Association of School and College Leaders

School Teachers' Review Body (STRB): Remit for the 32nd Report

Supplementary Comments from the Association of School and College Leaders on the Evidence Provided by Statutory Consultees

1 Following the submission of evidence provided by the statutory consultees with regard to the 32nd remit of the School Teachers' Review Body (STRB), we wish to thank the organisations involved for the considerable thought and wisdom demonstrated in their responses.

2 It is pleasing to see so much consensus amongst the majority of consultees, as demonstrated in the joint union statement from ASCL, NAHT, NASUWT, NEU and Voice Community[1] and in our individual submissions.

3 We urge the STRB to take heed of this consensus and note that the only consultee not united on the majority of these issues is the Department for Education, who is able to act as both a stakeholder and the final decision maker.

DfE evidence to STRB 32nd remit[2]

Pay Award

4 We start by reiterating our objections to the differentiated approach suggested by the Department in its evidence.

5 As stated previously, ASCL is supportive of the move to £30,000 starting salaries, but it is our firm position that any increases must be made across the board to all points within all pay ranges and allowances.

6 We were extremely disappointed to see such low awards proposed for experienced teachers and school leaders yet again, with the first year being significantly lower than current inflation rates or annual inflation forecasts.

7 Inflation currently stands at 6.2 per cent (CPI) and 8.2 per cent (RPI).[3]

8 The Department refers to the Bank of England's target for CPI of 2.0 per cent, but even the most conservative estimates place inflation for 2022 significantly higher than this.

9 As stated in our evidence[4], ASCL's position is that RPI is the most appropriate measure of inflation to be used for pay awards.

[1] Joint union statement to the STRB, March 2022
[2] Government evidence to the STRB, March 2022
[3] ONS inflations and price indices, March 2022
[4] ASCL evidence to the STRB 32nd Remit

10 It is neither fair nor appropriate to be making pay award suggestions for teachers and school leaders based on a target inflation rate rather than actual or forecast rates, particularly during a time of such economic instability.

11 This was not the approach taken by the Department in its evidence for the 2020 pay award where it proposed 'above inflation awards'.

12 Furthermore, when this comes on the back of over a decade of pay erosion and a public sector pay freeze in 2021 which resulted in yet another real-terms pay cut, it is even more unfair.

13 In its evidence in 2020, the Department stated that its proposed above inflation increases to the upper pay range and the leadership pay range '*supporting an attractive career path for the whole profession'.* This is clearly no longer a consideration.

14 In its 29th Report[5], the STRB considered targeting, stating:

'*That said, the level of starting pay is not the only element of the pay framework that is relevant to teacher recruitment. Those considering training to become teachers will also look at the potential earnings later in their career. This is likely to be particularly the case for career changers, who will be more familiar with the pay available in other occupations. As the Department notes in its Teacher Recruitment and Retention Strategy, career changers already account for a substantial proportion of entrants to ITT.'*

'Finally, there is growing evidence of difficulties in recruiting and retaining good school leaders. Strong leadership is central to schools' ability to manage the challenges that they will face in the coming years. The education system needs effective leadership and the pay system must therefore support and incentivise career progression.'

15 The Department boasts that a 3 per cent uplift in September 2022 would be the highest uplift since 2006. Clearly overlooking the recommendations made by the STRB in 2018 for a 3.5 per cent uplift to all pay ranges and allowances, which the Secretary of State for Education at that time wilfully ignored, instead deciding to award 3.5 per cent to the main pay range, but just 2 per cent and 1.5 per cent to experienced teachers and school leaders respectively.

16 And also overlooking the fact that inflation is running at its highest for 30 years.[6]

17 Again, reference is made to pay not being as important to experienced teachers and school leaders: '*with lower awards for the upper and leadership pay ranges where the evidence suggests pay is a lower relative priority in affecting decisions to stay.'*

18 Firstly, the evidence referenced was carried out pre-pandemic, and secondly, we feel that the Department is making a huge error of judgement on this. Pay may not the be the most important factor for experienced teachers and school leaders, but it is important.

[5] STRB 29th Report
[6] UK inflation hits 30-year high; The Guardian, February 2022

19 This does not mean that these groups of highly experienced staff will sit back and happily keep accepting pay freezes and real terms pay cuts because the Department thinks pay doesn't matter to them. It does.

20 In ASCL's survey of members in 2021 (submitted with supplementary evidence to 31st remit[7]), results showed that 81 per cent of respondents did not agree with the pay freeze, 9 per cent were unsure and just 10 per cent did agree with it.

21 The results also showed that 54 per cent of respondents were considering leaving their role, one of the recurring reasons cited for considering leaving was pay.

22 Our members are all school leaders, and the results indicate that pay is indeed important to them.

23 The Department's latest proposals add further insult to injury for these two groups of staff, with increases amounting to 16 per cent across two years for those on the minimum of the main pay range in England, but just 5 per cent across the same two years for those on the upper pay range and the leadership pay range.

24 What message does the Department think that this sends to experienced teachers and school leaders? The very same people that are so desperately needed to ensure education recovery as we emerge from the impact of the pandemic.

25 It is certainly not a positive one, and does nothing to make them feel valued, at a time when they have worked tirelessly for over two years, doing over and above what could, and should, have been expected of them, and after the slap in the face they received in the form of a pay freeze.

26 The government's plan to only target early career teachers is deeply flawed.

27 The *Teacher Labour Market in England*[8] report also warns that a significant flattening of the pay structure, with less steep rises between points on the pay scales *'could result in more experienced teachers deciding to leave than would have under a uniform pay increase'* and that '*the proposals risk reducing the overall level of experience across the teaching profession'*.

28 Data from the recently published Talis report[9] shows that England already falls below the OECD average when it comes to the distribution for more experienced teachers (10+ years' experience) and this proportion was even lower in disadvantaged schools.

29 The report calls for education policies aimed at ensuring a more equitable allocation of teachers. We would suggest that the Department's policy on pay will not address this, indeed it will exacerbate the issue further.

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[7] ASCL Supplementary evidence to the STRB 31st Remit

[8] Teacher Labour Market in England, Annual Report 2022

[9] Mending the Education Divide: Getting Strong Teachers to the Schools That Need Them Most, OECD

30 The table below shows the Department’s proposed increases for each pay range for England and the London pay areas for each year and the total award across the two-year period.

2022/2023 Award				
Point	England	Inner London	Outer London	Fringe
M1	8.9%	6.5%	8.0%	8.5%
M2	8.0%	6.2%	7.0%	8.0%
M3	7.0%	5.9%	6.5%	7.0%
M4	6.5%	5.7%	6.0%	6.0%
M5	5.5%	5.3%	5.0%	5.0%
M6	4.0%	4.0%	3.0%	3.0%
U1	3.0%	3.0%	3.0%	3.0%
U2	3.0%	3.0%	3.0%	3.0%
U3	3.0%	3.0%	3.0%	3.0%
UQT	3.0%	3.0%	3.0%	3.0%
LP	3.0%	3.0%	3.0%	3.0%
LPR	3.0%	3.0%	3.0%	3.0%
ALLOW	3.0%	3.0%	3.0%	3.0%

2023/2024 Award				
Point	England	Inner London	Outer London	Fringe
M1	7.1%	3.7%	4.3%	6.0%
M2	6.2%	4.3%	4.7%	4.9%
M3	5.2%	4.9%	4.7%	4.2%
M4	4.1%	5.5%	4.7%	3.8%
M5	3.3%	3.8%	2.9%	3.2%
M6	2.0%	2.2%	2.0%	2.6%
U1	2.0%	2.0%	2.0%	2.0%
U2	2.0%	2.0%	2.0%	2.0%
U3	2.0%	2.0%	2.0%	2.0%
UQT	2.0%	2.0%	2.0%	2.0%
LP	2.0%	2.0%	2.0%	2.0%
LPR	2.0%	2.0%	2.0%	2.0%
ALLOW	2.0%	2.0%	2.0%	2.0%

Total award across 2 years				
Point	England	Inner London	Outer London	Fringe
M1	16.0%	10.2%	12.3%	14.5%
M2	14.2%	10.5%	11.7%	12.9%
M3	12.2%	10.8%	11.2%	11.2%
M4	10.6%	11.2%	10.7%	9.8%
M5	8.8%	9.1%	7.9%	8.2%
M6	6.0%	6.2%	5.0%	5.6%
U1	5.0%	5.0%	5.0%	5.0%
U2	5.0%	5.0%	5.0%	5.0%
U3	5.0%	5.0%	5.0%	5.0%
UQT	5.0%	5.0%	5.0%	5.0%
LP	5.0%	5.0%	5.0%	5.0%
LPR	5.0%	5.0%	5.0%	5.0%
ALLOW	5.0%	5.0%	5.0%	5.0%

31 ASCL has previously demonstrated how differentiated and targeted pay awards have reduced the differentials between pay ranges, something which school leaders are opposed to and feel very strongly about.[10]

32 We, along with other consultees, highlighted the increases in living costs which our members will face from 1 April, including the increase in National Insurance contributions and the 54 per cent increase in the energy cap.

33 Teachers and school leaders face these increases having had no annual uplift to their salaries since September 2020 due to the pay freeze in 2021.

34 For 2021, CPI was 2.6 per cent and RPI was 4.1 per cent. The pay award for the vast majority of teachers and leaders in England was zero per cent.

35 The latest HM Treasury forecasts[11] for 2022 place CPI at 6.4 per cent and RPI at 8 per cent. The same document provides forecasts for 2023 with CPI at 2.4 per cent and RPI at 3.7 per cent.

36 However, the Chancellor’s Spring Statement[12] quotes OBR’s forecast for CPI inflation at 7.4 per cent for 2022 and 4.0 per cent for 2023, and forecasts RPI inflation to reach 10.5 per cent in April 2022, and peak at almost 11 per cent in the last quarter of 2022.

37 The Institute for Fiscal Studies (IFS) warns that if pay awards do not match inflation then the *‘real pay of millions of public sector workers will fall yet again, after a decade not just of falling behind the private sector but of significant real cuts in pay.’* [13]

38 The Teacher Labour Market in England[14] report states: *‘A continued lack of pay competitiveness is likely to hinder attempts to improve teacher recruitment and retention.’*

[10] Ibid
[11] Forecasts for the UK economy: March 2022, HM Treasury
[12] Spring Statement 2022
[13] Heightened uncertainty and the spectre of inflation hang over the Spring Statement, IFS
[14] Ibid

39 The Department proposes that experienced teachers and school leaders receive pay awards totalling 5 per cent across the three years from 2021, compared with CPI totalling 11.4 per cent and RPI totalling 15.8 per cent across the same period, as demonstrated in the table below:

	2021	2022	2023	Total
CPI %	2.6	6.4	2.4	11.4
RPI %	4.1	8.0	3.7	15.8
DfE proposal %	0.0	3.0	2.0	5.0

40 This represents a significant real-terms pay cut against both measures, and it is likely that both measures of inflation will be higher than the current forecasts.

41 Quite how the Department considers this to be appropriate is beyond comprehension.

42 The remit letter from the Secretary of State for Education to the STRB states: *'the Government remains committed to increasing starting salaries to £30,000 outside of the London pay areas. My written evidence will set out – based on the latest evidence and data – a strong case for delivering this commitment, and that this should be achieved alongside significant, but sustainable, uplifts to the pay of more experienced teachers, but still with the aim of moving towards a relatively flatter pay progression structure*.'

43 The Collins' definition of significant is: '*A significant amount or effect is large enough to be important or affect a situation to a noticeable degree'.*

44 The proposals for experienced teachers and school leaders certainly do not match that definition, particularly not when they represent approximately one third of the proposed award to starting salaries in both years.

Multi-year approach

45 We were disappointed to note that there is no provision for any review mechanism to ensure that the award for the second year remains appropriate in light of any changes to inflation.

46 If a multi-year award is to be considered, there must be provision for a review mechanism, as detailed in our initial evidence.[15]

London Pay Areas

47 We were dismayed to read that the Department continues pursuing its intention to reduce the London pay weightings as part of its proposals by applying smaller uplifts than for the rest of England.

48 ASCL's supplementary evidence to the STRB 30th remit, when the Department submitted its original proposals with three options, provided significant evidence showing how the model they were proposing was flawed. This is because it was based on the pay structure already in place in the London pay

[15] Ibid

areas, which is clearly not effective, as those areas experience the worst recruitment and retention issues in England.[16]

49 The STRB's 30th Report stated: '*The Department also proposes relatively smaller percentage uplifts to starting salaries in the Inner London, Outer London and London fringe pay bands. However, the evidence shows that retention rates for early career teachers are already significantly lower in London than for other regions of England. These problems would be exacerbated by applying a smaller uplift to early career pay in London and reducing the differentials between the pay levels of teachers in the capital and those of teachers elsewhere in England.*

Taking account of the particularly acute retention challenges in London, we conclude that the same percentage uplifts should be applied to the Inner London, Outer London and London fringe pay bands as to the rest of England pay band.'

50 However, in spite of all this evidence, the Department's submission still states that: '*the London pay structures already better align with the aims of our reforms. The pay award will therefore involve slightly lower uplifts to pay points in the London pay areas compared to the Rest of England.'*

51 Again, we feel that this is a very disingenuous way of looking at the London pay structure – the weightings are in place in recognition of the higher living costs associated with the London areas. It would be folly to even consider reducing them, especially at a time when living costs everywhere in England are rising sharply.

52 We have analysed our Member Pay and Conditions Survey results for those leaders working in the London areas[17].

53 Several responses referenced the increased cost of living, and London pay scales as reasons for considering leaving the profession through early retirement. 61 per cent of leaders in London were considering leaving their role, compared with 54 per cent for England overall.

54 The Department seriously needs to reconsider its approach to the London pay areas.

55 This view is also supported in the latest *Teacher Labour Market in England*[18] report which states:

'*While the Government's proposals on teacher pay target scarce resource relatively well at early-career teachers, by reducing the London pay premium the proposals risk exacerbating teacher shortages in London.*

We recommend that the Government should maintain the London teacher pay premium at its current level to avoid exacerbating teacher shortages in London schools.'

56 We urge the review body to reject the Department's recommendations on this area once again.

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[16] STRB 30th Report
[17] Appendix One – ASCL Member Pay and Conditions Survey – London data
[18] Ibid

Performance-related Pay (PRP)

57 We note that the Department has finally looked at some of the issues raised by the STRB and other consultees in relation to this area. However, we feel that there is already sufficient evidence to decouple pay from performance immediately.

58 Whilst we support any research and analysis carried out into teachers, and particularly school leaders as these roles are often overlooked by the Department as it continues to focus on early career teachers, the ‘Working Lives of Teachers and Leaders (WLTL)’ is a longitudinal study and therefore allows the Department to delay any decisions on PRP, which have been being called for over the last several years already.

59 The Department refers to exploring several issues further through analysis of WLTL data and is undoubtedly likely to continue to do so in future years in order to kick the PRP can further down the road.

60 ASCL, along with other consultees, have provided significant evidence to justify the removal of PRP and we urge the STRB to act on this evidence, as the IWPRB did when it made the recommendation to decouple pay from performance in Wales.

Diminishing differentials between pay ranges

61 In 2010, the minimum of the main pay range (M1) was £21,588 and the minimum of the leadership pay range (L1) was £37,461, a difference of £15,873 or 73 per cent. Uprating these two values using the Department’s proposals for 2022 and 2023 would put M1 at £30,000 and L1 at £44,330, a difference of £14,330 or 47 per cent.

62 The minimum of the upper pay range (U1) in 2010 was £34,181 meaning a difference of £12,593 or 58 per cent to M1. Again, using the Department’s proposed value of £40,648 for U1 for 2023 would leave a difference of £10,648 or 35 per cent.

63 The difference between the maximum of the upper pay range (U3) and L1 in 2010 was £705 or 2 per cent. Using the Department’s proposals for 2022 and 2023, this difference would be £621 or 1.4 per cent.

64 The table below demonstrates the huge variance in increases across the pay ranges since 2010.

	2010	2023	Difference	% increase
M1	£ 21,588	£ 30,000	£ 8,412	39.0
M6	£ 31,552	£ 39,209	£ 7,657	24.3
U1	£ 34,181	£ 40,648	£ 6,467	18.9
U3	£ 36,756	£ 43,709	£ 6,953	18.9
L1	£ 37,461	£ 44,330	£ 6,869	18.3
L6	£ 42,379	£ 50,150	£ 7,771	18.3

65 A teacher employed on U3 and in receipt of a TLR1 of maximum value of £14,740 (uprated by 3 per cent for 2022, 2 per cent for 2023), would receive

£58,449 in 2023. The same salary roughly as someone on leadership point 12 (L12).

66 This point falls within the pay ranges for Headteacher Groups 1-3. Where is the incentive for someone to aspire to become a Headteacher or Deputy Headteacher and take on the additional responsibility that comes with those roles, for the same salary as, or in some cases even less than, someone on U3 with a TLR1?

67 Urgent action needs to be taken to restore the differentials between pay ranges to ensure that the leadership supply pipe is sufficient for the needs of the sector in the future.

68 This is especially critical in secondary in light of the terrible attrition rates of leaders, the anecdotal evidence from several consultees on the number of leaders who are planning to leave the profession, and the significant projected increases in pupil numbers over the next decade.

69 As we have stated previously, this is creating a perfect storm for school leadership which the government needs to take seriously and remove the blinkers from its eyes which seemingly prevent it from looking anywhere other than at early career teachers.

Other consultees' evidence

70 We note that several consultees call for increases of eight per cent upwards. Whilst it is not ASCL's practice to recommend specific increases, these recommendations do appear to be more in line with our position of being at least in line with inflation (RPI) and also make a start on repairing the erosion of pay which has taken place over more than a decade.

71 ASCL and several fellow union consultees continue to provide extensive modelling of the real-terms impact on pay since 2010, but the Department seems completely oblivious to this and makes no reference to taking any steps to repair this damage.

72 It is also clear that there is consensus amongst other consultees that although the additional funding awarded to schools is welcome it is clearly not sufficient to adequately fund pay the pay increases that are so desperately needed across all pay ranges and allowances. (See also section on affordability on page 10).

NAHT[19]

73 We note with concern our sister leadership union NAHT's comments on the data obtained in relation to the attrition of school leaders. It is totally unacceptable that data of this nature had to be obtained via a Freedom of Information request.

74 When looking at what the data shows, it then becomes apparent why this data is not readily available. The Department cannot justify its continued targeting

[19] NAHT evidence to STRB 32nd Remit

of salaries for early career teachers at the expense of experienced teachers and school leaders when the data clearly demonstrates the leadership retention crisis that consultees have been highlighting for a significant number of years now.

75 We also note that NAHT points out the differences between the pay awards for school leaders and that of MPs, who have just been awarded a £2,212 pay increase from April 2022[20].

76 This represents an award of 2.7 per cent which will cover the cost of the 1.25 per cent increase in National Insurance contributions. Teachers and school leaders are not so lucky, instead the value of their pay will fall even further as they experience yet another real-terms cut.

77 School leaders, and the majority of experienced teachers will not benefit from the increase to the National Insurance contribution threshold announced in the Chancellor's Spring Statement[21].

78 The only pay increase any of the teaching workforce received was £250 for those earning less than £24,000 FTE. MPs will receive almost nine times that amount.

NASUWT[22]

79 We do not support NASUWT's proposal to not only move to a single pay scale, but also to reduce that to six points within the minimum of the main pay range and the maximum of the upper pay range.

80 In effect this is a targeted pay award, as it would only benefit those on the main or upper pay ranges.

81 We do not support the move to a single pay scale and have previously provided evidence to back up our views on this.

82 This was considered as part of the STRB's 30th Remit, where, interestingly, the NASUWT's own evidence to that same remit stated: *'the UPR should continue to be a separate pay range as it was a crucial element of the pay system which motivated teachers by allowing them to aspire to higher salaries for remaining in the classroom.'*[23]

83 The STRB did not make any recommendations for any changes to this element of the pay system. It's 30th Report stated: '*Overall, the STRB sees some merit in maintaining a pay threshold in the classroom teacher pay system.'*[24]

84 ASCL has submitted evidence demonstrating the erosion of the differentials between pay ranges, and the negative effect this has on school leaders. This is clear example of how making changes to one part of the framework can have a negative impact on another, resulting in the fragmented pay system currently in place.

[20] MP pay rise 2022: Politicians get £2,212 salary increase as UK hit with tax rises and higher energy bills
[21] Ibid
[22] NASUWT evidence to STRB 32nd Remit
[23] STRB 30th Report
[24] Ibid

NEOST[25]

85 NEOST's evidence also reports that there has been no easing off from an already high base of authorities reporting a growing difficulty in recruiting quality applicants for headteachers, with one authority explaining that the reason for this was '*reluctance from senior leaders to make the step to headship seeing long standing Deputy Headteachers not wanting to lead schools due to the additional responsibility and huge accountability.'*

86 Much of NEOST'S evidence demonstrates the significant issues around recruitment and retention of school leaders, particularly headteachers, and for experienced teachers.

87 We do not support NEOST's recommendation that next year's remit should prioritise a review of enabling UPR teachers to voluntarily move back to the Main Pay range within their existing school.

88 Nor do we support a review of the salary safeguarding arrangements with a view to safeguarding protection being reduced to one year. This is an absolutely unacceptable suggestion which we are strongly opposed to.

Voice Community[26]

89 We note Voice Community's recommendation for an increase in PPA from 10 per cent to 20 per cent. This is similar to one of the strands of ASCL's Blueprint for a Fairer Education System[27]: *'We would also like to see the implementation of a pilot to ring-fence 20 per cent of staff time for collaborative planning, coaching and CPD, to investigate the impact of this on pupil performance and teacher recruitment and retention, particularly in schools serving disadvantaged areas.'*

90 This is something we would like to see considered as part of a wider review of the framework, with full government funding for the implementation of any recommendations.

Affordability

In year surplus

91 The increase in the proportion of schools in cumulative surplus or breaking even (92 per cent of maintained schools at March 2021) is noted. However, government figures indicate that where schools have deficits, they are increasing from £169,000 in 2019/20 to £225,000 in 2020/21.

92 We cannot anticipate the full impact of COVID-19. The most recently available government data shows only the first year of the pandemic for maintained schools (to March 2021) and only the first five months for academies (March to August 2021).

[25] NEOST evidence to STRB 32nd Remit
[26] Voice Community evidence to STRB 32nd Remit
[27] ASCL Blueprint for a Fairer Education System

93 We know that schools continue to incur additional costs to keep schools open safely, and that operational costs including cleaning, energy and ventilation are likely to be supported from existing budgets.

94 For these reasons alone, citing the value of surplus balances as an indication of the affordability of a substantial pay increase for teachers is hugely oversimplistic.

<u>DfE evidence and school costs</u>

- GDP deflator v CPI school costs.
- Energy costs – doubling/tripling. Even at a small percentage of overall expenditure increases on this scale will require adjustments.
- Spring statement evidence IFS.

95 In our evidence we costed a pay award in line with RPI. We note that in their evidence the DfE have costed an award that would increase the pay bill for teachers by +3.9 per cent in year one and +2.6 per cent in year two, based on capacity available according to the school costs document 2021-2024.

96 We have two significant concerns:

i. The Schools' Costs document tends to reflect inflation using GDP deflator forecasts. We think that school costs (outside staffing) are more closely aligned to CPI or RPI measures of inflation. Forecasts for CPI and RPI tend to be higher than GDP deflator forecasts and this will reduce the capacity for schools to cover the pay award proposals within the funding envelope delivered by SR21.

ii. The volatility of interest rates and increased forecasts since the SR. The SR settlement was aligned to interest rate forecasts available at the time but was made in cash terms. This means that the money allocated to education will have reduced spending power against current inflation forecasts. Analysis by the Institute for Fiscal Studies[28] indicates that higher inflation will wipe out at least a quarter of the real terms increases to public services spending announced in October 2021. Schools will need additional funding to meet the costs of an award that properly reflects higher inflation forecasts at the time of writing. Not reflecting a pay award that reflects these inflation forecasts will mean a real terms salary reduction for school staff. This is unacceptable on the back of real terms pay cuts to teachers' salaries over the last decade.

97 We look forward to discussing these issues further when we meet with the STRB on 21 April.

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ASCL Conditions of Employment Specialist: Pay
23 March 2022

[28] Heightened uncertainty and the spectre of inflation hang over the Spring Statement, IFS