

**SCHOOL TEACHERS' REVIEW BODY**

**EVIDENCE FROM THE REWARDS AND  
INCENTIVES GROUP**

**FEBRUARY 2009**



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Dear Anne

**EVIDENCE FROM THE REWARDS AND INCENTIVES GROUP**

The Rewards and Incentives Group (RIG) is pleased to submit this jointly agreed evidence to the STRB.

This evidence is the outcome of detailed consideration and close working over recent months and we look forward to discussing it with you.

Yours sincerely

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# REWARDS AND INCENTIVES GROUP: FEBRUARY 2009 JOINT EVIDENCE TO THE SCHOOL TEACHERS' REVIEW BODY

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## SECTION 1 – OVERVIEW

This evidence constitutes information which is agreed by the Rewards and Incentives Group (RIG) partners and is submitted as the basis for the STRB's review of the level of the teachers' pay award for teachers in England and Wales for 2009 and 2010. This is the subject of the current STRB remit which is as follows:

*“whether the teachers’ pay increases of 2.3% that you proposed for both 2009-10 and 2010-11 continue to be appropriate. This applies to the values and range minima and maxima of all current pay scales and allowances: the main and upper pay scales, the pay spine for the leadership group, Advanced Skills Teachers, unqualified teachers, Excellent Teachers, and Teaching and Learning Responsibility payments (TLRs)”*

This evidence should be read in conjunction with data contained in a separate evidence document entitled ‘Statistical Evidence from the Department for Children Schools and Families December 2008’.

It is submitted on the basis of the following agreed principles;

- the statement of the ‘pay and reward principles’ (see Annex 1) within which all public service pay and reward systems should be developed with the workforce and trade unions, supporting high quality jobs and a commitment to equal pay for work of equal value; and
- the RIG partners may, as individual partners or as groups, also submit their own separate substantive evidence to the STRB, building on the principles and content of this joint evidence and providing their own interpretation on the issues. In addition the RIG partners intend to use the opportunity to submit supplementary evidence by the extended deadline of 8 May.

## SECTION 2 - TEACHERS' PAY

### Introduction

2.1. The Secretary of State invited the School Teachers' Review Body (STRB) to review teachers'<sup>1</sup> pay awards for September 2009 and September 2010 and make recommendations taking into account the factors identified in his letter of 25 June 2008, and in particular *"the requirement for there to be clear evidence of a significant and material change in recruitment and retention data and wider economic and labour market conditions to justify any change from the 2.3% figures recommended in your 17<sup>th</sup> Report Part 1"*.

### Context

#### Teachers' Pay

2.2. Most teachers have received a substantial real-terms increase in their pay in recent years. However since 2006 teachers have received a below retail price index (RPI) inflation pay award (see RPI and Consumer Price Index figures from September 2006 to December 2008 at Annex 2). The RPI inflation triggers for reopening the previous pay award were met on both of the possible occasions during the two-year period. In July 2008 the STRB concluded that although inflation was higher, there was no sign that labour market trends were adversely affecting teacher supply and that overall, the evidence was not sufficiently compelling to convince the STRB to seek a remit to review teachers' pay (for the period September 2007 to August 2008).

2.3. In reaching its decision the STRB noted that: *'It is clear that teachers have experienced higher increases in living costs than were expected when the pay award for the current period was settled and, indeed, since we looked at this matter again last year in September 2007'*.

2.4. The latest available figures on average salaries<sup>2</sup> show that the average salary for a classroom teacher in England and Wales in March 1997 was £21,800, and in March 2007 was £32,200 - a cash terms increase of approximately 48%, and a real terms increase of approximately 17% in 2006-07 prices<sup>3</sup>. Average salary for a head teacher in England & Wales in March 1997 was £32,200, and in March 2007 was £53,700 - a cash terms increase of approximately 67%, and a real terms increase of approximately 32% in 2006-07 prices.

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<sup>1</sup> Reference to 'teacher/s' is taken to mean all teachers, including head teachers, unless otherwise stated

<sup>2</sup> Average salary is calculated by the total of all gross pensionable salaries for teachers at March of each year divided by the numbers of teachers from the Database of Teacher Records at the same point and rounded to nearest £100.

<sup>3</sup> Real terms increases are in 2006-07 prices unless otherwise stated. For guidance on GDP deflators see <http://www.hm-treasury.gov.uk/>

## Professional Demands

2.5. During this period the level of professional challenge has increased and the requirement to embrace change has continued unabated for both teachers and head teachers in England as a result of new developments and initiatives including those set out in The Children's Plan, for example:

- the Every Child Matters agenda particularly the Common Assessment Framework and Extended Services;
- the establishment and development of Behaviour Improvement Partnerships;
- self-evaluation as a part of the inspection framework;
- 14 – 19 diplomas and establishing local level consortia of schools and other providers;
- significant changes in general qualifications specifications, particularly the widespread replacement of coursework with controlled assessment;
- the new National Curriculum (NC) programmes of study at Key Stage (KS) 3 and 4;
- the introduction of the Early Years Foundation Stage;
- the revisions to the National Strategies' mathematics and English frameworks at KS 1 and 2;
- changes to the English NC at KS 1 re the teaching of reading following the Rose Review;
- in primary schools, the roll out of the entitlement to modern foreign languages at KS2; and
- increased teacher assessment at KS1 as a result of changes to the statutory assessment framework.

2.6. Similar developments and initiatives have been introduced for schools in Wales, resulting from the Welsh Assembly Government's policy priorities including:

- the implementation of the Welsh Baccalaureate in the 14-19 sector;
- implementation of the 3-7 Foundation Phase;
- significant amendments to the arrangements for statutory assessment of pupils involving greater emphasis on externally moderated teacher assessment;
- establishing and enhancing collaborative learning provision with the FE sector;
- greater participation of schools in the provision of local community services;
- taking forward the priorities of the National Behaviour and Attendance Review; and
- the implementation at school level of changes to the N C programmes of study.

2.7. The implementation of this substantial reform agenda in schools in England and Wales has already impacted significantly on both classroom

teachers and members of the leadership group in terms of their increased workload and the greater demands on their skills and professionalism and will continue to do so in the future. The increase in responsibility, moreover, has been accompanied by a concomitant increase in accountability.

## Workload

2.8. The STRB's teacher workload survey March 2008<sup>4</sup>, which covers England and Wales, sets out the average total hours worked by full-time teachers over a week in the years from 2000 to 2008. The figures, which have fluctuated year on year show that, despite some movement towards a reduction in the number of hours worked, the amount of improvement overall has been limited. Moreover, the average hours worked by all teachers rose between 2007 and 2008. The target of 45 hours on average per week during term time set by the STRB for teachers has never been achieved by any of the primary or secondary school categories of teacher (the figure of 48.7 in 2007 was the closest to the target).

**Average total hours worked by full-time teachers in a week in 2000 - 2008**

	Primary			Secondary				Special
	<i>Heads</i>	<i>Deputy heads</i>	<i>Classroom teachers</i>	<i>Heads</i>	<i>Deputy heads</i>	<i>Heads of faculty</i>	<i>Classroom teachers</i>	<i>Classroom teachers</i>
2000	58.9	56.2	52.8	60.8	58.6	52.9	51.3	51.2
2003	55.5	56.4	51.8	60.9	56.5	52.7	50.8	47.6
2004	55.6	55.7	52.5	60.8	54.1	51.6	49.9	46.3
2005	52.9	55.7	50.9	62.6	58.1	51.2	49.3	45.6
2006	53.5	53.4	50.1	65.1	61.0	51.5	49.1	43.9
2007	54.2	51.4	51.5	57.6	53.6	50.2	48.7	45.0
2008	55.2	52.8	52.2	59.5	58.0	52.9	49.9	48.3

*Source: OME teachers workload survey*

2.9. This is an area which still warrants close attention; the workload of members of the leadership group has increased and contractual change has had little impact on their work/life balance thus far. There is still work to be done to ensure that all teachers fully realise the benefits of contractual change, including in respect of provisions relating to workload, and entitlements to a reasonable work/life balance. The RIG submitted written evidence on these points in September 2008 (paragraph reference 8.38 to 8.47) on which the STRB will report in its 18<sup>th</sup> report part 1.

<sup>4</sup> The STRB workload survey is available at <http://www.ome.uk.com/downloads/2008%20Teachers%20Report%20FINAL.pdf>

## **WIDER ECONOMIC AND LABOUR MARKET CONDITIONS**

### **LA and school funding – England**

2.10. The Dedicated Schools Grant (DSG) increases per pupil over the period 2008-09 to 2010-11 are on average 4.6% in 2008-09, 3.7% in 2009-10, and 4.3% in 2010-11. A review of DSG methodology has been announced, with a consultation expected in early 2010 for funding from 2011 onwards. The aim of the review is to develop a new distribution formula, with associated changes in the funding system, which will allocate resources in a way which better reflects need including taking account of deprivation and special educational needs.

### **LA and school funding – Wales**

2.11. Funding for teachers' pay is included within the un-hypothecated revenue settlement in Wales (comprising revenue support grant and redistributed national non-domestic rate income). The Welsh Assembly Government has recently announced the final local government settlement in Wales for councils for 2009-10 which includes the funding for schools. This represents a 2.9% increase on the settlement for 2008-09 which itself was an increase on the 2007-08 settlement of 2.4%.

### **Teachers' Pay - Recent headline increases and structural changes**

2.12. The pay awards and structural changes of recent years have resulted in real terms increases in teachers' pay. A newly qualified teacher in September 2007 on the first level of the main pay scale (M1), receiving a salary of £20,133 outside London, would by September 2008 receive £22,259 (M2), a cash increase in the year of just under 11% (7% in real terms). The salary of an experienced teacher on the highest point of the main pay scale (M6) in September 2007 could<sup>5</sup> on passing the threshold in September 2008 receive an 11% increase in the year moving from £29,427 to £32,660 (7% in real terms). These examples do not include any additional allowances that such a teacher may receive.

2.13. Schools continue to have the ability to award recruitment and retention incentives and benefits. Some teachers may be in receipt of an SEN allowance, or TLRs, which may be awarded at two levels from £2,422 to £5,920, and £6,997 to £11,841.

2.14. The overall impact on earnings growth results from the combined effect of progression and annual uplifts. Figures 1 and 2 in Annex 3 to this section show the growth of average salaries for the range of teaching staff, including head teachers, deputy head teachers, assistant head teachers and classroom teachers.

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<sup>5</sup> Assuming successful assessment against post-threshold teacher standards. If not, the teacher remains at M6

## Teachers' Pay – facts and figures

2.15. A main scale teacher outside London entering the profession in 1997 on £14,280 would in September 2008 have received £32,660 if they had progressed to U1, a real terms increase of 75%, or £30,148 if they remained at M6, a real terms increase of 62%.

2.16. In 1997, the most experienced classroom teacher with no management responsibilities could expect to receive £21,318. From September 2008, a similar teacher could have progressed to U3 at £35,121, a real terms increase of 26%. For experienced teachers who have not progressed through the upper pay scale threshold and remain at M6 this would be £30,148, which is a real terms increase of 8%. The numbers of classroom teachers progressing from the main to the upper pay spine in England and Wales is estimated to be around 24,000 a year<sup>6</sup>. Between 50% and 60% of those eligible apply to access the upper pay spine, and about 95%<sup>7</sup> are successful.

2.17. Inner London teachers have also seen starting salaries increased in real terms. A main scale teacher entering the profession in 1997 on £16,341 (including their inner London allowance) would have received £41,035 from September 2008 if they had progressed to U2 (a 93% real terms increase).

2.18. In 1997, the most experienced classroom teacher with no management responsibilities would have been paid £23,379. From September 2008, a similar inner London teacher could expect to receive £42,419 at U3. For experienced teachers who have not progressed through the upper pay scale threshold and remain at M6 this would be £34,768.

2.19. An inner London teacher passing the threshold in September 2008 would have collected an increase which is 73% greater than that received by a teacher in England and Wales passing the threshold at the same point. The greater overall improvement in real terms for inner London teachers reflects the more competitive labour market conditions and the cost of living pressures. However, differential increases to inner and outer London pay scales following recommendations in the STRB's 17<sup>th</sup> Report Part 1 mean that the gap between M6 to the upper pay threshold at U1 is £4,346 for inner London from September 2008, while the same gap is £2,372 for outer London, £2,514 for the fringe area, and £2,512 for England and Wales.

### Leadership Group

#### a) Head teacher salary scales

2.20. Head teacher salaries nationally in 1997 were in the range £25,878 to £56,676 depending on the size of the school. This has increased to a range of £40,494 to £100,424 in September 2008. For inner London salaries have increased to a range of £47,265 to £107,192.

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<sup>6</sup> England and Wales Paybill

<sup>7</sup> OME Survey of Teachers' Pay 2007

2.21. The lowest point on the leadership pay scale applicable to head teachers in England and Wales (L6) has increased by 56% (20% in real terms) since 1997, and the highest point (L43) has increased by 77% (36% in real terms). The equivalent increases for the Inner London area are 69% (30%) for the lowest scale point and 82% (40%) for the highest.

**Head teacher salary scale in 1997 and 2008<sup>(1)</sup>**  
**Percentage increases in cash terms and real-adjusted terms**

	England and Wales		Inner London <sup>(2)</sup>	
	minimum	maximum	minimum	maximum
<b>Apr-1997</b>	£25 878	£56 676	£27 939	£58 737
<b>Sep-2008</b>	£40 494	£100 424	£47 265	£107 192
<b>% increase, cash terms</b>	56%	77%	69%	82%
<b>% increase, real terms<sup>(3)</sup></b>	20%	36%	30%	40%

Source: STPCD

1. Salary figures are those effective from 1 April 1997 and 1 September 2008.
2. The 1997 Inner London pay figures include the Inner London allowance – this was incorporated into a new Inner London pay scale in 2003.
3. From HM Treasury deflator updated 30 September 2008, for 2007-08 prices.

b) Average salaries

2.22. From 1997 to 2007 classroom teachers' salaries rose, on average, by 17%. In the same period, heads' average salaries rose by 32% (both in real terms). It is noted that particularly in the case of head teachers a few extreme values above the scale maxima can have a distortional impact on average salary figures.

**Average salaries<sup>1</sup> of heads and classroom<sup>2</sup> teachers in 1997 and 2007, by phase, in £ cash terms**

	Primary		Secondary		Special/PRU		All sectors	
	Heads	Classroom	Heads	Classroom	Heads	Classroom	Heads	Classroom
<b>1997</b>	30 100	20 400	41 500	22 700	35 100	24 100	32 200	21 800
<b>2007(p)</b>	50 000	30 400	69 500	33 400	59 100	36 200	53 700	32 200
<b>% increase, cash terms</b>	66%	49%	67%	47%	68%	50%	67%	48%
<b>% increase, real terms<sup>3</sup></b>	32%	17%	32%	17%	33%	18%	32%	17%

Source: Database of Teacher Records

Coverage: England and Wales

(p) Provisional

1. Average salary is calculated by the total of all gross pensionable salaries for teachers at March of each year divided by the numbers of teachers from the DTR at the same point.
2. Includes teachers on main, upper and AST pay spine.
3. From HM Treasury deflator updated 30 September 2008, for 2006-07 prices

**Teachers' Pensions Reforms**

2.23. RIG is aware that the Public Services Forum<sup>8</sup> has acknowledged that

<sup>8</sup> The Public Services Forum was formed in 2003 to improve dialogue between Government, public service trade unions and employers and enable joint work on workforce reform issues that impact on public services. Its central goal is to improve the delivery and citizens' experience of public services.

pensions are 'a key benefit of public sector employment'. The text of a statement of agreed principles arising from a meeting of the Public Services Forum on 28 February 2005 is reproduced at Annex 1.

2.24. A package of reforms, agreed by the teacher and lecturer unions and employer associations, was introduced on 1 January 2007. From a cost perspective, they included an increase to 65 in the pension age of new entrants; an increase in the contribution paid by members of the scheme; and a mechanism for the equal sharing of costs or savings that may be identified through formal scheme valuations, including a ceiling of 14% on the employer contribution rate (currently 14.1%) following the implementation of the current valuation of the Teachers' Pension Scheme.

### **Comparisons with other sectors and graduate pay**

2.25. The real terms improvements in teachers' pay over recent years, and structural changes to the pay system, and the improvements being made to working conditions through workforce reform, have improved the competitiveness of the teaching profession with other graduate professions.

2.26. Figures 3 to 7 in Annex 3 show how teachers' pay compares with that of other professionals, graduates and other public sector workers. Figure 7 shows how average teacher pay compares with average graduate pay throughout England. Teaching is a more attractive option for women than men when comparing salaries elsewhere, although the amount by which men in teaching fare worse than other graduates has been reduced and the rewards for teaching now compare competitively with other non-manual professions.

## **RECRUITMENT AND RETENTION**

### **Leadership Group Posts and Vacancies**

2.27. In January 2008 in England, there were a total of 22,100 full-time heads in the maintained sector; this is a fall of around 2,200 from 24,300 in 1997. The table below shows the split by phase.

#### **Number of full-time heads, by phase**

Phase	No. of full-time heads
Nursery/Primary	17200
Secondary	3400
Special/PRUs	1400
<b>Total</b>	<b>22100</b>

*Source: 618g Survey, January 2008*

*Coverage: England*

2.28. The number of maintained schools in England (includes nursery, primary, secondary and special schools and pupil referral units (PRUs)), has

been decreasing year on year from 24,100 in 1997 to 22,400 in 2008 largely attributable to demographic changes in the pupil population, but also for other reasons such as the rationalisation of infant and junior schools into single units and the growth of academies<sup>9</sup>.

2.29. According to the January 2008 618G survey, head teacher vacancy<sup>10</sup> rates in England have generally been low and fairly stable from 1997 to 2008, all at less than 1.0%. Full-time vacancy rates for head teachers in the maintained sector in England in 2008 remained at 0.6%, the same as in 2007, and lower than 2006. This 2008 rate represents 140 vacancies.

**Vacancies as a percentage of head teachers in post, by phase**

Year	Nursery/ Primary	Secondary	Special	All phases (inc special)
1997	0.6%	0.8%	1.2%	0.7%
2008	0.6%	0.6%	0.7%	0.6%

Source: 618g survey  
Coverage: England

2.30. In January 2008<sup>11</sup>, 550<sup>12</sup> head teacher posts in the maintained sector in England were temporarily filled (2.6% of posts). This included 470 in nursery/primary schools, 60 in secondary schools, and 30 in special schools. This is a decrease from the 640 temporarily filled posts in 2007.

**Teachers in Service and Teacher Vacancies**

2.31. In England, results of the January 2008<sup>13</sup> official survey of teachers in service and teacher vacancies show that there were 434,900 full-time equivalent regular teachers in local authority maintained schools. That is 300 fewer than January 2007 but 24,700 more than in 2001. Total teacher vacancies in England rose to 2,510 in January 2008, a vacancy rate of 0.7%; this followed six years of declining vacancy numbers from a peak of 4,980 (1.4%) in January 2001.

In Wales there was a total of 27,000 full-time equivalent regular teachers in maintained schools in January 2008<sup>14</sup>. That is 100 fewer than January 2007 (but 400 more than 2001). In January 2008, total teacher vacancies in Wales

<sup>9</sup> The January 2008 figures from the 618G survey do not include academies because these are not LA maintained schools.

<sup>10</sup> A head teacher vacancy refers to a full-time permanent appointment (or an appointment of at least one term's duration) on the survey date (January of the year in question) that was advertised but not filled. Vacancies include those filled on a temporary basis unless filled by someone with a fixed term contract of one term or more.

<sup>11</sup> The January 2008 618G survey may be found at:

<http://www.dcsf.gov.uk/rsgateway/DB/SFR/s000813/index.shtml>

<sup>12</sup> Total does not appear to equal the sum of the component parts because of rounding

<sup>13</sup> Taken from the DCSF School Workforce SFR, Table 1;

<http://www.dcsf.gov.uk/rsgateway/DB/SFR/s000813/index.shtml>

<sup>14</sup> Taken from the WAG 'Teachers in service, vacancies, and sickness absence: January 2008, for regular full-time and part time teachers (FTE) **excluding** occasional teachers: <http://wales.gov.uk/topics/statistics/headlines/schools2008/hdw200806192/?lang=en>

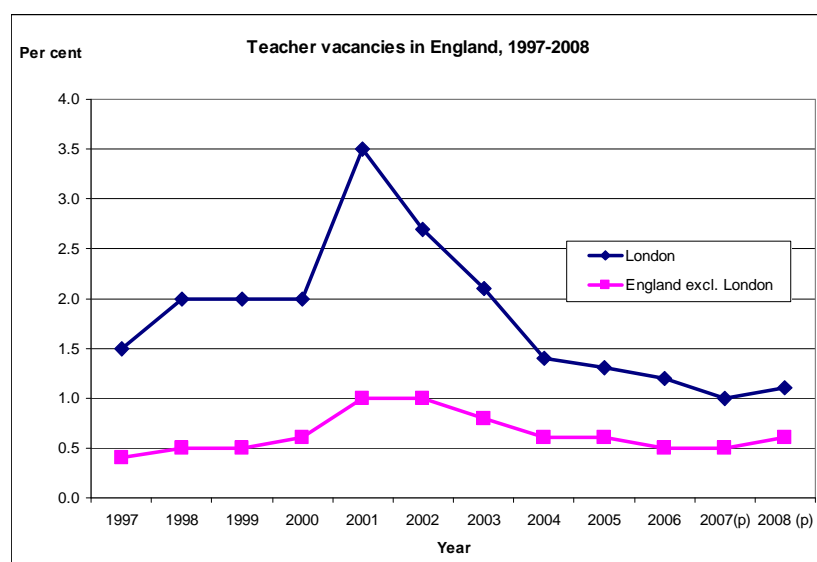
stood at 98, a vacancy rate of 0.4%. This is a fall from the 158 vacancies in 2007 (0.7%) and a return to the 0.4% vacancy rate in 2001 (102 vacancies).

**Teacher vacancies in maintained schools in England and Wales, by phase as at January 2008**

Phase	England		Wales	
	Number	Rate (%)	Number	Rate (%)
Nursery/Primary	870	0.5	45	0.3
Secondary	1470	0.8	49	0.4
Special	170	1.4	4	0.6
<b>Total</b>	<b>2510</b>	<b>0.7</b>	<b>98</b>	<b>0.4</b>

Source: 618g Survey (England) & Form Stats 3 (Wales), January 2008

2.32. Teacher vacancies in London stood at 560, or 1.1%, in January 2008, which is an increase on the 1% rate in 2007, following a number of years of falling vacancy rates. The chart shows that the London vacancy rate has consistently been higher than that of the rest of England; however, this gap has narrowed in more recent years:



**Initial Teacher Training (ITT)**

2.33. In England, provisional results for academic year 2007/08 show 15,080 people were recruited for mainstream primary ITT, 2% above the target of 14,800 places. For secondary, 16,220 people were recruited, a shortfall of 2% against the target of 16,500. There was under-recruitment in the shortage subjects of maths (15% shortfall), science (5% shortfall), and modern languages (19% shortfall) and also in geography (11% shortfall).

2.34. The latest available statistics for Wales (Academic Year 2006/07 published in March 2008) show that the total number of first year enrolments on ITT courses (2,200) was 6% lower than the previous year and less than the target set of 2,316 places. Secondary phase first year ITT enrolments

decreased in 2006/07 from 1,190 to 1,115 (6%) against a target of 1,280 while enrolments on primary phase ITT courses also decreased during this period from 1,135 to 1,085 (4%), but remaining above the intake target of 1,036 places.

2.35. In England there are 31,270 new and expected<sup>15</sup> entrants to mainstream initial teacher training in 2008/09. With an additional 6,950 expected entrants through employment-based initial teacher training programmes, the total number of new entrants for 2008/09 is projected to reach over 38,200, exceeding the Government target (36,845) by 4%. 20,480 people are expected to enter mainstream and employment-based secondary courses while 17,740 will begin primary courses.

2.36. The RIG has noted that in England a portfolio of recruitment and retention financial incentives continues to be on offer to improve teacher recruitment, including from September 2008:

- £9,000 teacher training bursaries for graduates in the priority subjects of maths, science, ICT, music, RE, design & technology and modern foreign languages;
- postgraduate trainees in other secondary subjects receive a £6,000 training bursary while trainees on primary postgraduate courses receive a £4,000 bursary; and
- Golden Hello payments of £5,000 for those qualifying and completing their induction year in the priority subjects of maths and science and, on the same basis, £2,500 for those teaching ICT, design and technology, modern foreign languages, music and RE.

2.37. The Welsh Assembly Government offers training and teaching incentives to help attract the best quality, highly committed students to train and teach in Wales, particularly onto courses where there is or may be difficulty recruiting to target and to provide an incentive for those studying and going on to teach certain secondary priority subjects.

2.38. The RIG has also noted that in Wales incentives available for eligible students on courses commencing 2008-09 are:

- a training grant of £2,200 for PGCE primary courses;
- a training grant of £4,200 for non-priority PGCE secondary subjects;
- a training grant of £7,200 in the priority PGCE secondary subjects of ICT, design and technology, modern languages, religious education, music and Welsh (first or second language) and, for

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<sup>15</sup> 'New and expected' lasts until the end of the academic year when all GTP entrants for the year have joined. From TDA provisional data.

<http://www.tda.gov.uk/about/mediarelations/2008/271108.aspx>

those who go on to teach their subject and successfully complete their induction period a teaching grant of £2,500; and

- a training grant of £7,200 in the priority PGCE secondary subjects of mathematics and science and for those who go on to successfully complete their induction period, a teaching grant of £5,000.

2.39. All the ITT incentives in Wales are currently £1,800 lower than the equivalents in England. The difference in the value of incentives between England and Wales reflects the fact that tuition fees in England can add some £1,800 per person to the cost of training to become a teacher on a PGCE course compared with the cost in Wales, where a tuition fee grant of up to £1,845 is currently available. The approach taken ensures that the overall level of support available to ITT PGCE students (the combination of incentives and funding toward tuition fees) should be the same in both countries.

2.40. In England, when students in their final year of ITT were asked<sup>16</sup> how much, if at all, particular factors attracted or deterred them in weighing up whether or not to undertake a teacher training programme. Financial incentives attached to teacher training were rated as strongly attractive by 11% of respondents, and attractive by a further 32% of respondents. 10% of respondents rated them as a deterrent. Salary was rated as attractive or strongly attractive by 41% of respondents whilst 20% regarded it as a deterrent. Finally, the benefits package (e.g. occupational pension) was rated as attractive or strongly attractive by 31% of respondents whilst 5% considered it a deterrent. The Teacher Status project<sup>17</sup> found that an increased proportion (18% in 2003 to 20% in 2006) of respondents considered teachers' pay as an attraction to a teaching career, whilst a decreased proportion (21% in 2003 to 12% in 2006) considered pay levels to be a deterrent.

2.41. Information about failure to complete ITT courses is only available for trainees in their final year of training. The number of final year ITT trainees for each academic year between 1998/99 and 2006/07 who did not achieve QTS status in their final year of training is shown in Annex 4: table 1 (postgraduate); table 2 (undergraduate) and table 3 (employment based routes). As can be seen from these figures, the rate of final year ITT trainees who gain QTS is highest for those taking employment based routes (91% in 2006/07), followed by undergraduate routes (88%) and postgraduate routes (85%). Compared with 1998/99 the rate of final year ITT trainees who gain QTS via undergraduate or postgraduate routes has decreased (by 3 percentage points and 2 percentage points respectively).

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<sup>16</sup> Becoming a Teacher: Student Teachers' Motives and Preconceptions, and Early School-based Experiences During Initial Teacher Training; Hobson et al; DfES 2005: <http://www.dcsf.gov.uk/research/data/uploadfiles/RR673.pdf>

<sup>17</sup> The Status of Teachers and the Teaching Profession in England: Views from Inside and Outside the Profession; Hargreaves et al; DfES 2007 - <http://www.dcsf.gov.uk/rsgateway/DB/RRP/u014890/index.shtml>

2.42. Hobson (2006)<sup>18</sup> found that the joint principal reason given by survey respondents who had withdrawn from their teacher training courses was associated with workload (21%).

2.43. An interim report of the Becoming a Teacher Project<sup>19</sup> (BaT; Hobson et al., 2006) found that 6% of survey participants had withdrawn from their ITT and a further 2% had deferred training. In addition, 2% of those who completed ITT programmes indicated that they would not be seeking to take up a teaching post on completion of their ITT.

### Qualified Teachers

2.44. Those survey respondents who had worked as a teacher since completing their training but were not now working as a teacher and were not looking for a teaching post were asked for the reasons underlying their decision; 19% cited behaviour of pupils/pupil discipline, 19% mentioned family reasons/commitments, 14% could not find a job and 12% believed they would not be able to manage the workload. 60% were now planning a career outside of education.

2.45. Hobson et al. (2007)<sup>20</sup> collected data from Newly Qualified Teachers' (NQTs) experiences in their first year of teaching. They found that almost a third of those survey respondents who stated that they did not expect to be in teaching in four years' time indicated that they hoped to find a job with a better work-life balance and difficulties relating to pupil behaviour also helped to explain why some of those who had successfully completed ITT programmes were not currently teaching and why some of those who were currently teaching were not planning to be in teaching posts in the following academic year.

2.46. The 2007 Annual Survey of Teachers conducted by the General Teaching Council for England (GTCE)<sup>21</sup> found that of those teachers in their sample, who projected that they would leave the teaching profession within the next five years: 29% planned to retire; 15% planned to move to employment outside of teaching; and 12% planned to take a career break. More than half (56%) of the head teachers who answered the relevant item expected to retire in the next five years.

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<sup>18</sup> Hobson (2006) - England only -  
<http://www.dcsf.gov.uk/rsgateway/DB/RRP/u014891/index.shtml>

<sup>19</sup> The 'Becoming a Teacher' project is a six year longitudinal study of teachers' experiences of initial teacher training and early professional development in England. It started in 2003 with a sample of trainees in their final year of initial teacher training and is following them through their early career.

<sup>20</sup> Hobson et al. (2007) - England only  
<http://www.dfes.gov.uk/research/data/uploadfiles/DCSF-RR008%20v2.pdf>

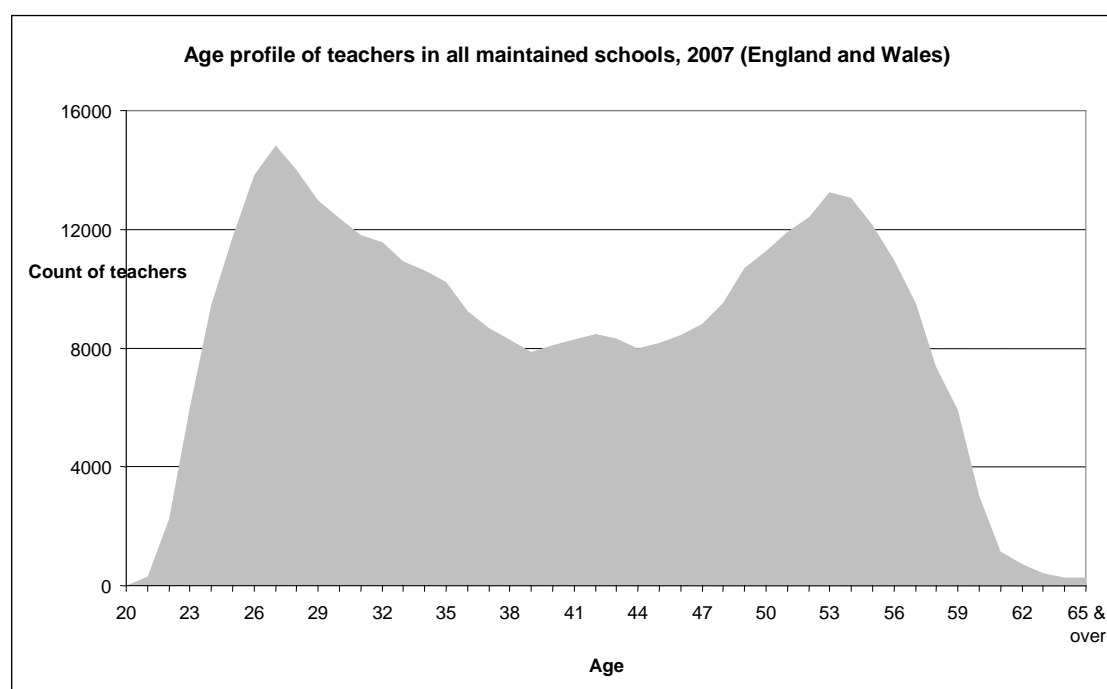
<sup>21</sup> GTCE Annual Survey of Teachers 2007-  
<http://www.gtce.org.uk/research/tsurvey/survey07/>

2.47. The total number of full-time equivalent teachers in England in January 2008 was 434,900. Although this is an increase of 9% since 1997, a large proportion of this increase is attributable to unqualified teachers although overall just 4% of teachers do not have QTS. These teachers are either qualifying through graduate training programmes, or for example, overseas trained teachers. Unqualified teachers can only be employed for so long as a qualified teacher is not available (as governed by the Education (Specified Work and Registration) (England) Regulations 2003<sup>22</sup>).

### Age Profile

2.48. The current age profile of head teachers is such that there is an increasing number approaching normal pension age of 60. In 2007<sup>23</sup>, 60% of head teachers in the maintained sector in England and Wales were aged 50 and over, compared with 40% in 1997. This trend is also present in the current age profile of deputy/assistant heads, to a lesser extent, with 43% aged 50 or over, compared to 25% in 1997. For classroom teachers<sup>24</sup>, 26% were aged 50 and over in 2007, compared to 17% in 1997.

The following chart illustrates the age profile of teachers (heads, deputies/assistants, and classroom teachers) in England and Wales in 2007:



2.49. Overall, in 2007, 29% of all teachers were aged 50 and over. This compares to 19% of all teachers were aged 50 and over. Clearly these figures along with evidence of age retirements since 2006 in

<sup>22</sup> <http://www.opsi.gov.uk/si/si2003/20031663.htm> and the Education (Specified Work and Registration) (England) (Amendment) Regulations 2007: [http://www.opsi.gov.uk/si/si2007/uksi\\_20072117\\_en\\_1](http://www.opsi.gov.uk/si/si2007/uksi_20072117_en_1)

<sup>23</sup> All data for 2007 are provisional estimates.

<sup>24</sup> Classroom teachers includes post-threshold teachers and ASTs.

table B8 of the additional statistical evidence demonstrate that teacher recruitment within the next 10 year period will need to compensate for large numbers of teachers leaving the profession through retirement.

### Wastage

2.50. The latest published figures from the Database of Teacher Records show that the wastage rate for full-time teachers in England and Wales fell from 11.3% in 2005-06 to 10.6% in 2006-07 (provisional).<sup>25</sup> There is variation in wastage rates between subjects as can be seen in Table B5 of the statistical evidence. Table B8 of the same evidence shows that increasing numbers of teachers are accessing Actuarially Reduced Benefits.

2.51. A systematic review of the evidence 'Recruitment and Retention on Initial Teacher Training' (NFER, 2007)<sup>26</sup> reported that the most common reasons given for giving up a career in teaching included workload and pupil behaviour.

### **Conclusion**

2.52. Much has been achieved in terms of improvements in teachers' pay and conditions of service. Much, however, remains to be done to ensure that the improvements to the national pay and conditions framework are sustained and that further developments help to consolidate and enhance the attractiveness of the profession, both to retain existing good quality teachers and as a career for high calibre graduates in pursuit of raising standards and the provision of the best possible education for all pupils.

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<sup>25</sup> See additional tables at Section B of the 'Statistical Evidence from the Department for Children Schools and Families', for further details

<sup>26</sup> This is a review of the literature on recruitment and retention but does cover research which was based in Wales or had some of their sample from Wales - <http://www.tda.gov.uk/partners/recruiting/consultationdata.aspx>

Public Services Forum:

### **PAY AND REWARD PRINCIPLES**

The Government and trade unions are committed to pay and workforce modernisation to deliver high quality and efficient public services, improve working lives and enhance the experience of users and local communities. Core elements of this modernisation agenda include a fair and equitable employment and reward package and flexible employment and working practices, underpinned by collective bargaining and supported by the close involvement of the workforce and trade unions.

The following framework sets out the key principles and parameters within which all public service pay and rewards systems should be developed with the workforce and trade unions. The principles, which focus on support for high quality jobs and a commitment to equal pay for work of equal value, will be widely communicated across public services and should form the basis of all Pay Review Body and collective bargaining remits.

- Delivering public service improvement requires a productive workforce with the right skills in place. Investing in skills and development across the workforce will support the drive to improve services. The employment and reward package should be sufficient to recruit, retain and motivate this workforce. To achieve this, employers, working with trade unions, should articulate and promote all the benefits on offer as part of the employment and reward package. The reward strategy should be monitored, evaluated and kept up to date to ensure that it continues to meet high standards of fairness and be fit for purpose.
- It is unacceptable for women to be paid less than their male counterparts for work of equal value. All employers should be taking steps to ensure that they are complying with legislation on equal pay and where necessary have in place action plans to close any unjustifiable pay gaps. In order to achieve this, equal pay audits should be undertaken and where there is evidence of inequality in pay and conditions of employment, action should be taken to eliminate discrimination.
- Public service pensions are a key benefit of public service employment and should be celebrated as such. Changes in demographics, employment patterns, and the legal and regulatory framework require public service pension schemes to be modernised. Underlining the importance of a diverse workforce, there is scope to address how to develop flexible retirement options to meet the

needs and aspirations of older workers and to make the most of their experience and expertise

- Where in place national bargaining should be retained, with sufficient flexibility to allow response to local issues. In the civil service, the coherence agenda will improve the operation of pay and conditions arrangements within an overarching delegated framework.
- As part of a pay and reward package, provision for systems of pay incentives may be considered, taking account of potential advantages and disadvantages, and the development of alternative pay systems to achieve the same aims of service quality. In such cases, principles of equality, transparency and trade union involvement must be adopted and monitored consistent with the need to minimise bureaucracy, throughout the design and implementation of all pay systems.
- Against the background of the above principles, unions and employers commit to responding constructively and speedily to proposals to increase workplace flexibility, leading to improved public services and better working lives.



## Annex 2

Year	Month	RPI (Percentage change over the last 12 months)	CPI (Percentage change over the last 12 months)
06	September	3.6	2.4
06	October	3.7	2.4
06	November	3.9	2.7
06	December	4.4	3
07	January	4.2	2.7
07	February	4.6	2.8
07	March	4.8	3.1
07	April	4.5	2.8
07	May	4.3	2.5
07	June	4.4	2.4
07	July	3.8	1.9
07	August	4.1	1.8
07	September	3.9	1.8
07	October	4.2	2.1
07	November	4.3	2.1
07	December	4	2.1
08	January	4.1	2.2
08	February	4.1	2.5
08	March	3.8	2.5
08	April	4.2	3
08	May	4.3	3.3
08	June	4.6	3.8
08	July	5	4.4
08	August	4.8	4.7
08	September	5	5.2
08	October	4.2	4.5
08	November	3	4.1
08	December	0.9	3.1

# Retail and Consumer Price Indices

per cent change over 12 months

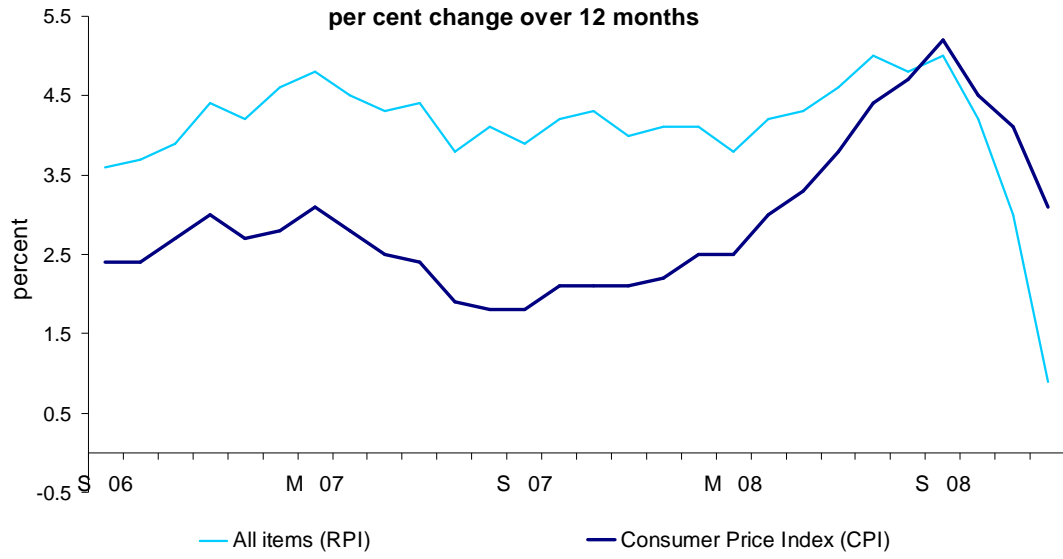


Figure 1

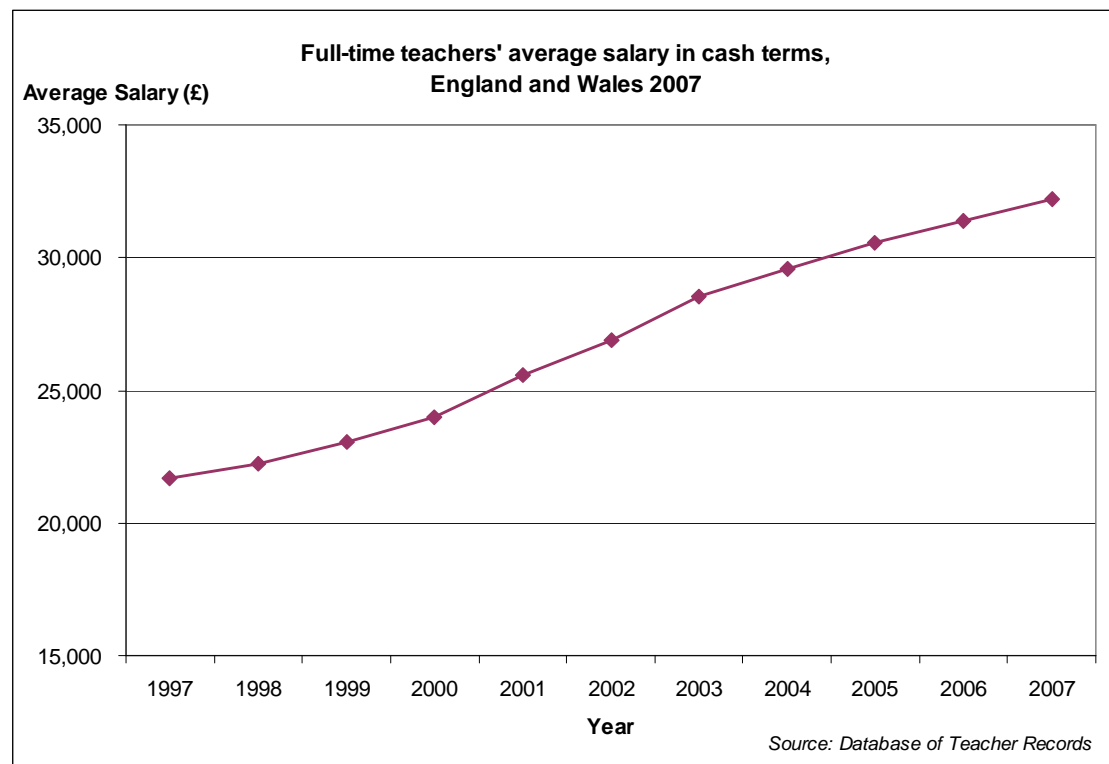
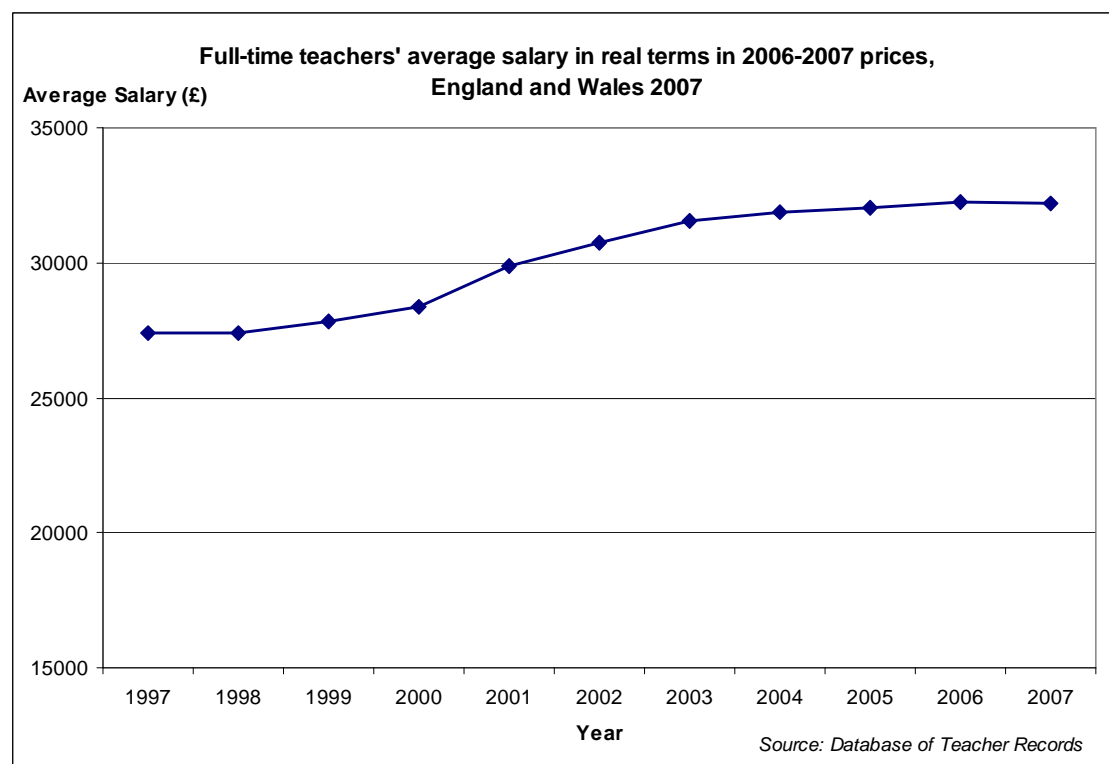
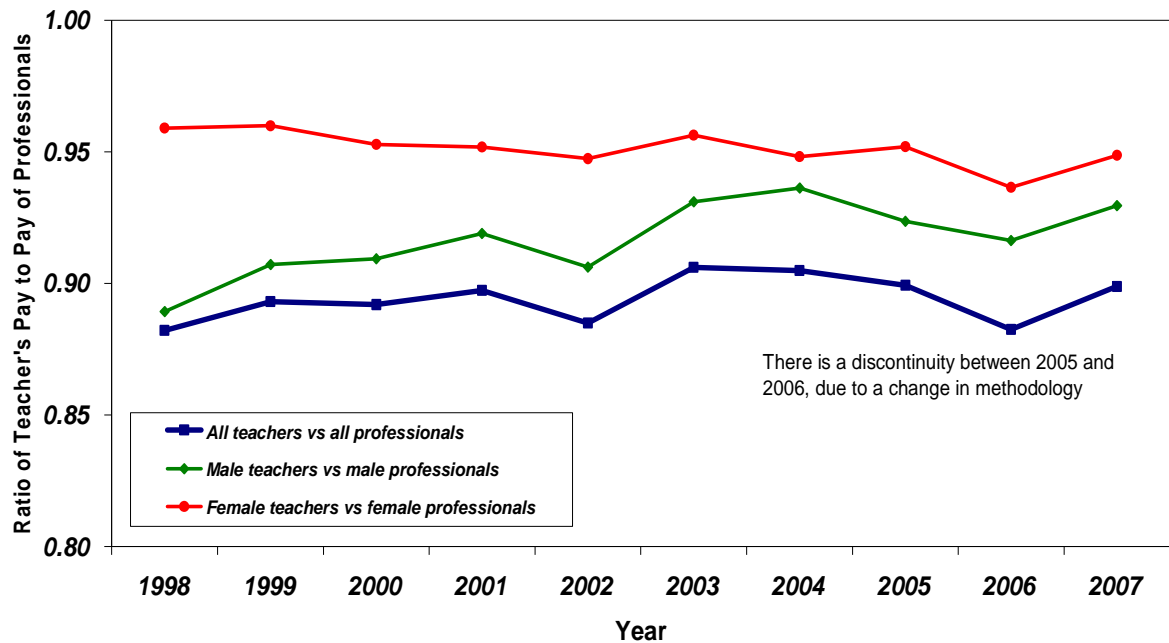


Figure 2



**Figure 3**

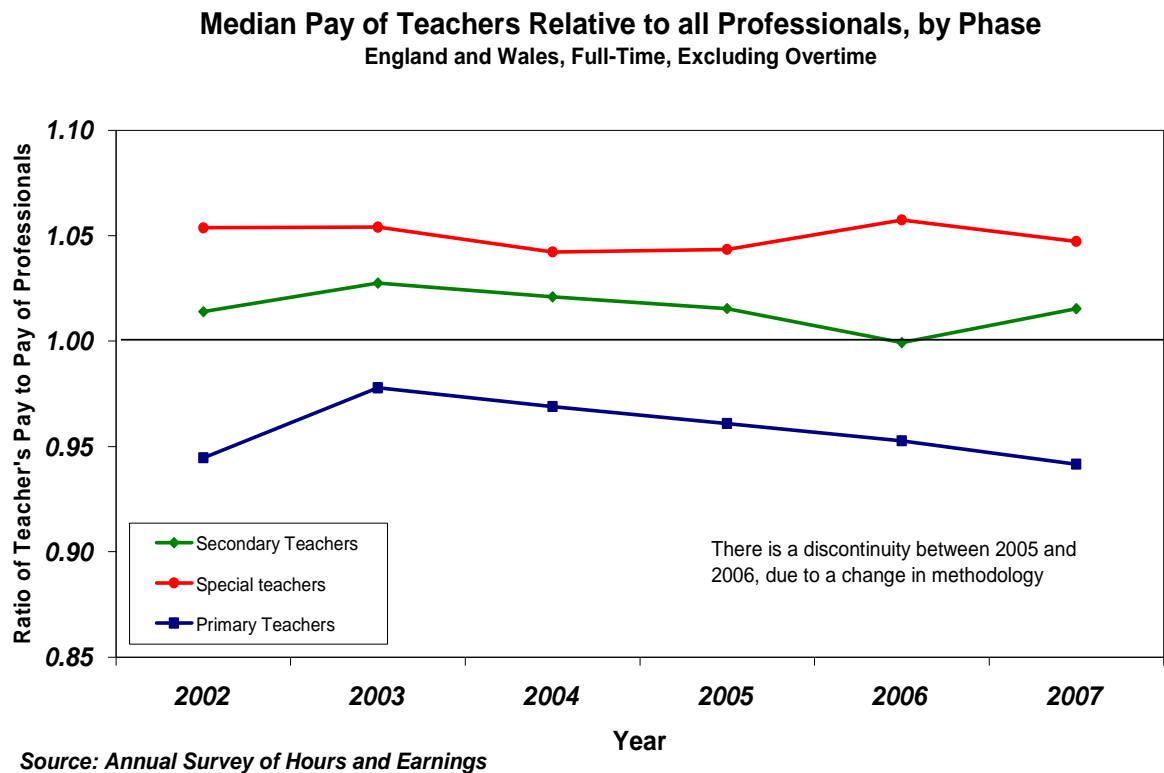
**Average Teachers' Pay Relative to Average Pay of Professionals, by Gender**  
England and Wales, Full-Time, Excluding Overtime



Source: Annual Survey of Hours and Earnings

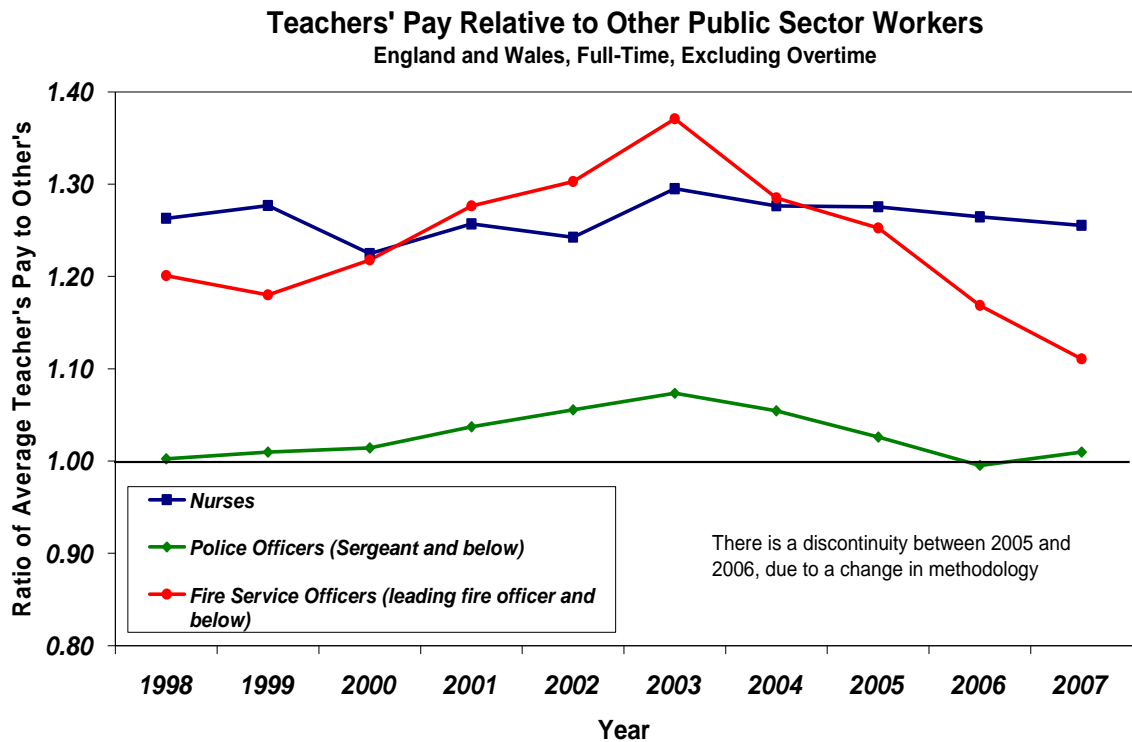
**Figure 3** above compares the average salary of teachers (and of male and female teachers separately) with that of all professionals in England and Wales. In 2007 the average teacher's pay was 10% lower than the average professional's pay, the average male teacher's pay was 7% lower than the average male professional's pay and the average female teacher's pay 5% less than the average female professional's pay.

Figure 4



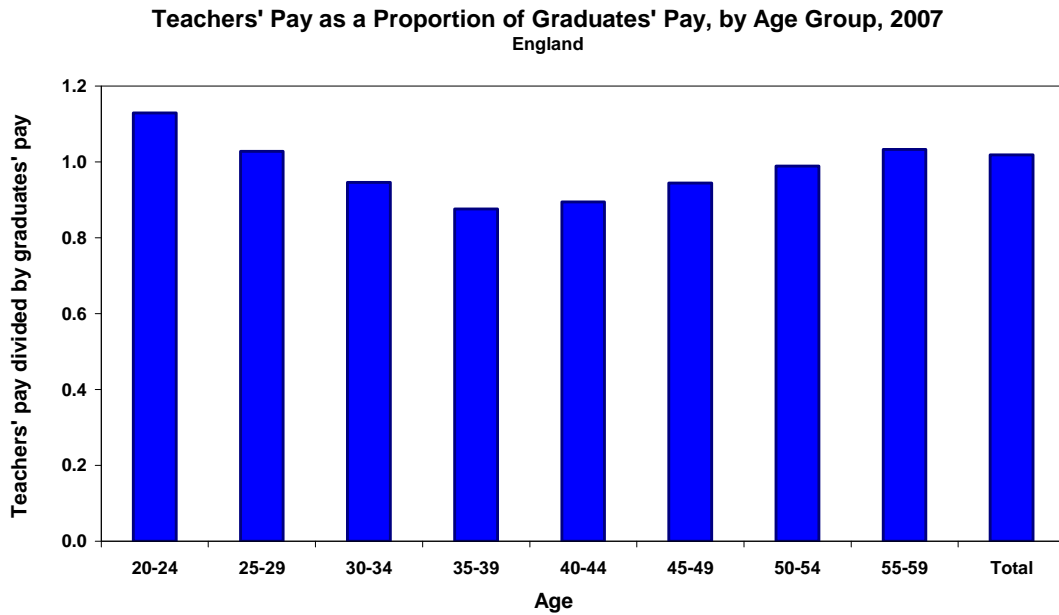
**Figure 4** above compares the median salary of teachers (by phase) with that of all professionals. The median salary is the one where the number of people who earn less than this figure is the same as the number who earn more. The chart shows that secondary and special school teachers earn more than the median professional salary, while primary teachers' salaries lag behind those of other professionals.

Figure 5



**Figure 5** above shows that in 2007 the average salary of all teachers is about 26% higher than that of nurses, approximately equal to the average salary of police officers (sergeant and below), and about 11% higher than that of fire service officers (leading fire officer and below). The chart shows how these ratios have changed over time.

**Figure 6**

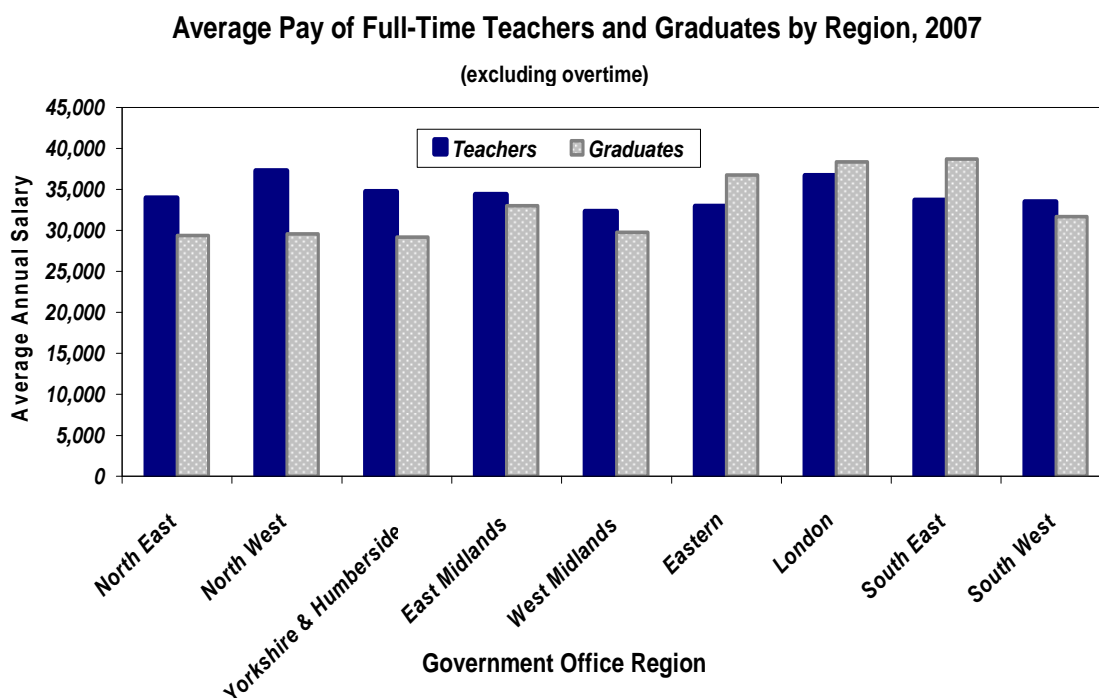


Source: *Database of Teacher Records and Labour Force Survey*

**Figure 6** above shows how teachers' pay at various ages compares with graduates' pay at a similar age. Teachers under the age of 25 earn 15% more than the average graduate in their early 20s, but teachers' pay then starts to fall behind. From the age of about 45 the ratio starts to improve; by their late 50s teachers have caught up with graduates.

The Labour Force Survey gives data on the average gross pay (in their main job) of employees in England who have a first degree but not a higher degree (this includes graduates in jobs which do not actually require a degree).

**Figure 7**



*Source: Annual Survey of Hours and Earnings and Labour Force Survey*

**Figure 7** above shows average teachers' salaries and graduate salaries in 2007, by Government Office Region. It shows that in the North, teachers do better than graduates generally, while in the South it is the other way round.

### **Data Sources**

The following data sources have been used:

1. The Database of Teacher Records, which records every teacher on the Teachers' Pension Scheme. The data used here covers all full-time regular teachers in England and Wales.
2. The Annual Survey of Hours and Earnings, which gives data on the average pay of all professionals. The data used here is for England and Wales and excludes overtime. There are discontinuities in 2004 and 2006, due to changes in methodology.
3. The Labour Force Survey, which gives data on the average gross pay (in their main job) of employees in England who have a first degree but not a higher degree (this includes graduates in jobs which do not actually require a degree). There is a discontinuity in this dataset between 2005 and 2006, when the data set was reweighted.

## **Professionals**

In the Annual Survey of Hours and Earnings, “professionals” comprises the following:-

### ***SCIENCE AND TECHNOLOGY PROFESSIONALS***

#### **211 Science Professionals**

- 2111 Chemists
- 2112 Biological scientists and biochemists
- 2113 Physicists, geologists and meteorologists

#### **212 Engineering Professionals**

- 2121 Civil engineers
- 2122 Mechanical engineers
- 2123 Electrical engineers
- 2124 Electronics engineers
- 2125 Chemical engineers
- 2126 Design and development engineers
- 2127 Production and process engineers
- 2128 Planning and quality control engineers
- 2129 Engineering professionals n.e.c.

#### **213 Information And Communication Technology Professionals**

- 2131 IT strategy and planning professionals
- 2132 Software professionals

### ***22 HEALTH PROFESSIONALS***

#### **221 Health Professionals**

- 2211 Medical practitioners
- 2212 Psychologists
- 2213 Pharmacists/pharmacologists
- 2214 Ophthalmic opticians
- 2215 Dental practitioners
- 2216 Veterinarians

### ***23 TEACHING AND RESEARCH PROFESSIONALS***

#### **231 Teaching Professionals**

- 2311 Higher education teaching professionals
- 2312 Further education teaching professionals
- 2313 Education officers, school inspectors
- 2314 Secondary education teaching professionals
- 2315 Primary and nursery education teaching professionals
- 2316 Special needs education teaching professionals
- 2317 Registrars and senior administrators of educational establishments
- 2319 Teaching professionals n.e.c.

#### **232 Research Professionals**

- 2321 Scientific researchers
- 2322 Social science researchers
- 2329 Researchers n.e.c.

### ***24 BUSINESS AND PUBLIC SERVICE PROFESSIONALS***

#### **241 Legal Professionals**

- 2411 Solicitors and lawyers, judges and coroners
- 2419 Legal professionals n.e.c.

#### **242 Business And Statistical Professionals**

- 2421 Chartered and certified accountants
- 2422 Management accountants
- 2423 Management consultants, actuaries, economists and statisticians

#### **243 Architects, Town Planners, Surveyors**

- 2431 Architects
- 2432 Town planners
- 2433 Quantity surveyors

2434 Chartered surveyors (not quantity surveyors)

**244 Public Service Professionals**

2441 Public service administrative professionals

2442 Social workers

2443 Probation officers

2444 Clergy

**245 Librarians And Related Professionals**

2451 Librarians

2452 Archivists and curators

(Source: Standard Occupational Classification 2000)

## Annex 4

England only

Table 1

### Postgraduate ITT trainees

	Total number of mainstream trainees in their final year			Number of mainstream final year trainees gaining QTS			Number of postgraduate final year trainees who have not gained QTS											
	Male	Female	Total	Male	Female	Total	Known not to have completed course			Undefined outcome			Other outcome			Total		
							Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
1998/99	5,180	12,250	17,430	4,280	10,890	15,160	520	740	1,260	60	60	130	320	560	880	900	1,360	2,270
1999/00	5,110	12,060	17,170	4,210	10,630	14,850	540	700	1,250	60	80	140	290	650	940	900	1,430	2,320
2000/01	5,300	13,380	18,680	4,290	11,860	16,150	550	760	1,310	110	140	250	350	620	970	1,000	1,520	2,530
2001/02	5,550	13,930	19,480	4,540	12,400	16,940	510	590	1,090	0	0	0	510	940	1,450	1,010	1,520	2,540
2002/03	6,200	15,390	21,590	5,250	13,930	19,180	450	570	1,020	0	#	#	500	900	1,400	950	1,460	2,410
2003/04	7,270	17,320	24,590	6,030	15,430	21,460	630	800	1,430	0	0	0	610	1,100	1,700	1,230	1,900	3,130
2004/05	7,440	17,770	25,200	6,070	15,710	21,780	620	770	1,390	10	10	20	740	1,270	2,010	1,360	2,060	3,420
2005/06	7,470	17,630	25,100	6,110	15,490	21,600	610	680	1,290	0	10	10	750	1,460	2,210	1,360	2,150	3,500
2006/07	7,100	17,560	24,660	5,780	15,300	21,080	550	660	1,210	#	0	#	780	1,600	2,370	1,320	2,260	3,580

Source: TDA Performance Profiles

#### Notes:

1. Includes trainees from Universities and other Higher Education Institutions, School Centred Initial Teacher Training and Open Universities but exclude Employment Based Routes (EBR).
  2. Numbers are individually rounded to the nearest 10 and therefore may not sum.
  3. 'Other outcome' includes final year trainees who are yet to complete their course, those with withheld QTS (including those where their skills test were not met, their standards were not met and where both their standards and skills test were not met) and those where the skills test has not been taken (including those whose standards were met and those whose standards were not met).
- # less than 5

**Table 2**

**Undergraduate ITT trainees**

	Total number of mainstream trainees in their final year			Number of mainstream final year trainees gaining QTS			Number of postgraduate final year trainees who have not gained QTS											
							Known not to have completed course			Undefined outcome			Other outcome			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
1998/99	1,850	7,920	9,770	1,640	7,270	8,910	20	40	50	80	260	340	120	360	470	210	650	860
1999/00	1,340	6,150	7,490	1,160	5,690	6,850	20	20	40	60	150	210	100	290	390	180	460	640
2000/01	1,180	5,860	7,040	1,040	5,450	6,490	10	30	40	70	170	240	60	210	270	150	410	550
2001/02	1,090	5,780	6,870	940	5,400	6,340	20	30	40	0	0	0	140	350	490	150	380	530
2002/03	1,000	5,980	6,980	860	5,390	6,250	10	20	40	0	#	#	130	570	690	140	590	730
2003/04	960	5,420	6,380	840	5,040	5,880	10	30	50	0	0	0	110	350	460	120	380	500
2004/05	920	5,240	6,160	760	4,610	5,360	10	20	20	0	0	0	160	610	770	160	630	790
2005/06	850	5,270	6,120	710	4,710	5,410	10	10	20	0	10	10	140	550	680	140	570	710
2006/07	910	5,780	6,690	770	5,130	5,900	10	30	40	0	0	0	130	610	750	140	650	790

Source: TDA Performance Profiles

**Notes:**

1. Includes trainees from Universities and other Higher Education Institutions, School and Open Universities but exclude Employment Based Routes (EBR).
  2. Numbers are individually rounded to the nearest 10 and therefore may not sum.
  3. 'Other outcome' includes final year trainees who are yet to complete their course, those with withheld QTS (including those where their skills test were not met, their standards were not met and where both their standards and skills test were not met) and those where the skills test has not been taken (including those whose standards were met and those whose standards were not met).
- # less than 5

**Table 3**

**Employment Based Routes (EBR) trainees**

	Total number of mainstream trainees in their final year			Number of mainstream final year trainees gaining QTS			Number of postgraduate final year trainees who have not gained QTS											
							Known not to have completed course			Undefined outcome			Other outcome			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
2001/02	740	1,700	2,440	650	1,570	2,210	20	10	30	0	0	0	70	130	190	90	140	230
2002/03	1,380	2,640	4,030	1,200	2,470	3,670	170	170	340	0	0	0	10	10	20	180	180	360
2003/04	1,750	3,200	4,950	1,500	2,970	4,470	230	220	440	0	0	0	20	10	30	240	230	470
2004/05	2,330	4,890	7,220	2,070	4,540	6,600	120	140	260	0	0	0	140	210	350	260	350	610
2005/06	2,260	4,700	6,970	1,920	4,180	6,090	190	230	420	0	0	0	160	300	450	350	530	870
2006/07	2,390	5,450	7,840	2,120	5,000	7,120	150	200	350	0	0	0	120	260	380	270	450	720

Source: TDA Performance Profiles

**Notes:**

1. Includes trainees through Employment Based Routes (EBR) only.
2. Numbers are individually rounded to the nearest 10 and therefore may not sum.
3. 'Other outcome' includes final year trainees who are yet to complete their course, those with withheld QTS (including those where their skills test were not met, their standards were not met and where both their standards and skills test were not met) and those where the skills test has not been taken (including those whose standards were met and those whose standards were not met).