STATEMENT OF THE SECRETARY OF STATE TO PARLIAMENT – 5 DECEMBER 2005

In response to a Parliamentary Question from Mr David Amess MP, the Secretary of State said:

The Honourable Member may wish to know that I am today publishing my response to the fifteenth report of the School Teachers' Review Body (STRB). Copies are available in the Vote Office and in the Library of the House of Lords and at <u>http://www.teachernet.gov.uk</u>

In making its recommendations, the STRB was required to have regard to the matters set out in the remit letter of 10 March 2005, which included, among other matters, the need to have regard to the enhancement of recruitment and retention. The fifteenth STRB report deals with some very important matters affecting teachers' pay, including the pay award from 2006-2008, and I am most grateful for the careful and detailed attention the STRB has given to these matters. The STRB recommendations are set out below (in bold) followed in each case by my response.

I am seeking consultation comments on the report and my response by 10 January 2006.

Pay Award

The STRB has recommended the following:

We recommend:

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

This is a central recommendation, which is key in terms of recruitment to and retention in the teaching profession as well as its impact on schools' budgets. It is of crucial importance that the significant investment this Government has made in public sector pay in general and in the pay of teachers in particular continues to produce dividends. We must be confident that any further increases can be justified and afforded.

An award of 2.5% could not be considered acceptable on the basis that it represented anticipated inflation over the period to which the pay award relates, or that an award at this level is necessary to protect teachers from a real terms pay cut. In its latest Inflation Report, the Bank of England forecasts CPI inflation to fall to just below the 2% target next year and then to be close to the 2% target in subsequent years.

However, it is clear from the report that the STRB has given close consideration to a range of evidence relating to the overall labour market position of teachers and has reached a balanced judgment as to a suitable level of award for the next period, taking into account both appropriateness and affordability. In particular, the STRB has noted its concerns about the need to ensure a continuing supply of high quality teachers, consolidating the improvements made in recruiting and retaining good teachers at a time of change, and some emerging evidence of recruitment and retention issues in relation to specific groups of teachers.

In the light of this analysis, I propose to accept the recommendation for teachers, including the slightly enhanced increase for teachers at certain points on the main scale in Inner and Outer London. I also accept the STRB's argument regarding leadership group pay and agree that the same rise for this group is appropriate. The Annex contains details of the proposed pay scales and spines.

I also accept the basis of the review mechanism as set out above.

Leadership Group

The STRB has recommended the following:

We recommend:

- that the Secretary of State remit us to look fundamentally at the leadership group and how its changing role and responsibilities should be reflected in its future pay structure;
- to provide a sound evidence base for that remit, that a comprehensive independent study be carried out by December 2006 on the roles, responsibilities, structures and reward systems for the leadership group, looking at both current practice and likely future developments, and including at least the following issues:

- new models of headship;
- the role and functions of deputy and assistant heads;
- administrative support;
- recruitment planning;
- type of contract; and
- reward.

I very much welcome the STRB's recommendation for an independent study into the developing roles and responsibilities of the leadership group. This is very timely given the need for schools to respond effectively to Government priorities in England such as greater personalisation, extended schools, Every Child Matters and the 14-19 agenda, and to initiatives in these and other areas in Wales. Schools will need to become more outward facing, more flexible and, as we have set out in the Schools White Paper for England, work far more collaboratively with others, including parents, if we are to make the next step change in raising attainment and opening opportunities. I want to make sure that we can support our leadership teams effectively and have the right people in place to take forward these changes. For this reason I will wish to explore with partners the extent to which the terms of reference for such a review should not only encompass but also go further than those outlined by the STRB. I will also wish to consider the arrangements for handling the review, including whether the proposed timetable is appropriate, or whether it should be run in parallel with a general review of teachers' duties.

Excellent Teacher Scheme (ETS)

The STRB has recommended the following:

We recommend that:

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

The remit to the STRB invited it to make recommendations on what the appropriate spot salary for Excellent Teachers should be in the respective pay regions, following the recommendations in its Fourteenth Report. I am grateful to the STRB for its advice.

The Excellent Teacher Scheme is a welcome career pathway for teachers who are excellent classroom practitioners and is an important addition to the teacher's career structure, to which I remain committed. The STRB has suggested that the Excellent Teacher scheme should be reviewed by December 2008. I believe it would be helpful to keep the scheme under review but that it would be most helpful to do so in the context of our wider plans for a new teacher professionalism and the development of the career structure of the profession as a whole. I will give further thought to the arrangements and timing.

The STRB has made a number of recommendations about the salary for Excellent Teachers. The first Excellent Teachers will be appointed from September 2006 and schools are already considering whether to include Excellent Teacher posts in their staffing structures and how many Excellent Teacher posts they need. It is important that schools have a clear understanding about the potential salary implications of Excellent Teacher posts so they can plan effectively; that the arrangements for determining Excellent Teacher salaries are unambiguous and can be implemented effectively; and that the approach to Excellent Teacher salaries is consistent with our approach to teachers' pay more generally.

In the light of these considerations, I propose to defer introduction of the salary ranges proposed by the STRB until September 2008. I propose that in the interim there should be a single salary rate for each pay region for those holding excellent teacher posts. The level of these salaries should be those proposed by the STRB in its Fourteenth Report, increased in line with the general increases to teachers' pay scales. The Annex provides details of the proposed figures. I believe that this approach will give schools the early clarity they will need to help with the introduction of ETS posts. It will also allow us the opportunity to develop the guidance they will need to help introduce the greater flexibility which the STRB proposes – and which in principle I welcome – in the light of our ongoing review of the operation of the scheme and of further work to be done on standards and duties for the profession as a whole.

Teaching and Learning Responsibility (TLR) Payments

The STRB has recommended the following:

We recommend:

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

I welcome these recommendations, which will enable all those receiving TLRs over this period, at whatever level in the relevant ranges those TLRs have been set locally, to receive the same percentage uplift.

Special Educational Needs (SEN) Allowances

The STRB has recommended the following:

We recommend:

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

I welcome the recommended application of the same percentage uplift to SEN allowances as to the other parts of the pay system. I note that the STRB has repeated its recommendation about guidance on specialist qualifications, which was made in 2004 and which was put on hold pending the review of the management allowance system. I am content that this matter should now be discussed with relevant parties.

Unattached Teachers

We recommend that:

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

The STRB has taken the view that that the pay and conditions of unattached teachers need investigation, because of concerns that unattached teachers do not progress as quickly as other teachers. I recognise this concern and agree that an investigation would be helpful. I propose therefore to arrange such an investigation in the course of 2006.

Part Time Teachers

The STRB has recommended the following:

We recommend that:

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

I welcome the STRB's consideration of the issues facing part time teachers; and note its recommendation that further work should be undertaken on this. I will want to consider, with partners, the most effective way of undertaking this work.

Teachers' Professional Development and Pay Progression

The STRB has recommended the following:

We recommend that:

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

I welcome the STRB's recommendation that the outcomes of teachers' CPD should be taken into account as part of a range of evidence when schools' assess performance for pay progression purposes. I want all teachers to be engaged in effective, sustained and relevant professional development throughout their careers. CPD should not be a "bolt-on", short-term experience or narrowly defined as "going on courses" but a continuous planned series of activities designed to improved a teacher's knowledge and skills. Some of the most effective professional development is teachers learning from other teachers in the classroom and I want all teachers to be able to benefit from and contribute to coaching and mentoring as they progress in their careers as part of their professional development. I believe the approach recommended by the STRB will help to incentivise, recognise and reward teachers' participation in effective CPD and help to ensure that the professional development activities are planned and evaluated in schools.

It is important that the arrangements for reflecting assessments of performance in decisions about pay are fair and transparent and can operate effectively at school level without being onerous. I strongly agree that details about how schools and services will assess performance for pay purposes should be included in their pay policy, though I have reservations about introducing a <u>requirement</u>. I will therefore want to give further thought to how best to support this, and invite further views.

Teachers' Professional Responsibilities

The STRB has recommended the following:

We recommend that:

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

I am grateful to the STRB for its advice. I accept the STRB's recommendation that consultees should consider the fundamental question of whether a description of teachers' professional role and responsibilities is needed. The current approach of describing professional duties in the STPCD is intended to provide a national framework for local decision-making and to help to clarify the range of responsibilities that are appropriate to different roles. I invite comments on whether it is appropriate to move away from the current approach of describing professional duties in the STPCD at this stage.

I also believe that there is a need to review the description of teachers' professional duties provided in the STPCD to reflect the recent changes in school and the role of the profession in the 21st century and that further thought should be given to this. I intend to discuss how this can be taken forward with partners.

Pay of Advanced Skills Teachers in Mathematics and Science in Secondary Schools

I note that the STRB has not made any recommendation in relation to the remit request that they consider if any changes should be made to the pay of mathematics and science ASTs in secondary schools. However, in noting this I maintain that there are very strong reasons for continuing to pursue the objective behind the remit which was to raise both the quantity and the quality of graduates in these subjects entering and remaining in the teaching profession. Also, I would not wish this to constrain the use of such a focused approach to the determination of pay in the future in appropriate circumstances.

Pay arrangements for Fast Track teachers

I note that the STRB has not made any recommendation in relation to the remit request to recommend whether any modifications are required to the pay arrangements of Fast Track teachers. I agree with the suggestion that we continue to encourage Fast Track teachers to undertake at least one post in a challenging school, but how to recognise the leadership impact of Fast Track teachers, and the way in which this can help to raise standards in our schools, remains an important objective for us.

Pay of Teachers in Challenging Schools

Finally, I note that the STRB has not made any recommendation in relation to the remit request that they consider other factors which should be taken into account in determining career and pay progression, specifically accelerated pay progression for teachers working in more challenging circumstances. The STRB highlighted the need for schools to make greater use of the flexibilities already in the pay system. This matter remains a significant concern and I will want to consider whether more can be done to raise awareness of the flexibilities provided by the current provisions and how they could be applied in this context.