



School Teachers'
Review Body

School Teachers' Review Body

Twenty-Second Report – 2013

Chair: Dame Patricia Hodgson, DBE



School Teachers' Review Body

Twenty-Second Report – 2013

Chair: Dame Patricia Hodgson, DBE

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

June 2013

© Crown copyright 2013

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or e-mail: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

Any enquiries regarding this publication should be sent to us at Office of Manpower Economics, Victoria House, Southampton Row, London WC1B 4AD <http://www.ome.uk.com/enquiry/default.aspx>

You can download this publication from www.ome.uk.com/School_Teachers_Review_Body.aspx

ISBN: 9780101865920

Printed in the UK by The Stationery Office Limited on behalf of the Controller of Her Majesty's Stationery Office

ID 2569644 06/13 30043 19585

Printed on paper containing 75% recycled fibre content minimum.

TERMS AND ABBREVIATIONS

<i>Consultees</i>	<i>Organisations which made representations and provided evidence to the STRB</i>
ASCL	Association of School and College Leaders
ATL	Association of Teachers and Lecturers
DfE/the Department	Department for Education
NAHT	National Association of Head Teachers
NASUWT	National Association of Schoolmasters Union of Women Teachers
NEOST	National Employers' Organisation for School Teachers
NGA	National Governors' Association
NUT	National Union of Teachers
Secretary of State	Secretary of State for Education
UCAC	Undeb Cenedlaethol Athrawon Cymru
Voice	formerly the Professional Association of Teachers
Welsh Government	
<i>Other</i>	
AGR	Association of Graduate Recruiters
ASHE	Annual Survey of Hours and Earnings
CPI	Consumer Price Index
GDP	Gross Domestic Product
HESA	Higher Education Statistics Agency
HMT	HM Treasury
IDS	Incomes Data Services
ITT	Initial Teacher Training
LA	Local Authority
NCSL/National College	National College for School Leadership (National College for Teaching and Leadership since 1 April 2013)
NQT	Newly Qualified Teacher
Ofsted	Office for Standards in Education, Children's Services and Skills
OME	Office of Manpower Economics
ONS	Office for National Statistics
RPI	Retail Price Index
STPCD/the Document	DfE (2012) <i>School Teachers' Pay and Conditions Document and Guidance on School Teachers' Pay and Conditions</i> , TSO
STRB/Review Body	School Teachers' Review Body

Contents

	<i>Page</i>
The School Teachers' Review Body	vii
Executive Summary.....	ix
<i>Chapter</i>	
1. Introduction and background to the remit	1
2. Overview of the evidence	5
3. Teachers' pay: our analysis and recommendations	15
<i>Appendix</i>	
A. Remit and directions from the Secretary of State	29
B. Conduct of the review	33
C. Current and recommended pay levels	37

THE SCHOOL TEACHERS' REVIEW BODY

Our role

The School Teachers' Review Body (STRB) was established in 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. STRB reports to the Prime Minister and the Secretary of State. The legal foundation for the function and work of STRB is Part Eight of the Education Act 2002. The secretariat for STRB is provided by the Office of Manpower Economics (OME).

The members of STRB are:

Dame Patricia Hodgson, DBE (Chair)

Peter Batley

Jonathan Crossley-Holland

Debbie Meech

Stella Pantelides

Jill Pullen

Dr Patricia Rice

Executive Summary

The Secretary of State asked us to consider how to apply to teachers' pay the **Government's "average 1%" pay uplift policy** which applies across the public sector. This remit follows a two-year pay freeze (except for those earning £21,000 or less) and the Government has made clear that there will be two further years of pay restraint for the public sector as a whole.

As we undertook our work, the Department published advice to schools on revising their approach to pay in the light of the **recommendations of our 21st report**. September 2013 will be the last time that annual pay increments will be awarded to teachers based on length of service. Thereafter, schools will be free to make individual progression decisions, based on appraisal, with points retained for reference only on the main pay scale. The first such decisions will be made in September 2014. Many consultees noted the case for a simple pay award this remit, the last under the current system, to minimise distractions for schools as they prepare for implementation of the new arrangements from the start of the 2013/14 appraisal year.

On the **economic and labour market context**, the Department said there was no additional funding for schools to cover the 2013 pay award. It suggested the teacher labour market was broadly positive, with low vacancy rates and a strong supply of high quality graduates into teaching. It also noted the projected increase in pupil numbers and provided analysis showing that the position of classroom teachers' median salaries relative to graduate professionals varied between regions.

The **Secretary of State proposed** that the statutory minima and maxima of classroom teachers' pay should be uprated by 1% in 2013/14 and 2014/15 and said the Review Body may wish to suggest that the discretionary reference points should be uplifted. He made no specific proposals on applying an uplift to the leadership pay scale and allowances.

Our statutory consultees set out real terms losses in teachers' pay and evidence on teachers' pay relative to other graduate professionals. The **majority of the teacher unions sought a pay award higher than 1%**, arguing this was necessary to ensure future teacher supply and that the Government should make additional funding available. They suggested recruitment and retention of teachers would become more challenging as the economic cycle evolved. They also raised concerns about recruitment to initial teacher training and on teachers' motivation and morale. However, the employers told us that a 1% award would itself be a cost pressure and anything higher would have a detrimental effect on school budgets.

Whilst most consultees sought an increase higher than 1%, all consultees considered that an increase should be applied across the board to all pay scales and allowances. None supported the Secretary of State's proposal to apply the award only to the minima and maxima of the pay scales and to give head teachers discretion on the remaining pay points. They could not see any justification for a differentiated pay award at school level and wanted to avoid disturbing pay differentials.

Whilst some of the published **labour market indicators** suggest recruitment and retention is relatively healthy, our own analysis suggested there are some emerging areas of concern. These include competitive pressures, particularly in many urban areas, where both starting pay and the median earnings of classroom teachers trail those of other professionals. In addition, applications to initial teacher training show some signs of weakening, at a time when demographic factors are likely to increase demand. It will be important to monitor carefully wider graduate and professional salaries and seek to ensure the profession can continue to attract and retain high calibre individuals.

For this September's award, **we have given particular weight to two factors**: first, the need for simplicity so schools can concentrate on preparing for implementation of proposals in our last report; and second, the need to provide some underpinning support for the teacher labour market as a whole, at a time when there are early signs that the position of teachers is deteriorating in relation to other graduate professions.

We therefore recommend an increase of 1% from September 2013 in the values of:

- **all points on the unqualified, main and upper pay scales for classroom teachers (including main scale points which will be discretionary reference points for pay decisions thereafter);**
- **the minimum and maximum of the pay range for leading practitioners and all pay ranges for individual posts set before taking account of the September 2013 uplift;**
- **all points on the leadership pay spine; and**
- **any individual allowances in payment and to the minima and maxima of the ranges of all teacher allowances.**

CHAPTER 1

Introduction and background to the remit

Introduction

- 1.1 Our role, set out in the Education Act 2002, is to consider and report to the Prime Minister and the Secretary of State on matters referred to us on teachers' pay and conditions. In his remit letter of 17 January 2013, the Secretary of State asked us to consider three issues:
- *What adjustment should be made to the salary scales for classroom teachers and unqualified teachers to reflect the average 1% pay award for public sector workers;*
 - *How the average 1% award should apply to the leadership pay scales; and*
 - *How the average 1% pay award should apply to teacher allowances.*
- 1.2 The Secretary of State's remit letter, reproduced in Appendix A, asked us to report on these matters by the end of May 2013.
- 1.3 In this chapter, we set out the background to our remit and outline the structure of this report.

Background and context

Two year pay freeze and further pay restraint

- 1.4 We undertook this remit against the background of Government policies affecting workers across the public sector. Teachers are currently experiencing the second year of a two-year pay freeze, which for them started in September 2011. The pay freeze applied to the whole of the public sector, except for those earning £21,000 or less. Those teachers paid below this level (who were on the unqualified teacher scale) received £250 in each year of the freeze. Public sector workers have also felt the effect of the Government's pension reforms, which for teachers and many other workforces mean substantially increased employee contributions payable from April 2012.
- 1.5 The Government announced in the Autumn Statement 2011 that public sector pay awards would average one per cent for each of the two years following the end of the pay freeze. In the 2013 Budget it announced a further year of public sector pay restraint, with awards limited to an average of up to one per cent.

Government response to the 21st Report

- 1.6 The Government's response to our 21st report also shaped the context for the current remit. We submitted our report to the Secretary of State on 29 October 2012 and the Government published it on 5 December 2012¹. We recommended the retention of a broad national pay framework, including higher pay bands for London and fringe areas, but with greater flexibility for schools to respond to local needs and to reward teachers in line with their contribution. Our recommendations included:
- the extension to all teachers of pay progression linked to annual appraisal, with differentiated decisions on progression through the main scale replacing increments based on length of service;

¹ STRB (2012) *Twenty-First Report*, TSO (Cm 8487)

- abolition of mandatory pay points within the pay scales for classroom teachers, to enable individually differentiated pay decisions, with points retained for reference only on the main scale;
 - simpler criteria for access to the upper pay scale;
 - local flexibility for schools to create leading practitioner posts paying salaries above the upper pay scale, to enable the very best teachers to remain in the classroom and lead the improvement of teaching skills; and
 - discretion for schools to pay fixed-term responsibility allowances for time-limited projects.
- 1.7 The Secretary of State accepted all our key recommendations and in April 2013, following consultation, the Department published its draft School Teachers' Pay and Conditions Document (STPCD) and advice to schools on revising their approach to teachers' pay. This made clear that September 2013 would be the last time that annual pay increments would be awarded to teachers based on the length of their service. Thereafter, decisions about teachers' pay progression will be appraisal based, with the first such decisions being made in September 2014. We expect our recommendations on the 1% award to be incorporated in updated pay tables in the final version of the STPCD for September 2013.
- 1.8 We welcomed publication of the Department's advice to schools, which set out clearly the practical steps schools will need to take to be ready to implement appraisal-based progression. We suggest that the Department should gather examples of good practice in implementation and include them as case studies when it revises its advice to schools. Its advice already recognises the importance of school leaders and teaching staff having the knowledge and skills required to implement the new arrangements; and the need for governing bodies to understand the new provisions and have the information they need to ensure effective oversight of pay arrangements. It might be helpful to include examples of good practice at school level on training and governance.
- 1.9 As we noted in our last report it will be important for schools to develop confidence in managing the new appraisal based system for pay progression. We have heard some concerns about variations in the readiness of school leadership teams and governing bodies to implement the changes. This suggests reference points (between the pay scale minima and maxima) will be important for some schools for a transitional period whilst they put arrangements in place and gain confidence in using the system.
- 1.10 During the course of our work on this remit, the Secretary of State issued a further remit letter asking us to examine a broad range of issues including leadership pay, non-pay conditions and allowances. The complexity of current provisions on leadership pay means the Department has to date been able to make only limited progress on simplification of the STPCD. We look forward to seeing further improvements in the Document for September 2014, in particular, to make it more accessible for individual governing bodies.

Conduct of our review

- 1.11 We considered and analysed written and oral evidence from the Secretary of State and from our statutory consultees, in line with our obligations under the Education Act 2002. We also provided consultees with an opportunity to comment on others' submissions.
- 1.12 We held oral representation sessions with the main teacher and head teacher unions to explore their concerns and issues raised by others' evidence. We also heard oral representations from the Department, including the Secretary of State; the Welsh Government; employer representatives (National Employer Organisation for School Teachers (NEOST)) and the National Governors' Association (NGA). We have set out in

the relevant chapter key points made by consultees in written and oral representations. Where consultees have published full submissions on their websites, they can be found via the links to the websites in Appendix B.

- 1.13 We are very grateful to those schools and local authorities we have visited recently. As we have noted in previous reports, such visits provide practical insights and give a greater depth to our understanding of the issues facing teachers in their working lives, as well as the skills and knowledge they bring to their roles.

Structure of this report

- 1.14 Our report aims to provide a clear evidence base and rationale for our decisions. The structure is as follows:

- Chapter 2 provides an **overview of the evidence** from the Department for Education and our statutory consultees.
- Chapter 3 sets out our **analysis and recommendations**. It also sets out some issues that we may need to have in mind when we next consider a pay award for 2014/15.

CHAPTER 2

Overview of the evidence

Views and evidence from the Department and consultees

- 2.1 In this chapter we summarise the main points made to us by the Department and by consultees in their evidence on an average 1% pay award.

The Department's views and evidence

- 2.2 When responding to our recommendations on our Twenty-First Report in December 2012, the Secretary of State said that the statutory minima and maxima for classroom teachers' pay would be updated by 1% in each year 2013-14 and 2014-15. He also said that schools would be free to determine the extent of pay uplifts to teachers within the statutory minima and maxima, and would be able to provide an uplift of 1%, in line with any overall uplift in pay in the public sector, if they so choose. The Department's evidence confirmed this was its proposal. The NUT commented that the Secretary of State appeared to have pre-empted our consideration of the average 1% pay award but we did not allow his statement to constrain our consideration of the issues.

Economic context

The Government's economic evidence

- 2.3 The Department's evidence set out the Government's belief that there remained a strong case for continued pay restraint in the public sector. The Government's overriding priority was to return the UK to sustainable, balanced growth. The Department noted that the UK was amongst the hardest hit by the financial crisis of 2008 and 2009 and that in the following two years the UK economy suffered the lasting effects of the financial crisis, the euro area sovereign debt crisis and commodity price driven inflation. It cited the Office for Budget Responsibility's (OBR) October 2012 Forecast Evaluation Report, which showed that by the second quarter of 2012 GDP was 4.7 percentage points lower than had been forecast at Budget 2010.
- 2.4 The Department noted that inflation had more than halved since CPI peaked at 5.2 per cent in September 2011, but the Bank of England forecast higher inflation in the near term and remaining above target (2%) in 2013 but close to target by the end of 2014¹. It acknowledged that rebalancing of the economy was taking longer than expected and the outlook for public finances had deteriorated.
- 2.5 On pay, it reported that total private sector pay growth (including bonuses) had recovered since the beginning of 2009 but remained weak, growing by 2% in 2010 and 2.5% in 2011, whilst public sector pay had grown by 2.1% in 2010 and 1.5% in 2011. The Department said there was positive growth in average earnings in the public sector despite the pay freeze for a number of reasons: the £250 award to those earning £21,000 or less, upward pay drift due to constrained recruitment and the fact that some three year pay awards only ended in September 2011.
- 2.6 The Department said pension provision was a major factor in the overall reward package and noted the sharp decline in defined benefit schemes in the private sector. It said that the new public sector pension schemes, which come into effect in 2015, would remain

¹ Bank of England November Inflation Report 2012.

amongst the very best available in the UK. The Government was clear that any changes to public service pensions, including the progressive increase in contributions from 2012/13, did not justify upward pressure on pay.

Affordability in schools

- 2.7 The Department set out its position on affordability in schools, noting that investment in education was one of the Government's key priorities for driving long term economic growth. It said the overall schools budget in England was protected and would stay at the same level on a per pupil basis until the end of the Spending Review period (2014/15). The Department said the Pupil Premium was additional to this. Changes to local funding formulae would alter budgets for individual schools, but to protect schools from significant reductions, it had put in place the Minimum Funding Guarantee, which ensured that no school would see a reduction of more than 1.5% per pupil in their budgets compared with the previous year (and before the Pupil Premium was added). The Department said it was committed to moving to a more transparent national funding formula.
- 2.8 The Department said there was no additional funding for schools to cover the 2013 pay award. It noted that, assuming constant teacher numbers, even in a pay freeze it would expect to see the pay bill rise each year as a consequence of progression and changes in the profile of the teacher workforce. It estimated that a 1% average pay uplift could add up to £220m to the paybill of schools (including academies) in England and Wales, which would need to be met from within school budgets.
- 2.9 The Department went on to comment on the recommendations in our 21st report which, it said, would enable schools to get better value for money by using funds to reward excellent performance, rather than be locked into statutory pay progression arrangements that put pressure on school budgets that were beyond their control.

Teacher labour market

- 2.10 The Department noted that the quality of teaching and the quality of school leadership were the most important factors in raising standards in schools. It said the state of the current teacher labour market was broadly positive, with low vacancy rates and a strong supply of high quality graduates into teaching. It said rates of recruitment to the key shortage subjects – mathematics, sciences and modern foreign languages – were improving and a record number of men were applying to train as primary school teachers. It noted that the picture for school leaders was more mixed with a recent reduction in the number of entrants to headship in both England and Wales, set against very low vacancy rates.
- 2.11 On classroom teacher salaries, the Department noted median salaries were higher than graduate professionals in four regions (North East, North West, Yorkshire and the Humber and the West Midlands) but lower in the East of England, London, South East and South West². It said the pay of classroom teachers in local authority maintained schools in the ten years prior to the pay freeze had increased by 7% in real terms, and the average earnings of all teachers, including those on the leadership scale, grew by 10% in real terms.

² The Department's analysis of graduate professionals was based on occupations classified as either "professional occupations" or "associate professional and technical occupations" (groups 2 and 3 in the Standard Occupational Classification (SOC)). Our own analysis in our 21st report and in chapter 3 of this report uses group 2 alone. Consultees also commented on salaries of other graduate professionals. For example, NUT cited data from occupations classified as "professional occupations" (group 2 of the SOC).

- 2.12 The Department noted that the number of pupils (aged up to and including 15) in state-funded schools was increasing and was expected to continue to rise, although the effects would vary substantially by region. It projected increases of as much as 30% in certain London boroughs between 2011 and 2020.
- 2.13 In Wales the vacancy rate was also very low (0.4% in January 2012), with around 26 applications per primary vacancy and 15 applications per secondary vacancy for advertised posts. As in England, primary pupil numbers were projected to rise until 2021/22 although secondary pupil numbers were projected to fall between 2011/12 and 2016/17 before returning to 2011/12 levels by 2021/22.
- 2.14 The Department said provisional recruitment figures for initial teacher training (ITT) for 2012/13 suggested that the targets for teachers in English Baccalaureate subjects would be met, with the exception of Maths and Physics which were respectively forecast to be 95% and 97% met. Recruitment to primary training was also healthy with the target for the same year 99.6% met.

Applying the 2013 pay award

- 2.15 The Department's proposal was as set out in its response to our 21st report: *"the statutory minima and maxima for classroom teachers' pay will be uprated by 1% in each year 2013-14 and 2014-15"*. The Department also noted that the 21st report recommended that the pay points between minima and maxima for classroom teachers become discretionary reference points and said that the Review Body may wish to suggest that the discretionary reference points should be uplifted. It commented that schools already had a number of pay flexibilities at their disposal that they could use to differentiate pay to reflect various factors, including local recruitment and retention, roles and responsibilities and specialist qualifications.
- 2.16 The Department did not make specific proposals for applying the average 1% to the leadership pay scales and allowances but asked us to consider the matter. It also invited us to consider whether differentiation could make the implementation of the pay award more difficult or onerous for schools and how a larger award for some might impact on individual school budgets.

Consultees' views and evidence

Economic context

- 2.17 Most teacher unions emphasised the broader context for consideration of the "average 1%" remit, commenting that the two year pay freeze had been imposed by Government without reference to the Review Body or to prevailing market pressures or trends in pay awards elsewhere in the economy. Some also expressed wider concerns about the impact of the Government's pay policy: for example, the NUT said the Department had not considered the impact on economic growth of restrictions on public sector pay.
- 2.18 Most consultees emphasised the impact of pay restraint on teachers, noting that since the last pay award of 2.3% in September 2010, teachers' take-home pay had been eroded significantly due to the pay freeze, a cumulative increase in inflation and increases in teachers' pension contributions. They also noted inflation forecasts which suggested a continuing squeeze on take-home pay: for example, ATL and NUT quoted the Bank of England's February 2013 Inflation Report which said inflation was likely to rise further in the near term and might remain above the 2% target until 2015. We set out in paragraphs 2.22 and 2.23 below some illustrative analyses by consultees of the impact of inflation and pension contributions on teacher pay; and on the relative position of teachers in the graduate labour market.

Teacher Labour Market

2.19 Consultees predicted that continued pay restraint, at a time when inflation was eroding living standards, would affect recruitment, retention, motivation and morale and so impact on the supply of high quality teachers. NAHT noted there could be a negative impact on recruitment and retention if the profession did not perceive there to be a reasonable and reasoned approach to pay. It said school leaders' pay had decreased substantially in real terms and suggested the Review Body should consider the longer term effect of the pay freeze and increased pension contributions. It cited research by Professor John Howson³ which recommended that the Government should closely monitor the effects of the pay freeze on teacher recruitment, particularly in areas where the market for graduates is most developed. Voice also quoted Professor Howson: "A world-class system will not be achieved by allowing teachers' pay to become uncompetitive".

Starting pay and progression

2.20 NASUWT stressed the need to ensure teaching remained competitive with other graduate professions. It noted IDS research showing a widening gap in earnings after five years of work, a point also made by NUT. In oral evidence, Voice noted faster salary progression in other occupations and suggested a significant number of Newly Qualified Teachers (NQTs) and teachers in their first five years had left the profession because of status, morale, workload, and a lack of support. NUT said people who would have considered teaching would be attracted to other occupations, as not only were teachers' starting salaries lower, but they did not keep pace.

2.21 Several consultees said perceived uncertainty on pay progression would impact negatively on recruitment. NASUWT referred to our 21st report recommendations for substantially increased pay freedoms for individual schools and the discontinuation of pay portability. It said these developments presented risks to recruitment, collegiality and pay aspirations; and were out of kilter with other graduate professions.

Earnings and settlements

2.22 ATL, NASUWT and NUT all commented that teachers' earnings had decreased in real terms and teachers' pay had worsened comparative to the pay of other graduates. They presented some illustrative analyses showing the impact of the pay freeze and inflation on take home pay of individual teachers, for example:

- ATL presented figures showing what teachers' pay scales would look like if teachers had received awards matching RPI in the two years of the freeze. This showed a loss for a teacher at the top of the main scale of £2,633.
- NASUWT set out real terms losses in pay (compared to RPI inflation) which estimated a teacher at the top of the main scale (national) would be £3,628 worse off by September 2013.
- NUT cited a combination of RPI inflation and pension contributions as resulting in a fall in real income of over 10% in the two years to September 2012.

2.23 NASUWT cited Incomes Data Services (IDS) analysis which showed that since 2010 there remained a significant negative gap between teachers' earnings and those of ten other graduate professions. NUT offered Annual Survey of Hours and Earnings (ASHE) data showing that pay growth in other professions had generally been higher than that for teachers since 2009. NUT said there had been some progress in attracting good honours graduates in recent years but the Association of Graduate Recruiters (AGR) had shown

³ Pearson Think Tank (2012) *The Future Teacher Workforce: quality and quantity*.

graduate salaries rising 4% in 2012 and 2% in 2013. NUT considered that although graduate professionals' average earnings had been subdued they were expected to increase in 2013 and 2014; settlements were picking up at 2-3%. The relative position of teachers would worsen, with implications for teacher supply.

- 2.24 NAHT said teachers' pay was towards the bottom end of graduate professions; it believed pay was more competitive in London for teachers in the early stages of their careers but not for senior positions.

Total reward package

- 2.25 The head teacher unions acknowledged that intrinsic job satisfaction and moral purpose were key attractions to teaching, as was the national pay framework. Some unions took the view that the pay arrangements would be less attractive in future, following implementation of changes recommended in our 21st report. Some recognised the value of the teachers' pension scheme but said that the recent changes, including higher contributions and the increase in retirement age to 68, made this less attractive. NAHT said increased pension contributions would be a disincentive to people considering entering the profession with large student loans. ASCL noted the higher, tiered contributions and change to a career average scheme risked disincentivising potential applicants for headship.
- 2.26 Some consultees said that whilst school holidays were perceived to be attractive, the position was not wholly positive: the structure of the school year was detrimental to pupil learning and teacher health; holidays used to compensate for long hours in term time but the balance was now less favourable; and holidays had to be taken during peak periods.

Teacher supply and demand

- 2.27 All the teacher unions and the NGA raised concerns about future teacher supply. ASCL said the current economic conditions were likely to be the cause of the relatively buoyant supply of teachers at present, with the profession viewed as more attractive only during the economic downturn. Others made similar comments and pointed to demographic changes that would result in increased demand for teachers. Voice described the Secretary of State's suggestion that there was a strong supply of graduates into teaching as "somewhat complacent" given recent trends in teacher recruitment and future predictions for teacher demand. Several consultees pointed to a decline in the real value of teachers' pay as a contributory factor in the recruitment crisis of the 1990s.
- 2.28 ASCL believed **recruitment** would become more challenging as the economic cycle evolved. It also noted continuing recruitment difficulties in shortage subjects. ATL predicted a potential recruitment crisis, which could surface quickly. NASUWT said increasing pupil numbers, tuition fees, the pay freeze and pay cap, deteriorating conditions of service and de-professionalisation of teaching were contributory factors as well as pay.
- 2.29 Some consultees commented on difficulties in attracting good quality head teachers to small or failing schools, suggesting that increased levels of accountability deterred people from applying for headship, particularly in challenging schools. They considered the pay framework needed to support those head teachers facing challenges. Consultees also noted that increasing numbers were opting for early retirement. They considered that increased accountability and scrutiny was a significant cause.
- 2.30 NASUWT noted that the Department's data showed **wastage** increasing. It cited research which showed an increased desire to leave the profession (45% in 2011, 54% in 2013). In oral evidence NUT said that in 2010/11 the number of teachers had reached its lowest point and there had been a large fall in the number of centrally-employed teachers

due to pressure on local authority (LA) budgets, which impacted on teachers in the classroom. NUT noted that a continuing upward trend in retirements prior to the normal pension age would place further pressure on teacher supply. Voice commented on the financial implications of teacher wastage.

- 2.31 Consultees commented that teacher numbers had decreased in recent years following a period of stability. Some noted generally low **vacancy rates** but thought this was likely to change.
- 2.32 UCAC argued that the Department had demonstrated little consideration of the teacher labour market in Wales. It said employers were continuing to experience difficulties in recruiting staff in shortage subjects and Welsh medium teachers.

Initial Teacher Training (ITT)

- 2.33 All the teacher unions had concerns about recruitment to ITT. Some cited recent failure to meet training targets for certain subjects (e.g. physics, ICT and modern languages) and some questioned the Department's positive interpretation of the statistics. During oral evidence ATL highlighted figures which showed that in 2011/12 only recruitment targets for geography were met, whilst applications for maths and modern foreign languages had decreased. It said overall numbers applying for primary based ITT had increased but there had been a fall in applications for secondary ITT. NASUWT, NUT and Voice were also critical of the Department's assumptions on the teacher labour market, including the uncertainty associated with the School Direct programme. NASUWT asked us to vigorously challenge the Department's position on recruitment and retention.
- 2.34 The head teacher unions raised concerns about the quality of applicants to the profession. They considered that degree class and teaching ability were not correlated. Voice suggested the higher degree classification requirements for teachers to be offered bursaries and increased tuition fees were affecting applications for ITT.
- 2.35 Some teacher unions were critical of the move away from university-based training which meant that the Government was less able to guarantee future supply. ATL, NASUWT and NUT all voiced concerns, including on the quality of applicants and the impact on higher education ITT recruitment. NUT said the School Direct programme was not scalable to the extent that the Government thought it was and the function of schools was to teach pupils, not train teachers. It said schools had been unable to fill some places and it was unclear what would happen about the shortfall. NASUWT was concerned that confidence in School Direct would be undermined as claims that it would offer a post to all participants could not be guaranteed. It regarded government financial incentives (such as 'golden hellos') to attract recruits as 'sticking plasters' that had little long-term benefit as recruits would examine the total reward package.

Wales

- 2.36 The Welsh Government had been continuing to reduce numbers admitted to ITT. The median figure for applications for primary posts was 14 (21 for English medium and 6 for Welsh medium) and 10 for secondary posts (12 for English medium and 4 for Welsh medium). Wales had low teacher vacancy rates (0.4%). There were surplus school places and closures, meaning the lowest demand for NQTs since 2002. Numbers for primary aged pupils were rising, with secondary numbers falling until 2016/17 then returning to the current level. There were particular difficulties recruiting Welsh medium, Special Educational Needs (SEN) and Maths teachers. The Welsh Government was offering bursaries for ITT for those wishing to train to teach priority subjects. It said Teach First would be delivering the Additional Training Graduate Programme from 2013/14 in Wales, in areas of socio-economic deprivation. At head teacher level, there were problems recruiting in Welsh medium schools and faith schools.

- 2.37 UCAC cited figures reporting increasing teacher vacancies and an inability to appoint head teachers to schools in rural areas. It contrasted the predicted increase in pupil numbers with a reduction in the number of ITT places. UCAC said there were shortages in some subject areas (Mathematics, Science), for Welsh medium teachers, and in heads for South-East Wales. UCAC acknowledged that whilst there were a number of applications for each post in Wales, quality was an issue and there was a danger of losing the best quality graduates to other professions.

Motivation and morale

- 2.38 Some consultees suggested there was a crisis of morale amongst teachers. During oral representations, NASUWT said it had commissioned a survey of 14,000 teachers and the results pointed to a 'profession in crisis'. ATL and NUT⁴ cited similar findings from other surveys, whilst Voice pointed to a Pearson online survey of heads and deputies (June 2012) which showed that pay, pensions, and the pay freeze had affected teacher morale alongside "teacher bashing" by the Government and Ofsted, Government policies and the pace of change.
- 2.39 NASUWT commented on international evidence which had re-affirmed the world class status of schools based on pre-2010 data and suggested this was achieved because teachers had been recognised and rewarded as highly skilled professionals through the national pay framework. NUT took the view that pay was only one reason for low morale: a reduction in workload and restoration of respect for teachers' professionalism were equally necessary.

Affordability in schools

- 2.40 Most consultees said the 1% pay uplift would result in some schools facing cost pressures. NAHT and NEOST highlighted the particular impact on small schools. NEOST said it was imperative that pay awards were affordable, noting that unaffordable awards might impact on standards through reductions in staff. It noted local authorities were liable for the costs of redundancies. ASCL noted that sixth-form budgets were not being protected so schools with sixth-forms would experience greater difficulties in applying the 1%. It added that the Minimum Funding Guarantee (MFG) of no more than a 1.5% reduction only covered some aspects of per-pupil funding and that some schools' budgets would be decreasing by 2.5%-3%.
- 2.41 Most teacher unions said the Government should fully fund the award. NASUWT said that the Department had failed to recognise the link between teachers' pay and the quality of teaching and that it was abdicating responsibility in failing to fund any uplift. It believed an award above 1% was affordable, pointing to greater revenues accruing to Government arising from the changes to the indexation of pensions from RPI to CPI. It suggested the Government should do more to increase tax revenue and reduce tax avoidance, as did ATL.
- 2.42 The Welsh Government said it had committed to a 1% increase in the Welsh schools budget up to 2014/15 so although schools would be able to fund the 1% award, applying it would leave little scope for other improvements.

⁴ NUT/YouGov survey, unpublished.

Level of a pay award

2.43 The majority of the teacher unions considered a 1% pay award to be insufficient and some sought a higher award, calling upon us to exercise our independence by recommending a higher uplift. All the teacher unions and the NGA said teachers' pay had eroded in real terms in recent years and had worsened compared with the pay of other graduate professionals. They were concerned that recruitment and retention would be affected, both now and when the economic climate improved. Some said that an award of only 1% would impact adversely on teachers' morale and motivation. NUT considered a significant increase was needed to restore teachers' pay to proper professional levels. NASUWT sought an award substantially higher than 1%. NEOST said local authorities maintained that any increase over and above 1% would have a detrimental effect on school budgets.

Application of an average 1% pay award

- 2.44 NEOST and NGA proposed a uniform uplift of 1% across all classroom teacher and leadership pay scales and allowances. The Welsh Government commented that an uplift to all points and allowances was an appropriate way to implement the "imposed" average 1% award.
- 2.45 Whether or not consultees were seeking a higher uplift, all considered that if just 1% was to be awarded, then it should be an across the board increase, for the following reasons:
- All teachers had experienced cost of living increases, been affected by the pay freeze, and faced greater pensions contributions.
 - Not applying 1% to a particular group of teachers would damage morale and affect recruitment and retention, outweighing any advantage to be gained from a higher award for a particular group. Consistent treatment across the school workforce would convey to all teachers that their contributions were valued.
 - Differential awards would be more complex for schools to administer.
 - An across the board award would maintain the existing pay differentials.
- 2.46 None of the consultees supported the Secretary of State's proposals to apply the award only to the minima and maxima of the classroom teachers' pay scales and to give head teachers discretion on the remaining pay points. NAHT maintained that there would be a significant demotivating impact on the majority of the profession if increases were applied only to the minima and maxima of the pay scales, particularly when there were expectations of at least a small pay award at the end of a two year pay freeze, a view echoed by other consultees.
- 2.47 NEOST noted a desire for consistency of treatment across the school workforce, suggesting employee relations would be damaged and that implementation of performance-related progression from September 2014 would be jeopardised if an uplift was not applied across the board. It noted that an across the board pay award would be less complex to administer for schools and payroll providers.
- 2.48 None of the consultees considered there was a clear basis for a differentiated pay award at school level. NEOST noted a desire to maintain pay differentials. NGA said school discretion to apply the 1% uplift could create confusion. Some consultees raised concerns about equality and saw pay awards based on individual school budgets as unfair.

Unqualified teachers

- 2.49 NEOST noted that a 1% uplift, whilst consolidated, would be less than £250 for some teachers but argued that the 2011 and 2012 non-consolidated payments of £250 awarded to some unqualified teachers earning £21,000 or less should no longer continue. All the unions except UCAC agreed, with Voice noting that the payment was a temporary Government policy to support lower paid public sector employees for the duration of the pay freeze. UCAC said it would be desirable to make the pay increase equal to £250 for unqualified teachers where a 1% pay uplift would be less than £250.

Application of an average 1% award to the leadership pay scales

- 2.50 All consultees supported an across the board award for school leaders; ASCL and NAHT saw this as the only sustainable position. NEOST saw no clear rationale for treating members of the leadership group differently from teachers and noted difficulties in appointing permanent head teachers and local evidence of academies paying higher salaries than maintained schools at leadership level. It also noted particular concern about recruitment to headship posts in small rural schools, although it accepted that a 1% increase was unlikely to make a significant difference in this respect.

Application of an average 1% award to teacher allowances

- 2.51 Similarly, all consultees considered a pay uplift should be applied to teacher allowances. NEOST wanted to avoid disturbing pay differentials and could see no objective justification for not applying an uplift.

Diversity

- 2.52 Most teacher unions commented on the diversity issues relating to teachers' pay. These centred on the disproportionately low number of BME staff and female leaders in teaching. ASCL sought a national approach to improve the position. NAHT also highlighted issues around part-time teachers and returners and said a check was needed on barriers to the progression of disabled teachers, noting there was only limited data available on this issue. NAHT had concerns that with the ending of pay portability some heads might pressure teachers to accept lower salaries or to retire in their fifties.
- 2.53 Several consultees suggested performance-related pay would worsen diversity issues in the teacher workforce. ATL said the national pay framework, which helped to prevent pay discrimination for minority groups, had been damaged. It was concerned about discrimination against minority groups given that schools would now have their own pay systems. ATL said TUC research had shown that performance-related pay systems often discriminate against minority groups including women, a concern also raised by NASUWT.
- 2.54 NASUWT and NUT considered the Department's equality data to be insufficient, emphasising the need for robust systematic data collection and benchmarking. NASUWT was concerned that the Department had removed guidance on equalities practice and related pay guidance. It also cited wider (NASUWT / NCSL) research highlighting institutionalised discrimination. They urged us to renew our consideration of these issues.

CHAPTER 3

Teachers' pay: our analysis and recommendations

The teacher labour market

Background and context

- 3.1 Alongside the wider public sector, teachers in England and Wales have experienced the second year of a pay freeze in 2012/13. Whilst many teachers have continued to receive progression-based increments, the pay freeze means that the last uplift of the pay scales for teachers was in September 2010 (the final year of a 3-year pay award which increased the pay scale values by 2.45%, 2.3% and 2.3% over the period 2008-2010). Many teachers (approximately 40%¹), at the top of their respective scales, will therefore have seen no change in their annual salary during this period.
- 3.2 Chapter 2 provided a summary of consultees' evidence, including their assessment of the labour market following the two-year freeze. Consultees have drawn on a range of sources of information and timeframes in their analyses but most have highlighted perceived risks to the teacher labour market. These stem from a range of factors, including the direct impact of the pay freeze and cost of living increases, the morale of the workforce, and the relative position of teaching as a profession in the context of the wider graduate market.
- 3.3 In this chapter we set out our own analysis of the current economic environment and the state of the labour market for teachers. We then discuss this alongside the wider considerations that we are required to take into account in making our recommendations.

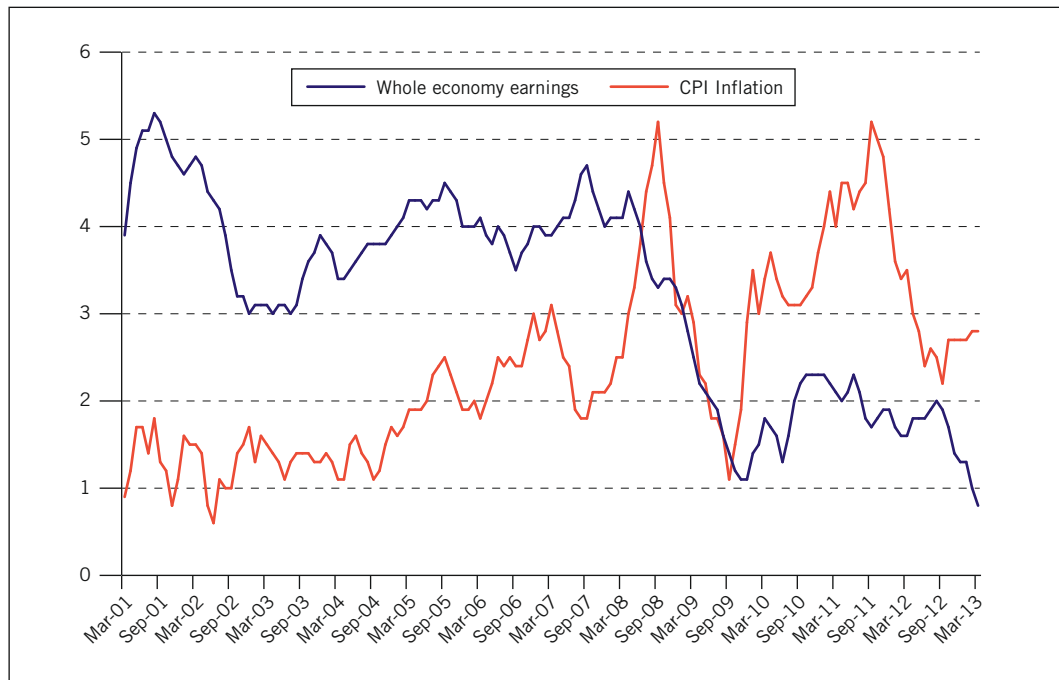
Economy-wide inflation, average earnings and settlements

- 3.4 Chart 3.1 below provides a long-term view of the changes in average earnings across the economy compared to changes in prices. The chart demonstrates that while wages have grown throughout the period from 2001, the period since autumn 2008 has seen prices growing at a faster rate. Most recently, average weekly earnings (excluding bonus payments) rose by 0.8% comparing January to March 2013 with the same period a year earlier².

¹ OME analysis of DfE School Workforce Census data.

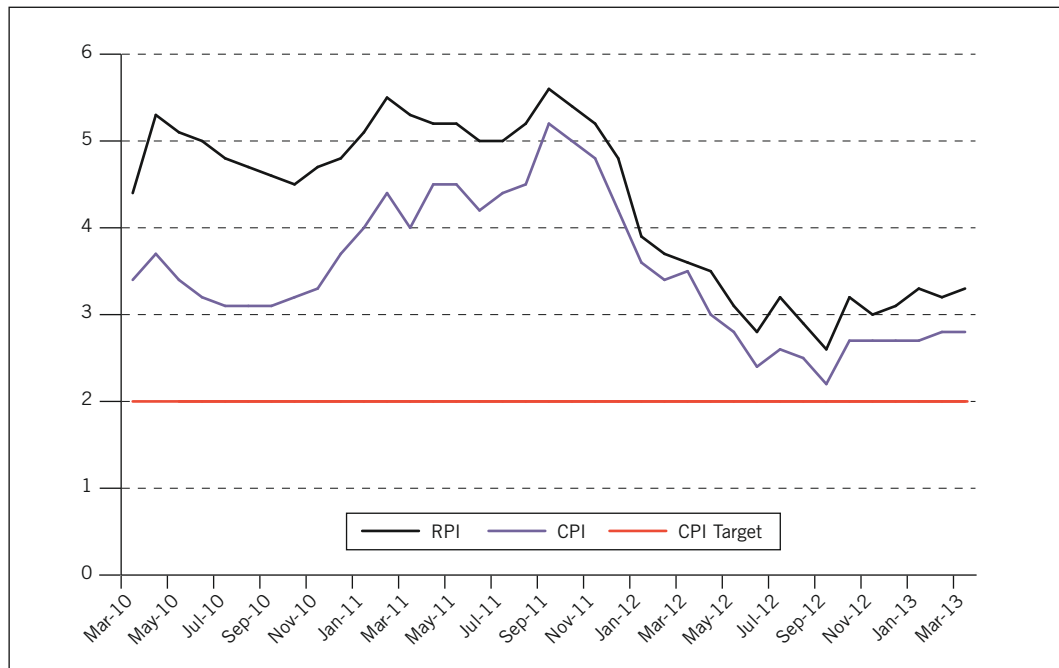
² Changes to sectoral classifications (in particular the move of Further Education to the private sector) mean that recent comparisons of annual growth in public and private sector earnings are not possible.

Chart 3.1 Economy-wide average earnings and CPI inflation (annual % changes), 2001-2013³



3.5 Throughout 2010 and most of 2011 inflation was well above the Government’s 2% target but then fell steadily from over 5% in autumn 2011 to 2.2% (CPI) and 2.6% (RPI) in September 2012 (see chart 3.2 below). Both measures increased sharply in October 2012 and have since levelled off, with CPI measuring 2.8% in March 2013 (and RPI 3.3%).

Chart 3.2 Inflation: Annual changes in CPI and RPI (%), March 2010 to March 2013⁴



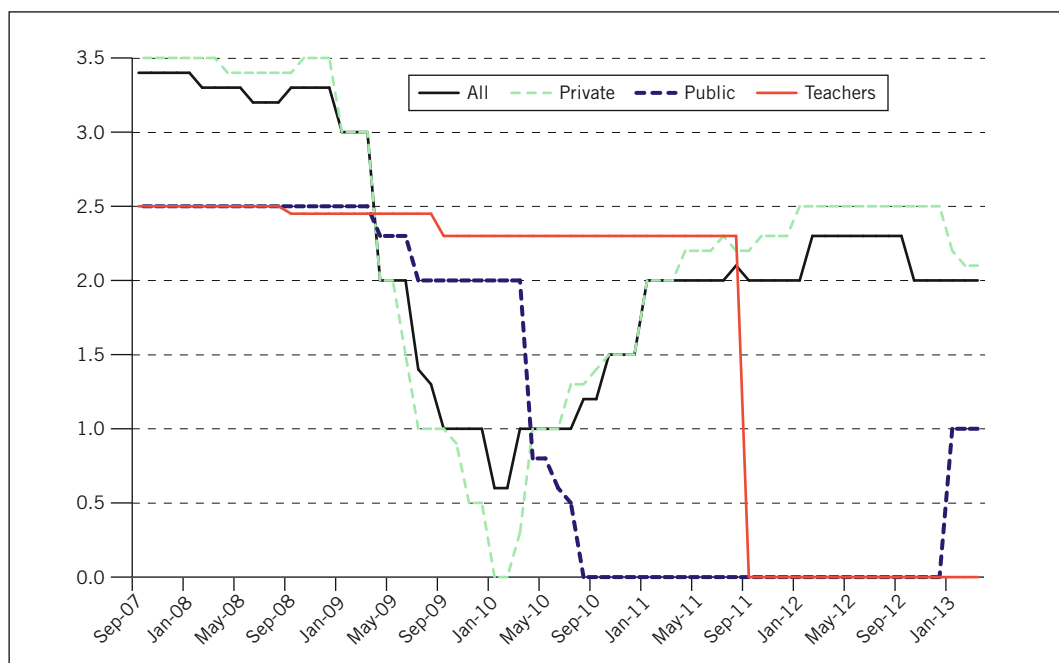
³ ONS (2013) Labour Market Statistics. Average weekly earnings (excluding bonus payments) dataset, May 2013

⁴ ONS (2013) Consumer price indices.

Economy-wide settlements

- 3.6 Chart 3.3 below sets out the median value of settlements across the economy as a whole alongside the headline teacher pay awards from September 2007 to March 2013. Teachers' pay settlements were fairly stable at 2.3 - 2.5% until 2011, when the pay freeze began. This period included the three-year pay award for teachers which ran from September 2008 to August 2011 when median settlements elsewhere in the economy fell significantly.
- 3.7 Median public sector pay settlements were zero from August 2010, a year earlier than the freeze for teachers, since recovering to 1% in January 2013 as those who went into the pay freeze earlier came out of it. The value of median settlements in the private sector fell steadily in 2009, reaching zero in January 2010. They have since recovered steadily with median settlements between 2% and 2.5% since January 2011.
- 3.8 We set out later comparisons of the growth in teachers' earnings with those across the economy as a whole.

Chart 3.3 Median pay settlements (annual % change), September 2007 to March 2013⁵

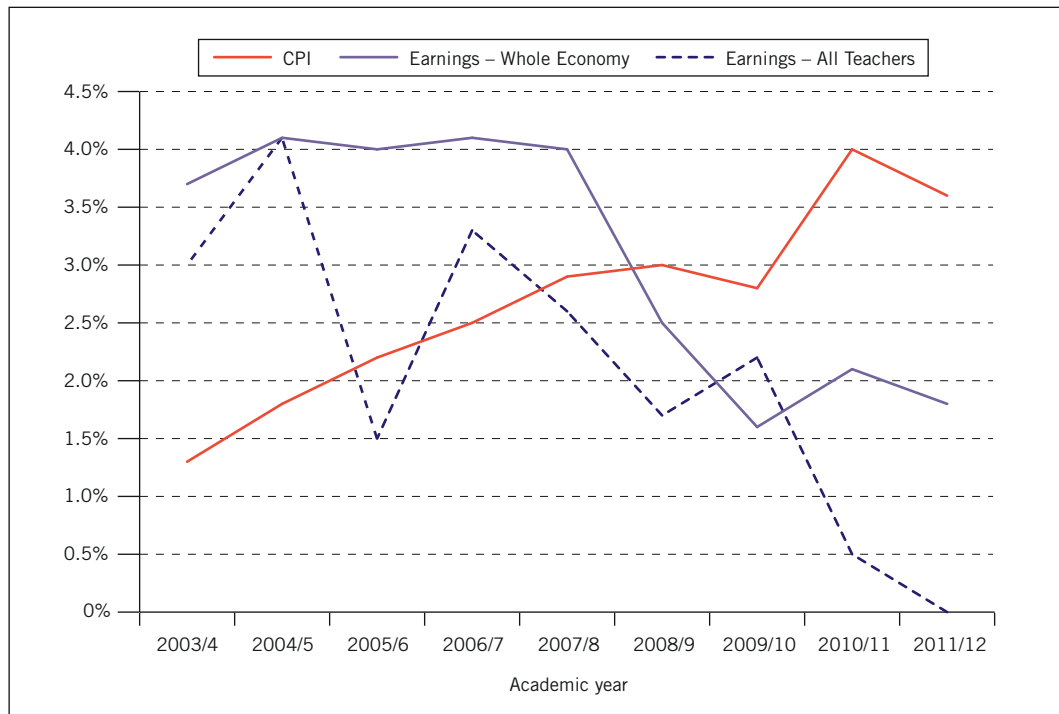


Teachers' earnings

- 3.9 Teachers' average earnings have tended to grow at a slower rate than earnings across the economy as a whole. Chart 3.4 below shows the changes in average teacher earnings compared to changes in CPI inflation and economy-wide earnings growth. Earnings growth across the profession was close to zero in 2010/11 and 2011/12 (when economy-wide earnings grew at around 2%). This is likely to reflect a number of factors, including the impact of the pay freeze and the replacement of older, higher paid teachers with new recruits as part of the labour market cycle. The impact of the freeze on individual teachers has varied as some will still have gained significant progression increases.

⁵ OME analysis of Xpert HR pay settlements data.

Chart 3.4 Average % earnings growth (teachers and economy-wide) and CPI inflation⁶, 2003/4 – 2011/12



- 3.10 We have previously commented that teaching is a professional occupation which should aim to attract the highest performing graduates and that as such it should compare teachers' earnings with those of other *professional occupations* as described by the Standard Occupational Classification. Other analyses using different definitions for comparator groups are possible. We note for example that the Department's evidence to us (quoted in Chapter 2) used a somewhat wider definition which also included associate *professional and technical occupations*. While all these analyses are based on comprehensive data on teachers' earnings, data relating to other professions are drawn from sample-based surveys, so earnings figures for these other groups should be treated as estimates with some margin of error.
- 3.11 Our 21st report included analysis (reproduced in chart 3.5 below) which suggested that in 2011 teachers' *starting* pay was broadly equal to that for other *professional occupations* in a number of regions (North West, East Midlands and Yorkshire and Humberside). In other regions, accounting for over half of all teachers, the estimated median starting pay of other professional occupations exceeded that of teachers. Regions where the gap was greatest were the South East, North East, East and South West. We also observed that there was considerable variation of starting salaries around the median for other *professional occupations*⁷.

⁶ OME analysis of DfE Teacher Earnings data, ONS Consumer Prices and Labour Market statistics, and DfE Evidence to STRB 2013. Inflation and earnings data have been annualised to academic years.

⁷ OME analysis of HESA Destination of Leavers from Higher Education (DLHE) survey data (2010/11). Data are sample based so estimates are associated with a margin of error. Data not yet available for 2012 graduates.

Chart 3.5 Teachers' starting salaries compared to 2011 graduates entering other professional occupations



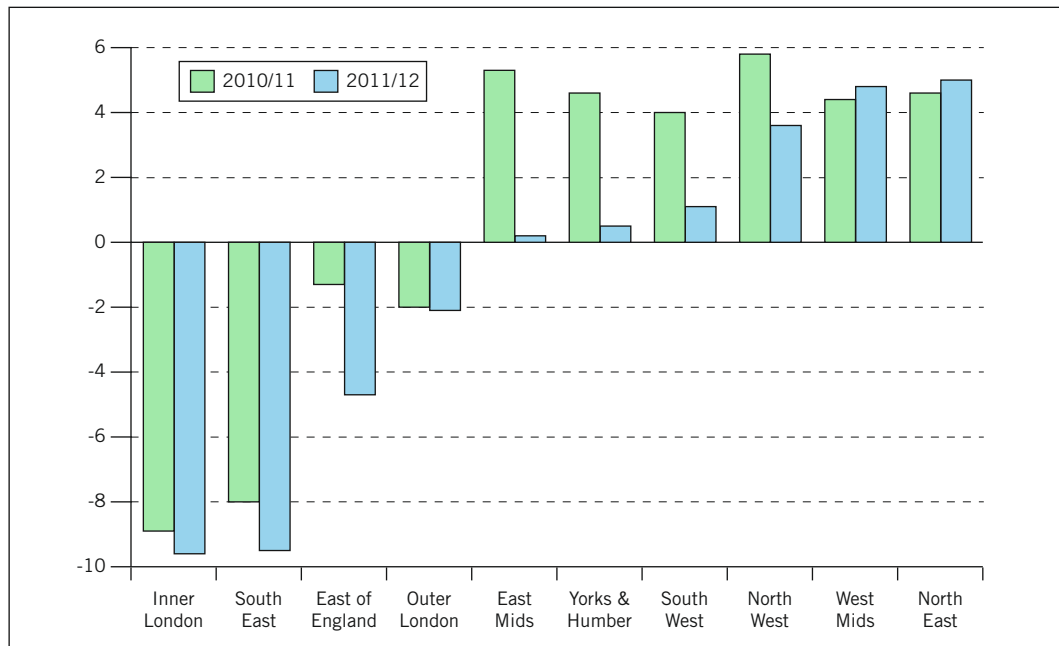
- 3.12 Our analysis of detailed data suggests that some of the sectors that target high calibre graduates do pay significantly higher starting salaries, both in London and elsewhere. These include branches of engineering and medical professions (with median starting salaries ranging from £25,000 to £30,000), as well as those sectors which offer the highest starting salaries (with medians in excess of £37,000) such as investment banking and law⁸.
- 3.13 Our analysis of the median earnings of the profession compared to *other professionals* suggests that classroom teachers' earnings trail *other professionals* in London, the South East and East of England (see chart 3.6 below)^{9, 10}. This analysis uses data for both years based on the revised (*SOC 2010*) occupational classification (which means it is not directly comparable with the analysis in our 21st report). The new classification has altered the profile of the *professional occupations* group through the introduction of wider professions, including nursing, with a resultant reduction in the average earnings of the comparator group. Our analysis shows the same regional pattern for both 2010/11 and 2011/12 but the data shows a deterioration in the relative position of classroom teachers' earnings in 2011/12 in all but two regions (West Midlands and North East). This reflects largely unchanged teachers' median earnings in both years. Some caution is needed because of small sample sizes but, in our view, this confirms the need to keep a close eye on the relative position of teachers among graduate professionals.

⁸ OME analysis of HESA Destination of Leavers from Higher Education (DLHE) survey data (2010/11), and AGR (2013) *The AGR Graduate Recruitment Survey, Winter Review*.

⁹ Classroom teachers includes all full-time teachers paid on the main, upper, AST and Excellent Teacher pay scales.

¹⁰ OME analysis of ONS ASHE and DfE School Workforce Census data. All estimates for *other professional occupations* are associated with a margin of error, but where sample sizes are small the margins of error will be wider as a consequence.

Chart 3.6 Classroom teachers' median earnings compared to other professionals (% difference), 2010/11 and 2011/12

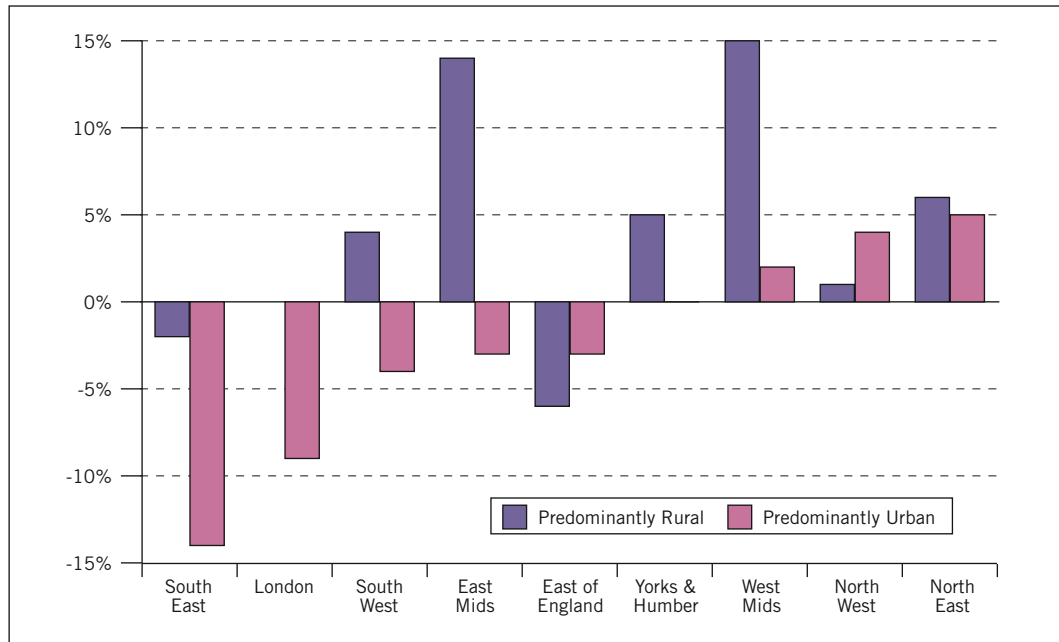


3.14 We have also continued to observe sub-regional variation according to urban/rural location with teachers' earnings relatively weaker in urban areas in most regions (see chart 3.7 below)^{11 12}. This is a cause for concern given the increase in demand for teachers associated with increased pupil numbers, which we discuss below. Anecdotal evidence suggests London will see marked increases, as will the East of England, which has proportionately the highest projected increase in demand. This reinforces the need for careful monitoring of teachers' position relative to other graduate professions.

¹¹ Local authorities are defined as 'Predominantly Urban' where at least 74% of the population live in urban areas, and 'Predominantly Rural' where at least 50% of the population live in rural settlements and large market towns. All London local authorities were classified as 'Predominantly Urban'.

¹² OME analysis of ONS ASHE and DfE School Workforce Census data. All estimates for other *professional occupations* are associated with a margin of error, but where sample sizes are small the margins of error will be wider as a consequence.

Chart 3.7 Classroom teachers' median earnings compared to *other professionals* (% difference), by sub-regional urban/rural definition, 2011/12



Future demand for teachers

3.15 It is important to understand the projected demand for teachers since this will impact on recruitment and retention requirements. The latest pupil projections data¹³ for England and Wales show that overall, pupil numbers (aged up to and including 15) in state-funded schools began to increase in 2011 and are projected to continue rising. However, patterns vary across the key phases and regions of the country:

- The numbers in maintained nursery and state-funded **primary schools** started increasing in 2010 and are projected to continue rising. **By 2021, numbers are projected to be 18% higher than in 2012**, reaching levels last seen in the 1970s.
- By 2016, all regions in England are projected to have an increase in their primary aged population compared with 2010. This ranges from around 9% in the North West and West Midlands to 13% in the East of England.
- State-funded **secondary** pupil numbers aged up to and including 15 have been **declining since 2004 and are projected to continue to decline until 2015**, after which the increases in primary pupil numbers will start to flow through. By 2018, they are projected to recover to 2012 levels.
- In Wales, primary pupil numbers are expected to increase by around 13% from 2011/12 to 2020/21. Secondary school numbers are expected to decrease over the next three years, followed by a recovery as the increased primary numbers feed through to the secondary sector. The projections suggest a net increase across both phases of some 6% over the period to 2020/21¹⁴.

¹³ DfE (2012) *National pupil projections: future trends in pupil numbers*, March 2013.

¹⁴ OME analysis of Welsh Government Pupil Projections statistics published in *School Statistics Compendium 2012*.

Recruitment to the profession

- 3.16 We are conscious that success in recruiting graduates and career-changers to the profession will be increasingly important as the demand for teachers grows in line with the pupil projections. In this context, it will be crucial that the status of the profession is enhanced in order to attract a plentiful supply of high calibre candidates. As we commented in our 21st report, it is with some concern that we note that the average number of applications per acceptance for ITT is around two, considerably lower than many other successful systems (e.g. around ten in Finland and six in Singapore¹⁵) and arguably less competitive as a result.
- 3.17 We also note the Department's clear shift in policy on initial teacher training, which places greater emphasis on employment-based routes into the profession. In this context, our main concern is to be able to understand and monitor whether the total supply of training places will meet the increased demand, which will first be felt in the primary sector.
- 3.18 The only consistently-collected data on recent years' *applications* to ITT are from the Graduate Teacher Training Registry (GTTR), the admissions service that processes applications for postgraduate teacher training courses at most universities, colleges of higher education and school-centred initial teacher training (SCITT) consortia – primarily applications for PGCE courses. There are no equivalent comprehensive data for employment-based routes, so the picture on applications in recent years is partial. With this caveat in mind, Chart 3.8 below shows numbers of applications/acceptances recorded by the GTTR over the past seven years and shows the growth in applications to college-based training from 2008 to 2010 being reversed over the last two years.

Chart 3.8 GTTR Applications and Acceptances (UK), 2006-2012¹⁶



- 3.19 The very latest picture for applications via GTTR - for courses commencing in autumn 2013 – is that, at 6 May 2013, applications for English institutions were some 7% lower than the equivalent date in 2012 (and 1.5% lower in Wales). Within the overall total, applications for secondary subjects were down by some 10%, with applications

¹⁵ House of Commons (2012) Education Committee *Great teachers: attracting, training and retaining the best: Government Response to the Committee's Ninth Report of Session 2010-12 (July 2012)*.

¹⁶ *GTTR Annual Statistical Report 2012*.

to English, Maths, Physics and Biology all down by between 10% and 20% on the equivalent date last year. We comment further on the recruitment and retention of specialist subject teachers in paragraphs 3.26 below.

3.20 The Department has recently published data on applications for the first year of the new School Direct scheme¹⁷. This suggests there were approximately 22,000 applicants for up to 9,400 school places for the academic year 2013/14. There is likely to be an overlap between these applicants and those to college-based training. As the two approaches are currently separately administered, it is not possible to gain a coherent and complete picture on applications to initial training. We comment later on the importance of developing such data for us to consider in future remits.

3.21 The table below shows the headline numbers of *places and registrations* across both college and employment-based routes (except Teach First) over the past four years and shows that the aggregate level government targets have been exceeded, albeit with the target number of places decreasing by 7% over this period. In addition to these numbers, Teach First recruits have increased from 370 in 2008/9 to 710 in 2011/12 (and, subsequently, 1,000 in 2012/13)

ITT registrations and places, England

	2008/9	2009/10	2010/11	2011/12
Registration				
College-based (inc SCITT)	31,220	33,040	32,170	30,130
Employment-based (Exc. Teach First)	6,220	5,980	5,650	5,580
Total	37,440	39,020	37,820	35,710
Places	36,845	36,170	35,485	34,285
Registrations/places	102%	108%	107%	104%

3.22 The Department has published provisional data for recruitment to training in 2012/13¹⁸. The data include some element of forecasting as recruitment to some routes is continuing during the current year. The data suggest that the aggregate targets for 2012/13 are forecast to be met although notable exceptions to this are for maths and physics, which are both forecast to fall short of target.

3.23 The Welsh Government is responsible for ITT in Wales. Intake targets are set annually based on the forecast of demand for newly qualified teachers. The Higher Education Funding Council for Wales uses these targets to inform the allocation of ITT places. The Welsh Government is reducing ITT places in response to evidence of oversupply and the outcome of a 2006 review of ITT provision in Wales. Between 2004/05 and 2013/14 the overall recruitment target will have reduced by 34%, from 2,470 to 1,630 places. A further review of ITT in Wales is now underway and is due to report to the Minister in May¹⁹.

Vacancies

3.24 Official vacancy figures remain low. Vacancy rates²⁰ across England have halved over the last decade, from 0.8% in January 2000 to 0.4% in January 2010. However the method for collecting vacancy data changed during 2010 and the headline rates were recorded as 0.1% for November 2010, 2011 and 2012 (although we note that the underlying

¹⁷ DfE (2013) <<https://www.gov.uk/government/news/school-direct-figures-published-today>>

¹⁸ DfE (2012) *School workforce in England: November 2011* (additional tables updated November 2012).

¹⁹ DfE evidence to STRB, February 2013.

²⁰ Advertised vacancies for full-time permanent appointments (or appointments of at least one term's duration). Includes vacancies being filled on a temporary basis of less than one term.

number of vacancies increased from 350 in 2011 to 440 in 2012)²¹. The headline vacancy rate in Wales (using a different methodology) has been stable over recent years and was 0.4% in 2012²².

- 3.25 In addition to the reported vacancies in England in 2012 a further 1,950 full-time posts were being temporarily filled by a teacher on a contract of at least one term but less than one year. In 2011 there were 1,450²³.
- 3.26 Using the broader definition of vacancies and temporarily filled posts, we note that in secondary schools in England, the subjects with the highest vacancy rates in November 2012 were English and Mathematics (both 0.7%), and sciences (0.6%). These rates impact on the ability of secondary schools to deliver specialist subject classes led by teachers with the most relevant qualifications. We note here that the average percentage of hours taught by teachers holding a relevant post A-level qualification varies considerably; e.g. Maths (82%), English (85%), Physics (74%), Chemistry (80%)²⁴.
- 3.27 The vacancy rate for school leaders in England in 2012 (0.2%) was slightly higher than the headline rate across the profession. We also note wider analysis showing that, in 2011/12, some 18% of head teacher vacancies in England required a re-advertisement, with the rate higher in London and the South East (22% and 27% respectively)²⁵. More recent data suggest that 26% of primary schools advertising for a new head teacher in January 2013 needed to re-advertise (44% in London)²⁶.
- 3.28 As we commented in our 21st report, we are conscious that aggregate vacancy rates conceal localised variation so should be treated with some caution. The published aggregate figures cannot account for a number of factors. These include the use of non-specialised teachers and teachers on temporary contracts. Our visits have also suggested to us that some schools have had to recruit newly qualified teachers, having advertised unsuccessfully for more experienced staff.

Concluding comments

- 3.29 While some of the published labour market indicators suggest that recruitment and retention to teaching is relatively healthy, our own analysis demonstrates to us that there is no room for complacency; indeed, in our view there exist some areas of concern. Significant growth in pupil numbers will increase demands on the profession, initially in the primary sector. Our evidence suggests that the relatively healthy aggregate recruitment and vacancy statistics mask localised problems. We note that there are competitive pressures in some regions on starting pay and that the median earnings of classroom teachers trail those of *other professionals* in a number of regions, and particularly in urban areas. Changes to the routes into initial teacher training, and overlapping applications, make it difficult to assess the overall picture from currently available data. It will be important for the Department to provide coherent and complete data in future years to enable us to monitor the position.
- 3.30 Our observations are against a background of what has been a relatively benign climate for teacher recruitment and retention given the wider economic landscape; in our view this is likely to become more challenging as the economic cycle evolves and the demand for teachers increases, initially in the primary sector given demographic changes. In this context, we will need to monitor carefully wider graduate and professional salaries as any

²¹ DfE (2013) *School Workforce in England, November 2012*

²² Welsh Government (2012) *Teachers in Service, Vacancies and Sickness Absence, January 2012*

²³ DfE (2013) *School Workforce in England, November 2012*

²⁴ DfE (2013) *School Workforce in England, November 2012*

²⁵ Pearson Think Tank (2012) *Are we running out of teachers?*

²⁶ 2013 Times Educational Supplement (17 May 2013) citing Education Data Surveys

further divergence here will put at risk the ability of the profession to both recruit good graduates and to retain excellent teachers who have developed from their experience to date.

Options and recommendations

Pay award higher or lower than 1%

- 3.31 In the light of our analysis above we considered first whether the evidence on recruitment and retention pointed to **an award higher than 1%**. We were particularly mindful of the evidence that median pay of the profession in a number of regions lagged other professional occupations and that teacher earnings in urban areas were more likely to trail those of other professionals. We noted too that some sectors targeting high quality graduates pay significantly higher starting salaries, both in London and elsewhere. Against this background we were concerned to note some early signs that ITT applications have reduced and to hear anecdotal evidence from visits suggesting some variability of quality in both NQTs and in applications to posts for which schools are seeking more experienced teachers.
- 3.32 We noted the evidence presented by consultees on the impact of inflation and increased pension contributions on teachers' take home pay during the freeze. Some argued strongly that this supported an award substantially higher than 1%. Whilst we recognise the impact of inflation on living standards on many in the profession, we note employees across the economy have also felt reductions in living standards during the recession. In framing our recommendations our primary consideration is whether teachers' pay has fallen behind others' to an extent that impacts on the ability of the profession to attract good quality candidates and retain them in the profession. We acknowledge too the impact of increased pension contributions on take home pay but note that, in contrast to many other professions, teaching still offers a defined benefit pension as part of the overall reward package.
- 3.33 In the context of the broader picture on teacher pay compared with other graduate professions, we considered whether there was evidence that particular career stages (such as NQT) or pay points (such as scale maxima) within the national pay framework should receive **a targeted award of more (or less) than 1%**. However, when we explored the issue in oral evidence with consultees, none supported such differentiation this year.
- 3.34 We also had to weigh carefully the impact of a higher award on school budgets when the Government has made clear there is no additional funding. We recognise that the budgetary pressures on individual schools in 2013/14 will vary considerably and some will have greater flexibility than others to meet any pay award. We noted NEOST's overall assessment that a 1% award would itself be a cost pressure for schools and that any increase above 1% would have a detrimental effect on school budgets. Taking account of the wider labour market position, we consider that an increase of 1% is justified and necessary in the light of evidence that teachers' pay has deteriorated relative to the pay of other graduate professionals. We also note that schools facing local pressures on recruitment and retention can use existing pay flexibility to respond e.g. making additional payments to teachers of shortage subjects. An award no higher than 1% will allow schools who can afford it to direct additional spend on pay on local recruitment or retention priorities, without adding to wider pressures on school budgets.

Application of a 1% pay award

- 3.35 Consultees were unanimous in seeking an across the board increase, stressing that there were strong expectations of a 1% uplift for all and that there would be risks to morale and retention if some in the profession did not receive an uplift after two years

of pay freeze. We note that 1% pay awards have been made to other public sector workforces, which may well have reinforced expectations. Although we do not feel constrained by awards made to other public sector groups, we do recognise that there could be a detrimental effect on teachers' morale and motivation if their expectations are disappointed, with possible consequences for recruitment and retention.

- 3.36 We considered carefully the Secretary of State's proposal that schools should be free to choose whether to award an increase to those between the pay scale minima and the maxima. However, consultees made a strong case to us for equity following the two-year pay freeze: some stressed the need to signal to all in the profession that their contributions were valued. Many also argued for keeping things simple for schools at a time when there will be work for individual schools in preparing to implement the recommendations of our last report. This will be the last pay uplift before our reforms to pay progression come into effect and we judge a pragmatic approach is desirable in relation to the September 2013 award.
- 3.37 In reaching our decision we have given particular weight to two factors: first, the need for simplicity so schools can concentrate on preparing for implementation of the changes recommended in our last report; and second, the need to provide some underpinning support for the teacher labour market as a whole, at a time when there are early signs that the profession may be falling behind other graduate professions. Accordingly, **we recommend an across the board increase of 1% for all teachers and school leaders.** For classroom teachers this means **an increase of 1% to all the points on the main and upper pay scales.** We set out below how this award applies to others.
- 3.38 During the pay freeze, those teachers on the unqualified teachers' pay scale earning less than £21,000 had been afforded a degree of protection by means of an award of £250 (non-consolidated) in each year. We recognise that an award of 1% will, for those teachers, translate into a pay rise of less than £250. However, most unqualified teachers will also receive a separate progression increase and any remaining on the maximum are paid over £25,000. We have seen no clear evidence to support a higher award for this particular group, and therefore **recommend an increase of 1% to all the points on the unqualified teachers' pay scale;** and that no further payments of £250 should be made.
- 3.39 In line with our recommendations in the 21st report, the AST and ET pay scales will be discontinued and from September 2013 schools will have the option of appointing to school specific posts with a salary range set within a broader leading practitioner pay range. The Department's advice says that schools will need to decide whether to have such posts and if so to determine new pay ranges for individual posts. **We recommend the minimum and maximum of the leading practitioner range should be uplifted by 1%, in line with the uplift for other classroom teachers. All pay ranges for individual posts should also be increased by 1%, where schools have not already taken a 1% increase into account in setting the range.**
- 3.40 We considered whether there was any evidence for a different pay award for teachers paid on the leadership scale. Consultees were unanimous in their view that an award for school leaders should equal that for classroom teachers and we found no evidence that a higher or lower award would be beneficial to schools: rather, it could have a detrimental effect on motivation and morale. **We therefore recommend an increase of 1% to the value of all points on the leadership pay spine.**
- 3.41 We also considered whether there was a case for treating teacher allowances differently. We received no evidence making a specific case for this and consultees argued that allowances were seen as base pay and should receive the same uplift. We are aware that some teacher allowances can be a substantial contribution to overall pay. We noted that the savings which would arise from freezing allowances would be only 5% of the overall cost of a 1% uplift which would not, in itself, offer schools significant flexibility to

target the money differently. We therefore **recommend there should be a 1% uplift to the values of the minima and maxima of all teacher allowances, and to individual allowances in payment, where they fall between the updated values.**

3.42 This will be the last pay award made under the existing pay system. The changes being introduced from September 2013 will give schools greater freedom on appraisal-based progression awards and a means to reward appropriately those teachers with the skills and expertise to meet particular local needs. The Department has already published discretionary reference points which schools may use as a guide in making appraisal-based progression awards in future. We think it desirable that these reference points be updated to reflect the pay award for September 2013 applied to the main pay scale and recommend accordingly.

3.43 **We recommend an increase of 1% from September 2013 in the values of:**

- **all points on the unqualified, main and upper pay scales for classroom teachers (including main scale points which will be discretionary reference points for pay decisions thereafter);**
- **the minimum and maximum of the pay range for leading practitioners and all pay ranges for individual posts set before taking account of the September 2013 uplift;**
- **all points on the leadership pay spine;**
- **any individual allowances in payment and to the minima and the maxima of the ranges of all teacher allowances.**

Looking ahead

3.44 We have noted that the Government's policy on routes into teaching assumes a bigger role for employment based routes, including the School Direct scheme. A practical consequence for this remit was that evidence drew on multiple (and potentially overlapping) data sources. This made it more difficult than before to assess the overall position on recruitment to the profession. It would greatly help our work on future remits if there were a single source of data providing a coherent view across *all* the recruitment schemes. We therefore request that the Department consider what can be done to improve the coherence and clarity of the data we receive.

3.45 We also noted concerns of consultees about the provision of data on diversity. At a time when schools are taking greater responsibility for pay decisions, it will be important that the Department can provide robust and comprehensive data to enable proper consideration of diversity issues.

3.46 The Government has already announced that its policy of public sector pay restraint will also apply for two further years, which for teachers will mean the September 2014 and 2015 awards. We will consider this further when we receive a remit for the September 2014 pay award. We have indicated above our concern that teachers' pay remains attractive to the highest calibre graduates in future. In this context we underline the importance of careful monitoring of recruitment and retention to the profession and of teachers' pay relative to that of other graduate professionals.

APPENDIX A

Remit and directions from the Secretary of State



Rt Hon Michael Gove MP
Secretary of State

Sanctuary Buildings Great Smith Street Westminster London SW1P 3BT
tel: 0370 0002288 www.education.gov.uk/contactus

Dame Patricia Hodgson DBE
Chair
School Teachers Review Body
Office of Manpower Economics
Victoria House
Southampton Row
London
WC1B 4AD

17 January 2013

Dear Patricia,

STRB REMIT: MATTERS FOR REPORT

I would first of all like to repeat my thanks for your work on the 21st Report of the STRB. We have now completed the consultation on my response to your recommendations and I have written to you separately with my response to that consultation. My officials are now working to implement your recommendations from September 2013.

As I signalled in my remit letter in February 2012 I would now like to request your recommendations on how to apply the 2013 pay award. You will be aware that public sector workers have been subject to a two year pay freeze, which for teachers began in September 2011. As first announced by the Chancellor of the Exchequer in his Autumn Statement in November 2011, the Government's policy is for public sector pay awards to average 1% in each of the two years following the pay freeze. I would therefore like your recommendations on how the average 1% pay uplift should be applied in 2013. I will ask for recommendations on how the 2014 pay award should be applied in a later remit.

I intend to submit for your consideration written evidence that there remains a strong case for continued pay restraint in the public sector. Returning the UK to sustainable, balanced growth is the Government's overriding priority. The Government has taken decisive action to set out a clear strategy for fiscal consolidation and there is evidence that clear progress in implementing these fiscal plans has been effective in maintaining market confidence and providing protection against a challenging backdrop of global uncertainty and fiscal vulnerabilities.

My evidence will also include a detailed account of the teacher labour market. Data on rates of recruitment to Initial Teacher Training (ITT) suggest that there is a strong supply of new graduates into teaching. Rates of recruitment to the key shortage

subjects – maths, sciences and modern foreign languages – are improving and a record number of men are applying to train as primary teachers. We are also seeing an increase in the quality of applicants, with a record 71% holding a degree classification of 2:1 or higher.

Considerations to which the STRB should have regard

As indicated in my response to the STRB's 21st report, my proposal is that the statutory minima and maxima for classroom teachers should be uprated by 1% in each year 2013-14 and 2014-15.

In considering your recommendations you should have regard to the following:

- a) The need to ensure that the proposals reflect the average 1% public sector pay awards announced in the Autumn Statement 2011;
- b) The need to ensure that any proposals are affordable at both a national level and within the existing budgets of individual schools;
- c) The need to ensure that any proposals are not difficult or onerous for schools to implement;
- d) Evidence of the national state of teacher and school leader supply, including rates of recruitment and retention, vacancy rates and the quality of candidates applying for QTS;
- e) Evidence of the wider state of the labour market in England and Wales;
- f) Forecast changes in the pupil population and consequent changes in the level of demand for teachers;
- g) The Government's commitment to increasing autonomy for all head teachers to establish pay arrangements that are suited to the individual circumstances of their schools and to giving them greater freedoms to determine teachers' pay within statutory minima and maxima;
- h) That the recommendations of the STRB's 21st report will be incorporated into a revised STPCD that, subject to consultation, will come into force in September 2013.

Matters for recommendation

I refer to the STRB the following matters for recommendation:

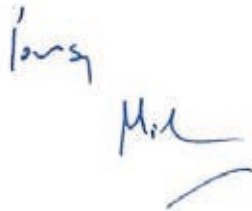
- a) What adjustments should be made to the salary scales for classroom teachers and unqualified teachers to reflect the average 1% pay award for public sector workers;
- b) How the average 1% pay award should apply to the leadership pay scales;
and

c) How the average 1% pay award should apply to teacher allowances.

To help to ensure schools are able to pass on the pay award to teachers as soon as possible in the next academic year, I am limiting the scope of this remit to the consideration of the 2013 pay award only and I should be grateful if the STRB could aim to provide a report on these matters before **31st May 2013.**

The STRB's 21st report suggested some matters on which the Review Body would welcome a future remit. I am considering these suggestions and may issue a further remit later in 2013.

I look forward to receiving your recommendations on the 2013 pay award.

Handwritten signature in blue ink, appearing to read 'Gove' and 'M.G.' with a flourish below.

MICHAEL GOVE

APPENDIX B

Conduct of the review

- B1. On 17 January 2013, the Secretary of State for Education, the Rt Hon Michael Gove MP, asked us to consider how the average 1% pay uplift for teachers should be applied in 2013. We were asked to report by 31 May 2013 and to have regard to a number of considerations. The Secretary of State's letter is at Appendix A. Our work to respond to these matters took place between January 2013 and May 2013.
- B2. We set out in the body of this report the evidence we considered. We set out below the statutory consultation we undertook and a range of visits and meetings which informed our broad understanding of the issues facing teachers.

Consultation

- B3. On 17 January 2013 we gave the following organisations the opportunity to make written representations and provide evidence on the matter on which we were due to report:

Government

Department for Education (DfE)

Welsh Government

Organisations representing teachers

Association of School and College Leaders (ASCL)

Association of Teachers and Lecturers (ATL)

British Association of Teachers for the Deaf (BATOD)

National Association of Head Teachers (NAHT)

National Association of Schoolmasters Union of Women Teachers (NASUWT)

National Union of Teachers (NUT)

Undeb Cenedlaethol Athrawon Cymru (UCAC)

Voice

Association of local authorities

National Employers' Organisation for School Teachers (NEOST)

Organisations representing governors

Governors Wales (GW)

National Governors' Association (NGA)

- B4. We also notified the following organisations of our remit on 17 January 2013:

Agency for Jewish Education

Association of Directors of Children's Services (ADCS)

Association of Directors of Education in Wales (ADEW)

Association of Professionals in Education and Children's Trusts (Aspect)

Board of Education, General Synod of the Church of England

Catholic Education Services for England and Wales

Her Majesty's Inspectorate for Education and Training in Wales (Estyn)

Foundation and Aided Schools' National Association (FASNA)

Free Church Education Committee

General Teaching Council for Wales (GTCW)

Information for School and College Governors (ISCG)

Methodist Independent Schools Trust

National College for School Leadership (NCSL)

Office for Standards in Education, Children's Services and Skills (Ofsted)

The Specialist Schools and Academies Trust (SSAT)

- B5. We invited the above consultees to respond in writing by 20 February 2013 and asked them to copy their submissions to other consultees. We gave consultees an opportunity to comment in writing on other consultees' submissions.
- B6. The following consultees made written submissions: ASCL¹, ATL², DfE³, NAHT, NASUWT⁴, NEOST⁵, NGA⁶, NUT⁷, UCAC⁸, Voice⁹ and the Welsh Government¹⁰.
- B7. NASUWT¹¹, NUT¹², UCAC¹³ and Voice¹⁴ each provided a supplementary submission in response to other consultees' submissions
- B8. We invited the following consultees to make oral representations: ASCL, ATL, DfE, NAHT, NASUWT, NEOST, NGA, NUT, UCAC, Voice and the Welsh Government. All these organisations made individual representations at meetings in March 2013 and April 2013.

Visits and Meetings

- B9. In total, STRB had 12 working meetings between 17 January 2013 and 31 May 2013. It held three additional full day meetings at which it heard oral representations from consultees.
- B10. Between November 2012 and February 2013 members of STRB visited schools in the following local authorities:
- Croydon
 - Shropshire
 - Birmingham
 - Caerphilly
 - Doncaster.
- B11. 11 schools were visited in total: five secondary schools (including one Welsh-medium school), four primary schools and one special school. In each school, members met groups of teachers and leaders to discuss teachers' pay and conditions. They also met officials at each local authority.
- B12. In January 2013 members met representatives from the Department for Education and Skills, Welsh Government, in Cardiff and in February 2013 they met local authority officials in Camden. The Chair had an introductory meeting with the Welsh Minister for Education and Skills, Leighton Andrews AM, in February 2013 (postponed from 2012).

¹ ASCL (2013) <http://www.ascl.org.uk/News_views/consultation_responses/school_teachers_review_body_strb_2013_pay_award>

² ATL (2013) <<http://www.atl.org.uk/Images/atl-strb-22-remit-feb13.pdf>>

³ DfE (2013) <<https://www.gov.uk/government/publications/evidence-to-the-strb-the-2013-pay-award> >

⁴ NASUWT (2013) < www.nasuwt.org.uk/STRBEvidence >

⁵ NEOST is the representative body for employers of teachers in maintained schools in England and Wales. It draws members from the Local Government Association, the Welsh Local Government Association, FASNA, the Church of England Board of Education and the Catholic Education Service. NEOST (2013) <http://www.local.gov.uk/web/guest/workforce-education-and-young-people/-/journal_content/56/10171/3510609/ARTICLE-TEMPLATE>

⁶ NGA (2013) <<http://www.nga.org.uk/Resources/Consultation/Evidence-submitted-to-the-STRB.aspx>>

⁷ NUT (2013) <<http://www.teachers.org.uk/node/17746>>

⁸ UCAC (2013) <<http://www.athrawon.com/uploads/STRBRemit22ndReport.pdf>>

⁹ Voice (2013) <http://www.voicetheunion.org.uk/index.cfm?cid=953&t=newsitem&s=STRB_2013>

¹⁰ Welsh Government (2013) <<http://wales.gov.uk/docs/dcells/consultation/130228-written-submission-strb-en.pdf>>

¹¹ NASUWT (2013) <www.nasuwt.org.uk/STRBEvidence>

¹² NUT (2013) <<http://www.teachers.org.uk/node/17746>>

¹³ UCAC (2013) <<http://www.athrawon.com/Main/Default.aspx?PageID=48&lang=b> >

¹⁴ Voice (2013) <http://www.voicetheunion.org.uk/index.cfm?cid=953&t=newsitem&s=STRB_2013>

B13. The Review Body also received a range of informal briefings on wider contextual issues to inform this and future remits. These included an update on discrimination law from PwC, a presentation on the leadership landscape and governance from the National College and a discussion group with head teachers including NLEs and some from the academy and independent sectors.

APPENDIX C

Current and recommended pay levels – England and Wales excluding the London area

Column A sets out the pay scales incorporating the 1% award, which should be used for pay determination for existing teachers in September 2013, including progression based on performance in 2012/13.

Column B sets out the new pay framework for classroom teachers (also incorporating the 1% award) for use in new appointments and in any subsequent pay decisions (for all teachers) in 2013/14.

	Current £	Column A £	Column B £
Unqualified Teacher Pay Scale			
1	15,817	15,976	Minimum 15,976
2	17,657	17,834	
3	19,497	19,692	
4	21,336	21,550	
5	23,177	23,409	
6	25,016	25,267	Maximum 25,267
Main Scale			
M1	21,588	21,804	Minimum 21,804
M2	23,295	23,528	Reference 2 23,528
M3	25,168	25,420	Reference 3 25,420
M4	27,104	27,376	Reference 4 27,376
M5	29,240	29,533	Reference 5 29,533
M6	31,552	31,868	Maximum 31,868
Upper Pay Scale			
U1	34,181	34,523	Minimum 34,523
U2	35,447	35,802	
U3	36,756	37,124	Maximum 37,124
Lead Practitioner			
	<i>(As set out in STRB 21st report)</i>		
Minimum	37,461	37,836	Minimum 37,836
Maximum	56,950	57,520	Maximum 57,520
Teaching and Learning Responsibility (TLR) payment 3 (Fixed term)			
	<i>(As set out in STRB 21st report)</i>		
Minimum	500	505	Minimum 505
Maximum	2,500	2,525	Maximum 2,525
Teaching and Learning Responsibility (TLR) payment 2			
Minimum	2,535	2,561	Minimum 2,561
Maximum	6,197	6,259	Maximum 6,259
Teaching and Learning Responsibility (TLR) payment 1			
Minimum	7,323	7,397	Minimum 7,397
Maximum	12,393	12,517	Maximum 12,517
Special Educational Needs Allowance (SEN)			
Minimum	2,001	2,022	Minimum 2,022
Maximum	3,954	3,994	Maximum 3,994

Leadership Spine	Current £	September 2013 £
L1	37,461	37,836
L2	38,400	38,784
L3	39,358	39,752
L4	40,339	40,743
L5	41,343	41,757
L6	42,379	42,803
L7	43,521	43,957
L8	44,525	44,971
L9	45,637	46,094
L10	46,808	47,277
L11	48,024	48,505
L12	49,130	49,622
L13	50,359	50,863
L14	51,614	52,131
L15	52,900	53,429
L16	54,305	54,849
L17	55,553	56,109
L18	56,950	57,520
L19	58,362	58,946
L20	59,809	60,408
L21	61,288	61,901
L22	62,811	63,440
L23	64,367	65,011
L24	65,963	66,623
L25	67,602	68,279
L26	69,275	69,968
L27	70,991	71,701
L28	72,752	73,480
L29	74,554	75,300
L30	76,409	77,174
L31	78,298	79,081
L32	80,244	81,047
L33	82,238	83,061
L34	84,271	85,114
L35	86,365	87,229
L36	88,504	89,390
L37	90,704	91,612
L38	92,948	93,878
L39	95,213	96,166
L40	97,590	98,566
L41	100,028	101,029
L42	102,534	103,560
L43	105,097	106,148

Ranges for head teachers

Group	Range of spine points	Current salary range £	Recommended September 2013 £
1	L6 – L18	42,379 – 56,950	42,803 – 57,520
2	L8 – L21	44,525 – 61,288	44,971 – 61,901
3	L11 – L24	48,024 – 65,963	48,505 – 66,623
4	L14 – L27	51,614 – 70,991	52,131 – 71,701
5	L18 – L31	56,950 – 78,298	57,520 – 79,081
6	L21 – L35	61,288 – 86,365	61,901 – 87,229
7	L24 – L39	65,963 – 95,213	66,623 – 96,166
8	L28 – L43	72,752 – 105,097	73,480 – 106,148

Current and recommended pay levels – Fringe area

Column A sets out the pay scales incorporating the 1% award, which should be used for pay determination for existing teachers in September 2013, including progression based on performance in 2012/13.

Column B sets out the new pay framework for classroom teachers (also incorporating the 1% award) for use in new appointments and in any subsequent pay decisions (for all teachers) in 2013/14.

	Current £	Column A £	Column B £
Unqualified Teacher Pay Scale			
1	16,856	17,025	Minimum 17,025
2	18,695	18,882	
3	20,534	20,740	
4	22,374	22,598	
5	24,213	24,456	
6	26,052	26,313	Maximum 26,313
Main Scale			
M1	22,626	22,853	Minimum 22,853
M2	24,331	24,575	Reference 2 24,575
M3	26,203	26,466	Reference 3 26,466
M4	28,146	28,428	Reference 4 28,428
M5	30,278	30,581	Reference 5 30,581
M6	32,588	32,914	Maximum 32,914
Upper Pay Scale			
U1	35,218	35,571	Minimum 35,571
U2	36,483	36,848	
U3	37,795	38,173	Maximum 38,173
Lead Practitioner			
	<i>(As set out in STRB 21st report)</i>		
Minimum	38,493	38,878	Minimum 38,878
Maximum	57,985	58,565	Maximum 58,565
Teaching and Learning Responsibility (TLR) payment 3 (Fixed term)			
	<i>(As set out in STRB 21st report)</i>		
Minimum	500	505	Minimum 505
Maximum	2,500	2,525	Maximum 2,525
Teaching and Learning Responsibility (TLR) payment 2			
Minimum	2,535	2,561	Minimum 2,561
Maximum	6,197	6,259	Maximum 6,259
Teaching and Learning Responsibility (TLR) payment 1			
Minimum	7,323	7,397	Minimum 7,397
Maximum	12,393	12,517	Maximum 12,517
Special Educational Needs Allowance (SEN)			
Minimum	2,001	2,022	Minimum 2,022
Maximum	3,954	3,994	Maximum 3,994

Leadership Spine	Current £	September 2013 £
L1	38,493	38,878
L2	39,433	39,828
L3	40,391	40,795
L4	41,376	41,790
L5	42,382	42,806
L6	43,416	43,851
L7	44,560	45,006
L8	45,557	46,013
L9	46,673	47,140
L10	47,844	48,323
L11	49,056	49,547
L12	50,169	50,671
L13	51,398	51,912
L14	52,650	53,177
L15	53,930	54,470
L16	55,342	55,896
L17	56,596	57,162
L18	57,985	58,565
L19	59,398	59,992
L20	60,849	61,458
L21	62,331	62,955
L22	63,849	64,488
L23	65,400	66,054
L24	67,002	67,673
L25	68,636	69,323
L26	70,314	71,018
L27	72,025	72,746
L28	73,785	74,523
L29	75,593	76,349
L30	77,442	78,217
L31	79,336	80,130
L32	81,283	82,096
L33	83,277	84,110
L34	85,309	86,163
L35	87,404	88,279
L36	89,540	90,436
L37	91,740	92,658
L38	93,985	94,925
L39	96,246	97,209
L40	98,629	99,616
L41	101,065	102,076
L42	103,573	104,609
L43	106,137	107,199

Ranges for head teachers

Group	Range of spine points	Current salary range £	Recommended September 2013 £
1	L6 – L18	43,416 – 57,985	43,851 – 58,565
2	L8 – L21	45,557 – 62,331	46,013 – 62,955
3	L11 – L24	49,056 – 67,002	49,547 – 67,673
4	L14 – L27	52,650 – 72,025	53,177 – 72,746
5	L18 – L31	57,985 – 79,336	58,565 – 80,130
6	L21 – L35	62,331 – 87,404	62,955 – 88,279
7	L24 – L39	67,002 – 96,246	67,673 – 97,209
8	L28 – L43	73,785 – 106,137	74,523 – 107,199

Current and recommended pay levels – Outer London area

Column A sets out the pay scales incorporating the 1% award, which should be used for pay determination for existing teachers in September 2013, including progression based on performance in 2012/13.

Column B sets out the new pay framework for classroom teachers (also incorporating the 1% award) for use in new appointments and in any subsequent pay decisions (for all teachers) in 2013/14.

	Current £	Column A £	Column B £
Unqualified Teacher Pay Scale			
1	18,789	18,977	Minimum 18,977
2	20,629	20,836	
3	22,470	22,695	
4	24,311	24,555	
5	26,150	26,412	
6	27,992	28,272	Maximum 28,272
Main Scale			
M1	25,117	25,369	Minimum 25,369
M2	26,674	26,941	Reference 2 26,941
M3	28,325	28,609	Reference 3 28,609
M4	30,080	30,381	Reference 4 30,381
M5	32,630	32,957	Reference 5 32,957
M6	35,116	35,468	Maximum 35,468
Upper Pay Scale			
U1	37,599	37,975	Minimum 37,975
U2	38,991	39,381	
U3	40,433	40,838	Maximum 40,838
Lead Practitioner			
	<i>(As set out in STRB 21st report)</i>		
Minimum	40,433	40,838	Minimum 40,838
Maximum	59,925	60,525	Maximum 60,525
Teaching and Learning Responsibility (TLR) payment 3 (Fixed term)			
	<i>(As set out in STRB 21st report)</i>		
Minimum	500	505	Minimum 505
Maximum	2,500	2,525	Maximum 2,525
Teaching and Learning Responsibility (TLR) payment 2			
Minimum	2,535	2,561	Minimum 2,561
Maximum	6,197	6,259	Maximum 6,259
Teaching and Learning Responsibility (TLR) payment 1			
Minimum	7,323	7,397	Minimum 7,397
Maximum	12,393	12,517	Maximum 12,517
Special Educational Needs Allowance (SEN)			
Minimum	2,001	2,022	Minimum 2,022
Maximum	3,954	3,994	Maximum 3,994

Leadership Spine	Current £	September 2013 £
L1	40,433	40,838
L2	41,373	41,787
L3	42,328	42,752
L4	43,314	43,748
L5	44,318	44,762
L6	45,351	45,805
L7	46,496	46,961
L8	47,499	47,974
L9	48,609	49,096
L10	49,784	50,282
L11	50,993	51,503
L12	52,106	52,628
L13	53,335	53,869
L14	54,583	55,129
L15	55,869	56,428
L16	57,277	57,850
L17	58,526	59,112
L18	59,925	60,525
L19	61,338	61,952
L20	62,784	63,412
L21	64,264	64,907
L22	65,782	66,440
L23	67,338	68,012
L24	68,934	69,624
L25	70,575	71,281
L26	72,247	72,970
L27	73,962	74,702
L28	75,725	76,483
L29	77,525	78,301
L30	79,381	80,175
L31	81,274	82,087
L32	83,215	84,048
L33	85,213	86,066
L34	87,246	88,119
L35	89,337	90,231
L36	91,473	92,388
L37	93,679	94,616
L38	95,921	96,881
L39	98,185	99,167
L40	100,565	101,571
L41	103,003	104,034
L42	105,502	106,558
L43	108,070	109,151

Ranges for head teachers

Group	Range of spine points	Current salary range £	Recommended September 2013 £
1	L6 – L18	45,351 – 59,925	45,805 – 60,525
2	L8 – L21	47,499 – 64,264	47,974 – 64,907
3	L11 – L24	50,993 – 68,934	51,503 – 69,624
4	L14 – L27	54,583 – 73,962	55,129 – 74,702
5	L18 – L31	59,925 – 81,274	60,525 – 82,087
6	L21 – L35	64,264 – 89,337	64,907 – 90,231
7	L24 – L39	68,934 – 98,185	69,624 – 99,167
8	L28 – L43	75,725 – 108,070	76,483 – 109,151

Current and recommended pay levels – Inner London area

Column A sets out the pay scales incorporating the 1% award, which should be used for pay determination for existing teachers in September 2013, including progression based on performance in 2012/13.

Column B sets out the new pay framework for classroom teachers (also incorporating the 1% award) for use in new appointments and in any subsequent pay decisions (for all teachers) in 2013/14.

	Current £	Column A £	Column B £
Unqualified Teacher Pay Scale			
1	19,893	20,092	Minimum 20,092
2	21,731	21,949	
3	23,571	23,807	
4	25,410	25,665	
5	27,249	27,522	
6	29,088	29,379	Maximum 29,379
Main Scale			
M1	27,000	27,270	Minimum 27,270
M2	28,408	28,693	Reference 2 28,693
M3	29,889	30,188	Reference 3 30,188
M4	31,446	31,761	Reference 4 31,761
M5	33,865	34,204	Reference 5 34,204
M6	36,387	36,751	Maximum 36,751
Upper Pay Scale			
U1	41,497	41,912	Minimum 41,912
U2	43,536	43,972	
U3	45,000	45,450	Maximum 45,450
Lead Practitioner			
	<i>(As set out in STRB 21st report)</i>		
Minimum	44,540	44,986	Minimum 44,986
Maximum	64,036	64,677	Maximum 64,677
Teaching and Learning Responsibility (TLR) payment 3 (Fixed term)			
	<i>(As set out in STRB 21st report)</i>		
Minimum	500	505	Minimum 505
Maximum	2,500	2,525	Maximum 2,525
Teaching and Learning Responsibility (TLR) payment 2			
Minimum	2,535	2,561	Minimum 2,561
Maximum	6,197	6,259	Maximum 6,259
Teaching and Learning Responsibility (TLR) payment 1			
Minimum	7,323	7,397	Minimum 7,397
Maximum	12,393	12,517	Maximum 12,517
Special Educational Needs Allowance (SEN)			
Minimum	2,001	2,022	Minimum 2,022
Maximum	3,954	3,994	Maximum 3,994

Leadership Spine	Current £	September 2013 £
L1	44,540	44,986
L2	45,483	45,938
L3	46,445	46,910
L4	47,423	47,898
L5	48,432	48,917
L6	49,466	49,961
L7	50,610	51,117
L8	51,611	52,128
L9	52,720	53,248
L10	53,894	54,433
L11	55,104	55,656
L12	56,216	56,779
L13	57,445	58,020
L14	58,700	59,287
L15	59,980	60,580
L16	61,392	62,006
L17	62,640	63,267
L18	64,036	64,677
L19	65,448	66,103
L20	66,895	67,564
L21	68,375	69,059
L22	69,897	70,596
L23	71,447	72,162
L24	73,049	73,780
L25	74,686	75,433
L26	76,358	77,122
L27	78,072	78,853
L28	79,835	80,634
L29	81,640	82,457
L30	83,495	84,330
L31	85,384	86,238
L32	87,327	88,201
L33	89,322	90,216
L34	91,356	92,270
L35	93,451	94,386
L36	95,587	96,543
L37	97,793	98,771
L38	100,031	101,032
L39	102,296	103,319
L40	104,679	105,726
L41	107,118	108,190
L42	109,617	110,714
L43	112,181	113,303

Ranges for head teachers

Group	Range of spine points	Current salary range £	Recommended September 2013 £
1	L6 – L18	49,466 – 64,036	49,961 – 64,677
2	L8 – L21	51,611 – 68,375	52,128 – 69,059
3	L11 – L24	55,104 – 73,049	55,656 – 73,780
4	L14 – L27	58,700 – 78,072	59,287 – 78,853
5	L18 – L31	64,036 – 85,384	64,677 – 86,238
6	L21 – L35	68,375 – 93,451	69,059 – 94,386
7	L24 – L39	73,049 – 102,296	73,780 – 103,319
8	L28 – L43	79,835 – 112,181	80,634 – 113,303



Published by TSO (The Stationery Office) and available from:

Online

www.tsoshop.co.uk

Mail, Telephone, Fax & E-mail

TSO

PO Box 29, Norwich NR3 1GN

Telephone orders/General enquiries: 0870 600 5522

Order through the Parliamentary Hotline Lo-Call: 0845 7 023474

Fax orders: 0870 600 5533

Email: customer.services@tso.co.uk

Textphone: 0870 240 3701

The Houses of Parliament Shop

12 Bridge Street, Parliament Square

London SW1A 2JX

Telephone orders: 020 7219 3890/General enquiries: 020 7219 3890

Fax orders: 020 7219 3866

Email: shop@parliament.uk

Internet: <http://www.shop.parliament.uk>

TSO@Blackwell and other accredited agents

ISBN 978-0-10-186592-0



9 780101 865920