

**DERBYSHIRE COUNTY COUNCIL**

**CABINET MEMBER FOR CHILDREN AND YOUNG PEOPLE**

**13 October 2015**

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

**PAY AWARDS – SCHOOL TEACHERS’ PAY AWARD wef  
1 September 2015**

**1. Purpose of the Report**

To inform Cabinet of the details of the nationally agreed School Teachers’ Pay Award payable from 1 September 2015 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 confirm the recommendation made to schools in 2014, that Governing Bodies agree to the payment of the 1% uplift across all pay points within all ranges, with the exception in 2015 of head teachers paid at the top of their school’s group salary range.

**2. Information and Analysis**

**Teachers’ Pay Award**

The Secretary of State for Education announced the Teachers’ Pay Award, effective from 1 September 2015, to be a 1% uplift to the statutory minima and maxima of all pay ranges in the national pay framework, including allowances, with two exceptions. A 2% increase to the maximum of the main pay range was applied and it was determined that there be no increase to the maxima of the eight head teacher pay group ranges. The changes are contained in the School Teachers’ Pay and Conditions Document (STPCD) 2015. This document governs the pay and conditions of teachers employed by a local authority or by the governing body 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, excepting head teachers paid at the top of their group range, to be uplifted to the new national minimum and maximum, as appropriate. There is an exception regarding payment of the increase to the maximum of the main pay range by 2%. It has been made clear in the Department for Education (DfE) publication, 'Implementing your school's approach to pay' (non-statutory guidance) that all teachers currently paid at the top of the main pay range should not be automatically paid a 2% uplift to their salary. It is for the relevant body to determine, on the basis of performance, whether such teachers should receive a 2% increase or a lesser amount. Further, the relevant body must determine whether and how to apply the 1% uplift to all interim pay points on the pay ranges.

This is the second 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 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 that this structure continued to provide a sound and reasonable pay framework. It is recognised by the DfE that schools and local authorities (LAs) may wish to adopt this approach.

The STPCD was only laid before Parliament in August 2015, yet the new pay ranges came into effect from 1 September 2015. 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 but the relevant head teachers' 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 and allowances, be agreed for teachers employed by DCC and not attached to schools. Heads of Service are paid on the equivalent of the

pay ranges for Deputy Head teachers so the statutory exception for those paid at the top of a head teacher group range will not apply. There are no teachers employed by DCC, and not attached to schools, paid on the maximum of a head teacher group range. In recommending this action and in consideration of the potential impact on recruitment and retention, 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 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 1% pay uplift is only added to the maximum and minimum of pay ranges, this would introduce an imbalance into each pay 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%, with the exception of head teachers paid at the top of their school group range, taking account of relevant factors outlined above and the benefits of a consistent approach across the Authority.

It is proposed to create an alternative point on the main pay range, point 6 (M6a), which represents a 2% increase on the 2014 maximum of the range. When the teachers' appraisals are completed during autumn 2015, the relevant Heads of Service will recommend that the salary of those teachers paid on M6, who achieve a successful performance review, be increased to the maximum of the range (M6a), in addition to the 1% already received in common with all other teachers employed by DCC, but not attached to schools. The difference between a 1% and a 2% increase to the maximum of the main pay range is £322 per annum. A 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 at 1% for teachers employed by the Local Authority in a central function is estimated at an annual cost of £77,675 including estimates for associated pensions and national insurance costs. Of this amount, £45,311 is anticipated to arise in the financial year 2015/16.

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 12 teachers are paid at the 2014 maximum of the main pay range and would therefore be eligible to progress to the new point, M6a, following performance review, and another 26 of the 214 teachers employed were not already 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 2015/16. Overall, the DSG is anticipated to have the capacity to absorb this cost. The costs of the very small number of teachers centrally employed within the Music Partnership are met by the Arts Council grant which funds this work.

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

There has been initial consultation and agreement with the recognised unions and professional associations in relation to the application of the 1% national pay award to teachers, except those head teachers who are paid at the top of their head teacher group range. Further formal consultation took place on 18 September concerning the proposal to increase the salary of those previously paid at the 2014 maximum of the main pay range a 1% increase, with a further 1% available following successful performance review. Following formal consultation at Schools' Joint Consultative Committee it was not possible to reach a collective agreement on this one issue. The national position of one of the trade unions precluded agreement, unless the implementation of the pay award included the payment of a 2% increase to those teachers currently paid on the maximum of the main pay range.

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

The proposal to award all teachers, employed by the 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 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 has 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 in the STPCD and the DfE guidance, 'Implementing your school's approach to pay', 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% increase in pay, backdated to 1 September 2015, to all teachers employed by Derbyshire County Council, but not attached to schools, across all pay points.

That the Cabinet Member agrees that a new point M6a is created on the main pay range, to represent a 2% uplift to the 2014 maximum and that progression to M6a beyond the standard 1% uplift is awarded where appropriate, on the basis of performance, following annual appraisal review.

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, with the exception of head teachers paid at the top of their school group range, backdated to 1 September 2015.

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