

## Teachers' Pay

### *Our vision*

*(By 2020)... Employers have extensive autonomy over pay and conditions within a broad national framework. They are responsible for performance management, pay progression and the link to student outcomes.*

Extract from ASCL's *Blueprint for a Self-Improving System*

### First principles

- 1 The future prosperity and wellbeing of the nation depends on the quality of its education service. Consequently, we must recruit and retain the highest calibre of teachers and school leaders.
- 2 The teaching profession has suffered a significant real-terms salary decrease over the last few years. In order for the profession to be competitive and attractive within a recovering economy, pay needs to be reviewed.
- 3 If schools are to recruit and retain staff, and use the flexibilities afforded them under the School Teachers' Pay and Conditions Document (STPCD), then we need to see a return to funded pay awards.
- 4 There needs to be a distinction between performance-related progression and pay uplifts, and the latter must always be passed on in full to all staff.

### Analysis of the current system

#### Performance related pay

- 5 There is currently no evidence that performance-related pay impacts positively on student outcomes. Therefore, we believe that employers should have the autonomy to choose whether or not to adopt a performance-related pay system.
- 6 In September 2013, performance-related pay was introduced for all teachers. Fixed points on all pay ranges and allowances have now been removed from the STPCD, leaving only national minima and maxima. Schools have the flexibility to offer 'differentiated performance based progression, within a broad national framework'<sup>1</sup>. It is for schools to outline in their pay and appraisal policies how they will assess performance and what will constitute the appropriate standard for no pay progression, standard pay progression and enhanced pay progression.
- 7 To date, the vast majority, approximately 80 per cent<sup>2</sup> of schools (both maintained and academies) have chosen to mirror the old fixed point pay ranges. Of those that haven't, the majority of these have chosen to increase the Main Pay Range by adopting 'half points' to enable them to offer enhanced progression without putting too much pressure on budgets.
- 8 Whilst academies ostensibly have the freedom to choose not to follow the STPCD, they are, in effect, required to adopt performance-related pay as the Ofsted framework states the following: "In reaching their judgement on leadership and management, inspectors evaluate how well the headteacher/principal, and

1 STRB 23rd Report Paragraph 1.11

2 Figure calculated from data collected at information conferences, events and academy chain meetings.



where relevant, other senior staff are managing staff performance and using the staff budget to differentiate appropriately between high and low performers.”

### **‘Cost of living’ awards**

- 9 For the years 2011–12 and 2012–13, teachers, along with the rest of the public sector, were subject to a two year pay freeze. This followed a 2.3 per cent cost of living award for 2010–11 which was significantly below the rate of inflation. In 2011 the Government announced that public sector pay awards would average 1 per cent for the two years following the pay freeze. In July 2015 the Chancellor announced a 2 per cent cap on public sector pay increases until 2019–20.
- 10 In their 24th report the School Teachers’ Review Body (STRB) awarded an across the board 1 per cent increase, but indicated that in future years they would expect all pay awards to be based on performance. The DfE therefore issued guidance to all schools in September 2014 stating the following:

“Schools need to ensure their pay policies are clear that performance related progression will provide the basis for all decisions on pay – for classroom teachers and leaders – in September 2015.

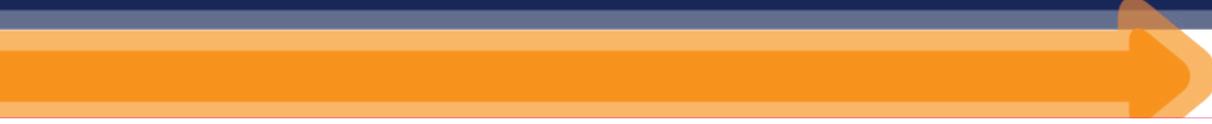
“Schools should consider and set out in their pay policies how pay decisions for those on the maxima of pay ranges in September 2015 will take account of performance in applying any uplift to the national framework.”
- 11 ASCL agrees that governing bodies and school leaders are best placed to assess a teacher’s performance and to award pay progression based on that performance. However, the consideration of the wider implications of the pay of teachers on recruitment and retention cannot, and must not, play a part in that process.
- 12 Those making pay decisions based on performance are not best placed to understand the wider issues facing the profession and government policy on public sector pay. This is most properly the role of the STRB. A key part of this role is to ensure that the pay of teachers remains competitive and supports wider government policy on recruitment and retention. As such it is imperative that cost of living awards remain separate from pay progression based on performance and are negotiated at a national level.

### **Teachers’ salaries**

- 13 The maintenance of a ‘cost of living’ award is essential if teaching is to remain an attractive career option. ASCL estimates that teacher salaries have dropped by over 12 per cent in real terms since 2010. In addition, with a recovering economy, there were almost 9 per cent more graduate entry level vacancies advertised in 2014 than the previous year, the biggest annual rise in graduate recruitment for four years<sup>3</sup>.
- 14 Teaching salaries already compare unfavourably with other graduate professions. On graduate entry, the data shows the public sector at the bottom with a starting median salary of £22,400, and teaching below this median with M1 at £21,804 (2013 figures). The figures worsen when we take the overall graduate starting median of £29,000, which is £2,868 below where a good teacher would expect to be after five years.
- 15 If teaching is to remain competitive and recruitment and retention issues are to be addressed, it is essential that adjustments to pay ranges continue to be done centrally and passed on to all staff. There is no place for performance assessment in this element of the pay system.

### **Fully funded pay awards**

- 16 The demands on school budgets are such that schools are struggling to meet existing obligations. If schools are to recruit and retain staff, and use the flexibilities afforded them under the STPCD, then we need to see a return to funded pay awards.
- 17 The constant addition of unfunded pressures on school budgets has reached the point where, unless a pay award is funded, the pressure on schools will be to not pass it on to staff for budget reasons. This will only exacerbate existing recruitment and retention problems.
- 18 ASCL has been raising concerns about the overall level of school funding for some time. The situation in September 2015 is even more acute when there is a 2.3 per cent increase in employer’s contributions to



the Teachers' Pension Scheme. This will have an impact in all parts of the country but will be most serious in lower funded authorities and in schools with sixth forms.

### **STPCD flexibilities**

- 19 The STPCD now offers considerable flexibility to schools, and they are in theory able to use their budgets in order to be able to attract and retain the teachers they need. However, the schools that most need to use the flexibilities are unable to afford them. Budget pressures are such that, too often, the flexibilities are being used to drive down salary costs rather than attract and retain the best teachers.
- 20 The STPCD does offer sufficient flexibilities to be attractive to all schools and academies, but the funding constraints in schools is hampering implementation.

### **Academies**

- 21 Although academies have the freedom not to adopt the STPCD, the vast majority has chosen to follow it as a minimum. This is in part because of the flexibility that it offers. This provides a consistency of approach across the system whilst offering flexibility and the ability to meet an organisation's own context and priorities.

## **Teacher pay – policy proposals**

### **For government:**

#### **22 Maintain a separate cost of living award**

ASCL's position remains that despite the abolition of mandatory pay points for teachers, the principle of a separate cost of living award must be maintained.

#### **23 Retain equal 'cost of living' pay uplifts**

The STPCD should require that schools pass on cost of living pay uplifts in full to all staff.

#### **24 Review teachers' pay to ensure it is competitive**

With the recovering economy, recruitment and retention issues are being exacerbated and the pay erosion of recent years needs to be addressed.

#### **25 Return to fully funded pay awards**

Pay awards should be used to ensure there is sufficient quality and quantity of teachers in the system by making teaching an attractive graduate profession. These adjustments should therefore be fully funded by Government and not be an added burden on already stretched budgets.

### **For the profession**

#### **26 All schools adopt the minimum provisions within the STPCD**

The flexibilities afforded within the document offer sufficient scope for innovative practice within a broad national framework and which supports professional development. Therefore, all schools within the system should adopt the minimum provisions within the STPCD.

#### **27 Ensure all pay and appraisal policies are robust**

Schools and academies should have robust pay and appraisal policies in place that are clear about how pay progression can be achieved.

