

Rt Hon Justine Greening MP Secretary of State

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Dr Patricia Rice Chair, School Teachers' Review Body Office of Manpower Economics 8th floor Fleetbank House 2-6 Salisbury Square London EC4Y 8JX

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Dear Patricia,

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

I should first of all like to offer my thanks for the STRB's work over the last year on its 27th report. From 1 September this year schools across England and Wales will have been implementing their new pay policies based on the recommendations of that report. I should now like to ask for your recommendations on the pay award in 2018-19.

The Chief Secretary to the Treasury wrote to you in September setting out the Government's overall approach to pay. That letter confirmed that the Government has adopted a more flexible approach to public sector pay, to address any areas of skills shortages and in return for improvements to public sector productivity. The last Spending Review budgeted for one per cent average basic pay awards, in addition to progression pay for specific workforces, and there will still be a need for pay discipline over the coming years to ensure the affordability of the public service and the sustainability of public sector employment; review bodies should continue to consider affordability when making their recommendations.

In accordance with the Chief Secretary's letter, you will want to consider how the pay award should utilise the flexibility within the Government's pay policy to address areas of skill shortage and support the productivity of the workforce, while remaining within the bounds of affordability. You should carefully consider the pay award in relation to the early years of a teacher's career, ensuring it is encouraging high quality entrants to join the profession and supporting their progression within the workforce. My evidence will provide a detailed account of the teacher labour market based on the latest recruitment and retention data. I will also provide evidence on affordability and value for money.

Over recent years the STRB's recommendations have led to fundamental reform of the teacher pay framework. Teacher pay arrangements are now focused on supporting the productivity of the workforce and giving schools the

flexibility to tackle local recruitment and retention challenges. Professional development for teachers is at the heart of our school improvement strategy and the department is currently developing its plans on strengthening career development and QTS. These reforms will provide an important opportunity for the STRB to consider what further reforms to the teacher pay framework may be required to support a clear and compelling career pathway for teachers and to support the productivity of the workforce. As such, I intend to set a remit next year which allows the STRB to make recommendations on these matters.

Considerations to which the STRB should have regard

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

- a) The need to ensure that the proposals reflect the Government's policy for public sector pay awards in 2018-19, as set out in the Chief Secretary's letter of 21st September;
- b) Evidence of the national state of teacher and school leader supply, including rates of recruitment and retention, vacancy rates and the quality of candidates entering the profession;
- c) The need to ensure that any proposals are affordable and offer best value for money;
- d) Evidence of the wider state of the labour market in England and Wales;
- e) Forecast changes in the pupil population and consequent changes in the level of demand for teachers;
- f) The Government's commitment to increasing autonomy for all head teachers and governing bodies to develop pay arrangements that are suited to the individual circumstances of their schools and to determine teachers' pay within the statutory minima and maxima.

Matters for recommendation

I refer to the STRB the following matters for recommendation:

 An assessment of what adjustments should be made to the salary and allowance ranges for classroom teachers, unqualified teachers and school leaders to promote recruitment and retention.

I would be grateful if the STRB could aim to provide a report on this matter **by early May 2018**. I look forward to receiving your recommendations on the 2018 pay award.

RT HON JUSTINE GREENING MP

Justin C.