



School Teachers'
Review Body

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Twenty-Third Report – 2014

Chair: Dame Patricia Hodgson, DBE



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

February 2014

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TERMS AND ABBREVIATIONS

Consultees

ASCL
ATL
BATOD
DfE/the Department
GW
NAHT
NASUWT
NEOST
NGA
NUT
Secretary of State
UCAC
Voice
Welsh Government

Organisations which made representations and provided evidence to the STRB

Association of School and College Leaders
Association of Teachers and Lecturers
British Association of Teachers of the Deaf
Department for Education
Governors Wales
National Association of Head Teachers
National Association of Schoolmasters Union of Women Teachers
National Employers' Organisation for School Teachers
National Governors' Association
National Union of Teachers
Secretary of State for Education
Undeb Cenedlaethol Athrawon Cymru
formerly the Professional Association of Teachers

Other

broad band proposed broad salary band determined by total unit score based on pupil weighted numbers

CLT Chartered London Teacher

CPD Continuing Professional Development

EFA Education Funding Agency

FE Further Education

GB Governing Body

GTCW General Teaching Council of Wales

Hay Group management consulting firm and provider of general market salary data

head teacher group broad salary range determined by a total unit score based on pupil weighted numbers – sometimes known as school group (in STPCD 2013)

HR Human Resources

IDS Incomes Data Services

individual range proposed personal salary range for a member of the leadership group

ISR Individual School Range – seven consecutive points within the head teacher group (in STPCD 2013)

ITT Initial Teacher Training

LA Local Authority

LLE Local Leader of Education

Mercer consulting firm in talent

National Agreement DfES (2003) *Raising Standards and Tackling Workload: a National Agreement*

NCSL/National College	National College for School Leadership (National College for Teaching and Leadership since 1 April 2013)
NHS	National Health Service
NLE	National leader of education
NLG	National leader of governance
NQT	Newly Qualified Teacher
NSS	National Support School
OECD	Organisation for Economic Co-operation and Development
Ofsted	Office for Standards in Education, Children's Services and Skills
OME	Office of Manpower Economics
Operating principles	statutory guidance on payments received by a school for the services provided by the head teacher to another school (in STPCD 2013)
ORC International	market research firm
PNP	public/not for profit
PPA	Planning, Preparation and Assessment
pupil weighted numbers	calculation using number of pupils in a school, weighted by key stage (and modified for special schools) used to determine the total unit score for allocating a school to a head teacher group (in STPCD 2013)
SEN	Special Educational Needs
SLE	Specialist leader of education
SFVS	Schools Financial Value Standard
STPCD/the Document	DfE (2013) <i>School Teachers' Pay and Conditions Document and Guidance on School Teachers' Pay and Conditions</i>
STRB/Review Body	School Teachers' Review Body
SWC	School Workforce Census
TLR	Teaching and Learning Responsibility
Total unit score	score calculated through pupil weighted numbers for the purpose of determining a head teacher group (in STPCD 2013)
TSA	Teaching School Alliance

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THE SCHOOL TEACHERS' REVIEW BODY

Our role

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

The members of STRB are:

Dame Patricia Hodgson, DBE (Chair)

Peter Batley

Jonathan Crossley-Holland

Debbie Meech

Stella Pantelides

Jill Pullen

Dr Patricia Rice

Executive Summary

The Secretary of State asked us to consider wide-ranging changes to the teacher pay framework, focussing on three issues: **pay for the leadership group; allowances and safeguarding; and non-pay conditions**. In considering our recommendations we have built on principles we set out in our 21st Report on pay for classroom teachers: increased autonomy for schools to respond to local circumstances within a broad national framework; appropriate reward allied to accountability; and simplification of the existing pay system so governing bodies can use it effectively and with confidence. We have been mindful of the pace of change in the sector. School-led improvement is creating a variety of new roles, including leadership of multiple schools; and encouraging wider collaboration to spread best practice. All schools face the challenge of preparing for curriculum and assessment reforms. Alongside this, the impact of academies is beginning to shape the market for able leaders.

Our recommendations in this report:

- provide a **clear and usable framework for setting the pay of school leaders**, enabling governing bodies to match pay to accountabilities and the local needs of the school. This will help them respond effectively in a rapidly changing sector and offer appropriate reward to high quality leaders who are so crucial to raising standards;
- provide **greater freedom in setting the level of Teaching and Learning Responsibility payments**; whilst retaining the main allowances used by schools and the existing safeguarding provisions;
- **remove unnecessary detailed guidance** on non-pay conditions whilst retaining the core statutory protections on teachers' working hours and time for planning, preparation and assessment.

Taken together, these proposals will enable substantial simplification of the School Teachers' Pay and Conditions Document so it provides an accessible handbook for governing bodies, leadership teams and teachers to exercise professional judgement at local level. On leadership pay, our proposals will guide governing bodies in exercising their judgement on appropriate rewards for school leaders, and in turn will require them to focus on making and documenting robust decisions. More generally, the increased flexibility on rewards will encourage able teachers to seek early promotion into management roles and enable schools facing the greatest challenges to attract and retain talented leaders. The chart at the end of this summary shows the overall structure of the simplified pay system, assuming implementation of our recommendations in this report in addition to the changes made following our 21st Report.

Leadership pay

Governing bodies already have discretion in setting head teachers' pay but this is constrained by opaque guidance, inflexible differentials and a rigid system of points within the pay spines. The current system is insufficiently flexible to attract school leaders to those schools facing the greatest challenges or to properly reward head teachers of the very largest groups of schools. On pay levels generally, there is considerable overlap with professional comparators, but the earnings of senior staff in other sectors reach higher levels.

We propose retaining a **broad national framework** of pay bands (linked to pupil numbers as now) to guide governing bodies in setting heads' pay and in addition recommend:

- A **simple three stage approach** to help governing bodies to set pay when appointing new head teachers, requiring them to assess the particular challenges and circumstances of their school and judge the extent to which these, together with the skills they are looking for, need to be reflected in the head's individual pay range.

- **Removing the complex rules on starting salary and differentials with the wider leadership team, and removing pay points** within broad pay bands to help governing bodies better manage performance and reward of school leaders, with individual decisions on the size of progression increase according to performance.
- **Headroom for the largest new roles** which were not envisaged when the current leadership scale was established, and for which the current maximum provides inadequate reward. This is likely to apply to relatively few schools initially, but will provide future flexibility in a sector developing fast in the direction of multiple headships and new structures.

We recommend a similar approach for pay of deputy and assistant head posts, including **removing the current inflexible rules on differentials**, to enable flexible career paths into leadership roles and allow leadership teams to adapt more easily to the changing needs of the school.

The new approach to pay setting should apply only to new appointees, or to existing post holders after restructuring. However, **all** school leaders will have individual decisions on performance-based progression as a consequence of the removal of points from the pay spines, starting in the 2014/15 appraisal year.

We were asked to make observations on **governance** and propose that, to support governing bodies in using their discretion to make effective decisions, they should have access to benchmarking data, including on pay levels and on school challenge and context. We underline the importance of access to specialist HR advice as well as support from a professional clerk able to advise the governing body on their duties. This will help governing bodies reach, and document, properly justified decisions. We also note that the role of audit should be reinforced, to provide an annual audit, including on pay decisions.

Allowances and safeguarding

Teaching and Learning Responsibility payments (TLRs) are by far the most commonly used allowances and work well as the basis for rewarding heads of department and similar roles at middle management level. We recommend **retaining the system of TLRs** to reward these responsibilities, which are an important stepping stone to school leadership, and **removing inflexibilities created by rules on differentials**. It should be for schools to decide the precise weight of relevant responsibilities and relative rewards within the broad framework.

We recommend **retaining the current system for other allowances**, which serve clearly defined and understood purposes, subject to restricting some allowances for head teachers which will have been subsumed in the new approach to setting head teacher pay. We also recommend **abolition of the Chartered London Teacher** scheme, now that higher pay scales for London and appraisal-based progression are available to reward good teachers.

We consider that **the current safeguarding provisions remain appropriate**, supporting schools' ability to restructure when circumstances change without causing excessive disruption to individuals or schools and providing reassurance for staff moving to take up their first management roles. We recommend the existing provisions be consolidated into one place in the STPCD.

Non-pay conditions

We consider the underlying principles determining non-pay conditions for classroom teachers are generally appropriate and not out of line with contractual conditions in some other professions. However, we believe there is a need to move away from a system where every

last detail is prescribed in the STPCD, towards a more autonomous system where professionals exercise judgement and discretion, taking account of individual school circumstances and the interests of pupils. On specific provisions:

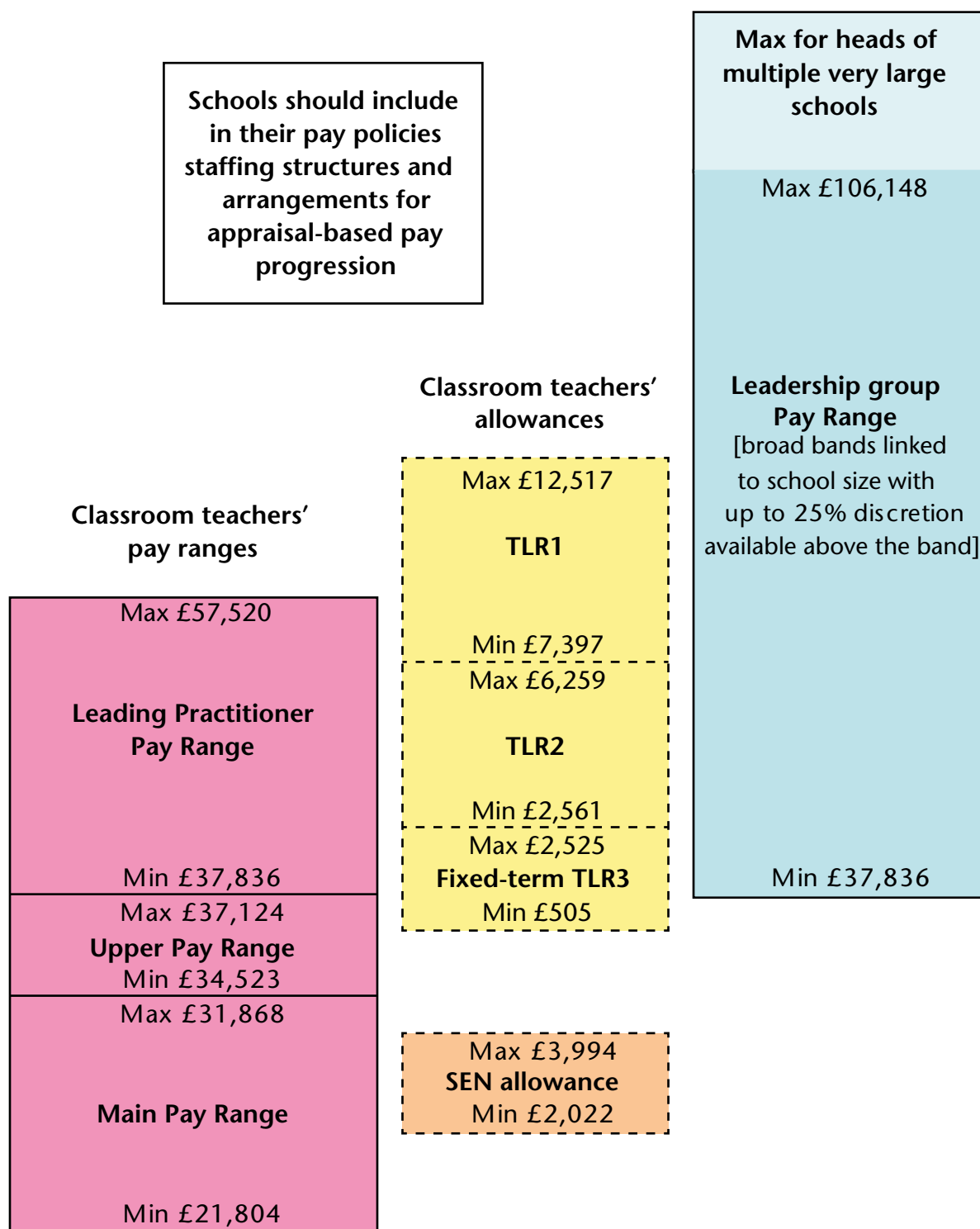
- We **endorse the current provisions of 195 working days and 1265 hours**. We note that teachers currently work additional hours beyond directed classroom sessions and there is already flexibility for heads to deploy teachers according to the needs of their pupils.
- We also **endorse the principles underpinning the core non-pay conditions**, including guaranteed planning and preparation time, provisions on 'rarely cover' and the emphasis on teachers' time being dedicated to professional teaching tasks.
- We **recommend the removal of Annex 3** proscribing 21 administrative tasks **and Section 4** which sets out guidance on changes arising from the National Agreement from 2003, interpreting the high level principles in 111 detailed and unnecessary clauses. Both these sections can restrict sensible professional judgements at local level. We believe that the principles themselves, retained in statutory guidance, are both sufficient and appropriate to support a highly qualified profession.

Our recommendations in this remit substantially complete the work we began in our 21st Report. They provide greater autonomy for schools within a broad national framework that will enable them to attract, reward and promote the best leadership talent in a rapidly changing labour market. Our proposals on leadership pay are consistent with the approach now implemented for classroom teachers, with the removal of spine points and progression linked to a judgement on individual performance against objectives. Removal of unnecessary prescription on differentials on both TLR payments and on pay of leaders will further enhance the flexibilities available to schools.

We welcome the progress made to date by the Department on simplification of the STPCD. Our recommendations now offer substantial scope further to simplify and clarify the Document, including removal of unnecessary prescription on non-pay conditions. This should ensure it will better support governing bodies and head teachers in making well informed, autonomous decisions within a broad national framework.

Proposed structure of the teachers' pay system

(assumes implementation of recommendations in this report
in addition to changes implemented following our 21st Report – see Chapter 5 for details)



Teaching and learning responsibility (TLR) payments payable in addition to base pay to classroom teachers for undertaking a sustained additional responsibility.

Special education needs (SEN) allowance payable in addition to base pay to classroom teachers with SEN responsibilities.

Minima and maxima based on STPCD 2013 England and Wales salary (inner and outer London and Fringe areas will have higher salaries).

CHAPTER 1

Introduction and background to the remit

Introduction

- 1.1 Our role, set out in the Education Act 2002, is to consider and report to the Prime Minister and the Secretary of State on matters referred to us on teachers' pay and conditions. In his remit letter of 17 April 2013, the Secretary of State asked us to consider three issues:
- how to provide a simple and flexible framework for ensuring school leaders' pay is appropriate to the challenge of the post and their contribution to their school or schools;
 - how the current detailed provisions for allowances, other pay flexibilities and safeguarding could be reformed to allow a simpler and more flexible STPCD; and
 - how the framework for teachers' non-pay conditions of service could be reformed to raise the status of the profession and support the recruitment and retention of the highest quality teachers, and raise standards of education for all children.
- 1.2 The Secretary of State's remit letter, reproduced in Appendix A, asked us to report on these matters by 10 January 2014. In this chapter, we set out the background to our remit and outline the structure of this report.

Background and context

Pay restraint and Government response to the 22nd Report

- 1.3 We undertook this remit against a continuing backdrop of pay restraint for workers across the public sector. Following the two-year pay freeze from September 2011 to August 2013, the Government accepted our recommendations in the 22nd Report, published in June 2013, for an award of 1% across all pay scales and allowances for teachers from September 2013. In common with other public sector workers, teachers have also felt the effect of the Government's pension reforms, which have meant substantially increased employee contributions payable from April 2012. In October 2013 we received a further remit to consider a pay award of an average 1% from September 2014, on which we shall report in May 2014.

Wider education policy context

- 1.4 Our remit is set against continuing changes to the school landscape. Some are structural, notably the increasing numbers of academies and free schools which have greater autonomy than maintained schools¹, including freedoms on pay and conditions. The pace of change in the sector is rapid, with over half of all secondary schools and 13% of primary schools having academy status, or in the process of converting. Maintained schools have also been affected by a range of developments: some are working formally together in federations, and many more are collaborating on school-to-school improvement through local partnerships. Many local authorities have reduced their direct role in the provision of external support and schools are looking to a range of alternative providers for Human Resources (HR) and other support.

¹ Maintained schools are funded by central government through the local authority and include community schools, special schools, voluntary aided and voluntary controlled schools and some foundation schools (unless they are designated academies). They are required to pay teachers under the terms of the STPCD. Academies and free schools can set their own pay and conditions for teachers.

- 1.5 The introduction of reforms to classroom teacher pay following implementation of recommendations in our 21st Report has affected all schools. There have also been changes to the Ofsted inspection framework for schools, including a focus on *a strong link between performance management and appraisal and salary progression*².
- 1.6 Planning for curriculum and assessment changes from September 2014 is also adding to the pressures on schools. We recognise that the cumulative impact of all these changes makes heavy demands on school leaders and teachers alike.
- 1.7 There is an increasingly diverse range of school roles associated with changing structures including heads of multiple schools (often referred to as Executive Heads). School-to-school improvement³ has led to new roles for teachers and school leaders, such as National and Local Leaders of Education (NLEs and LLEs). The introduction of new teaching schools provide additional opportunities to lead provision of initial teacher training, with other schools participating formally in teaching school alliances. We explore in chapter 2 how these developments present challenges for governing bodies in using the leadership pay framework.

The evidence base

- 1.8 As we made clear in our 21st Report, we believe that the pay framework should support efforts to develop further the professionalism – and thus the status – of teachers. We drew on a wide evidence base, including both formal and informal evidence, to inform our thinking. We set out in chapter 2 details of the wider evidence we considered in respect of the leadership pay framework, including:
- research we commissioned from Incomes Data Services (IDS) on how pay is set for senior leaders in other public, not-for-profit and private sector organisations;
 - international case studies on approaches to rewarding school leaders, from Mercer;
 - detailed analyses of leadership pay carried out by the Office of Manpower Economics (OME) using data from Hay Group (based on its established Job Evaluation methodology);
 - a review by the National College for School Leadership⁴ on changing leadership structures in schools; and
 - evidence in an ORC International report, commissioned for our 21st Report, which included comments from head teachers and Chairs of governing bodies (GBs) on the existing framework for leadership pay.
- 1.9 In addition to our visits to schools and local authorities we held meetings with a wide range of education leaders and others. These included head teachers, some of whom were National Leaders of Education (NLEs) working in both maintained and academy schools and National Leaders of Governance (NLGs). We also heard from officials from the National College as well as from experts on governance issues, to deepen our understanding of professionalism in the context of the ways in which teachers and school governors work. We gained a greater understanding of the pay and conditions of other professional groups and of the governance arrangements applying to pay elsewhere. We were able to explore points arising from these discussions during oral evidence sessions with consultees. We also invited Mercer to provide advice and challenge on our proposed approach. Details of these meetings can be found in Appendix B – Conduct of the Review.

² Ofsted (2013) School Inspection Handbook – evaluation schedule.

³ School-to-school improvement involves staff from one school contributing to raising standards in another school through coaching, mentoring, modelling lessons, etc.

⁴ Now the National College for Teaching and Leadership.

- 1.10 The main themes to emerge from our analysis of this evidence can be found in the relevant chapters of this report.

Our 21st Report

- 1.11 The recommendations we made on the pay framework for classroom teachers in our 21st Report⁵ formed an important marker for our deliberations on this remit. In that report we noted our aspiration for a pay framework that would raise the status of the profession, support professional development and reward individuals in line with their contribution to improving pupil outcomes, providing greater autonomy for schools to set pay in the context of their local circumstances. Our recommendations, now accepted and being implemented in schools, provided for flexible, differentiated performance-based progression, within a broad national framework. They also offered local discretion to pay a higher salary to the most successful teachers and greater flexibility in relation to allowances for recruitment and retention and for fixed-term responsibilities.
- 1.12 We remain of the view that the national pay and conditions framework should support efforts to raise the status of the teaching profession, support professional development and reward individuals in line with their contribution to outcomes. The aim of our 21st Report was to better enable schools and teachers to set high expectations of themselves, actively seek professional development and put the needs of pupils at the heart of their professional day, a view shared by teachers we have met.
- 1.13 In assessing the evidence and developing our thinking for this report, we have built on our work for the 21st Report in considering what a professional, twenty-first century teacher workforce requires from a national framework for pay and conditions, whilst at the same time balancing this with the needs of schools to enable the best outcomes for pupils. We have kept in mind our aim of simplifying and clarifying the provisions in the STPCD so that it becomes a clear and accessible document for governing bodies, head teachers and teachers.

Conduct of our review

- 1.14 We considered and analysed written and oral evidence from the Secretary of State and from our statutory consultees, in line with our obligations under the Education Act 2002. Our statutory consultees commented that this was an extensive remit with a demanding timetable. However, the Secretary of State had previously indicated that he was considering a remit on leadership pay and accordingly we had carried out a good deal of preparatory work in expectation, including commissioning the research summarised above and considered more fully in chapter 2.
- 1.15 We held oral representation sessions with teacher and head teacher unions to explore their position on various topics and their views on others' evidence. We also heard oral representations from the Department, including the Secretary of State; the Welsh Government; employer representatives (National Employer Organisation for School Teachers (NEOST)) and governor associations. We have set out in the relevant chapter key points made by consultees in written and oral representations. We also took account of consultees' views on the research we had commissioned. Where consultees have published full submissions on their websites, we have provided the links to the websites in Appendix B.
- 1.16 We were grateful to our consultees for their detailed and timely submissions and for their contributions at oral evidence sessions on all three aspects of the remit. Combined with our preparatory work on leadership, this enabled us to consider the issues thoroughly and examine critically the available evidence before making our recommendations.

⁵ STRB (2012) *Twenty-First Report*, TSO (Cm 8487).

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

Structure of this report

- 1.18 Our report provides a clear evidence base and rationale for our decisions. The structure is as follows:
- Chapter 2 sets out the wider evidence base, representations and evidence from the Department and statutory consultees and our analysis and recommendations on the pay framework for the **leadership group**.
 - Chapter 3 sets out representations and evidence and our analysis and recommendations on **allowances and safeguarding**.
 - Chapter 4 provides commentary and recommendations on **non-pay conditions**.
 - Chapter 5 summarises progress in achieving a simpler, more flexible pay framework; and looks ahead briefly to our pay remit for September 2014.

CHAPTER 2

Leadership Pay Framework

Introduction

2.1 The Secretary of State's remit letter asked us to make recommendations on:

How to provide a simplified and flexible framework for ensuring school leaders' pay is appropriate to the challenge of the post and their contribution to their school or schools.

It asked us specifically to have regard to:

- *the need for the pay framework to be sufficiently flexible to support a range of leadership models, including leadership of multiple schools; and*
- *the need to maintain a strong supply of new and potential school leaders of a high quality and representing a cross-section of society.*

Background and context

2.2 We noted in our 21st Report that the current arrangements for leadership pay are complex and the STPCD provisions opaque. We also commented that many consultees had pointed to the need for a full review, in the context of a series of previous remits which had sought to address particular problems, notably through:

- recommendations in 2009 for interim change to accommodate heads of more than one school, pending a fundamental review of the system of leadership reward; and
- recommendations in 2011 on how to apply a limit on discretionary payments (a 'pay cap'), in the context of the Government's wider policy on senior pay in the public sector.

2.3 Our experience of undertaking this remit has reinforced our view that the present arrangements are complex and opaque. We heard on numerous occasions (often from head teachers themselves) that governing bodies found it difficult to determine the appropriate pay arrangements for a head taking on additional responsibilities, particularly an additional school. However, we also note that the current arrangements offer considerable flexibility where governing bodies have the confidence to use them.

2.4 The wider context for our work includes **significant change in the leadership landscape itself**, with implications for the market for school leaders. There are two underlying factors. First, successive Governments have seen academies as an important driver of school improvement. Since 2010, there has also been the opportunity for many successful schools to convert to academies. Over 50% of secondary schools and 13% of primaries now have academy status, or are in the process of converting¹. There is also a growing number of free schools². Both **academies and free schools** are able to pay school leaders outside the current provisions in the STPCD and there is emerging evidence that payment of higher salaries for some is having an impact on the wider teacher labour market.

¹ DfE Press Release, *New generation of academy sponsors driving school-to-school improvement*, 6 September 2013.

² 174 at September 2013 [<https://www.gov.uk/government/news/new-school-year-sees-number-of-free-schools-double>].

- 2.5 Second, schools across the sector are adopting an **increasing diversity of models** which support improvement in a variety of ways. As the Education Committee's recent report on *School Partnerships and Cooperation*³ in England noted, school partnerships have become an increasingly important part of a self-improving or school-led system and such collaboration has great potential to continue driving improvement to the education system. The Committee said that the diversity of structures and models already in place was a strength and proof of vitality and that schools should be able to adopt models of partnership and cooperation that suited their needs within a legislative and policy framework that is as non-prescriptive as possible.
- 2.6 These changes to school structures are giving rise to a broader range of leadership roles. These include:
- Heads who take on wider **school-to-school improvement** roles in addition to leading their own school(s), including those who are formally designated as **National and Local Leaders of Education (NLE/LLE)**.
 - **Multi-school leadership**, sometimes in a formal federation of two or more schools. Such arrangements are often driven by the need to secure school improvement in a failing school; for others it provides a means of ensuring leadership of several small schools where it is difficult to attract a head for each of them. Multi-school leaders are often designated executive head but there is no precise definition of what the role entails and the variety of structures under such leadership are often driven by specific local circumstances.
- 2.7 The introduction of designated **teaching schools** is a further important development in the landscape. Such schools take a leading role in the training and professional development of teachers, support staff and head teachers, as well as contributing to the raising of standards. In so doing, they place new demands on school leadership teams and provide a further focus for local collaboration between schools.
- 2.8 As the Education Committee noted, these new structures and leadership roles will continue to evolve as schools respond to changing demands and experience of what works well. The Committee called for more system leadership capacity, such as National Leaders of Education and Teaching Schools, in areas where they are currently lacking; and increased incentives for existing leaders to work in the areas of greatest need.
- 2.9 Although the Welsh Government has not adopted academies, it is looking to system leadership to drive school improvement. The recent Hill report⁴ said that a diversity of roles will increasingly be a feature in the Welsh school system. It called for increasing school partnership within a context of greater autonomy, stating that federations and other types of formal school partnerships provide a strong platform for both increasing autonomy and raising school attainment.
- 2.10 As we prepared for this remit we also noted evidence from the National College of School Leadership (NCSL)⁵ in its *Review of the School Leadership Landscape*⁶. This provided an overview of changes affecting school leaders and highlighted some important issues relating to both the labour market for school leaders and to the development of new models of leadership and school structures. The box below summarises some recent data drawn from a variety of sources between November 2012 and December 2013⁷.

³ House of Commons Education Committee (2013), *School Partnerships and Cooperation. Fourth Report of Session 2013-14*.

⁴ Welsh Government (2013), *The future delivery of educational services in Wales (Review undertaken by Robert Hill Consulting)*.

⁵ Now the National College for Teaching and Leadership.

⁶ Earley, P, Higham, R, Allen, R, Allen, T, Howson, J, Nelson, R, Rawar, S, Lynch, S, Morton, L, Mehta, P and Sims, D. (2012). *Review of the school leadership landscape*. Nottingham; National College for School Leadership.

⁷ OME analysis of DfE and Welsh Government statistics.

Developments in school and leadership structures

England

- 3,281 secondary and 16,784 primary schools.
- Over 50% of secondary schools and 13% of primaries have **academy** status, or are in the process of converting.
- 174 **free schools**.
- Approximately 950 schools in 430 **hard federations**.
- Over 400 **executive head** teachers.
- 360 schools designated by NCTL as **teaching schools**, with 500 planned by 2014/15.
- 870 **National Leaders of Education** (NLEs) - the Government aims to designate 1,000 NLEs by 2014.
- 2,000 **Local Leaders of Education** (LLEs).

Wales

- 216 secondary and 1,398 nursery and primary schools.
- 50 schools in 20 **federations**

2.11 The NCSL report also pointed to some underlying structural issues which are less susceptible to rapid change and remain important considerations for this remit. They include:

- underrepresentation of women and minority ethnic groups in leadership roles;
- lack of mobility, both geographically and between governance types;
- an ageing workforce, which may point to future recruitment difficulties; and
- the importance of a healthy rate of deputy head turnover to ensure opportunities are available for those who will be future applicants for headship.

2.12 In discussion with the National College we also heard some encouraging pointers on development of school leaders:

- some candidates are being prompted to headship earlier in their careers (i.e. in their early thirties) which may help retain the most able; and
- one consequence of the developing models of headship and school to school improvement was the creation of new roles such as head of school (under an executive head). These could offer an opportunity for individuals to test out their capacity for more senior leadership roles.

2.13 We note that within this diversity of system leadership roles, there is the potential to distinguish further between those roles that require a permanent commitment, and others which may be temporary. The latter might include many school-to-school improvement roles; or day-to-day leadership of a second school whilst the governing body seeks a permanent head. A further dimension for consideration is whether specific leadership roles require a full, or part-time, commitment. The precise model of leadership for any given setting should be determined by the particular local needs. It is clear,

however, that the pay system for leaders needs to be sufficiently flexible to enable the full range of emerging roles to be appropriately rewarded and allow different models for school improvement to flourish.

- 2.14 We note that many of these arrangements also have implications for other members of the leadership team, whether acting as 'head of school' in the absence of the head teacher on other work (e.g. working in a designated national support school (NSS) where the head teacher is an NLE), or as part of a formal structure of geographically dispersed schools under an executive head. Again, local circumstances can be an important feature in shaping arrangements making it difficult to generalise on models for leadership teams.
- 2.15 Business managers also play an important role in the senior leadership of many schools, bringing operational, finance or HR expertise (either personally or as part of their team). However, such roles are outwith our remit and we simply note that governing bodies will need to consider them as part of the senior staffing structure.
- 2.16 Against this backdrop of continuing changes to leadership models, allied to local adaptation, we have kept in mind during this remit the over-arching need to simplify the approach to leadership pay so governing bodies can use it effectively as school structures continue to change and demands on leaders evolve accordingly.

The current system of leadership pay

- 2.17 All members of the leadership group are paid on the leadership pay spine, which has 43 points divided into eight head teacher groups, based on school size. There are fixed differentials between pay for head, deputy and assistant head teachers. In certain circumstances the head teacher's salary must, as a consequence, be increased simply to maintain the differential with an experienced deputy head, for example. The key features are as follows:

Head teachers

- First, the governing body **determines the school's head teacher group** based on number of pupils for each key stage and the number of pupils with statements of special educational needs. This is based on a formula often referred to as the pupil weighted numbers, or total unit score.
- Next governing bodies **set a seven-point individual school range (ISR)** constrained by pay of any deputy or assistant head teacher in the school and the 'notional' salary of the highest paid⁸ classroom teacher. On appointment, the head teacher must be placed on one of the bottom four points on the range.
- Governing bodies can then **decide if any discretionary payments are payable** and may award further payments only in specified circumstances (such as a school causing concern; if there are substantial recruitment and retention difficulties; if a head takes on additional responsibilities).

Deputy head teachers

- The governing body **determines a five-point deputy head teacher pay range**, constrained by the head's pay range and any assistant head teacher or the highest paid classroom teacher. The governing body may raise the head teacher's ISR 'to the extent necessary to accommodate the deputy head teacher's pay range'⁹.

⁸ A notional calculation based on the total of the value of point 1 on the upper pay scale plus the value of the highest TLR allowance and the highest SEN allowance payable to a teacher at the school – STPCD paragraph 11.7).

⁹ STPCD paragraph 14.5.

- On appointment a deputy head teacher must be paid on one of the bottom three points of the deputy head teacher range.

Assistant head teachers

- The process is very similar to that for a deputy head teacher, but constrained by the highest paid classroom teacher; the lowest point of the head's ISR, and by any deputy head teacher range.
- On appointment an assistant head teacher must be paid on one of the bottom three points of the assistant head teacher range. As for deputy heads, if there is not sufficient room for a pay range, then the head teacher's (and if necessary any deputy's) pay range must be raised 'to the extent necessary to accommodate the assistant head teacher's pay range'.

Currently, for all members of the leadership group, progression on the incremental pay range is dependent on appraisal against objectives and standards.

Wider evidence on leadership reward

2.18 Against the background of the changing demands of school leadership roles and developments in the leadership labour market, we sought to improve our understanding of approaches to paying senior leaders more widely. This included practice in rewarding leaders in other sectors, and international practice in rewarding school leadership roles. This wider evidence base provides some important contextual background for our work. The following sections draw out the key points from the various sources.

Wider approaches to rewarding senior staff

2.19 We commissioned from Incomes Data Services (IDS) a series of case studies examining how a range of public, not-for-profit and private sector organisations set and manage the pay of senior leaders in roles broadly comparable in size to head teachers and deputy head teachers¹⁰. The brief was not to identify exact pay comparators, but to provide a broader perspective on the *approach* to rewarding similarly sized leadership roles in other sectors. We sought appropriate comparators who were responsible for delivery of a substantial operation, with a significant degree of autonomy and personal accountability. The research was based on 16 new case studies and drew additionally on four studies from recent IDS work on senior pay, covering a broadly equal number of private and public/not-for-profit organisations. These included two groups of academies, an FE college, two small housing associations, a charity, a private library, an accreditation body, a local authority, two NHS trusts, a museum, a major retailer, a finance and professional services firm, a law firm, a broadcasting organisation, a manufacturer, two multinational corporations and a private sector services provider.

2.20 The key findings from this research were:

- Case study organisations generally used spot salaries for comparators to head teachers; these were frequently set within a predetermined range for the post. In some organisations, senior staff at the level below were paid on incremental scales.
- Salary progression was often linked to performance and the rate of progression could vary depending on the existing market position of an individual's pay (with less headroom for performance-related increments for those whose basic pay was high relative to the market). For those on spot salaries, revalorisation could take account of performance as well as revised benchmarking of salaries.

¹⁰ Incomes Data Services (2013), *School Leadership Comparator Studies*.

- Key performance indicators tended to be quantitative and were frequently linked to wider corporate objectives.
- The majority of organisations in the study used some form of job evaluation to determine the level of remuneration for senior staff and all undertook some form of benchmarking against the market.
- All the private sector field-work case study organisations operated bonus schemes for comparators. Only one of the public/not-for-profit organisations – one of the groups of academies – paid a bonus, and the other group of academies was currently consulting on introducing a bonus for heads.
- Non-pay benefits varied between sectors: private healthcare or insurance was commonly provided by the private sector organisations; and a significant subset of these also provided cars or car allowances.
- Almost all the private sector organisations in the study provided *defined contribution* pensions. Most other participating organisations operated *defined benefit* schemes.
- There was greater transparency around the reward arrangements of senior staff in the public/not-for-profit sectors with salaries frequently in the public domain.
- Pay decisions for senior roles were approved by governing bodies in the public/not-for-profit sectors or by non-executive members of management boards in the private sector.
- Most organisations had strong professional HR support in relation to pay structures and pay setting processes, although actual pay decisions were made by governors and line managers.

2.21 In the specific context of the market for school leaders, we noted a number of points arising from the two school academy group case studies. These included:

- The use of benchmarking information to help guide pay levels.
- Taking account of the context of the school(s) when setting leadership pay.
- Consideration of non-consolidated rewards for performance.
- Pay progression based on performance.
- Access to, and use of, centralised expert HR input into pay and related decisions.

International Case Studies

2.22 We recognise that international evidence needs interpreting with some care because of the country-specific contextual considerations. Prior to receiving the remit we had noted as background studies of federally driven initiatives to introduce performance related reward for school leaders in several parts of the USA¹¹. To gain a broader appreciation of the international perspective, we commissioned from Mercer some case studies into the broad approaches to rewarding school leaders in 12 other countries¹². The studies aimed to collect information on pay determination, progression arrangements and governance issues. Key points of note from the studies were:

- Type and size of school were used as factors to determine leadership pay in most countries.
- All countries with the exception of Sweden used incremental pay scales for teachers and leaders. Progression through the scale was based on length of service and/or performance.

¹¹ Pittsburgh and Palm Springs studies: <http://www.rand.org/pubs/monographs/MG1223.html>; <http://www.cecr.ed.gov/pdfs/summaries/pbcCaseSummary.pdf>.

¹² Mercer (2013), *International Study into Pay and non-Pay Conditions in Schools*.

- Where performance-related pay was practised, it varied from driving progression through the pay scales (e.g. in New Zealand) to paying bonuses as a percentage of base pay (e.g. Singapore). In Germany several states were moving away from service-based pay progression to pay progression more closely linked to performance.
- Fixed-term contracts for head teachers were used in Queensland where heads were eligible for financial incentives based on completion of a four year term and the attainment of required performance targets.

Head teacher and chair of governor views on head teacher pay

2.23 Our earlier research into a range of pay matters¹³ collected views about the setting and governance of head teacher pay. Key points were:

- The large majority of head teachers said that governors led or were involved in the pay-setting process; frequently, this was the work of the Finance (or a similar) sub-committee of governors. A third of head teachers also mentioned the involvement of local authorities, usually in an advisory role. 28% of head teachers specifically referred to national pay and conditions and related guidance.
- 12% of head teachers reported that their pay was set at a level above the relevant rates set out in the STPCD and 9% reported receiving rewards or incentives in addition to their basic salary.
- In response to a question on the determination of head teacher pay, the great majority of head teachers and chairs of governors indicated supplementary factors that should be used in addition to pupil-weighted numbers. The factors most commonly mentioned were: the level and nature of challenge (including contextual issues such as pupil intake), measures of success and achievements by the school and/or head teacher; and recognition of recruitment and retention issues.
- In response to a question about governors' discretion to pay above the scale maximum, respondents suggested a range of measures that might apply:
 - a requirement to produce a business case agreed by the entire governing body;
 - an additional monetary ceiling/cap¹⁴;
 - a requirement to produce a business case agreed by the local authority; and
 - a requirement to make the salary public.

Key themes on leadership pay from our visits

2.24 Each year, STRB members visit schools and local authorities to hear the views and experiences of a range of staff. Visits take the form of confidential discussions with small groups of staff, typically grouped by career stage (e.g. classroom teachers, middle leaders etc). A list of our most recent visits can be found in Appendix B. Over the past three years we have drawn out the following main themes:

- Pay determination – there is support for considering a range of factors in determining head teachers' pay. The main ones proposed in discussions are: school size; free school meals; school phase/context; challenge/performance of the school; experience/performance of head; affordability.
- Multiple schools – clarification was needed on determining the pay for executive head teachers and for school-to-school support roles.

¹³ Infogroup/ORC International (2011) *Teachers' Pay Issues: research findings 2010*.

¹⁴ The research predated the introduction of a 25% limit on discretionary payments to head teachers from September 2011.

- Small schools – insufficient pay differentials were sometimes cited as a reason for difficulties in recruiting good quality head teachers and discouraging primary school deputies from applying for headship. Some considered that while heads of small schools had fewer pupils and staff, their workload and responsibilities were similar to those of heads of larger schools.
- Pay differentials – the STPCD provisions on pay differentials between the leadership group and the highest paid classroom teacher were seen as potentially problematic, e.g. when increasing the pay of the highest paid classroom teachers.
- Low turnover among deputy/assistant heads – there was frequently a reluctance on the part of deputy/assistant heads to seek progression to headship.
- Increasing use of school-to-school support to help raise standards, and the deployment of executive head teachers.

School leadership pay levels

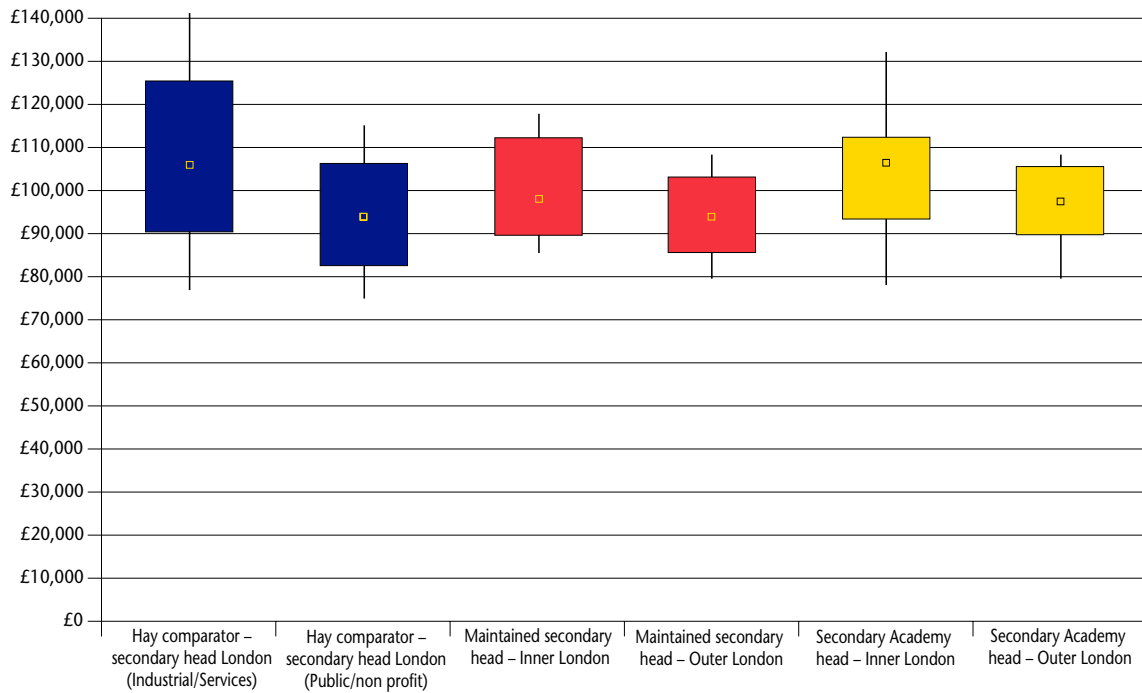
- 2.25 To ensure an up to date understanding of how the levels of head teacher pay sit against the wider market, our secretariat undertook some detailed analyses of leadership earnings using data from the November 2012 School Workforce Census (SWC). To provide the wider context they procured data from Hay Group which provides wider benchmarking data to a broad range of organisations. This data provided estimates of salaries for jobs of equivalent weight (using Hay's established job evaluation methodology) to a number of school leadership post scenarios ranging from an executive head of two or more large secondary schools to the head of a small primary school. Comparator data are presented separately for Hay's 'Industrial and Service' and 'public/not-for-profit (PNP)' sectors and are based on gross salaries (excluding annual incentive/bonus payments).
- 2.26 All groups of school leaders and comparators show considerable spread in their earnings, so the charts below are designed to demonstrate, and compare, *ranges* of earnings values. The charts provide information on the median (the central value when all the earnings observations are placed in order), the inter-quartile range (i.e. the middle 50% of the earnings distribution), the 10th percentile (the value below which the lowest 10% of earnings observations are found) and the 90th percentile (the value above which the highest 10% of earnings observations are found)¹⁵. In all charts, school leaders' earnings in maintained schools are represented in red, academies in yellow and comparators from the wider economy in blue.

¹⁵ The extreme ends of the distributions have been omitted from the analysis to avoid outliers and the inclusion of values that may be vulnerable to reporting error. All data sources are referenced to October/November 2012. Data relating to heads of academies in London are based on small numbers of schools.

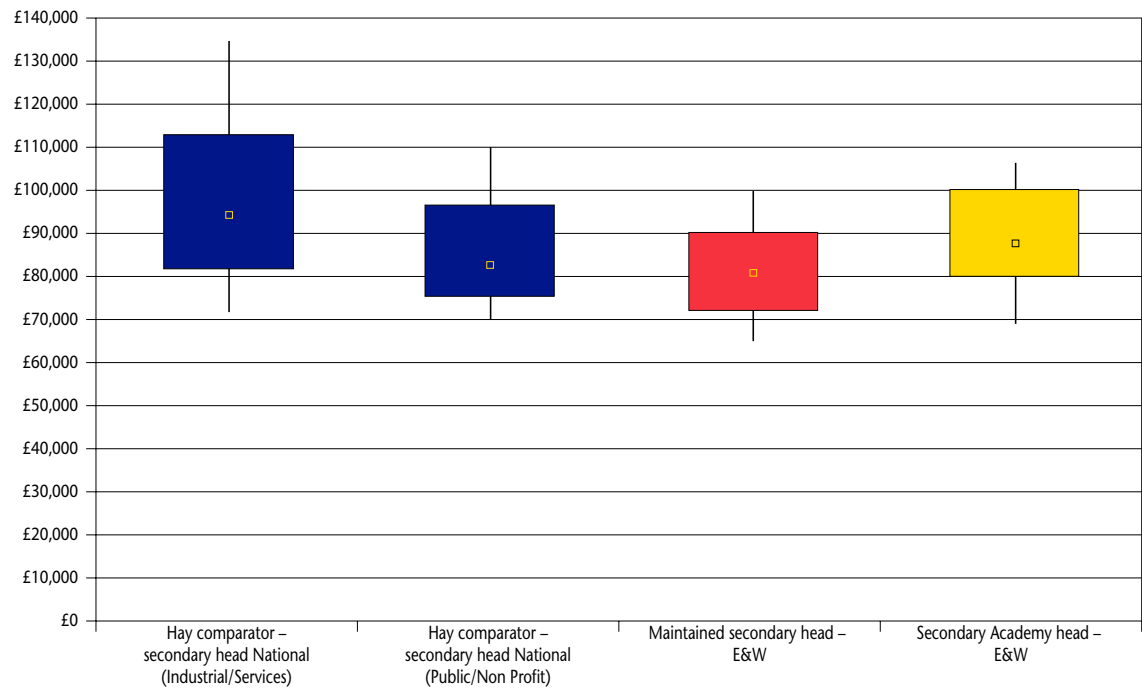
Charts 1a and 1b

Head teacher and Hay comparator earnings (secondary schools), Oct/Nov 2012 – Median, Upper/Lower Quartiles, 10th/90th Percentiles.

(a) London



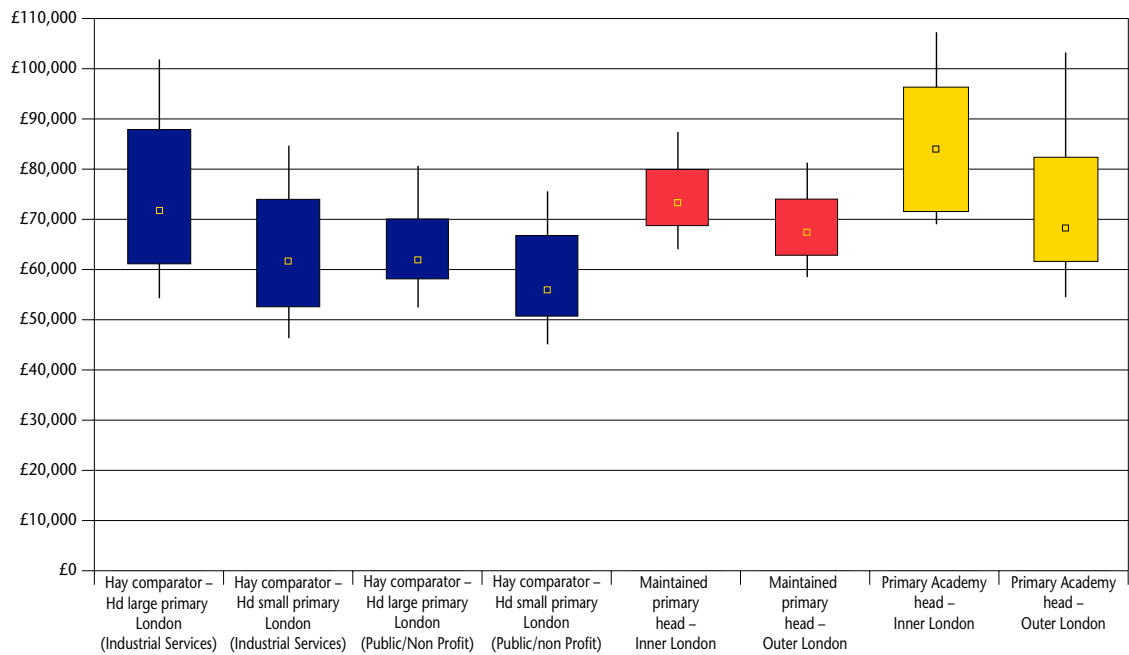
(b) Rest of England



Charts 2a and b

Head teacher and Hay comparator earnings (primary schools), Oct/Nov 2012 – Median, Upper/Lower Quartiles, 10th/90th Percentiles.

(a) London



(b) Rest of England

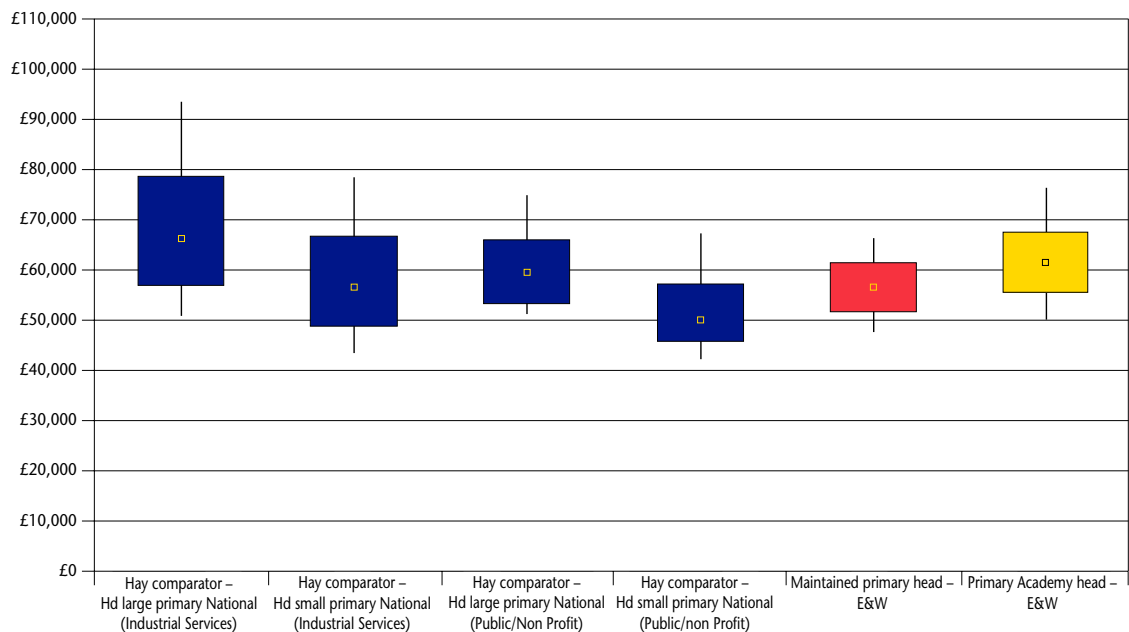
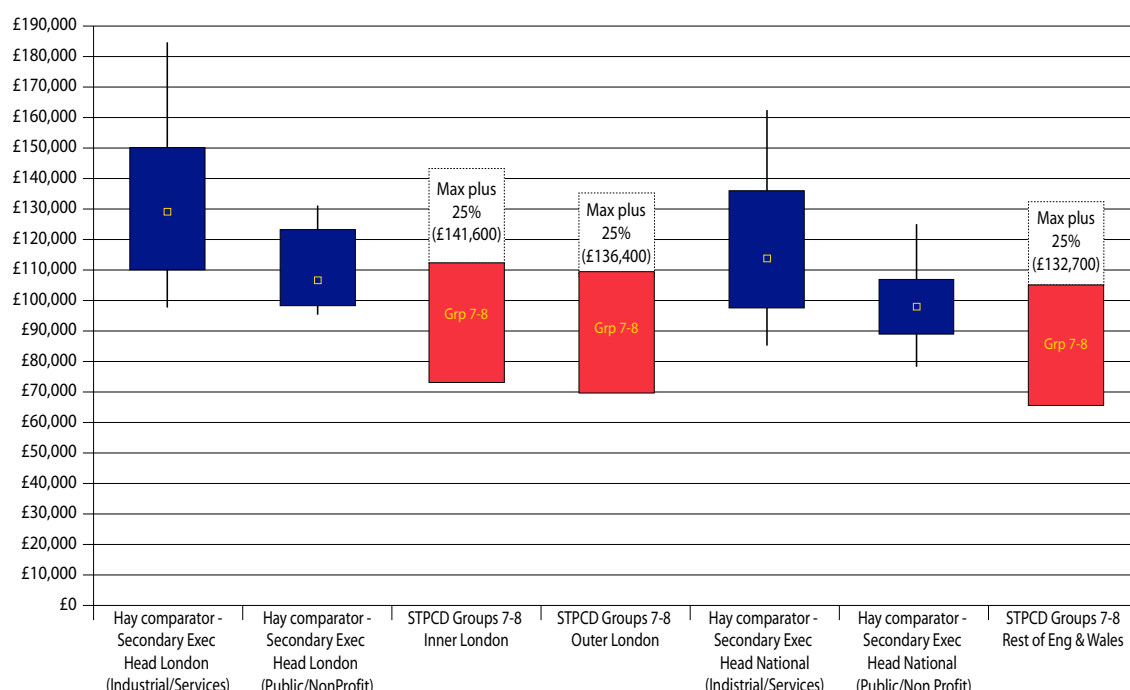


Chart 3

Hay market data for Executive Head of 2+ large secondary schools
Median, Upper/Lower Quartiles, 10th/90th Percentiles (Hay) – compared to the school leadership pay spine¹⁶.



2.27 Key points from the analyses are:

- The earnings of **secondary head teachers** in maintained schools overlap with comparators in, and outside of, London (median and inter-quartile ranges), but the top end of the earnings distribution for industrial/service sector comparators is positioned higher [Charts 1a and 1b].
- The earnings range of maintained **primary heads** in London compares more favourably with Hay comparators (at the higher end of most comparator ranges) [Chart 2a]. Outside London, primary heads' earnings overlap with comparators but the top end of the earnings distribution for comparators is positioned higher [Chart 2b].
- The earnings ranges of **comparators to an executive head (of 2 or more secondary schools)** exceed the maximum of the leadership pay spine. Whilst this gap is for some eradicated if the discretionary 25% is added to the spine maximum, the data show that the top end of the earnings distribution for industrial/service sector comparators remain higher [Chart 3].
- When **comparing maintained school head teachers with their academy counterparts**, the charts show that in general the earnings of heads of academies reach substantially higher levels than those of maintained schools [Charts 1-2].
- In sum, the evidence shows that the comparator occupations offer able graduates significantly greater earnings potential than do school leadership positions in the maintained sector.

¹⁶ This chart compares the Hay salary figures for equivalently weighted roles to an executive head of two or more large secondary schools to groups 7 and 8 of the leadership pay spine, together with an illustrative 25% addition to the Group 8 maximum.

The Department's and Consultees' views

- 2.28 We received extensive written submissions from the Department and consultees on leadership pay. These were supplemented in oral evidence by responses to a range of targeted questions, some arising from the written submissions and others prompted by our own examination of the broader evidence base and our developing thinking. Some consultees also commented on the research we commissioned on leadership pay arrangements (see paragraphs 2.60 – 2.62 below). We have set out below a summary of the Department's and consultees' views across a range of themes.

The Department's views

- 2.29 The Department's submission commented on the changing landscape for schools and the increasing expectations on system leadership, including the development of new roles. It said that the existing formula was inadequate to incentivise those taking on small or challenging schools or to reward outstanding results. It believed that the existing requirements for determining leadership pay were unnecessarily bureaucratic and pointed to the provisions on pay differentials between members of the leadership group as being needlessly restrictive.
- 2.30 The Department said it sought a broad national framework within which governing bodies could make decisions on appropriate leadership salary ranges and which offered the flexibility to continue to take into account the age and numbers of pupils in the school but also other factors. These included pupil characteristics, nature of role, direct responsibility for more than one institution and other forms of support for other schools, school and individuals' performance, skills and experience; local, regional and national markets for school leaders; and affordability.
- 2.31 The Department did not make specific proposals on levels of pay. It said any recommendations on leadership pay should be considered with reference to the likely effect on teachers' pensions, although it offered no specific evidence on the issues. In oral evidence, the Secretary of State recognised a strong case for symmetry in the way teachers and school leaders were rewarded.
- 2.32 In relation to governing bodies, the Department invited comments on how the accountability and governance arrangements might need to be strengthened to support the reform of leadership pay.

Consultees' views

Context and the case for change

- 2.33 Most consultees believed that the current approach based on weighted pupil numbers was an appropriate and well understood starting point for calculating head teacher pay but several suggested that additional factors should be taken into account (see paragraphs 2.37 – 2.39 below).
- 2.34 Both head teacher associations highlighted the changing environment and the increasingly diverse range of settings and circumstances in which head teachers work. In particular, both emphasised the need for the STPCD to recognise executive head teacher and system leadership roles. This was supported by NEOST, NGA and Voice. NASUWT and NUT were concerned about the development of executive head roles.
- 2.35 Several (classroom teacher) unions said that there was already a great deal of flexibility available to schools when determining head teachers' pay and that fundamental change was unnecessary. ATL and NUT were concerned about the increased size of the school leadership group (in particular assistant head posts) while NASUWT said that more work

was required on defining the role, responsibilities and standards of head teachers prior to any review of pay. ATL believed there should be a review of the head teacher's role and a refocusing on the core responsibility for teaching and learning. NAHT considered that leadership standards would be helpful.

- 2.36 Voice said recruitment to school leadership remained a problem in some areas, including London and the South East and also within challenging schools, faith schools and small schools. NEOST also highlighted problems recruiting heads to small schools and NGA reported difficulties in relation to special schools.

Criteria for determining pay

- 2.37 In their submissions, most consultees agreed that wider contextual factors should have some input into determining the pay of head teachers.
- 2.38 In oral evidence, we invited consultees' views on three broad criteria which governing bodies should consider in addition to pupil numbers (*context/challenge, risk, person specification*) and proposed that governing bodies should have a list of prompts to take into account when setting head teacher pay. The Secretary of State broadly supported this approach. Others believed the criteria were helpful but there were some concerns about the inclusion of *risk* (which was difficult to quantify) and *person specification* (which could overlap with the *challenge* criterion). Several consultees said that the particular considerations relating to special schools could be taken account of under the *challenge* criterion.
- 2.39 Other consultees (NASUWT, NUT) said that the current pupil-weighted approach remained appropriate and were concerned that adopting a criteria-based approach could lead to a system of payment for each additional factor, rather than for the job as a whole, which they said could be inflationary.

Small schools

- 2.40 While NUT was broadly content with the current approach, it sought a review of whether the age-weightings were appropriate as their usage resulted in pay differentials between primary and secondary head teachers being unjustifiably large compared to the nature of the challenges faced by each role. ASCL and BATOD thought the age-weightings did not adequately reflect the responsibilities inherent in each key stage within primary schools. In oral evidence, NAHT noted the significant accountabilities for heads of small schools, often with little support, and proposed that the age-weighted formula be reviewed.
- 2.41 ATL suggested removing the first five points of the leadership group to boost the salaries of leaders in small schools and hence incentivise teachers to apply for these roles. The Welsh Government noted that Wales had a higher proportion of small schools in which school leaders had a significant teaching commitment; so any changes in the link between pay and pupil numbers could have a significant impact.
- 2.42 In oral evidence, several consultees (Secretary of State, ASCL, NASUWT, NGA) said that structural issues were relevant, in particular that federations of small schools would make the head teacher role more viable.

Multiple schools and system leadership responsibilities

- 2.43 Most consultees said that the STPCD failed adequately to recognise, or set out clear pay arrangements for, heads of multiple schools. Some (ASCL, ATL, NASUWT) were clear that where roles were more akin to Chief Executives or a consultant they should not be paid under the STPCD. ASCL proposed three indicators that could be used to determine the distinction between these roles: accountability arrangements, time in school(s) and leadership support structures.

- 2.44 NASUWT said that the reference for determining the remuneration of a head teacher of multiple schools should be the calculation of the total number of pupil units across all schools under the head teacher's span of control and accountability. NEOST and NGA thought that this approach might not recognise sufficiently the additional challenge and complexity of the role. While NUT's preference was to use the pupil-based calculation, it said that the current approach to aggregating pupil numbers meant that heads taking on more than one school might not benefit from a pay uplift to reflect the significant challenges of leading separate schools, a particular problem in the primary sector.
- 2.45 In oral evidence we asked consultees for their view on an additional head teacher group at the top of the range to accommodate large federations. The Secretary of State expressed concern at adding to the existing structure. ASCL, Governors Wales, NEOST and Voice saw the creation of groups 9 and 10 as a possible solution although NEOST was wary of pay drift. NAHT said additional groups would be helpful but that the additional complexity involved in leading more than one school should also be accounted for in wider criteria for pay-setting. ASCL suggested a checklist of questions that governing bodies need to consider to make a nuanced decision when setting pay for heads of multiple schools. NGA proposed a separate scale for leaders of multiple schools. ATL and NASUWT rejected extending the pay scales.
- 2.46 The majority of consultees thought there should be a reward for taking on a system leadership role only where there were clear additional responsibilities and accountabilities for outcomes. Some suggested that this reward should go to the school with the governing body allocating any resulting revenue. NASUWT raised the issue of second contracts and was concerned about possible double payments to heads undertaking these roles. It (together with NUT) also noted the need to resource and reward back-filling in the home school when such roles were active. NEOST also sought clarification on whether system leadership roles should be separate contracts and on whether money should go to the head teacher or the school.

25% discretion/pay cap

- 2.47 In oral evidence, the Secretary of State said there should be no specific pay cap as governing bodies would find other ways of rewarding head teachers which could be less transparent. He sought maximum discretion for governing bodies in setting pay, along with greater accountability and scrutiny of decisions. NAHT supported removal of a cap and Governors Wales thought a pay cap was artificial and wrong in principle. ASCL, ATL, BATOD, NGA, UCAC, Voice and the Welsh Government said that a cap should be retained. NASUWT said that the Review Body's previous arguments for the introduction of a limit on head teachers' pay remained relevant.
- 2.48 NEOST reported local authorities' view that in some cases the current provisions do not allow for sufficient remuneration for significant system leadership roles.

Fixed-term contracts

- 2.49 In oral evidence, we explored the case for fixed-term contracts for head teachers taking on a school to 'turn around' performance. There was support from the Secretary of State, ASCL, ATL (for a minimum of 5 years), NEOST and Voice. ASCL noted that heads taking on such schools might need an honourable exit strategy, possible through a short-term arrangement. Fixed-term contracts were rejected by Governors Wales. NAHT noted some drawbacks and said that a committed head teacher was required to embed good practice; NUT did not support fixed-term contracts and said it would prefer local authorities to have a pool of head teachers to assist struggling schools. NASUWT said

there was already scope for fixed-term contracts. UCAC was concerned at the need to pay a premium for fixed-term contracts as this would be particularly difficult for small schools with limited budgets.

Other management roles

- 2.50 NAHT said that governing bodies should be able to use the leadership scale to reward senior financial and administrative management roles and ASCL similarly said that school business managers should have access to an appropriate scale within the STPCD. ATL, NASUWT, NEOST, NUT and Voice all argued it would be inappropriate to have the pay and conditions for senior members of support staff, e.g. school bursars or financial administrators, established by the STPCD. We have already noted that such roles are outwith our remit.

Rewarding performance

- 2.51 Several consultees agreed that performance related progression for head teachers should reflect the approach for classroom teachers (Governors Wales, NAHT, NEOST, NGA, UCAC, Voice, Welsh Government). ASCL said that success should be incentivised over time through longer term (e.g. 5 year) objectives. It recommended an extension of the leadership scale so as to recognise factors such as success, sustained improvement, recruitment, retention. NUT emphasised its rejection of performance related pay.
- 2.52 All consultees rejected the idea of bonuses. NAHT believed that non-consolidated (and therefore non-pensionable) payments would act as a disincentive to the profession. ASCL wished to avoid moving towards a 'bonus culture' and NASUWT said bonuses would be divisive.

Spot rates/pay ranges

- 2.53 In oral evidence, we explored the case for paying spot rates rather than in ranges. Most consultees rejected the introduction of spot rates; and some emphasised salary ranges were critical to provide an expectation of salary progression. ATL considered spot rates would be inflationary.

Wider leadership team and pay differentials

- 2.54 There were mixed views on the need for pay differentials between members of the leadership group. Some (Secretary of State, NASUWT, NGA and Voice) said that prescribed pay differentials should be removed, whilst others (ATL, BATOD, Governors Wales, NUT, UCAC and the Welsh Government) supported their retention. NEOST believed some differential was desirable but should not be prescribed and NUT said there should be some room for discretion on the relative pay of deputy and assistant heads. Both head teacher associations said the difference between the head and deputy head teacher roles needed to be recognised in pay and NAHT suggested more overlap was appropriate below that. UCAC proposed increasing the pay differential between the lowest point on the Individual School Range (ISR) and the maximum of other leaders and teachers, to help recruitment difficulties. UCAC and Voice both said there should be criteria to assess job weight for all school leaders.
- 2.55 During oral evidence most consultees agreed that the principles that applied to head teacher pay should apply equally to pay setting and progression for deputy and assistant heads.

Governance

- 2.56 Several consultees expressed concerns about the capability and capacity of governing bodies to decide the pay of school leaders and believed that adequate support and training should be made available. They emphasised that governing bodies should have access to independent professional HR advice. UCAC called for support from HR within local authorities. Most supported the Government's recommendation that the role of the clerk should be professional. However some emphasised the need to distinguish the clerk's role as one of securing, rather than providing, HR advice, as their expertise was focused on wider governance and related process issues.
- 2.57 Most consultees proposed that some form of benchmarking information be provided to help inform governing bodies' pay decisions although there were differences in understanding of what constituted benchmarking, with some emphasising just the pay dimension, without reference to wider contextual information. Some saw risks with benchmarking; these included the use of inappropriate comparators, increased bureaucracy, inflation of salaries and the need for benchmarking data to be maintained and quality-assured. BATOD suggested a system of local moderation could assist governing bodies in determining a pay range. NUT recommended that local authorities should have a formal role in holding and distributing information on pay ranges for school leaders in the local area and that this be made available to governing bodies. NASUWT commented that there would be no need for benchmarking information if there were clear, transparent criteria and rationale for leadership pay.
- 2.58 Several consultees supported strengthening the auditing of pay decisions although NGA said that using audit to ensure accountability was 'a sledgehammer to crack a nut'. Several questioned whether Ofsted was well placed to take on this role, not least because it had limited time on visits and because inspections were infrequent for many schools. ATL and NAHT suggested that the existing Schools Financial Value Standard (SFVS) framework could be used.
- 2.59 In the context of good governance of pay decisions, both NASUWT and NUT sought greater transparency. NUT believed that publication of school leaders' ISR should be mandatory while NASUWT sought annual publication of head teachers' salaries.

Consultees' comments on commissioned research

- 2.60 Several consultees provided comments on the commissioned research from IDS and Mercer.
- 2.61 On the approaches to rewarding senior staff in other sectors, there was a general consensus on the difficulty in finding suitable comparators and the caution required in interpreting results. Some suggested the research reinforced the need to retain national pay ranges and noted the greater transparency around pay in the public sector compared to the private sector, the risks associated with benchmarking pay, and the presence of strong professional HR oversight of pay setting processes in other sectors.
- 2.62 On the international studies, most commented that there was insufficient detail or context to draw meaningful conclusions. Key points noted included: the widespread use of school size and incremental pay scales; a minority of cases using performance related pay; the use of responsibility allowances to reward middle managers; and the range of non-pay conditions, with most countries having a limit on teachers' overall working hours and/or teaching contact time.

Our overall approach

- 2.63 We have started from the premise that there should be a **broad national framework for leadership pay**, allied to flexibility to meet local needs, consistent with the approach we took to pay for classroom teachers in our 21st Report. It is clear that the **school landscape is changing rapidly**. The increasing prominence of academies and free schools, with their associated freedoms on setting pay of school leaders (and teachers), has changed the market within which governing bodies seek to recruit, reward and retain school leaders and made more compelling the case for change.
- 2.64 More widely in the sector, **new models of school leadership** have developed in response to structural changes such as federations, and the wider imperatives of school improvement (in which National and Local Leaders of Education have come to play an important role). We expect that leadership roles will continue to evolve as evidence of effective approaches builds. Accordingly we have sought to develop an approach to leadership pay which will enable governing bodies **to reward the variety of roles** we now see and offer sufficient flexibility to accommodate those we cannot yet predict. This requires a **clear and usable framework** which governing bodies can use effectively, with confidence to meet school needs, both now and in future.
- 2.65 A number of other contextual considerations were important in this remit: we set them out briefly below before detailing our recommendations.
- 2.66 First, in considering **wider approaches to setting pay of senior leaders**, we noted our research which suggested many other organisations take account of context and challenge and link pay progression to performance. In addition, wider evidence on pay suggests that while head teacher pay levels overlap with those of professional comparators, other sectors offer able graduates significantly greater earnings potential than do school leadership positions in the maintained sector. The data also show that the earnings of heads of academies reach higher levels than those of heads of maintained schools and this is shaping the market for school leaders.
- 2.67 Second, it is clear from the evidence we have heard that there are **challenges in certain areas**:
- Some schools struggle to recruit, including those in **disadvantaged areas** where the pupil weighted numbers formula is not an adequate proxy for the challenge of the job, and some governing bodies do not use the full flexibility available to attract the widest pool of good quality candidates. This may be a consequence of the lack of clarity in STPCD, and/or inadequate professional advice, or limited understanding of the wider labour market for school leaders.
 - Some governing bodies have difficulty recruiting heads of **small schools, including primaries**. The level of pay generated by pupil weighted numbers may not be enough to incentivise the step up to headship, when the additional accountability remains allied to a significant teaching load and budgets limit the support available. We comment below on some of the non-pay considerations.
 - Where heads are asked to lead more than one large school, there may be a need for **room at the top of the leadership pay range** to ensure an appropriate increase for the additional accountability. We examine below the case for an extension to the pay framework to provide for this.
 - Governing bodies sometimes find it difficult to recruit the high quality heads they need to **turn round failing schools** because of the professional risk attached to failure in such a high-profile role.
 - In some locations, the pool of local candidates with the skills to take on a challenging leadership role is small and the governing body may need to offer an **incentive to relocate**.

- 2.68 Third, as we have already signalled, our approach to the pay of school leaders should be **consistent with our 21st Report recommendations on classroom teacher pay**, which provided flexibility within a broad national framework. Schools are now free to make differentiated, performance-based progression awards to classroom teachers; and have local discretion to pay a higher salary to the very best teachers. We believe similar flexibilities should apply to pay of school leaders, giving governing bodies a clear and usable framework to support judgements and decisions on pay setting and performance related progression. This would also be consistent with calls we heard from consultees for symmetry between classroom teacher and leadership pay.
- 2.69 Fourth, we heard from many consultees concern that schools already face **significant change in September 2014**. This will be the first year of making differentiated progression awards (based on 2013-14 appraisal), and wider changes, including on the national curriculum, will put pressures on school leaders. Our reforms to leadership pay need to be implementable in the context of these pressures and **avoid putting undue burdens on leadership teams and governing bodies**.
- 2.70 Finally, we have noted that the **pace of change in the sector** means that school structures have changed significantly in recent years and will continue to evolve. So too will the wider labour market if economic growth leads to increasing opportunities in other sectors and intensifies competition for the most able graduates and leaders. This remit has been conducted against the background of the Government's policy of public sector pay restraint, and a relatively subdued wider economy. It will be important to keep under review whether pay levels remain appropriate after a sustained period of pay restraint and in the context of wider market movements. We acknowledge that this, and further structural changes in the sector, may point to a need for **future development of the framework**. But we aim in this report to offer governing bodies an approach which will clarify and extend the flexibility they have now to match leadership reward to local needs and be adaptable to changing demands in future.

Our views and recommendations on head teacher pay

- 2.71 We have examined the full range of evidence: from consultees, from wider research and from our visits and preparatory discussions. We have had in mind the contextual issues facing schools (set out above), and other organisations' approaches to reward for broadly comparable senior leadership roles. We probed a number of important issues in oral evidence, including some approaches to reward which would represent significant change for the profession, such as scope to pay 'spot' rates rather than ranges offering progression; to award non-consolidated bonuses; and what arrangements might be appropriate for fixed-term contracts.
- 2.72 We heard strong and consistent support from the great majority of consultees for two key features of the present system:
- use of pupil weighted numbers (through the total unit score) as a broad proxy for job weight, although it was argued that this alone is not sufficient to reflect challenge and complexity; and
 - the value of offering school leaders the prospect of performance related progression through a pay range.
- 2.73 Accordingly, our approach seeks to retain these as part of the pay framework. We propose:
- **Retaining a broad national framework**, consistent with our approach to classroom teacher pay, with minimum and maximum pay levels and broad bands¹⁷ (linked to pupil numbers) **to guide governing bodies** on what pay would be appropriate for a head teacher.

¹⁷Based on the existing head teacher groups and total unit scores.

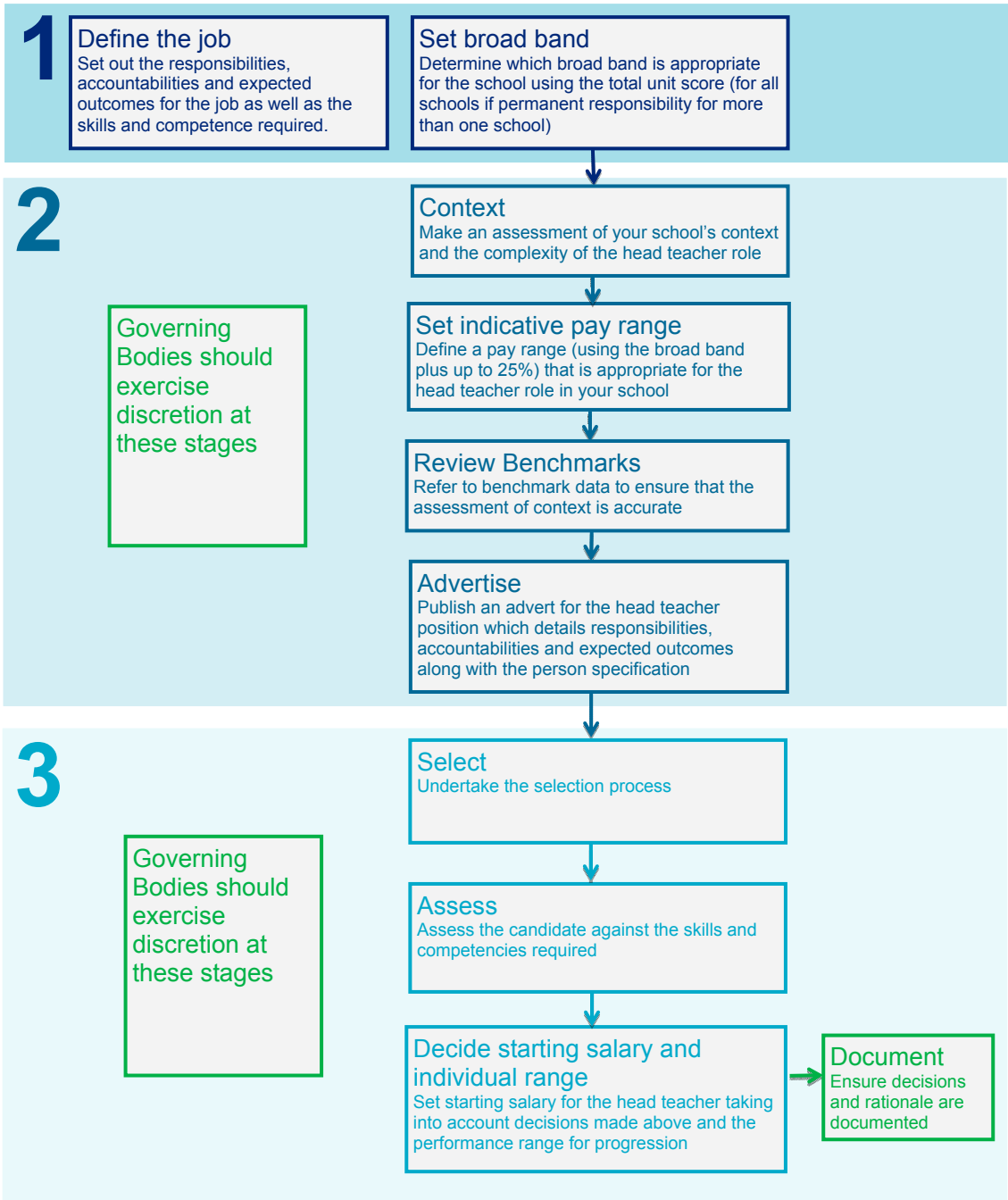
- **Removing the unnecessarily detailed structure** of the present framework such as mandatory spine points, as we recommended for classroom teacher pay scales. This underlines governing bodies' responsibility for making **performance-based progression awards** that reflect individual performance.
- Building in much **simpler, clearer prompts** to governing bodies on the factors which they have discretion to consider in addition to the total unit score. This responds to wide concern that the present system is complex and opaque.
- That **governing bodies seek HR advice and use available benchmarking data** to guide them in exercising their judgement; and reinforce the need for minuted, auditable decisions on pay of school leaders.
- Providing **greater discretion** for governing bodies to determine appropriate **differentials** between leadership posts and with classroom teacher posts.
- **Providing formal headroom at the top of the pay range** to incentivise and reward heads taking on some of the largest and most challenging leadership roles. This responds to evidence that the present system provides inadequate headroom to reward appropriately some emerging leadership models, particularly heads of large schools taking on accountability for multiple schools.

- 2.74 Having refined our thinking in the light of oral evidence, we wanted to test it against modern HR practice elsewhere. We therefore invited Mercer reward consultancy to highlight points for challenge and further discussion. We also sought their advice on how our approach could be presented clearly to governing bodies. We found their advice and challenge helpful in sharpening our thinking and developing our proposed approach.
- 2.75 On **implementation**, our proposals are intended to apply to all new appointments. We see **no need to use the new process to re-assess the pay or allowances of existing heads, or their leadership teams, in September 2014**. We envisage that pay for those in post would be reviewed only when there are significant changes to responsibilities. The fundamentals on the total unit scores (based on pupil weighted numbers) will not change and the pay of many existing heads will reflect the use of discretions already available. The new progression arrangements, set out in paragraphs 2.106 – 2.109 below, would however **apply to all school leaders** from the 2014/15 appraisal year for payment from September 2015. Governing bodies will therefore need to satisfy themselves that objective setting is rigorous and the school pay policy provides a clear link between levels of achievement and progression, so as to enable individual judgements on progression awards at the end of the appraisal year.

How governing bodies should approach the setting of head teacher pay

- 2.76 We recommend governing bodies should adopt a **three-stage process** to set the appropriate level of pay for their head teacher post. The diagram overleaf sets out this process and the paragraphs following it provide some additional detail to clarify our thinking, as an aid to consideration by the Department and consultees.
- 2.77 Our intention is that the process should remain simple and avoid unnecessary accretion of detail, so that governing bodies will find it straightforward to use. They should at key stages draw on HR advice and available benchmarking information; and consider affordability. **We recommend the Department consider using the following three-stage diagram and the broad bands (set out in Appendix C) as the core of any advice or toolkit for governing bodies.**

Diagram of the three-stage process for setting head teachers' pay



Stage 1: define the role and set the broad pay band

This stage is concerned with defining the job of the head teacher and identifying a broad band (set out in appendix C) which will guide the governing body in determining pay. It should:

- **agree the job description** (role, responsibilities and key outcomes) and **person specification** (skills and relevant competences required); and
- use the total unit score to **determine the appropriate broad pay band** (equivalent to school group) on the same formula as now, including the modified total unit score for **special** schools. This will include **permanent** responsibility for additional schools.

Stage 2: consider the context, challenge and complexity of the HT role; and then exercise discretion to set a (narrower) indicative pay range within the broad band (plus up to 25%).

This stage requires the governing body to assess the complexity and challenge of the role in the particular context of the school and make a judgement on pay in the light of this. For many schools the governing body may conclude that total unit score fully captures the complexity of the head teacher role and there are no additional factors that would affect pay. The governing body should consider issues such as:

- **context and challenge arising from pupils needs** e.g. if there is a high level of deprivation in the community (Free School Meals, English as a Second Language indicators may be relevant) and this affects the challenge in relation to improving outcomes; or if the school has been rated by Ofsted as requiring improvement or is in special measures;
- whether there is a **high degree of complexity** e.g. managing multiple stakeholders or managing across several dispersed sites, which goes significantly beyond that expected of any head of similar-sized school(s) and is not already reflected in the total unit score used at stage one; and
- **additional accountability not reflected in stage one** e.g. leading a teaching school consortium.

As part of stage two the governing body should:

- check their judgement on proposed pay range in the light of available **benchmarking information** on both school context and pay of leaders in similar schools;
- consider which factors should be in base pay. For those which are not expected to persist, such as **temporary responsibility** for an additional school, it should normally pay an allowance rather than consolidating in base pay; and
- ensure there is not '**double counting**' of things taken account of in stage one e.g. responsibility for an additional school already reflected in the total unit score; or from using overlapping indicators such as FSM and the pupil premium.

The governing body **should not** increase base pay nor pay an additional allowance for regular local collaboration which is part of the role of all head teachers.

At the end of stage 2, the **governing body should decide where in the broad band to position the indicative pay range, and advertise the job**. The governing body should make an **overall judgement** on the position and breadth of range, allowing appropriate scope for performance related progression over time, linked to school improvement. It should be noted that under the current arrangements the maximum of the Individual School Range (ISR) is 15% above the minimum.

If the governing body considers that circumstances warrant, it can set the indicative pay range with a maximum of up to 25% above the top of the relevant band.

The governing body should decide whether to cite the broad band or the narrower indicative range as the pay offered when advertising the post. It may wish to consider using the broad band if it wishes to test the market by ensuring it attracts as wide a field of candidates as possible.

Stage 3: Finalise the individual pay range and set the starting salary.

At this stage the governing body will have a preferred candidate for the role and may wish to consider candidate specific factors, including:

- Given the decisions made in stage 1 about the person specification and those made in stage 2 on the context and challenge of the role, how well does the candidate meet the requirements?
- How much room is appropriate for progression for the individual?
- The final agreed range can use up to 25% discretion above the broad band (if not already used in stage two) provided it is **justified** by candidate specific factors. Above that limit, a business case must be made in line with current guidance.

At this stage the governing body should:

- take care not to double count considerations which have already been taken account of in stage 2;
- consider how the reward package should take account of any special circumstances such as a fixed-term appointment (on which we comment further below); and
- take account of the operating principles in the STPCD which provide guidance on allocation of payment for temporary additional responsibilities. For example, where a head teacher works in another school (e.g. as an NLE), a proportion of the total payment should go to the school to cover backfill arrangements.

Allowances

2.78 The three-stage process outlined above deals, as far as possible, with all permanent aspects of a headship post in base pay. As a consequence, some of the current allowances will no longer be necessary for a post paid under the new system. We comment on those payable to head teachers here and the rest of the leadership group later in this chapter, while chapter 3 looks at allowances more generally, now chiefly relevant for classroom teachers. The allowances payable to members of the leadership group are:

- Discretionary payments to head teachers (STPCD paragraph 12)
- Acting allowance (paragraph 29)
- Performance payments to seconded teachers (paragraph 30)
- Residential duties (paragraph 39)
- Additional payments (paragraph 40)
- Recruitment and retention incentives and benefits (paragraph 41)

2.79 The consideration of the context and challenge under stage 2 of the process will include some circumstances currently paid for through these allowances, such as:

- the particular circumstances and challenges of the school which may contribute to recruitment and retention difficulties;

- permanent additional accountabilities (including those relating to the provision of initial teacher training);
- long-term provision of services to other schools.

In future, any adjustment needed for these factors should normally be reflected in the indicative pay range set before advertising the post.

2.80 We recognise however that there will be some circumstances in which governing bodies may still need the flexibility to cover **elements of the role not covered by base pay due to their temporary or irregular nature**. This would include:

- **temporary responsibility** for one or more additional schools or short-term provision of services to another school;
- assistance with **housing or relocation costs** but not general pay uplift in recognition of recruitment difficulties;
- additional payments for head teachers participating in **CPD or agreed out of school hours learning activity**, where these are not included in base pay;
- payments for residential duties if not incorporated in base pay.

2.81 Accordingly we **recommend that the Department make clear in the STPCD that, for head teachers whose pay is set using the new three-stage process:**

- **The only discretionary payments for head teachers which will remain appropriate (under paragraph 12.3 (d)) are for additional temporary responsibilities not counted in base pay;**
- **Payment for other duties (under paragraphs 39 and 40) should only be considered if the governing body is clear that the relevant responsibility/ activity has not already been taken account of in setting base pay; and**
- **As recruitment and retention difficulties are taken into account when setting base pay, only assistance with housing or relocation costs should be considered (under paragraph 41).**

2.82 Head teachers paid under the current STPCD provisions should retain their existing allowances until they either move post or their role changes significantly. At this point, as described earlier in the chapter, their pay would be determined using the new three-stage process and allowance structure.

2.83 The rationale for continuing to use an allowance is that it gives governing bodies the flexibility to withdraw, or amend the level of, the payment when the responsibility ceases or circumstances change. This means payments should clearly be time limited from the outset and, as a consequence, safeguarding provisions should not apply.

Rewarding leaders of the largest multiple schools

2.84 The varied and changing models of school structures have given rise to new headship roles, including executive heads and heads of federations, which are far larger than those envisaged when the current head teacher groups were recommended. Several consultees told us that the most complex and challenging new roles cannot be adequately rewarded under the current system as there is insufficient headroom, especially where heads are asked to take on a number of large schools. The growth in the number of academies and free schools has also created a new market in which a range of very substantial leadership roles are rewarded with salaries in excess of the current leadership maximum.

- 2.85 Information from the School Workforce Census¹⁸ shows that around 200 head teachers are paid above the top of the leadership pay range. This includes both heads of academies, which are not required to follow the STPCD provisions, and those in the maintained sector paid under the framework. It also includes 33 head teachers recorded as executive heads¹⁹. The vast majority of those posts paid above the range are within the 25% discretion, however, 28 head teachers, including 9 recorded as executive heads, are currently paid above this threshold.
- 2.86 It is clear that some of these new roles are very large; where a head of a large school is asked to take on responsibility for a substantial number of additional pupils, the total unit score could be in excess of 30,000. The largest single secondary school is currently around 25,000 whereas for very large federations the total unit score could be nearly 50,000.
- 2.87 We believe that the pay framework should allow governing bodies the scope to incentivise highly skilled head teachers to take on these demanding and challenging posts and signal to the most able graduates that teaching is an attractive profession when compared with other potential careers. Accordingly, **we recommend the creation of formal headroom above the current maximum of the leadership range to enable appropriate reward of head teachers in the biggest leadership roles in large multiple schools.** It will be for the Department to determine the detail following consultation. We envisage it formalising the current arrangement which offers 25% discretionary headroom available above group 8 and, in exceptional cases, enables governing bodies to go beyond. This would make clear their scope to reward the most complex challenging roles leading multiple schools and ensure the framework can respond to future demands as school structures evolve.

Other issues raised on leadership pay during this remit

- 2.88 We noted concern from some consultees about the **lack of clarity on the responsibilities of new roles** associated with new leadership models. The most common are Executive Heads, normally accountable for more than one school, and Heads of School, normally applied to someone (often an existing deputy head) who provides day-to-day leadership of an individual school under the overall leadership of an Executive Head.
- 2.89 As we have noted, school structures and leadership models are continuing to evolve, often in response to highly localised circumstances. This generates a wide range of practice in the way leadership responsibilities are distributed and we do not believe it would be possible, or helpful, for us to try to define responsibilities associated with particular job titles. Our focus instead has been to offer a process for pay setting which governing bodies can use for the wide range of models which might be used to meet current and developing local needs.
- 2.90 We considered carefully whether our recommendations responded to concerns we heard in evidence about the **difficulty recruiting heads for small primaries**. We heard frequently, in visits and evidence sessions, of problems attracting heads to small primaries but we were often told that pay was only one of a range of factors. Where it is a consideration, we believe that the flexible framework we now propose allows sufficient discretion to governing bodies to reflect in pay any local circumstances which are not captured by the total unit score approach.

¹⁸ DfE analysis of the School Workforce Census, November 2012.

¹⁹ It is at the school's discretion to record someone as executive head and due to the way data are collected, DfE is not able to distinguish between heads of a formal federation or other collaborative arrangements.

- 2.91 The problem was more often rooted in the structural viability (or otherwise) of some of the smallest rural schools, or the lack of support for Heads of small schools who also had a substantial teaching role. We heard many constructive suggestions about **organisational measures** which would help provide improved outcomes for pupils and increase the pool of able candidates for headship in smaller primaries. These included:
- considering whether it could be a **part time post**, which might make it attractive to a wider pool of candidates. A part-time head could effectively fulfil the strategic leadership of a small school, provided there are appropriate arrangements for dealing with day-to-day matters when the head was not present. We are aware that there has been some uncertainty about whether part-time headships were appropriate but we understand from the Department that governing bodies are free to make such appointments provided they appoint and reward an acting head on days when the head teacher does not work. It would be helpful if the Department clarified this for governing bodies;
 - increasing **use of federation**, which some consultees said they regarded as the way forward when stand-alone small schools found it increasingly difficult to offer the full range of high quality provision needed in the sector. As we indicate in our support for part-time headships, there should be no need for the strategic leadership role to be limited to a head who is full time in a particular school; and
 - considering **alternative ways of ensuring support** for heads if the school size (and therefore budget) is insufficient to pay for a dedicated support post.
- 2.92 These are not issues formally within our remit, but we **observe** that such measures may encourage more good teachers with leadership potential to come forward (and so support improved outcomes). The Department may therefore wish to consider how best to encourage governing bodies to consider the range of models for headship and appropriate support in small, often rural, primary schools.

Fixed-term contracts

- 2.93 As we indicate above in the three-stage process, it is our expectation that the overwhelming majority of headship appointments will be on permanent contracts. However, there may be circumstances in which a governing body wishes to offer a fixed-term contract, for example, to attract good candidates where there is a high degree of professional risk associated with the task, for example to turn around a failing school.
- 2.94 If such a contract is to be offered, a number of features need to be considered by the governing body:
- Should the contract attract a **premium** to recognise its short-term nature and the associated professional risk?
 - How should **reward for delivery of agreed outcomes be structured**? If it is to be offered in stages, what are the expected **outcomes** and **intermediate** targets to which it is linked? If structured in this way, the reward would **replace** the performance-related progression normally available to heads, based on annual appraisal.
 - What strategy will be put in place to **mitigate the professional risk**? This might include a break clause through which parties can agree to end the contract.
- 2.95 At the end of a fixed-term contract, the governing body may wish to advertise for a permanent head, with pay set in the normal way; or alternatively could offer to reappoint at the end of the fixed-term on a permanent contract.

Conclusions on pay of head teachers

- 2.96 Our recommendations for the leadership pay framework are designed to give governing bodies sufficient flexibility to make an appropriate pay offer to heads in a wide range of settings, from small primaries to large secondaries and federations; and to make judgements on progression which better reflect performance. Our proposals encourage governing bodies to move from an internally focussed, formulaic approach to pay setting, to one which takes account of the specific demands on, and the market for, school leaders. We believe our recommended three-stage process offers governing bodies significant discretion in setting pay for most head teacher roles, and in particular it clarifies their discretion (much of which is available now). It enables governing bodies to set pay at the level needed to attract head teachers to their school by systematically considering the circumstances of the role before advertising the post, rather than having to use recruitment and retention allowances after a failure to appoint. It provides flexibility to accommodate the new models of leadership which have emerged in recent years, and which will continue to develop as school structures evolve to meet pupil needs.

Our views and recommendations on the pay for the wider leadership group

- 2.97 We consider that pay for the wider leadership group (deputy head teachers and assistant head teachers) should follow a similar approach to that set out above for head teachers. This should offer governing bodies flexibility to adapt to the needs of the individual school, in a changing landscape. It should also incentivise talented classroom teachers who wish to become school leaders; and able leaders to step up to full accountability for a school.
- 2.98 The present arrangements for the pay of the wider leadership group do not directly link to head teacher group size but are anchored by the need to observe differentials with the head and in relation to the highest paid classroom teacher. The statutory guidance (section 3) tells governing bodies to “take account of the responsibilities of the post, the background of the pupils at the school and whether the post is difficult to fill”.
- 2.99 We received relatively little evidence on the overall framework but several consultees commented that differentials were unduly prescriptive. One implication of this is that, in certain circumstances, governing bodies may be obliged to increase an individual’s pay to maintain the appropriate differential, regardless of the challenge of the role or their performance. Some consultees also noted that the range of different roles and titles made it hard to compare posts in different schools.
- 2.100 In our wider discussions preparatory to this remit, and in school visits, we frequently heard that the difference between the salary of a deputy and the head teacher was not sufficient to incentivise able deputies to make the step up to headship, with the associated weightier accountability.

How governing bodies should approach the setting of pay for the wider leadership team

- 2.101 In oral evidence we heard broad support for the principle of applying the same approach to roles in the wider leadership team as to head teachers. These include more flexible, performance-based progression on a similar basis to that which we recommended (and now being implemented) for classroom teachers. We propose below a new three-stage process for setting pay for new appointments to posts in the wider leadership team which is consistent with the approach taken for head teachers.

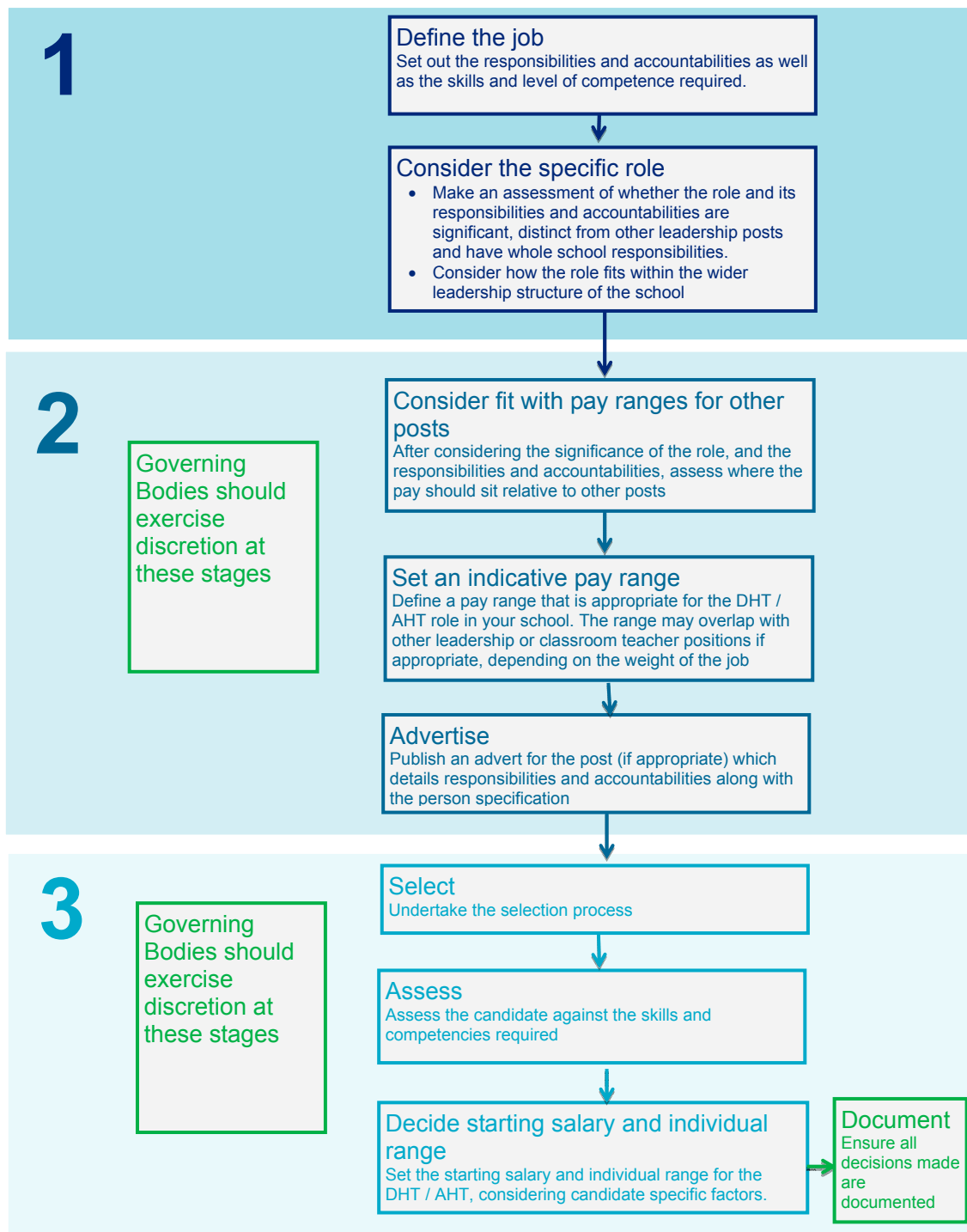
2.102 As we noted above in relation to head teachers, there should be no automatic requirement to review the pay of leadership posts on implementation of the new framework. The wider leadership team will already be paid on the leadership scale, with a range for pay progression subject to performance. The immediate change, as for heads and for classroom teachers (following implementation of our 21st Report recommendations), is that annual decisions on progression will require a judgement on the amount, in the absence of spine points.

2.103 However, where a leadership vacancy arises, the governing body should use the new framework to determine pay for that post; and should also consider whether it is appropriate to re-assess the pay of others in the team. In principle, we consider it desirable for the pay of all posts in a leadership team to be on a consistent basis but there is a judgement to be made on the timing of any review. We set out below the **considerations that should apply** when advertising a new post or restructuring the leadership team (see box below for governing body process):

- Wider leadership group posts should **meet the basic criterion** of 'leadership responsibilities across the whole school' to be paid on the leadership spine.
- The governing body should consider the **specific role, responsibilities and accountabilities**; and how these fit with the leadership structure of the school. This may include considering weightier responsibilities than normal, e.g. a deputy head role where the head teacher is responsible for more than one school or a 'head of school' role where the head teacher is based on another site. It should also consider the **challenges of the particular role** (this may not be the same as for the head's personal accountabilities; although contextual factors such as deprivation may impact on all leadership roles).
- The governing body should set an **individual pay range** which
 - takes account of how closely the candidate meets the requirements of the job, along with the relative weight of the role compared to others on the leadership team, and
 - includes scope for performance related progression over time. As for head teachers, the governing body has discretion on the breadth of range.
- There are **no prescribed differentials**, although we consider it should be unusual for the pay range of a deputy head teacher to exceed the pay range of the head teacher.
- As with head teachers, before confirming a pay range governing bodies should ensure there is no double counting of considerations and, if appropriate, take account of the operating principles in the STPCD²⁰ if the leader concerned is personally providing services e.g. as a Specialist Leader of Education (SLE), when allocating payment.

²⁰ Provision of services to other schools – operating principles and requirements, STPCD 2013 page 89. This provides guidance on allocation of payment for temporary additional responsibilities.

Diagram of the three-stage process for setting pay for deputy and assistant head teachers



Allowances for the wider leadership team

2.104 As for head teachers, the three-stage process deals, as far as possible, with all permanent aspects of a leadership post in base pay so some of the current allowances will no longer be necessary for a post paid under the new system. The allowances payable to deputy and assistant heads are:

- Acting allowance (paragraph 29)
- Performance payments to seconded teachers (paragraph 30)
- Residential duties (paragraph 39)
- Additional payments (paragraph 40)
- Recruitment and retention incentives and benefits (paragraph 41)

2.105 Consistent with our recommendations for head teachers, we **recommend that the Department make clear in the STPCD that, for deputy and assistant head teachers:**

- **An allowance for temporary or irregular responsibilities (paragraphs 39 and 40) should only be considered if the governing body is clear that they have not already been taken account of in setting base pay.**
- **As recruitment and retention difficulties are taken into account when setting base pay, only assistance with housing or relocation costs should be considered (under paragraph 41).**

In line with the rationale for head teachers' allowances set out in paragraph 2.83 payments should clearly be time limited from the outset and, as a consequence, safeguarding provisions should not apply.

Pay progression for the leadership group

2.106 Pay progression for members of the leadership group is already linked to performance but governing bodies have only limited scope to vary the amount: the choice is whether or not to award a full incremental point which is worth approximately 2.5% of salary, for which the criterion is sustained high quality of performance. The Document says governing bodies must not increase a head, deputy head or assistant head teacher's salary by more than two points (5% of salary) in one year.

2.107 Consistent with the approach for classroom teachers set out in our 21st Report we **recommend the removal of spine points** to give governing bodies greater flexibility in assessing the level of progression award appropriate to performance in individual cases. This should directly link to performance against objectives, under the existing appraisal regime, but differentiation of awards will require a stronger focus by governing bodies on individual achievement. It will also mean greater variation in the time taken to progress to the maximum of the individual pay range, with scope for the very best performers to progress most rapidly.

2.108 Where appropriate, governing bodies should ensure the individual range allows scope for setting longer term objectives (with intermediate targets set in annual objectives) to incentivise, and link reward to, longer-term school improvement as part of the appraisal process.

2.109 The new arrangements for differentiated progression should apply to all head teachers, deputy head teachers and assistant head teachers for the 2014/15 appraisal year. The school pay policy should set out the policy for awarding performance pay to head teachers and other members of the leadership team and should be in place in time to enable individual judgements on progression awards at the end of the 2014/15 appraisal year.

Governance and benchmarking

- 2.110 Increasing school autonomy is making new demands on governing bodies across their responsibilities; increasing flexibility on pay is but one element of this. Governing bodies already have scope to exercise considerable discretion in setting pay and our three-stage process is intended to enable them to use this discretion effectively, taking account of local context and challenge. They will need to take ownership of pay as a tool for school improvement, developing pay policies that underpin their strategic goals and managing pay in a way that links to school priorities. It will be of particular importance that governing bodies document pay decisions and can show they are objectively justified, so enabling them to be held accountable for the proper and effective use of public money. Professional clerks and HR specialists can assist them with the task and we consider below what support governing bodies should seek.
- 2.111 There is wide agreement on the importance of developing the capacity of governing bodies to deal with the range of demands on them. We have noted the recent report of the House of Commons Education Committee²¹ and the range of work by the National College in this area. Since June this year, OFSTED has started to inspect local authority (LA) school improvement work which includes support for Governors. This will provide a significant further impetus for improvement, against the background of considerable variation in governing bodies' view of the standard of support available to them. Most maintained schools buy in governor support services (including general advice, training, clerking and HR) and in so doing can seek to shape these services to meet their needs.
- 2.112 We also noted that the Welsh Government is providing significant training and support for both governing bodies and clerks, including mandatory training for Chairs and induction training for newly appointed or elected governors along with training for all governors on the use and understanding of school data²².
- 2.113 We noted NGA's view that better guidance along with access to good benchmarking data was essential for good decision making. Such data would better enable governing bodies to set appropriate remuneration levels in a changing market, in which there is competition for high calibre school leaders from academies who are free to set pay outside the STPCD. Governors Wales said that the clerk had a pivotal role and that support for governing bodies, including guidance and training, was essential.

Our observations on governance

- 2.114 In our 21st Report, in the context of performance pay for school teachers, we commented on the need to assure the effective and proper use of public funds as pay decisions are increasingly devolved to local levels and said:

*"It will be particularly important for governing bodies to assure themselves on two considerations: first, that public money is being used **effectively and with propriety**; and second, that pay decisions are **properly documented and objectively justified**, individually and in relation to potential comparators".*

- 2.115 It is particularly important that these considerations are to the fore as governing bodies exercise their judgement when setting pay for school leaders. The move towards autonomy needs to be supported by strong governance to ensure the flexibilities are used effectively. In oral evidence, we heard that the standard of governance is not consistent across all schools and that training and support for governing bodies is vital, concerns reinforced by the recent Education Committee report. As we have noted

²¹ House of Commons Education Committee (2013) *2nd Report – The Role of School Governing Bodies – Volume I*. TSO (HC 365-I).

²² Welsh Government (2013) *Guidance document no: 117/2013*. <http://wales.gov.uk/docs/dcells/publications/130917-governor-training-en.pdf>

earlier, it will be important that governing bodies draw on appropriate HR advice in determining school leaders' pay, and that they document the process and decision in formal minutes. It is also worth noting that in maintained schools, while powers are delegated to the governing body, the LA remains the employer of the head teacher. In these cases the LA may be a source of advice to the governing body and information on local benchmarking, although the dominance of academies in some localities may limit their available data.

- 2.116 We explored in oral evidence with consultees a range of approaches to help governing bodies carry out their roles effectively and ensure that the exercise of discretion is underpinned by a robust system of audit and inspection. We comment below on a number of dimensions of support and assurance.

Role of the clerk

- 2.117 We heard wide support from consultees for greater professionalism of the role of clerk to the governing body. Clerks play a vital role in ensuring governing bodies understand their responsibilities and can access expert advice. We endorse the recommendation from the Education Committee that the role of clerk to governing bodies should be a professional one, akin to a company secretary. We also welcome the new regulations for maintained schools in England²³ which place a new duty on governors to heed their clerk's advice about their functions. In light of this, we welcome the Department's recent announcement of accreditation for clerks along with increased funding for new National College training for clerks to governing bodies with the aim of providing 2,000 more highly skilled clerks by 2015. In our view, this will enhance the support to governing bodies and ensure that they are able to carry out their functions effectively. However, there is an important distinction between the role of professional clerk advising the governing body on duties and matters of process and the need for independent professional advice on HR matters when setting pay and considering performance management, a matter on which we have commented previously²⁴.

Assurance process

- 2.118 In the interests of transparency and propriety, it is vital that governing body decisions are systematic, well documented and draw on appropriate independent advice. It is also essential that there is accountability for decisions on setting head teachers' pay.
- 2.119 We are aware that **Ofsted's inspection framework** considers whether governors performance manage the head teacher rigorously and evaluates how well the head teacher, and where relevant, other senior staff are managing staff performance and using the staff budget to differentiate appropriately between high and low performers. However, we note that for schools performing well, inspections are likely to be infrequent. This suggests that a complementary approach is needed.

²³ *The School Governance (Roles, Procedures and Allowances) (England) Regulations 2013*. SI 2013/1624.

²⁴ STRB(2008) *Seventeenth Report Part Two*, TSO (Cm 7352) paragraph 3.101.

2.120 We note that in academies²⁵ an **annual audit** is required. This should provide a good level of assurance and **we suggest that the Department consider how to reinforce audit of pay decisions for all local authority maintained schools**. One approach would be to adapt the existing 'Schools Financial Values Standard'²⁶. This might for example include asking:

- What are the broad criteria and policies against which pay decisions have been made?
- What professional independent input into the process has been used?
- What information has been used to assess the relative circumstances of the school (e.g. benchmarking against similar schools)?

Benchmarking

2.121 As we noted above, several consultees supported the use of benchmarking information to help guide governing bodies' decisions on leadership pay. We are conscious of some risks associated with this approach (e.g. of inappropriate comparators being used and of a desire to match the best salaries leading to inflating salaries). However, we believe sensible use of appropriate data would provide governing bodies with a helpful input into their pay decisions.

2.122 Allied to the risk we identified above, governing bodies would need to be satisfied that any benchmarking data was robust in its coverage (and did not, for example, cover only a very small number of schools with the risk of outliers skewing decisions). Rather than the data being focused solely on local schools, our suggestion is that **governing bodies should be able to access data for similar schools, in terms of their circumstances and levels of challenge**. This might take account of factors such as deprivation, levels of SEN, first language, pupil mobility etc. We note that Ofsted and the Department already produce performance data on a 'similar schools' basis. Data from such sources, if linked to pay information, could provide the foundation for a robust benchmarking resource. **We propose that the Department explore further the options for collating suitable benchmark data, and making it available to governing bodies.**

Conclusions and summary of recommendations

2.123 Changing models of school leadership mean that it is becoming increasingly difficult to determine appropriate reward for new roles using the current framework. Governing bodies can be constrained in applying existing discretions because of opaque guidance, inflexible differentials and a rigid system of points within the pay bands. Our recommendations are designed to give governing bodies the flexibility to respond to the changing leadership landscape and their own school's circumstances and to incentivise teachers to take on the most challenging leadership roles. In summary we recommend:

- **A simple three-stage process to guide governing bodies in setting pay for heads and wider leadership group, taking account of challenge of the role.**
- **Relevant allowances to be subsumed into the pay setting arrangements for base pay.**
- **The removal of unnecessary rigidities in form of spine points and differentials.**

²⁵ For academies, financial statement auditors sign off an academy's accounts once per year in line with statutory company law requirements. In terms of external assurance, the Education Funding Agency carries out a series of assurance visits to look at financial management and governance in a sample of academies to assess compliance with their contractual obligations.

²⁶ <http://www.education.gov.uk/schools/adminandfinance/financialmanagement/Schools%20Financial%20Value%20Standard/a00192114/sfvs-and-assurance>

- Pay progression that better reflects individual performance for the leadership group.
- Continuing scope for governing body discretion to set pay 25% above the broad bands, and exceptionally beyond if supported by a business case.
- Providing formal headroom above the current leadership range for the biggest leadership roles in large multiple schools.
- Scope for fixed-term contracts in limited circumstances with provision for reward linked to delivery of specified outcomes.

CHAPTER 3

Allowances and safeguarding

Introduction

3.1 The Secretary of State's remit letter asked us to make recommendations on:

How the current detailed provisions for allowances, other pay flexibilities and safeguarding could be reformed to allow a simpler and more flexible School Teachers' Pay and Conditions Document (STPCD).

Allowances

Background and context

3.2 The provisions in the STPCD include several allowances and other payments payable to classroom teachers and head teachers for a variety of purposes, listed in the box below. We considered discretionary payments to head teachers in chapter 2. The **two main allowances payable to classroom teachers**, accounting for over 90% of the allowance spend¹; are:

- **Teaching and Learning Responsibility (TLR) payments.** These are payable to teachers leading and managing a curriculum area or pupil development. Some 40% of teachers in secondary schools and 17% in primaries currently receive TLR1 or TLR2 payments, around 100,000 in total. These awards range in value from £2,561 to £12,517 with the higher levels largely confined to secondary schools. A new TLR3 payment for fixed-term responsibilities (from £505 to £2,525) was introduced in September 2013.
- **Special Educational Needs (SEN) allowances** are payable to teachers working substantially with pupils with special educational needs. These allowances are mostly paid to teachers working in special schools: some 53% of such teachers receive SEN allowances with a median value of just over £2,000.

3.3 The use of the **other allowances** listed is much more limited. Some, such as recruitment and retention incentives, can be significant elements in an individual's pay, though these are time-limited. Other allowances are similarly intended for specific circumstances and typically for more modest amounts than TLR and SEN allowances. Fewer than 10% of teachers received such allowances in 2012 with a median value of approximately £1,200².

¹ Estimate based on OME analysis of DfE School Workforce Census data.

² Estimates based on OME analysis of DfE School Workforce Census data. Figures are for England only and exclude the GTC Wales fee allowance and Chartered London Teacher payment.

Allowances and pay flexibilities in the STPCD 2013

Teaching and learning responsibility payments (TLRs) (paragraph 24)

Special Educational Needs (SEN) allowance (paragraph 26)

Chartered London Teachers (paragraph 23)

Unqualified Teachers' allowance (paragraph 27)

Acting allowance (paragraph 29)

Performance payment to seconded teachers (paragraph 30)

Residential duties (paragraph 39)

Additional payments (paragraph 40)

Recruitment and retention incentives and benefits (paragraph 41)

General Teaching Council for Wales' fee allowance (paragraph 42)

Discretionary payments to headteachers (paragraph 12)

- 3.4 The predominance of TLRs in the allowance system suggested that the **reward of schools' middle management tier** should be at the heart of our consideration in this remit. Those in middle manager posts play a vital role in driving school improvement and, for some, such posts provide a stepping stone into senior leadership. It is therefore of particular importance that the pay system continues to offer either TLRs or an appropriate alternative reward structure.
- 3.5 We set out below the evidence on allowances from the Department and consultees; and in our consideration of it focus first on TLRs and alternative approaches to reward for middle managers. We go on to consider other allowances; and in the concluding section of this chapter we consider the evidence on safeguarding.

Evidence from the parties

The Department's proposals

- 3.6 The Department noted a large number of allowances in the STPCD, mostly for classroom teachers, of which only two, TLRs and SEN, had any specific value or restrictions. It commented that some of the provisions covering allowances appeared less relevant in a system where head teachers have substantial local flexibility over setting initial salaries and salary progression. It said they reflected an approach to detailed central prescription, which it believed was no longer necessary.
- 3.7 The Department asked us to consider whether the criteria and duties associated with different allowances were still appropriate and questioned whether an activity that was central to a post should be paid through an allowance or was better reflected in pay for the post. It said the Review Body should consider what the relative purpose was of allowances, the leading practitioner pay range and the leadership pay scales. It questioned whether allowances were the right vehicle for developing future leaders.
- 3.8 It proposed four options for reforming the system of allowances; suggesting this would give schools additional freedom to establish staffing structures in the best interests of their pupils.

Option 1

- Simplification – retaining TLRs, but with no fixed differential; retaining SEN allowances and discretion to award additional consolidated or non-consolidated payments to:
 - address a recruitment or retention problem;
 - reward or compensate for additional short-term or long-term activities related to the efficient and effective running of the school, or
 - reward outstanding performance; and,
 - for head teachers only, to reward or compensate additional short-term or long-term activities related to the efficient and effective running of additional schools.

Option 2

- Single additional payment system, specific SEN allowances retained.
- Discretion to make consolidated or non-consolidated payments, fixed-term or safeguarded for up to three years, of £500 - £12,393 for those responsibilities currently covered by TLRs or for the additional payments and discretionary payments for head teachers as set out in option 1.

Option 3

- Single additional payment system, as in option 2 but also encompassing recognition of additional work undertaken with pupils with SEN, with discretionary payments for head teachers as in option 1.

Option 4

- Salaries to replace higher value allowances – as option 3 but up to a maximum of £6,197. Teachers who would previously have been awarded a TLR1 would instead be paid on the Leading Practitioner or Leadership Group pay scales, with discretionary payments for head teachers as in option 1.

3.9 The Department also asked us to consider specifically:

- On the SEN allowance, the potential benefits of increasing the flexibility to recognise the work of all teachers working with SEN pupils.
- Phasing out the allowance for teachers awarded Chartered London Teacher (CLT) status. It said it was not aware of any evidence on the effect of the scheme on standards and noted that schools were expected to meet the costs from their budget but had no control over who was awarded CLT status.
- The provision in the STPCD which prevents payment of non-consolidated performance payments (which it noted are used elsewhere in the public sector).

Consultees' views

3.10 Consultees put forward a range of proposals for **rewarding 'middle managers'**. Broadly, the proposals can be categorised as follows:

- incorporating middle managers in the leadership scale;
- the creation of an additional scale for the reward of middle managers; or
- the retention of the current system of TLRs, with or without changes to detailed provisions.

- 3.11 ASCL proposed extending the leadership scale to accommodate pay for middle managers, stating that TLRs rules were too restrictive (e.g. the rules around differentials, the focus on teaching and learning) but that it would still retain an allowance system for 'short of leadership' roles. NEOST also suggested extending the leadership pay scale downwards to cater for lower managerial roles was an option but recognised this could lead to very top heavy structures in schools and noted that TLRs offered an alternative to the leadership career path. NEOST said it would want to see the continuation of the distinction between a post that has a specific managerial responsibility and one that is designated as part of the leadership structure of the school, with a whole school responsibility.
- 3.12 ATL, NAHT and NGA proposed the creation of an additional (classroom teacher) scale for those holding certain responsibilities. However in oral evidence ATL stressed that this proposal was an alternative to its preferred option of retaining the TLR structure. NAHT said the TLR framework was unnecessarily prescriptive and believed its proposal would provide capacity for schools to create roles rewarded on a pay scale similar to that of a Leading Practitioner. It said that the TLR3 should be retained to cover temporary duties and that wider allowances should be retained to remunerate exceptional and short-term responsibilities. The NGA supported the introduction of a middle leader pay range which it said could take the form of an extension of the current leadership range, alongside more emphasis on good performance management.
- 3.13 Many consultees supported the retention of the current structure with some proposals for simplification of the detailed arrangements for awarding TLRs. NASUWT strongly supported retention stating that TLRs provided clarity, transparency and entitlement for additional responsibilities. It said there was no evidence of confusion on when TLRs were applied and that they offered flexibility in the staffing structure. NUT supported the current system of allowances, stating that schools already have significant flexibility and discretion in deciding whether allowances are payable. It recommended restoration of fixed allowances and sought a clear provision that teachers should not be required to take on additional responsibilities without appropriate additional payment. It did not endorse the introduction of TLR3 payments and called for their removal.
- 3.14 Voice believed no change was required to the current set of allowances but pointed out a problem of access to TLRs in primary schools. It said it would accept the removal of the requirements for a minimum differential in the value of payments within schools. ATL suggested that a differential should remain but that it could be lowered in value. BATOD said that TLR payment provisions should be retained as they focused on clear roles and responsibilities and cautioned against the use of leadership spine to accommodate TLR payments. Governors Wales felt no changes were necessary given that TLRs have been in place for only a few years. UCAC believed that less prescription was required in terms of the activities that merit a TLR payment and noted that some categories of teacher, who in the past received management allowances, were not eligible for TLR payments and they no longer received any recognition for their responsibilities. UCAC also noted problems of access to TLR payments within primary schools.
- 3.15 There was strong support from most consultees for retention of the **SEN allowance**, given its special nature, as there was no evidence that it was not working as intended. The Welsh Government stressed its wish to retain the current framework at a time when it was introducing reforms of the SEN framework in Wales. NEOST saw a case for phasing it out completely, believing such allowances were not justified in mainstream settings and that in special schools, smaller class sizes offset the additional challenges of working with pupils with special educational needs. ASCL suggested it could be phased out or absorbed into a consolidated scale.

- 3.16 Other consultees sought changes, though there was no clear consensus on what these should be: some thought the SEN allowance criteria were overly prescriptive (ASCL, NAHT, UCAC), whilst BATOD suggested extending the mandatory prescriptions to teachers working with other special needs groups e.g. children with autism, with movement up a single scale on completion of mandatory qualifications. ASCL sought freedom to pay an SEN allowance where it was appropriate and necessary, or through the leadership scale and NAHT wanted to replace it with a permanent role.
- 3.17 Consultees gave relatively little attention to the **Chartered London Teacher (CLT) scheme** in their written evidence and there were mixed views amongst those who did comment. ASCL supported the Department's proposition to remove it. NASUWT said the CLT scheme had failed but noted that the scheme was an element within the London Challenge, which had been demonstrated to be successful in raising standards. When prompted at oral evidence, few consultees had strong views. NASUWT said it did not support the proposal to remove the scheme whilst not offering a national alternative to support professional development. ATL saw it as a model for raising attainment of disadvantaged pupils and a reason for retention, noting that not all teachers had received the payment when they had met the required standards. However, if the scheme were to be abolished, consultees supported protection for teachers who had already started to work towards CLT status.
- 3.18 On **other allowances**, the main views expressed by consultees were as follows:
- The classroom teacher unions were generally opposed to any reform of allowances. NASUWT and NUT both categorically rejected the four options proposed by the Department.
 - NUT sought a clear provision that teachers should not be required to take on additional responsibilities without appropriate additional payment and said schools already had significant flexibility and discretion in deciding whether allowances were payable.
 - The head teacher associations and NEOST took the view that greater flexibility was needed. NAHT suggested allowances should be retained to remunerate exceptional and short-term responsibilities.

Non-consolidated performance payments

- 3.19 ATL, NASUWT and NUT all rejected the use of non-consolidated performance payments on the grounds that such payments:
- would reduce the effectiveness of the pay system to provide a defined career path for teachers;
 - could lead to pay scales becoming complex and opaque; and
 - could inflate the paybill of the school.

NASUWT also said there was insufficient information and evidence to make any appropriate recommendations for change to the current system. NUT noted its opposition in principle to performance pay, which it said was not proven to motivate or secure improved outcomes but would be divisive. In oral evidence both the head teacher unions opposed non-consolidated awards: NAHT said that they would in effect be a pay cut. ASCL said it was not supportive of moving towards a bonus culture.

- 3.20 In reviewing the evidence on allowances with consultees in oral evidence, we observed a number of **themes on reward for middle managers**:
- There was only limited support for the proposals to restructure the system of rewarding middle managers. Those who supported change acknowledged that an allowance like a TLR would still be needed for some responsibilities which did not fit the new arrangements (e.g. because they were time-limited).
 - We received positive views from several consultees about the usefulness of the new time-limited TLR3.
 - There was broad support for the existing TLR framework which was seen as offering a clear and flexible pathway to leadership roles. Where concerns were raised, these tended to be linked to affordability issues for smaller schools (mentioned by several consultees) and to the detailed criteria (head teacher unions). ATL said that it would prefer to retain TLRs but would support a reduction in the required minimum value of differential payments within schools.
- 3.21 On the **wider context** consultees particularly noted:
- the volume of change facing schools in September 2014 and beyond;
 - the importance of ensuring changes were implementable in the context of variable capacity in governing bodies; and
 - the current economic climate.

Our views and recommendations

- 3.22 In our 21st Report we made a number of observations on TLRs and allowances more widely. We noted then that the main allowances served the important purpose of distinguishing clear reasons for additional reward for those who take on particular responsibilities or who have particular skills; and our priority in that remit was to ensure that allowances were as useful as possible in meeting the particular needs of schools. Against that background, we restricted our recommendations to a new fixed-term TLR, intended to increase the discretion and flexibility available to schools to meet their particular needs. However, we also noted that there would be scope to consider further reform of TLRs alongside a review of leadership pay. This remit offers such an opportunity.
- 3.23 In discussing consultees' proposals for rewarding middle managers, a number of the considerations we identified in the 21st Report remain relevant. We have had in mind:
- the need for consistency with wider reforms to pay and conditions, and in particular our developing thinking on leadership pay. In this context, we have heard evidence of the desirability of ensuring 'whole school' leadership roles remain distinct;
 - the desirability of keeping a distinction between pay for responsibility and pay for performance;
 - our aspiration for increasing simplification of pay and reward matters; and
 - the impact of any proposals on the size of the leadership group (nearly 40% of secondary and 17% of primary teachers currently hold TLRs so could be affected by recommendations for change).
- 3.24 In the context of these considerations, we examined in detail the proposals put forward to reward middle managers. All had strengths and weaknesses.
- 3.25 ASCL's proposal to extend the leadership scale downwards could be seen as a simplification of the pay system (in negating the need to deploy allowances) and as raising the status of those holding posts with important responsibilities. However, we saw some risk of devaluing school leadership posts if they became less distinct, and of

school staffing structures being perceived as too top heavy. We were also concerned that movement to rewarding additional responsibility on a permanent scale, rather than a fixed allowance, could build inflationary pressures into school budgets and be less flexible when schools need to review their staffing structures to respond to changing needs. Finally, we noted that rewarding responsibility posts on a modified leadership scale risked putting them out of the reach of smaller schools with tighter budgets.

- 3.26 We considered that ATL's proposed new 'leading teacher' scale for TLR-type posts, akin to NAHT's suggestion for a scale 'similar to that for leading practitioners', would provide a distinct career path for those classroom teachers seeking additional management responsibilities and could reduce the prescription associated with current TLRs. However, the introduction of a further classroom teachers' scale would risk introducing confusion to the pay system. We were again conscious of both the inflationary risks associated with rewarding additional responsibilities on a scale, and the loss of flexibility that allowances provide when schools need to review their staffing structures.
- 3.27 Both the ASCL and ATL the proposals would also leave a continuing need for some form of TLR allowance if we were to retain the new fixed-term responsibility payments, which have been welcomed by many as a useful addition to the framework.
- 3.28 As we have noted above, many consultees supported retention of the TLR framework, a system they saw as already providing schools with a good degree of flexibility on staffing structures, as being transparent and having the benefit of familiarity for schools. While some (NASUWT, NUT, ATL, Welsh consultees) supported retaining it in its current form, others saw scope for improving the provisions, including:
 - Reducing or removing the £1,500 differential between different levels of payment within a school. This was supported by ASCL who said in oral evidence that the current levels of differentiation were unhelpful. DfE suggested removal of the differential would be a simplification and Voice said it would support removing differentials. In oral evidence, ATL suggested that a differential should remain (to band together similarly sized roles) but that it could be lowered to £500.
 - Reducing the value of the minimum permanent TLR to make it more affordable. We heard from several consultees about the difficulty of paying for TLR posts in small schools.
 - Removing the distinction between TLR1 and TLR2.
- 3.29 From the evidence we have received, it is clear to us that schools continue to value the TLR framework which they have been able to use effectively and which most see as offering teachers a **clear and flexible pathway to leadership roles**. It complements, but is distinct from, the leading practitioner role which offers scope for progression for the best teachers who wish to remain focussed on pedagogical best practice rather than more formal management responsibilities. Our view is that the TLR framework remains appropriate for rewarding vital middle manager roles, consistent with the priorities we set out in our 21st Report. In particular:
 - it retains the distinction between middle management and whole school roles which are appropriate to the leadership scale;
 - it distinguishes between rewards for additional responsibilities and those for performance (paid through progression on a scale); and
 - it gives schools discretion to structure their responsibility payments to meet their particular needs.

TLRs also avoid the risks associated with introducing a new scale for the middle tier or extending the leadership scale, either of which could result in cost pressures and make restructuring more difficult. **We therefore recommend retention of the broad framework of TLR payments.**

- 3.30 We went on to consider whether **changes to the detail within the broad TLR framework** would help schools manage better in the rapidly changing environment they face. Our own research³, cited in the 21st Report, found that significant numbers of head teachers (37%) said TLRs were not sufficiently flexible, and were less affordable in the primary sector. Our visits to schools also suggested some appetite for increasing the flexibility of allowances. The new fixed-term TLR offered increased flexibility in one respect. In this remit, we focussed on the rigidity on the levels of payments, in particular on required differentials within schools.
- 3.31 We considered the following options for simplifying the existing TLR framework and making it more flexible.
- i. **Merging current TLR1 and 2 to form a single (permanent) TLR range.** We considered the merging of the two ranges a possible simplification of the pay system. However, we recognised that the criterion relating to significant line management (justifying a TLR1) is both quite clear and allows governing bodies a considerable degree of discretion in the level of payment to responsibility post-holders.
 - ii. **Removing, or altering, the minimum (£1,500) differential in the value of TLR awards within the same school.** In the context of increasing school autonomy to develop and manage their staffing structures, our view was that the nationally prescribed differential was an unnecessary rigidity. Consistent with our approach to other elements of the pay system, we would expect schools (in their pay policies) to set out clearly their own approach to recognising the varying weights of responsibility in their TLR posts but believe this should be a decision for them. **We therefore recommend removal of the provisions relating to differential levels of TLR payments within schools.**
 - iii. **Decreasing the value of the current minimum of the (permanent) TLR payments (currently £2,561).** While we received no specific proposals on the values of TLRs, we heard from several consultees that TLRs are less affordable in small schools. We recognise that primary schools make considerably less use of TLRs. However, as smaller schools increasingly work in federations or other collaborative arrangements we might expect to find an increase in weightier responsibility roles in the primary sector, together with the ability to spread costs. We were also mindful of the original rationale for permanent TLRs, namely that their value should reinforce the focus on weighty responsibilities (a departure from the previous system of management allowances). On balance, we did not consider there was sufficient justification for reducing the value of the TLR2 minimum.
 - iv. **Retaining the current provisions unchanged.** This was favoured by some consultees, particularly the classroom teacher unions and Welsh consultees. They argued that TLRs were generally working well, with several welcoming the introduction of the new time-limited TLR3. Whilst we agree that the current framework has largely been effective for the reasons outlined above we believe removal of differentials will give schools useful additional flexibility in using awards to meet school needs.

³ ORC (2011), *Teachers' Pay Issues: research findings 2010*.

Conclusions on middle managers

3.32 Our assessment of the evidence is that the existing TLR framework is well understood and generally effective. It both distinguishes rewards for additional responsibilities from those relating to performance and retains the distinction of whole school roles for those on the leadership scale. Consistent with our wish for flexibility within a national framework, as outlined in our 21st Report, it gives schools discretion to structure their responsibility rewards to meet their particular needs. Removal of the prescribed differentials will enhance this flexibility. As set out above **we therefore recommend:**

- **Retention of the existing broad framework of TLR payments.**
- **The current provisions relating to differential levels of payments within schools be removed from the Document, so schools are free to make appropriate decisions in the context of their needs.**

Implementation issues on TLRs

3.33 The Department will wish to consider implementation issues with consultees. In our view, there should be no need for schools to review TLR posts in their wider staffing structures in September 2014. The circumstances of individual schools will dictate when it is appropriate to review wider staffing structures (and the pay policy on levels of TLR payments) and at that point schools should consider the relative weight of TLR posts and their appropriate level of reward. The rationale for this should be set out in the school pay policy.

3.34 If schools appoint to TLR posts prior to reviewing wider staffing structures, they should consider carefully the relative weight of the new post compared with existing TLR posts in the school.

Other allowances and pay flexibilities

3.35 We noted at the start of this chapter that TLR payments and SEN allowances were by far the most commonly used allowances. We also reiterated our view that allowances serve a useful purpose in the pay framework: they reward those taking on specific responsibilities and can be used flexibly alongside the classroom teacher pay framework recommended in our 21st Report. Having assessed the evidence on TLRs and concluded it continues to provide an appropriate and flexible framework for reward of middle managers, we now turn to the other allowances and set out our recommendations below.

SEN allowance

3.36 We have received no evidence to support a case for change to the SEN allowance, which is for use in specific, clearly defined circumstances. **We therefore recommend retention of the current SEN allowance.**

Chartered London Teacher scheme

3.37 We heard limited evidence to support continuation of the Chartered London Teacher (CLT) scheme. It was proposed by the Department in 2003 at a time when recruitment to London schools was particularly challenging with the objective of providing *“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”*⁴. Since the introduction of the scheme in 2004 there have been a series of differentially higher pay uplifts for the London pay bands between 2006 and 2010. This improvement in the competitive position of the profession in London, combined with the introduction of appraisal-based

⁴ STRB(2004) *Thirteenth Report – Part 2*, TSO (Cm 6164) paragraph 6.28.

pay for classroom teachers implemented following our 21st Report, weakens the case for retaining this scheme. Accordingly **we recommend the Chartered London Teacher scheme should be abolished**. Transitional arrangements will be needed to protect those teachers who have already registered as working towards the award.

Other allowances for classroom teachers

- 3.38 We consider that other allowances for classroom teachers⁵ should be retained in their present form, subject to consequential changes arising from our proposed changes to the leadership pay arrangements. There is no evidence to support the need for change; the sums involved are small and only small numbers of teachers receive these allowances. We comment briefly on specific allowances below.

Recruitment and retention incentives and benefits

- 3.39 In our 21st Report we made recommendations to free up these allowances to enable schools to respond quickly to changes in local needs. Our recommendations also mean that schools now have greater flexibility on setting initial salaries and on pay progression. As schools become more confident in using pay flexibilities for classroom teachers, we would expect the need for separate recruitment and retention allowances to diminish. However, these allowances do provide a cost-effective mechanism of time-limited payments which remains useful in enabling schools to respond to changes in local labour markets.
- 3.40 Accordingly, we believe there is a need to retain recruitment and retention awards. We envisage they may be used to:
- respond to local market pressures, e.g. to appoint a physics or maths teacher where schools face competition from other employers, or to recruit to a particularly challenging school; or to
 - pay housing costs or relocation allowances where recruitment is difficult.
- 3.41 We have already commented in chapter 2 on the need to avoid duplication in paying for recruitment or retention issues for head teachers and our view that such payments should be limited to housing or other relocation costs, for head teachers and members of the wider leadership group.

General Teaching Council for Wales' fee allowance

- 3.42 We have seen no evidence to support a need for change to this very specific allowance, which applies only to teachers in Wales.

Discretionary payments and additional payments for head teachers, deputy and assistant head teachers

- 3.43 As we noted in chapter 2 the current discretionary payments for head teachers (as described in paragraphs 12.3 (a) – (c) of the STPCD) should, in future, be captured in our new approach to setting pay for head teachers. We also noted that there would remain a limited need to pay allowances to head teachers, for temporary or irregular responsibilities (e.g. as in paragraph 12.3(d)) or for other very specific reasons which are not appropriate to incorporate in permanent pay, such as housing or other relocation costs. We therefore proposed that in future discretionary payments should only be payable to head teachers for additional responsibilities undertaken on a **temporary or irregular** basis, which are not therefore accounted for in base pay. We also made

⁵ Unqualified teachers' allowance, Acting allowance, Performance payments to seconded teachers, Residential duties, Additional payments.

clear that payments to head teachers for residential duties (STPCD paragraph 39) and additional payments (STPCD paragraph 40) should only be considered if the governing body had not already taken the relevant responsibility or activity into account when setting base pay.

- 3.44 In chapter 2 we also recommended that the principles for payment of allowances for members of the wider leadership group should be consistent with those for head teachers.

Non-consolidated performance payments

- 3.45 We noted consultees were strongly opposed to such payments. The recommendations in our 21st Report emphasised that good performance should be rewarded through progression on the pay range. It is important that this approach, which is in its first year of implementation, is given an opportunity to bed down before any consideration of further changes. Accordingly we make no recommendation on non-consolidated performance payments.

Summary of recommendations on allowances

- 3.46 In this chapter we have focused on the main allowances and proposed amendments to others where these are needed to ensure a coherent approach to payment of allowances to members of the leadership group. We consider there is scope for the Department to simplify presentation of the remaining allowances in the Document and recommend so doing.

- 3.47 We recommend that:

- The existing broad framework of TLR payments be retained, with removal of the current provisions relating to differential levels of TLR payments within schools.
- The SEN allowance be retained unchanged.
- The Chartered London Teacher scheme be abolished with transitional arrangements for teachers already registered.
- The Unqualified teachers' allowance, Acting allowance and Performance payments to seconded teachers and payments for Residential duties and Additional payments be retained, with amendment as necessary consequential on the changes to leadership pay.
- Recruitment and retention benefits and incentives be retained as a separate allowance for teachers, but be limited to housing/ relocation allowances for head teachers and other members of the leadership group where pay has been set under the new arrangements.
- A discretionary payment may only be made to head teachers for additional responsibilities undertaken on a temporary or irregular basis.
- The General Teaching Council for Wales' fee allowance be retained.
- The Department consider simplification of the presentation of allowances in a revised STPCD.

Safeguarding

Background

- 3.48 Current provisions on safeguarding provide for a teacher to have their salary and certain allowances protected⁶ for three years (except for those teachers who took up post before 1 January 2006 whose salary is protected indefinitely, or until such time as they take on a different post or refuse to accept an alternative position). Where the safeguarded sum amounts to £500 or more, teachers can be assigned additional duties that are appropriate and commensurate with the safeguarded sum. The Department told us that in November 2012, 1.4% of teachers (in England) were in receipt of a safeguarded payment.

Evidence from the parties

The Department's proposals

- 3.49 The Department noted the intention of safeguarding was to help schools manage their workforces during periods of transition and to provide reassurance to teachers. It said removal of these provisions would provide additional freedoms for head teachers to allocate their resources in the best interest of their pupils. It commented that safeguarding was not available for all public sector workers and said that if the current safeguarding provisions were removed, teachers would still be entitled to the protections that are available to everyone through employment law. It asked us to consider the implications of reducing the period for which safeguarding is available, or removing the provisions entirely.
- 3.50 During oral evidence the Secretary of State said he viewed safeguarding as an additional inflexibility which prevented head teachers from having sensible conversations with poorly performing teachers. He felt it was important to give school leaders freedom to manage and to trust them to make good judgements.

Consultees' representations on safeguarding

- 3.51 All consultees, with the exception of NEOST and NGA, supported retention of the existing safeguarding provisions. ASCL and ATL both said it was essential and NAHT said it was an important principle. Most commented that the three year safeguarding period was appropriate. However NEOST argued that three years was too long, a point also made by NGA. BATOD suggested it might be appropriate to take account of other factors, such as the length of time a teacher was in receipt of an allowance.
- 3.52 NEOST commented that the three year safeguarding provisions for TLR payments and SEN allowances were restrictive and expensive and found it unhelpful that there were no provisions that allow for allowances to be voluntarily relinquished without the payment of three years' safeguarding, even if the teacher agreed to discontinue the duties associated with the allowance, a point also made by NAHT. In oral evidence NEOST remarked that the safeguarding provisions were lengthy and complicated, and noted that the provisions could have a significant impact on an individual school where it could delay the benefits of restructuring for three years. It proposed reduction to one year.
- 3.53 NAHT said safeguarding made it easier for schools to restructure and reduced resistance to changes. It also suggested the existing provisions should be simplified and made more clear and concise and recommended that, as far as possible, one set of provisions should apply to all cases. NASUWT rejected the proposals for reform as did ATL, NUT, UCAC,

⁶ TLRs, SEN allowances and unqualified teachers' allowance are safeguarded. Payments for residential duties, additional payments and recruitment and retention incentives and benefits are not safeguarded. For members of the leadership group, safeguarding only applies to the value of their point on the leadership pay spine.

Voice, Governors Wales and the Welsh Government, arguing that the safeguarding provisions were not complex or overly lengthy and suggested there was no evidence to support NEOST's argument. NASUWT said the existing provisions were the result of a long discussion on what was a reasonable period of protection and there was no compelling evidence for change.

Our Views and Recommendations

Our approach

- 3.54 In considering this issue, we examined safeguarding practice in other sectors and noted that safeguarding (or pay protection) happened widely elsewhere. We found a range of public and voluntary sector employers provided safeguarding arrangements of between one and eight years, with three years as a common provision. This suggested that three years for teachers was not out of step at present.
- 3.55 We were mindful of the head teacher associations' view that safeguarding supported necessary restructuring. They and other consultees told us that it was helpful to have this freedom, particularly during a period of rapid change where, for example, curricula changes might precipitate a need for restructuring. Safeguarding could be a cost efficient way of facilitating important and necessary changes to support better outcomes for pupils. We have also noted its potential value in supporting mobility at key career stages such as on promotion to a middle manager or leadership role. Safeguarding enables teachers to move schools to take up new roles, with confidence that their new pay will be protected if structural changes are made subsequently.
- 3.56 We noted that the aggregate impact of safeguarding was small but could be significant at a local level; where an individual school was restructuring, it could be expensive. However we also noted that teachers in receipt of a safeguarded payment are required to take on additional duties to cover the safeguarded salary or relinquish the safeguarded sum, a point emphasised by many consultees.
- 3.57 We considered whether there was a case for a phased approach to safeguarding, as NEOST proposed, but having explored the case with consultees in oral evidence we concluded this would involve additional bureaucracy for schools and would be complicated to implement in practice.

Our recommendations

- 3.58 We recognise that, in a rapidly changing school environment where schools need to respond by restructuring, it is important to offer a degree of protection for those professionals whose jobs are affected. The **existing safeguarding provisions** represent a sensible and proportionate approach and we therefore **recommend their retention**. We do though see a strong case for simplifying the safeguarding provisions in the STPCD, possibly by consolidating all sections into one clear section. **We recommend that the Department should bring together the current safeguarding provisions into one simplified section of the STPCD.**

CHAPTER 4

Non-pay conditions

Introduction

4.1 The Secretary of State's remit letter asked us to make recommendations on:

How the framework for teachers' non-pay conditions of service could be reformed to raise the status of the profession and support the recruitment and retention of high quality teachers, and raise the standard of education for all children.

Background

4.2 The current provisions on teachers' non-pay conditions are set out in the STPCD, along with associated guidance. The main ones include:

- A **limit of 190 working days** when a teacher may be required to teach pupils and an additional 5 days when they may be required to perform other duties.
- A **limit of 1265 hours** in any school year when a teacher may be directed by a head teacher to perform their duties.
- An entitlement to periods of **Planning, Preparation and Assessment (PPA) time**, equivalent to 10% of their timetabled teaching time.
- Teachers should **only rarely be required to cover** classes for other teachers.
- Teachers should not be required routinely to undertake **clerical and administrative tasks** which do not call for the exercise of their professional skills and judgement.

4.3 In addition, the Document contains *Guidance on Changes to the Document Resulting from the National Agreement*¹. This guidance was agreed and endorsed by the signatories² to the *National Agreement on Raising Standards and Tackling Workload* in 2003. It was intended to reduce teacher workload and raise standards by ensuring teachers' time was focused on teaching.

4.4 To inform our consideration of teachers' non-pay conditions, we commissioned some high-level research on teachers' working conditions in other countries with high-performing education systems³. We also looked at information on working conditions for other professional groups, such as doctors, local government staff, FE lecturers, police, civil servants and NHS staff.

Evidence from the parties

The Department's proposals

4.5 The Department's evidence noted the Secretary of State's objectives for the reform of teachers' terms and conditions were to:

- provide both teachers and head teachers with greater freedom and flexibility to determine how they can best serve their pupils and schools and fulfil their responsibilities;

¹ STPCD 2013 Section 4.

² The signatories were: DfES, employers (NEOST), some teacher unions (ATL, NAHT, NASUWT, PAT (now Voice), SHA (now ASCL), the Welsh Assembly Government and school support staff unions (GMB, TGWU and UNISON).

³ Mercer (2013) *International study into pay and non-pay conditions in schools*.

- give schools as much freedom as possible to manage their resources effectively and efficiently so as to improve their practice and outcomes and achieve better value for money;
 - increase flexibility so that teachers have more opportunities for professional development, to work collaboratively and share ideas;
 - support professionalism and enable teachers to demonstrate their personal effectiveness and commitment to their pupils and schools; and to
 - simplify the current detailed provisions wherever possible.
- 4.6 The Secretary of State had previously told us in oral evidence that he believed some elements of the teachers' contract acted against the interests of the profession by undermining professionalism⁴. The Department's submission reiterated this point, suggesting that not only did detailed central prescription limit the scope teachers have to demonstrate their professionalism, but it also limited a school's ability to make decisions about how teachers are deployed and so restricted its capacity to get the best value from its teaching staff. It cited an OECD report⁵ which observed that *"one of the most important strategies to attract the most talented teachers to the most challenging classrooms is to give teachers responsibility as professionals"*.
- 4.7 The Department suggested the existing provisions on teachers' working time, including on the allocation of planning, preparation and assessment (PPA) time, and on professional duties, were in particular over-prescriptive and limiting for schools. It noted the provisions were intended to reduce workload and to enable teachers to focus on teaching and noted there was some evidence that they had done so, although other research on school workforce remodelling strategies had presented a more mixed picture. It also presented its analysis of the effects of the detailed provisions.
- 4.8 On working time, the Department recommended removing the central specification of teachers' working days and hours to give schools more scope to determine how they organise the school day and the school term. The Secretary of State highlighted research from the USA on extending the school day and cited academies and a free school which operated different terms and extended school days. He noted this was not about making teachers work longer hours without some form of compensation.
- 4.9 In oral evidence the Secretary of State said the 'rarely cover' provision was unprofessional and diminished opportunities for professional development for teachers.
- 4.10 The Department recommended:
- removal of the detailed specifications to allow schools themselves to determine an appropriate allocation of time for PPA;
 - removal of the list of 21 tasks which teachers should not routinely be required to do; and
 - removal of the provision that teachers should only 'rarely cover' for absent colleagues.
- 4.11 It also asked us to consider streamlining the detailed list of professional duties for the various categories of teacher, including duties associated with the receipt of particular allowances.

⁴ STRB (2012) *Twenty-first Report* TSO (Cm 8487).

⁵ OECD(2012) *Preparing Teachers and Developing School Leaders for the 21st Century*.

Representations from consultees

- 4.12 In general, consultees considered that the overall framework for non-pay conditions remained fit for purpose and suggested there was no evidence that the current arrangements were not working well. ASCL and NASUWT both commented that the detailed negotiation and work on non-pay conditions which had resulted in the workforce agreement meant there was a robust and widely understood system that was working well. NAHT and Voice commented on the particular demands placed on the profession by the intensity of contact with pupils throughout the day. NASUWT said the principles on non-pay conditions needed to be underpinned by specific statutory guidance to ensure the principles had practical effect and suggested the existing arrangements presented no barriers to recruiting and retaining high quality teachers. ATL and NUT both emphasised the importance of the provisions in supporting teachers' professionalism. Several consultees were concerned that changes would lead to an increase in teachers' workload and deterioration in standards. The Welsh Government sought to retain all the existing provisions.
- 4.13 However, some consultees (ASCL, NAHT, NEOST) pointed to problems on detailed aspects, and made a number of suggestions on greater flexibility on particular provisions: these are set out below. NEOST also recognised that some parts of the section 4 guidance remained helpful.
- 4.14 The NGA did not present detailed evidence, noting that PPA time and 'rarely cover' were seldom raised as an issue by governing bodies.

Working time

- 4.15 NEOST and NUT both made the point there was already flexibility in the STPCD for schools to pay a premium to staff for working extra hours. NUT said there was no evidence that the effective delivery of teaching and learning was contingent upon teachers working or teaching more hours and pointed out that longer working time would require more PPA time. ATL rejected DfE evidence linking teaching hours to pupil outcomes and said the current arrangements provided the right balance between outcomes and protection against excessive working. NASUWT, NUT and UCAC cited the teachers' working hours model in Scotland⁶ and NUT proposed that a full time teacher's weekly working hours should be fixed at a maximum of no more than 35 hours per week. NASUWT similarly sought a clear contractual limit on working hours.
- 4.16 NAHT said there was no conclusive evidence that increasing school hours led to an increase in educational standards and that other factors such as affordability, pressure on teachers and pupil exhaustion needed to be taken into account. ASCL suggested that it should be made explicit that the requirements of the teachers' standards mean that teachers will need to work more than 1265 hours per year.
- 4.17 Both head teacher associations were concerned that teachers who currently run after-school activities on a voluntary basis might not do so if working hours were extended. This would mean that in future, schools would have to pay for work that is currently undertaken by teachers on a goodwill basis without extra payment and a likely consequence would be that many schools would have to stop providing these activities due to lack of funding.

⁶ Scottish teachers have a 35 hour working week with maximum class contact time of 22.5 hours per week. All tasks which do not require a teacher to be on the premises may be carried out at a time and place of the teacher's choice.

- 4.18 One aspect of working time covered in guidance in section 4 relates to 'gained time'. ASCL proposed reviewing the list of activities suitable for 'gained time', whilst NASUWT said it was an important principle that required the additional underpinning detail in the document. ASCL suggested clarifying directed time as a concept by describing an appropriate balance of activities in a teacher's week.

Preparation, planning and assessment (PPA) time

- 4.19 Most consultees commented on the importance of PPA time to enable the discharge of professional responsibilities of teaching and assessment. NASUWT, NUT and UCAC suggested increasing the minimum PPA time (currently 10% of a teacher's timetabled teaching time); the former suggested increasing the minimum to 15%. NUT proposed 20 hours of pupil contact time, 5 hours of PPA, 5 hours of non-contact duties and a further 5 hours of PPA to take place at a time chosen by the teacher. ATL and Voice said it was essential to retain the current PPA provisions.
- 4.20 The head teacher associations (ASCL and NAHT) strongly supported the principle of PPA time but sought greater flexibility in its allocation. NAHT believed that head teachers should be able to advise on how to manage and direct activities undertaken in PPA time. During oral evidence, all the classroom teacher unions stressed the importance of PPA time being allocated on a weekly/fortnightly basis and did not believe there was any justification for increasing the control that schools already have over the allocation of PPA time, or for giving head teachers discretion to direct activities undertaken during PPA time.

'Rarely cover'

- 4.21 There was strong support from consultees for the principle of 'rarely cover' and most consultees sought to retain the existing provisions. ATL, NAHT, NASUWT and NUT all commented that cover for absent colleagues was not a good use of teachers' time and ATL suggested it prevented teachers from engaging in other activities such as CPD. Some proposed modification of the existing provision:
- NASUWT proposed *reinforcing* the principle by replacing the current provisions with a clear statement that teachers should not be required to cover for absent colleagues, apart from those teachers who were wholly or mainly contracted to do so, e.g. supply teachers.
 - ASCL suggested 'rarely cover' needed *clarification* as its interpretation could vary, leading to inconsistencies, although Governors Wales and NUT opposed the introduction of a looser definition of 'rarely'.
 - The Welsh Government said *exemplification* of 'rarely cover' might be helpful.
 - NEOST noted that although many schools operated on the basis of mutual flexibility, the provisions were a source of disagreement and dispute within schools. It recommended the reintroduction of an hourly limit or a statement that 'rarely' does not mean 'never'.

List of administrative and clerical tasks

- 4.22 Most consultees opposed removal of the list of administrative and clerical tasks that teachers should not routinely be required to do. However, some recognised that there were some aspects that were outdated or rigid. NAHT preferred a set of guidelines as the basis for discussion. The Welsh Government saw no gain from removing the list of tasks, but thought it could be simplified and updated.

Other comments from consultees

- 4.23 NASUWT noted there was a contractual provision which placed a duty on teachers to participate in professional development and it recommended introducing a corresponding *contractual entitlement* to enable teachers to access such *professional development*. UCAC made a similar point. NASUWT also believed that teachers should be given contractual entitlement to a *sabbatical break* of one academic year for every seven years of service. It also recommended supporting newly and recently qualified teachers with guaranteed employment, by adopting a system comparable to that in Scotland whereby new entrants to the teaching profession are guaranteed employment in posts within which they can complete their induction immediately upon completion of their initial training. NASUWT expressed its concern that the Department had relegated the section 4 guidance to a non-statutory provision and raised concerns that the Department did not respect the review body process.
- 4.24 NEOST proposed a review and simplification of the existing provisions for *part-time teachers*, stating that the detail regarding the payment of part-time teachers and in particular the 'schools timetabled teaching week' was overly bureaucratic and widely ignored by schools.

Context and wider evidence

- 4.25 In considering this remit, we noted a tension between the Secretary of State's view that detailed prescription on what teachers and head teachers should do, and how they spend their time, limits professionalism; and the view of most consultees that detailed specification affords teachers protection against inappropriate demands on their time and ensures they have time to focus on meeting pupil needs.
- 4.26 The findings of the research we commissioned on non-pay conditions⁷ demonstrated a variety of **non-pay conditions for teachers in other countries**. Most set a limit on teachers' overall working hours and/or teaching contact time. Most required teachers to provide some cover for absent colleagues and many specify hours of non-contact time, with some (e.g. Norway and Sweden) mandating time for planning and management, with the rest of non-teaching time remaining flexible.
- 4.27 We noted the degree of specificity on teachers' conditions was unlike the **conditions for other groups of professional workers**, although we are also aware that it is difficult to take just one element of an employment package for comparison purposes. General job descriptions and good practice guidance are more common for other professionals, although some groups have agreements which contain more prescriptive conditions, e.g. the Fire and Rescue Service conditions refer to specified activities and a 'role map', whilst doctors work to an agreed programme of activities with no obligation to undertake non-emergency work between certain hours and have time set aside for professional training and planning. Youth and Community Workers have guidance on agreeing flexible work arrangements and certain limits on evening working. In the group most analogous with school teachers, FE lecturers, national agreement terms setting maximum weekly teaching and other hours have been replaced with locally determined arrangements, typically based on annual hours and weekly limits.
- 4.28 We are also conscious that teachers work in excess of the 1265 hours of directed time that is set out in the Document. The latest Teachers' Workload Diary survey⁸ sets out the reported working hours for teachers and school leaders.

⁷ Mercer (2013) *International Study into pay and non-pay conditions in schools*.

⁸ DfE (2010) *Teachers' Workload Diary Survey* p17.

- 4.29 We noted the current framework offered a basic protection for teachers and head teachers and removed the necessity of negotiating with individual teachers. Consultees made a very strong case that some core protections were needed for a profession which has to manage the intense demands of contact with pupils throughout the day and adapt to their changing individual needs. Some also argued that detailed exemplification of such protections was needed.
- 4.30 Our conversations with teachers and head teachers, including NLEs, informed us that much good practice exists, particularly around the use of PPA time, based on the desire of professionals to operate collaboratively in the interests of improving outcomes. We heard, for example, of schools where PPA time was allocated simultaneously for teachers of a particular year group or subject, to enable them to work together on planning.

Our views and recommendations

- 4.31 We have evaluated the evidence before us and considered what would best support teachers in carrying out their core professional responsibilities. In our view, and given the nature of the profession, we consider the statutory provisions are in themselves reasonable protection for teachers. It is, for example, clearly important that teachers should be able to focus on their teaching duties and on preparation for teaching. However, we concluded that the degree of detailed guidance around the framework is unnecessary. We consider there is a need to move away from a system where every last detail is prescribed towards a more autonomous system, where professionals exercise judgement and discretion. The statutory provisions offer a sound basis for schools to agree flexible arrangements locally. **Accordingly, we recommend that the core provisions in section 2 of the STPCD on the principles of working time, PPA time and 'rarely cover' should remain.** We consider below each of the specific provisions in the statute (section 2 of the STPCD).
- 4.32 On **working time**, there is already flexibility in the Document for schools to organise their days to best meet the needs of individual schools, consistent with the regulations⁹ on the number of school sessions held in a year. We recognise that schools may also wish to vary hours where this would better meet the needs of pupils and we note that there is already scope to extend the length of the school day by agreeing changes in the way directed hours are scheduled for individual teachers or appointing to individual contracts that specify different working hours. In addition, schools can and do provide extended hours, including specific after-school activities run by teachers and breakfast or after-school clubs run by other staff. We have heard from head teachers that the 1265 hours of *directed time* need not be a strait-jacket if it is well-managed and efficiently used within varying school timetables. We note that, in common with professionals working in other occupations, in order to fulfil their professional duties it is likely that most teachers would work in excess of 1265 hours. We therefore **recommend the 1265 hours of directed time should remain.**
- 4.33 We have already acknowledged that **Planning, Preparation and Assessment (PPA)** time is an important part of a teacher's working conditions. We have heard from teachers that they find this time extremely valuable. They have also impressed upon us the fact that teaching is a dynamic process so planning needs to be done regularly and close to the time when lessons are being delivered, so having this time allocated on a weekly or fortnightly basis is important. We also heard that PPA time provides a valuable opportunity for planning across a wider team and developing a collaborative culture among teachers. The head teacher associations told us that it would be helpful for

⁹ *The Education (School Day and School Year) (England) Regulations 1999 SI 1999/3181* provides for a minimum of 380 sessions (with a daily break between sessions) during a school year. The length of a session is a matter for governing bodies of maintained schools.

heads to be able to offer the same amount of PPA time but in less frequent periods, on a monthly or half-termly basis, for example, and to have the power to direct the work that a teacher carried out in PPA time.

- 4.34 We considered whether the current provisions offer the right balance between professional autonomy and management direction of activity in the interests of pupils. We have heard how good head teachers create collaborative environments where teachers themselves make the most effective use of their time, including, where appropriate, working with others. We concluded that the current statutory provisions, used effectively at local level, enable an appropriate balance to be struck, and collaboration between professionals to thrive. **Accordingly, we recommend that the provision on PPA time in section 2 of the STPCD should remain.**
- 4.35 We heard a range of views on the **cover** provisions, with some consultees seeking a definition of 'rarely'. We recognise good practice in many schools is that teachers are not used routinely to cover for absent colleagues but that professional co-operation means that there are occasions when teachers may be asked to cover for others, for example, to enable teachers to undertake professional development or be out of the school for an extended period on a visit with another class. We acknowledge that in certain circumstances covering classes for absent teachers can be unproductive and an inefficient use of teachers' time. However, we emphasise that 'rarely' cover should not mean 'never' cover. We consider that precise arrangements for 'rarely' cover should be a matter for decision at individual school level and **recommend the provision on 'rarely' cover in section 2 of the STPCD should remain.**
- 4.36 The underlying principle that teachers should not routinely be required to undertake **administrative and clerical tasks** is contained within the statutory protection in Section 2 of the Document¹⁰:
- Participating in administrative and organisational tasks, including the direction or supervision of persons providing support for the teachers in the school, does not require a teacher routinely to undertake tasks of a clerical or administrative nature which do not call for the exercise of a teacher's professional skills and judgment.*
- 4.37 We endorse that principle. We note that when the protection was first introduced, the list was proposed as exemplification of the types of tasks that teachers should not be required to undertake. We consider that the underlying protection is a sensible one, enabling teachers to focus on teaching and learning, but the detailed interpretation is unnecessary. We believe that teachers and school leaders should be guided by the statutory principle but use their professional judgement to decide what specific tasks should be undertaken, and by whom, according to the particular circumstances of the school. **We therefore recommend that the core provision in Section 2 paragraph 52.12 be retained but the list of 21 administrative and clerical tasks at Annex 3 to Section 2 be removed from the STPCD.**
- 4.38 We note that the Department commented on a number of other provisions in the Statute, such as dedicated headship time and midday supervision. We considered there was insufficient evidence that any of these provisions were causing particular problems and therefore see no need for further reform of any of the provisions in Section 2 or Section 3 at present. **We recommend that Section 2 of the STPCD should be retained (apart from the removal of Annex 3).**

¹⁰ STPCD (2013) Section 2 paragraph 52.12.

- 4.39 We now turn to the **Section 4 guidance in the STPCD**. We have already made clear we do not believe detailed prescription on how to apply the statutory principles is necessary or desirable for professionals who are rightly given significant autonomy in exercising their own judgement on how best to meet pupil needs. We have also heard on our visits that much good practice exists in the interpretation of the core statutory provisions.
- 4.40 We consider there is a need to move towards a more autonomous system, where professionals use their discretion to decide what is appropriate in the interests of the pupils in the school, as would be expected in other professions. There should be no need to spell out every last detail. However, as we have also made clear, it is important that teachers retain the protections offered by the core statutory provisions in Section 2. **We therefore recommend removal of the Section 4 guidance from the STPCD.**
- 4.41 Removal of this section will remove all references to what is known as *gained time*¹¹. This enables a head teacher to require a teacher whose classes are, for example, taking examinations or on study leave, to carry out certain specified activities directly relevant to teaching and learning in that time. We do not see a need for a specific reference to 'gained time' in the Document. There is a general provision enabling a head teacher to direct a teacher's working time¹² and we note that teachers are protected by the overall limit on directed time and by the provision on 'rarely cover'.
- 4.42 We also note that removal of this guidance will remove the reference to **No detriment**¹³. The Department said this provision was included in guidance to help schools deal with any transitional issues arising from changes following the 2003 National Agreement. We do not see a continuing need for its inclusion in the Document.

Professional duties

The Department's proposals

- 4.43 The Department's evidence asked us to streamline the current lists of professional duties *"to recognise that central definition can only go so far"*. It proposed it would be sufficient to set out the professional duties of a teacher at a high level, as in the Education (Specified Work and Registration) (England) Regulations 2003, which set out the activities that are to be performed by a qualified teacher as:
- planning and preparing lessons and courses for pupils;
 - delivering lessons to pupils;
 - assessing the development, progress and attainment of pupils; and
 - reporting on the development, progress and attainment of pupils.

Representations from consultees

- 4.44 NUT said that there was no need to look again at the professional duties, which were reviewed as recently as 2010. NASUWT believed the statements of professional responsibilities to be fundamental to the provision of high quality education and in oral evidence it made the point that there was a need to continue work on the professional duties for school leaders. It said DfE's claim that it was unable to identify the impact of the list of duties was insulting to teachers. ATL disputed the Department's view that prescription of duties undermined professionalism and noted STRB would need to take into account the current teacher standards when looking at any change to teacher duties.

¹¹ STPCD Section 4 paragraphs 76-77.

¹² STPCD Section 2 paragraph 51.

¹³ STPCD Section 4 paragraphs 42 and 78.

- 4.45 When our predecessors were asked to consider the professional duties of teachers and leaders in 2005, the Review Body questioned whether statements of teachers' professional roles and responsibilities were needed in the STPCD. In view of the strength of consultees' shared views at that time, STRB agreed that statements should continue to be in the Document, but suggested that their inclusion should be reviewed at an appropriate time in the future.

Our views and recommendations

- 4.46 The lists of professional duties have not been raised with us as an issue during visits or wider preparatory discussion with consultees. We consider that the lists of duties are unexceptional and given the time constraints for this remit, this aspect was not given priority for probing at oral evidence. It is not clear to us that work to streamline the lists of professional duties is a matter best led by the Review Body. If the Department believes there is a need for further work on this, a better approach might be to ask a group of leading practitioners in the school system to consider the issue and make proposals. **We therefore recommend that the existing statements of professional responsibilities for teachers should be retained at present.**

Conclusion

- 4.47 In summary, our recommendations on non-pay conditions are that:
- the core provisions in Section 2 be retained, but the list of 21 administrative and clerical tasks at Annex 3 to Section 2 be removed from the STPCD;
 - the Section 4 guidance be removed from the STPCD; and
 - the existing statements of professional responsibilities for teachers be retained.

CHAPTER 5

Our conclusions; and looking ahead

- 5.1 In this report we have considered school leaders' pay; the system of allowances and safeguarding; and teachers' non-pay conditions of service. Our recommendations, taken together with those of our 21st Report on classroom teachers' pay, substantially reform pay for the profession. They provide flexibility for schools to respond to local circumstances within a broad national framework to guide expectations and career progression.
- 5.2 On school leaders, our recommendations provide a clear and effective framework to guide school governing bodies in making well founded judgements on pay, which take account of the particular challenges of individual posts and local needs. Our proposed framework also accommodates the increasingly varied roles resulting from structural changes in the sector. These changes will better enable schools to attract and retain able leaders, including to the most challenging schools, and to respond as needed to changes in the labour market, within the education sector and outside.
- 5.3 On allowances and non-pay conditions, our recommendations endorse existing principles whilst reducing overly- detailed centralised guidance, enabling a simpler and more accessible STPCD.
- 5.4 Our recommendations are consistent with, and complement, those in our 21st Report. Both provide significant scope for local discretion, within a national framework. They offer schools greater autonomy to set pay at all levels: school leaders; middle manager posts (TLRs); and classroom teachers. Throughout, we have recommended removal of unnecessary prescription such as on differentials. On pay progression, our proposals for the leadership group mirror our recommendations for classroom teachers which have now been implemented, providing broad pay ranges without incremental points and individual progression decisions based on appraisal against objectives and standards.
- 5.5 We were conscious in our deliberations of the changing landscape for schools and the increasingly diverse leadership structures which are evolving to meet local needs. Accordingly we have proposed a simple three-stage process to guide governing bodies in making appropriate decisions which can be used for a wide variety of school circumstances and roles. Our recommendations will accommodate new roles, such as the leaders of multiple, very large schools, which are far larger than those envisaged when the current leadership scale was established. Although these roles are few in number at present, our recommendations offer flexibility for governing bodies to assess appropriate reward as use of such leadership structures increases and as new roles evolve.
- 5.6 There is clear evidence that high quality professional development is of central importance in securing school improvement. The impetus for strengthening professional development will come principally from schools and from the profession itself. However, as we have noted above, the reforms to the pay framework enable schools to offer appropriate reward for a variety of career paths, ranging from fixed-term TLRs and leading practitioner posts to headship of large federations. This should encourage teachers to consider a range of options for progressing their career and to seek opportunities for professional development accordingly.
- 5.7 On leadership development, we have noted that there is an increasing range of leadership roles which extend the opportunities for teachers aspiring to school leadership. In considering both these roles and more traditional appointments, it will be important for governing bodies to consider how best to attract a diverse pool of candidates to school leadership. The Department, consultees and the NCTL all

commented on the current demographic profile for school leaders. Although there has been some encouraging progress on improving the gender balance¹, much remains to be done to ensure that school leaders are more representative of the increasingly diverse pupil population². This accentuates the need for governing bodies to consider their school's diversity policy when recruiting leaders and exercising associated discretion on pay setting. They should consider carefully how best they might attract and provide opportunities for future leaders. This might include offering leadership roles which can be fulfilled by working part time; or which might be attractive to able teachers who wish to test out their capacity for more senior leadership roles.

Summary of the new pay framework

5.8 The diagram below (which is also shown at the end of the executive summary for clarity) shows the overall structure of the teachers' pay system, covering classroom teachers and leaders, if our recommendations in this report are accepted and implemented in addition to changes implemented following our 21st Report. It shows a broad pay range for classroom teachers comprising three elements:

- the main pay range;
- the upper pay range for teachers who satisfy certain criteria relating to competence in teaching and contribution to the school; and
- the leading practitioner pay range, for teachers whose primary purpose is to model and lead improvement of teaching skills, for those teachers who wish to focus on pedagogy and remain in the classroom rather than seeking wider leadership responsibilities.

5.9 Those classroom teachers who take on middle manager responsibilities may receive a TLR payment on top of their salary. There are three levels of payment and schools are free to assess appropriate differentials:

- TLR 1 (£7,397 - £12,517)
- TLR2 (£2,561 - £6,259)
- TLR3 – for time limited responsibilities only (£505 - £2,525).

Classroom teachers working substantially with children with special educational needs may be paid a SEN allowance.

5.10 It also shows a single pay range for members of the leadership group, which has broad bands linked to school size and formal headroom for those in the biggest leadership roles. The governing body must consider factors specific to the particular post, such as complexity and challenge, in order to set an individual pay range within, or up to 25% above, the broad band. This approach should encourage governing bodies to move from an internally focussed, formulaic approach to pay setting to one which takes account of the specific demands on, and changing market for, school leaders.

5.11 Progression through the pay ranges for all classroom teachers and school leaders is based on judgements on individual performance without the constraint of mandatory pay points.

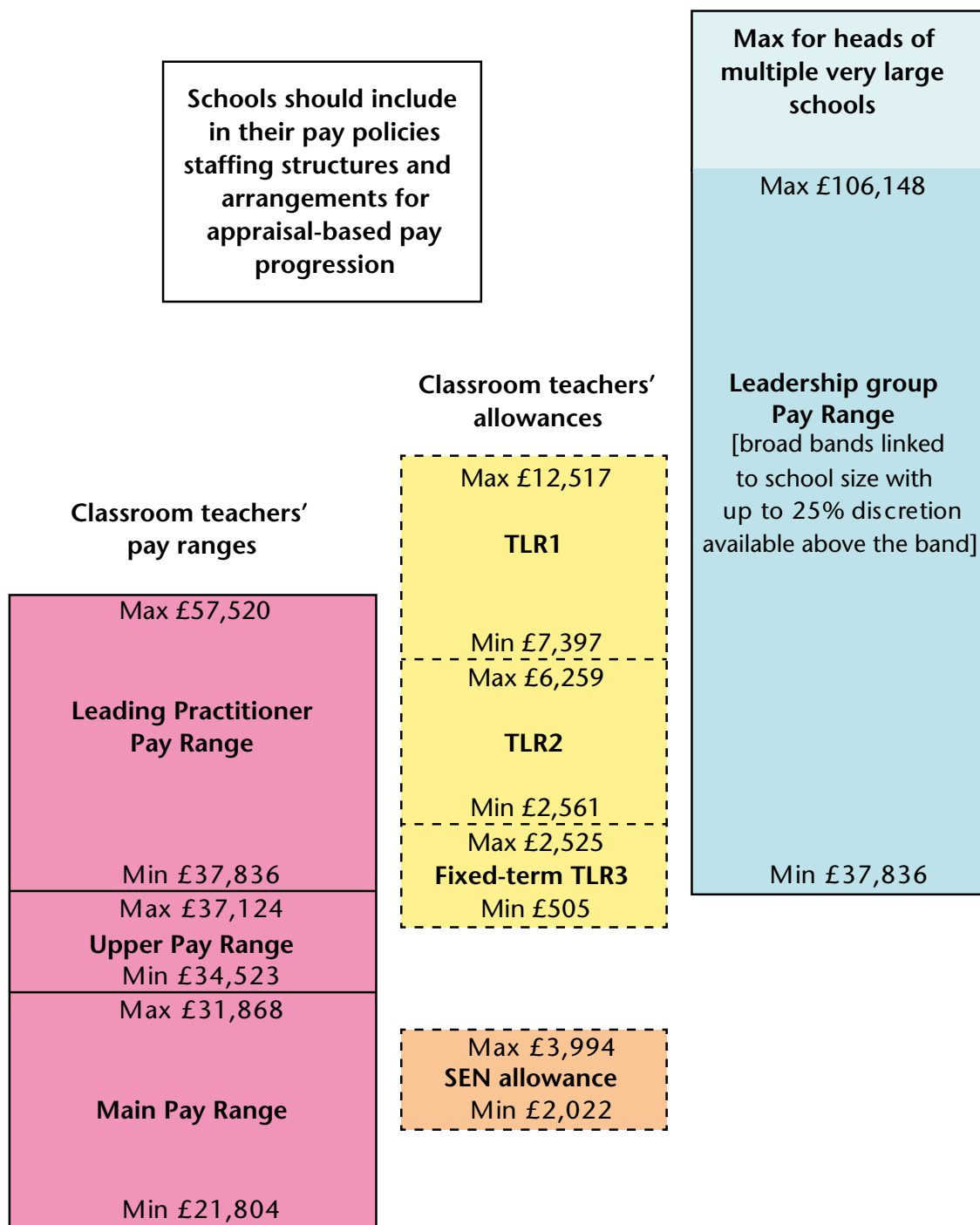
¹ While 86% and 62% of the primary and secondary workforce are female, the proportion that are head teachers are 71% and 37% respectively (this compares to under 60% and 30% in the late 1990s) (OME analysis of DfE workforce statistics).

² 5.6% of head teachers and 12% of classroom teachers in England are from Black and Minority Ethnic (BME) groups (OME analysis of DfE workforce statistics).

- 5.12 The pay system also includes a pay range for unqualified teachers, and several other allowances that governing bodies are free to use in limited, specific circumstances (not shown on the diagram).
- 5.13 In summary, our reforms enable schools to take ownership of pay as a tool for improving outcomes linked to local needs. In so doing, they place a greater responsibility on governing bodies to think about how to use pay flexibility to best effect to support improved outcomes. Governing bodies should set out clearly in school pay policies how the new arrangements will operate within the framework, and seek appropriate support from professional clerks and HR specialists. As we noted earlier, it will be of particular importance that governing bodies can show that individual pay decisions are objectively justified and properly documented. This will be central to ensuring they can demonstrate that public money is being used effectively and with propriety.

Proposed structure of the teachers' pay system

(assumes implementation of recommendations in this report
in addition to changes implemented following our 21st Report



Teaching and learning responsibility (TLR) payments payable in addition to base pay to classroom teachers for undertaking a sustained additional responsibility.

Special education needs (SEN) allowance payable in addition to base pay to classroom teachers with SEN responsibilities.

Minima and maxima based on STPCD 2013 England and Wales salary (inner and outer London and Fringe areas will have higher salaries).

Looking ahead

- 5.14 We have already received a remit to make recommendations by May 2014 on how to apply an average 1% pay award in September 2014. We will shortly be considering submissions from the Department and consultees, and wider evidence on the economic context and the graduate labour market. This will be our first consideration of a pay award for the new classroom teacher pay ranges where there are no incremental points.
- 5.15 In this remit, we have considered reform of the leadership pay against the background of the Government's wider policy on public sector pay constraint. Accordingly we have focussed our recommendations on the framework; and commented on levels only in relation to the need to accommodate the very largest roles not envisaged when the current arrangements were established. It will however be important to monitor the pay of school leaders as governing bodies gain experience of using the new process. We would welcome a future remit to consider how well these reforms are meeting the needs of schools to recruit and retain leaders in the context of wider market movements.

APPENDIX A

Remit and directions from the Secretary of State



Rt Hon Michael Gove MP
Secretary of State

Sanctuary Buildings Great Smith Street Westminster London SW1P 3BT
tel: 0370 000 2288 www.education.gov.uk/help/contactus

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

17 April 2013

Dear Dame Patricia,

STRB REMIT: MATTERS FOR REPORT

In its 21st report the STRB made recommendations about how the current arrangements for teachers' pay should be reformed to raise the status of the profession, support professional development, and reward teachers in line with their contribution to improving pupil outcomes. These changes will give schools greater freedom to set teachers' pay within a broad national framework from September 2013.

In my letter to you of 17 January, requesting your recommendations on how to apply the 2013 pay award, I noted that the STRB's 21st report had said that it would welcome a further remit to examine aspects of the existing pay and conditions framework that were not considered in that report. I said I was considering these suggestions and that I may issue a further remit later in 2013.

The STRB has emphasised the need for there to be a consistent national framework for the profession. Having considered the arrangements for teachers' pay, it said that it would welcome a remit on leadership pay to enable it to "consider properly how the current arrangements could be reformed to provide a simplified and flexible framework for ensuring school leaders' pay is appropriate to the challenge of the post and their contribution to the school or schools". A number of statutory consultees have also indicated that they would support a remit for the STRB to review the current arrangements for leadership pay.

In its 21st report the STRB recommended no change to the core provisions for Teaching and Learning Responsibility Payments (TLRs) in the STPCD other than the introduction of fixed term TLRs. In making these recommendations it said there was scope for more radical reform of TLRs in future and suggested that this might happen alongside a review of leadership pay. The STRB also suggested that it

would welcome a remit to review SEN Allowances, following the changes made to them as a consequence to its 19th report.

There is a wide range of detailed provisions in the STPCD relating to allowances, pay flexibilities and provisions relating to safeguarding. The continuing necessity of these provisions should be reviewed alongside TLR Payments and SEN Allowances in order to ensure a coherent framework for pay and conditions.

Finally in its 21st report the STRB also said it would welcome a future remit on non-pay terms and conditions. I believe there is a need to review the framework for non-pay conditions to ensure that is suited to a high status profession and gives primacy to teaching and learning. I would like to be sure that it does not place unnecessary burdens on teachers, and that it gives schools the flexibilities they need to deliver outstanding education provision.

Having considered the suggestions that the STRB made in its 21st report and statutory consultees' comments, I would now like to ask for recommendations on both the full range of those aspects of the STPCD that you did not consider in your 21st report. I intend to issue a separate remit on the application of the 2014 pay award at a later date.

Considerations to which the STRB should have regard

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

- a) The need to ensure that any proposals are affordable at both a national level and within the budgets of individual schools, and that they represent value for money;
- b) The need for there to be a simple and consistent national framework of pay and conditions for classroom teachers and school leaders;
- c) The need for a framework of pay and conditions that raises the status of the teaching profession, and supports the recruitment and retention of high quality teachers and school leaders;
- d) Evidence of the national state of teacher and school leader supply, including rates of recruitment and retention, vacancy rates, the quality of candidates applying for QTS and the quality of candidates applying for positions on school leadership teams;
- e) The Government's commitment to increasing autonomy for schools to establish pay and conditions that are suited to their individual circumstances;
- f) How schools and Governing Bodies could be supported to implement the recommendations.

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

- a) The need for the pay framework to be sufficiently flexible to support a range of leadership models, including leadership of multiple schools;
- b) The need to maintain a strong supply of new and potential school leaders of a high quality and representing a cross-section of society.

Matters for recommendation

I refer to the STRB the following matters for recommendation:

- a) how to provide a simplified and flexible framework for ensuring school leaders' pay is appropriate to the challenge of the post and their contribution to their school or schools;
- b) how the current detailed provisions for allowances, other pay flexibilities and safeguarding could be reformed to allow a simpler and more flexible STPCD; and
- c) how the framework for teachers' non-pay conditions of service could be reformed to raise the status of the profession and support the recruitment and retention of high quality teachers, and raise standards of education for all children.

Timescale for report

In order to allow schools sufficient time in which to implement any reforms that result from this remit I should be grateful if the STRB could aim to provide a report on these matters before 10th January 2014.

I look forward to receiving your recommendations.

With every good wish,



MICHAEL GOVE

APPENDIX B

Conduct of the review

- B1. The Secretary of State for Education, the Rt Hon Michael Gove MP, in his remit letter of 17 April 2013 asked us to consider:
- how to provide a simple and flexible framework for ensuring school leaders' pay is appropriate to the challenge of the post and their contribution to their school or schools;
 - how the current detailed provisions for allowances, other pay flexibilities and safeguarding could be reformed to allow a simpler and more flexible STPCD; and
 - how the framework for teachers' non-pay conditions of service could be reformed to raise the status of the profession and support the recruitment and retention of high quality teachers, and raise standards of education for all children.
- B2. The Secretary of State's remit letter, reproduced in Appendix A, asked us to report on these matters by 10 January 2014. Our work to respond on these matters took place between June 2013 and January 2014, although from November 2012 we had started to consider the wider background for leadership pay in anticipation of such a remit, based on the Secretary of State's previous correspondence.
- B3. We set out in the body of this report the wide range of evidence we considered, including international and research evidence; and reports commissioned by OME. We set out below the statutory consultation we undertook and a range of visits and meetings which informed our broad understanding of the issues.

Consultation

- B4. On 23 April 2013 we gave the following organisations the opportunity to make written representations and provide evidence on the matter on which we were due to report:

Government

Department for Education (DfE)
Welsh Government

Organisations representing teachers

Association of School and College Leaders (ASCL)
Association of Teachers and Lecturers (ATL)
British Association of Teachers for the Deaf (BATOD)
National Association of Head Teachers (NAHT)
National Association of Schoolmasters Union of Women Teachers (NASUWT)
National Union of Teachers (NUT)
Undeb Cenedlaethol Athrawon Cymru (UCAC)
Voice

Association of local authorities

National Employers' Organisation for School Teachers (NEOST)

Organisations representing governors

Governors Wales (GW)
National Governors' Association (NGA)

- B5. We also notified the following organisations of our remit on 23 April 2013:

Agency for Jewish Education
 Association of Directors of Children's Services (ADCS)
 Association of Directors of Education in Wales (ADEW)
 Association of Professionals in Education and Children's Trusts (Aspect)
 Board of Education, General Synod of the Church of England
 Catholic Education Services for England and Wales
 Her Majesty's Inspectorate for Education and Training in Wales (Estyn)
 Freedom and Autonomy for Schools – National Association (FASNA)
 Free Churches Education Committee
 General Teaching Council for Wales (GTCW)
 Independent Academies Association
 Information for School and College Governors (ISCG)
 Methodist Independent Schools Trust
 National Association for Special Educational Needs (Nasen)
 National College for School Leadership (NCSL) – National College for Teaching and Leadership (NCTL) since 1 April 2013
 Office for Standards in Education, Children's Services and Skills (Ofsted)
 SSAT (The Schools Network) Ltd

- B6. We invited the above consultees to respond in writing by 18 June 2013 and asked them to copy their submissions to other consultees. We gave consultees an opportunity to comment in writing on other consultees' submissions.
- B7. The following consultees made written submissions: ASCL¹, ATL², BATOD³, DfE⁴, Governors Wales, NAHT⁵, NASUWT⁶, NEOST⁷, NGA⁸, NUT⁹, UCAC¹⁰, Voice¹¹ and the Welsh Government^{12, 13}
- B8. ASCL, ATL, NAHT, NASUWT, NUT, UCAC and the Welsh Government each provided a supplementary submission in response to other consultees' submissions.

¹ ASCL (2013) <http://www.ascl.org.uk/news-and-views/consultation-responses_news-detail.school-teachers-review-body-call-for-evidence.html>

² ATL (2013) <<https://www.atl.org.uk/Images/atl-evidence-strb-jun13.pdf>>

³ BATOD (2013) <<http://www.batod.org.uk/index.php?id=/resources/teaching/payandcond/strb/BATOD-STRB-Submission-June2013.pdf>>

⁴ DfE (2013) <<https://www.gov.uk/government/publications/evidence-to-the-strb-leadership-pay-non-pay-conditions-of-service-allowances-and-safeguarding>>

⁵ NAHT (2013) <<http://www.naht.org.uk/welcome/news-and-media/key-topics/pay-and-conditions/nahts-evidence-to-the-strbs-23rd-remit/>>

⁶ NASUWT (2013) <http://www.nasuwt.org.uk/consum/groups/public/@journalist/documents/nas_download/nasuwt_011172.pdf>

⁷ NEOST is the representative body for employers of teachers in maintained schools in England and Wales. It draws members from the Local Government Association, the Welsh Local Government Association, FASNA, the Church of England Board of Education and the Catholic Education Service. NEOST (2012) <<http://www.local.gov.uk/documents/10180/11483/NEOST+evidence+to+STRB+June+2013+FINAL+pdf.pdf/08b6fa0a-ba3b-4099-9406-902cc6fbb01a>>

⁸ NGA (2013) <<http://www.nga.org.uk/About-Us/NGA-s-Views/Consultation/NGA-STRB-April-remit-2013-RESPONSE-final.aspx>>

⁹ NUT (2013) <<http://www.teachers.org.uk/files/2013-nut-submission-to-the-strb-june-2013--final.pdf>>

¹⁰ UCAC (2013) <<http://www.athrawon.com/uploads/STRBRemit23rdRemit.pdf>>

¹¹ Voice (2013) <<http://www.voicetheunion.org.uk/index.cfm?cid=1053>>

¹² Welsh Government (2013) <<http://wales.gov.uk/docs/dcells/consultation/130620-review-body-en.pdf>>

¹³ The Independent Academies Association prepared a submission however this did not reach the STRB secretariat until 18 November 2013 so was too late to be considered as part of the formal consultation process. <<http://www.iaa.uk.net/?p=989>>

- B9. We commissioned two pieces of research; *School Leadership Comparator Studies*¹⁴ by IDS and *International study into pay and non-pay conditions in schools*¹⁵ by Mercer and on 17 September we invited consultees to comment on these reports. Written comments were received from the following consultees: ASCL, ATL, NAHT, NASUWT and NUT.
- B10. We invited the following consultees to make oral representations: ASCL, ATL, BATOD, DfE, Governors Wales, NAHT, NASUWT, NEOST, NGA, NUT, UCAC, Voice and the Welsh Government. All these organisations made individual representations at meetings in September 2013.

Visits and Meetings

- B11. In total, STRB had 25 working meetings between 17 April 2013 and 10 January 2014. It held four additional full day meetings at which it heard oral representations from consultees.
- B12. In June 2013 members of STRB visited two schools in Sefton, one secondary school and one primary school. In each school, members met groups of teachers and leaders to discuss teachers' pay and conditions. They also met officials at the local authority. Members also visited the Harris Academy Purley. In considering this remit, the Review Body also took account of conversations they held with teachers, school leaders, Chairs of Governing Bodies and local authority officials in seventeen local authorities over the last three years¹⁶.
- B13. The Review Body received a range of briefings to inform this remit, some in anticipation of a remit on leadership pay. These included presentations from:
- Chris Cook, Financial Times Education correspondent
 - Jon Coles, Chief Executive, United Learning
 - Sir David Carter, Executive Principal, Cabot Learning Federation
 - Will Dawkins, consultant at Spencer Stuart, on leadership remuneration and governance issues
 - Derek Twine, (then) Chief Executive of the Scout Association and Chair of the Association of Chief Executives of Voluntary Organisations (ACEVO), on governance and leadership pay
 - PwC, on discrimination law
 - Charlie Taylor, Chief Executive of the National College for Teaching and Learning.
- B14. Members also had discussions with head teachers who were designated National Leaders of Education (NLEs), a head teacher from an independent school, and heads of a converter academy and a federation. They also met five Chairs of school governing bodies who had been designated as National Leaders of Governance (NLGs). At his request, the Chair met Jon Richards, National Secretary of UNISON Education and Children's Services for a background briefing.
- B15. The Review Body received a presentation from IDS in May 2013 on school leadership research commissioned by OME. Mercer consultants provided advice on the Review Body's proposed approach to setting leadership pay in October 2013.

¹⁴ IDS (2013) *School Leadership Comparator Studies* <<https://www.gov.uk/government/publications/strb-research-2013-school-leadership-comparator-studies>>

¹⁵ Mercer (2013) *International study into pay and non-pay conditions in schools* <<https://www.gov.uk/government/publications/strb-research-2013-international-study-into-pay-and-non-pay-conditions-in-schools>>

¹⁶ Birmingham, Bromley, Caerphilly, Camden, Cardiff, Croydon, Doncaster, Hammersmith and Fulham, Haringey, Hertfordshire, Hull, Leicester, Merton, Monmouthshire, Portsmouth, Shropshire, Waltham Forest

APPENDIX C

Recommended Pay Ranges for School Leaders, 2014¹

	England and Wales (excluding the London Area)	Inner London Area	Outer London Area	Fringe Area
Leadership Minima²	37,836	44,986	40,838	38,878
Broad Bands for Head Teachers				
1	42,803 – 57,520	49,961 – 64,677	45,805 – 60,525	43,851 – 58,565
2	44,971 – 61,901	52,128 – 69,059	47,974 – 64,907	46,013 – 62,955
3	48,505 – 66,623	55,656 – 73,780	51,503 – 69,624	49,547 – 67,673
4	52,131 – 71,701	59,287 – 78,853	55,129 – 74,702	53,177 – 72,746
5	57,520 – 79,081	64,677 – 86,238	60,525 – 82,087	58,565 – 80,130
6	61,901 – 87,229	69,059 – 94,386	64,907 – 90,231	62,955 – 88,279
7	66,623 – 96,166	73,780 – 103,319	69,624 – 99,167	67,673 – 97,209
8	73,480 – 106,148	80,634 – 113,303	76,483 – 109,151	74,523 – 107,199
Headroom for head teachers of multiple very large schools				

¹ Values subject to pay award for implementation in September 2014

² Minima for Deputy and Assistant Head Teachers only



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