

**DERBYSHIRE COUNTY COUNCIL**

**CABINET MEMBER FOR CHILDREN AND YOUNG PEOPLE**

**7 October 2014**

**Report of the Strategic Director for Children & Younger Adults**

**PAY AWARDS – SCHOOL TEACHERS’ PAY AWARD wef 1 September 2014**

**1. Purpose of the Report**

To inform Cabinet of the details of the nationally agreed School Teachers’ Pay Award payable from 1 September 2014 and associated costs.

To seek approval to award the 1% uplift to all teachers employed by Derbyshire County Council (DCC), but not attached to schools across all pay points and allowances.

To seek approval from Cabinet to recommend to schools that Governing Bodies agree to the payment of the 1% uplift across all pay points within all ranges.

**2. Information and Analysis**

**Teachers’ Pay Award**

The Secretary of State for Education announced the Teachers’ Pay Award, effective from 1<sup>st</sup> September 2014, to be a 1% uplift to the statutory minima and maxima of all pay ranges in the national pay framework, including allowances. This means that where a teacher is paid on the minimum or maximum of their pay range, their salary, be uplifted to the new national minimum and maximum as appropriate. For all other interim pay points on the pay ranges, the relevant body must determine how to apply the 1% uplift.

This is the first year where it is not a statutory requirement for such a national pay award, negotiated in relation to the context of an annual cost of living increase, to be automatically awarded across all pay points within

pay scales. This situation results from the changes introduced in the 2013 School Teachers' Pay and Conditions Document (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, as it was felt that that this structure continued to provide a sound and reasonable pay framework.

It is recognised by the Department for Education (DfE) that schools and local authorities (LAs) may wish to adopt this approach and consequently the DfE still provide, in their guidance documentation, the values between the maxima and minima of the pay ranges with 1% uplift applied, as references points.

Following further changes to teachers' pay arrangements announced in the 2014 STPCD, published in August, there will be consultation with the relevant trade unions and professional associations, at Schools' Joint Consultative Committee, and a draft revised Teachers' Pay Policy will be presented to Cabinet, as soon as possible.

In advance of this submission, it is desirable for an early decision to be made in relation to the payment of the 1% pay award to teachers employed by DCC and not attached to schools, where this is discretionary. Likewise, an early decision on the recommendation to be made to school Governing Bodies, on the potential payment of 1% uplift across all the pay ranges, would be beneficial. Those teachers for whom the award is statutory will be anticipating receipt of the uplift and it would be desirable to implement the payment to all teaching staff at the same time, if the decision is made to apply the payment across the board.

It is proposed that a 1% uplift to all pay points, across all pay ranges be agreed for teachers employed by DCC and not attached to schools. In recommending this action, the following has been taken into account:-

- This nationally determined pay award has been agreed within the context of an annual cost of living increase. 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 award of 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 1% pay uplift is only added to the maximum and minimum pay points, this would introduce an imbalance into each pay range. There would be a lower difference in value between the first 2 points on a scale, than currently, and a higher increase between the penultimate and maximum points on any range.
- Not to apply the uplift equally across the pay ranges and allowances would be likely to have a negative impact on employee relations.

It is proposed to recommend to school Governing Bodies that they adopt the same approach and agree to increase all pay points within ranges by 1%, taking account of relevant factors outlined above and the benefits of a consistent approach across the Authority.

### **3. Financial Considerations**

The cost of the Teacher's Pay Award at 1% for teacher's employed by the Local Authority in a central function is estimated at an annual cost of £81,554 including estimates for associated pensions and national insurance costs. Of this amount, £47,573 is anticipated to arise in the financial year 2014/15.

As the pay award increases minimum and maximum points of the salary range but does not automatically apply to the current points on which staff are placed within the salary range, these figures are estimates of the likely cost if all staff had their salaries increased by schools 1%. 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 only 47 of the 257 teachers employed were not paid on either the maximum or the minimum of their pay range, so a significant majority of teachers will receive the award on a statutory basis.

Most of the teachers that this would apply to are funded from the Dedicated Schools Grant (DSG) and the award of an increase therefore creates an additional charge to that grant in 2014/15. Overall, the DSG is anticipated to have the capacity to absorb this cost. A small number of teachers are centrally employed within the Music Partnership and these costs will be funded by the Arts Council grant which funds this work.

#### **4. HR Considerations**

There has been full consultation with the relevant unions and professional associations in relation to the application of the 1% national pay award to teachers. Full agreement was reached in support of the course of action proposed in this report.

#### **5. Legal Considerations**

The proposal to award all teachers, employed by DCC and not attached to schools, a 1% uplift in pay across all current points on the teachers' pay ranges, adopted by the council, is compliant with 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 1% uplift to individual salaries and pay ranges when implementing this national pay award.

#### **6. Other Considerations**

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

#### **7. Background Papers**

Full details of the pay awards are available in the CAYA Human Resources Section.

#### **8. Key Decision**

No

#### **9. Strategic Director's Recommendations**

That the Cabinet Member agrees to the award of a 1% uplift in pay, backdated to 1 September 2014, to all teachers employed by Derbyshire County Council, but not attached to schools, across all pay points.

That the Cabinet Member agrees to recommend to Governing Bodies that a 1% uplift in salary is awarded to teachers employed in schools, across all pay points, backdated to 1 September 2014.

**Ian Thomas**  
**Strategic Director for Children & Younger Adults**