 2000/01 and 2004/05, it decreased by 10% between 2003/04 and 2004/05);
- TDA's subject enhancement programme for mathematics and physics has been successful in pilot and will now be rolled out nationally, and a pilot programme for chemistry is being introduced;
- increases in bursaries and golden hellos for mathematics and science came into effect from September 2005.

6.15 We also note the other steps which have recently been taken in this area, including: the appointment of a Chief Adviser of Mathematics; the imminent announcement on the National Centre for Excellence in Teaching Mathematics; the programme of significant CPD support to improve mathematics teaching that is being made available this autumn, the establishment of nine regional Science Learning Centres over the past year; and the opening of the National Science Learning Centre this autumn³.

6.16 From September 2006, the present twenty-seven-point AST scale will be replaced by an AST pay scale parallel to the first eighteen points of the leadership pay scale.

Our views

6.17 No evidence has been presented that has persuaded us to change the views we expressed in our Fourteenth Report. There remain concerns about schools' ability to fill vacancies in mathematics and science with candidates of the right quality. But the measures in place to attract, re-skill and retain suitable graduates continue to show impressive results. These measures are also being significantly reinforced in autumn 2005. The case for making potentially distortionary changes to the pay structure in favour of two individual subjects is therefore, if anything, weaker than it was at the time of our previous report.

6.18 We continue to believe that the tools to tackle these issues already lie in the hands of schools. The existing pay flexibilities also have the advantage that they can adapt to changes in the pattern of shortage subjects. We welcome the fact that the Department will strengthen the messages on the use of flexibilities in the next revision of AST guidance.

6.19 The maximum salaries payable to ASTs in the four pay bands are already eye-catching. In September 2005, the maximum AST salary was £50,553 in pay band D and £56,526 in pay band A. Very few ASTs are paid near the maximum salary, so there is plenty of headroom within the system as it stands for school leaders to increase pay for this grade if required⁴. In addition, the reduction in the number of points on the AST scale will mean that each incremental step will from September 2006 be significantly greater. This will mean more rapid pay progression for ASTs at all points of the scale.

6.20 There may also be another dimension. Individual heads will be aware of which vacancies they are finding it difficult to fill, but may not have reliable evidence on whether this reflects local difficulties or more generic problems with a particular subject or specialism. The Department and Local Authorities might therefore consider more systematic circulation of data on the recruitment and retention position for priority subjects, so heads are better able to judge the state of the labour market for these subjects and respond appropriately. The process of refocusing training at the NCSL ought also to reinforce leaders' expertise and confidence in applying these fundamental management disciplines.

³ DfES (2005), *Post-14 Mathematics Newsletter July 2005*, available at www.dfes.gov.uk/mathsinquiry; and DfES (2005), science update at www.teachernet.gov.uk/teachingandlearning/subjects/science/sciencelearningcentres

⁴ Op.cit. STRB, *Teachers' Pay Survey September 2004*

Fast Track teachers

Context

6.21 The Fast Track programme was instigated five years ago. RIG's submission reported that it had an intake of approximately 700 teachers and trainee teachers a year, and that there were some 1,800 teachers in total on the programme as of September 2005.

Representations from consultees

6.22 The RIG submission pointed to recent decisions to reposition the Fast Track programme as a purely in-service programme and to cease to reimburse schools for the cost of discretionary incentives to new recruits to the programme. Schools would still be able to make incentive payments to Fast Track teachers, though RIG recognised that the change made it less likely that they would be paid in future.

6.23 In the light of these changes, RIG proposed that it would be helpful if the STPCD emphasised that relevant bodies could award Fast Track teachers a discretionary point on the main scale. It noted that the flexibility to award discretionary points was already covered in paragraph 18.2 of the STPCD, but suggested that this could be expanded to allow schools to take into account the leadership impact of Fast Track teachers in awarding discretionary points. This would apply to current as well as to new programme members. RIG took the view that this incentive would better align with the aims of the Fast Track programme than the current incentives.

6.24 TDA commented that Fast Track teachers, as with all teachers at any pay point, should progress more rapidly than their peers only when they were making a greater contribution to pupil attainment and/or to the development of other teachers or staff.

6.25 NUT was opposed to the programme, suggesting that the opportunities it provided should be made available to all teachers and that funding for the programme could be more usefully deployed on generally available development opportunities, for example for all teachers early in their careers. It reiterated its view that pay for all teachers needed to be competitive. Commenting on RIG's proposals, it expressed concern about the exclusion of Fast Track teachers from the working time limitations that applied to other classroom teachers.

6.26 NAHT was also opposed to the Fast Track programme, as it believed it served little purpose. BATOD questioned the relevance of the programme to special schools.

Our views

6.27 We recognise the intent behind the RIG proposal, but are not persuaded that there is a case for amending the provisions of the STPCD as it suggests. Fast Track teachers are by definition high-fliers, and the STPCD already allows for the award of discretionary points "where the teacher's performance in the previous school year was excellent having regard to all aspects of their professional duties in particular classroom teaching"⁵. This provides schools with wide latitude and has a welcome emphasis on the primacy of teaching and learning.

6.28 In considering this issue, we also note the links to another area of the current remit, and suggest that the Department continue to encourage Fast Track teachers to undertake at least one posting in a challenging school (see paragraph 6.39). Reinforcing the message that the programme can lead to different kinds of leadership (curriculum leadership, for example, as well as traditional managerial leadership) is also relevant to addressing priority subjects.

Challenging schools

Context

6.29 The Secretary of State asked us to consider the extent to which other factors should be taken into account in determining career and pay progression, for example "prior successful experience in challenging classroom roles and in challenging schools". She also wanted "a new focus on the career progression of those teachers who succeed in the toughest classroom jobs and most challenging schools".

6.30 No consultee drew any other factors to our attention under this remit item, so we confine our discussion below to the treatment of teachers' experience in challenging classroom roles and challenging schools.

6.31 Whilst it was not a consultee in this review, we were grateful to IPPR for sending us a copy of its recent report focusing on challenging schools⁶.

Representations from consultees

6.32 RIG said that there should be scope for teachers making a significant contribution to teaching and learning in more challenging contexts to be rewarded with accelerated pay progression. It proposed that the STPCD encourage decision-makers to award an additional pay point to teachers in the main scale and to progress teachers in the upper pay scale earlier than the normal two-year minimum, in recognition of the challenging context in which they had made their contribution to teaching and learning. Performance management should provide evidence about which teachers should be rewarded in this way.

⁵ DFES (2005), *School Teachers' Pay and Conditions Document 2005 and Guidance on School Teachers' Pay and Conditions*, Section 2, paragraph 18.1.4

⁶ Bush, A. (2005), *Choice and Equity in Teacher Supply*, IPPR

6.33 The Welsh Assembly Government highlighted the existing scope in the pay system for decision-makers to progress teachers at different rates. If explicit links between success in challenging circumstances and pay were introduced, it would be necessary to define “challenging circumstances” clearly, which could be difficult. It noted that inner-city schools were often referred to when people talked about challenging classroom roles.

6.34 NAHT, BATOD, UCAC and the governors’ organisations did not think that it would be appropriate for particular types of experience to be directly linked to pay progression. Teachers’ experience and achievements were already taken into account when they applied for jobs, including promotions. There was existing scope for employers to make discretionary payments to teachers, including recruitment and retention incentives and accelerated pay progression. Guidance to help decision-makers to decide when it might be appropriate to use these flexibilities could be helpful.

6.35 TDA similarly noted that teachers’ learning and achievements from challenging periods of work should be evident in their performance and could be rewarded with accelerated progression. There were already schemes designed to reward and retain teachers in urban areas, for example the Chartered London Teacher and Urban Leaders schemes. There might also be scope to reflect particular skills needed in challenging circumstances in revised professional standards for teachers.

6.36 NUT was concerned about reported high levels of stress and burn-out among teachers in schools with challenging pupil intakes and those under OFSTED special measures. It wanted the Government to explore this as a matter of urgency. NUT said that the pressures on challenging schools needed to be recognised without making invidious distinctions about teaching skills relative to the degree of challenge in particular schools. It said that there were strong arguments for increasing the funding and resources available to such schools, including to reward teachers.

Our views

6.37 As we have said in the past, fair and rigorous performance management should be the hub of all pay and career progression⁷. Schools and services can take account of a range of factors, including the circumstances in which teachers make their contributions, when taking decisions on pay and progression. Prior successful experience in challenging schools is most appropriately taken into account when teachers apply for jobs. The pay system also includes tools to help challenging schools to recruit, retain, motivate and reward teachers.

⁷ Op.cit. STRB, *Thirteenth Report Part 2*, paragraph 3.12

6.38 Part of our vision is that schools and services should be able to make decisions without detailed rules and guidance. Mindful of the considerations summarised at the start of this chapter, we do not wish to add additional prescription to the pay system and our preference is to encourage schools to make better use of the tools they already possess. It would not therefore be helpful to add new references in the STPCD to specific factors that should be taken into account in decisions on pay and career progression.

6.39 As a number of consultees have highlighted, working in challenging schools puts particular pressures on teachers and leaders, notably in the areas of heavy workload, poor pupil behaviour, and uncertainty about the school's future and their employment. Whilst it goes beyond our remit to comment on this in detail, we have noted several areas where action could be helpful, for example staff welfare programmes, targeted CPD and mentoring programmes for teachers, and continuing to include placements in challenging schools in development schemes like the Fast Track scheme.

Part-time teachers

Context

6.40 In 2005, there are 83,700 part-time teachers in England and Wales, equating to a full-time equivalent (FTE) figure of 44,000. There are 48,100 part time teachers working in primary schools (24,100 FTE, representing 11% of the FTE workforce); 32,600 in secondary schools (18,400 FTE, representing 7.8% of the FTE workforce); and 2,900 in special schools (1,600 FTE, representing 11% of the FTE workforce)⁸.

Representations from consultees

6.41 There was widespread agreement among consultees on the principle that part-time teachers should be treated equally. There was also a broadly similar diagnosis of many of the main problems still being encountered.

6.42 On the basis of a survey it had conducted, RIG had identified significant variations in the way in which employers were interpreting key provisions on the calculation of part-timer teachers' pay, for example in relation to working time. Some of these practices were resulting in inequalities. RIG proposed that the STRB endorse the principle of a standardised approach; that RIG then take forward the detailed modelling work on the most appropriate methodology; and that the Secretary of State's subsidiary powers be used to implement the agreed solution. The Secretary of State would consult all the statutory pay consultees on any changes proposed. The intention was that the revised definitions would come into force in September 2006 and would not be applied retrospectively.

6.43 RIG invited the STRB to recommend that there be a pro-rated cover requirement for part-timers to rectify an outstanding anomaly in the STPCD.

⁸ DfES statistical evidence to the STRB

6.44 In addition to these specific proposals, RIG outlined areas of further work it was considering covering: clarifying guidance on access by part-timers to AST, leadership and Fast Track posts; aspects arising from the review of the Teachers' Pension Scheme; access to CPD; and issues relating to multiple contracts.

6.45 NUT noted that opportunities to work part time were important to teachers and supported recruitment and retention. It highlighted the Part Time Workers Regulations (2000). NUT said that the STPCD did not satisfactorily define working time for part time teachers and there was wide variation in practice across England and Wales, particularly on the division between teaching and non-teaching time. Part-time teachers consistently worked longer hours than their contract specified. It would welcome a detailed modelling exercise leading to a standardised approach and said it would like to be involved in such an exercise. It did not, however, see this as an issue properly falling within the Secretary of State's subsidiary powers. NUT suggested that changes made should be retrospective.

6.46 NAHT supported the proposal to standardise the calculation of hours and agreed with the NUT that the exclusion of part-time teachers from the working time provisions should be ended. It was not, however, convinced by RIG's proposal for a pro-rated cover requirement for part time teachers.

6.47 UCAC reported experience from some part-time teachers that their part time contracts had been spread throughout the timetable, so they had to be present at the school for the whole week and were unable to undertake any extra teaching duties at another establishment. UCAC pressed for timetabled blocks of whole or half days.

6.48 BATOD said that many teachers working with SEN pupils worked part time. Members had reported difficulty in relation to working time and pay: guidance was needed.

6.49 In oral evidence, one consultee suggested that part time teachers were more likely than full time teachers to be on disadvantageous atypical employment contracts, for example for one term at a time.

Our views and recommendations

6.50 There was a very large degree of consensus in the submissions we received on this subject. There was general agreement on the principle that part-time teachers should be treated equally, and a generally shared diagnosis of the current problems and inconsistencies in calculating working time.

6.51 We strongly endorse the principle that part-time teachers should be treated equally with their full-time colleagues. Teaching is a profession where part-timers are particularly well placed to make a significant contribution, and the move towards a broader curriculum and service offer in extended schools can only reinforce this. On this basis, we agree that detailed work on the modelling and methodology should be undertaken.

6.52 We note that RIG plans wider work on aspects of part-time work, including the situation of multiple and atypical contracts, access to CPD, pensions, and to AST, leadership and Fast Track posts. We suggest that this further work could also consider areas highlighted by non-RIG consultees, such as access to TLRs and the Excellent Teacher Scheme and the exclusion of part time teachers from the working-time provisions of the STPCD. We have been unable to obtain a satisfactory explanation of why part-time teachers are excluded from the working time provisions, and, on the basis of what we have seen, this situation looks anomalous. It requires further exploration.

6.53 These matters raise important matters of principle and national pay policy, and will affect the pay and conditions of a significant number of teachers. Because of this, it is important that any changes to the STPCD resulting from the work go through the normal process of consideration by this Review Body.

6.54 **We recommend that:**

- **the Department undertake further work in association with interested parties to consider the issues in standardising pay and conditions for part time teachers and identify possible solutions;**
- **the conclusions of this work come back to this Review Body for consideration and recommendation.**

CHAPTER 7

Teachers' Professional Development and Pay Progression

Introduction

7.1 This chapter concerns teachers' professional development. The Secretary of State asked us to consider for recommendation:

the extent to which participation in professional development activity (including the development of others through coaching and mentoring, training and observation and other collaborations) should be expected to have an effect on pay progression, both in general and at specific levels.

Context

7.2 In her remit letter (see Appendix A), the Secretary of State highlighted that the Department's *Five Year Strategy* included plans for a "new teacher professionalism" in which "career progression and financial rewards go to those who are making the biggest contributions to improving pupil attainment, those who are continually developing their own expertise, and those who help to develop expertise in other teachers". The Department wanted "coaching and mentoring to become a habitual part of school improvement culture, with greater openness by teachers underpinned by focused, and professionally supported, classroom observation" and for teachers to "take responsibility for their own development, including the routine extension of their subject knowledge and improvement in their pedagogy".

7.3 The Strategy also announced the Department's intention to refocus teacher appraisals in England as teaching and learning reviews from September 2006 and to link these to continuing professional development (CPD), career progression and pay.

7.4 In September 2004, the Secretary of State extended the remit of the then Teacher Training Agency (TTA), now the Training and Development Agency for Schools (TDA), to include the task of helping schools in England ensure effective development of their workforce. In January 2005, TDA reported to the Secretary of State on the present state of CPD in schools and on the way it proposed to fulfil its expanded remit¹. It has now initiated several streams of work, including a revision of teachers' professional standards. It will report to the Secretary of State on this latter project by May 2006.

¹ TDA (2005), *The Teacher Training Agency's Role in the Future of Continuing Professional Development*

7.5 In Wales, performance management, training and development are devolved to the Welsh Assembly Government. In 2001, the Welsh Assembly Government stated its commitment to teachers having the training and support they needed to do their jobs well and progress in their careers, with this commitment underpinned by a consistent system of performance management². In July 2005, ESTYN reported to the Welsh Assembly Government on how linkages could be improved between CPD, school development plans, performance management and the pursuit of higher standards³. In July 2005, GTC (Wales) also published a report recommending that a revised framework of professional standards be established for teachers in Wales, based on key milestones in teachers' careers⁴. STRB members visited the GTC (Wales) in September 2005 to discuss its work on standards. The GTC report is currently being considered by the Welsh Assembly Government.

Representations from consultees

7.6 The representations we received went much wider than our specific remit, reflecting the consultees' strong interest in teachers' professional development. Several consultees, including the Department, TDA and GTC (England), the Welsh Assembly Government and NUT, helpfully updated us on relevant work they were doing in relation to CPD.

7.7 Consultees agreed that effective, sustained development of self and colleagues should have a significant impact on a teacher's success and job satisfaction, help schools and services to achieve high standards, and contribute positively to pupil attainment. Several emphasised that CPD was much more than participation in training courses. A number of underlying characteristics of professional development were identified, including the need for personal ownership by the professional, a structured approach, systematic reflection on practice, and a commitment over time.

7.8 Consultees all wanted to maximise the benefits of CPD for teachers, leaders, schools and pupils. They also recognised that this entailed time, money and opportunity costs. There were different views about how these costs should be met. Consultees also commented on professional standards for teachers.

7.9 Almost all consultees said that CPD should inform but not determine teachers' pay progression. Managers should take into account the impact of a teacher's CPD and contribution to others' development in assessing performance; and performance should continue to be taken into account in decisions on progression. In its written submission, the Department observed that there were issues about whether there was sufficient differentiation in teachers' pay progression at present.

² Op.cit. National Assembly for Wales (2001), *The Learning Country*

³ ESTYN (2005), *How linkages can be improved between continuing professional development, school development plans, performance management and raising standards*

⁴ GTC for Wales (2005), *Professional Development Framework for Teachers in Wales*

7.10 No consultees were in favour of directly rewarding participation in accredited training programmes and other specific CPD activities. Several, including GTC (England), TDA and the governors' organisations, said that this could have unintended negative consequences, not least discouraging teachers from undertaking other, equally effective, forms of CPD.

7.11 RIG said that professional development in the context of performance management should underpin pay progression and progression through all key career stages. Decision-makers should continue to take into account teachers' contributions to teaching and learning, the impact of their development activities, and the delivery of their professional duties. Teaching and learning reviews, to be introduced in England in 2006, would support effective professional development and performance management.

7.12 RIG also proposed that references to appraisal, assessment and application processes in the STPCD be simplified and updated to reflect the focus on teaching and learning, the introduction of teaching and learning reviews from September 2006, and head teachers' role in considering applications for the Excellent Teacher Scheme. It proposed that these changes should be implemented through the Secretary of State's subsidiary powers.

7.13 The Welsh Assembly Government noted that the STPCD encouraged decision-makers to take performance into account when taking decisions about pay progression, but did not refer to specific processes such as appraisal. It said that this was the right approach and highlighted that any requirements for employers to complete specific processes to inform pay decisions would need to encompass the different performance management arrangements in Wales.

7.14 GTC (England) said that there was not, at present, a coherent approach to teachers' career and pay progression. It said that most teachers were motivated to develop themselves, but fewer were actively pursuing pay and career progression. Development needed to be valued as well as progression.

7.15 TDA explained that the national framework of professional standards would set out the expectations of teachers, including in relation to improving their own and others' expertise, competence and performance. It endorsed the principle that pay progression should be linked to greater challenge for the individual in a context where teachers were well supported professionally. The impact of participation in professional development activity as evidenced in competence and performance should determine the rate of progression through the pay scale and inform discussion about subsequent professional development. It was essential that this, not merely participation in professional development activity, was rewarded. Schools, informed by the national framework of standards, should use the performance management system, including Teaching and Learning Reviews, and the school's self-evaluation to inform pay decisions. TDA said that much greater use needed to be made of accelerated pay progression to reward teachers' contributions.

7.16 NUT highlighted its CPD programme and the specific proposals on CPD in its 2004 document *Bringing Down the Barriers*. This publication and NUT's submission proposed that all teachers should have material entitlements to guaranteed time for CPD within the timetabled working week and to specific levels of funding. This would enhance teachers' professional confidence, morale and learning. NUT said that, at present, many teachers did not have sufficient time to carry out sustained CPD and there was unacceptable variation in the time available.

7.17 NUT said that the teaching profession was against linking performance management with pay. Introducing mechanistic links between performance management, professional development and pay progression, for example through a ladder of professional standards, could be very damaging, potentially creating pay inequalities and undermining the positive outcomes of performance management. It proposed that teachers should move up the pay scale solely on the basis of increased experience and that there should be no link between performance management and pay. NUT expressed its disappointment that the Department had not accepted the recommendation in the STRB's Fourteenth Report that all the main parties be included in specific work by DfES and its partners on teacher professionalism.

7.18 NAHT said that the pay system must support and recognise the development of a professional community. The criterion and factors for TLR payments could, if properly applied, recognise teachers' professionalism within schools' leadership and management structures. NAHT believed that progression on the upper pay scale should be informed by similar expectations.

7.19 UCAC said that the present system of performance management in Wales was an accepted guide and measure of whether a teacher should progress. Participation in CPD should be led by the teacher: it should not be mandatory to participate in specific CPD to achieve career or pay progression.

7.20 BATOD said that changes in the education of pupils with special needs raised challenges for teachers of the deaf and other specialist SEN teachers, so professional development was important. BATOD members wished to develop their knowledge and skills but were hampered by their workload and lack of funding for CPD. It said that many teachers of the deaf paid for specialist courses themselves.

7.21 Organisations representing governors emphasised that teachers had both rights and responsibilities in relation to professional development. They expressed the view that teachers should be rewarded for the successful outcomes of their CPD, such as excellent performance or demonstrable readiness for promotion, not simply for participation in CPD.

Our approach

7.22 We see our conclusions on professional development in this chapter very much in the context of our views on performance management. In previous reports we have consistently emphasised that fair, rigorous performance management should be the hub of all pay and career progression⁵. Part of our vision for schools is that governors and leaders should manage performance and professional development well, and have the confidence and capability to assess performance and reward teachers effectively, transparently and fairly.

7.23 Achieving this will take time, and progress will depend on the HR capabilities of governing bodies and the leadership group. Our research, reinforced by what we have seen in schools and heard in oral representations over several years, suggests that some leaders and governors either disagree with performance-related pay in principle or find it hard to deliver in practice⁶. There is also a reluctance to make full use of the flexibilities in the pay system to reward teachers whose performance is excellent. There is therefore still a need to reinforce the message on the importance of good performance management, particularly the need for rigorous links between performance and reward, and to support schools and services in making it a reality.

7.24 There is already extensive work under way in England and Wales to extend opportunities for teachers' CPD, to improve the quality of both supply and demand in this area, to improve performance management in schools, and to review teachers' professional standards. We are mindful that our recommendations on the specific issue of links between CPD and pay should not cut across these initiatives.

7.25 We note the important distinction between ad-hoc training and development activities and well-developed CPD programmes. The latter is an integral part of professional working life, and should be self-managed, reflective, structured and sustained (as some of our consultees noted).

7.26 We have considered practice elsewhere. We have looked in detail at the arrangements that apply for teachers in Scotland. We have also considered a report on the CPD requirements applying in a range of other professions (management accountants, physiotherapists, electrical engineers, lawyers, nurses, physicians, surveyors and pharmacists)⁷. The report identified a number of important similarities across the professions studied, including that:

- professional bodies regarded CPD, in particular self-assessment, evaluation, reflection and keeping records of learning, to be an important part of professionalism;

⁵ Op.cit. STRB, *Thirteenth Report Part 2*, Chapter 3

⁶ PricewaterhouseCoopers (2003), *Report on Research into Allowances and Pay Progression*, OME

⁷ IDS (2005), *Continuing Professional Development Requirements in Professional Bodies*, OME

- many professional organisations were either in the process of reviewing their CPD requirements or had recently introduced changes;
- responsibility for undertaking CPD lay primarily with the professional;
- professional bodies specified CPD requirements. Some operated input-based systems whereby professionals were required to complete a certain number of hours of CPD annually. Others did not consider that this was an effective approach and focused on the outcomes of CPD; and
- employers' support for CPD was agreed locally. Professional bodies encouraged employers to support professionals' CPD, but there were no formal requirements or monitoring of employers' support.

7.27 From the study, we draw the same conclusion as elsewhere in our remit on the importance of striking the right balance between national consistency and local flexibility.

Our views and recommendations

7.28 CPD is integral to professionalism. It follows from this that the prime responsibility for a teacher's CPD and career development should lie with the individual teacher. It is a matter of personal professional responsibility to manage one's own development and ensure the process is reflective, structured and sustained. If a teacher has particular skills or expertise or holds a senior post in the school, they also have a responsibility to support their colleagues' development.

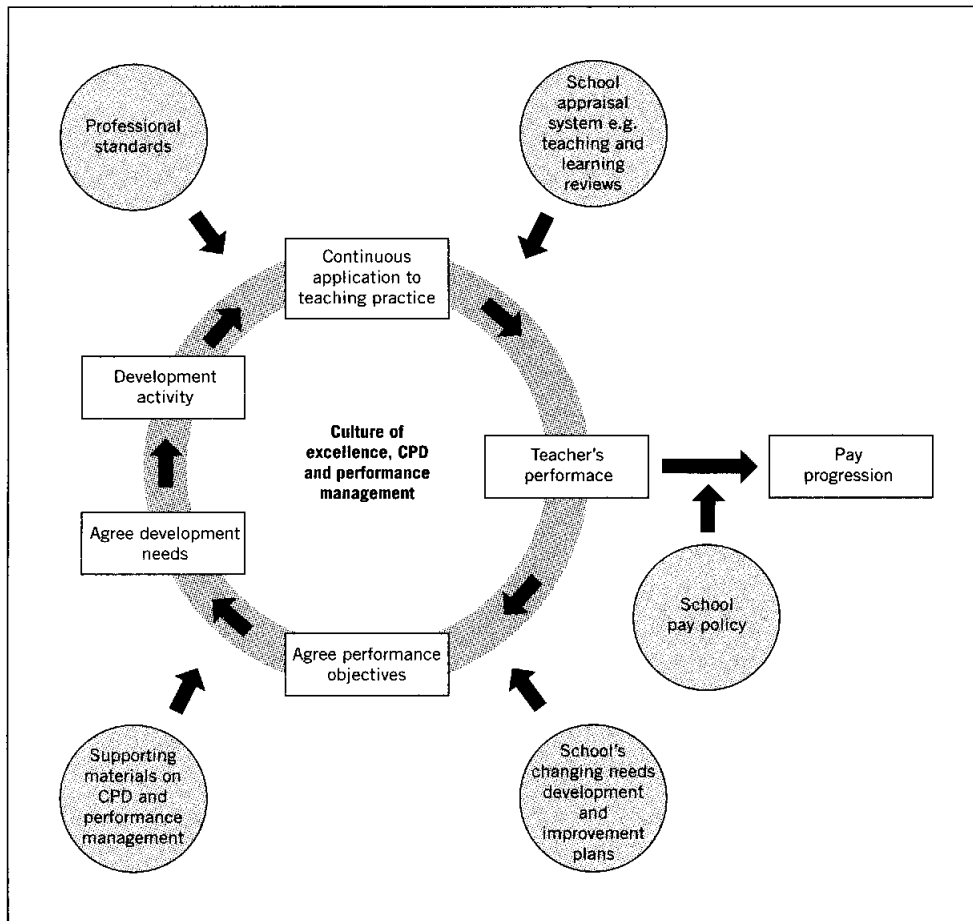
7.29 We note some consultees' suggestions that the STPCD include references to teachers' having an "entitlement" to CPD. It is more helpful to view CPD from the viewpoint of mutual responsibilities. Teachers should be responsible for managing their own CPD, informed by the context in which they work, performance management and their professional aspirations. Leaders should support this, for example by helping teachers identify their development needs, giving feedback and providing opportunities and resources for CPD, as part of embedding a culture of excellence, CPD and performance management. The benefits of supporting teachers' CPD are evident in its outcomes, including the improved effectiveness of the school, the skills, teaching and motivation of teachers, and the learning of pupils.

7.30 We have been asked to consider the extent to which participation in professional development activity, including the development of others through coaching and mentoring, training and observation and other collaborations, should be expected to have an effect on teachers' pay progression.

7.31 None of the consultees proposed that teachers should be rewarded directly for participation in specific professional development activities, such as accredited programmes of study. We agree with this view. As noted above, such an approach would be inconsistent with practice in other professions. It would not necessarily reward the teachers making the biggest contribution to their school or service, and could unintentionally skew the market for training and development activities. It could also present significant equal opportunities challenges.

7.32 In our view, it is the outcomes of CPD on teachers' performance, assessed by rigorous performance management, that should be rewarded, not simply participation in CPD. Excellent performance and pupil outcomes are the ultimate goals. We are pleased to note that the new framework of teaching and learning reviews is based on the interdependence of performance and development and we expect this to be a fruitful innovation.

Figure 7.1: Rewarding performance



7.33 Figure 7.1 illustrates this outcomes-based approach, the mutual responsibilities of teachers and managers, and the links between CPD, performance and pay progression. Its purpose is to clarify these relationships, not to prescribe a specific system for direct application in schools. It highlights the importance of a continuous cycle of performance, development and reflection, within which teachers systematically apply their learning to their teaching practice. Teachers' decisions on their CPD will also be influenced by factors including the school's staff development and improvement plans and by the forthcoming framework of professional standards. As teachers undertake and learn from CPD, its benefits should be seen in aspects of their performance. Performance will be assessed through appraisal and linked with pay progression through the school's pay policy, in accordance with the STPCD.

7.34 The pay system already enables linkages between development, performance and pay. But to release the full power of the process we have described, certain enablers need to be in place. At national level, these include professional standards for teachers and support programmes to help build the required management capacities and embed a culture of performance management and development in schools and services. At local level, governing bodies, leaders and managers need to have sound performance, development and reward arrangements in place, in particular to evaluate the impact of CPD on performance and assess performance for pay purposes. Initiatives by NCSL, TDA and others will help, and it would also be helpful for the Department to encourage schools to embed CPD in the culture of the school and require them to explain clearly in their pay policies how performance is taken into account in pay decisions.

7.35 RIG has proposed that certain changes be made to references to appraisal processes in the STPCD using the Secretary of State's subsidiary powers. The matters highlighted in paragraph 7.12 seem to be largely technical and therefore an appropriate use of the subsidiary powers. Care will need to be taken when referring to specific processes where arrangements in Wales are different.

7.36 **We recommend that:**

- **the outcomes of teachers' CPD and, if appropriate, their contribution to others' development, be taken into account as part of a range of evidence when schools assess performance for pay progression purposes; and**
- **the Department require schools and services to include details in their pay policy about how performance is assessed for pay purposes and how different factors, including the outcomes of CPD and contribution to others' development, are taken into account.**

CHAPTER 8

Teachers' Professional Responsibilities

Introduction

8.1 This chapter concerns teachers' professional responsibilities. We have been asked to consider for recommendation:

the extent to which the professional duties of teachers and the leadership group should be revised to reflect:

- a) *the focus on teaching and learning and the new professionalism agenda of the DfES;*
- b) *the development of extended schools, including increased flexibilities in schools over opening times and out of hours activities;*
- c) *wider workforce reforms and the modernisation of the school workforce.*

8.2 We prefer to refer to teachers' professional "role and responsibilities" instead of "duties", since this better reflects teachers' professional status.

Context

8.3 The STPCD includes lists of classroom teachers' and head teachers' "professional duties" and provisions on working time that have been in place for many years¹. The only significant changes in recent years resulted from the National Agreement, notably the stipulation that teachers should not routinely undertake administrative work and the introduction of guaranteed time for planning, preparation and assessment. These changes were intended to reduce teachers' workload and raise standards in schools by enabling teachers to focus on teaching and learning.

8.4 In Chapter 1 we considered the impact of the current change programme on teachers. In Chapter 7 we made recommendations to help embed the principles of professionalism and professional development in teachers' pay. We have drawn on this thinking in reaching the views and recommendation described below.

¹ Op.cit. DfES, *School Teachers' Pay and Conditions Document 2005*, Section 2, part IX, X, XI and XII

8.5 A recent report by OECD highlighted that the pace of social change and the heightened expectations of schools have broadened and deepened teachers' roles in many of its member states². Teachers in the countries reviewed were expected to support the individual development of pupils, manage learning processes, work with others to develop the whole school as a learning community, and build connections with parents and the local community. OECD said that countries benefited from having clear and concise statements or profiles that captured expectations of teachers' knowledge and skills.

8.6 As mentioned in the previous chapter, TDA is reviewing professional standards for teachers. GTC (Wales) has reviewed and made proposals to the Welsh Assembly Government on professional milestones and is also undertaking a consultation on the future shape of the teaching profession. It published a consultation paper in July 2005 and plans to report to the National Assembly for Wales in November 2005³.

Representations from consultees

8.7 RIG highlighted changes in teachers' work and in the schools workforce in recent years. It discussed the implications for teachers of schools working closely with other children's services and offering extended services to help achieve the objectives described in *Every Child Matters*. It also noted that schools were increasingly collaborating with other schools or becoming federations. RIG said that efforts to reduce teachers' workload following the National Agreement had released time for teachers to concentrate on their core task of leading teaching and learning, and given them more scope to undertake CPD.

8.8 RIG said that it was essential for a clear set of expectations of teachers to be described in a revised statement of professional duties, complemented by a coherent framework of professional standards. It proposed a comprehensive review of the professional duties of teachers to refocus and streamline them. A revised statement of teachers' duties would help underpin the new professionalism agenda by providing a reference point for discussions on professional development and for decisions on career and pay progression. RIG invited the STRB's views on the general approach to reflecting certain expectations, accountabilities and entitlements in professional duties. It proposed that the detailed changes might then be implemented through the Secretary of State's subsidiary powers. RIG would ensure that the revised duties aligned with the professional standards being developed by TDA.

² OECD (2005), *Teachers Matter: Attracting, Developing and Retaining Effective Teachers*.

³ GTC Wales (2005), *Professional Development Framework for Teachers in Wales*.

8.9 RIG then described its views on specific aspects of teachers' duties. Its principal concern was that any changes should reflect the message of the National Agreement that teachers should focus primarily on teaching and learning. The review should also consider whether the duties fully reflected expectations arising from the *Every Child Matters* agenda. It said that the development of extended schools was not intended to increase the working hours of teachers or head teachers, but that consideration should be given to whether it would be appropriate to explore a more flexible application of working time for teachers within extended school opening times.

8.10 RIG proposed that teachers' existing duties in relation to professional development should be amended to provide a clear and coherent continuum of expectations, with differentiation at each career stage. The duties should set an expectation that all teachers, including teachers in the leadership group, should be engaged in effective, sustained and relevant professional development throughout their careers, including coaching and mentoring, underpinned by focused, professionally supported classroom observation. Head teachers should additionally have a duty to embed CPD in the school's culture and help to create a positive learning environment. These changes would have a number of benefits, including stimulating the demand for and supply of high quality CPD.

8.11 RIG said that it was also necessary and timely to consider whether existing duties that did not require teachers' professional skills and expertise might be removed. This would help to secure further improvements in teachers' workload and work-life balance. It proposed that the review look at:

- administrative tasks, including documenting the personal and social needs of pupils;
- participating in meetings relating to the administration and organisation of the school;
- participating in arrangements for pupils' presentation for and supervision in exams;
- attending assemblies, registering the attendance of pupils and supervising pupils; and
- providing general guidance and advice on social and career matters.

8.12 Most other consultees agreed that the duties of teachers were in need of review. Several consultees, including NUT, NAHT, SHA, BATOD and UCAC, were concerned about the potential impact of schools becoming extended or community-focused schools, as well as other changes to teachers' and leaders' responsibilities, workload and work-life balance.

8.13 TDA said that it would welcome revisions to teachers' duties that encouraged their professional development. It highlighted the leading role of the head teacher in ensuring that training and development for all staff was central to school improvement. TDA would consider how to reflect expectations in relation to professional development in its work on standards.

8.14 NUT said that no definition existed of the core characteristics of practising, qualified teachers. There was a vital need for this definition, which should be based on the principle that teachers had a range of professional skills. NUT proposed that regulations should define the work of teachers and, separately, the work of support staff. It also proposed that there should be a wide and inclusive debate among school leaders and communities about potential changes to duties in the STPCD. NUT was concerned about the impact of extended schools on responsibilities, workload and working hours. It also considered that the *Children's Workforce Strategy* included a number of proposals that could have a profound effect on teachers' role, particularly the plans in relation to early years education and the introduction of a single framework of qualifications and standards for the children's workforce. It proposed that the STRB be given a specific remit to review the implications of the Strategy and extended schools for teachers' pay and conditions.

8.15 NUT also commented on RIG's proposals. It said that the implementation of certain proposals, notably on removing some current duties, would fundamentally change the role of teachers and undermine their ability to fully meet the needs of children and young people. NUT said that distinctions between teaching and learning and the provision of advice on pupils' personal and social needs were invidious. It submitted a discussion paper presenting its views on teachers' core duties and proposing that regulations clearly distinguish these from the role and responsibilities of teaching assistants and unqualified instructors. NUT also commented that the Department's intentions regarding the links between revised professional standards, duties, appraisal, pay and conditions were unclear.

8.16 UCAC stated that it would be sensible for teachers' duties to reflect the focus on teaching and learning and the new professionalism agenda. It said that at present there was uncertainty about which teachers should coach or mentor others and that this needed to be clarified.

8.17 BATOD considered that a review of duties would be sensible in view of recent and impending changes in schools. It would also be an opportunity to consider and better reflect in duties the role and responsibilities of unattached teachers, including the heads of specialist services and units. It hoped that any review would fully involve all interested parties.

8.18 In commenting on RIG's proposals and others' evidence, NAHT agreed it was important that teachers' duties focused on their core responsibilities for teaching, learning and (for school leaders) leadership. It took the view, however, that RIG's proposals to consider removing certain current duties were unrealistic and undesirable, and it expressed sympathy with NUT's view of a teacher's role.

8.19 The governors' organisations welcomed the prospect of a review. They hoped that it would recognise the role of governors and the distinction between leaders' and governors' responsibilities. They said that there was not yet sufficient practical experience of extended schools to gauge their impact on teachers' duties.

8.20 Several consultees commented on RIG's proposal that it complete work in relation to teachers' duties, and that the Secretary of State amend the duties in the STPCD through her subsidiary powers. Consultees outside RIG were strongly against this approach, expressing concern that they would not be adequately consulted on important changes by the Department.

Our approach

8.21 This is the first time we have been asked to review teachers' professional responsibilities as a whole, although we touched on certain aspects in 2002 in addressing teachers' workload⁴. As noted above, the broader analysis set out in Chapter 1 has informed our views in the present chapter.

8.22 In Part Two of our Thirteenth Report we observed that thought needed to be given to the nature and purpose of the STPCD⁵. This remains the case. We are also mindful of the need to simplify the STPCD and ensure it is focused on essentials and does not over-prescribe.

8.23 Teachers' responsibilities have been a contentious matter in the past and remain so. Debate continues among teachers' representatives and others about the respective responsibilities of teachers, teaching assistants and other staff. This debate is healthy, because although parties disagree strongly on some matters, they are all focused on reducing teachers' workload and helping schools and services to achieve high standards.

Our views and recommendation

8.24 As we noted in Chapter 1, recent changes in schools have significant implications for teachers. The emphasis on teacher professionalism, the increase in the number of support staff, new ways of working following the National Agreement, and closer working between schools and health, social and youth services all raise questions about the scope of teachers' role and responsibilities.

⁴ STRB (2002), *Special Review of Approaches to Reducing Teachers' Workload*

⁵ Op.cit. STRB, *Thirteenth Report Part 2*, paragraph 6.49

8.25 The full impact of these changes has not yet been felt, and further substantial changes are in the pipeline, including the extended schools programme and further work to improve services for children and young people. The overall impact on teachers' role and responsibilities is not yet clear, but, as we observed in Chapter 1, we can see a broad direction of travel. Against this dynamic background, the lengthy, detailed, prescriptive statements of "professional duties" in the STPCD fall seriously short. As many of our consultees observed, they are outdated and do not fully encompass teachers' role and main responsibilities, even before the impact of recent and forthcoming changes. Nor do the statements present a positive picture of teaching. Even the term "duties" seems outdated and inappropriate for a self-confident profession, hence our preference for "role and responsibilities" noted at the start of this chapter.

8.26 The very concept of lengthy, detailed and prescriptive statements of duties militates against our vision (see paragraph 1.7). If schools and services are to build a high performance culture of continuous learning and improvement to achieve their goals, they need the scope and capability to make decisions without detailed rules and guidance.

8.27 Given the shortcomings of the lists of duties in the STPCD in the light of recent and forthcoming changes in the teaching profession, we agree in principle with the majority of consultees that a review of the statements of duties in the STPCD is needed. We do not, however, consider it appropriate for work to begin on a revised text, for two reasons. First, some of the substantial changes for teachers that would need to be reflected in a revised description of teachers' role and responsibilities are still in the pipeline. An important example is TDA's work on standards, which links closely with this issue and may highlight areas that need further work and reflection.

8.28 Secondly, there is a more fundamental question that needs to be addressed, namely whether the STPCD should include a description of teachers' professional role and responsibilities at all. Statements of duties seem inappropriate in a world where local initiative and innovation are ever more important. We understand that other professions do not have such detailed descriptions of their roles and responsibilities, and as far as we are aware none have statutory descriptions. Instead, professions often have a short statement of professional role and purpose under the aegis of the relevant professional body. Professionals' detailed responsibilities and performance objectives are agreed and described locally in job descriptions and plans, as is the case in teaching.

8.29 Taking all this into account, there is a case for removing the lists of duties from the STPCD entirely. This would better reflect teachers' professional status, simplify the STPCD and emphasise the mutual responsibility of teachers and leaders in individual schools to agree appropriate job descriptions.

8.30 The fundamental question needs to be addressed first, and it would be premature for us to make specific recommendations at this stage on revising the STPCD to reflect the three areas mentioned in the remit letter. We therefore propose in the first instance to invite representations from our consultees on the fundamental question. We will then consider these representations and, if appropriate, make further recommendations on how this area of work might best be taken forward.

8.31 **We recommend that:**

- **consultees consider the fundamental question of whether a description of teachers' professional role and responsibilities is needed (specifically whether it is needed in the STPCD), and present us with their written evidence and views by the end of August 2006.**

CHAPTER 9

Forward Look

9.1 Schools and services face many challenges as they continue in their efforts to achieve world-class standards and services. Teachers and school leaders are at the forefront of meeting these challenges and the success of the education service depends on them. In our work on the national framework of teachers' pay and conditions, we aim to support and encourage innovation and self-sufficiency in the teaching profession, underpinned by defined responsibilities, clear lines of accountability and confident professionalism.

9.2 A coherent national framework is essential, but it must be enabling, not prescriptive. The STPCD cannot, and should not, try to provide the solution to every local issue. That responsibility lies with confident and capable governors and leaders across England and Wales. In this report we have therefore built on existing strengths in the national framework of pay and conditions and, where necessary, proposed improvement in line with our vision. And we have also sought to reinforce the responsibility of governors, leaders and teachers to take increasing charge of their own destiny. We have not had time to consider the Department's new White Paper, published as we finalise our report in October 2005, but we note that this theme appears to be one of its key messages and look forward to considering this further in the context of our next remit.

9.3 Against a dynamic background of significant ongoing change and development, it is important to provide stability. We believe our recommendation of a two-year pay award of 2.5% in September 2006 and September 2007 does this. It will provide fair rewards for teachers, leave headroom in school funding and support the transition to three-year budgets for schools in England.

9.4 At this point in the journey of transformation, the capabilities of the leadership group are of fundamental importance. Leaders need to build on their teams' achievements, bring about change and make effective use of their new freedoms. The tools to recruit, retain, motivate, develop and reward teachers are already available to school leaders and governors. It is vital that they make full, effective use of them, and are courageous and rigorous in rewarding teachers in line with their performance. This requires people of the right calibre in the leadership group. We have noted some warning signs about workload, recruitment and retention and the impact of recent changes on the leadership group. We therefore think the time is right for a fundamental look at the whole package of responsibilities, structures and rewards for the leadership group and we have highlighted some specific matters where evidence is needed.

9.5 Alongside leaders, teachers need coherent, attractive opportunities for career and pay progression. The Excellent Teacher Scheme, to be introduced in 2006, should be the gold standard for classroom teachers and complement the existing career paths of management, leadership and Advanced Skills Teacher posts. The intention with all of these career pathways is to provide attractive professional opportunities and appropriate rewards. Schools will have to make decisions as to whether an Excellent Teacher post is right for them, but the option must be attractive both to teachers and to schools of all types and sizes. We have therefore recommended a range within which schools and services will be able to set spot salaries for their Excellent Teacher posts that fit the contribution they require from post-holders.

9.6 In other areas, we see scope for the national framework of pay and conditions to evolve over time, and have flagged up issues that need to be addressed, such as local pay and equal treatment for unattached and part time teachers. It is important that the pay system should not be unnecessarily complicated or duplicate existing flexibilities, as this runs counter to the key principles of clarity and local discretion. This has shaped our views on remit matters concerning specific groups of teachers.

9.7 Crucial to shaping the future teaching profession will be teachers taking personal responsibility for their continuing professional development. We have highlighted the importance of this and reinforced the centrality of performance in determining pay rewards. We have also raised the question of whether teachers any longer need a detailed, prescriptive list of their role and responsibilities in the STPCD. In both cases, the underlying principle is the need to recognise the professional status of teachers.

9.8 Our remit in March 2005 marked the beginning of a new arc of work to embed the principles of professionalism in the structure of pay and conditions. We have carried this out in the spirit outlined above. But this is a journey. In some areas we have proposed specific solutions, in others we have opened up questions that will need to be addressed over a number of years to come: we look forward to pursuing these with our consultees. The work on the leadership group, on continuing professional development, and on teachers' role and responsibilities is particularly significant in this regard.

9.9 We conclude by emphasising that our role is to advise, recommend and enable, acting as a catalyst where appropriate. The real change will be brought about at local level by inspiration, dedication and application in every school and service in England and Wales. The tools are substantially in place, and it is now for schools and their leaders to rise to the challenge.

APPENDIX A

Remit and Directions from the Secretary of State



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tel: 0870 0012345 dfes.ministers@dfes.gsi.gov.uk
Rt Hon Ruth Kelly MP

Bill Cockburn CBE TD
Chairman
School Teachers' Review Body
Office of Manpower Economics
Oxford House
76 Oxford Street
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10 March 2005

Dear Bill

STRB REMIT: MATTERS FOR REPORT

I am writing to set out issues on which the Government seeks recommendations, or further recommendations, from the School Teachers' Review Body (STRB), and a timetable for reporting on these.

Within the framework of previous, and in particular the latest, STRB recommendations, and in consultation with stakeholders, we are looking to bring in a range of important changes in teachers' pay arrangements in the coming months (subject to the completion of the due statutory processes). These include the introduction of Teaching and Learning Responsibility (TLR) payments, the new Excellent Teacher Scheme, and new principles for safeguarding. I am most grateful to the STRB for their thorough investigation of and reports on these matters.

We are now looking towards the next pay award period for England and Wales; and also to the critical steps needed to support the establishment of the new teacher professionalism proposals in England, in accordance with the DfES five year strategy. The first multi-year pay award, following your November 2003 recommendations, was crucial in helping to establish a sound and predictable

department for
education and skills
creating opportunity, releasing potential, achieving excellence



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framework for the largest element in schools' budgets, and provided both a fair and an affordable pay award for teachers running up to August 2006. The STRB's constructive and positive recommendations were a key element in the drive to bring about stability in school budgets. It is vital that we build on this in the next pay period.

The DfES five year strategy makes a number of important proposals covering England. In particular, we have made clear our intention that schools should have three-year budgets that are aligned to the school academic year to enable them to plan ahead with confidence. We are in the process of consulting on our proposals to make that a reality. The proposed alignment of school budgets with the Spending Review cycle means that when schools receive their first multi-year budgets early in 2006, they will cover the period up to August 2008. Our aim is for schools and local authorities to have information about the recommended changes in teachers' pay rates for that period when we announce the first allocations of the Dedicated Schools Grant, so that they can see the impact of teachers' salary levels on their budgets. We are looking to the STRB to help us in this aim.

The five year strategy also includes important plans for a new teacher professionalism in which career progression and financial rewards go to those who are making the biggest contributions to improving pupil attainment, those who are continually developing their own expertise, and those who help to develop expertise in other teachers. We want coaching and mentoring to become a habitual part of school improvement culture, with greater openness by teachers underpinned by more focused, and professionally supported, classroom observation. We want teachers to take responsibility for their own development, including the routine extension of their subject knowledge and improvement in their pedagogy. And we want a new focus on the career progression of those teachers who succeed in the toughest classroom jobs and most challenging schools. The STRB will play a vital role in recommending how this should key in to teachers' pay and professional duties.

In parallel with these developments we will be working with others on the refocusing of teacher appraisals as teaching and learning reviews. These must have a proper focus on classroom performance and ensure there is an informed professional dialogue about the specific development activity an individual teacher will undertake and how this relates to future progression. The Teacher Training Agency will also help with the development of a coherent framework of career standards to underpin professional development activity. As you know, technically, these matters are not for the STRB, but you will want to see them as context in taking forward the remit.

You will be aware that there are similar developments underway in Wales (where these matters are devolved) in respect of the expectation that teachers will take responsibility for their own continuing professional development, the role that performance management reviews play in providing a focal point for establishing teachers' development needs and the mapping of a career framework for teachers. In respect of pay and conditions, however, I am asking the STRB to make recommendations for England and Wales equally, as has generally been the case

on matters on which the STRB has a duty to make recommendations. As teachers' pay and conditions remain non-devolved, I would be concerned if there were recommendations that could produce inequities in delivering pay and conditions between the two countries.

The purpose of this letter is to seek the Review Body's recommendations on a further set of important issues. These directions are given under my powers in section 120 of the Education Act 2002 to refer matters to the STRB and to set out considerations to which you are to have regard, matters on which you are to make a recommendation and the time within which you are to report. As the Act requires, I shall arrange for your report to be published.

Considerations to which the STRB is to have regard

The considerations should include the following:

- i. the need to make all recommendations affordable within a context of a requirement for responsibility in all public sector pay settlements, taking account of low inflation levels and the need for education funding to meet a range of priorities linked to school improvement;
- ii. the Government's commitment to three-year budgeting and the need for schools and local authorities to be able to plan ahead, in which a multi-year teachers' pay award will be key;
- iii. the principle that pay progression should continue to be linked to greater challenge for the individual (in a context where teachers are well supported professionally);
- iv. the need to ensure consistent and reasonable pay arrangements which encourage teacher professionalism together with enhancing recruitment and retention;
- v. the importance of promoting the simplification of the pay system.

It is also essential that the review body give due regard to the relevant legal obligations, particularly anti-discrimination legislation regarding gender, race, sexual orientation, religion and belief, age and disability.

Matters for recommendation

I refer to the STRB the following matters for recommendation:

- i. whether teachers' pay should increase and if so, the appropriate increase, taking into account in particular the factors identified above. I am looking to the STRB, in line with our proposed school funding reforms and the availability of affordability evidence, to make recommendations on an award which runs from September 2006 – August 2008. You should, as part of your enhanced strategic focus,

consider how to maximise the advantages and minimise the risks of such an approach;

- ii. whether the level of SEN allowances and the nationally applicable maxima and minima for the value of TLR payments applicable in England and Wales (currently subject to statutory consultation) should increase in line with any general pay award recommendations;
- iii. what the appropriate spot salary for Excellent Teachers should be in the respective pay regions, following your recommendations in your Fourteenth Report;
- iv. whether there should be changes to the pay arrangements for secondary mathematics and science Advanced Skills Teachers;
- v. whether any further modifications are required to the pay arrangements of any particular categories of teacher, including Fast Track teachers;
- vi. whether, in the light of the investigations you have already made and the evidence you have taken in the light of those investigations, there is scope for movement towards more locally-determined pay;
- vii. the extent to which participation in professional development activity (including the development of others through coaching and mentoring, training and observation, and other collaborations) should be expected to have an effect on pay progression, both in general and at specific levels;
- viii. the extent to which other factors should be taken into account in determining career and pay progression (for example, prior successful experience in challenging classroom roles and in challenging schools);
- ix. the extent to which the professional duties of teachers and the leadership group should be revised to reflect:
 - a. the focus on teaching and learning and the new professionalism agenda;
 - b. the development of extended schools, including increased flexibilities in schools over opening times and out of hours activities; and
 - c. wider workforce reforms and modernisation of the school workforce;
- x. whether there are particular issues which should be addressed with regard to the pay and conditions of part-time teachers.

Timescale for report

These are important issues and it is essential that maximum time is available for consultation, discussion and preparation before implementation of any changes. Your report should therefore be with me by 28 October 2005.

I must stress again the need for affordable recommendations.

I am most grateful to the Review Body for its work and look forward to receiving its report.

*Yours ever
Ruth*

RUTH KELLY

APPENDIX B

Conduct of the Review

B1. In March 2005, the Secretary of State for Education and Skills asked us to review ten matters on teachers' pay and working conditions, including whether teachers' pay should increase, and make recommendations by 28 October 2005. We were required to have regard for a number of considerations. The Secretary of State's letter is at Appendix A. We reviewed the matters from March to October 2005.

B2. In March 2005, we gave the following organisations the opportunity to submit written representations and evidence on the matters:

Governmental Organisations

Department for Education and Skills (DfES)
General Teaching Council for England (GTC)
Office for Standards in Education (OFSTED)
Teacher Training Agency, now the Training and Development Agency for Schools (TDA)
Welsh Assembly Government

Association of Local Authorities

National Employers' Organisation for School Teachers (NEOST)

Organisations Representing Teachers

Association of Teachers and Lecturers (ATL)
British Association of Teachers of the Deaf (BATOD)
National Association of Head Teachers (NAHT)
National Association of Schoolmasters Union of Women Teachers (NASUWT)
National Union of Teachers (NUT)
Professional Association of Teachers (PAT)
Secondary Heads Association (SHA)
Undeb Cenedlaethol Athrawon Cymru (National Association of the Teachers of Wales) (UCAC)

Organisations Representing Governors

National Association of School Governors (NASG)
National Governors' Council (NGC)
Information for School and College Governors (ISCG)

Others

Agency for Jewish Education
Association of Foundation and Voluntary Aided Schools (AFVAS)
Catholic Education Service
General Synod of the Church of England Board of Education
Education Office of the Methodist Church
Foundation and Aided Schools' National Association (FASNA)
The Free Churches' Council-Education
National Primary Schools' Association

B3. DfES, NEOST, SHA, ATL, NASUWT and PAT are members of the Rewards and Incentives Group (RIG). RIG was given the opportunity to submit evidence and representations as a group and its members were additionally invited, if they wished, to submit evidence and representations individually.

B4. We invited consultees to respond in writing by 9 May 2005 and asked that all written representations and evidence be copied to the other consultees. We allowed consultees who wished to do so to submit supplementary representations and evidence and/or comment on other consultees' representations and evidence by 15 June 2005.

B5. On 27 June 2005 we received written representations about Fast Track teachers from RIG, and we invited other consultees to comment in writing by 5 September.

B6. The following consultees submitted written representations and/or evidence: ATL, BATOD, ISCG, the Department, GTC (England), NAHT, NASG, NASUWT, NEOST, NGC, NUT, RIG, SHA, TDA, UCAC and the Welsh Assembly Government. The following consultees submitted supplementary written representations and/or evidence: the Department, NAHT, NUT, SHA and UCAC.

B7. We requested further information and clarification from the Department about cost pressures for schools in England. On 20 June the Department provided further written representations and on 21 July the Secretary of State wrote to the Chairman with further information.

B8. The following organisations were invited to make oral representations to the STRB: ATL, the Department, NAHT, NASG, NASUWT, NEOST, NGC, NUT, PAT, SHA, TDA, UCAC and the Welsh Assembly Government. The members of RIG informed us that they wished to make oral representations as a group. Eight meetings were held in June, July and September at which the following organisations made oral representations: RIG (including the Secretary of State and Minister of State for Schools), NUT, NAHT, UCAC, TDA, NGC, NASG and the Welsh Assembly Government.

B9. We carefully considered the consultees' representations. We examined relevant statistical, economic, social research and other evidence provided by and drawn to our attention by the consultees. We also identified and examined other evidence, including:

- The *STRB Teachers' Workloads Survey March 2005* and the *STRB Teachers' Pay Survey September 2004*. Reports of these surveys are available on the OME website at <http://www.ome.uk.com/review.cfm?body=7>.
- Two studies commissioned by OME from IDS on long-term pay awards and continuing professional development requirements of professional bodies. The studies are available on the OME website at <http://www.ome.uk.com/research.cfm>.
- A paper commissioned by the OME from Professor Peter Dolton on the labour market for teachers, published in late 2004. The paper is available on the OME website at <http://www.ome.uk.com/review.cfm?body=7>.

B10. Other sources of evidence are highlighted in relevant chapters of this report.

B11. In total, the STRB had 21 working meetings between 10 March 2005, when the remit letter was received from the Secretary of State, and 28 October 2005, when our Fifteenth Report was submitted.

Visits and Meetings

B12. In May and June 2005, members of the STRB visited the following areas:

- East Riding of Yorkshire
- Carmarthenshire
- Telford and Wrekin
- Poole
- Edinburgh and West Lothian

B13. Nine schools were visited in these areas: four primary schools, four secondary schools and two special schools. Members additionally visited East Riding of Yorkshire and Poole LEAs.

B14. Between May and September 2005, members of the STRB visited the Scottish Executive, the National Remodelling Team (NRT) and GTC (Wales), and met OFSTED and NCSL.

APPENDIX C

Current and Recommended Pay Levels

Spine for qualified teachers in band D (currently covering England and Wales excluding London and the fringe)*

Spine point	Current £pa	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
Main pay scale			
M1	19,161	19,641	20,133
M2	20,676	21,195	21,726
M3	22,338	22,899	23,472
M4	24,057	24,660	25,278
M5	25,953	26,604	27,270
M6	28,005	28,707	29,427
Upper pay scale			
U1	30,339	31,098	31,878
U2	31,464	32,253	33,060
U3	32,628	33,444	34,281

Spine for qualified teachers in band C (currently covering the fringe)*

Spine point	Current £pa	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
Main pay scale			
M1	20,082	20,586	21,102
M2	21,597	22,137	22,692
M3	23,259	23,841	24,438
M4	24,981	25,608	26,250
M5	26,877	27,549	28,239
M6	28,923	29,649	30,393
Upper pay scale			
U1	31,260	32,043	32,847
U2	32,385	33,195	34,026
U3	33,549	34,389	35,250

*other than the leadership group and ASTs

Spine for qualified teachers in band B (currently covering outer London)*

Spine point	Current £pa	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
Main pay scale			
M1	22,002	22,554	23,118
M2	23,316	23,901	24,501
M3	24,978	25,605	26,247
M4	26,697	27,366	28,053
M5	28,593	29,478	30,432
M6	30,642	31,674	32,751
Upper pay scale			
U1	32,979	33,804	34,650
U2	34,101	34,956	35,832
U3	35,268	36,255	37,164

Spine for qualified teachers in band A (currently covering inner London)*

Spine point	Current £pa	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
Main pay scale			
M1	23,001	23,577	24,168
M2	24,315	24,924	25,548
M3	26,007	26,658	27,327
M4	27,756	28,452	29,328
M5	29,676	30,594	31,584
M6	31,749	32,820	33,936
Upper pay scale			
U1	35,985	36,885	37,809
U2	37,752	38,697	39,666
U3	38,916	40,002	41,004

*other than the leadership group and ASTs

Pay range for Excellent Teachers in bands B, C and D (currently covering England and Wales excluding inner London)

	Current	Recommended <i>1 September 2006</i>	Recommended <i>1 September 2007</i>
		£pa	£pa
Minimum	N/A	35,000	35,875
Maximum	N/A	45,000	46,125

Pay range for Excellent Teachers in band A (currently covering inner London)

	Current	Recommended <i>1 September 2006</i>	Recommended <i>1 September 2007</i>
		£pa	£pa
Minimum	N/A	35,000	35,875
Maximum	N/A	50,000	51,250

Additional payments for classroom teachers

	Current	Recommended <i>1 September 2006</i>	Recommended <i>1 September 2007</i>
	£pa	£pa	£pa
Teaching and Learning Responsibility (TLR) payment 2			
Minimum	2,250	2,306	2,364
Maximum	5,500	5,689	5,831
Teaching and Learning Responsibility (TLR) payment 1			
Minimum	6,500	6,663	6,829
Maximum	11,000	11,275	11,557
Special Needs Allowance (SEN) 1	1,773	1,818	1,866
Special Needs Allowance (SEN) 2	3,507	3,597	3,687

Spine for the leadership group in band D (currently covering England and Wales excluding London and fringe)

Spine point	Current £pa	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
L1	33,249	34,083	34,938
L2	34,083	34,938	35,814
L3	34,935	35,811	36,708
L4	35,808	36,705	37,623
L5	36,699	37,617	38,559
L6	37,617	38,559	39,525
L7	38,634	39,600	40,590
L8	39,522	40,512	41,526
L9	40,509	41,523	42,564
L10	41,550	42,591	43,656
L11	42,627	43,695	44,790
L12	43,611	44,703	45,822
L13	44,703	45,822	46,968
L14	45,816	46,962	48,138
L15	46,956	48,132	49,338
L16	48,207	49,413	50,649
L17	49,314	50,547	51,813
L18	50,553	51,819	53,115
L19	51,807	53,103	54,432
L20	53,091	54,420	55,782
L21	54,405	55,767	57,162
L22	55,755	57,150	58,581
L23	57,135	58,566	60,033
L24	58,554	60,018	61,521
L25	60,009	61,512	63,051
L26	61,494	63,033	64,611
L27	63,015	64,593	66,210
L28	64,581	66,198	67,854
L29	66,180	67,836	69,534
L30	67,827	69,525	71,265
L31	69,504	71,244	73,026
L32	71,232	73,014	74,841
L33	73,002	74,829	76,701
L34	74,808	76,680	78,597
L35	76,668	78,585	80,550
L36	78,564	80,529	82,545
L37	80,520	82,533	84,597
L38	82,512	84,576	86,691
L39	84,522	86,637	88,803
L40	86,634	88,800	91,020
L41	88,797	91,017	93,294
L42	91,020	93,297	95,631
L43	93,297	95,631	98,022

Spine for the leadership group in band C (currently covering the fringe)

Spine point	Current £pa	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
L1	34,170	35,025	35,901
L2	35,004	35,880	36,777
L3	35,853	36,750	37,671
L4	36,726	37,647	38,589
L5	37,620	38,562	39,528
L6	38,535	39,501	40,491
L7	39,555	40,545	41,559
L8	40,440	41,451	42,489
L9	41,430	42,468	43,530
L10	42,471	43,533	44,622
L11	43,548	44,637	45,753
L12	44,532	45,648	46,791
L13	45,624	46,767	47,937
L14	46,734	47,904	49,104
L15	47,874	49,071	50,298
L16	49,125	50,355	51,615
L17	50,238	51,495	52,785
L18	51,474	52,761	54,081
L19	52,725	54,045	55,398
L20	54,012	55,365	56,751
L21	55,329	56,715	58,134
L22	56,676	58,095	59,550
L23	58,056	59,508	60,996
L24	59,475	60,963	62,490
L25	60,927	62,451	64,014
L26	62,415	63,978	65,580
L27	63,936	65,535	67,176
L28	65,499	67,137	68,817
L29	67,101	68,781	70,503
L30	68,745	70,464	72,228
L31	70,428	72,189	73,995
L32	72,153	73,959	75,810
L33	73,923	75,774	77,670
L34	75,729	77,625	79,566
L35	77,589	79,530	81,519
L36	79,485	81,474	83,511
L37	81,438	83,475	85,563
L38	83,430	85,518	87,657
L39	85,440	87,576	89,766
L40	87,555	89,745	91,989
L41	89,715	91,959	94,260
L42	91,941	94,242	96,600
L43	94,218	96,576	98,991

Spine for the leadership group in band B (currently covering outer London)

Spine point	Current £pa	Recommended <i>1 September 2006</i> £pa	Recommended <i>1 September 2007</i> £pa
L1	35,889	36,789	37,710
L2	36,723	37,644	38,586
L3	37,572	38,514	39,477
L4	38,448	39,411	40,398
L5	39,339	40,323	41,334
L6	40,257	41,265	42,297
L7	41,274	42,306	43,365
L8	42,162	43,218	44,301
L9	43,149	44,229	45,336
L10	44,190	45,297	46,431
L11	45,264	46,398	47,559
L12	46,251	47,409	48,597
L13	47,343	48,528	49,743
L14	48,453	49,665	50,907
L15	49,593	50,835	52,107
L16	50,844	52,116	53,421
L17	51,954	53,253	54,585
L18	53,193	54,525	55,890
L19	54,447	55,809	57,207
L20	55,731	57,126	58,557
L21	57,045	58,473	59,937
L22	58,395	59,856	61,353
L23	59,775	61,272	62,805
L24	61,194	62,724	64,293
L25	62,646	64,215	65,823
L26	64,134	65,739	67,383
L27	65,655	67,299	68,982
L28	67,218	68,901	70,626
L29	68,820	70,542	72,306
L30	70,467	72,231	74,037
L31	72,144	73,950	75,801
L32	73,872	75,720	77,613
L33	75,642	77,535	79,476
L34	77,448	79,386	81,372
L35	79,305	81,288	83,322
L36	81,201	83,232	85,314
L37	83,160	85,239	87,372
L38	85,149	87,279	89,463
L39	87,159	89,340	91,575
L40	89,274	91,506	93,795
L41	91,437	93,723	96,069
L42	93,657	96,000	98,400
L43	95,934	98,334	100,794

Spine for the leadership group in band A (currently covering inner London)

Spine point	Current £pa	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
L1	39,537	40,527	41,541
L2	40,374	41,385	42,420
L3	41,226	42,258	43,317
L4	42,096	43,149	44,229
L5	42,990	44,067	45,171
L6	43,908	45,006	46,134
L7	44,925	46,050	47,202
L8	45,813	46,959	48,135
L9	46,800	47,970	49,170
L10	47,841	49,038	50,265
L11	48,915	50,139	51,393
L12	49,902	51,150	52,431
L13	50,994	52,269	53,577
L14	52,104	53,409	54,747
L15	53,244	54,576	55,941
L16	54,495	55,860	57,258
L17	55,605	56,997	58,422
L18	56,844	58,266	59,724
L19	58,095	59,550	61,041
L20	59,382	60,867	62,391
L21	60,696	62,214	63,771
L22	62,046	63,600	65,190
L23	63,423	65,010	66,636
L24	64,845	66,468	68,130
L25	66,297	67,956	69,657
L26	67,785	69,480	71,217
L27	69,306	71,040	72,816
L28	70,869	72,642	74,460
L29	72,471	74,283	76,143
L30	74,118	75,972	77,874
L31	75,795	77,691	79,635
L32	77,520	79,458	81,447
L33	79,290	81,273	83,307
L34	81,099	83,127	85,206
L35	82,956	85,032	87,159
L36	84,852	86,976	89,151
L37	86,811	88,983	91,209
L38	88,800	91,020	93,297
L39	90,810	93,081	95,409
L40	92,925	95,250	97,632
L41	95,088	97,467	99,906
L42	97,308	99,741	102,237
L43	99,585	102,075	104,628

Ranges for head teachers in band D (currently covering England and Wales excluding London and the fringe)

Group	Range of spine points	Salary Range <i>1 September 2006</i> £pa	Salary Range <i>1 September 2007</i> £pa
1	L6 – L18	38,559 – 51,819	39,525 – 53,115
2	L8 – L21	40,512 – 55,767	41,526 – 57,162
3	L11 – L24	43,695 – 60,018	44,790 – 61,521
4	L14 – L27	46,962 – 64,593	48,138 – 66,210
5	L18 – L31	51,819 – 71,244	53,115 – 73,026
6	L21 – L35	55,767 – 78,585	57,162 – 80,550
7	L24 – L39	60,018 – 86,637	61,521 – 88,803
8	L28 – L43	66,198 – 95,631	67,854 – 98,022

Ranges for head teachers in band C (currently covering the fringe)

Group	Range of spine points	Salary Range <i>1 September 2006</i> £pa	Salary Range <i>1 September 2007</i> £pa
1	L6 – L18	39,501 – 52,761	40,491 – 54,081
2	L8 – L21	41,451 – 56,715	42,489 – 58,134
3	L11 – L24	44,637 – 60,963	45,753 – 62,490
4	L14 – L27	47,904 – 65,535	49,104 – 67,176
5	L18 – L31	52,761 – 72,189	54,081 – 73,995
6	L21 – L35	56,715 – 79,530	58,134 – 81,519
7	L24 – L39	60,963 – 87,576	62,490 – 89,766
8	L28 – L43	67,137 – 96,576	68,817 – 98,991

Ranges for head teachers in band B (currently covering outer London)

Group	Range of spine points	Salary Range <i>1 September 2006</i> £pa	Salary Range <i>1 September 2007</i> £pa
1	L6 – L18	41,265 – 54,525	42,297 – 55,890
2	L8 – L21	43,218 – 58,473	44,301 – 59,937
3	L11 – L24	46,398 – 62,724	47,559 – 64,293
4	L14 – L27	49,665 – 67,299	50,907 – 68,982
5	L18 – L31	54,525 – 73,950	55,890 – 75,801
6	L21 – L35	58,473 – 81,288	59,937 – 83,322
7	L24 – L39	62,724 – 89,340	64,293 – 91,575
8	L28 – L43	68,901 – 98,334	70,626 – 100,794

Ranges for head teachers in band A (currently covering inner London)

Group	Range of spine points	Salary Range <i>1 September 2006</i> £pa	Salary Range <i>1 September 2007</i> £pa
1	L6 – L18	45,006 – 58,266	46,134 – 59,724
2	L8 – L21	46,959 – 62,214	48,135 – 63,771
3	L11 – L24	50,139 – 66,468	51,393 – 68,130
4	L14 – L27	53,409 – 71,040	54,747 – 72,816
5	L18 – L31	58,266 – 77,691	59,724 – 79,635
6	L21 – L35	62,214 – 85,032	63,771 – 87,159
7	L24 – L39	66,468 – 93,081	68,130 – 95,409
8	L28 – L43	72,642 – 102,075	74,460 – 104,628

Spine for Advanced Skills Teachers in band D (currently covering England and Wales excluding London and the fringe)

Spine point	Current £pa	Spine point	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
1	31,491			
2	32,052			
3	32,619			
4	33,174			
5	33,738			
6	34,305			
7	34,872			
8	35,433	1	34,083	34,938
9	35,991	2	34,938	35,814
10	36,552	3	35,811	36,708
11	37,113	4	36,705	37,623
12	37,866	5	37,617	38,559
13	38,616	6	38,559	39,525
14	39,363	7	39,600	40,590
15	40,113	8	40,512	41,526
16	40,866	9	41,523	42,564
17	41,616	10	42,591	43,656
18	42,369	11	43,695	44,790
19	43,116	12	44,703	45,822
20	43,863	13	45,822	46,968
21	44,613	14	46,962	48,138
22	45,549	15	48,132	49,338
23	46,491	16	49,413	50,649
24	47,424	17	50,547	51,813
25	48,363	18	51,819	53,115
26	49,296			
27	50,238			

From 1 September 2006 the AST pay spine is reduced to 18 points with values parallel to points 1 to 18 of the corresponding leadership group spine

**Spine for Advanced Skills Teachers in band C
(currently covering the fringe)**

Spine point	Current £pa	Spine point	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
1	32,412			
2	32,976			
3	33,540			
4	34,095			
5	34,659			
6	35,226			
7	35,793			
8	36,351	1	35,025	35,901
9	36,912	2	35,880	36,777
10	37,470	3	36,750	37,671
11	38,037	4	37,647	38,589
12	38,787	5	38,562	39,528
13	39,537	6	39,501	40,491
14	40,284	7	40,545	41,559
15	41,034	8	41,451	42,489
16	41,784	9	42,468	43,530
17	42,534	10	43,533	44,622
18	43,287	11	44,637	45,753
19	44,037	12	45,648	46,791
20	44,787	13	46,767	47,937
21	45,537	14	47,904	49,104
22	46,470	15	49,071	50,298
23	47,409	16	50,355	51,615
24	48,345	17	51,495	52,785
25	49,284	18	52,761	54,081
26	50,217			
27	51,159			

From 1 September 2006 the AST pay spine is reduced to 18 points with values parallel to points 1 to 18 of the corresponding leadership group spine

**Spine for Advanced Skills Teachers in band B
(currently covering outer London)**

Spine point	Current £pa	Spine point	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
1	34,131			
2	34,692			
3	35,259			
4	35,814			
5	36,375			
6	36,945			
7	37,509			
8	38,073	1	36,789	37,710
9	38,631	2	37,644	38,586
10	39,189	3	38,514	39,477
11	39,753	4	39,411	40,398
12	40,506	5	40,323	41,334
13	41,256	6	41,265	42,297
14	42,003	7	42,306	43,365
15	42,753	8	43,218	44,301
16	43,506	9	44,229	45,336
17	44,253	10	45,297	46,431
18	45,003	11	46,398	47,559
19	45,753	12	47,409	48,597
20	46,503	13	48,528	49,743
21	47,253	14	49,665	50,907
22	48,186	15	50,835	52,107
23	49,131	16	52,116	53,421
24	50,064	17	53,253	54,585
25	51,003	18	54,525	55,890
26	51,936			
27	52,875			

From 1 September 2006 the AST pay spine is reduced to 18 points with values parallel to points 1 to 18 of the corresponding leadership group spine

**Spine for Advanced Skills Teachers in band A
(currently covering inner London)**

Spine point	Current £pa	Spine point	Recommended 1 September 2006 £pa	Recommended 1 September 2007 £pa
1	37,782			
2	38,343			
3	38,907			
4	39,465			
5	40,026			
6	40,596			
7	41,160			
8	41,724	1	40,527	41,541
9	42,282	2	41,385	42,420
10	42,837	3	42,258	43,317
11	43,404	4	43,149	44,229
12	44,157	5	44,067	45,171
13	44,907	6	45,006	46,134
14	45,651	7	46,050	47,202
15	46,401	8	46,959	48,135
16	47,154	9	47,970	49,170
17	47,904	10	49,038	50,265
18	48,657	11	50,139	51,393
19	49,404	12	51,150	52,431
20	50,154	13	52,269	53,577
21	50,904	14	53,409	54,747
22	51,837	15	54,576	55,941
23	52,782	16	55,860	57,258
24	53,715	17	56,997	58,422
25	54,651	18	58,266	59,724
26	55,587			
27	56,526			

From 1 September 2006 the AST pay spine is reduced to 18 points with values parallel to points 1 to 18 of the corresponding leadership group spine

Scale for unqualified teachers in band D (currently covering England and Wales excluding London and fringe)

Scale point	Current £pa	Recommended <i>1 September 2006</i> £pa	Recommended <i>1 September 2007</i> £pa
1	14,040	14,391	14,751
2	14,670	15,039	15,417
3	15,279	15,663	16,056
4	15,915	16,314	16,722
5	16,557	16,971	17,397
6	17,172	17,604	18,045
7	17,805	18,252	18,711
8	19,278	19,761	20,256
9	20,949	21,474	22,011
10	22,203	22,761	23,331

Scale for unqualified teachers in band C (currently covering the fringe)

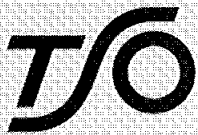
Scale point	Current £pa	Recommended <i>1 September 2006</i> £pa	Recommended <i>1 September 2007</i> £pa
1	14,961	15,336	15,720
2	15,591	15,981	16,383
3	16,203	16,611	17,028
4	16,839	17,262	17,694
5	17,478	17,916	18,366
6	18,093	18,546	19,011
7	18,723	19,194	19,674
8	20,199	20,706	21,225
9	21,867	22,416	22,977
10	23,124	23,703	24,297

Scale for unqualified teachers in band B (currently covering outer London)

Scale point	Current £pa	Recommended <i>1 September 2006</i> £pa	Recommended <i>1 September 2007</i> £pa
1	16,677	17,094	17,523
2	17,307	17,742	18,186
3	17,919	18,369	18,831
4	18,555	19,020	19,497
5	19,197	19,677	20,169
6	19,812	20,310	20,820
7	20,445	20,958	21,483
8	21,918	22,467	23,031
9	23,589	24,180	24,786
10	24,843	25,467	26,106

Scale for unqualified teachers in band A (currently covering inner London)

Scale point	Current £pa	Recommended <i>1 September 2006</i> £pa	Recommended <i>1 September 2007</i> £pa
1	17,655	18,099	18,552
2	18,285	18,744	19,215
3	18,897	19,371	19,857
4	19,533	20,022	20,523
5	20,175	20,682	21,201
6	20,790	21,312	21,846
7	21,423	21,960	22,509
8	22,893	23,466	24,054
9	24,564	25,179	25,809
10	25,818	26,466	27,129



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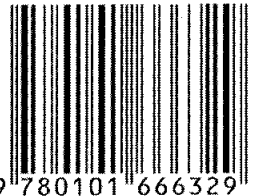
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