

Agenda Item No: 4 (d)

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER FOR YOUNG PEOPLE

9 January 2019

Report of the Strategic Director for Children's Services

**PAY AWARDS – SCHOOL TEACHERS' PAY AWARD w.e.f.
1 September 2018**

1. Purpose of the Report

To inform the Cabinet Member of the details of the nationally agreed School Teachers' Pay Award, payable from 1 September 2018, and associated costs.

To seek retrospective approval for the award of a 3.5% increase to all points on the main pay range and unqualified pay range, a 2% uplift to all points on the upper pay range and leading practitioner pay range plus a 1.5% increase to all points on the leadership pay ranges. Further retrospective agreement to an uplift of 2% for all allowances including Teaching and Learning Responsibility Payments (TLR) and Special Educational Needs (SEN) allowances is sought. The changes are to be made to the pay framework for teachers employed by Derbyshire County Council (DCC), but not attached to schools.

To seek approval for the Cabinet Member to confirm the recommendation made to schools; that Governing Boards agree to the same increases to the pay ranges and allowances as outlined above.

2. Information and Analysis

The Secretary of State for Education announced the Teachers' Pay Award, effective from 1 September 2018, to be a 3.5% uplift to the statutory minimum and maximum of the main pay range and unqualified pay range, a 2% increase to the statutory minima and maxima of the upper pay range and leading practitioner pay range. A 1.5% increase to the maxima and minima of the leadership pay ranges

was also announced. All allowances, across all pay ranges in the national pay framework, were increased by 2% and these changes are contained in the School Teachers' Pay and Conditions Document 2018 (STPCD). This document governs the pay and conditions of teachers employed by a local authority or by the governing board of a foundation, voluntary aided or foundation special school.

The pay award provides for the salary of teachers paid on the minimum or maximum of their pay range to be uplifted to the new national minimum and maximum, as appropriate. The relevant body must determine whether and how to apply the uplifts to all interim pay points on the pay ranges.

This is the fifth year where it is not a statutory requirement for such a national pay award, negotiated in relation to the context of cost of living increases, to be automatically awarded across all pay points within the pay scales and allowances. This situation results from the changes introduced in the 2013 STPCD, where national pay scales for classroom teachers were reduced to the provision of minimum and maximum points for each scale and relevant bodies were required to agree a pay policy which set the pay points in between.

DCC is the relevant body for teachers not attached to schools. A Teachers' Pay Policy was approved by Cabinet on 15 July 2014. It was agreed to replicate the same pay points that were previously set nationally, increased in line with any national pay award, as it was felt that this structure continued to provide a sound and reasonable pay framework. It is recognised by the Department for Education that schools and local authorities (LAs) may wish to adopt this approach.

The STPCD was only laid before Parliament in September 2018, yet the new pay ranges came into effect from 1 September 2018. It is desirable for an early decision to be made in relation to the payment of the pay award to teachers employed by DCC and not attached to schools, where this is discretionary. Likewise, confirmation of the recommendation made to school Governing Boards, on the potential payment of uplifts across all of the pay ranges, would be beneficial. October's salary payment represented the earliest possible date for implementation of the award for those teachers for whom the award is statutory. In order to treat employees equally, it was desirable to implement the payment to all teachers employed by the Council and not attached to schools at the same time, given that the recommended approach continues the decisions and principles adopted in previous years.

In line with previous determinations, a 3.5% uplift to all pay points on

the main pay range and unqualified pay range, a 2% increase to all pay points on the upper pay range and leading practitioner range and a 1.5% uplift to all points on the leadership pay range, is recommended for teachers employed by DCC and not attached to schools. Further, a 2% increase to all allowances is recommended, across all pay ranges. In recommending this action and in consideration of the potential impact on recruitment and retention, the following factors have been taken into account.

- This nationally determined pay award has been agreed within the context of cost of living increases. It is reasonable that all teachers should benefit.
- It would be inequitable for teachers on the minimum or maximum of a pay range to receive an automatic pay increase, which is not awarded to other teachers. There is no rationale to support awarding a pay uplift to only some teachers, when no performance criteria are to be applied.
- For some teachers employed by DCC not to receive a nationally agreed cost of living public sector pay award would treat them differently from other categories of DCC employees.
- If the relevant pay uplifts are only added to the maxima and minima of pay ranges, this would introduce an imbalance into each pay range.
- Not to apply the uplift equally within the pay ranges and allowances would be likely to have a negative impact on employee relations, recruitment and retention.

The proposed recommendation to school Governing Boards is that they adopt the same approach and agree the increases as detailed above, giving consideration to the relevant factors outlined above and the benefits of a consistent approach across the Authority.

A separate report is submitted annually to the Cabinet Member seeking approval for the performance pay progression of teachers who have achieved a successful appraisal review and have not already reached the top of their pay range.

3. Financial Considerations

The cost of the Teacher's Pay Award for teachers employed by the Local Authority in a central function at the level of the percentage increases outlined above, is estimated at an annual cost of £167,996 including estimates for associated pensions and national insurance costs. Of this amount, £97,998 is anticipated to arise in the financial year 2018-19 financial year. Central functions employing

teachers are funded from the High Needs Block of the Dedicated Schools Grant. No additional funds have been allocated in respect of the 2018 teachers’ pay award and so the increase will need to be met from the existing allocation. The pay award will apply additional pressure to these budgets.

When the last performance management report on the salary progression of teachers employed by DCC, but not attached to schools, was approved, it showed that 22 of the total 223 teachers employed were not already paid on either the maximum or the minimum of their pay range, so this indicates that a significant majority of these teachers will receive the award on a statutory basis.

4. Human Resources Considerations

There has been formal consultation at Schools’ Joint Consultative Committee (SJCC) and agreement reached with the recognised trade unions and professional associations in relation to the application of the national pay award to all teachers’ pay ranges and allowances.

5. Legal Considerations

The statutory requirement for teachers’ pay and conditions for maintained schools in England and Wales are set out in the School Teachers’ Pay and Conditions Document 2018 and accompanying statutory guidance. The STPCD imposes various duties on relevant bodies in relation to the determination of teachers’ pay.

Local authorities must abide by the statutory requirements and must have regard to the guidance issued, as a court or tribunal may take any failure to do so into account in any legal proceedings. The changes introduced from September 2018 by the STPCD relate only to the increases to the maxima and minima of the pay ranges and allowances, as detailed above.

The current proposal to award all teachers employed by DCC in the central services on the main pay range and unqualified pay range a 3.5% increase, those employed on the upper pay range and leading practitioner range a 2% uplift and those paid on the leadership scale a 1.5% uplift. In addition, it is proposed to increase all allowances across all pay ranges by 2%. The proposal to implement the increases to all pay points on each of the teachers’ pay ranges, adopted by the Council, goes beyond the statutory requirements contained within the STPCD. For classroom teachers and leadership group members who are not on the statutory minima or maxima of the pay ranges, it is for the relevant body to determine how to apply the

uplift to individual salaries and pay ranges when implementing this national pay award. The local authority is the relevant body where the school does not have a delegated budget or where the teacher is an unattached teacher (Part 1 STPCD), therefore it may choose to determine that the uplifts be awarded across all pay points and allowances is appropriate.

The proposed uplifts are compliant with the relevant provisions of anti-discrimination legislation contained in the Employment Relations Act 1999, the Equality Act 2010, the Part-time Workers (Prevention of Less Favourable Treatment) Regulations 2000 and the Fixed-term Employees (Prevention of Less Favourable Treatment) Regulations 2002. It is also consistent with the principles of public life – objectivity, openness and accountability.

6. Social Value Considerations

This report does not involve the commissioning or procurement of services or goods so it is not possible to reference the consideration of social value in such a context. However, the economic and social well-being of the communities served by the teachers who will be affected by the implementation of this pay award, should benefit from the positive effect on recruitment and retention of the Council adopting a fair and equitable approach to the freedoms available in determining teachers’ pay.

7. Other Considerations

In preparing this report the relevance of the following factors has been considered – equality and diversity, health, environmental, transport, property and prevention of crime and disorder considerations.

8. Background Papers

Full details of the pay awards in the STPCD and the DfE guidance, ‘Implementing your school’s approach to pay’, are available in the Children’s Services Human Resources Section.

9. Key Decision

No

10. Strategic Director's Recommendations

That the Cabinet Member agrees to the award of a 3.5% increase to all points on the main pay range and unqualified pay range, a 2% uplift to all points on the upper pay range and leading practitioner pay range and 1.5% increase to the leadership pay ranges. Further, that the Cabinet Member agrees to an increase of 2% to classroom teacher allowances (Teaching and Learning Responsibility payments and Special Educational Needs allowances), backdated to 1 September 2018, to all teachers employed by Derbyshire County Council, but not attached to schools.

That the Cabinet Member agrees the recommendation to Governing Boards of a 3.5% uplift in all pay points on the main pay range and unqualified pay range, a 2% increase to all pay points on the upper pay range and leading practitioner pay range and a 1.5% uplift to the leadership pay ranges. Further, that the Cabinet Member agrees to recommend to Governing Boards that allowances across all teachers' pay ranges (TLR payments and SEN allowances) awarded to teachers employed in schools are increased by 2%, backdated to 1 September 2018.

Jane Parfremment
Strategic Director for Children's Services