

DERBYSHIRE COUNTY COUNCIL
CABINET MEMBER FOR YOUNG PEOPLE

5 December 2017

Report of the Strategic Director for Children's Services

**PAY AWARDS – SCHOOL TEACHERS' PAY AWARD w.e.f.
1 September 2017**

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 2017 and associated costs.

To seek retrospective approval for the award of a 2% increase to all points on the main pay range and a 1% uplift to all points on the other pay ranges applicable to teachers, Teaching and Learning Responsibility Payments (TLR) and Special Educational Needs (SEN) allowances. 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 from the Cabinet Member to confirm the recommendation made to schools, that Governing Boards agree to the payment of the 2% uplift to points on the main pay range and 1% increase across all pay points within all other teachers' pay ranges, TLR payments and SEN allowances.

2. Information and Analysis

The Secretary of State for Education announced the Teachers' Pay Award, effective from 1 September 2017, to be a 2% uplift to the statutory minimum and maximum of all the main pay range and 1% increase to the minima and maxima of all other pay ranges in the national pay framework, including allowances. The changes are contained in the School Teachers' Pay and Conditions Document (STPCD) 2017.

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 fourth 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 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 at the end of August 2017, yet the new pay ranges came into effect from 1 September 2017. 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 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 2% uplift to all pay points on the main pay range and a 1% increase to all pay points on the other pay ranges and allowances, is recommended for teachers employed by DCC and not attached to schools. 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 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 relevant pay uplifts are 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.

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.

It is also proposed to remove the inclusion of 2 pay points at the top of the main pay range, which was introduced in 2015, and to consolidate point M6 at the national maximum for the pay range. Following a positive response from schools to consultation on this proposal, the amendment is also included in the model Teachers' Pay Policy recommended for adoption by Governing Boards. The intention of the inclusion of 2 values at M6 was to award the higher value only to those who had achieved a successful performance review. This was found to be an unnecessary bureaucratic hurdle as,

- teachers already only progress through their pay range if they have a successful appraisal review, where performance falls below the required standards pay progression is not awarded,
- it is very rare for teachers not to meet the Teachers' Standards such that they do not achieve a successful performance review,
- at this stage in their career, teachers can also apply to transfer to the Upper Pay Range, where successful performance, meeting the agreed criteria, will deliver a significantly higher salary,
- we have identified a degree of misunderstanding, or oversight, by schools in the implementation of the higher pay point, in that a number of teachers who were eligible did not receive this

- progression and
- this amendment will also support positive employee relations.

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 2% increase for main pay range points and 1% uplift to all other pay points and allowances, for teachers employed by the Local Authority in a central function, is estimated at an annual cost of £88,455 including estimates for associated pensions and national insurance costs. Of this amount, £51,599 is anticipated to arise in the financial year 2017-18.

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 32 of the 230 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 who 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 2017-18. 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 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 2017 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 2017 by the STPCD relate only to an uplift of 2% to the minimum and maximum of the main pay range and 1% to the minima and maxima of all other teachers’ pay ranges and allowances.

The current proposal to award all teachers, employed by the DCC and not attached to schools, a 2% uplift in pay across all current points on the main pay range and 1% to all current points on the other teachers’ pay ranges, adopted by the Council, goes beyond the statutory requirements contained within the STPCD. However, 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 2% increase in all points on the main pay range and 1% to all points on the other teachers’ pay ranges and 1% uplift to classroom teacher allowances (Teaching and Learning Responsibility payments and Special Educational Needs allowances), backdated to 1 September 2017, to all teachers employed by Derbyshire County Council, but not attached to schools, the costs of which will be met from the Dedicated Schools Grant.

That the Cabinet Member agrees to recommend to Governing Boards that a 2% uplift in all pay points on the main pay range and 1% increase to all other pay points on the other teachers’ pay ranges and to classroom teacher allowances (TLR payments and SEN allowances) is awarded to teachers employed in schools, backdated to 1 September 2017.

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