# *School Teachers' Review Body*

Thirteenth Report – Part 2: 2004

Chairman: Bill Cockburn, CBE TD

Cm 6164
£16.25

# School Teachers' Review Body

## THIRTEENTH REPORT – PART 2: 2004

*Chairman*: Bill Cockburn, CBE TD

Presented to Parliament by the Prime Minister and the
Secretary of State for Education and Skills
by Command of Her Majesty
March 2004

Cm 6164 £16.25

**© Crown Copyright 2004**

The text in this document (excluding the Royal Arms and departmental logos) may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the document specified.

Any enquiries relating to the copyright in this document should be addressed to The Licensing Division, HMSO, St. Clements House, 2-16 Colegate, Norwich NW3 1BQ. Fax: 01603-723000 or e-mail: licensing@cabinet-office.x.gsi.gov.uk

# School Teachers' Review Body

The School Teachers' Review Body was established in September 1991 to examine and report on such matters relating to the statutory conditions of employment of school teachers in England and Wales as may from time to time be referred to it by the Secretary of State.

The present membership of the Review Body is:

Bill Cockburn, CBE TD *(Chairman)*

Monojit Chatterji

Rodney East

Ros Gardner

Mark Goodridge

Bryn Roberts

John Singh

Jo Stephens

Bruce Warman

Monojit Chatterji and Bruce Warman were appointed to the Review Body in January 2004.

The secretariat is provided by the Office of Manpower Economics.

**The following abbreviations are used in this report:**

*The parties*

| | |
|---|---|
| **ATL** | Association of Teachers and Lecturers |
| **BATOD** | British Association of Teachers of the Deaf |
| **DfES** | Department for Education and Skills |
| **FASNA** | Foundation and Aided Schools National Association |
| **NAHT** | National Association of Head Teachers |
| **NAGM** | National Association of Governors and Managers |
| **NASUWT** | National Association of Schoolmasters Union of Women Teachers |
| **NGC** | National Governors' Council |
| **NUT** | National Union of Teachers |
| **OFSTED** | Office for Standards in Education |
| **PAT** | Professional Association of Teachers |
| **SHA** | Secondary Heads Association |
| **TTA** | Teacher Training Agency |
| **UCAC** | Undeb Cenedlaethol Athrawon Cymru (National Association of the Teachers of Wales) |

*Other abbreviations*

| | |
|---|---|
| **AST** | Advanced Skills Teacher |
| **CPD** | Continuing Professional Development |
| **IDS** | Incomes Data Services |
| **INSET** | In Service Training |
| **LEA** | Local Education Authority |
| **MSI** | Motor Skills Impaired |
| **PRP** | Performance-related pay |
| **PwC** | PricewaterhouseCoopers |
| **QTS** | Qualified Teacher Status |
| **SEN** | Special Educational Needs |
| **STPCD** | School Teachers' Pay and Conditions Document |
| **STRB** | School Teachers' Review Body |
| **UPS** | Upper Pay Scale |

# Contents


| | | | Paragraph | Page |
|---|---|---|---|---|
| | | Role of the School Teachers' Review Body | | vi |
| | | Vision and values of the School Teachers' Review Body | | vi |
| | | Summary of main conclusions and recommendations | | viii |
| *Chapter* | 1: | **Introduction** | | 1 |
| | 2: | **Upper pay scale** | | 5 |
| | 3: | **Main pay scale and threshold assessment** | | 17 |
| | | Progression on the main scale | 3.4 | 18 |
| | | Threshold assessment | 3.18 | 21 |
| | 4: | **Local approaches to pay** | | 26 |
| | 5: | **Teachers' pay system and career structure** | | 33 |
| | | Teachers' pay system | 5.4 | 33 |
| | | Advanced Skills Teachers | 5.16 | 36 |
| | 6: | **Special pay arrangements** | | 41 |
| | | Unattached teachers | 6.2 | 41 |
| | | SEN allowances | 6.8 | 43 |
| | | Federations of schools | 6.18 | 46 |
| | | Chartered London Teacher status | 6.27 | 47 |
| | | Safeguarding | 6.32 | 49 |
| | | Streamlining the School Teachers' Pay and Conditions Document | 6.43 | 52 |
| *Appendix* | A: | **Remit and directions from the Secretary of State – July 2003** | | 54 |
| | B: | **Remit and directions from the Secretary of State – January 2004** | | 62 |
| | C: | **Conduct of the review** | | 65 |
| | D: | **NAHT/SHA proposals for a new pay system** | | 67 |
| | E: | **Statistics on teachers** | | 69 |

## Role of the School Teachers' Review Body

The School Teachers' Review Body was established in September 1991, as an independent statutory body, to make recommendations to Government on the pay and conditions of employment of schoolteachers in England and Wales. Our current review is concerned largely with teachers' pay and related matters. We have established a vision and set of values to guide our work and these are reproduced below

## Vision and Values of the School Teachers' Review Body

### Our Vision

In the context of the Government's stated aims and through our advice and recommendations on teachers' pay and conditions, our vision is to contribute to the development of a world-class teaching profession which:

- attracts excellent graduates
- retains highly motivated and committed teachers
- is fairly rewarded
- is efficient, effective and accountable
- is encouraged, supported and trained
- is trusted, respected and valued.

### Our Values

We embrace the Seven Principles of Public Life.

In order to ensure that the work of the STRB is of the highest achievable quality we also adopt the following values:

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

## Our Way of Working

To maximise our effectiveness and value, we will:

- report on time, and with robust analysis and conclusions, on statutory remits from the Secretary of State
- consult regularly with all the relevant constituencies, examine their evidence and give due respect to the views expressed
- keep in touch with the real world of schools
- look to the OME to provide relevant data, objective analysis and advice, draft reports and administrative support
- where necessary, seek the best available external advice and information to inform our conclusions and recommendations on key issues
- meet to identify, discuss and advise on those issues fundamental to our role. We will not only react to formal remits directed to us but we will also be proactive as we judge appropriate in support of our vision
- encourage open access to those who might wish to consult with us either publicly or privately, while ensuring that we safeguard our independence as provided for in our statutory framework.

# Summary of main conclusions and recommendations

## Introduction

1 All of our recommendations on general pay matters in part 1 to the Thirteenth Report reflected a very careful assessment of all the evidence available to us, including the evidence on affordability. We were therefore disappointed by the Government's decision to stage the 3.25% increase that we had recommended from April 2005 and to defer the higher differential increases for outer London pay and for starting pay in inner and outer London to September 2005. We were however pleased that the Government welcomed our recommendation for urgent consultations on the upper pay scale.

2 We received a new remit letter on 9 January 2004 resulting from those consultations. The letter recognised the interdependence of the UPS matters with many of the remaining issues we were due to report on by the end of January and so asked us to report on all outstanding issues by 5 March 2004.

## Upper pay scale

3 The Secretary of State asked us to make recommendations on: whether points 4 and 5 on the upper pay scale (UPS) should be abolished and in future the upper pay scale cease at UPS3; and whether a new excellent teachers scheme should be established, to which classroom teachers who have reached UPS3 can apply, to demonstrate that they have distinguished themselves above other classroom teachers at that level.

4 We were directed to have regard to: the need to make recommendations affordable; the need for a lasting resolution of the issues relating to the upper pay scale; and the need to ensure consistency in performance-related pay decisions.

5 The remit of 9 January referred to a draft agreement signed by the Secretary of State, the National Employers' Organisation, ATL, NAHT, NASUWT, PAT and SHA. The signatories supported our vision for schools and proposed an integrated package. In their written submissions, the NUT, UCAC and NAGM urged rejection of the joint proposal. Other organizations voiced concerns over certain aspects while supporting the approach.

6 In considering whether the joint proposal (with its Annexes A and B) can provide a solution to the long-standing issue of progression based on merit on the upper scale, we have reviewed its ability to result in a tapering pattern of progression and to help in achieving the full vision that we have articulated. We have, of course, also taken on board the views of the parties opposing it and of the other parties which have cautiously supported it.

7 There is no doubt that all parties believe that clarity on the application of upper pay scale progression criteria is an essential prerequisite if the long-standing problems over the upper pay scale are to be resolved. We think it imperative that three key sources of potential confusion are dealt with urgently. The first concerns the status of Annex A. Because it clarifies the application of the existing criteria for progression, it combines elements from a variety of sources, not all of which currently feature in pay legislation. We believe that, to minimise the risk of argument in the future, the content of Annexes A and B needs to be reflected in pay legislation, and **we so recommend**.

8 The second source of confusion arises from the number of source documents, whether statutory or guidance, which are relevant to decisions over UPS progression. It would be helpful to all users if the relevant extracts were brought together in a pack with Annex A, so that those taking decisions had a coherent and complete set of information to hand; and where different arrangements apply in Wales, they should also be clearly signalled. The communication of Annex B needs to be handled in the same way.

9 A third source of confusion is the lack of clarity over which parts of Annex A apply to all progression on the UPS and which apply only to UPS3. It is possible that a simple re-ordering of the paragraphs, so that the description of the UPS3 teacher appears at the end of the Annex, might help in this.

10 The timescale for decisions on progression to UPS3 is now very short. We have set out above the minimum work that we believe is needed to enable the first tranche of decisions to go ahead. In the longer term, we believe the future workplan envisaged in the joint proposal needs to include a task to draw up a description of the qualities of a UPS2 teacher and a further task to consider how good teamworking – essential for good teaching and learning – might be reflected in the clarification of the UPS criteria.

11 **We recommend that Annexes A and B are further clarified, strengthened and communicated in the ways set out above.**

12 We believe that the proposed light-touch external validation system should audit all connected aspects of the performance management system.

13 We have concluded that, in the absence of a grading system in most schools and in the light of experience so far, there appears to be little prospect in the near future of securing a reasonable framework for tapered progression through to UPS5. This suggests that a new approach is needed to the structure of the upper pay scale.

14 The introduction of an excellent teacher scheme, together with the rigorous application of clearer criteria for progression on the upper scale that we have discussed above, has the potential to ensure that progression post-threshold is based on merit. Such an outcome would result in a tapering pattern of progression, which we described in Part 1 to this report. If the joint proposal is further developed in the ways we have described above, with the excellent teacher scheme being made sufficiently challenging as we outline below, it offers an acceptable way of meeting our concerns and of making further progress towards our vision. **We therefore recommend that the upper pay scale should now cease at UPS3**.

15 The excellent teacher scheme envisaged in the joint proposal would require high standards to be met by those on UPS3 who apply for the new status, drawing on the standards for Advanced Skills Teachers. The proposal includes a suggestion that independently-appointed external assessors should sit with those making decisions about who would benefit from the scheme. We strongly endorse these points. A rigorous set of standards or criteria is essential if the aim of rewarding excellence is to be achieved. In developing the concept of excellence, we believe attention should be paid to the breadth and depth of knowledge which will be needed to support colleagues in the school. We believe this should be reflected in a requirement for excellent teachers to have followed a course of study leading to an appropriate qualification. The process of application and assessment also needs to be rigorous and consistently applied across England and Wales; for this, the current AST process might provide a useful guide.

16 We note the expectation in the joint proposal that the new scheme would come into effect from September 2006. We believe it should be carefully designed so that it truly contributes to a lasting solution to the problems of teachers' progression beyond the threshold. Teachers who wish to apply for the scheme in its first year will also need adequate time to prepare themselves. An introduction date in 2006 will create unnecessary pressure in both these areas. We therefore believe that the timing of introduction should be set back for a year and that teachers applying in later years should face the same time-gap before they become eligible as those in the first cohort.

17 We therefore **recommend**:

**a) that a new excellent teacher scheme is established;**

**b) that the scheme should be open only to classroom teachers who have reached UPS3 and who demonstrate that they have distinguished themselves at that level;**

**c) that the period before a UPS3 teacher becomes eligible to attain the status of an excellent teacher should normally be three years and that the first awards under the scheme should be made in September 2007;**

**d) that the scheme as developed should take into account the following considerations:**

- **it should include a process for application and assessment as rigorous as the AST process, using the same concepts of national criteria and a national assessment model;**
- **it should include an element of external assessment;**
- **the criteria should ensure that only the very best teachers can achieve the new status provided by the scheme and should include a programme of study leading to an appropriate qualification;**
- **the salary should reflect the quality of improvement in teaching and learning intended to result from the scheme.**

We look forward to seeing the detailed proposals for the scheme.

18 To signal the change in structure beyond the threshold and clarify the new distinctions it will bring, the status of teachers who have crossed the threshold or been accepted under the excellent teacher scheme should be marked by specific titles. Teachers on UPS1, 2 and 3 could be called "senior teachers" and those accepted under the excellent teacher scheme "principal teachers".

19 In making our recommendations, we have borne in mind the consideration we were directed to heed – to make any recommendations affordable, taking into account the funding framework set out in the joint proposal. It is very important in our view that there is sufficient funding to resource progression on the upper pay scale in its future guise, and to run the excellent teacher scheme as envisaged.

20 We believe that it would help our future consideration of management allowances if all main stakeholders were to be part of the joint discussions. These allowances and the corresponding framework of duties are important matters not directly related to performance management. An examination of the parties' recent submissions on management allowances suggests that there is some common ground, coinciding with aspects that we recommended for consideration in our November report.

## Main scale pay

21 We feel that a rigorous performance management system, robustly applied by school leaders, should be the hub of all progression. The system should be consistent, equitable and fair.

22 The evidence – including that from the 2003 Teachers' Pay Survey – shows that few, if any, teachers on the main scale receive double increments or have an increment withheld. It is likely that outstanding

performance is going unrecognised and the discretion to withhold an increment is used only when performance falls so far below the expected standard that capability procedures are put in place.

23 We have noted the general lack of appetite for significant change among the parties and we acknowledge that a case for major change has not been made. The expectation is – and should be – that teachers who have gone through a rigorous training and induction into their profession will normally progress smoothly along the main scale as they develop their knowledge, skills and experience.

24 A more explicit linkage between performance, professional development and progression would, we believe, assist heads in using the existing discretions to withhold increments or award double increments where this is merited. We believe some minor modifications would also be appropriate both to fine-tune the circumstances in which these discretions could be used and to modify the rules on withholding.

25 We therefore **recommend that**:

**a) on the basis of a teacher's performance and professional development over the past year the headteacher should decide and record in writing whether or not he or she has achieved at least the standard required to merit an increment on the main scale;**

**b) where performance is judged to be outstanding and continues at that level for two years it should merit a double increment;**

**c) where performance falls below the standard required, the increment should be deferred and an improvement plan should be put in place, with the appropriate support. The decision to defer should be reviewed in mid-year after which the increment would be backdated to the previous September, provided that the necessary progress had been made. A continuing unsatisfactory performance would result in the withholding of the increment.**

26 **We recommend that, during discussions on ways of ensuring appropriate rigour in performance management and related pay decisions, the parties give careful consideration to the development of a common system, building on the practices which already exist and taking into account the models employed in certain schools.**

### Threshold assessment

27 If there is effective performance management while teachers are on the main scale, it should be practicable to take decisions on progression through the threshold as part of the same system. About 25,000 teachers now become eligible annually for threshold assessment. Although numbers will vary from school to school, we believe that this should not present schools with an unmanageable task.

28 Evidence shows that threshold assessment has largely bedded in. Given the stage reached we see no absolute need to retain the external assessment system. However, if the system is to change, two issues need to be addressed – the need for a system for reviewing disputed decisions and the quality of performance management in the school, including systems for making pay decisions linked to performance.

29 **We recommend that, over the next 18 months:**

**a) the Department and, where appropriate, the Welsh Assembly Government take action to ensure that:**

**all heads have received appropriate training on linking pay and performance; and**

**a satisfactory appeal route for disputes over pay decisions, which includes an independent element, is in place within the STPCD framework;**

**b) the Department and, where appropriate, the Welsh Assembly Government work with the statutory consultees:**

- **to maintain existing standards of decision-making on threshold applications; and**
- **to establish a quality assurance system as envisaged in paragraph 12 of the joint proposal.**

**We further recommend that, from September 2005, threshold assessments are made at school level in the context of the school's developed performance management system; and external validation of the threshold assessment decisions of headteachers is discontinued.**

30 We would want the same arrangements to apply in England and Wales and look to the Department and the Welsh Assembly Government to resolve any legal issues involved. We recognise that there might be a wish to delay implementation of the new arrangements in Wales to allow further time for the performance management system to bed-in there. Should this be the case, we propose that deferment should not last for longer than a year.

## Local approaches to pay

31 The pay system that we recommended with effect from April 2004 provides scope for some broad pay differentiation on labour market grounds. However, it does not provide sufficient scope to deal with schools outside London and the fringe locations which face persistent labour market difficulties. Nor does it necessarily reflect the reality of today's labour market difficulties in London and elsewhere.

32 We believe that there is a need to consider further development to local approaches to pay. Our aim is to assist in making the pay system more sensitive and responsive to local labour market conditions so that, as far as possible, all schools throughout England and Wales arrive at a similar level of stability and quality in teaching and leadership staff. This should manifest itself through greater comparability in labour market factors such as vacancy and turnover rates and ease of recruitment and retention.

33 Underlying our aim are two sets of considerations. First, labour market difficulties can arise in individual schools for a variety of reasons. Second, we do not see a location pay route as the answer to all the difficulties. We would view such a route as an option which could be available once the school had tried to resolve its difficulties through other means.

34 Our examination of research has led us to conclude that using pay to deal with persistent labour market difficulties facing schools should not be the option of first resort. It should only arise where the schools concerned have taken remedial action themselves but, nevertheless, still face difficulties. This would sit well with an incremental approach, building on the four-band structure we have created, to respond sensitively to labour market pressures. We have in mind arrangements to change the pay differences between the four bands, together with a process that allows schools to make a case to move to a different pay band if their labour market circumstances warrant it. This flexible approach could help to smooth out the boundary effects usually inherent in differentiated pay approaches built on strict geographical definitions.

35 The pay bands would no longer be confined solely to specific geographical areas and would be named neutrally, for example, A, B, C and D. To start the process, the current inner London pay area band would be renamed pay band A, the outer London pay area band would be band B, the fringe would be band C and the rest of England and Wales band D.

36 We have described in paragraphs 12-22 in chapter 4 details of our proposal covering: arrangements for movement to another pay band; criteria for movement, including evidence of the action that the school has already taken to deal with its labour market difficulties and evidence of persistent labour market difficulties over the past three to five years; and the window for application to move to another pay band.

37 **We recommend that the parties consider the proposal we have described and present us with their evidence and views by September 2004**. We would expect, on the basis of all the evidence subsequently provided and drawing on specialist advice as necessary, to make our recommendations on the pay bands to be phased in from September 2006.

38 For any option of localised pay to work, funding systems would need to be flexible enough to accommodate the decisions made. This is crucial and we regard it as the responsibility of the Government and LEAs to adapt their funding systems as necessary to ensure that this can happen.

### Teachers' pay system and career structure

39 An effective pay system needs to incorporate several elements. The chief requirements reflected in the current pay system for teachers are: to reward competence and performance; to enable adjustment to market pressures; and to provide appropriate rewards for different job roles and weights. Chapter 5 examines the third requirement.

40 Job roles and weights are rewarded in two main ways – job roles through separate scales (for leadership and ASTs) and through allowances (for management and special needs teaching); and job weight through levels or points within these scales or allowances.

41 People contemplating or making a career in teaching need to have a clear view of the options available to them and of how these will be reflected in rewards. These career choices can be illustrated by a three-pronged or "trident" structure shown at the end of chapter 5.

42 We believe that this career structure has many advantages. A major advantage is its flexibility. Choices, once made, are not irrevocable. Although we believe there is a case to make changes in the upper pay scale, we have seen no evidence to suggest that there has been a major breakdown of the whole structure which might necessitate major surgery. We believe that the situation calls for a more evolutionary approach on the lines we have described throughout the report.

43 We regard the role of ASTs in developing and leading excellent curriculum and teaching practice in schools and institutions beyond their own school as important and distinct. Theirs is the only grade that has a duty to lead and spread good practice widely in the schools sector.

44 We have some concern, arising from the evidence that we have received, about the management of ASTs and the opportunities available to them to progress on their individual five-point pay ranges. The increments on the AST pay spine are worth broadly half of those on the teachers' main scale but we note that nearly 30 per cent of ASTs who had been in post for over a year received no performance progression increase.

45 We regard the 27-point AST spine as too long and the size of the progression increments as too small. **We recommend that the AST spine is reduced to 18 points with values parallel to points 1 to 18 of the leadership group spine not later than September 2006**.

46 To help to ensure that ASTs have similar opportunities to progress to classroom teachers and the leadership group, **we recommend that a clear record is made of their annual review and subsequent decision on salary progression**.

## Special pay arrangements

47 We have noted the mounting concern expressed about the position of ***unattached teachers*** in recent years. The latest substantive information from the findings of the 2003 Teachers' Pay Survey shows differences between attached and unattached teachers in the progression rates of both the leadership group and classroom teachers.

48 The provisions of the STPCD should be applied consistently to unattached and attached teachers. **We recommend that LEAs review their procedures during 2004 to ensure that unattached teachers are not at a disadvantage compared to attached teachers, and that the National Employers' Organisation oversees the review and publishes the results so that they are available to the other parties**. We particularly urge that the views of BATOD on the SEN specialist services are taken into account in this review. **We also recommend that the Department sets up a comprehensive database on unattached teachers, covering numbers, location and roles**.

49 We think that there are two issues connected with the payment of ***SEN allowances:*** whether the percentage of teachers receiving SEN allowances in mainstream schools is about right; and whether there should be mandatory payment of SEN allowance 2 for the attainment of specialist qualifications.

50 We have received no substantive evidence indicating what that percentage in mainstream schools should be or, indeed, on what specifically is wrong. We are not able on this basis to recommend change but we would be prepared to review the position if we are given substantive evidence.

51 As regards the attainment of specialist qualifications, **we recommend that the Department draws up guidance, in consultation with the interested parties, including BATOD, on how the payment of SEN allowance 2 might take account of the enhancement of the teaching of SEN children brought about by such specialist qualification**s.

52 There is currently a certain amount of flexibility available in the operation of the leadership group pay structure. Although there is still little hard evidence on the operation of formal ***federations***, we understand that the Department is not aware of any current problem in determining the pay of the leadership group in federations. While formal federations are still in pilot mode, we feel that it is too early to say whether and how pay arrangements for school leaders should be modified.

53 Regarding the ***Chartered London Teacher*** status, we welcome initiatives designed to improve professional skills and raise standards. We also see some force in the argument that Chartered status could apply to teachers beyond London facing challenging circumstances. We suggest that in considering whether and how to take the proposal forward, consideration is given to re-naming the status.

54 We do not regard the proposal for a one-off payment of £1,000 as an integral part of the national pay structure. We think it is in the nature of an additional payment in respect of continuing professional development and we note that authority to make this type of payment already exists in paragraph 46 of the STPCD. If that provision is seen as insufficient to cover the proposed payment, we would have no objection to the inclusion of an amendment.

55 We think that the matter of ***safeguarding*** merits consideration at this stage because of its potentially inhibitory effect on necessary and desirable changes in school organisation.

56 The question in our minds is whether safeguarding should be open-ended, as it is currently, or should be subject to a time limit with necessary protection.

57 We welcome the intention of the Department to hold discussions on safeguarding with the key parties. We think that those discussions should include the considerations set out in paragraph 6.41.

58 **We recommend that the safeguarding of the social priority allowance and the Inner London Area supplement is removed with effect from 1 September 2004**.

59 ***The STPCD*** contains provisions relating to the statutory conditions of employment of teachers in England and Wales. We believe that the Document is helpful as a comprehensive legal reference book but it should be made easier to use for governors, heads and others involved in running schools. **We recommend that the Department considers the following navigation aids when revising the Document:**

- **adding a comprehensive index, with cross-references to other useful, linked documents such as explanatory notes for heads, governors and LEAs and model school teachers' pay policy;**
- **including a 3-4 page summary at the beginning describing the teachers' career options and pay system using diagrams or charts as we have done in the previous chapter; and**
- **consulting on areas for pay simplification, including the balance between guidance and formal provisions.**

60 **We also recommend the provision of more training for governors in the understanding of the teachers' pay system, the navigation around the Document and its use in considering the school's pay policy.**

# CHAPTER 1

## Introduction

### Our Thirteenth Report – Part 1: 2003

1.1 In Part 1 of our Thirteenth Report we examined the matters on which we had been asked by the Secretary of State to report by 3 November 2003. These were matters that had direct implications for the costs that schools would face in the period 2004-06. We were advised that the early deadline for the report would assist LEAs and schools in planning and in tackling funding issues. The remit letter of 11 July 2003 containing these specific directions is at Appendix A.

1.2 Our main recommendations were:

- an increase of 2.5% from April 2004 and of 3.25% from April 2005 to end August 2006 to teachers' pay scales (with the exceptions in London from April 2005 listed below) and to special educational needs allowances;

- a re-opening clause under which any of the parties could ask us to review the percentage increases awarded, to take effect if the average rate of headline inflation for the respective preceding twelve months, April 2004-March 2005 or April 2005-March 2006, exceeded 3.25% or fell below 1.75%;

- from September 2006, changes in pay rates to be implemented in September rather than in April each year;

- the existing pay spines and the location allowances for outer London and the Fringe to be replaced by new outer London and Fringe pay spines, with a higher differential increase to teachers' pay scales in outer London, effective from April 2005 to end-August 2006;

- an enhanced increase to the starting pay of all qualified classroom teachers in inner and outer London from April 2005 to end-August 2006;

- the abolition of the recruitment and retention allowance scale from 1 April 2004, and payments for these purposes made under the STPCD to be payable for a period of up to a maximum of three years, renewable for retention in exceptional circumstances;

- management allowances to be increased by 2.5% in April 2004 and frozen at this level thereafter. The parties should agree a framework and guidance for new arrangements to take effect by April 2005 to make payment for specific, additional, weighty responsibilities targeted on teaching and learning. The maximum

level of payment available for duties under these new arrangements to be £11,000 (payable from the date that the new arrangements are put into operation);

- any management allowances awarded in the transitional period until the implementation of the new arrangements should be awarded for a period of up to one year only;
- consultations should take place urgently, to be completed by 5 January 2004, on a new framework for progression to U3 in both England and Wales, including:
  - rigorous criteria which enable schools to identify those teachers who are performing at the highest level;
  - a grading system which enables schools to rank the performance of teachers in their school in relation to those criteria; and
  - a system of external assessment, using the threshold model.

### The outcome

1.3 While the Government endorsed the 2.5% pay increase from April 2004, it decided to stage the 3.25% pay increase that we had recommended for April 2005 to end-August 2006. The staging comprised a 2.5% increase from April 2005 topped up by 0.75% to reach 3.25% from September 2005. This resulted in the move to a September rather than an April date for pay rate changes a year earlier than we recommended. The Government endorsed our recommendation of a re-opening clause should inflation move outside our specified limits.

1.4 The Government welcomed our recommendation on new pay spines for outer London and the Fringe areas, and said that it looked forward to seeing our further recommendations on local and regional pay for the medium and longer term. It endorsed the principle of our proposals on a higher differential increase for outer London and on starting pay for inner and outer London but said that these higher differentials should be introduced from September 2005, rather than April 2005.

1.5 Our recommendations on management allowances were endorsed but the Government brought forward to April 2004 the recommendation to freeze the value of the existing management allowance scale. It believed that it was possible, through discussion with the parties, to make faster progress on agreeing a framework and guidance for new arrangements.

1.6 Finally, the Government welcomed and endorsed our recommendations on the upper pay scale and held discussions with the statutory consultation parties to reach agreement on a new framework. At the start of the discussions, it confirmed its commitment to the tapered approach to progression advocated in our report, while not ruling out fundamental changes to the structure of the upper pay scale, and emphasized that all parties should restrict any preconditions in taking the issues forward. We describe the outcome of the discussions, with a consequent new remit, in the next chapter.

## *Our views*

1.7 All of our recommendations on general pay matters reflected a very careful assessment of all the evidence available to us, including the evidence on affordability. We were therefore disappointed by the Government's decision to stage the 3.25% increase that we had recommended from April 2005 and to defer the higher differential increases for outer London pay and for starting pay in inner and outer London to September 2005.

1.8 We were however pleased to note that the Secretary of State believed it would be possible for the parties to make solid progress on introducing new arrangements for management allowances. We believe it essential that the parties seek to agree new arrangements as soon as possible that will support the delivery of the school workforce remodelling agenda.

### Remit for our current review

1.9 We explained in Part 1 of our Thirteenth Report that the Secretary of State's remit letter of 1 July 2003 gave us a two-stage timetable for reporting, the first being requested by 3 November 2003 and the second by 30 January 2004. (This date was later deferred – see paragraph 1.11 below.) In this, Part 2 of our Report, we examine all the remaining issues on which we were asked to report, including:

- whether there should be a performance-related dimension to main scale pay;
- whether there should be changes to the AST pay structure;
- whether there should be changes in the operation of SEN allowances;
- whether there should be changes in relation to threshold;
- whether new provisions are needed for Chartered London Teacher status;
- whether pay arrangements for school leaders need to be modified to take account of federations of schools;
- the scope for further streamlining the STPCD; and
- other matters outstanding from the previous remit letter and our Twelfth Report, including unattached teachers and salary safeguarding regulations.

1.10 Several of the remit matters, taken together, point to the benefits of examining the overall framework of teachers' pay and proposed new pay structures were put forward in evidence by NAHT and SHA (jointly) and NAGM. We describe those proposals in this report. In addition, we take the discussion on local approaches to pay a step further by proposing options for dealing with schools which have been experiencing persistent labour market difficulties.

1.11 We also examine in the next chapter the matters raised in the new remit letter that we received on 9 January 2004, resulting from the parties' talks on the upper pay scale. That remit letter is at Appendix B and details of how we conducted this stage of our review are at Appendix C. The 9 January remit letter recognised the interdependence of the UPS matters with many of the remaining issues and so asked us to report on all outstanding issues by 5 March 2004.

1.12 Our examination and report is informed by the 2003 Teachers' Pay Survey, the results of which were unavailable when we reported in November 2003. Statistics on teachers are at Appendix E.

# CHAPTER 2

## Upper pay scale

### Remit letter of 9 January 2004

2.1 The remit of 9 January from the Secretary of State referred to a draft agreement – "Rewards and incentives for post-threshold teachers and members of the school leadership group" – signed by the Secretary of State and representatives of the National Employers' Organisation and five of the teachers' associations, ATL, NAHT, NASUWT, PAT and SHA. This group is referred to throughout this report as "the signatories".

2.2 The Secretary of State asked us to make recommendations on:

- *whether points 4 and 5 on the upper pay scale (UPS) should be abolished and in future the upper pay scale cease at UPS3; and*

- *whether a new excellent teachers scheme should be established, to which classroom teachers who have reached UPS3 can apply, to demonstrate that they have distinguished themselves above other classroom teachers at that level.*

2.3 We were directed to have regard to:

- the need to make recommendations affordable within the funding framework set out in the draft agreement which included assumptions on the reform of management allowances;

- the need for a lasting resolution of the issues relating to the upper pay scale. In particular we were asked to take into account the draft joint evidence that UPS3 should be a salary to which all good classroom teachers could aspire, and the principle that the highest rewards should go to excellent teachers; and

- the need to ensure consistency in performance-related pay decisions.

***The joint proposal***

2.4 The draft agreement was later endorsed by the organisations concerned and represents the joint evidence from all the signatories. Throughout this report, we refer to it as the joint proposal.

2.5 In their joint proposal, the signatories recorded their support for the long-term vision for schools that we had set out in Part 1 of this report in November. The joint proposal contained a number of elements which, the signatories said, stood or fell together as an integrated package. The elements were:

- a realistic affordability framework for rewards linked to performance affirming two principles: that UPS3 should be the salary to which all good classroom teachers could aspire, and that the highest rewards for classroom teachers should be awarded for excellence, and so a new scheme for excellent teachers should be introduced;
- the affirmation and clarification of criteria for progression on the upper pay scale;
- ensuring consistency of performance management systems;
- reform of management allowances;
- identification of appropriate resources; and
- future work.

2.6 A consequence of the principles affirmed was the proposal to delete points 4 and 5 from the upper pay scale. Classroom teachers who had achieved UPS3 should have access to the new excellent teacher scheme. Details were to be finalised but it was envisaged it would be likely to benefit some 20 per cent of those reaching UPS3. External assessment would be provided for a transitional period.

2.7 Because schools and teachers were currently working to a set of published criteria, the proposal was that these should not be changed for UPS3 progression, nor should such progression be subject to a quota. The joint proposal also acknowledged that UPS progression was never envisaged as automatic. It provided at Annex A a memorandum clarifying the application of UPS criteria, which included a description of the role of UPS3 teachers, and stated that progression should be based on two successful consecutive performance management reviews. The signatories had also reviewed the application of criteria for school leadership pay progression and offered an agreed memorandum in this area at Annex B. For ease of reference, both annexes are reproduced on page 13. To ensure consistency of performance management systems and to ensure that they were fully embedded in all schools, there was proposed a light-touch external validation system to endorse the operation of a school's overall performance management system, including how pay decisions should be linked to performance.

2.8 The signatories proposed two courses of action on management allowances: to make some assumptions about reforms over the next two years, arising from the remodelling agenda; and to use their continuing work as a group to investigate issues and drive change more fully over a longer period, which they

expected to lead to a new management allowance framework. This would exercise downward pressure on the current £900 million spent on management allowances.

2.9 The signatories believed their proposal would ensure a reduction in the potential annual cost of progression on the upper pay scale in England from £700 million to £400 million. Savings resulting from the non-uprating of management allowance levels in 2004-05 (expected to be £24 million per annum beginning April 2004), were factored in, together with savings resulting from the reduction in the number of allowances estimated to be £5 million in 2004-05 and £25 million in 2005-06. To take account of the varying ability of primary and secondary schools to make savings (£700 million of the £900 million total on management allowances was spent by secondary schools), the DfES grant on UPS3 was to be weighted more heavily towards primary schools. They recorded a strong link between the joint proposal and the remodelling agreement and noted the DfES position that its investment in schools in England was contingent on the public support of all parties for both the agreement and the proposal. They agreed a funding settlement, which they considered affordable within the 2004-05 framework for school funding for UPS3 in England, and which they said should not be re-opened. The funding was to be a combination of extra DfES grant and savings made in allowances.

2.10 The signatories stressed the strong and continuing links between performance management in schools and pay decisions, and between performance management, school improvement and teachers' professional development. They planned to meet regularly through 2004 and beyond to monitor the implementation of the joint proposal; to work at new ways of ensuring rigour in performance management and over related pay decisions; to consider the scope for further changes to the pay structure; and to help schools use the pay and performance management systems and school workforce remodelling to support their work.

***Evidence from other parties***

2.11 The Welsh Assembly Government said it had welcomed our recommendation in the November report that consultations should take place on a new framework for progression to UPS3. It had sought more explicit guidance for progression in order to give schools more certainty and to assist with financial planning. It now welcomed the fact that so many interested parties had been able to agree a way forward on the upper pay spine. It supported the aim of the joint proposal but felt that there was a need for greater clarity on certain aspects of the criteria for progression on the upper scale, including guidance on the relative assessments of UPS2 and UPS3 teachers and how to define a performance review as successful for pay purposes. It felt that Annex B on the application of leadership group pay criteria could likewise be made clearer. It added that a statutory requirement in pay legislation to include the specified points in criteria as objectives to be assessed in performance reviews for teachers hoping to progress to UPS2 or UPS3, would help ensure greater consistency in performance-related pay decisions.

2.12 The Welsh Assembly Government also reminded us that the proposals on the validation of a school's overall performance management system, apart from the aspects relating to pay issues, could not be operated in Wales by the Department as performance management was a function devolved to the National Assembly for Wales. However, assessing the reasonableness of pay decisions in the light of performance information used would be in the interests of ensuring consistency in performance-related pay decisions, and it expected the Department to operate this aspect across all areas covered by pay legislation, including Wales. On the proposed excellent teacher scheme, it said that there should be very clear criteria in legislation, which could be straightforwardly differentiated from the standards required for UPS3. The system of external assessors should apply in the same way in England and Wales. The approach proposed for UPS3 in the joint proposal would not affect likely costs in 2004-05 and the longer-term effects of the excellent teacher scheme were seen as affordable.

2.13 The views of the NGC were on similar lines. The Council supported the joint proposal because it felt that this offered a better solution to the problems of performance-related rewards for teachers. Although it agreed that UPS4 and 5 should be abolished, it remained concerned about the clarity of the criteria for progression on UPS. The same caveat applied to its support for the excellent teacher scheme. The external verification of the operation of the school's overall performance management system was viewed as important and the NGC felt that it should be reported to the governing body. It raised the issue of dealing with underperforming post-threshold teachers, where it found existing systems unwieldy, time-consuming and inadequate. The need for adequate resources was stressed and the difference in the abilities of primary and secondary schools to make savings was noted. The NGC agreed that management allowances should be paid for genuine management tasks and that the system should be looked at in the context of the leadership spine, ASTs and support staff.

2.14 The NUT and UCAC and NAGM urged rejection of the joint proposal. All three organisations sought a different approach to a salary structure. In a joint submission the NUT and UCAC said that the joint proposal would damage the delivery of quality education and recruitment, retention and motivation. They thought it premature to make recommendations for a new salary structure on the basis proposed and asked us to limit our recommendations to issues affecting progress to UPS3, while providing more time to consider more fundamental changes. They quoted extensively from research from Dr Richardson from the London School of Economics, discussing reservations on performance pay for teachers. They saw performance management as a good way of identifying professional development needs and exchanging information on pedagogic practice in the classroom and said that linking it explicitly with movement on UPS would turn it into a high-stakes scheme. A light-touch external validation for the performance management system was not seen as providing justice for teachers set inappropriate objectives or facing discrimination. They urged the withdrawal of annexes A and B to the joint proposal. On management allowances they sought clear national criteria governing levels of payment for additional responsibilities, saying that the range and number of allowances should reflect the needs of schools. They drew attention to the trade-off between savings

generated by the proposals in the joint proposal and the funding of the school workforce agreement, and asked us to explore whether the Government envisaged a reduction in the total number of teachers in the future.

2.15 The NAGM described the joint proposal as papering over the cracks of a house built on sand. It did not view it as meeting its requirements of affordability, providing a lasting solution to the upper pay scale issues and ensuring consistency in pay decisions. It wanted the UPS, which it said was ill-conceived and problematic since its inception, scrapped in its entirety and replaced by a properly integrated and sophisticated pay and performance system which would encourage excellence.

### PwC research

2.16 We referred in our November Report to the research that we had commissioned from PricewaterhouseCoopers (PwC) to assist us with several of the longer-term issues. There is more detail in the following chapter on their key findings about the operation of the school performance management system but we give below the key findings of their research into the use of and attitudes towards the upper pay scale:

- the lack of guidance on how progression through the upper pay scale should work, and on how this should be funded, are two of the greatest concerns of headteachers;
- there is widespread concern about the budgetary implications of the upper pay scale. This is especially the case in smaller schools where lack of staff turnover prevents flexibility in the management of the payroll budget; and
- if the link to pay becomes more explicit as more teachers move through the upper pay scale, this could damage the positive impact that performance management is having in schools.

2.17 PwC also reviewed current practice in performance-related pay schemes and recent academic research into performance-related pay. They noted the background of changing views and lively debate about the pros and cons of relating pay to performance in both the private and public sectors. Having considered various performance-related pay arrangements in the public sector, their report commented that openness, transparency and objectivity are generally more highly valued in that sector and that objectivity is especially difficult to achieve where performance-related pay is being applied to professional jobs. They cited a review of the literature on performance-related pay in teaching by Chamberlin, E C Wragg, Haynes and C M Wragg which included research into merit pay for teachers in the United States. They reported that, where these arrangements operate, they appear to have the advantage of rewarding the hardest-working teachers but they do not necessarily bring other benefits, such as increased motivation or improving the quality of teaching. Similar findings have emerged from a more recent study published by the Institute of Education which concluded that there was little international evidence to support (or indeed to negate) the introduction of PRP for teachers.

## *Our views and recommendations*

2.18 We made clear in chapter 7 of Part 1 to this report that our expectations of the system of progression on the upper pay scale were not being met. We had said in successive reports that we expected teachers to progress at different speeds on the upper pay scale and that their progression should be linked to performance. Looking at what was happening at movement to UPS2, we had little confidence that the system was working as we had envisaged. We thought that widespread unease about linking pay and performance management and the difficulty that many schools had found in making rigorous judgments about their teachers' readiness to progress had contributed to this position. We expressed our concern about the current lack of rigour in the system and said that we wished to ensure that further progression up the scale was clearly based on merit. This, we believed, should result in a tapering pattern of progression in which teachers, on performance grounds, would have the opportunity to move up the scale but progressively fewer of them would do so. There would be a more substantive role for continuing professional development in this approach.

### Our vision for schools

2.19 We stated our vision for schools and described a framework designed to help schools move closer towards that vision. Our vision for schools is one in which:

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

We recommended that consultations should take place urgently on a new framework for progression to UPS3 which should include rigorous criteria, a grading system and a system of external assessment. The framework was to be completed by 5 January.

2.20 The outcome of the consultations was that there was no overall agreement involving all of the main parties but a significant majority of the interested parties developed and signed up formally to the joint proposal. Its signatories have said that they support our vision for schools and that their proposals seek to provide the essential, clear framework for schools to reward the ablest and most experienced teachers. We welcome the explicit support for and the sharing of the vision, and for the clear statements acknowledging that UPS progression was never envisaged as automatic and that there is a need to ensure consistency

and appropriate rigour of performance management systems and over related pay decisions. We note the affirmation of strong and continuing links between performance management in schools and pay decisions; and between performance management, school improvement and teachers' professional development. All this, we believe, represents progress in the drive to attain the vision.

### The joint proposal

2.21 However, we have some concerns that the joint proposal may not fully achieve what it has set out to do. Its aim is to provide a constructive solution to a long-standing issue. It includes two important principles: that good classroom teachers should be able to aspire to a salary which reflects their important achievement in raising standards (UPS3); and that the highest rewards for classroom teachers should be for excellence (reflected in the proposed excellent teacher scheme).

2.22 In considering whether the joint proposal can provide a solution to the long-standing issue of progression based on merit on the upper scale, we have reviewed its ability to result in a tapering pattern of progression and to help in achieving the full vision that we have articulated. We have, of course, also taken on board the views of the parties opposing it and of the other parties which have cautiously supported it. The opposition to the proposal is not inconsiderable. The NUT and UCAC represent a significant proportion of teachers. We note that they were not party to the joint discussions which developed beyond the matter of progression to UPS3. We have also taken note of the reservations about some aspects of the proposal expressed by the Welsh Assembly Government and the NGC.

### Annexes A and B of the joint proposal

2.23 Our chief concern centres on the content of Annex A – the clarification of the application of upper pay scale progression criteria. There is no doubt that all parties believe that clarity on the criteria is an essential prerequisite if the long-standing problems over the upper pay scale are to be resolved. Some of the parties, including the Welsh Assembly Government and the NGC, have told us that the clarification in Annex A, although it takes matters some way forward, is not yet sufficiently clear. If confusion over the criteria persists, there will be no long-standing solution to the problem of the upper pay scale. We are keen to avoid a situation where, in a few years' time, there is debate about what is meant by the clarifications in the Annexes, just as there is debate currently about the criteria and the objectives of the upper pay scale. We therefore think it imperative that three key sources of potential confusion are dealt with urgently. The first concerns the status of Annex A. Because it clarifies the application of the existing criteria for progression, it combines elements from a variety of sources, not all of which currently feature in pay legislation. We believe that, to minimise the risk of argument in the future, the content of Annexes A and B needs to be reflected in pay legislation, and **we so recommend**.

2.24 The second source of confusion arises from the number of source documents, whether statutory or guidance, which are relevant to decisions over UPS progression. The relevant documents appear to be:

- the STPCD and its related statutory guidance,
- the School Teacher Appraisal Regulations and related statutory guidance,
- the non-statutory guidance in the explanatory notes for heads, governors and LEAs, and
- the model schoolteachers' pay policy.

Although many of these information sources are available on Teachernet, they are not brought together in a user-friendly way, increasing the risk of misunderstanding and misapplication. It would be helpful to all users if the relevant extracts were brought together in a pack with Annex A, so that those taking decisions had a coherent and complete set of information to hand; and where different arrangements apply in Wales, they should also be clearly signalled. Drawing together the guidance in this way would help to ease communication problems over interpreting the criteria for progression which we feel are also a root cause of difficulties expressed by headteachers. In order to assist putting UPS progression on a sound footing, we believe the Department needs to improve communications as described above. The communication of Annex B needs to be handled in the same way.

2.25 A third source of confusion is the lack of clarity over which parts of Annex A apply to all progression on the UPS and which apply only to UPS3. It is possible that a simple re-ordering of the paragraphs, so that the description of the UPS3 teacher appears at the end of the Annex, might help in this.

2.26 We are conscious that the timescale for decisions on progression to UPS3 is now very short. We have set out above the minimum work that we believe is needed to enable the first tranche of decisions to go ahead. In the longer term, we believe the future workplan envisaged in the joint proposal needs to include a task to draw up a description of the qualities of a UPS2 teacher. This could start from the notion that a UPS2 teacher has progressed beyond the threshold level and is making progress towards the attributes and behaviours of a UPS3 teacher. A further task for this future work would be to consider how good teamworking – essential for good teaching and learning – might be reflected in the clarification of the UPS criteria.

2.27 **We recommend that Annexes A and B are further clarified, strengthened and communicated in the ways set out above.**

## ANNEX A

### Application of Upper Pay Scale Progression Criteria – Clarification

UPS3 teachers play a critical role in the life of the school. They provide a role model for teaching and learning, make a distinctive contribution to the raising of pupil standards and contribute effectively to the work of the wider team. They take advantage of appropriate opportunities for professional development and use the outcomes effectively to improve pupils' learning.

To achieve progression, the School Teachers Pay and Conditions Document (STPCD) requires that the achievements of post-threshold teachers and their contribution to school(s) should have been substantial and sustained. To be fair and transparent, judgements must be properly rooted in evidence and there must have been a successful review of overall performance.

Progression on UPS should be based on two successful consecutive performance management reviews[1], other than under the exceptional circumstances as set out in STPCD.

A successful performance review as prescribed by the appraisal regulations involves a performance management process of

- performance objectives
- classroom observation
- other evidence.

To ensure that the achievements and contribution have been substantial and sustained, that performance review will need to assess that the teacher has:

- continued to meet threshold standards; and
- grown professionally by developing their teaching expertise post threshold.

## ANNEX B

### Application of Leadership Group Pay Progression Criteria – Clarification

Those on the leadership spine play a critical role in the life of the school. They inspire confidence in those around them and work with others to create a shared strategic vision which motivates pupils and staff. They take the lead in enhancing standards of teaching and learning and value enthusiasm and innovation in others. They have the confidence and ability to make management and organisational decisions and ensure equity, access and entitlement to learning.

To achieve progression, the School Teachers Pay and Conditions Document (STPCD) requires individuals on the leadership spine to have demonstrated sustained high quality performance. To be fair and transparent, judgements must be properly rooted in evidence and there must have been a successful review of overall performance.

A successful performance review, as prescribed by the appraisal regulations, will involve a performance management process of:

- performance objectives;
- classroom observation (where relevant);
- other evidence.

To ensure that there has been high quality performance, the performance review will need to assess that the teacher has grown professionally by developing their leadership and (where relevant) teaching expertise.

[1] The timing of implementing performance management arrangements in Wales means that for the 2004 cohort the requirement to have had two successful consecutive performance management reviews does not apply, providing the teacher has made good progress towards meeting his/her objectives.

### A light-touch validation system

2.28 The joint proposal contains a rationale for introducing a light-touch external system to validate the operation of a school's overall performance management system including how pay decisions are linked to performance. We endorse the proposal for such a system which will have an important role to play in ensuring greater rigour. We believe it should audit all connected aspects of the system, such as the procedures for dealing with grievances. We say more about the avenue for reviews and appeals in the next chapter

### Future of UPS4 and UPS5

2.29 The agenda we set for discussion on the upper pay scale in our November report was confined to the arrangements for progression to UPS3. The joint proposal which has emerged goes a long way beyond that in proposing the reconstruction of the UPS. As we said in our November report, the system of progression on the UPS has not been working as we had envisaged. The numbers progressing to UPS2 at the first attempt are a large proportion of those eligible and therefore a tapering pattern of progression has not been established. We are aware of the uncertainty of those operating the system and of the difficulty in judging increments of improved performance on a scale with five points. We said that a system of grading would help in this and recommended accordingly but we note that the joint proposal contains no such provision. We learned in oral evidence that there was considerable resistance to grading as a means of describing and differentiating teacher performance and this helps to explain why it has so far taken root in only nine per cent of schools (PwC report, paragraph 5.4). We return to this issue in chapter 3. As regards the UPS, we have concluded that, in the absence of a grading system in most schools and in the light of experience so far, there appears to be little prospect in the near future of securing a reasonable framework for tapered progression through to UPS5. This suggests that a new approach is needed to the structure of the upper pay scale.

2.30 The introduction of an excellent teacher scheme, together with the rigorous application of clearer criteria for progression on the upper scale, has the potential to ensure that progression post-threshold is based on merit. Such an outcome would result in a tapering pattern of progression, which we described in Part 1 to this report. If the joint proposal is further developed in the ways we have described above, with the excellent teacher scheme being made sufficiently challenging as we outline below, it offers an acceptable way of meeting our concerns and of making further progress towards our vision. **We therefore recommend that the upper pay scale should now cease at UPS3**.

### Excellent teacher scheme

2.31 The excellent teacher scheme envisaged in the joint proposal would require high standards to be met by those on UPS3 who apply for the new status, drawing on the standards for Advanced Skills Teachers. The proposal includes a suggestion that independently-appointed external assessors should sit with those making decisions about who would benefit from the scheme. We strongly endorse these points. We envisage such a scheme as the pinnacle of the classroom teachers' role. A rigorous set of standards or criteria is essential if the aim of rewarding excellence is to be achieved. In developing the concept of

excellence, we believe attention should be paid to the breadth and depth of knowledge which will be needed to support colleagues in the school. We believe this should be reflected in a requirement for excellent teachers to have followed a course of study leading to an appropriate qualification. The process of application and assessment also needs to be rigorous and consistently applied across England and Wales; for this, the current AST process might provide a useful guide.

2.32 We note the expectation in the joint proposal that the new scheme would come into effect from September 2006 and that the salary of a successful applicant for the scheme would become, from September 2006, over £35,000 in most parts of England and Wales, ranging up to more than £41,000 in inner London. This would be a wholly new scheme and we believe it should be carefully designed so that it truly contributes to a lasting solution to the problems of teachers' progression beyond the threshold. Teachers who wish to apply for the scheme in its first year will also need adequate time to prepare themselves through developing their professional practice and knowledge. We believe that an introduction date in 2006 will create unnecessary pressure in both these areas. We therefore believe that the timing of introduction should be set back for a year and that teachers applying in later years should face the same time-gap before they become eligible as those in the first cohort.

2.33 We therefore ***recommend:***

***a) that a new excellent teacher scheme is established;***

***b) that the scheme should be open only to classroom teachers who have reached UPS3 and who demonstrate that they have distinguished themselves at that level;***

***c) that the period before a UPS3 teacher becomes eligible to attain the status of an excellent teacher should normally be three years and that the first awards under the scheme should be made in September 2007; and***

***d) that the scheme as developed should take into account the following considerations:***

- ***it should include a process for application and assessment as rigorous as the AST process, using the same concepts of national criteria and a national assessment model;***
- ***it should include an element of external assessment;***
- ***the criteria should ensure that only the very best teachers can achieve the new status provided by the scheme and should include a programme of study leading to an appropriate qualification; and***
- ***the salary should reflect the quality of improvement in teaching and learning intended to result from the scheme.***

We look forward to seeing the detailed proposals for the scheme.

2.34 To signal the change in structure beyond the threshold and clarify the new distinctions it will bring, we believe it would be helpful to mark the status of teachers who have crossed the threshold or been accepted under the excellent teacher scheme by giving them specific titles. Teachers on UPS1, 2 and 3 could be called "senior teachers" and those accepted under the excellent teacher scheme "principal teachers". These titles would give recognition to individual teachers and indicate within the profession and beyond the stage a teacher had reached in applying their skills and developing professionally.

### Affordability

2.35 In making our recommendations, we have borne in mind the consideration we were directed to heed – to make any recommendations affordable, taking into account the funding framework set out in the joint proposal. As we do not have access to any funding or resource details for the excellent teacher scheme, it is difficult for us to make a judgment. However, we take it that funding and resource considerations have been taken fully into account in drawing up the proposal and it is on this basis we have made the recommendations. It is very important in our view that there is sufficient funding to resource progression on the upper pay scale in its future guise, and to run the excellent teacher scheme as envisaged.

### Management allowances

2.36 The joint proposal laid out a plan for future work, which included looking at the role and extent of management allowances. We believe it would help our future consideration of this issue if all main stakeholders were to be part of the joint discussions on management allowances. These allowances are an important part of a teacher's total salary and the framework of duties is an important part of a school's management structure. The matter is not directly related to performance management and could therefore be dealt with in its own right and without preconditions. An examination of the parties' recent submissions on management allowances suggests that there is already some common ground, coinciding with aspects that we recommended for consideration in our November report. We look forward to seeing the outcome of the discussions on new management allowance arrangements.

# CHAPTER 3

## Main pay scale and threshold assessment

3.1 The remit letter of 1 August 2002 asked:

- *whether movement up the main pay scale for teachers should be performance-related, in line with the principle that pay progression should be linked to greater challenge for the individual on the basis that increased public spending should purchase a more effective contribution from each member of the workforce; and, if so, how this might be effected and from when.*

3.2 The remit letter of 11 July 2003 asked:

- *whether the arrangements for threshold assessment can operate as part of a developed performance management system overseen by the headteacher, rather than as a separate application process;*

- *whether external threshold assessment should cease from the next round (2004/05); and*

- *whether different arrangements are needed for Wales in respect of the two issues above.*

### PwC research

3.3 We referred in Chapter 2 to the research that we had commissioned from PwC to assist us with several longer-term issues, among them the operation of the performance management system and pay linked to performance. The key findings of that research relevant to the matters described above were:

- there is widespread agreement amongst both headteachers and teachers that performance management has brought benefits to schools;

- headtachers cannot envisage situations where they would stop progression on the main scale. If they felt it was necessary to do this they would be applying capability procedures;

- the threshold process is accepted, although there is an assumption that all teachers will get through it, especially in smaller schools. Headteachers discourage teachers from making applications until such time as they believe the teacher will be successful. In the longer term they would be likely to apply capability procedures to teachers who are unable to progress through the threshold;

- headteachers are aware that performance management has implications for pay purposes, although in many cases they are unclear about how they would apply such links;

- teachers in general do not understand that there is a potential link between performance management and pay, and believe that any such link would damage the performance management process;

- many headteachers find that they are unable to objectively distinguish between the performance of teachers to the extent envisaged in the objectives that were set out in the 1998 Green Paper; and

- performance-related pay arrangements should be designed in the context of the structure and culture of the organisation into which they are introduced. There is no single benchmark scheme and each scheme must be designed to fit in with the culture of the organisation and with the nature of jobs within that organisation.

## Progression on the main scale

### Current system

3.4 The process for progression on the main scale incorporates performance judgments made at school level up to and including the threshold. All of these judgments are made in the context of a national framework (the performance management system). Some judgments are also required to take account of national standards but, up to the threshold, the only external appraisal of decisions is through OFSTED's inspection of performance management (introduced in September 2002). The chart below illustrates the process for a newly-qualified teacher, starting at point one on the scale. Fast-track teachers receive an additional point on the main scale on their first teaching appointment and entrants with relevant outside experience can be awarded extra points.

| Standards for progression | Progression on main scale |
|---|---|
| QTS standards | M1 |
| Induction standards | M2 |
| In-school review in context of performance management framework | M3-M4-M5-M6 |
| Threshold standards and external assessment. | U1 |

3.5 A teacher can be denied a single increment on the main scale on performance grounds or be awarded two increments in one year for excellent performance. A withheld increment can in certain circumstances be paid at a later date. In practice, these discretions are rarely used.

***Evidence from the parties***

3.6 There was considerable reference to the findings of PwC. In general, none of the parties wished to see any further criteria introduced governing progression on the main scale. The majority said that progression should be linked to satisfactory performance and continuing professional development, with a positive decision required by the headteacher.

3.7 The Department said that it would not be right to impose limits on the numbers of main scale teachers that could progress in any year towards the threshold. Annual increments, however, should be more closely linked in the teacher's mind to their annual performance review. The teacher should not be "stuck" at barely satisfactory but making clear progress towards threshold standards year on year, supported by the performance management process and continuing professional development to meet needs identified through the appraisal system. We were asked to consider ways of prescribing these conditions in relation to main scale increments. The Department said that it was developing new training materials on performance management for governors and headteachers to be rolled out in September 2003.

3.8 The Welsh Assembly Government viewed the issue as a pay matter. However, there needed to be clarity if simply "satisfactory" was deemed not sufficient to allow progression up the main scale and some objective measurement for awarding pay points on the main scale which would make financial planning clearer. It felt that, in this respect, simply awarding increments on the basis that a teacher was continuing to make good progress towards meeting the threshold standards would be insufficiently precise. The Welsh Assembly Government emphasised that any criteria for main scale progression should not be contained in the performance management legislation as this was a matter for the National Assembly for Wales, but in pay legislation or criteria in the STPCD.

3.9 The National Employers' Organisation and FASNA opposed the imposition of any national criteria for measuring the level of performance necessary to progress on the main scale. They preferred the relationship between performance and pay to be assessed at local level, based on criteria relevant to the school's requirements. Progression on the main scale should be a positive process but no new criteria were required. The governors' organisations also made clear that they did not want additional criteria.

3.10 NAHT and SHA opposed arbitrary hurdles on the main scale and said that progression should be linked to continuing professional development (CPD) and based on sound performance as evidenced by annual review. Access to CPD should be an entitlement and not subject to the vagaries of funding. SHA supported the retention of double increments but NAHT was less keen. They both felt that any attempt to make progress up the scale overly difficult would militate against recruitment and retention. The other teacher associations held similar views. NASUWT said that any attempt to introduce more rigorous performance management into main scale progression would negate the recruitment and retention benefits of shortening the scale, as did ATL, NUT and UCAC. PAT added that the main scale was performance-related so no change was necessary. The very best teachers could be rewarded by accelerated progression.

3.11 The TTA thought that, in line with other public sector pay systems, progression on the main scale should be guaranteed for all satisfactory performance by teachers. It noted the PwC finding that many headteachers found it difficult to distinguish objectively between the performance of individual teachers and said that this was an area that merited attention. OFSTED pointed out that headteachers and governors were cautious about linking performance to pay on the main scale and were finding other ways to reward the best of these staff. They added that given schools' reluctance and uncertainty about applying clear criteria to movement along the upper pay scale, it was unlikely that they would be successful in linking performance with movement along the main scale. They would need to be given very clear guidance.

## *Our views and recommendations*

3.12 We feel that a rigorous performance management system, robustly applied by school leaders, should be the hub of all progression. The system should be consistent, equitable and fair. We were therefore pleased to note in this respect that the Department was developing new training materials on performance management for governors and headteachers.

3.13 We have also noted the argument that the system already includes performance-related progression on the main scale. However, the evidence – including that from the 2003 Teacher Pay Survey – shows that few, if any, teachers receive double increments or have an increment withheld. In line with the PwC finding that many heads experience difficulty in distinguishing between the performance of individual teachers, it appears that single-point progression on the main scale is seen by many schools as automatic. OFSTED have commented that the current generation of entrants to teaching is the best ever. In their most recent report, OFSTED identified 18 per cent of teaching in primary schools and 19 per cent in secondary schools as excellent/very good, 57 per cent and 59 per cent as good, 22 per cent and 18 per cent as satisfactory, and 3 per cent and 5 per cent as unsatisfactory/poor. It is therefore likely that the best teachers are performing at a level which would merit double increments and that their outstanding performance is going unrecognised. The evidence also suggests that the discretion to withhold an increment is used only when performance falls so far below the expected standard that capability procedures are put in place.

3.14 We have noted the general lack of appetite for significant change among the parties and we acknowledge that a case for major change has not been made. The expectation is – and should be – that teachers who have gone through a rigorous training and induction into their profession will normally progress smoothly along the main scale as they develop their knowledge, skills and experience. However, this expectation needs to be linked explicitly to the realisation that progress depends on performance and that the performance management system should inform judgments on progression. There also needs to be a clear link between performance and continuing professional development, with CPD integrated into performance management for all teachers. Schools must be in a position to ensure that the necessary support and opportunities are made available, especially when performance falls below the standard reached by the great majority.

3.15 A more explicit linkage between performance, professional development and progression would, we believe, assist heads in using the existing discretions to withhold increments or award double increments where this is merited. However, this alone will not improve the operation of the system. We believe some minor modifications would also be appropriate both to fine-tune the circumstances in which these discretions could be used and to modify the rules on withholding.

3.16 We therefore ***recommend that:***

***a) on the basis of a teacher's performance and professional development over the past year the headteacher should decide and record in writing whether or not he or she has achieved at least the standard required to merit an increment on the main scale;***

***b) where performance is judged to be outstanding and continues at that level for two years it should merit a double increment;***

***c) where performance falls below the standard required, the increment should be deferred and an improvement plan should be put in place, with the appropriate support. The decision to defer should be reviewed in mid-year after which the increment would be backdated to the previous September, provided that the necessary progress had been made. A continuing unsatisfactory performance would result in the withholding of the increment.***

3.17 In our view, a process for making decisions on pay progression must be seen to be fair, objective and consistent and so requires the development of a common system for describing and differentiating individual performance. Our recommendations above provide a basis for differentiating performance both above and below the standard required. ***We recommend that, during discussions on ways of ensuring appropriate rigour in performance management and related pay decisions, the parties give careful consideration to the development of a common system, building on the practices which already exist and taking into account the models employed in certain schools.***

## Threshold assessment

### Current system

3.18 Currently, teachers on M6 of the main pay scale can choose whether or not to apply for threshold assessment and so become eligible for progression through the upper pay scale. Headteachers are required to assess the teacher's application against each of the national performance threshold standards and decide whether or not these have been met. There is detailed guidance on how to carry this out, including a support pack for schools. Every threshold application is looked at by an external assessor to verify that headteachers have applied the performance standards correctly, fairly and in line with national practice. Evidence is scrutinised and the assessor judges the robustness of the management of the threshold process in the school. In 85-90 per cent of schools/services, applications are verified by distance verification only; the

remaining 10-15 per cent have on-site verification. All the latter involve a school visit. In addition, schools may be visited if the headteacher has never assessed an application before, if the school required an assessor re-visit previously or where issues arising in the distance verification can be resolved only by a visit. We have been asked whether both the application process and the external assessment described above can cease, and threshold assessment be part of a developed performance management system.

3.19 Data from the 2003 pay survey show that 43 per cent of maintained school teachers on M6 went through the threshold. Ten per cent of unattached teachers on M6 went through the threshold. Owing to the timing of decisions on the threshold, the final position is likely to be higher. We have no information on how many teachers applied. DfES evidence in previous years has shown a high success rate in applications. In the first round in 2000, 201,000 teachers applied (80 per cent of those eligible) and the success rate was 97 per cent. These high rates of success have continued. Very few headteachers' decisions have been overturned by external assessors.

3.20 In our Special review of threshold standards, published in October 2000, we recommended that teachers who felt that they had been wrongly assessed should be given the right to have the decision reviewed. Teachers have three grounds on which they can ask for review of a decision – where they believe that:

- the headteacher ignored relevant evidence;
- the headteacher took into account irrelevant evidence; or
- discrimination took place.

In round three of the threshold assessment, around 18 per cent of teachers assessed as 'not yet met threshold standards' applied for a review. Of these, 23 per cent had their assessment overturned to 'met'.

***Evidence from the parties***

3.21 The Department proposed that, from September 2004, headteachers should decide which teachers should progress through the threshold, without external verification, as part of a developed performance management system. Application forms would be unnecessary and the current bureaucratic process could cease. The Department argued that the £10 million annual cost of external assessment could not be justified and pointed to: the wide acceptance of threshold assessment; that teachers know what is expected in terms of gathering evidence and many already present information from their performance reviews to support their case; and low numbers of headteacher decisions overturned by external assessors.

3.22 The Department sent us later evidence on the results of Round 3 of threshold assessment that reinforced its case. The success rate remained around 97 per cent; the number of teachers seeking a review of decisions continued to decline and well under one per cent of headteacher decisions were overturned by external assessors. The Department had examined all the threshold data and

found it difficult to conclude that the process discriminated against ethnic minority staff. It had still to consider the data relating to part-time or supply teachers and to teachers belonging to a trade union. The Department would work with the statutory consultees and other external partners to ensure that assessments continued to be fair and to maintain threshold standards. It planned to update the Threshold Support Pack for Schools. It would explore how the new, light-touch external validation of performance management that it proposed would support heads making threshold decisions. It would consider allocating INSET time for performance management training, objective setting and performance reviews. On the matter of reviews the Department said that, if external assessment were removed, teachers who felt aggrieved by the headteacher's decision could apply for a review under the school's grievance procedures (as they can about other headteacher decisions).

3.23 The Welsh Assembly Government was sympathetic to proposals to simplify the current bureaucratic processes. It agreed there were clearly links between the threshold standards and teachers' professional development. It warned that, as with progression on the main scale, care would need to be taken to use the right legislative vehicle.

3.24 Most of the other parties supported the broad approach of assessing threshold standards through the performance management system, though with some reservations about the current readiness of that system. The National Employers' Organisation was in support but said that, as in Wales, the LEAs should have a key role in the maintenance of standards. It did not see the need for the Department to consider allocating INSET time as suggested and noted that action was being taken to ensure that LEAs were kept informed of the need to embed performance management in their schools. NAHT and SHA were broadly satisfied with the approach. ATL and NASUWT agreed with the principle but thought the performance management system not yet in a state to take on threshold assessment. A light-touch set of arrangements for external assessment would be helpful. PAT was in full agreement with the principle but pointed to the need for a rigorous system of appeal to remain. The National Primary Schools Association and TTA were among others welcoming the suggested changes. The NUT, however, opposed the Department's approach. While opposed to the threshold process on principle, it felt that a separate application process should continue with a reduced number of standards and that external validation was necessary to allow the process to operate without subjective pressures determining outcomes. It stressed that integrating the threshold assessment with a developed performance management system would turn the current arrangements into an even more "high stakes" system and undermine discussion about CPD needs. UCAC felt that, with the recent introduction of performance management in Wales, it was too early to consider changes to the system. The governor bodies thought external assessment useful.

## *Our views and recommendations*

3.25 As we have said in relation to progression on the main scale, we regard a rigorous performance management system as the hub of all progression. If there is effective performance management while teachers are on the main scale, it should be practicable to take decisions on progression through the threshold as part of the same system. About 25,000 teachers now become eligible annually for threshold assessment. Although numbers will vary from school to school, we believe that this should not present schools with an unmanageable task. With a greater emphasis on performance management within the school, there will be a continuing need for training and support in this area. The Department's new training materials should help in this respect.

3.26 In our view, the evidence from the PwC study and the parties shows that threshold assessment has largely bedded in. Schools and teachers are now well aware of the standards required and the evidence to be demonstrated. We believe that external assessment has helped with the bedding-in process. It has ensured a consistency of application and standards across schools as evidenced by the low rate of over-turn by external assessors of headteachers' decisions. Given the stage reached, and on the assumptions both that the performance management system will be improved through better training and that the Department will work with the statutory consultees to maintain threshold standards, we see no absolute need to retain the external assessment system. However, if the system is to change, two issues need to be addressed – the need for a system for reviewing disputed decisions and the quality of performance management in the school, including systems for making pay decisions linked to performance.

3.27 We have no doubt that a robust review or appeal process does need to be maintained. The question is whether there needs to be a free-standing process in relation to the threshold. Procedures already exist in schools to deal with disputes over discretionary pay decisions. In the first instance, an aggrieved teacher would seek a review of a salary decision by making direct representations to the pay committee or through any appeals mechanism included in the school's pay policy. If such a mechanism does not exist or is shown to be inadequate, the review has to be dealt with through the school's grievance procedure. We believe that the existing mechanisms should be developed as necessary to provide a robust safeguard for teachers. Under the present threshold process, external assessment is or can be invoked at two stages – both before and after a decision has been made. The pre-decision assessment is an integral part of the process. After the decision has been made, a teacher has the option to seek a review. In both cases, an independent element is involved. We also need to bear in mind that, in the third round, almost a quarter of those who sought a review of their threshold decision had it overturned. In the light of this, we believe that, before external assessment can be dismantled, the existing mechanisms for disputes over pay decisions need to be – and be seen to be – fair and fit for the purpose of handling pay-related decisions. This suggests that some time is needed to develop and adapt the mechanisms and, in particular, to ensure that they include an independent element. We also see a need for a quality assurance system, verifying that schools have a proper performance management and pay decision-making process. We therefore welcome and endorse the statement in paragraph 12 of the joint proposal on this issue.

3.28 ***We recommend that, over the next 18 months:***

***a) the Department and, where appropriate, the Welsh Assembly Government take action to ensure that:***

- ***all heads have received appropriate training on linking pay and performance; and***
- ***a satisfactory appeal route for disputes over pay decisions, which includes an independent element, is in place within the STPCD framework;***

***b) the Department and, where appropriate, the Welsh Assembly Government work with the statutory consultees:***

- ***to maintain existing standards of decision-making on threshold applications; and***
- ***to establish a quality assurance system as envisaged in paragraph 12 of the joint proposal.***

***We further recommend that, from September 2005, threshold assessments are made at school level in the context of the school's developed performance management system; and external validation of the threshold assessment decisions of headteachers is discontinued.***

3.29 We proposed in chapter 2 of this report that the post-threshold teacher should in future be called a "senior teacher". We believe that the threshold remains an important step in a teacher's career, akin to promotion in other professions. Accordingly, we believe that it should still be open to teachers not to apply to become "senior teachers" if they so wish. Under the new in-school system of threshold assessment, heads would therefore need to ask teachers on M6 whether they wished to be considered for "promotion" to senior teacher and access to the upper pay scale. Teachers who chose not to be considered would still be expected to continue developing professionally.

3.30 We would want the same arrangements to apply in England and Wales and look to the Department and the Welsh Assembly Government to resolve any legal issues involved. We recognise that there might be a wish to delay implementation of the new arrangements in Wales to allow further time for the performance management system to bed-in there. Should this be the case, we propose that deferment should not last for longer than a year after the new arrangements have been introduced throughout schools in England.

# CHAPTER 4

## Local approaches to pay

### Remit

4.1 In this Chapter, we continue our examination of local approaches to pay, building on the steps taken in part 1 to this Report, published in November 2003, and in our Twelfth Report. We were asked in the Secretary of State's remit letter of 11 July 2003:

- *whether there should be further changes in relation to local and regional pay.*

4.2 The letter of 1 August 2002 provided the full remit on this matter. We were asked:

- *in relation to pay, what scope there would be over the longer term for more local approaches in dealing with local recruitment and retention issues, subject shortages and earnings levels; and what the potential benefits, risks and costs might be of placing greater responsibility on heads for determining part of an annual pay award for individual teachers.*

***Evidence from the parties***

4.3 We provided details of the parties' evidence on this matter in chapter 3 of the November report. There was a clear wish on the part of the Government to move towards local approaches to pay. The Department was looking for proposals to consider for the next spending review period to make the current national system more sensitive to local conditions and the Government's economic evidence referred to evolutionary but definite change, building on current structures. This contrasted with the views of the other parties, most of whom strongly opposed regional or local pay, wanting to retain a national framework which, they maintained, had sufficient flexibilities attached to cope with local issues. However, ATL, NASUWT, NAHT and SHA and the governors' associations suggested that, nevertheless, there should be a way for the national system to be more sensitive to local difficulties.

### Current position

4.4 The Secretary of State endorsed the recommendations that we made in our November Report which were relevant to local approaches to pay. The result is:

- the replacement of the existing pay spines and outer London and fringe allowances by new outer London and fringe pay spines, reflecting a similar consolidation recommended in the Twelfth Report to produce the new inner London pay spine. There will, therefore, be four pay bands in operation from April 2004;

- for inner London, covering about 32,000 full-time-equivalent teachers,
- for outer London, covering about 30,000 full-time-equivalent teachers,
- for the fringe, covering about 25,000 full-time-equivalent teachers, and
- for the rest of England and Wales, covering 380,000 full-time-equivalent teachers; that is, 81 per cent of full-time-equivalent teachers in England and Wales;

- by September 2005, for classroom teachers, the following broad differences with base pay;

| | **England and Wales** | **Fringe** | **Outer London** | **Inner London** |
|---|---|---|---|---|
| **Approximate pay pay differences between base rate and pay bands** | Base rate | +£920 | +£2,640 | +£3,710 on the main scale<br><br>+£6,290 on the upper scale |

and

- the recruitment and retention allowance scale abolished and such payments made by schools under powers in the STPCD for periods of up to a maximum of three years (renewable for retention in exceptional circumstances).

4.5 In our November report, we undertook to propose options for consultation on local approaches to pay in this report, with a view to possible implementation from 2006. We said that we intended to develop a straightforward process, refining and evolving current arrangements, to deal with schools with persistent labour market difficulties.

## *Our views and recommendation*

### Rationale for further action

4.6 The pay system that we recommended with effect from April 2004 provides scope for some broad pay differentiation on labour market grounds. However, it does not provide sufficient scope to deal with schools outside London and the fringe locations which face persistent labour market difficulties. Nor, because it is based on historical, geographical banding (inner London, outer London and the fringe), does it necessarily reflect the reality of today's labour market difficulties in London and elsewhere. If those broad bands were drawn today, they might look somewhat different.

4.7 We believe that there is a need to consider further development to local approaches to pay. Our aim is to assist in making the pay system more sensitive and responsive to local labour market conditions so that, as far as possible, all schools throughout England and Wales arrive at a similar level of stability and quality in teaching and leadership staff. This should manifest itself through greater comparability in labour market factors such as vacancy and turnover rates and ease of recruitment and retention. We are not suggesting that differences between localities can be entirely eradicated but we do think that more can be done to equalise the position. The benefits to school-level education should be an overall improvement in standards, with particular benefits arising for the schools facing the greatest problems, often those in challenging circumstances where turnover of teachers can be particularly high and the pupils can face a spiral of falling standards.

4.8 Underlying our aim are two sets of considerations. First, labour market difficulties can arise in individual schools for a variety of reasons. The school concerned might, for example, have an intake of particularly disadvantaged and/or challenging pupils; it might be in an isolated location, with travel and social difficulties; it might be a school with a challenging intake as the bottom level in a selective LEA; the school might be in a location offering a large choice of graduate opportunities; or there might be a combination of these and other factors, including the cost of living. While we recognise the variety of factors or reasons that can disadvantage schools in the labour market, we are focusing primarily on tackling the outcome of these factors – the labour market indicators. For this reason we do not regard the differences in the cost of living per se as the only justification for seeking to make pay more sensitive to local circumstances. We are aware that the labour market position of schools in the same cost of living area (particularly with regard to the cost of housing) varies noticeably, suggesting that something else is contributing to the difficulties. It is also the case that schools in some high-cost areas, for example, Sutton in the outer London pay band and Kensington and Chelsea in the inner London pay band, have had lower vacancy rates than other LEAs in the same pay bands over the last few years. The cost of living is relevant in our consideration of local approaches to pay where it contributes to the outcome – an adverse labour market position for schools. We also recognise the reality, however, that the greater the competition in the labour market for graduates, the more the level of pay will incorporate "compensation" for the relative net disadvantages of a particular location, which will include the cost of living, as well as for the relative tightness of the labour market.

4.9 Second, we do not see a location pay route as the answer to all the difficulties. We would view such a route as an option which could be available once the school had tried to resolve its difficulties through other means. In considering research on this matter, for example, the Incomes Data Services (IDS) research commissioned by the Office of Manpower Economics into pay differentiation practice in UK organisations, we noted that organisations sought to provide non-pay benefits such as improved opportunities for career development, measures to enhance the work/life balance of staff, non-pay "fringe" benefits such as group subsidised membership of local health clubs (negotiated through their bargaining strength), and improvement of the working

environment. They looked to ensure efficient leadership with clear management structures within the organisation, carrying out effective personnel practices. Location pay was not used in isolation from these other measures.

4.10 Location pay arrangements for schools will work as intended only if base pay, ie, the pay which covers the great majority of teachers in England and Wales, is sufficient to ensure an acceptable overall labour market situation (demonstrated mainly through recruitment and retention rates), capable of maintaining and improving education standards. Any deterioration in the overall labour market position beyond an acceptable level would be one indication that the base rate should be adjusted. In lieu of this, schools might seek to deal with recruitment and retention problems by seeking to use location pay arrangements. These arrangements are not designed to deal with wholesale difficulties arising from an overall deficiency in pay levels but with particular and localised labour market difficulties.

### NAHT/SHA proposal

4.11 The NAHT and SHA in their joint evidence proposed a new teacher pay structure which, through one long pay spine, would deal with ASTs, performance, recruitment and retention issues, management responsibilities and local pay difficulties. Because this structure covers so many aspects, we describe it in more detail in the following chapter. As far as it applies to location pay and labour market issues, it adopts a new rather than an evolutionary approach. A fresh start could, of course, have merits but we do have some concerns about contemplating such a structure at this stage. The structure initially appears complex and to lack transparency (both in pay and career structure terms) for teachers and for potential recruits to the teaching profession. It would potentially risk pay inflation both because schools would have wide discretion over where to place teachers on the pay spine and because in allowing such discretion, it would open the door to the risk of continuous "leapfrogging" and poaching of staff between schools. It would potentially permit many variations of pay (albeit within a national framework structure). While the proposal is imaginative, we are not convinced that conditions are right for this sort of radical change.

### Pay band option

4.12 Our examination of research, referred to in paragraph 4.9 above, has led us to conclude that using pay to deal with persistent labour market difficulties facing schools should not be the option of first resort. It should only arise where the schools concerned have taken remedial action themselves but, nevertheless, still face difficulties. This would sit well with an incremental approach, building on the pay band structure we have created, to respond sensitively to labour market pressures. We have in mind arrangements to change the pay differences between the four bands so that they more closely resemble the pay differences existing in the wider labour market, together with a process that allows schools to make a case to move to a different pay band if their labour market circumstances warrant it. This flexible approach could help to smooth out the boundary effects usually inherent in differentiated pay approaches built on strict geographical definitions.

4.13 The pay bands would no longer be confined solely to specific geographical areas and would be named neutrally, for example, A, B, C and D. To start the process, the current inner London pay area band would be renamed pay band A, the outer London pay area band would be band B, the fringe would be band C and the rest of England and Wales band D.

***Changes to the differences between the pay bands***

4.14 The current difference in pay for classroom teachers between band A (main scale) and band D ranges around 17 per cent. We believe that there would be merit in the future in flexibly changing differences between the pay bands. We would consider the position of the leadership group at the same time. We expect to look at the matter in the light of the labour market situation in the context of the next main pay review and to make recommendations within an overall settlement starting from September 2006.

4.15 Changing the differences between the pay bands would, we believe, help to resolve some of the labour market difficulties in the outer London and fringe locations. However, there might be schools in these areas where problems still remained and, of course, any schools in band D with difficulties would not be helped by any relative increases to the other pay bands.

***Arrangements for movement to another pay band***

4.16 We propose that arrangements are introduced to allow a school facing persistent labour market difficulties to make a case to its LEA to move to a particular higher pay band. The application should demonstrate that the school concerned had taken sensible action to tackle its difficulties but was still facing problems. The problems faced, as shown by the labour market data, should be greater to a significant degree than other schools in the locality. Most schools have well-established networking fora in LEAs, such as the headteachers' forum, and the LEA itself from which they could supplement their own information and decide whether they have a valid case to make. The LEA should verify the validity of any case made to it using its own and external data where applicable and available including, for example, OFSTED information on the quality of leadership in the school. Exceptionally, a joint case could be made by a number of schools in close proximity that were each facing the same degree of labour market difficulties. The arrangements would be the same as for an individual school. Further consideration would need to be given to schools which fall outside the local authority framework.

***Criteria for movement***

4.17 The criteria on which the case from schools would be judged should contain two main aspects:

- evidence of the actions that the school has already taken to deal with its labour market difficulties, including human resource matters, such as
  - efficient leadership with clear management structures within the school, carrying out effective personnel practices,

- provision and encouragement for continuing professional development,
- measures taken to improve the work/life balance of staff,
- measures taken to allow staff to focus on teaching/learning duties,
- non-pay group benefits,
- marketing the school's advantages to the public, and
- measures taken to deal with any school environmental problems;

• evidence of persistent labour market difficulties, which should include data over the past three to five years such as
  - number of teacher vacancies and vacancy rate,
  - time taken to fill vacancies,
  - number of applicants for each vacancy,
  - quality of applicants, eg, experience, subject match etc,
  - teacher turnover rates,
  - number of temporary teachers employed for three months or more (overseas, supply etc but not including maternity cover),
  - results from exit interviews, if available,
  - any use of recruitment and retention incentives, and
  - other specific factors the school(s) considered relevant.

***Window for application***

4.18 We are mindful of the evidence from the Department and many of the other parties, to which we referred in our Twelfth Report, about the potential risks of pay inflation and poaching between the 25,000 schools in the sector. We think these risks could be reduced by defining a fairly tight period of time (window) within which schools could apply to their LEA to move to another pay band. The window would then close, thus minimising the scope for pay inflation and leapfrogging, and allowing matters to stabilize. Constant change, which would make it difficult to assess whether a greater comparability in labour market factors had been achieved, would be minimised.

4.19 We think that a window of about eighteen months would be long enough to allow schools to consider their position and draw together the evidence to make a case, without risking continuous movement.

4.20 For schools in pay bands B and C, the window should be opened for movement for the first time after any changes to the differences between the pay bands have been established and their impact on the labour market has had time to take full effect. As we have said above, we anticipate that any increased differences should help to resolve some of the labour market difficulties in the outer London and fringe locations and, therefore, an opening of the window for these schools before they have had full chance to take effect would be premature.

4.21 However, schools in band D facing persistent labour market difficulties will not benefit from the changes to the differences between the pay bands. This suggests that the window for applications for schools in band D should not await the bedding down of any changed differences between the pay bands but should be opened for 18 months while they are being established.

4.22 The window would be re-opened in the future if and when the labour market situation indicated a definite, substantial need. The parties would want to keep the position under review but we do not anticipate any rapid re-opening of the window. It should be remembered that the previous system of location allowances lasted virtually unchanged for 25 years. While we are not indicating that the window should be closed for that length of time, we do think that the combination of changes to the differences between the pay bands and the scheme allowing schools to move to different pay bands, should help to keep substantial difficulties at bay for a number of years.

***Conclusion***

4.23 ***We recommend that the parties consider the proposal we have described above and present us with their evidence and views by September 2004***. We would expect, on the basis of all the evidence subsequently provided and drawing on specialist advice as necessary, to make our recommendations on the pay bands to be phased in from September 2006.

### Funding streams

4.24 For any option of localised pay to work, funding systems would need to be flexible enough to accommodate the decisions made. This is crucial and we regard it as the responsibility of the Government and LEAs to adapt their funding systems as necessary to ensure that this can happen. There should be sufficient time now to consider implications for the funding systems ahead of starting to implement any option.

### Recruitment and retention payments

4.25 With a pay banding system in operation, powers to make recruitment and retention payments under paragraph 48 of the STPCD would need to be modified to eliminate any possible "double payment" or duplication. The banding option, for example, would tackle whole-school difficulties. Payments under paragraph 48 for location purposes would therefore not be needed. Specific problems, eg in subject shortage areas, would continue to be tackled under paragraph 48 powers.

# CHAPTER 5

## Teachers' pay system and career structure

5.1 This chapter considers questions relating to the pay system and career structure which have not been dealt with in earlier chapters. We were asked in the Secretary of State's letter of 11 July 2003:

- *whether there should be changes to the AST pay structure.*

5.2 The relevant remit issues in the remit letter of 1 August 2002 are:

- *what scope there is for sweeping away many of the unnecessarily detailed provisions that have grown up ad hoc within the teachers' pay system over the last 15 years, in the interests of securing a more modern, streamlined and deregulated pay structure which promotes headteacher flexibility; and*

- *whether any other adjustments are needed to the provisions on pay and conditions of employment set out in the current School Teachers' Pay and Conditions Document, particularly with a view to increasing flexibility and responsiveness to local needs.*

5.3 Other parts of this report and our November report deal with a number of issues linked to the pay and career structure. Recruitment and retention allowances and management allowances were covered in our November report, as was progression on the upper pay scale (to which we have returned in chapter 2 of this report). Chapter 3 of this report addresses other performance-linked pay issues. Chapter 4 covers local pay and chapter 6 a variety of issues with links to the pay system, including the scope for simplifying the STPCD.

### Teachers' pay system

#### Our approach

5.4 Taken together, the issues listed above amount to a review of virtually the whole teachers' pay system. In our November report, we said that it was vital to ensure that there was coherence in the pay system and we have had this constantly in mind as a backcloth to consideration of the individual issues. Our thinking has also taken account of the proposals by some of the parties for radical change in the pay system. All these elements are brought together in the conclusions and recommendations in this chapter.

#### *Evidence from the parties*

5.5 Three of the parties – NAHT and SHA jointly, and NAGM – put forward proposals in their written evidence for a radical revision of the pay system. NAHT and SHA said there was an unarguable case for a rationalisation of the pay scale and the numerous other payments, both mandatory and discretionary

that are payable. The complexity of the current system made it very difficult for heads and governing bodies to administer. In addition, the pressure of market forces had resulted in the growth of practices which were, at best, based on genuine misunderstanding and, at worst, illegal. NAHT and SHA wanted a simpler, more streamlined structure in which the ability to employ available discretions would depend on affordability.

***NAHT/SHA proposal***

5.6 The proposal is for a single main scale incorporating the classroom teachers' and AST scales and all existing allowances and discretionary awards. The details are summarised in Appendix D. The system would be based on a 25-point spine (minimum £18,000, maximum £54,000 at 2003 levels) with a "normal" range of 9 points for a classroom teacher. Extra points would be available for performance, management responsibility, special needs teaching, and market adjustment, awarded at the head's discretion. The proposal includes a "cap" which could be raised to accommodate the extra points. ASTs are allocated two three-point ranges in the top half of the new scale. Leadership group members would retain a separate pay scale, with arrangements for their placement on the scale largely unchanged, but with group maxima being removed, and their allocated range being reduced to 4 points (currently 7 for heads and 5 for deputies and assistants).

***NAGM proposal***

5.7 NAGM made an outline proposal for six pay scales based on school size. The scales would have 20 points and four bands for: (Band 1) teaching assistants; (Band 2) qualified main scale teachers; (Band 3) upper pay scale teachers, including ASTs; (Band 4) senior leaders/managers. NAGM said that a six-scale structure would account for the levels of responsibility associated with larger schools but there would be overlap to ensure that the staff of smaller schools with problems could be paid more than those in larger schools without problems. They would consolidate the AST grade into the structure. The objectives of the proposal were to achieve: greater clarity for the pay of all staff; a relationship between pay and funding of schools; and local discretion in pay awards.

***Other views***

5.8 Most of the parties did not address the matter of the pay system directly in the written evidence they submitted although it was touched on in comments on the upper pay scale, ASTs, the Chartered London Teacher and the simplification of the STPCD. Views on these issues are summarised separately – in chapter 2, later in this Chapter and in Chapter 6 respectively. It emerged in oral evidence that many of the parties thought there might be merit in reviewing the pay system. The degree of enthusiasm ranged from the Department's emphasis on the need for a period of stability to ATL and NASUWT's call for a consultative process to develop a new strategic framework for pay, reflecting their written views.

## *Our views*

5.9 In the last two reports, we have set out our fundamental vision and values. These underlie our consideration of all the matters remitted to us and are worth repeating here. In the context of the Government's stated aims and through our advice and recommendations on teachers' pay and conditions, our vision is to contribute to the development of a world-class teaching profession which attracts excellent graduates, retains highly-motivated and committed teachers, is fairly rewarded, is efficient, effective and accountable, is encouraged supported and trained, is trusted, respected and valued. A major contributor to achieving this vision is the career structure of the teaching profession and the pay system which supports it.

5.10 An effective pay system needs to incorporate several elements. The chief requirements reflected in the current pay system for teachers are: to reward competence and performance; to enable adjustment to market pressures; and to provide appropriate rewards for different job roles and weights. Competence and performance are rewarded by means of progression along either pay scales (classroom teachers) or individual ranges (ASTs and members of the leadership group). Our views on this aspect of the system are set out in Chapters 2 and 3. The arrangements for adjustment to market pressures are set out in Chapter 4 along with our proposals for improvement in this part of the system. In both cases, there is evidence that the arrangements have not been working satisfactorily. For example, the PwC study showed that progression has taken too little account of competence and performance while NAHT and SHA pointed to a growth in doubtful practices fuelled by market pressures. We believe that the proposals we make in Chapters 2, 3 and 4 will enable these aspects of the pay system to run more smoothly.

5.11 The remaining element of the pay system is that of job roles and weights. Together with performance and progression, this forms the major underpinning of the career structure of the teaching profession. Whereas progression is the method for rewarding competence and performance, job roles and weights are rewarded in two main ways – through separate scales (for leadership and ASTs) and through allowances (for management and special needs teaching) for job roles, and through levels or points within these scales or allowances for job weight. It is easy to see how these varied arrangements have led to calls for greater clarity and simplicity, and to proposals for different systems which use progression on a scale as the sole method for rewarding competence, performance and job-role and for adjusting to market pressures.

5.12 It is important to bear in mind that the purpose of the pay system is to support the career structure of the teaching profession and the routes of progression through it. People contemplating or making a career in teaching need to have a clear view of the options available to them and of how these will be reflected in rewards. Although a small minority may join the leadership group or become ASTs while on the main scale, the vast majority of teachers reach the first major decision point at M6 when they decide whether to seek to cross the threshold. Some may opt at that stage to apply to become ASTs while others will be considering whether to pursue a career in management and ultimately leadership roles. Many teachers will already have had a "taster" of the demands and rewards of management through taking on less senior responsibilities while

on the main scale – for example, in September 2003 almost a third of main-scale teachers received management allowances. These career choices can be illustrated by a three-pronged or "trident" structure as we show at the end of this chapter.

5.13 We believe that this career structure has many advantages. It provides clear choices and a wider range of opportunities than existed in the pre-2000 structure. A major advantage is its flexibility. Choices, once made, are not irrevocable. A teacher can move between the various roles, making choices which suit his or her needs at a particular time. For example if a management responsibility becomes too onerous, it can be dropped and the allowance it carried can be given to the new incumbent of that role. We would be loath to see this flexibility reduced by the incorporation of management allowances into a single teachers' spine.

5.14 Inevitably, a career structure which combines choice, opportunity and flexibility will not be as simple as a rigid system with limited opportunity. The question is whether there is a pressing need for major change at this point, particularly given the substantial change initiated in 2000. We are not convinced that there is. Although we believe there is a case for changes in the upper pay scale as recommended in chapter 2, we have seen no evidence to suggest that there has been a major breakdown of the whole structure which might necessitate major surgery. We believe that the situation calls for a more evolutionary approach on the lines we have set out in previous chapters. A radical change in the pay system and career structure at this point would risk being over-turned in the next few years in the light of changes brought about by remodelling of schools. This is a period of significant change and, as yet, it is not possible to see how radically and widely it will affect the organisation of schools. There may in the future be a need for more radical change and we do not rule that out. But for the present, we think it best to wait and see what demand for change in structures emerges once the remodelling changes have bedded in.

5.15 In examining what evolutionary change might be needed, we concluded that some aspects of the pay system such as management and recruitment and retention allowances needed modification and this is already in train following our November report. Arrangements for progression and adjustment to market pressures also needed improvement. We have made proposals on these in Chapters 2, 3 and 4. There is further work to be done with the AST scale and we discuss this in paragraphs 16 to 26 below. In the case of job roles and weights and overall career structure, we see no need for major change. We do, however, think that there is scope for "refreshing" and clarifying the career steps of the classroom teacher, and our proposals in chapter 2 on titles to mark the stage the teacher has reached are directed to this end.

## Advanced skills teachers

5.16 The current teachers' pay system, incorporating the main scale, threshold and upper scale, was introduced in September 2000, two years after the introduction of the AST grade and pay spine. The remit to consider whether

there should be changes to AST pay was fleshed out in the Department's evidence. It asked whether the existing pay structure accurately reflects the status of ASTs and the quality of work they are intended to undertake. Set against recent changes in other pay scales, it asked whether the scale itself and the size of gap between steps should be adjusted upward.

***Evidence from the parties***

5.17 The Department's evidence drew attention to the upward movement in other pay scales and said the "clear water" between the bottom of the AST scale and the top of the classroom teacher scale had almost evaporated. The cash value of progression increments was consistently smaller than that on the leadership scale, although this could be offset by the award of multiple performance points in any one year compared to the leadership group maximum of two. In oral evidence, DfES were against combining the AST and UPS scale, at least for the present.

5.18 Among the other parties, although there was no consensus on what should happen with the AST scale, a majority saw a need for some change in the arrangements. The National Employers' Organisation broadly supported the Department's view that the AST spine should be reduced to match more clearly the size of steps on the leadership spine. It rejected the view that the development of the upper pay scale had implications for the lower end of the AST spine. The NAHT and SHA saw no need for immediate change. Their longer-term proposals would incorporate ASTs into the main teachers' pay spine. NAGM wanted the AST grade to be "consolidated" into its proposed new pay structure. It said that there was no evidence that the grade had achieved the expected results. ATL and NASUWT thought the AST grade should be considered as part of a new strategic framework evolving into Chartered Teacher status offering progression beyond the threshold. The numbers of ASTs should grow and national criteria for selection should continue. The PAT was equivocal about the value of the AST grade and wanted further research. For the present, it thought the current scale was pitched at the right level in relation to UPS and the leadership scale. The NUT continued to oppose the existence of a separate AST grade.

5.19 At a late stage in the work on this report, the Department produced further evidence incorporating the results of a survey carried out between May and July 2003 into the pay of ASTs. In total, 1,070 representative ASTs completed the survey, 26 per cent of those qualified. Particular issues that the Department wished to explore were:

- was AST pay being set in accordance with the STPCD?
- did the pay reflect the intention that the grade should offer an alternative path for teachers who did not wish to go into management?
- were ASTs getting performance-related increments on their range?
- what sort of teachers became ASTs and what was their career pattern after leaving the grade.

5.20 The main findings of the survey were:

- the average present salary of ASTs in post was £35,443 with very few ASTs on point 19 and above;
- AST pay was generally higher in secondary schools (average point 14). Primary schools averaged point 6;
- a pay rise of £1,000-£3,000 was received by 41 per cent of ASTs on appointment, the higher the previous pay the lower the rise on appointment;
- of those eligible for a performance-related pay increase, nearly 30 per cent had not received one;
- before taking up their AST post, 51 per cent of ASTs were classroom teachers and 43 per cent were heads of department;
- a third of those leaving the AST grade said that they went on promotion and roughly the same number are now members of the leadership group;
- of those who left the grade, 44 per cent received little or no increase in pay; and
- a third of those providing written comments felt that their pay did not reflect their responsibilities.

5.21 The Department's conclusions were that the survey results did not appear to provide sufficient firm evidence to support major changes to the scale in the current year. However, they asked us to consider whether flexibility similar to that available for headteachers could be introduced; that is to allow schools to pay ASTs beyond the top of the spine. This would allow ASTs, who cannot at present be appointed above point 23, to have their role as leaders of teaching and learning in their schools recognised in their pay. We were also asked to give a steer on whether the arrangements for AST performance-related pay progression should be modified to encourage schools to consider issues relating to AST pay progression more carefully so as to reflect good performance.

5.22 The National Employers' Organisation, when commenting on this further evidence, repeated its wish to match the pay steps for ASTs more closely to those on the leadership spine. It also said that it was not convinced that additional flexibility was needed to allow ASTs to be paid above the maximum of the published pay spine as the Department's statistics did not show current pay levels clustering towards the top of the AST spine. It expressed its concern that the rate of progression for ASTs appeared to be slow in relation to other categories of teachers. The NUT, in commenting on the Department's further evidence, said they did not believe the new survey data supported the DfES proposals. They pointed out that the STPCD gave relevant bodies a high level of discretion in setting the pay of ASTs.

## *Our views and recommendations*

5.23 We have no doubt that the introduction of the upper pay scale in 2000 caused confusion about the role of ASTs. We believe that this confusion is now largely dissipated as the number of ASTs grows and the distinctiveness of their role becomes more apparent. In January 2003, there were almost 2,300 ASTs in post, up from around 1,000 in the previous year. We regard the role of ASTs in developing and leading excellent curriculum and teaching practice in schools and institutions beyond their own school as important and distinct. Theirs is the only grade that has a duty to lead and spread good practice widely in the schools sector, a duty which is particularly valuable in a time of change and increasing focus on improvement in teaching standards.

5.24 We have some concern, arising from the evidence that we have received, about the management of ASTs and the opportunities available to them to progress on their individual five-point pay ranges. The increments on the AST pay spine are worth broadly half of those on the teachers' main scale but we note that nearly 30 per cent of ASTs who had been in post for over a year received no performance progression increase. The Department had initially directed our attention to both the length of the AST pay spine (27 points) and the size of the progression increments. Having considered the information about the current position of ASTs on the pay spine and their slow rate of progression, we believe that there is a need to simplify their pay structure and to act on their progression prospects.

5.25 We regard the 27-point AST spine as too long and the size of the progression increments as too small. To place ASTs more clearly where we think they belong in the overall teachers' pay structure (and bearing in mind that, like the leadership group, they are not covered by the annual limit on directed time that applies to classroom teachers), ***we recommend that the AST spine is reduced to 18 points with values parallel to points 1 to 18 of the leadership group spine not later than September 2006***. We estimate that this change would cost initially around £1.5 million, largely arising from the need to assimilate the ASTs on the lowest points of the current AST pay spine onto the lowest equivalent point of the new spine, which has a higher starting point than the existing AST spine. We do not at this stage see a need to enable schools to pay ASTs beyond the top of the spine, when so few are currently on the maximum point. If market forces require that maximum to be increased in the future, we would consider it. To help to ensure that ASTs' progression opportunities are similar to those of classroom teachers and the leadership group, ***we recommend that a clear record is made of their annual review and subsequent decision on salary progression***. We believe that the relevant paragraphs in the STPCD should be clarified to state explicitly that ASTs, like classroom teachers, can receive double progression.

### Teachers' career options

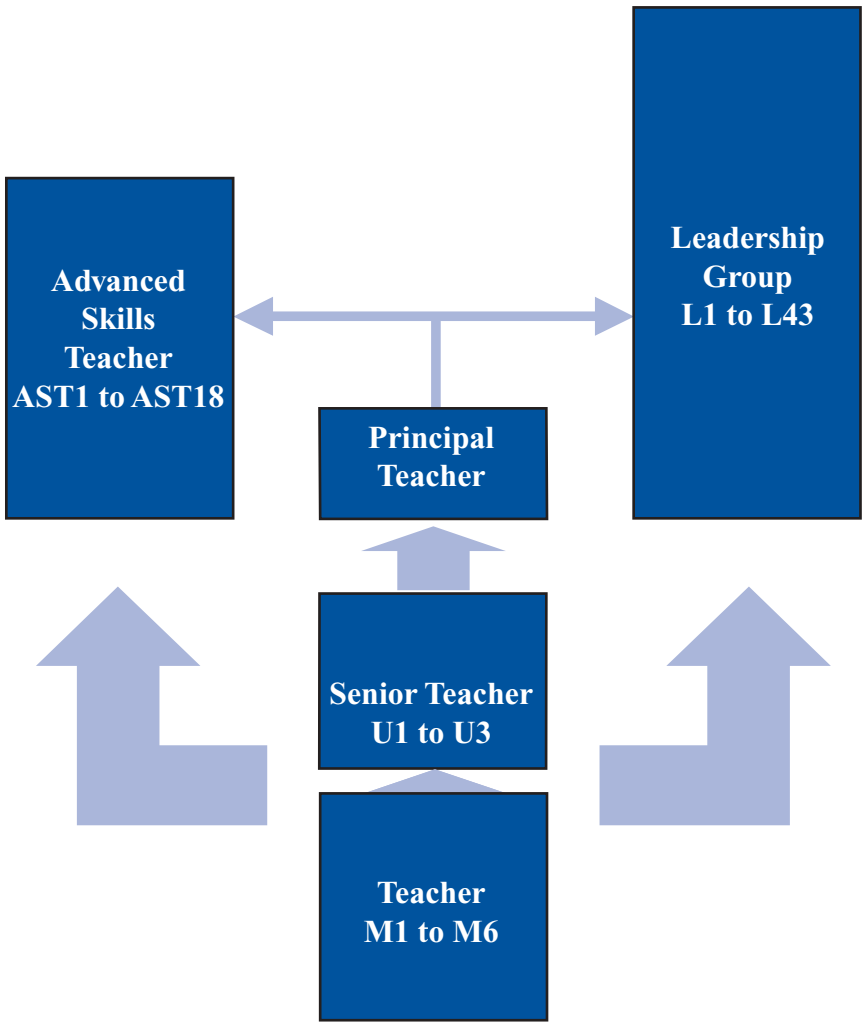
5.26 The three-pronged "trident" career structure, covering all the changes we have recommended, is illustrated graphically below in Figure 1. From 1 April 2004, teachers' pay falls into the following ranges:

- Leadership group pay from £32,202 to £90,360 (rising to £96,450 in inner London);

- AST pay from £30,501 to £48,657 (rising to £54,747 in inner London);
- Senior Teacher pay from £29,385 to £31,602 (rising to £37,692 in inner London);
- Teacher pay from £18,558 to £27,123 (rising to £30,750 in inner London).

Under the current management allowance system, teachers and senior teachers can also receive management allowances ranging from £1,638 to £10,572 for defined additional duties.

**Figure 1: Teachers' career options**



# CHAPTER 6

## Special pay arrangements

6.1 This chapter deals with the position of unattached teachers, the operation of SEN allowances, pay for the leadership group in federations of schools and the Department's proposals for a Chartered London Teacher status. It also addresses safeguarding arrangements and the scope for streamlining the School Teachers' Pay and Conditions Document (STPCD).

### Unattached teachers

6.2 There has been concern expressed by several of the parties over recent years about the position of unattached teachers, particularly with regard to progression on the pay scales. In our Twelfth Report, we reported findings from our 2002 Teachers' Pay Survey (the first in which questions on unattached teachers had been included), which suggested that unattached teachers were less likely to benefit from pay progression than their counterparts in schools. We recommended that the Department should consider, in consultation with the interested parties, whether any changes were needed to their terms and conditions, and provide us with written evidence for the next review.

***Evidence from the parties***

6.3 The Department told us that it had reviewed the matter and agreed with the National Employers' Organisation that there was no reason to introduce further arrangements at this stage. However, other parties disagreed with this view. NAHT and SHA thought change was necessary. ATL and NASUWT said that discussion should take place urgently between the parties to enable the STRB to make informed decisions about the application of the STPCD. NUT and UCAC said that unattached teachers should be treated no differently from other teachers, and should enjoy the full protection of the STPCD. PAT also took this view saying that there were grounds for ensuring that unattached teachers were actually given the parity they (theoretically) already had. It sent us the results of its 2002 survey of teachers employed by LEAs. One hundred and thirty five completed questionnaires were returned showing that, by far, SEN was the biggest single service provided by unattached teachers. Problems of accessing information and training were highlighted, and low morale.

6.4 We received lengthy evidence from BATOD, which focused on the SEN specialist service. BATOD said that there were no structured arrangements for unattached teachers and it was essential that a clear-cut pay and conditions framework or guidelines should be drawn up to ensure that pay and conditions for these teachers had a more equitable basis across the country. Funding for specialist LEA services should be ring-fenced and teachers within SEN support services considered part of an establishment and given a suitable and comparable pay banding and effective management.

### 2003 Teachers' Pay Survey

6.5 We have now received the results of the 2003 Teachers' Pay Survey, which were not available when the parties submitted their evidence. The main findings are:

- there are around 13,200 unattached classroom teachers and around 1,400 unattached teachers in the leadership group in England and Wales;

- a similar proportion (about 80 per cent) of attached and unattached teachers on the leadership group scale remained in the same post between September 2002 and September 2003;

- whereas more than half of attached headteachers, deputies and assistants who remained in post were awarded at least one additional spine point, 18 per cent of unattached leaders received one or more additional spine points;

- 71 per cent of unattached classroom teachers were on the upper scale compared with 53 per cent of attached teachers. Seven per cent of unattached teachers were on the main scale M1 to M5 compared with 32 per cent of attached teachers. This does not indicate disadvantage for either group: it could simply reflect the age structure and experience of each group;

- the majority of attached teachers (99 per cent) and unattached teachers (91per cent) who were on M1 to M5 in September 2002 received one additional point;

- the proportion of unattached teachers on M6 going through the threshold (10 per cent) compares poorly with attached teachers (43 per cent). We do not know, however, whether fewer applied to the threshold or more failed to go through;

- 56 per cent of attached teachers on U1 in September 2002 progressed to U2 in September 2003, compared with around a third of unattached teachers; and

- similar proportions of attached and unattached teachers were in receipt of management (about 50 per cent) and recruitment and retention allowances (about 4 per cent). As expected, due to the nature of their work in pupil referral units or hospitals, a much higher proportion of unattached teachers received special educational needs allowances, just over 40 per cent compared to 6 per cent of attached teachers.

## *Our views and recommendations*

6.6 We have noted the mounting concern expressed about the position of unattached teachers in recent years. We commented on the matter in our Ninth, Eleventh and Twelfth Reports. The latest substantive information from the findings of the 2003 Teachers' Pay Survey shows differences between attached and unattached teachers in the progression rates of both the leadership group and classroom teachers.

6.7 The provisions of the STPCD should be applied consistently to unattached and attached teachers. Progression on the pay scales should depend on the rigorous application of specified criteria. Our vision for schools, repeated in paragraph 19 of chapter 2, included the provision of high quality performance management and professional development and the effective, transparent and fair management of the performance and reward systems. This, we believe, should apply equally to the LEA management of unattached teachers as to the school management of attached teachers. ***We recommend that LEAs review their procedures during 2004 to ensure that unattached teachers are not at a disadvantage compared to attached teachers, and that the National Employers' Organisation oversees the review and publishes the results so that they are available to the other parties***. We particularly urge that the views of BATOD on the SEN specialist services are taken into account in this review. ***We also recommend that the Department sets up a comprehensive database on unattached teachers, covering numbers, location and roles***. This would be a desirable supplement to the relatively sparse information currently available on unattached teachers. We will continue to collect relevant statistics on the pay and conditions of unattached teachers and monitor the position.

## SEN allowances

6.8 We were asked in the remit letter of 11 July 2003:

- *whether there should be changes in the operation of SEN allowances.*

6.9 The current provisions governing the use of SEN allowances stem from our Tenth Report. The first SEN allowance must be paid to classroom teachers in a special school, or in an ordinary school where they are engaged wholly or mainly in teaching pupils with SEN statements in special classes or taking charge of special classes wholly or mainly of children who are hearing or visually impaired. The allowance can also be paid to a classroom teacher in an ordinary school where the teacher is making a particular contribution to the teaching of pupils with special educational needs which is significantly greater than that which would normally be expected of a classroom teacher. A second SEN allowance may be awarded to a classroom teacher who is eligible for the first SEN allowance and who has experience or qualifications or both particularly relevant to the teacher's work.

6.10 In 2001 the National Employers' Organisation asked us to tidy up the arrangements following the changes introduced from September 2001 which restricted the mandatory award of the first SEN allowance to those teachers

employed in special schools or in charge of special classes. NASUWT and BATOD wanted an increase in the mandatory application of the allowances. We said in our Eleventh Report that we thought it too early to review the matter but in our Twelfth Report we said we were prepared to look at the matter again and asked parties to provide evidence.

***Evidence from the parties***

6.11 The Department acknowledged that the existing arrangements might deter mainstream schools from awarding SEN 1 but referred to the difficulty in devising arrangements that would meet the wide variety of circumstances that could arise. It did not have strong views over whether the arrangements needed to be changed but was not in favour of any arrangements which would lead to undue complication or bureaucracy in schools. Those dangers would be inherent in, for example, seeking to tie payment of an allowance to a certain minimum number of SEN pupils in a class, or to the proportion of time a teacher spent teaching these classes.

6.12 The National Employers' Organisation again called for the "tidying up" of the rules for the mandatory award of the first SEN allowance so that the first SEN point would become an automatic entitlement only for teachers taking charge of designated special classes, (thus deleting the "wholly or mainly" references). Other parties expressed their unease with the current arrangements. The ATL thought the criteria for the mandatory award of the first SEN allowance too tightly drawn and suggested that the "wholly or mainly" test should be applied to the assigned teaching duties of the teacher and not to the organisation of classes in the school. NASUWT, NUT and UCAC thought that teachers who spent more than 50 per cent of their time teaching SEN pupils should receive the first SEN point on a mandatory basis. They felt that the absence of mandatory allowances represented a major problem in recruiting and retaining SEN teachers and the flexibility had not worked to the benefit of teachers.

6.13 BATOD made the strongest case for change. In its written evidence it proposed once again that SEN 1 should be mandatory for teachers employed to work solely with SEN. It argued that many of these teachers in the specialist SEN services worked both in ordinary classrooms as well as in segregated settings and their work could not be divided into parts in which they were entitled to a SEN point in one context and then received nothing in another. It felt that SEN 2 should be mandatory for teachers of hearing (or visually impaired or MSI) children, who held the relevant mandatory qualification and that a national organisation involved in the SEN field should be asked to draw up a list of appropriate specialist qualifications. It suggested (as an alternative way forward) that consideration should be given as to whether all teachers of the deaf who worked in combined teaching, support and advisory capacities should be paid on the AST scale.

### 2003 Teachers' Pay Survey

6.14 The results of the 2003 Teachers' Pay Survey indicate that:

- 1.9 per cent of mainstream teachers currently receive SEN 1 allowance; and
- 0.5 per cent receive SEN allowance 2.

These results are virtually unchanged from the 2002 Teachers' Pay Survey. The difference is that the percentage receiving SEN allowance 2 has dropped from 0.6 per cent.

## *Our views and recommendation*

6.15 We think that there are two issues connected with the payment of SEN allowances: whether the percentage of teachers receiving SEN allowances in mainstream schools is about right; and whether there should be mandatory payment of SEN allowance 2 for the attainment of specialist qualifications. Linked to the first issue is the management of the SEN specialist service and the question of SEN allowance 1 payment for those teachers contracted to the SEN specialist services.

6.16 The policy for inclusion, where possible, of SEN children in mainstream rather than in special schools has resulted in the spread of children with SEN across classes in schools. All classroom teachers might potentially teach some SEN children but fewer might do so in concentrated numbers. While several parties in their evidence implied that the percentage of teachers receiving SEN allowances in mainstream schools was too low, we have received no substantive evidence providing information that would indicate what that percentage should be or, indeed, on what specifically is wrong. We are not able on this basis to recommend change but we would be prepared to review the position if we are given substantive evidence. In reaching this conclusion, we do, however, refer the National Employers' Organisation to the evidence from BATOD about the payment of SEN allowances in the specialist service, for consideration when overseeing the review of the management of unattached teachers, as we have recommended above.

6.17 As regards the attainment of specialist qualifications, ***we recommend that the Department draws up guidance, in consultation with the interested parties, including BATOD, on how the payment of SEN allowance 2 might take account of the enhancement of the teaching of SEN children brought about by such specialist qualifications***. Teachers of SEN pupils should be encouraged to see attainment of specialist qualifications as a means of continuing their professional development and improving their progression and promotion prospects. Where SEN teachers work or wish to work in more than one school, they should be encouraged, as appropriate, to consider the AST route as an opportunity for career development.

## Federations of schools

6.18 The remit letter of 11 July 2003 asked us to report on:

- *whether the pay arrangements for school leaders need to be modified to take account of the creation of federations of schools.*

6.19 This issue is outstanding from the remit letter of 1 August 2002 in which we were asked:

- *whether any amendments are needed to the pay system in respect of proposals in our Investment for Reform document. In particular, we have proposed that federations of schools could come under Chief Executive-style headteachers.*

6.20 We said in our Twelfth Report that we needed to know more about federations before we recommended changes to the pay system and that there was then sufficient flexibility in the system to deal with federated school matters as they arose. We undertook to return to the issue in our next report, when it was likely to be clearer how federations were developing.

***Evidence from the parties***

6.21 The Department described the federations in existence and emphasised the variety of models possible. Informal federations of schools, usually groups of small, rural primary schools with difficult recruitment issues, had been operating for several years. These sorts of informal federations did not attract additional funding and did not need ministerial agreement to federate. In addition, the Department had provided pump-priming funding for several pilot federations, prior to working under the new legislative regulations. The current pilots included federations consisting of two to fifteen member schools. The operation of the leadership group in federations also varied considerably. Current examples included a single governing body with one executive headteacher through to a federation management team made up of headteachers, governing body representatives and other members.

6.22 The Department was not seeking changes to the STPCD although it suggested consideration of whether relevant bodies might have greater flexibility in determining the individual school range. The National Employers' Organisation, NAHT and SHA also said that they were not seeking any changes to the pay system as the current flexibilities were sufficient to cover most scenarios. NASUWT, PAT and BATOD were content to keep the existing arrangements. NUT and UCAC stated that remuneration should depend on the duties and responsibilities involved and that the current leadership spine needed to be properly examined before making any new provisions. ATL thought that new pay provisions were needed to deal with federations and other, more common, arrangements for inter-school working, considering afresh the conceptual structure of the school teachers' contract of employment.

6.23 The potential appointment of new Chief Executive-style heads who were not qualified teachers was also discussed. The Department did not want to restrict the scope of governing bodies and LEAs as to whom they could appoint

to these posts. NASUWT believed that if a "chief executive" headteacher post had pedagogic responsibilities, it must be open to qualified teachers only. PAT, NUT, UCAC and BATOD said that these posts should be open only to qualified teachers.

### *Our views*

6.24 It is probably useful to state at the outset that the appointment of a chief executive of a federation who is not a qualified teacher would not be governed by the provisions of the STPCD and so would fall outside our remit. We are therefore directing our attention to qualified teachers in federations. There is currently a certain amount of flexibility available in the operation of the leadership group pay structure. If, for example, a school has difficulty in appointing a new headteacher, the relevant body can set an individual school range that is higher than that suggested by the school group. (A strict application of the formula to the pay of federation headteachers would, however, not be appropriate in every case, particularly with regard to a headteacher in charge of a number of large secondary schools.) The relevant bodies should also have enough scope to tailor the pay of others in the leadership group with cross-school duties to the particular requirements of the post, given that the main constraint on their pay is that it should lie between the notional highest paid classroom teacher and the head of the school.

6.25 Although there is still little hard evidence on the operation of formal federations, we understand that the Department is not aware of any current problem in determining the pay of the leadership group in federations. They will be evaluating the federations' pilot programme and will let us know if this reveals any specific difficulties.

6.26 While formal federations are still in pilot mode, we feel that it is too early to say whether and how pay arrangements for school leaders should be modified. School leaders in pilot and informal federations are currently being paid by making use of the existing discretions available to governing bodies and LEAs. No preferred models for federations have yet emerged. Until they do, the continuation of flexible payments seems fit for purpose. We look forward to seeing the outcome of the pilots.

## Chartered London Teacher status

6.27 The Secretary of State's remit letter of 11 July 2003 asked us to report on:

- *whether new provisions are needed in the School Teachers' Pay and Conditions Document in relation to our proposals for Chartered London Teacher status, and the possible interaction with the threshold.*

Because pay incentives were proposed, linked to standards, which would have to be set out in pay and conditions arrangements, we were asked to recommend whether the proposals should be taken forward.

***Evidence from the parties***

6.28 The Department provided evidence on 15 September 2003 on its proposals for a new Chartered London Teacher status. The objectives were to provide incentives for good teachers to stay teaching in London and re-establish the perception that working in London was the peak of a teacher's professional career. The new status would recognise the excellent London teacher who had shown real achievement in raising educational quality. It would have a distinctive London focus, recognising the challenges and opportunities of London. To minimise bureaucracy, the Department proposed that teachers in London who had sufficient evidence and professional experience could apply and be assessed for Chartered London Teacher status at the same time as the threshold, or later. To achieve the status, the London teacher would have to demonstrate their achievements in five themes: pedagogy; subject, specialism and/or phase knowledge; whole school issues; diversity, cultures and communities; and a Chartered London Teacher project. To demonstrate the distinctiveness of their contribution to teaching London pupils, teachers would be able to build on and develop their existing professional development portfolios. The areas for achievement of the status could be linked to teachers' performance management objectives for professional development and pupil progress and headteachers would be responsible overall for ensuring support for teachers working for the status. Participation would be voluntary. Teachers achieving the status would gain the professional recognition together with a one-off payment of £1,000. The Department proposed launching the Chartered London Teacher Status in September 2004 with first achievements in 2006-07. It was exploring how the status might be accredited for CPD purposes.

6.29 The views of the other parties were mixed. Many saw value in promoting and encouraging the idea of professional development. While, however, they recognised the challenge of teaching in London, they thought the scheme might be better as a pilot to extend elsewhere, if successful, as London was not the only area with such challenges. Some saw inconsistencies around the notion of excellence and, while seeing merit in the idea of Chartered Teacher status, especially with a link to continuing professional development, thought the status should be a national one identifying a particular, professional standard of teaching. The overall response to the idea of a one-off payment of £1,000 was unenthusiastic. Many saw it as poor recompense for the work involved and a further complication to the pay arrangements.

## *Our views*

6.30 We welcome initiatives designed to improve professional skills and raise standards. The proposal would provide London teachers with status and recognition and could be an aid to recruitment and retention. However, we also see some force in the argument that Chartered status could apply to teachers beyond London facing challenging circumstances. We suggest that in considering whether and how to take the proposal forward, consideration is given to re-naming the status. Chartered status has a particular meaning in other professions and it has also been adopted across the board for a certain level of qualified teacher in Scotland.

6.31 We were asked for our input because of the proposed pay incentives and linked standards. We do not regard the proposal as it stands as an integral part of the national pay structure. We think it is in the nature of an additional payment in respect of continuing professional development and we note that authority to make this type of payment already exists in paragraph 46 of the STPCD. If that provision is seen as insufficient to cover a special payment in respect of Chartered London Teacher status, we would have no objection to the inclusion of an amendment authorising such a payment.

## Safeguarding

6.32 Safeguarding was an issue left outstanding from our Twelfth Report. It had previously been raised in September 2000 when the Department asked us to review the existing provisions relating to general safeguarding, advising whether they should be time-limited. We asked the parties to discuss the matter. In our Twelfth Report we asked, alongside the broader issue of simplification of the pay system and of the STPCD, for views on a particular issue raised by FASNA.

6.33 There are three forms of safeguarding arrangements covered in the STPCD:

- *general safeguarding.* Teachers who lose their post or would otherwise lose pay as a result of closure or reorganisation of a school or regulations over a course of training and are employed in another post by the same authority, must be regarded for all salary purposes, including certain allowances, as if they had remained in their former post. In other circumstances, teachers losing a post may be paid at their previous rate at the discretion of the authority, which should not unreasonably refuse to exercise their discretion in favour of the teacher. There is currently no time limit on how long teachers can receive general safeguarded salaries;

- *assimilation safeguarding*. This arose from the pay changes introduced in September 2000, which led to some disparities in pay between the old and new pay system. When the item concerned was abolished, such as half points on the old pay scale, the value of that item was frozen or safeguarded until the teacher changed jobs; and

- *mark-time safeguarding*. When the item continues but is of a lower value than before, the difference is mark-time safeguarded. Increases in the teacher's pay lead over time to a reduction in mark-time safeguarding.

6.34 The issue raised by FASNA was concerned with general salary-safeguarding following school restructuring. We were told that the case involved the offer of one year's salary protection to any teacher displaced by the restructuring who had not been appointed to a new post at the same or better level or sought voluntary redundancy. The court judgement went against the authority – by offering one year's salary protection the governing body had exercised its discretion unlawfully.

***Evidence from the parties***

6.35 There were clear differences in the parties' views. The Department and the National Employers' Organisation were considering the possibility of changes. Other parties opposed proposals to give schools more discretion following restructuring. The Department said that it had been reviewing safeguarding internally. It regarded mark-time safeguarding as less of an issue as it disappeared over time. In later evidence it told us that while it had not yet been able to discuss safeguarding with the parties, it felt that certain safeguarded payments, extant from previous pay systems – the social priority allowance (£211 or £276), last awarded in 1988, and the inner London Area supplement of £822, last awarded in 1993 – should be brought to an end. Schools had increased flexibility to make recruitment and retention payments, if they wished, under paragraph 48 of the STPCD, so there was no reason why teachers should lose financially. Removing these specified safeguarded payments would be fairer and would simplify systems for schools and LEAs. It would contribute to simplification of the STPCD. It asked us to consider all this.

6.36 The National Employers' Organisation felt that safeguarding arising from closure or reorganisation of schools should be time limited to, say, 5 years, with all other safeguarding being discretionary, on a 'mark time' basis, for a maximum of 3 years. In response to the Department's further evidence it said that it would be happy to include in discussions the matter of discontinuing protection for the two specific payments that the Department had identified. NUT, NASUWT and UCAC opposed any proposal to give schools more discretion over safeguarding, saying that teachers needed to be protected against salary consequences of changes beyond their control. They maintained that there was already sufficient provision to deal with situations where a subsequent post was unreasonably refused. NAHT and SHA said that they would be pleased to discuss the issue of safeguarding, given the technical nature of the subject. BATOD felt that the tenure of allowance, provided that the teacher continued to work in his/her specialist field, should be retained irrespective of moving to a new post.

## *Our views and recommendation*

6.37 We think that the matter of safeguarding merits consideration at this stage because of its potentially inhibitory effect on necessary and desirable changes in school organisation. These will arise not only from falling school rolls but also from reorganisation into federations and amalgamations and restructuring and remodelling internally within schools. At the same time, we accept the need to mitigate any financial loss arising for the teacher when losing a post through these changes. The question in our minds is whether safeguarding should be open-ended, as it is currently, or should be subject to a time-limit with necessary protection. Although we understand that general safeguarding cases are few in number relative to the size of the profession, we are aware of both the financial burden for the individual schools which have to fund their own cases arising and the divisive effect that such payments can have on teachers in the school receiving the standard salary for the same work undertaken by the "safeguarded" teacher. We also have some concern about the potential risk of equal pay issues arising in some circumstances from the open-ended nature of the safeguarding arrangements.

6.38 We had safeguarding considerations in mind when making our recommendations in Part 1 of our Thirteenth Report to freeze the value of

payments on the current management allowance scale. We did not want management allowances to continue to be paid with increased values in future years, at inappropriate levels for duties involved or for duties that had been delegated or abolished under school restructuring. We recommended that the parties discussed and agreed as soon as possible a framework and guidance for new arrangements to make payment for specific, additional, weighty responsibilities targeted on teaching and learning. Teachers holding such responsibilities should transfer from the current management allowance scheme to the new arrangements. We said specifically that the guidance should cover the issue of whether the payments should be made for a fixed term of up to three years, the term to be renewable if the teacher continued to undertake the duties.

6.39 Likewise, when recommending the abolition of the recruitment and retention allowance, we said that payments for these purposes made under paragraph 48 of the STPCD should be made for a fixed period of up to a maximum of three years, renewable for retention in exceptional circumstances.

6.40 The steps that we have taken to assist in reducing the potential burden of safeguarding future payments for management and recruitment and retention purposes tackle only one aspect of overall general safeguarding. We have looked at the way that these matters are handled in some other public and private sector professions. What we found was consistent. Safeguarding arrangements, also known as red-circling, are used elsewhere but tend to be operated on a mark-time basis to be eroded by increases in salary or for a specified number of years (rarely beyond five years in the cases we looked at). The notable exception, with some resemblance to the open-ended nature of general safeguarding for teachers, is the safeguarding of pension scheme rights of existing employees when new pension arrangements are introduced for new employees.

6.41 We welcome the intention of the Department to hold discussions on safeguarding with the key parties. We think that those discussions should include the following considerations:

- whether or not general salary safeguarding should be time-limited;
- whether other forms of safeguarding should be time-limited;
- guidance on best practice for the employer to find an equivalent job for the teacher;
- emphasis on the teacher not unreasonably refusing any such offer; and
- closure of the case after a specified safeguarding period.

6.42 As regards the specific payments (the social priority allowance and the Inner London Area supplement) arising from past pay systems, we agree that as these sorts of payments can be made under paragraph 48 of the STPCD, the duplication of powers for payment is unnecessary. ***We therefore recommend that the safeguarding of the social priority allowance and the Inner London Area supplement is removed with effect from 1 September 2004.***

## Streamlining the School Teachers' Pay and Conditions Document (STPCD)

6.43 The remit letter of 11 July 2003 asked the Review Body:

- *what scope there is for further streamlining of the pay and conditions document.*

6.44 The streamlining of the STPCD was a matter first raised as a longer-term issue in the remit letter dated 1 August 2002, which asked:

- *what scope there is for sweeping away many of the unnecessarily detailed provisions that have grown up ad hoc within the teachers' pay system over the last 15 years, in the interests of securing a more modern, streamlined and deregulated pay structure which promotes headteacher flexibility*

and

- *whether any other adjustments are needed to the provisions on pay and conditions of employment set out in the current School Teachers' Pay and Conditions Document, particularly with a view to increasing flexibility and responsiveness to local needs.*

6.45 There are two interlinked matters involved in the remit: the streamlining of the pay system itself, which we have discussed in the previous chapter; and simplifying or streamlining the STPCD, to which a streamlined pay system will contribute.

6.46 In our Twelfth Report, we described the views of the parties that the STPCD should be shorter, simplified and separated into core contractual matters and guidance. It was viewed as a difficult document for heads and governors to use in managing their schools. There was scope for streamlining and we asked the parties to provide detailed written evidence so that we could take the matter forward.

***Evidence from the parties***

6.47 The Department said that the only way in which the STPCD could be simplified to any significant extent was by reducing the number of centrally prescribed elements. The Secretary of State planned to consult with the parties on areas for simplification, including the calculation of school group size, the determination of leadership group pay ranges and safeguarding arrangements.

6.48 There was a general welcoming by the parties of the proposal to simplify and streamline the STPCD. The National Employers' Organisation felt that it should be seen as a tool of implementation. They wanted the removal of the safeguarding paragraphs for internal school reorganisation. FASNA wanted a clarification of the rules on salary safeguarding. ATL and NASUWT both felt that simplification was better approached in the context of a new strategic framework for pay, rather than as an end in itself. NAHT and SHA wanted a tighter focus on essentials with the transfer of detail to a guidance document and accepted that the remodelling agenda was likely to lead to a shift in safeguarding provisions. SHA believed that the STPCD should be simpler, reflecting a revised and more coherent pay structure. PAT supported the notion of overhauling the

Document. NAGM suggested consultation involving users at the school level.

## *Our views and recommendations*

6.49 The STPCD contains provisions relating to the statutory conditions of employment of teachers in England and Wales and reflects a legal status given effect by the Education (School Teachers' Pay and Conditions)(No.2) Order 2003. It is now 181 pages long and seems to be used as a reference book rather than as a working tool. As a 'contract' for teachers it is unwieldy. It is highly unlikely that many teachers are familiar with their 'contract'. However, there needs to be some thought given to the nature and purpose of the STPCD. It could be argued that there is a need for a comprehensive reference book and that it should be accepted that it is not a 'contract' in the normal sense of the word. To simplify and summarise the key provisions would change the nature of the document, reducing its value as a reference source without, necessarily, turning it into a contract.

6.50 We believe that the Document is helpful as a comprehensive legal reference book but it should be made easier to use for governors, heads and others involved in running schools. ***We recommend that the Department considers the following navigation aids when revising the Document:***

- ***adding a comprehensive index, with cross-references to other useful, linked documents such as explanatory notes for heads, governors and LEAs and model school teachers' pay policy;***
- ***including a 3-4 page summary at the beginning describing the teachers' career options and pay system and using diagrams or charts as we have done in the previous chapter; and***
- ***consulting on areas for pay simplification, including the balance between guidance and formal provisions.***

6.51 We also ***recommend the provision of more training for governors in the understanding of the teachers' pay system, the navigation around the Document and its use in considering the school's pay policy.***

Bill Cockburn, CBE TD *(Chairman)*

Monojit Chatterji

Rodney East

Ros Gardner

Mark Goodridge

Bryn Roberts

John Singh

Jo Stephens

Bruce Warman

5 March 2004

# Appendix A

## Remit and directions from the Secretary of State

*(see paragraph 1.1)*

Sanctuary Buildings Great Smith Street Westminster London SW1P 3BT
tel: 0870 0012345 dfes.ministers@dfes.gsi.gov.uk
**Rt Hon Charles Clarke MP**

Bill Cockburn
Chair
School Teachers' Review Body
Office of Manpower Economics
Oxford House
76 Oxford Street
LONDON
W1N 9FD

11 July 2003

Dear Bill

**STRB REMIT: REPORTING TIMETABLE AND ADDITIONAL MATTERS FOR REPORT**

I am writing to set out the further issues on which the Government seeks recommendations from the School Teachers' Review Body (STRB), and a timetable for reporting on these and the longer-term issues already covered in my predecessor's letter of 1 August 2002, a copy of which I attach for information.

These directions are given under my powers in section 120 of the Education Act 2002 to refer matters to the STRB and to set out considerations to which you are to have regard, matters on which you are to make a recommendation and the time within which you are to report. As the Act requires, I shall arrange for your report (or reports) to be published.

**Considerations to which the STRB is to have regard**

The considerations should include points (a) – (i) in the letter of 1 August 2002. In particular I would draw the review body's attention to the evidence I am submitting in my evidence document of today about the critical need for:

i. achievement of financial stability, predictability and affordability in terms of school budgets, where a multi-year pay award must make a major contribution;
ii. improved arrangements for performance-related pay, including in the operation of the upper pay scale and the importance of point 3 being targeted on excellence.

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

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

**Matters for recommendation**

You are already considering a series of issues set out in the 1 August 2002 letter. These are not repeated in full here. But I would mention in particular the remit in respect of a multi-year pay award; and the issue of regional/local variations in labour markets and their effects on the recruitment and retention of staff.

The upper pay scale was also a feature of the August 2002 remit. I shall require your further recommendation on whether the arrangements for the upper pay scale need to be revised, in relation to point 3 of the scale.

There are some further matters on which I require your recommendations:

i. whether the arrangements for threshold assessment can operate as part of a developed performance management system overseen by the headteacher, rather than a separate application process;
ii. whether external threshold assessment should cease from the next round (2004/05);
iii. whether different arrangements are needed for Wales in respect of (i) and (ii) above;
iv. whether new provisions are needed in the School Teachers' Pay and Conditions Document in relation to our proposals for Chartered London Teacher status, and the possible interaction with the threshold.

My evidence document of today's date offers evidence on all the issues commissioned in your 14 May request to the Department and all the other main pay partners; and on all the outstanding matters from the August 2002 remit or this remit. One exception is the Chartered London Teacher concept, where evidence will follow as soon as possible, taking account of the consultative group we have established on which all the teacher and headteacher unions are represented.

**Timescale for report**

For reasons I set out in full in my evidence document to you, I am asking the review body to report on some matters from its August 2002 remit by 3 November this year. These need to include, as a minimum (a) what the pay headline figure should be for the period 2004 to 2006; (b) whether there should be a multi-year award; (c) whether there should be any change to the pay implementation dates; (d) whether there should be further changes in relation to local and regional pay; and (e) whether there should be further changes to the upper pay scale arrangements (including any important interaction with management allowances – see also f. below). All of these matters are essential to be covered in your 3 November report because they bear directly on the issue of what cost pressures schools will face for the rest of the current spending review period.

Your report on all other matters can follow by 30 January 2004. Those matters are (f) whether there should be structural or other significant changes in the operation of management allowances and recruitment and retention allowances; (g) whether there should be a performance related dimension to the pay of main scale teachers; (h) whether there should be changes to the AST pay structure; (i) whether there should be changes in the operation of SEN allowances; (j) whether there should be

changes in relation to threshold, as in points (i) to (iii) above; (k) whether new provisions are needed in relation to Chartered London Teacher Status as in point (iv) above; (l) whether the pay arrangements for school leaders need to be modified to take account of the creation of federations of schools; (m) what scope there is for further streamlining of the pay and conditions document; and (n) other minor matters outstanding from last August's remit letter.

You have already asked the pay partners for evidence by today on the vast majority of the issues in (a) to (n) above. But I recognise that you will probably wish to seek further views from them in the light of my evidence document of today's date.

I am extremely grateful to the review body for its work and look forward to receiving its reports.

Best wishes

**Charles Clarke**

Sanctuary Buildings Great Smith Street Westminster London SW1P 3BT
tel: 0870 0012345 dfes.ministers@dfes.gsi.gov.uk
**Rt Hon Estelle Morris MP**

Bill Cockburn
Chair
School Teachers' Review Body
Office of Manpower Economics
Oxford House
76 Oxford Street
LONDON W1N 9FD

1 August 2002

Dear Bill

**STRB REMIT: 2003-06**

I am writing to set out the issues on which the Government seeks affordable recommendations from the School Teachers' Review Body (STRB) in respect of the period beginning 1 April 2003.

Since 1997 the Government has led an unprecedented programme of reform in education and the results are evident in our schools. Our ambition is no less than a world class education system delivering for all. Our new Education Act, and the increased spending I set out last month in "Education and Skills: Investment for Reform", mean that we can hope to achieve this within a decade.

We have the best generation of teachers and their work will continue to be central to the achievement of the higher pupil standards we need. In the first phase of this Government, we tackled a range of pay and performance issues and the pay of experienced teachers has increased by 15% in real terms as a result. The average pay of teachers provides a reasonable standard of living for teachers in most parts of the country. We now enter a phase where reform of the school workforce must be the first priority with clear benefits for teachers in terms of workload and pupils in terms of higher standards of achievement. The Review Body's report on Teacher Workload will play a crucial part in securing this. In response to the Review Body's workload recommendations, I will consult on my proposals in the autumn. In doing so, I shall be looking for a commitment from our national partners to a restructured teaching profession and a reformed school workforce.

The priority for your next report, due with me in January 2003, will be a number of pressing pay and conditions matters, as set out in this remit letter. But I am also keen that the Review Body should have the opportunity to take the more strategic view of pay and conditions issues we pledged in last year's White Paper, "Achieving Success", and which we have since allowed for in the new Education Act. That should include being prepared to look beyond a single year on some issues and inviting the parties to do the same.

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

INVESTOR IN PEOPLE

To set the context, I must first give the STRB directions under section 1(4) of the School Teachers' Pay and Conditions Act 1991 as to considerations to which you are to have regard. Once the relevant provisions of the new Education Act have been commenced in the autumn, I shall write to you again formally to confirm that your report can be submitted under the revised provisions of that Act.

**Considerations to which the STRB is to have regard**

a) the need for more transformational leadership in our schools – heads and other senior staff with high expectations, pioneering ambitious, innovative ideas for raising standards, making the most of new freedoms, committed to remodelling school staffing, school time and school space, and influential beyond their own school;

b) the need for improved incentives for excellence, a stronger culture of professional improvement and better support to teachers to focus on teaching;

c) the need to make the pay system simpler and more flexible;

d) the Prime Minister's and my priorities for delivering a higher quality education service, which involve specific items of non-pay expenditure in support of my Public Service Agreement which should not be diverted to fund a pay settlement; and the National Assembly for Wales's priorities for delivering a higher quality education service, including as set out in the paving document "The Learning Country";

e) affordability, including the need for responsibility in all public sector pay settlements taking account of low levels of inflation and of pay increases in the private sector. The levels of local government funding[1], from which we must fund all pay settlements and service improvements, reflect the overwhelming priority of making very substantial progress on school workforce remodelling – put bluntly, an excessive national pay award would put this in jeopardy. In making judgements here you will need to ensure that the costing models you use take full account of the Government's agenda for the significant remodelling of school staffing;

f) the desirability of greater financial certainty and stability for schools and LEAs in planning their spending over longer periods than a single financial year;

g) the costs of the shortening of the main pay scale for teachers, which will mean increased spending by schools on pay equivalent to about 2.5% extra on the paybill by the steady state. It is critical that this existing pressure is remembered when setting future general pay uplifts;

h) the principle that pay progression should be linked to greater challenge for the individual, on the basis that increased public spending should purchase a more effective contribution from each member of the workforce; and the need for movement along the upper pay scale to be progressively more challenging as teachers move past point 2;

---

[1] (NB. Please note that we are consulting on new arrangements for school and local government finance and that it will be towards the end of November before we are able to announce the distribution of funds for 2003-04, including decisions on area cost adjustments.)

i) the need for all schools to recruit, retain and motivate sufficient teachers and members of the leadership group of the required quality, and required subject specialisms, to deal effectively with the challenges they face;

j) the particular circumstances of inner London schools, where the latest vacancy rate is 2.6%; and the need for targeted measures, as blanket increases in London allowances will not help with the particular need some schools have to retain their best teachers more effectively. Moreover, the need to take account of the fact, both in London and elsewhere, that labour markets are as much local as they are national, with some schools therefore better placed to recruit and retain staff than others, including in relation to subject specialists in science and mathematics;

k) the cost of registration with the GTCs for England and Wales.

I also direct the Review Body to report to the Prime Minister and me the results of their examination of these matters as they think fit, subject to the points below on timing. I will arrange for your report (or reports) to be published, as the Act requires me to do.

Against this background, and in pursuance of my power under section 1(1) of the 1991 Act, I refer to you the following matters.

**Matters for examination and report**

I look forward to receiving your recommendations on at least points (i) to (v) below by January 2003 at the latest. I look to you at that time to propose also a clear and demanding timetable for reporting on points (vi) to (xi) below, to ensure that we can make significant progress on these issues too in the next three years.

*Pressing issues*

i) whether teachers' pay or allowances should increase and, if so, what the *minimum* increase should be. I am attracted in principle to a pay settlement covering a longer time period than just 2003-04 - perhaps three years - but this will be possible only if such an approach will clearly support all the reforms I invite you to report on in points ii) to xi) below and, more generally, the Government's vision of a remodelled and high quality school workforce strongly focused on raising standards for pupils. As part of the more strategic view which the STRB will be taking, under the Education Act 2002, you should consider how best to maximise the advantages, and manage well at national and local level the risks, of such an approach;

ii) how we should address the particular recruitment and retention issues faced by inner London schools, recognising that these will increasingly need to be tackled in the context of very different models of staffing. In particular, what sort of imaginative package is needed to help schools retain our best and most committed London teachers, strengthening the "core" of middle managers in each school;

iii) whether any amendments are needed to the pay system in respect of proposals in our Investment for Reform document. In particular, we have proposed that federations of schools could come under Chief Executive-style headteachers; that new Children's Centres be established, providing

childcare, early years education and health and family services for deprived communities; and that schools facing challenges could use their Leadership Incentive Grant to pay recruitment and retention incentives;

iv) the need for pay progression for post-threshold teachers to be on a progressively more challenging basis. This remains our policy and I look to the STRB to advise on options, including on (a) tougher criteria for higher points than for point 2; and (b) the case for non-consolidated bonuses; or some combination of these two elements;

v) whether the pay system currently offers enough incentives in relation to the recruitment and retention of science and mathematics teachers, in the light of our response to the Roberts report;

*Longer-term issues*

vi) in relation to pay, what scope there would be over the longer term for more local approaches in dealing with local recruitment and retention issues, subject shortages and earnings levels; and what the potential benefits, risks and costs might be of placing greater responsibility on heads for determining part of an annual pay award for individual teachers;

vii) the effectiveness of management allowances in the pay system, given the need for any allowances to support overall school workforce strategy; your review should reflect evidence on the number, purpose and school arrangements for awarding such allowances and the interaction with performance-related pay;

viii) whether movement up the main pay scale for teachers should be performance-related, in line with the principle at (h) above; and, if so, how this might be effected and from when;

ix) what scope there is for sweeping away many of the unnecessarily detailed provisions that have grown up ad hoc within the teachers' pay system over the last 15 years, in the interests of securing a more modern, streamlined and deregulated pay structure which promotes headteacher flexibility;

x) the need finally to settle the approach to including in pay an element to cover the GTC fee. (I would be content for my part to continue with the current approach);

xi) whether any other adjustments are needed to the provisions on pay and conditions of employment set out in the current School Teachers' Pay and Conditions Document, particularly with a view to increasing flexibility and responsiveness to local needs.

As you know, Secretaries of State always reserve the right to decline advice from Review Bodies. I must stress again the need for affordable recommendations.

Finally, I should alert you to my intention to use my new powers under the Education Act 2002, once commenced, to consult on changes to the pay document that have not yet been completed in an area where you have already reported. My first proposed use of the power is to simplify the provisions concerning recruitment and

retention allowances, and on some other minor matters including the discretionary payments for in-service training, initial teacher training work and out of hours learning activities, and duties in respect of continuing professional development. I shall consult in the autumn with a view to changes being made from April or September 2003 as appropriate.

Best wishes

**ESTELLE MORRIS**

# Appendix B

## Remit and directions from the Secretary of State

*(see paragraph 1.12)*

Sanctuary Buildings Great Smith Street Westminster London SW1P 3BT
tel: 0870 0012345 dfes.ministers@dfes.gsi.gov.uk
**Rt Hon Charles Clarke MP**

Bill Cockburn, CBE TD
Chairman
School Teachers' Review Body
Office of Manpower Economics
Oxford House
76 Oxford Street
LONDON
W1N 9FD

9 January 2004

Dear Bill

**STRB REMIT: PERFORMANCE-RELATED REWARDS FOR TEACHERS**

I am writing to set out some issues relating to rewards and incentives for post-threshold teachers on which the Government seeks recommendations from the School Teachers' Review Body (STRB), and a timetable for reporting on these.

These issues reflect the consultations which have taken place with interested parties, to the timetable set out in your 10 November report, on a new framework for upper pay scale progression in England and Wales. Some discussions have been on a multilateral basis, particularly where we were sure that participants shared the longer term vision set out in your report. Some have been on a bilateral basis. Your recommendations formed the springboard for the discussions, which have resulted in a way forward that has been agreed with most of the parties concerned.

This is a significant moment for teachers' pay arrangements. The outcome of the discussions extends beyond UPS3. Indeed, the draft agreement being sent to you separately today goes a substantial way towards achieving settlement of a lasting framework for performance-related pay progression for post-threshold teachers and clarifying performance-related pay progression for leadership group members.

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

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

**Considerations to which the STRB is to have regard**

The considerations should include the following:

i. the need to make any recommendations affordable, within the funding framework set out in today's draft agreement, in particular taking into account the assumptions on the reform of management allowances;

ii. the need for a lasting resolution, in the light of the discussions which have been held and the evidence now presented, of the issues relating to the upper pay scale, including questions of principle relating to progression and excellence. In particular that STRB should take into account our draft joint evidence of today that UPS3 should be a salary to which all good classroom teachers can aspire; and the principle that the highest rewards should go to excellent teachers;

iii. the need to ensure consistency in performance-related pay decisions.

**Matters for recommendation**

The upper pay scale was a feature of previous remits, including mine of 11 July 2003. As a result of the consultations following your report of 10 November 2003, I shall require your further recommendations on a number of issues, as follows:

i. whether points 4 and 5 on the upper pay scale should be abolished and in future the upper pay scale cease at UPS3;

ii. whether a new excellent teachers scheme should be established, to which classroom teachers who have reached UPS3 can apply, to demonstrate that they have distinguished themselves above other classroom teachers at that level.

The draft agreement of today's date offers draft joint evidence on these issues from the signatories concerned.

**Timescale for report**

It is important that we are able to move quickly to provide schools with early advice on the handling of issues surrounding the Upper Pay Scale particularly. I am therefore asking the review body to report on these matters by 5 March 2004.

I am still expecting to receive your recommendations on the remaining issues from the remits of 1 August 2002 and 11 July 2003. In the light of the interdependence between many of these issues and the issues in my remit of today's date, I am amending my original report date from 30 January 2004 to 5 March 2004 to enable you to make recommendations on all these remit issues in the same report.

I am extremely grateful to you and the Review Body for your continued work on these matters and look forward to receiving your report.

Best wishes

**Charles Clarke**

# Appendix C

## Conduct of the review

### Consultations

1. In Part 1 to this Thirteenth Report we described our consultations and receipt of evidence on the remits of 1 August 2002 and 11 July 2003. We explained that the written and oral evidence covered all matters remaining in those remits, including the matters on which we were due to report later in January 2003. Our referral back to the parties of the issues connected with progression to UPS3 resulted in a further remit letter of 9 January 2004, together with a new date of 5 March 2004 by which we were to report on all outstanding matters. We invited the following consultees to provide both written and oral evidence on the new remit:

Association of Teachers and Lecturers

National Association of Governors and Managers

National Association of Head Teachers

National Association of Schoolmasters Union of Women Teachers

National Employers' Organisation for School Teachers

National Governors' Council

National Union of Teachers

Secondary Heads Association

Professional Association of Teachers

Undeb Cenedlaethol Athrawon Cymru (National Association of the Teachers of Wales)

Welsh Assembly Government

### Evidence

2. Along with the remit of 9 January, we received a draft Agreement "Rewards and incentives for post-threshold teachers and members of the school leadership group" made between the Department for Education and Skills, the National Employers Organisation, ATL, NAHT, NASUWT, PAT and SHA, which we were advised was their joint written evidence. We received joint written evidence from NUT and UCAC, and separate written evidence from the Welsh Assembly Government, NAGM and NGC.

3. The Department and the National Employers Organisation subsequently provided further written evidence on the threshold, ASTs, safeguarding and management information.

### Oral evidence sessions

4. We took joint oral evidence on UPS matters from the signatories to the joint agreement and joint oral evidence from NUT and UCAC. We heard oral evidence from NAGM and NGC.

### Surveys and studies

5. One survey was conducted and completed for part 2 of this report. It was a pay survey of both classroom teachers and members of the leadership group conducted during September 2003.

### Meetings

6. Following the submission of part 1 to this report, we met formally on 13 occasions from November 2003 to the beginning of March 2004.

# Appendix D

## NAHT/SHA proposals for a new pay system

The proposal is for a single main scale incorporating the classroom teachers' and AST scales and all existing allowances and discretionary awards. The proposed pay scale:

- has 25 points, with equal increments of £1,500, running from £18,000 to £54,000 (at 2003 rates);
- after point 4, at £22,500, would be a threshold bar (induction plus 3 years);
- point 9, at £30,000 would be designated as the "normal cap" and, effectively, points 1 to 9 would be a teacher's normal range. Teachers would progress annually through this range, subject to demonstrating Continuous Professional Development (CPD). Thus, they could reach their cap in the same number of years – eight – as teachers could currently reach point U2.

This would be the straightforward pay range for a teacher coming on the bottom of the scale into a school with no location/recruitment and retention difficulties, continuing without management responsibilities and showing normal rather than excellent performance.

The "cap" could be raised (effectively shifting the range on the scale) for a number of reasons:

- for all teachers in the school for location reasons, eg, general recruitment and retention problem;
- for individual teachers for
  - taking on management responsibilities or
  - special needs teaching,
  - good performance or
  - to deal with an individual recruitment or retention issue, all of which would require extra justification to become permanent. In the shorter term, performance and recruitment and retention could be dealt with through accelerated movement through the range.

All of the reasons for raising the cap would be cumulative for an individual teacher. For example, in an inner London school that had raised its cap from point 9 to £36,000 (point 13) for all its teachers, a teacher with stretching management responsibilities giving 4 points, 2 permanent performance points for good performance and 2 personal recruitment and retention points, would have a personal cap at £46,500 (point 20).

For ASTs, two 3-point ranges are proposed in the top half of the new scale. Leadership group members would retain a separate pay scale, with arrangements for their placement on the scale largely unchanged, but with group maxima being removed, and their allocated range being reduced to 4 points (currently 7 for heads and 5 for deputies and assistants). Both ASTs and leadership group members would progress through their range incrementally, subject to demonstrating continuous professional development. The ranges could be moved up the scale on the basis of retention, increased job weight or good performance.

# Appendix E

## Statistics on teachers

Table


1 Full-time equivalent (FTE) teacher numbers by sector and type, January 2003

2 Full-time equivalent (FTE) teacher numbers, January 1998 to January 2003

3 Distribution of full-time teachers by age and gender, March 2002

4 Illustrative teachers' paybill, financial year 2004-05

5 Distribution of headteachers by spine point by type of school, September 2003

6 Distribution of headteachers by spine point by size of school, for primary and secondary schools, September 2003

7 Distribution of deputy headteachers by spine point by type of school, September 2003

8 Distribution of assistant headteachers by spine point by type of school, September 2003

9 Percentages of headteachers, deputy and assistant headteachers remaining in the same post between September 2002 and 2003 who received additional spine points

10 Distribution of full-time equivalent classroom teachers by spine point by type of school, September 2003

11 Distribution of full-time equivalent classroom teachers by the level of each allowance by type of school, September 2003

12 Number of full-time teachers with safeguarded salaries, March 1996 to March 2002

13 Full-time equivalent (FTE) number of teachers receiving London allowances, and use made of the discretionary inner London supplement, January 2002 and January 2003

14 Full-time equivalent (FTE) number of support staff in maintained schools, and average school sizes, January 2002 and January 2003 (England)

15 Pupil to teacher ratios, class sizes and contact ratios, January 1993 to

January 2003 (England)

16 Teacher vacancy rates by region, January 1998 to January 2003

17 Vacancy rates for classroom teachers in secondary schools by subject, January 1998 to January 2003

18 Wastage rates for full-time teachers, 1991-92 to 2001-02

19 Movement of teachers out of the maintained sector between March 2000 and 2001 and between March 2001 and 2002

20 Turnover rates for full-time teachers by gender and region, calendar years 1996 to 2002

21 Turnover rates for full-time teachers by destination, calendar years 1996 to 2002

22 Recruitment to initial teacher training courses, 1999/2000 to 2003/04

23 Initial teacher training places allocated, 2002/03 to 2006/07

24 Proportion of all entrants to full-time teaching who were returners or new entrants, 1991-92 to 2001-02

25 Movement of teachers into the maintained sector between March 2000 and 2001 and between March 2001 and 2002

26 Pupil numbers and illustrative projections, January 1993 to January 2012

*All data are for maintained schools in England and Wales unless otherwise specified, and exclude sixth-form colleges unless otherwise specified.*

*Totals may not equal the sum of components because of rounding, percentages have been calculated from unrounded figures, and the following conventions have been used:*

| | |
|---|---|
| *–* | *nil* |
| *0.0* | *0.05 or less* |
| *0* | *depending on context, 0.5 or less, 5 or less, or 50 or less* |
| *n/a* | *not applicable* |

TABLE 1 **Full-time equivalent (FTE) teacher numbers by sector and type, January 2003**

England and Wales

| | Qualified regular full-time[a] | Qualified regular part-time[a] | Other[b] | Total | Wales | England |
|---|---|---|---|---|---|---|
| | FTE | FTE | FTE | FTE | FTE | FTE |
| Nursery and primary | 180,510 | 20,100 | 14,410 | 215,020 | 13,750 | 201,260 |
| Secondary | 191,290 | 15,140 | 14,490 | 220,920 | 13,300 | 207,610 |
| Miscellaneous primary and secondary[c] | 6,830 | 2,390 | 860 | 10,080 | 820 | 9,260 |
| Special[d] | 12,750 | 1,470 | 1,300 | 15,520 | 620 | 14,900 |
| Not in schools[e] | 4,000 | 1,110 | 430 | 5,540 | 220 | 5,320 |
| Total | 395,380 | 40,210 | 31,490 | 467,070 | 28,710 | 438,360 |

*Source:* DfES annual 618G survey and National Assembly for Wales annual stats3 survey.

(a) Includes regular supply teachers.
(b) Qualified teachers in occasional service or on secondment for one term or more, plus teachers in occasional service without qualified teacher status (QTS) and teachers on routes to QTS.
(c) Teachers whose service is divided between primary and secondary sectors, peripatetic and advisory teachers and teachers in miscellaneous primary and secondary establishments.
(d) Excluding non-maintained special schools.
(e) Includes those teaching in unattached special units for students with special educational needs or pupil referral units and those employed by local education authorities but teaching in institutions other than schools, e.g. day nurseries, community units and home tuition services.

TABLE 2 **Full-time equivalent (FTE) teacher numbers, January 1998 to January 2003**

England and Wales

| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|---|---|---|---|---|---|
| | FTE | FTE | FTE | FTE | FTE | FTE |
| England | 410,800 | 415,280 | 421,290 | 429,760 | 437,100 | 438,360 |
| Wales | 27,170 | 27,990 | 27,880 | 28,130 | 28,570 | 28,710 |
| Total | 437,970 | 443,270 | 449,170 | 457,890 | 465,670 | 467,070 |

*Source:* DfES annual 618G survey and National Assembly for Wales annual stats3 survey.

TABLE 3 **Distribution of full-time teachers by age and gender, March 2002[(a)]**

England and Wales

| | Age | | | | | | | | | | All ages | Number |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | under 25 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55-59 | 60-64 | 65 and over | | |
| | % | % | % | % | % | % | % | % | % | % | % | 000 |
| **Nursery and primary** | | | | | | | | | | | | |
| Males | 2.9 | 11.5 | 12.9 | 12.6 | 10.8 | 17.6 | 22.0 | 8.7 | 0.8 | – | 100 | 28.9 |
| Females | 6.5 | 17.0 | 11.7 | 9.1 | 10.2 | 18.1 | 18.9 | 7.7 | 0.7 | – | 100 | 152.6 |
| Total | 5.9 | 16.1 | 11.9 | 9.7 | 10.3 | 18.0 | 19.4 | 7.9 | 0.7 | – | 100 | 181.5 |
| **Secondary** | | | | | | | | | | | | |
| Males | 2.1 | 10.0 | 12.1 | 11.0 | 12.9 | 19.0 | 22.6 | 9.0 | 1.1 | 0.1 | 100 | 87.8 |
| Females | 4.8 | 16.4 | 13.1 | 9.8 | 12.4 | 18.3 | 17.3 | 7.0 | 0.9 | 0.1 | 100 | 106.4 |
| Total | 3.6 | 13.5 | 12.7 | 10.4 | 12.6 | 18.6 | 19.7 | 7.9 | 1.0 | 0.1 | 100 | 194.2 |
| **Special[(b)]** | | | | | | | | | | | | |
| Males | 0.4 | 3.7 | 6.9 | 8.9 | 14.9 | 28.0 | 25.9 | 10.1 | 1.3 | 0.1 | 100 | 4.3 |
| Females | 0.8 | 6.5 | 7.7 | 8.8 | 13.7 | 25.4 | 24.9 | 11.0 | 1.1 | 0.1 | 100 | 9.2 |
| Total | 0.7 | 5.6 | 7.4 | 8.8 | 14.1 | 26.2 | 25.2 | 10.7 | 1.2 | 0.1 | 100 | 13.5 |
| **Total** | | | | | | | | | | | | |
| Males | 2.2 | 10.1 | 12.1 | 11.3 | 12.4 | 19.0 | 22.6 | 9.0 | 1.1 | 0.1 | 100 | 121.0 |
| Females | 5.6 | 16.4 | 12.1 | 9.4 | 11.2 | 18.4 | 18.5 | 7.6 | 0.8 | – | 100 | 268.2 |
| Total | 4.6 | 14.5 | 12.1 | 10.0 | 11.6 | 18.6 | 19.8 | 8.0 | 0.9 | 0.0 | 100 | 389.2 |

*Source:* DfES, Database of Teacher Records.

(a) Provisional figures.
(b) Special schools only, excludes PRUs.

TABLE 4 **Illustrative teachers' paybill[(a)(b)(c)], financial year 2004-05**

England and Wales

| | Cash[(d)] | Percent |
|---|---|---|
| | £ million | % |
| Headteachers | £1,435 | 8.2 |
| Deputy headteachers | £1,125 | 6.4 |
| Assistant headteachers | £560 | 3.2 |
| Other qualified teachers | £13,955 | 79.3 |
| Unqualified teachers | £385 | 2.2 |
| London allowances | £110 | 0.6 |
| Inner London Supplement | £0 | 0.0 |
| Social Priority allowance | £0 | 0.0 |
| GTC Fees allowance | £20 | 0.1 |
| Total | £17,590 | 100 |

*Source:* DfES.

(a) All figures include employers' on-costs (i.e. superannuation and National Insurance contributions), and exclude the paybill for teachers in sixth-form colleges.
(b) The figures do not include costs resulting from classroom teachers progressing to point 3 of the upper pay scale in September 2004.
(c) The illustrative paybill does not take into account the Review Body recommendations in this report.
(d) Rounded to the nearest £5 million.

TABLE 5 **Distribution of headteachers by spine point by type of school, September 2003**

England and Wales

| Spine point | Primary | Secondary | Special | Total | |
|---|---|---|---|---|---|
| | | | | Number | Percent |
| | % | % | % | Headcount | % |
| L1 | – | – | – | – | – |
| to | – | – | – | – | – |
| L5 | – | – | – | – | – |
| L6 | 1.9 | – | – | 390 | 1.6 |
| L7 | 3.4 | – | – | 690 | 2.8 |
| L8 | 5.6 | – | – | 1,130 | 4.5 |
| L9 | 6.9 | 0.5 | – | 1,390 | 5.6 |
| L10 | 7.0 | – | – | 1,400 | 5.7 |
| L11 | 7.9 | 0.8 | – | 1,610 | 6.5 |
| L12 | 9.5 | 0.5 | 1.2 | 1,930 | 7.8 |
| L13 | 9.9 | – | 5.1 | 2,040 | 8.2 |
| L14 | 9.2 | 0.8 | 2.6 | 1,900 | 7.7 |
| L15 | 8.0 | 0.6 | 10.9 | 1,750 | 7.1 |
| L16 | 8.1 | 0.9 | 6.1 | 1,720 | 7.0 |
| L17 | 5.5 | 0.9 | 8.7 | 1,230 | 5.0 |
| L18 | 4.4 | 1.6 | 9.3 | 1,050 | 4.2 |
| L19 | 4.5 | 1.9 | 6.0 | 1,040 | 4.2 |
| L20 | 2.0 | 1.7 | 3.5 | 500 | 2.0 |
| L21 | 1.9 | 1.8 | 10.4 | 570 | 2.3 |
| L22 | 1.3 | 2.9 | 11.1 | 490 | 2.0 |
| L23 | 1.3 | 5.3 | 9.6 | 560 | 2.3 |
| L24 | 0.4 | 5.6 | 4.3 | 330 | 1.3 |
| L25 | 0.3 | 7.5 | – | 340 | 1.4 |
| L26 | 0.4 | 6.1 | 1.1 | 320 | 1.3 |
| L27 | 0.1 | 6.8 | 3.3 | 310 | 1.3 |
| L28 | 0.0 | 4.2 | 2.7 | 190 | 0.8 |
| L29 | – | 7.8 | 2.6 | 310 | 1.3 |
| L30 | 0.1 | 6.8 | – | 260 | 1.0 |
| L31 | – | 6.9 | – | 250 | 1.0 |
| L32 | 0.1 | 5.9 | – | 230 | 0.9 |
| L33 | – | 3.9 | – | 140 | 0.6 |
| L34 | – | 6.0 | – | 220 | 0.9 |
| L35 | – | 4.4 | – | 160 | 0.6 |
| L36 | – | 2.1 | 1.5 | 90 | 0.4 |
| L37 | – | 2.3 | – | 80 | 0.3 |
| L38 | – | 0.6 | – | 20 | 0.1 |
| L39 | – | 1.1 | – | 40 | 0.2 |
| L40 | – | 0.2 | – | 10 | 0.0 |
| L41 | – | 0.6 | – | 20 | 0.1 |
| L42 | – | 0.6 | – | 20 | 0.1 |
| L43 | – | 0.6 | – | 20 | 0.1 |
| Number | 19,950 | 3,640 | 1,160 | 24,760 | |

*Source:* STRB, Teachers' Pay Survey 2003; national estimates.

TABLE 6 **Distribution of headteachers by spine point by size of school[(a)], for primary and secondary schools, September 2003**

England and Wales

| Spine point | PRIMARY SCHOOLS | | | | | SECONDARY SCHOOLS | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Group 1 | Group 2 | Group 3 | Group 4 | Group 5 | Group 2 | Group 3 | Group 4 | Group 5 | Group 6 | Group 7 | Group 8 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| L1 | – | – | – | – | – | – | – | – | – | – | – | – |
| L2 | – | – | – | – | – | – | – | – | – | – | – | – |
| L3 | – | – | – | – | – | – | – | – | – | – | – | – |
| L4 | – | – | – | – | – | – | – | – | – | – | – | – |
| L5 | – | – | – | – | – | – | – | – | – | – | – | – |
| L6 | 7.2 | – | – | – | – | – | – | – | – | – | – | – |
| L7 | 12.8 | – | – | – | – | – | – | – | – | – | – | – |
| L8 | 17.5 | 1.9 | – | – | – | – | – | – | – | – | – | – |
| L9 | 18.0 | 4.1 | – | – | – | 29.9 | – | – | – | – | – | – |
| L10 | 15.2 | 5.9 | – | – | – | – | – | – | – | – | – | – |
| L11 | 12.4 | 9.0 | 0.8 | – | – | – | 14.2 | – | – | – | – | – |
| L12 | 6.2 | 15.5 | 1.0 | – | – | 29.9 | – | – | – | – | – | – |
| L13 | 5.2 | 15.3 | 4.9 | – | – | – | – | – | – | – | – | – |
| L14 | 3.0 | 13.7 | 8.0 | – | – | – | 14.2 | – | – | – | – | – |
| L15 | 1.2 | 12.0 | 8.7 | – | – | 21.7 | 4.8 | – | – | – | – | – |
| L16 | 1.1 | 8.6 | 16.8 | 5.1 | – | – | 15.8 | – | – | – | – | – |
| L17 | 0.3 | 5.6 | 12.0 | 6.2 | – | – | 10.9 | 4.3 | – | – | – | – |
| L18 | – | 3.3 | 12.6 | 8.1 | – | 18.4 | 5.4 | 10.4 | 1.7 | – | – | – |
| L19 | – | 3.1 | 12.7 | 14.3 | – | – | 20.5 | 12.5 | – | – | – | – |
| L20 | – | 0.7 | 7.2 | 5.0 | – | – | 8.8 | 9.4 | 3.2 | – | – | – |
| L21 | – | 0.4 | 5.6 | 20.8 | – | – | – | 14.4 | 2.0 | 1.5 | – | – |
| L22 | – | – | 4.7 | 8.8 | 19.2 | – | 5.4 | 10.4 | 5.4 | 2.7 | – | – |
| L23 | – | 0.5 | 3.5 | 8.7 | 14.3 | – | – | 10.4 | 19.2 | 3.5 | – | – |
| L24 | – | 0.1 | 1.0 | – | 31.1 | – | – | 23.3 | 9.1 | 7.1 | – | – |
| L25 | – | 0.1 | – | 10.1 | – | – | – | 4.8 | 18.0 | 8.4 | 3.6 | – |
| L26 | – | 0.1 | 0.3 | 8.8 | 23.5 | – | – | – | 8.2 | 12.3 | 1.1 | – |
| L27 | – | – | 0.4 | 2.0 | – | – | – | – | 9.2 | 13.2 | 1.6 | – |
| L28 | – | – | – | – | 11.9 | – | – | – | 4.0 | 9.0 | 1.0 | – |
| L29 | – | – | – | – | – | – | – | – | 12.3 | 7.6 | 10.3 | – |
| L30 | – | 0.1 | – | – | – | – | – | – | 1.5 | 11.9 | 8.2 | – |
| L31 | – | – | – | – | – | – | – | – | – | 5.3 | 18.1 | – |
| L32 | – | – | – | 2.0 | – | – | – | – | 1.5 | 2.4 | 16.2 | 5.4 |
| L33 | – | – | – | – | – | – | – | – | 1.4 | 2.0 | 9.3 | 6.0 |
| L34 | – | – | – | – | – | – | – | – | – | 6.9 | 10.2 | 14.0 |
| L35 | – | – | – | – | – | – | – | – | – | 2.7 | 11.2 | 5.0 |
| L36 | – | – | – | – | – | – | – | – | 1.5 | 1.6 | 2.0 | 13.0 |
| L37 | – | – | – | – | – | – | – | – | – | 1.8 | 2.7 | 17.4 |
| L38 | – | – | – | – | – | – | – | – | 1.7 | – | – | 6.0 |
| L39 | – | – | – | – | – | – | – | – | – | – | 2.7 | 6.1 |
| L40 | – | – | – | – | – | – | – | – | – | – | – | 4.2 |
| L41 | – | – | – | – | – | – | – | – | – | – | 0.9 | 6.0 |
| L42 | – | – | – | – | – | – | – | – | – | – | 0.9 | 6.0 |
| L43 | – | – | – | – | – | – | – | – | – | – | – | 11.1 |
| Number | 5,370 | 9,860 | 4,100 | 540 | 80 | 60 | 200 | 230 | 650 | 1,300 | 1,020 | 180 |

*Source:* STRB, Teachers' Pay Survey 2003; national estimates.

(a) Group pay ranges are marked.

TABLE 7 **Distribution of deputy headteachers by spine point by type of school, September 2003**

England and Wales

| Spine point | Primary | Secondary | Special | Total | |
|---|---|---|---|---|---|
| | | | | Number | Percent |
| | % | % | % | Headcount | % |
| L1 | 2.7 | – | – | 410 | 1.8 |
| L2 | 3.5 | – | – | 530 | 2.4 |
| L3 | 4.3 | – | – | 650 | 2.9 |
| L4 | 10.0 | – | 2.4 | 1,530 | 6.9 |
| L5 | 11.1 | 0.3 | – | 1,690 | 7.6 |
| L6 | 14.5 | – | 3.3 | 2,210 | 9.9 |
| L7 | 15.0 | 0.5 | 7.2 | 2,370 | 10.7 |
| L8 | 11.5 | 1.5 | 9.0 | 1,930 | 8.7 |
| L9 | 8.5 | 1.6 | 14.3 | 1,540 | 6.9 |
| L10 | 7.0 | 1.8 | 8.3 | 1,250 | 5.6 |
| L11 | 5.5 | 1.9 | 11.8 | 1,080 | 4.8 |
| L12 | 2.8 | 1.4 | 14.2 | 670 | 3.0 |
| L13 | 1.6 | 4.0 | 13.4 | 630 | 2.8 |
| L14 | 0.6 | 5.3 | 1.5 | 420 | 1.9 |
| L15 | 0.4 | 10.6 | 7.8 | 790 | 3.5 |
| L16 | 0.6 | 12.9 | 1.5 | 890 | 4.0 |
| L17 | 0.4 | 11.8 | – | 780 | 3.5 |
| L18 | – | 11.3 | 1.0 | 700 | 3.1 |
| L19 | – | 8.8 | – | 530 | 2.4 |
| L20 | – | 7.6 | 3.1 | 500 | 2.3 |
| L21 | – | 6.8 | 1.2 | 430 | 1.9 |
| L22 | – | 3.2 | – | 190 | 0.9 |
| L23 | – | 3.8 | – | 230 | 1.0 |
| L24 | – | 1.9 | – | 110 | 0.5 |
| L25 | – | 1.2 | – | 70 | 0.3 |
| L26 | – | 1.0 | – | 60 | 0.3 |
| L27 | – | 0.1 | – | 10 | 0.0 |
| L28 | – | 0.6 | – | 40 | 0.2 |
| L29 | – | – | – | – | – |
| L30 | – | – | – | – | – |
| | – | – | – | – | – |
| to | – | – | – | – | – |
| | – | – | – | – | – |
| L43 | – | – | – | – | – |
| Number | 15,020 | 6,100 | 1,130 | 22,250 | |

*Source:* STRB, Teachers' Pay Survey 2003; national estimates.

TABLE 8 **Distribution of assistant headteachers by spine point by type of school, September 2003**

England and Wales

| Spine point | Primary | Secondary | Special | Total | |
|---|---|---|---|---|---|
| | | | | Number | Percent |
| | % | % | % | Headcount | % |
| L1 | 10.9 | – | – | 310 | 2.4 |
| L2 | 9.3 | – | – | 260 | 2.1 |
| L3 | 6.4 | – | – | 180 | 1.4 |
| L4 | 14.2 | – | – | 400 | 3.1 |
| L5 | 20.4 | 0.2 | 6.8 | 640 | 5.0 |
| L6 | 18.1 | 0.9 | 11.6 | 670 | 5.3 |
| L7 | 8.0 | 2.0 | 39.9 | 670 | 5.3 |
| L8 | 6.4 | 1.1 | 10.0 | 350 | 2.7 |
| L9 | 3.7 | 4.4 | 8.7 | 570 | 4.5 |
| L10 | 0.4 | 10.3 | 7.0 | 1,010 | 7.9 |
| L11 | 0.7 | 18.3 | 8.1 | 1,760 | 13.9 |
| L12 | 0.3 | 24.1 | – | 2,240 | 17.6 |
| L13 | 0.5 | 15.7 | 4.1 | 1,500 | 11.8 |
| L14 | – | 12.7 | 2.0 | 1,190 | 9.4 |
| L15 | – | 5.0 | – | 460 | 3.6 |
| L16 | – | 2.9 | 1.7 | 280 | 2.2 |
| L17 | – | 1.3 | – | 120 | 0.9 |
| L18 | 0.6 | 0.5 | – | 60 | 0.5 |
| L19 | – | 0.2 | – | 20 | 0.1 |
| L20 | – | 0.3 | – | 30 | 0.2 |
| L21 | – | – | – | – | – |
| L22 | – | – | – | – | – |
| L23 | – | – | – | – | – |
| | – | – | – | – | – |
| to | – | – | – | – | – |
| | – | – | – | – | – |
| L43 | – | – | – | – | – |
| Number | 2,810 | 9,250 | 650 | 12,720 | |

*Source:* STRB, Teachers' Pay Survey 2003; national estimates.

TABLE 9 **Percentages of headteachers, deputy and assistant headteachers remaining in the same post between September 2002 and 2003 who received additional spine points[(a)]**

England and Wales

| | Headteachers | Deputy Heads | Assistant Heads |
|---|---|---|---|
| | % | % | % |
| **All** | 61 | 61 | 51 |
| **School type** | | | |
| Primary | 62 | 62 | 49 |
| Secondary | 52 | 57 | 52 |
| Special | 70 | 62 | 40 |
| **Region** | | | |
| North East | 67 | 68 | 57 |
| North West | 64 | 67 | 49 |
| Yorks and the Humber | 63 | 58 | 54 |
| East Midlands | 60 | 63 | 41 |
| West Midlands | 59 | 47 | 51 |
| East of England | 60 | 56 | 36 |
| Greater London | 64 | 62 | 62 |
| South East | 61 | 64 | 47 |
| South West | 53 | 57 | 56 |
| Wales | 63 | 66 | 64 |
| **School Group** | | | |
| One | 59 | 55 | 31 |
| Two | 67 | 64 | 39 |
| Three | 60 | 61 | 47 |
| Four | 49 | 53 | 57 |
| Five | 65 | 67 | 56 |
| Six | 46 | 58 | 52 |
| Seven | 55 | 56 | 55 |
| Eight | 50 | 54 | 34 |

*Source:* STRB, Teachers' Pay Survey 2003; national estimates.

(a) Excludes 3,370 headteacher, 4,590 deputy and 3,680 assistant headteacher posts where the postholder had changed between September 2002 and September 2003.

TABLE 10 **Distribution of full-time equivalent classroom teachers by spine point by type of school, September 2003**

England and Wales

| Spine point | Primary | Secondary | Special | Total | |
|---|---|---|---|---|---|
| | | | | Number | Percent |
| | % | % | % | 000 FTE | % |
| ***Main scale*** | | | | | |
| 1 | 5.3 | 4.7 | 1.8 | 18.0 | 4.8 |
| 2 | 6.4 | 5.8 | 1.8 | 22.1 | 5.9 |
| 3 | 6.7 | 5.4 | 2.6 | 21.9 | 5.9 |
| 4 | 10.5 | 9.4 | 4.7 | 36.3 | 9.7 |
| 5 | 5.9 | 5.0 | 4.5 | 20.0 | 5.4 |
| 6 | 16.8 | 13.2 | 17.3 | 56.0 | 15.0 |
| ***Upper scale*** | | | | | |
| 1 | 18.0 | 14.8 | 22.2 | 61.6 | 16.5 |
| 2 | 30.4 | 41.7 | 45.1 | 137.2 | 36.8 |
| FTE (000) | 167.1 | 192.9 | 13.2 | 373.2 | |

*Source:* STRB, Teachers' Pay Survey 2003; national estimates.

TABLE 11 **Distribution of full-time equivalent classroom teachers by the level of each allowance by type of school, September 2003**

England and Wales

| Spine point | Primary | Secondary | Special | Total | |
|---|---|---|---|---|---|
| | | | | Number | Percent |
| | % | % | % | 000 FTE | % |
| ***Management*** | | | | | |
| 0 | 62.1 | 37.0 | 46.6 | 181.2 | 48.6 |
| 1 | 23.4 | 15.4 | 38.8 | 74.0 | 19.8 |
| 2 | 12.7 | 17.3 | 11.6 | 56.1 | 15.0 |
| 3 | 1.8 | 14.4 | 2.7 | 31.0 | 8.3 |
| 4 | 0.1 | 13.3 | 0.4 | 25.8 | 6.9 |
| 5 | – | 2.7 | – | 5.1 | 1.4 |
| ***Special Needs*** | | | | | |
| 0 | 96.7 | 98.3 | – | 351.3 | 94.1 |
| 1 | 2.7 | 1.3 | 58.1 | 14.6 | 3.9 |
| 2 | 0.6 | 0.4 | 41.9 | 7.3 | 2.0 |
| ***Recruitment & Retention*** | | | | | |
| 0 | 96.0 | 94.6 | 97.4 | 355.7 | 95.3 |
| 1 | 3.4 | 3.3 | 1.1 | 12.1 | 3.2 |
| 2 | 0.5 | 1.9 | 1.4 | 4.7 | 1.3 |
| 3 | 0.0 | 0.2 | 0.1 | 0.4 | 0.1 |
| 4 | – | 0.0 | – | 0.1 | 0.0 |
| 5 | 0.1 | 0.1 | – | 0.2 | 0.1 |

*Source:* STRB, Teachers' Pay Survey 2003; national estimates.

TABLE 12 **Number of full-time teachers with safeguarded[(a)] salaries, March 1996 to March 2002**

England and Wales

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002[(b)] |
|---|---|---|---|---|---|---|---|
| | No. | No. | No. | No. | No. | No. | No. |
| Nursery and primary | 2,040 | 1,590 | 1,330 | 1,050 | 860 | 1,880 | 1,360 |
| Secondary | 1,960 | 1,480 | 1,230 | 1,050 | 980 | 2,500 | 1,770 |
| Special | 100 | 70 | 60 | 50 | 40 | – | – |
| Special and PRU | – | – | – | – | – | 470 | 310 |
| Total | 4,090 | 3,150 | 2,620 | 2,150 | 1,890 | 4,850 | 3,450 |
| Distribution by pay spine/spine point | | | | | | | |
| Heads | 780 | 530 | 440 | 340 | 190 | 130 | 80 |
| Deputy heads | 920 | 620 | 480 | 370 | 310 | 190 | 110 |
| Assistant heads | n/a | n/a | n/a | n/a | n/a | 50 | 40 |
| Classroom teachers | 2,390 | 2,000 | 1,710 | 1,430 | 1,390 | 3,110 | 2,740 |
| *pre-September 2000 scale* | | | | | | | |
| *0-8.5* | *110* | *70* | *60* | *50* | *70* | – | – |
| *9-9.5* | *530* | *420* | *360* | *260* | *230* | – | – |
| *10-13.5* | *1,630* | *1,400* | *1,180* | *1,040* | *1,010* | – | – |
| *14-17* | *120* | *110* | *90* | *70* | *70* | – | – |
| *Scale from September 2000* | | | | | | | |
| *1-8* | – | – | – | – | – | *310* | *100* |
| *9* | – | – | – | – | – | *690* | *260* |
| *Post Threshold* | – | – | – | – | – | *2,110* | *2,380* |
| Other/not known | 0 | 0 | 0 | 0 | 0 | 1,380 | 470 |

*Source:* DfES, Database of Teacher Records.

(a) Numbers may be inflated due to cash safeguarding being incorrectly included in some cases.
(b) Provisional estimates.

TABLE 13 **Full-time equivalent (FTE) number of teachers[(a)(b)] receiving London allowances, and use made of the discretionary inner London supplement, January 2002 and January 2003**

| | 2002 | 2003 |
|---|---|---|
| | FTE | FTE |
| Inner London allowance[(c)] | 31,800 | 32,300 |
| Of which: inner London supplement | 2,000 | 1,600 |
| Outer London allowance[(c)] | 29,900 | 30,200 |
| Fringe area allowance | 25,600 | 24,700 |

*Source:* DfES, annual 618G survey and Database of Teacher Records.

(a) Excludes occasional teachers without qualified teacher status.
(b) Provisional estimates.
(c) Relates to the numbers of teachers in the inner London and outer London weighting areas.

TABLE 14 **Full-time equivalent (FTE) number of support staff in maintained schools and average school sizes, January 2002 and January 2003**

England

| | Nursery | | Primary[a] | | Secondary[a] | | Special[b] | |
|---|---|---|---|---|---|---|---|---|
| | 2002 | 2003 | 2002 | 2003 | 2002 | 2003 | 2002 | 2003 |
| | 000 FTE | 000 FTE | 000 FTE | 000 FTE | 000 FTE | 000 FTE | 000 FTE | 000 FTE |
| **Teaching assistants[c]** | | | | | | | | |
| Teaching assistants | 2.1 | 2.1 | 42.9 | 53.3 | 4.7 | 6.9 | 7.1 | 10.1 |
| Special needs support staff | 0.3 | 0.3 | 24.6 | 24.7 | 14.4 | 14.9 | 7.0 | 6.4 |
| Minority ethnic staff | 0.1 | 0.1 | 1.8 | 1.8 | 0.4 | 0.4 | 0.1 | 0.1 |
| Total | 2.5 | 2.5 | 69.3 | 79.8 | 19.5 | 22.3 | 14.2 | 16.6 |
| **Administrative Staff** | | | | | | | | |
| Secretaries | 0.3 | 0.3 | 14.5 | 13.3 | 9.4 | 9.8 | 1.4 | 1.3 |
| Bursars | 0.0 | 0.0 | 1.9 | 2.0 | 2.7 | 2.8 | 0.3 | 0.3 |
| Other admin/ clerical staff | 0.0 | 0.0 | 6.6 | 8.0 | 11.5 | 11.5 | 0.8 | 0.8 |
| Total | 0.3 | 0.4 | 23.1 | 23.3 | 23.6 | 24.1 | 2.5 | 2.4 |
| **Technicians** | | | | | | | | |
| Total | 0.0 | 0.0 | 0.6 | 0.9 | 15.6 | 16.6 | 0.3 | 0.3 |
| **Other support staff** | | | | | | | | |
| Matrons/nurses/ medical staff | 0.0 | 0.0 | 0.5 | 0.5 | 0.7 | 0.7 | 0.6 | 0.6 |
| Child care staff (boarding schoools)[d] | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.2 | 0.4 |
| Other[e] | 0.1 | 0.1 | 26.4 | 20.1 | 9.3 | 9.1 | 3.5 | 2.9 |
| Total | 0.1 | 0.1 | 27.0 | 20.6 | 9.9 | 9.8 | 7.3 | 3.9 |
| **Total support staff** | 2.9 | 2.9 | 119.9 | 124.7 | 68.7 | 72.8 | 24.3 | 23.2 |
| | No. | No. | No. | No. | No. | No. | No. | No. |
| **Number of schools** | 500 | 480 | 17,990 | 17,860 | 3,460 | 3,440 | 1,100 | 1,090 |
| | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE |
| **Average size of schools** | | | | | | | | |
| Pupils | 51 | 52 | 234 | 233 | 944 | 962 | 81 | 81 |
| Teachers | 3 | 3 | 11 | 11 | 58 | 59 | 12 | 12 |
| Non-teachers | 6 | 6 | 7 | 7 | 20 | 21 | 22 | 21 |

*Source:* DfES, Annual Schools' Census.

(a) Includes middle schools as deemed.

(b) Includes maintained and non-maintained special schools and general hospital schools.

(c) Includes nursery assistants in nursery schools.

(d) Due to a reporting problem at source, the number of child care staff has not been recorded accurately by schools, resulting in child care staff being distributed across other support staff categories.

(e) Includes matrons, nurses, other medical staff, librarians, welfare assistants, learning mentors and any other support staff regularly employed in schools.

TABLE 15 **Pupil to teacher ratios, class sizes and contact ratios, January 1993 to January 2003**

England

| | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Primary** | | | | | | | | | | | |
| Pupil to teacher ratio within schools[a] | 22.4 | 22.7 | 22.9 | 23.2 | 23.4 | 23.7 | 23.5 | 23.3 | 22.9 | 22.5 | 22.6 |
| Average size of class[b] | 26.6 | 26.9 | 27.1 | 27.3 | 27.5 | 27.7 | 27.5 | 27.1 | 26.7 | 26.3 | 26.3 |
| Percentage of classes[b]: | | | | | | | | | | | |
| with 31 to 35 pupils | 19.9 | 21.3 | 22.5 | 24.0 | 25.3 | 26.2 | 23.7 | 19.7 | 15.5 | 13.0 | 12.1 |
| with 36 or more pupils | 1.7 | 1.8 | 2.0 | 2.4 | 2.6 | 3.0 | 2.5 | 2.1 | 1.6 | 1.2 | 1.0 |
| Class contact ratio[c] | 87.1 | 86.8 | 86.4 | 86.8 | 87.3 | 87.7 | 87.8 | 87.5 | 87.4 | 86.5 | 86.4 |
| **Secondary** | | | | | | | | | | | |
| Pupil to teacher ratio within schools[a] | 16.2 | 16.4 | 16.5 | 16.6 | 16.7 | 16.9 | 17.0 | 17.2 | 17.1 | 16.9 | 17.0 |
| Average size of class[b]: | 21.2 | 21.4 | 21.5 | 21.7 | 21.7 | 21.7 | 21.9 | 22.0 | 22.0 | 21.9 | 21.9 |
| mainly aged under 16 | 22.7 | 22.9 | 23.1 | 23.4 | 23.4 | 23.6 | 23.7 | 23.8 | (e) | (e) | (e) |
| mainly aged 16 and over | 10.7 | 10.6 | 10.4 | 10.6 | 10.8 | 10.7 | 10.5 | 10.7 | (e) | (e) | (e) |
| Percentage of classes with over 30 pupils[b] | 4.9 | 5.3 | 4.9 | 5.8 | 5.9 | 6.7 | 7.4 | 7.8 | 8.1 | 8.1 | 8.0 |
| Class contact ratio[c] | 74.5 | 74.8 | 75.0 | 75.0 | 75.0 | 75.1 | 75.1 | 74.8 | 74.0 | 72.3 | 72.3 |
| **Overall pupil to teacher ratio[d][e]** | 17.8 | 18.1 | 18.3 | 18.5 | 18.6 | 18.9 | 18.8 | 18.6 | 18.3 | 18.0 | 17.9 |

*Source:* DfES, Annual Schools' Census, and DfES, annual 618G survey.

(a) Qualified full-time equivalent teachers only. Excluding teachers absent for long periods or seconded for other duties, but including any replacements.
(b) Classes taught by one teacher only during a single selected period on the census date.
(c) Percentage of teachers in school who were teaching in the selected period.
(d) Includes all teachers employed – not just those within schools on the day of the Annual Schools' Census. Including nursery schools but excluding special schools.
(e) In 2001, DfES changed the basis on which average size of class figures are published, to be based on year group rather than age.

TABLE 16 **Teacher vacancy rates by region, January 1998 to January 2003**

England and Wales

| Region | Nursery and primary | | | | | | | Secondary | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Percentage vacancies[a] | | | | | | 2003 | Percentage vacancies[a] | | | | | | 2003 |
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | numbers | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | numbers |
| | % | % | % | % | % | % | No. | % | % | % | % | % | % | No. |
| North East | 0.4 | 0.5 | 0.3 | 0.6 | 0.6 | 0.4 | 40 | 0.4 | 0.5 | 0.4 | 1.0 | 0.7 | 0.9 | 90 |
| North West | 0.3 | 0.3 | 0.3 | 0.4 | 0.5 | 0.3 | 80 | 0.2 | 0.2 | 0.3 | 0.6 | 0.6 | 0.6 | 170 |
| Yorkshire and The Humber | 0.4 | 0.2 | 0.3 | 0.3 | 0.8 | 0.3 | 60 | 0.4 | 0.1 | 0.3 | 0.6 | 1.0 | 0.9 | 170 |
| East Midlands | 0.5 | 0.4 | 0.6 | 0.7 | 0.6 | 0.3 | 50 | 0.4 | 0.3 | 0.4 | 0.6 | 1.1 | 0.6 | 100 |
| West Midlands | 0.4 | 0.7 | 0.6 | 0.7 | 0.8 | 0.5 | 90 | 0.5 | 0.4 | 0.5 | 1.1 | 1.4 | 1.0 | 220 |
| East of England | 0.7 | 0.8 | 0.9 | 1.7 | 1.6 | 0.8 | 140 | 0.7 | 0.7 | 0.8 | 1.7 | 1.8 | 1.4 | 280 |
| London | 2.5 | 2.3 | 2.0 | 3.3 | 2.4 | 1.7 | 410 | 1.3 | 1.4 | 1.8 | 3.8 | 2.9 | 2.2 | 530 |
| South East | 0.8 | 0.8 | 1.0 | 1.6 | 1.1 | 0.8 | 200 | 0.6 | 0.7 | 1.0 | 2.1 | 1.6 | 1.6 | 420 |
| South West | 0.5 | 0.4 | 0.7 | 0.6 | 0.4 | 0.3 | 40 | 0.3 | 0.3 | 0.5 | 0.7 | 0.5 | 0.4 | 70 |
| England | 0.8 | 0.8 | 0.8 | 1.2 | 1.0 | 0.6 | 1,110 | 0.6 | 0.5 | 0.7 | 1.4 | 1.3 | 1.1 | 2,050 |
| Wales | 0.8 | 0.4 | 0.2 | 0.3 | 0.2 | 0.3 | 40 | 0.5 | 0.7 | 0.3 | 0.5 | 0.6 | 0.7 | 80 |
| England and Wales | 0.8 | 0.8 | 0.8 | 1.1 | 1.0 | 0.6 | 1,150 | 0.6 | 0.5 | 0.7 | 1.4 | 1.3 | 1.1 | 2,130 |
| Inner London Weighting Area | 3.5 | 3.4 | 2.9 | 4.2 | 2.9 | 1.7 | 230 | 1.7 | 1.8 | 2.3 | 4.4 | 3.2 | 2.6 | 290 |
| Outer London Weighting Area | 1.1 | 0.9 | 1.0 | 2.2 | 1.8 | 1.7 | 180 | 0.8 | 1.0 | 1.3 | 3.1 | 2.6 | 2.0 | 240 |

*Source:* DfES annual 618G survey and National Assembly for Wales annual stats3 survey.

(a) Advertised vacancies for full-time permanent appointments (or appointments of at least one term's duration), including posts currently filled on a temporary basis, expressed as a percentage of teachers in post, which includes full-time regular teachers in (or on secondment from) schools plus peripatetic, remedial centre, advisory and miscellaneous teachers, and also the relevant portion of full-time regular teachers with divided service.

TABLE 17 **Vacancy rates[a] for classroom teachers in secondary schools by subject, January 1998 to January 2003**

England and Wales

| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2003 numbers |
|---|---|---|---|---|---|---|---|
| | % | % | % | % | % | % | No. |
| Mathematics | 0.7 | 0.8 | 1.2 | 2.2 | 2.1 | 1.7 | 320 |
| Information technology | 0.7 | 0.9 | 1.2 | 2.9 | 2.2 | 2.5 | 110 |
| All sciences | 0.4 | 0.5 | 0.6 | 1.6 | 1.7 | 1.3 | 330 |
| Languages | 0.7 | 0.5 | 0.7 | 1.6 | 1.3 | 1.0 | 160 |
| English | 0.5 | 0.4 | 0.6 | 1.9 | 1.7 | 1.5 | 290 |
| Drama | 0.2 | 0.4 | 0.6 | 1.8 | 1.8 | 1.3 | 40 |
| History | 0.2 | 0.2 | 0.1 | 0.5 | 0.6 | 0.5 | 40 |
| Social sciences | 0.0 | 0.1 | 0.2 | 0.4 | 0.4 | 0.2 | 10 |
| Geography | 0.4 | 0.1 | 0.3 | 0.6 | 0.9 | 0.6 | 50 |
| Religious education | 0.8 | 0.5 | 0.7 | 1.9 | 1.7 | 1.6 | 80 |
| Design and technology[b] | 0.7 | 0.6 | 0.7 | 1.3 | 1.4 | 1.1 | 160 |
| Commerce/business | 0.6 | 0.4 | 0.5 | 1.3 | 0.9 | 1.3 | 40 |
| Art, craft or design | 0.3 | 0.5 | 0.3 | 0.7 | 0.9 | 0.6 | 40 |
| Music | 0.7 | 0.7 | 0.8 | 1.9 | 1.9 | 1.5 | 70 |
| Physical education | 0.3 | 0.3 | 0.2 | 0.9 | 0.9 | 0.8 | 90 |
| Careers | 1.8 | 0.9 | 1.4 | 4.3 | 1.9 | 0.0 | 0 |
| Other main and combined subjects | 0.7 | 0.8 | 1.1 | 1.7 | 1.8 | 1.4 | 170 |
| Total | 0.5 | 0.5 | 0.7 | 1.4 | 1.5 | 1.1 | 2,010 |

*Source:* DfES annual 618G survey and National Assembly for Wales annual stats3 survey.

(a) See Table 16, footnote (a).
(b) Includes home economics and needlework.

TABLE 18 **Wastage rates[a][b] for full-time teachers, 1991-92 to 2001-02**

England and Wales

| Year ending 31 March | Nursery and primary | Secondary[c] | Special and PRU | Total[c] | Of which | |
|---|---|---|---|---|---|---|
| | | | | | Teachers aged under 50 | Teachers aged 50 and over |
| | % | % | % | % | % | % |
| 1992 | 9.0 | 8.1 | 8.5 | 8.5 | 6.6 | 15.8 |
| 1993 | 8.4 | 7.6 | 8.7 | 8.0 | 5.9 | 15.8 |
| 1994 | 8.9 | 8.5 | 10.7 | 8.7 | 6.2 | 17.7 |
| 1995 | 8.9 | 8.0 | 10.4 | 8.5 | 6.2 | 16.9 |
| 1996 | 9.0 | 8.5 | 9.8 | 8.8 | 6.3 | 17.7 |
| 1997[d] | 9.7 | 8.3 | 10.5 | 9.0 | 6.2 | 18.5 |
| 1998[d] | 10.7 | 9.3 | 11.4 | 10.1 | 7.1 | 19.7 |
| 1999[e] | 9.2 | 7.7 | 9.2 | 8.5 | 7.9 | 10.4 |
| 2000[e] | 9.5 | 8.1 | 8.8 | 8.8 | 8.0 | 10.8 |
| 2001[e][f] | 9.9 | 8.4 | 9.3 | 9.2 | 8.2 | 11.6 |
| 2002[f] | 10.4 | 9.4 | 10.5 | 9.9 | 9.0 | 11.8 |
| *of which:* | | | | | | |
| Men | 8.6 | 8.0 | 9.3 | 8.2 | 6.7 | 11.0 |
| Women | 10.7 | 10.6 | 11.1 | 10.7 | 10.0 | 12.2 |

*Source:* DfES, Database of Teacher Records.

(a) The 'wastage rate' is the percentage of all teachers leaving full-time service in maintained nursery, primary and secondary schools during the year. Transfers between schools within the maintained nursery, primary and secondary sector are excluded, but changes to part-time service and transfers to special schools are included.
(b) The wastage figures are not directly comparable with the data on teacher turnover from the Employers' Organisation surveys (Tables 20 and 21), since the latter include teachers transferring between schools within the maintained sector. Both wastage and turnover data include retirements.
(c) Includes sixth-form colleges until 1993.
(d) The wastage rate for those aged 50+ in 1997 and 1998 reflects the increase in early retirements brought about by changes to the Teachers' Pension Scheme in April 1997 and September 1997. The subsequent decrease in early retirements resulted in a much lower wastage rate in 1999.
(e) Revised figures.
(f) Provisional estimates.

TABLE 19 **Movement of teachers out of the maintained sector between March 2000 and 2001 and between March 2001 and 2002**

England and Wales

| | 2000-2001[(a)(b)] | | 2001-2002[(b)] | |
|---|---|---|---|---|
| | Full-time | Part-time | Full-time | Part-time |
| | No. | No. | No. | No. |
| Retirements | 7,200 | 2,700 | 7,100 | 2,500 |
| Out of service | 20,000 | 7,100 | 21,800 | 7,500 |
| Total leaving the maintained sector | 27,200 | 9,800 | 28,900 | 10,000 |
| Moving to: | | | | |
| full-time service | n/a | 5,700 | n/a | 4,800 |
| part-time service | 8,200 | n/a | 9,600 | n/a |
| Total leaving the maintained sector **or** moving between part-time and full-time service | 35,400 | 15,500 | 38,500 | 14,800 |

*Source:* DfES, Database of Teacher Records.

(a) Revised figures.
(b) Provisional estimates.

TABLE 20 **Turnover[(a)] rates for full-time teachers by gender and region, calendar years 1996 to 2002**

England and Wales

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2002 numbers |
|---|---|---|---|---|---|---|---|---|
| | % | % | % | % | % | % | % | No. |
| **Primary** | | | | | | | | |
| Male | 9.4 | 12.5 | 9.8 | 10.7 | 13.6 | 15.6 | 12.6 | 3,710 |
| Female | 9.3 | 11.5 | 8.8 | 10.2 | 12.6 | 12.5 | 11.7 | 17,310 |
| Total | 9.4 | 11.7 | 9.0 | 10.3 | 12.8 | 13.0 | 11.8 | 21,020 |
| North | 7.4 | 10.5 | 7.1 | 7.2 | 8.7 | 8.7 | 8.5 | 890 |
| Yorkshire and Humberside | 7.9 | 10.7 | 6.4 | 6.9 | 9.9 | 11.3 | 10.5 | 1,810 |
| North West | 9.1 | 10.7 | 7.4 | 8.5 | 10.0 | 8.9 | 9.2 | 2,130 |
| East Midlands | 8.0 | 9.8 | 7.8 | 9.0 | 11.9 | 11.0 | 10.7 | 1,450 |
| West Midlands | 8.5 | 10.2 | 8.0 | 8.6 | 10.7 | 11.8 | 9.9 | 1,830 |
| East Anglia | 11.0 | 9.0 | 10.2 | 11.0 | 15.2 | 16.9 | 15.6 | 1,040 |
| Greater London | 13.3 | 15.9 | 13.3 | 16.0 | 15.8 | 18.8 | 16.9 | 4,460 |
| South East | 10.0 | 13.7 | 11.6 | 13.0 | 18.6 | 17.2 | 14.4 | 5,180 |
| South West | 9.6 | 12.0 | 8.2 | 10.3 | 13.2 | 12.1 | 11.1 | 1,610 |
| Wales | 5.9 | 8.8 | 5.0 | 5.2 | 5.1 | 5.8 | 5.6 | 620 |
| **Secondary** | | | | | | | | |
| Male | 8.4 | 11.0 | 7.5 | 8.6 | 11.9 | 12.7 | 12.1 | 11,040 |
| Female | 8.7 | 11.8 | 8.8 | 10.0 | 13.5 | 14.1 | 12.9 | 13,800 |
| Total | 8.5 | 11.4 | 8.2 | 9.4 | 12.7 | 13.5 | 12.5 | 24,840 |
| North | 8.1 | 11.9 | 6.8 | 6.4 | 10.2 | 10.3 | 10.2 | 1,260 |
| Yorkshire and Humberside | 7.6 | 11.0 | 6.9 | 7.8 | 10.8 | 11.4 | 10.6 | 2,020 |
| North West | 7.2 | 10.0 | 6.3 | 7.4 | 9.9 | 10.9 | 10.7 | 2,660 |
| East Midlands | 8.5 | 10.5 | 8.0 | 8.4 | 13.3 | 12.5 | 11.1 | 1,790 |
| West Midlands | 7.5 | 10.8 | 7.8 | 8.5 | 12.4 | 12.5 | 11.8 | 2,470 |
| East Anglia | 9.3 | 10.6 | 7.9 | 10.3 | 12.6 | 15.9 | 12.1 | 1,010 |
| Greater London | 12.5 | 14.8 | 11.5 | 12.9 | 16.5 | 18.1 | 16.0 | 4,180 |
| Rest of South East | 9.8 | 12.6 | 10.6 | 12.1 | 15.9 | 17.2 | 15.5 | 6,440 |
| South West | 8.0 | 10.7 | 8.1 | 8.7 | 11.8 | 12.6 | 12.2 | 2,100 |
| Wales | 6.8 | 10.7 | 6.0 | 6.4 | 7.8 | 7.4 | 7.7 | 910 |
| **Primary and secondary** | | | | | | | | |
| Male | 8.7 | 11.5 | 8.2 | 9.1 | 12.3 | 13.4 | 12.2 | 14,750 |
| Female | 9.1 | 11.6 | 8.8 | 10.1 | 13.0 | 13.2 | 12.2 | 31,110 |
| Total | 9.0 | 11.6 | 8.6 | 9.8 | 12.8 | 13.2 | 12.2 | 45,860 |

*Source:* Employers' Organisation, Survey of Teacher Resignations and Recruitment.

(a) Based on resignations of full-time permanent teachers (i.e. excluding fixed-term contract and supply teachers), excluding moves within schools.
(b) Includes grant maintained schools from 1996 to 1998.

TABLE 21 **Turnover[(a)] rates for full-time teachers by destination, calendar years 1996 to 2002**

England and Wales

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2002 numbers |
|---|---|---|---|---|---|---|---|---|
| | % | % | % | % | % | % | % | No. |
| **Primary** | | | | | | | | |
| Education: same LEA | 1.9 | 2.2 | 2.0 | 2.1 | 3.2 | 3.5 | 3.0 | 5,310 |
| Education: other LEA | 1.7 | 2.1 | 2.0 | 2.3 | 3.0 | 3.0 | 2.7 | 4,740 |
| Education: non-LEA | 0.5 | 0.5 | 0.6 | 0.6 | 0.8 | 0.7 | 0.7 | 1,310 |
| Other employment | 0.2 | 0.4 | 0.4 | 0.5 | 0.6 | 0.4 | 0.4 | 730 |
| Age retirement | 0.5 | 0.5 | 0.4 | 0.5 | 0.5 | 0.4 | 0.5 | 950 |
| Ill-health retirement | 1.0 | 1.0 | 0.5 | 0.5 | 0.6 | 0.5 | 0.4 | 630 |
| Premature retirement | 1.7 | 2.6 | 0.6 | 0.8 | 1.0 | 0.9 | 1.0 | 1,770 |
| Maternity reasons | 0.7 | 0.7 | 0.7 | 0.8 | 0.9 | 0.7 | 0.6 | 1,090 |
| Other reasons | 0.6 | 0.8 | 0.8 | 0.9 | 1.2 | 1.2 | 1.1 | 1,920 |
| Not known/unrecorded | 0.6 | 0.9 | 1.0 | 1.3 | 1.0 | 1.5 | 1.4 | 2,570 |
| Total | 9.4 | 11.7 | 9.0 | 10.3 | 12.8 | 13.0 | 11.8 | 21,020 |
| **Secondary** | | | | | | | | |
| Education: same LEA | 1.0 | 1.2 | 1.0 | 1.1 | 2.1 | 2.5 | 2.2 | 4,270 |
| Education: other LEA | 2.0 | 2.8 | 2.6 | 2.9 | 4.3 | 4.8 | 4.2 | 8,420 |
| Education: non-LEA | 0.8 | 0.9 | 0.8 | 1.0 | 1.1 | 1.1 | 1.0 | 2,130 |
| Other employment | 0.4 | 0.4 | 0.5 | 0.7 | 0.8 | 0.7 | 0.5 | 1,030 |
| Age retirement | 0.3 | 0.4 | 0.3 | 0.4 | 0.4 | 0.5 | 0.5 | 1,070 |
| Ill-health retirement | 0.9 | 0.9 | 0.5 | 0.4 | 0.6 | 0.4 | 0.5 | 900 |
| Premature retirement | 1.9 | 3.2 | 0.6 | 0.7 | 0.8 | 0.7 | 0.9 | 1,740 |
| Maternity reasons | 0.4 | 0.4 | 0.3 | 0.4 | 0.5 | 0.4 | 0.5 | 960 |
| Other reasons | 0.5 | 0.7 | 0.8 | 0.8 | 1.0 | 1.0 | 1.0 | 2,000 |
| Not known/unrecorded | 0.4 | 0.5 | 0.7 | 0.8 | 1.1 | 1.2 | 1.2 | 2,330 |
| Total | 8.5 | 11.4 | 8.2 | 9.4 | 12.7 | 13.5 | 12.5 | 24,840 |

*Source:* Employers' Organisation, Survey of Teacher Resignations and Recruitment.

(a) Based on resignations of full-time permanent teachers (i.e. excluding fixed-term contract and supply teachers), excluding moves within schools.
(b) Includes grant maintained schools from 1996 to 1998.

TABLE 22 **Recruitment to initial teacher training courses[(a)], 1999/2000 to 2003/04**

England and Wales

| | 1999/00 | 2000/01 | 2001/02 | 2002/03 | 2003/04[(b)] | Percentage change 2002/03 to 2003/04 |
|---|---|---|---|---|---|---|
| | No. | No. | No. | No. | No. | % |
| **Overall** | | | | | | |
| Undergraduate | 9,340 | 8,950 | 8,670 | 8,630 | 8,690 | 1 |
| Postgraduate | 18,880 | 21,190 | 22,790 | 24,880 | 27,370 | 10 |
| Fast Track[(c)] | – | – | 110 | 120 | 280 | 133 |
| Total | 28,210 | 30,140 | 31,560 | 33,630 | 36,340 | 8 |
| **Primary** | | | | | | |
| Undergraduate | 7,370 | 7,320 | 7,110 | 7,200 | 7,290 | 1 |
| Postgraduate | 6,000 | 7,120 | 7,220 | 8,460 | 9,490 | 12 |
| Fast Track[(c)] | – | – | 30 | 30 | 60 | 100 |
| Total | 13,380 | 14,440 | 14,360 | 15,690 | 16,840 | 7 |
| **Secondary** | | | | | | |
| Undergraduate | 1,960 | 1,630 | 1,560 | 1,430 | 1,390 | -3 |
| Postgraduate | 12,880 | 14,070 | 15,560 | 16,420 | 17,890 | 9 |
| Fast Track[(c)] | – | – | 80 | 90 | 220 | 144 |
| Total | 14,840 | 15,700 | 17,200 | 17,940 | 19,500 | 9 |
| Mathematics | 1,390 | 1,390 | 1,660 | 1,770 | 2,070 | 17 |
| English and drama | 2,150 | 2,170 | 2,380 | 2,630 | 2,600 | –1 |
| Science | 2,510 | 2,580 | 2,770 | 2,880 | 3,050 | 6 |
| Modern foreign languages | 1,570 | 1,750 | 1,830 | 1,840 | 1,930 | 5 |
| Welsh | 40 | 60 | 40 | 60 | 50 | -17 |
| Technology[(d)] | 1,820 | 2,030 | 2,340 | 2,620 | 2,870 | 10 |
| History | 880 | 990 | 1,000 | 1,060 | 1,070 | 1 |
| Geography | 920 | 960 | 1,080 | 1,010 | 1,050 | 4 |
| Physical education | 1,290 | 1,300 | 1,420 | 1,420 | 1,690 | 19 |
| Art | 850 | 920 | 910 | 960 | 1,000 | 4 |
| Music | 550 | 610 | 690 | 640 | 660 | 3 |
| Religious education | 570 | 620 | 620 | 610 | 620 | 2 |
| Citizenship | – | – | 150 | 190 | 220 | 16 |
| Other[(e)] | 290 | 320 | 240 | 180 | 230 | 28 |
| Vocational subjects[(f)] | – | – | – | – | 160 | |
| Fast Track[(c)] | – | – | 80 | 90 | 220 | 144 |

*Source:* DfES, TTA, Higher Education Funding Council for Wales.

(a) These figures do not include those people recruited onto employment based routes into teaching.
(b) 2003/04 recruitment numbers are the latest provisional figures for the whole academic year.
(c) 2001/02 was the first year of Fast Track recruitment. Fast Track recruitment is not included in the figures for places allocated on initial teacher training courses as shown in Table 23.
(d) Technology includes design and technology, information and communications technology and business studies.
(e) Other includes classics, economics, other social sciences and other subjects.
(f) Vocational subjects includes applied ICT, applied science, applied art and design, applied business studies, manufacturing, engineering, leisure and tourism, and heath and social care.

TABLE 23 **Initial teacher training places allocated[(a)], 2002/03 to 2006/07**

| | ENGLAND AND WALES | | ENGLAND ONLY | | | |
|---|---|---|---|---|---|---|
| | 2002/03 | 2003/04 | 2003/04 | 2004/05 | 2005/06[(b)] | 2006/07[(b)] |
| | No. | No. | No. | No. | No. | No. |
| **Total** | | | | | | |
| England | 31,790 | 34,675 | 34,675 | 35,800 | 35,000 | 34,200 |
| Wales | 2,400 | 2,470 | – | – | – | – |
| England and Wales | 34,190 | 37,145 | – | – | – | – |
| **Primary** | | | | | | |
| England | 14,000 | 15,200 | 15,200 | 16,300 | – | – |
| Wales | 1,150 | 1,150 | – | – | – | – |
| England and Wales | 15,150 | 16,350 | – | – | – | – |
| **Secondary** | | | | | | |
| England | 17,790 | 19,475 | 19,475 | 19,500 | – | – |
| Wales | 1,250 | 1,320 | – | – | – | – |
| England and Wales | 19,040 | 20,795 | – | – | – | – |
| Mathematics | 2,065 | 2,450 | 2,315 | 2,350 | – | – |
| English (incl. drama) | 2,510 | 2,510 | 2,350 | 2,350 | – | – |
| English | – | – | 2,100 | 2,100 | – | – |
| Drama | – | – | 250 | 250 | – | – |
| Science | 3,035 | 3,425 | 3,225 | 3,225 | – | – |
| Modern foreign languages | 2,175 | 2,190 | 2,050 | 2,050 | – | – |
| Welsh | 70 | 75 | – | – | – | – |
| Technology[(c)] | 2,690 | 3,048 | 2,850 | 2,895 | – | – |
| History | 1,025 | 1,025 | 950 | 910 | – | – |
| Geography | 1,170 | 1,055 | 985 | 935 | – | – |
| Physical education | 1,285 | 1,600 | 1,500 | 1,500 | – | – |
| Art | 920 | 977 | 900 | 880 | – | – |
| Music | 740 | 745 | 700 | 725 | – | – |
| Religious education | 745 | 745 | 700 | 730 | – | – |
| Other | 505 | 550 | 550 | 600 | – | – |
| Citizenship | – | – | 250 | 300 | – | – |
| Economics, social sciences, classics & other | – | – | 300 | 300 | – | – |
| Vocational subjects[(d)] | | | | 400 | – | – |
| Margin of flexibility[(e)] | 100 | 400 | 400 | – | – | – |

*Source:* DfES and National Assembly for Wales.

(a) Excludes employment based routes and Fast Track recruitment.
(b) Numbers of places allocated in England for 2005/06 and 2006/07 are indicative only.
(c) Technology includes design and technology, information and communications technology and business studies.
(d) 2004/05 is the first year in which places for vocational subjects are shown seperately after a pilot in 2003/04.
(e) The places under margin of flexibility were secondary places that the Teacher Training Agency could allocate to any subject.

TABLE 24 **Proportion of all entrants to full-time teaching[a] who were returners or new entrants, 1991-92 to 2001-02**

England and Wales

| Year ending 31 March | Percentage who were | | | | Total entrants |
|---|---|---|---|---|---|
| | Returners[b] | New entrants[c] | Newly qualified[d] | Joiners from part-time[e] | |
| | % | % | % | % | 000 |
| 1992 | 26.5 | 11.9 | 43.7 | 17.9 | 30.6 |
| 1993 | 22.9 | 10.6 | 49.3 | 17.2 | 29.6 |
| 1994 | 21.2 | 12.3 | 50.5 | 16.0 | 31.6 |
| 1995 | 20.7 | 13.9 | 50.3 | 15.1 | 34.6 |
| 1996 | 20.3 | 13.7 | 51.8 | 14.2 | 33.3 |
| 1997 | 17.6 | 15.6 | 52.3 | 14.5 | 34.0 |
| 1998 | 16.1 | 16.8 | 52.6 | 14.6 | 35.7 |
| 1999 | 17.1 | 16.6 | 51.9 | 14.4 | 34.1 |
| 2000 | 17.3 | 16.9 | 51.3 | 14.5 | 36.0 |
| 2001[f] | 19.7 | 19.0 | 46.3 | 15.1 | 38.0 |
| 2002[f] | 23.8 | 17.4 | 46.6 | 12.2 | 39.6 |
| *of which:* | | | | | |
| Nursery and primary | 23.7 | 16.6 | 46.3 | 13.4 | 19.2 |
| Secondary | 23.1 | 17.6 | 48.8 | 10.5 | 19.3 |
| Special and PRU | 39.2 | 26.9 | 10.9 | 23.0 | 1.0 |

*Source:* DfES, Database of Teacher Records.

(a) Those who were in full-time service in the maintained nursery, primary and secondary sector in any one year, but not in full-time service in that sector in the previous year. Includes sixth-form colleges until 1993.
(b) Teacher was not in service in the maintained schools sector in the previous year but has some known service in the maintained schools sector.
(c) Teacher has no known service in the maintained schools sector, and qualified before the previous calendar year.
(d) Teacher qualified in the previous calendar year.
(e) Teacher was in qualified regular part-time service in the maintained schools sector in the previous year.
(f) Provisional estimates.

TABLE 25 **Movement of teachers into the maintained sector between March 2000 and 2001 and between March 2001 and 2002**

England and Wales

| | 2000-2001[(a)(b)] | | 2001-2002[(b)] | |
|---|---|---|---|---|
| | Full-time | Part-time | Full-time | Part-time |
| | No. | No. | No. | No. |
| New entrants to teaching | 17,600 | 600 | 18,500 | 600 |
| New to maintained sector | 7,200 | 3,900 | 6,900 | 3,600 |
| Returner to maintained sector | 7,500 | 5,400 | 9,400 | 5,700 |
| Total entering the maintained sector | 32,300 | 10,000 | 34,700 | 9,800 |
| Moving from: | | | | |
| Full-time service | n/a | 8,200 | n/a | 9,600 |
| Part-time service | 5,700 | n/a | 4,800 | n/a |
| Total entering the maintained sector **or** moving between part-time and full-time service | 37,900 | 18,200 | 39,600 | 19,400 |

*Source:* DfES, Database of Teacher Records.

(a) Revised figures.
(b) Provisional estimates.

TABLE 26 **Pupil numbers[a] and illustrative projections[b], January 1993 to January 2012**

England and Wales

| | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 000 | 000 | 000 | 000 | 000 | 000 | 000 | 000 | 000 | 000 |
| | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE |
| Nursery/primary | 4,328 | 4,402 | 4,471 | 4,547 | 4,585 | 4,614 | 4,611 | 4,584 | 4,554 | 4,512 |
| Secondary[c] | 3,063 | 3,128 | 3,191 | 3,209 | 3,242 | 3,275 | 3,326 | 3,390 | 3,442 | 3,476 |
| Special | 95 | 96 | 95 | 95 | 95 | 96 | 96 | 94 | 94 | 92 |
| Total[c] | 7,486 | 7,626 | 7,756 | 7,851 | 7,922 | 7,984 | 8,032 | 8,068 | 8,090 | 8,081 |

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 000 | 000 | 000 | 000 | 000 | 000 | 000 | 000 | 000 | 000 |
| | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE | FTE |
| Nursery/primary | 4,459 | 4,396 | 4,345 | 4,288 | 4,246 | 4,214 | 4,176 | 4,153 | 4,139 | 4,142 |
| Secondary[c] | 3,522 | 3,545 | 3,534 | 3,531 | 3,501 | 3,461 | 3,428 | 3,392 | 3,353 | 3,312 |
| Special | 91 | 90 | 88 | 87 | 85 | 83 | 81 | 80 | 78 | 77 |
| Total[c] | 8,073 | 8,032 | 7,967 | 7,906 | 7,831 | 7,758 | 7,685 | 7,625 | 7,570 | 7,531 |

*Source:* DfES

(a) Actual figures to 2003. Illustrative projections from 2004 to 2012. Excluding pupil referral units.
(b) Projections depend, among other things, on assumptions about birth rates and participation rates in post-compulsory education.
(c) Excluding sixth-form colleges.



Printed in the UK by the Stationery Office Limited on behalf of the Controller of Her Majesty's Stationery Office 166128 03/04

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

**Online**
**www.tso.co.uk/bookshop**

**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
E-mail: book.orders@tso.co.uk
Textphone 0870 240 3701

**TSO Shops**
123 Kingsway, London, WC2B 6PQ
020 7242 6393 Fax 020 7242 6394
68-69 Bull Street, Birmingham B4 6AD
0121 236 9696 Fax 0121 236 9699
9-21 Princess Street, Manchester M60 8AS
0161 834 7201 Fax 0161 833 0634
16 Arthur Street, Belfast BT1 4GD
028 9023 8451 Fax 028 9023 5401
18-19 High Street, Cardiff CF10 1PT
029 2039 5548 Fax 029 2038 4347
71 Lothian Road, Edinburgh EH3 9AZ
0870 606 5566 Fax 0870 606 5588

**TSO Accredited Agents**
(see Yellow Pages)

and through good booksellers