

Agenda

Employment panel

Date: **Monday 7 October 2019**

Time: **10.15 am**

Place: **Committee Room 1, Shire Hall, St. Peter's Square,
Hereford**

Notes: Please note the time, date and venue of the meeting.

For any further information please contact:

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If you would like help to understand this document, or would like it in another format, please call Sarah Buffrey, democratic services officer on 01432 260176 or e-mail sarah.buffrey@herefordshire.gov.uk in advance of the meeting.

Agenda for the meeting of the Employment panel

Membership

Chairperson **Councillor David Hitchiner**
Vice-Chairperson **Councillor Tony Johnson**

Councillor Ellie Chowns
Councillor Liz Harvey
Councillor Terry James

Agenda

	Pages
1. APOLOGIES FOR ABSENCE To receive any apologies for absence.	
2. NAMED SUBSTITUTES (IF ANY) To receive details of any member nominated to attend the meeting in place of a member of the panel.	
3. DECLARATIONS OF INTEREST To receive declarations of interests in respect of Schedule 1, Schedule 2 or Other Interests from members of the committee in respect of items on the agenda.	
4. MINUTES To approve and sign the minutes of the meeting held on 14 January 2019.	7 - 8
5. QUESTIONS FROM MEMBERS OF THE PUBLIC To receive any written questions from members of the public. Details of the scheme and related guidance are available here: https://www.herefordshire.gov.uk/info/200148/your_council/61/get_involved Please submit questions to councillorservices@herefordshire.gov.uk The deadline for the receipt of questions is 1 October 2019 at 5.00 pm. Accepted questions and answers will be published as a supplement prior to the meeting.	
6. QUESTIONS FROM COUNCILLORS To receive any written questions from councillors. Please submit questions to councillorservices@herefordshire.gov.uk The deadline for the receipt of questions is 1 October 2019 at 5.00 pm. Accepted questions and answers will be published as a supplement prior to the meeting.	
7. TEACHERS PAY AWARD 2019/20 To seek comments on proposed arrangements for an above national pay award for teachers. The proposals aim to ensure that all teachers are treated equally and receive a cost of living increase. For the last four years, the national pay award has only applied to the statutory bottom(minima) and top (maxima) of all pay ranges and allowances and not the pay points in-between these points.	9 - 30

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- Inspect agenda and public reports at least five clear days before the date of the meeting.
- Inspect minutes of the council and all committees and sub-committees and written statements of decisions taken by the cabinet or individual cabinet members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
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Minutes of the meeting of Employment panel held at Committee Room 1, Shire Hall, St. Peter's Square, Hereford on Monday 14 January 2019 at 10.00 am

Present: Councillors: BA Durkin (in the chair), RI Matthews and A Seldon

Officers: Tracey Sampson

74. ELECTION OF CHAIRPERSON

Councillor Durkin was elected as chairperson for the meeting in the absence of the standing chair and vice-chair.

75. APOLOGIES FOR ABSENCE

Apologies were received from councillors H Bramer and RJ Phillips.

76. NAMED SUBSTITUTES (IF ANY)

Councillor BA Durkin substituted for Councillor H Bramer.

77. DECLARATIONS OF INTEREST

None.

78. MINUTES

As the only panel member in attendance who was also present at the previous meeting Councillor Seldon confirmed that the minutes were an accurate record.

Resolved:

that the minutes of the meeting of 26 November 2018 be approved as a correct record and signed.

79. QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no questions from members of the public.

80. QUESTIONS FROM COUNCILLORS

There were no questions from councillors.

81. PAY POLICY STATEMENT

The chairman introduced the item and noted that this was an annual report which the panel was required to consider and recommend to Council.

In discussion of the report it was clarified that:

- the council engaged apprentices in a wide range of roles and through different mechanisms, for example some were basic apprenticeships through the apprenticeship framework while others were existing employees on the main payroll who accessed an apprenticeship through the apprenticeship levy funding;
- apprentices were spread across departments, the total number of apprentices would be provided to panel members following the meeting (*this was subsequently confirmed as exactly 40*);
- everything within the policy complied fully with the requirements of the Localism Act 2011;
- where national frameworks applied, the policy followed these in full.

Resolved that:

- (a) the draft pay policy statement at appendix A be recommended to full Council for approval;**
- (b) Council approves in year recruitment, should the need arise, to any posts listed with salaries over £100,000.**

The meeting ended at 10.06 am

Chairman



Meeting:	Employment panel
Meeting date:	Monday 7th October 2019
Title of report:	Teachers pay award 2019/20
Report by:	Chief Executive

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose and summary

To seek comments on proposed arrangements for an above national pay award for teachers. The proposals aim to ensure that all teachers are treated equally and receive a cost of living increase. For the last four years, the national pay award has only applied to the statutory bottom(minima) and top (maxima) of all pay ranges and allowances and not the pay points in-between these points.

It is for local authorities to determine whether they accept the national proposal or develop an alternative proposal to address any concerns of inequity that the national agreement could create. Local authorities nationally have maintained the previous pay structure for teachers and therefore if the national pay award was applied, a significant number of teachers would not receive a cost of living increase because they are on the pay points in-between the top and bottom points. Providing such an award can positively affect recruitment and retention for council schools.

Allowances refer to TLRs (teaching and learning responsibilities) and SEN (special educational needs).

Recommendation(s)

That the panel provide comments on proposals to approve that:

- (a) **Subject to Parliamentary approval a 2.75% increase for school leaders and teachers on all scale points within all pay ranges with effect from 1st September 2019;**
- (b) **Subject to Parliamentary approval a 2.75% increase on all allowances with effect from 1st September 2019;**

Alternative options

1. There are no alternative options to the recommendation – it is a function of the panel to be a consultee on all terms and conditions, including policies, for staff.
2. Alternative options to the proposal under consultation are:
 - Implement the minimum national pay award only; this would result in the majority of teachers not receiving a cost of living increase. This is not recommended as it is unequitable as it is dependent on the teachers' current pay grade.
 - Also nationally, teacher trade union organisations are seeking a 2.75% pay increase for all teachers and leaders irrespective of grade.

Key considerations

3. A national minimum annual pay award for teachers is recommended by the School Teachers' Review Body for approval by the Secretary of State for Education. The School Teachers' Review Body is an advisory non-departmental public body, sponsored by the Department for Education, and whose remit is to make recommendations on the pay, professional duties and working time of school teachers in England and Wales and report to the Secretary of State for Education and the Prime Minister.
4. The national agreement for 2019, subject to Parliamentary approval, will be a 2.75% increase on minima and maxima points of pay ranges (unqualified, main pay, upper pay and leadership pay ranges); and a 2.75% increase on minima and maxima points of TLRs and SEN allowance.
5. The effect of the national agreement is that only those teachers on certain points of the pay scale will receive a pay award and those who are not on those pay points receive nothing. It is therefore for local authorities to determine whether they accept the national proposal or develop an alternative proposal to address any concerns of inequity that the national agreement could create.
6. In Herefordshire this issue is addressed each by a working party (comprising headteachers, union representatives and local council officers). The working party is a sub-committee of the Children and Families union meeting, where unions are consulted on issues affecting teachers, such as policy review and pay awards. The functions of the sub-committee relate to the consideration of any issue that may impact on the work undertaken by any member of staff on school teachers' pay and conditions. The Children and Families union meetings are held on a termly basis with the Director for Children and Families or nominated representative as Chair.
7. The School Teachers Review Body has recommended the pay award outlined above which has been ratified by the Secretary of State for Education. However, before the pay award can be implemented, the School Teachers Pay and Conditions Document needs to be laid before Parliament. Consultation on the draft School Teachers Pay and Conditions

Document closes on 13 September. The Department for Education will then produce the final document taking into account any changes as a result of the consultation. Last year this was done a week after the closing date of the consultation. The final document requires a Statutory Instrument to be produced to bring the document into law. This needs to be laid before Parliament for 21 days before it is a legal document. The Department for Education has confirmed that they are able to lay the Statutory Instrument during prorogation.

It is not expected that there will be any changes to the national pay award as the recommendation has been accepted by the Secretary of State for Education but if this was the case, any amendments would be put before Employment panel. Given the timescales, the pay award would be implemented in the November payroll and backdated to 1st September.

8. The working party felt that the minimum requirements of the national pay award was divisive as only a small number of teachers would receive a cost of living increase and this was only dependent upon their actual pay reference point.
9. The working party took into consideration the School Teachers Review Body's 29th report. The report stated that the national pay framework must support initial teacher recruitment, motivate and retain experienced teachers, and provide a career pathway with incentives to progress into leadership roles. Their role is to position the national pay framework within the graduate and wider labour market to achieve these objectives. The report also stated that the government's target for recruitment to postgraduate Initial Teacher Training was missed in 2018/19 for the seventh successive year. Retention rates for teachers in the early years of their careers have continued to worsen, a trend noted by the School Teachers Review Body for several years. The report also evidences that retention rates have started to deteriorate for experienced teachers and that there has been a marked increase in the number of teachers aged over 50 leaving the profession. Retention rates for headteachers have also fallen in recent years and it is increasingly difficult to attract good quality applicants to fill leadership posts at all levels.
10. All headteachers in Herefordshire were asked (by email) for their comments on the proposed national pay award and options for an enhanced pay award. The working party took into consideration the views put forward by eleven headteachers that responded; all respondents expressed the view that they felt it was only fair that the pay rise should go across all reference points. Some also expressed the view that at a time when recruitment and retention are real issues for Herefordshire schools, it would be unacceptable to give only some colleagues the pay award.
11. The working party considered it essential to keep considerations around teachers' performance-related pay (statutory requirement to review on an annual basis) and the cost of living increases separate. Support members of staff (National Joint Council terms and conditions) in schools receive a cost of living increase and automatic pay increments within their scale irrespective of performance; scales are generally based on time served and not linked to performance-related pay. If a teacher does not meet their performance targets, then they would not receive a performance-related pay increase. This is in accordance with their terms and conditions of employment.
12. Schools have budgeted for a 1% increase across all pay points and ranges. The Department for Education announced in September 2018 that partial funding to cover 2% of the national pay award would be available for the 2018/19 pay award and the 2019/20 pay award. The pay grant from the Department for Education is based on pupil numbers and for 2018/19 this equated to £283,605. Additional funding (0.75%) has been made

available for 2019/20 and it is assumed that the same formula will be applied although specific details have not yet been released. Subject to confirmation from the Department for Education, it is expected that the 2019/20 pay grant for Herefordshire will be approximately £177k. This is in addition to the teachers' pay grant announced in 2018. Therefore the total cumulative grant is expected to be around £460,605k (£283,605 plus £177,000). In the longer term, we expect the teachers' pay grant to be absorbed into the Schools' national funding formula.

13. Current information from other councils in the West Midlands indicates that no authority is implementing the minimum national pay award. Four councils have advised that subject to confirmation by the Department for Education, they will be implementing the same pay award as proposed in this paper.

14. Number of teachers per pay grade is:

Pay Grade	Number of teachers
Leadership	140
UPR (Upper Pay Range) 1	111
UPR2	97
UPR3	169
Maxima (M6)	134
M5	31
M4	41
M3	46
M2	27
Minima (M1)	62
Unqualified	3

15. All of the teacher trade union organisations (ASCL, NEU, NAHT & Voice) have published joint advice on the teachers' pay award advising that as the School Teachers Pay and Conditions Document permits the adoption of fixed pay scale points (which is the approach that virtually all local authorities still maintain), that the 2.75% uplift should apply to all teachers and leaders.

Community impact

16. The implementation of the national pay award may potentially impact upon the recruitment and retention of teachers in Herefordshire. Failure to recruit and retain teachers in Herefordshire, when other councils are implementing a higher than national pay award, may impact on the council's corporate plan priority to keep children and young people safe and give them a great start in life.

17. As academy, trust and Voluntary Aided schools (54) have the flexibility to implement differing pay awards from local council schools (45 schools), this may potentially cause recruitment and retention issues for local council maintained schools.
18. The national pay award only offers a cost of living increase to staff (476) who are on the minima and maxima pay points. Teachers on interim salary reference points (385) will not receive any cost of living increase. This will lead to inequalities amongst staff and potential tensions.

Equality duty

19. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
20. A workforce equality impact assessment (appendix 1) has been completed and no negative impact has been identified.

Resource implications

21. Schools were advised to budget for a 1% increase across all pay points and allowances. The Department for Education has given an additional pay grant to schools to cover some (0.75%) of the pay award. This means that schools will need to find funds to cover a 1% unbudgeted increase.
22. The council receives funding for schools via the dedicated schools grant. The proposed pay award therefore has no impact on the council's retained budget.

Legal implications

23. The School Teachers Review body (which is an independent body asked by the Secretary of State for Education to look at pay and conditions) set out a recommendation for all pay and allowance ranges for teachers and school leader to receive the uplift of 2.75%. Currently the National agreement (which is still subject to Parliamentary approval) set out a 2.75% increase on minima and maxima scale points meaning that only some and not all teachers will receive a pay increase.
24. The decision for the Chief Executive for which the Employment panel is consulted, is whether to apply the increase to all grades and not just those specified in the national agreement.
25. Applying the same increase does ensure that all teachers are treated the same but treating staff the same can still cause inequality and therefore the Council has to ensure that there is a material factor as to why the council would apply a percentage increase

where the national agreement has decided not to. Justifiable reasons can include recruitment and retention issues, provided that there is evidence to support this.

Risk management

26. Approval is being sought on an above national pay award for teachers before Parliamentary approval on the minimum national pay award. It is not expected that there will be any changes to the national pay award as the School Teachers Review Body's recommendations have been accepted by the Secretary of State for Education, but if this was the case, any amendments would be put before Employment panel. Given the timescales, the earliest the pay award would be implemented is in the November payroll and backdated to 1st September.
27. It is unknown what action would be taken by teaching unions if the pay recommendations as outlined in this report are not implemented but one possible outcome would be to ballot members with regard to industrial action.
28. By not implementing this pay award there is a risk, particularly for schools on the borders of Herefordshire, with regard to recruitment and retention of teachers.
29. There are no risks to the council if the recommendations are agreed as schools receive funding through the dedicated schools grant which is entirely separate to the council's retained budget. There may be risks to schools in relation to the pay award being above what is budgeted for at a school level. Schools have the flexibility to determine how their budgets are used locally.

Consultees

30. We have consulted with the teacher trade unions and they were supportive of the pay proposals as detailed in this report.
31. In addition, we have consulted with headteachers from academies, maintained and voluntary aided schools who again were supportive of the recommendations (see appendix 3).

Appendices

Appendix 1 – Workforce Equality Impact Assessment

Appendix 2 – Schools Teachers Review Body's 29th Report (Executive Summary)

Appendix 3 – Consultation comments by headteachers

Appendix 4 – September 2018 payscales

Background papers

None

Workforce Equality Impact Assessment

Title of the policy, activity or service change		Teachers pay award 2019/20
Description of the policy, activity or service change		
Purpose of policy is to clarify expectations regarding the required standards of behavior for all staff working within schools. It gives clear advice about what constitutes illegal behavior and what might be considered as misconduct. It also describes safe practice and which behaviours should be avoided.		
Does this affect all or part of the workforce?		Part
If part, please summarise the staffing group that will be affected by the proposal:		
School based staff only.		
Categories	Is there a disproportionate negative impact on any of the categories? (Y/N)	If yes, describe the impact
Age	No	
Disability	No	
Gender Reassignment	No	
Marriage and Civil partnership	No	
Pregnancy and maternity	No	
Race	No	
Religion or Belief	No	
Gender	No	
Sexual Orientation	No	
Permanent / interim staff	No	
Full time or part time	No	
Name of person completing the Workforce EIA		Julie Davies

Head of Service responsible for the policy, activity or service	Tracey Sampson
Date (that the EIA was completed)	2 nd September 2019

Guidance Notes on completing this form

By completing this Workforce Equality Impact Assessment we aim to place equality at the centre of decision-making, policy and practice.

It's a process that helps you assess the impact (actual or likely) of a significant service or functional change, or policy has on different sections of our workforce.

1. What is meant by a negative “disproportionate Impact”?

This is an impact that could significantly disadvantage one or more of the categories listed. This disadvantage may be differential, where the negative impact on one particular group of individuals or equality group is likely to be greater than on another group. This is similar to the principle of indirect discrimination. The EIA provides an opportunity to assess this.

2. When should a Workforce Equality Impact Assessment be carried out?

A workforce EIA should be carried out when:

- a. Reviewing existing policies, activity or a service that impacts our workforce.
- b. Developing a new policy, activity or a service that impacts our workforce.

A workforce EIA may be triggered by changes to either external or internal policies, activities or services

3. At what stage should a Workforce Equality Impact assessment be completed?

This will depend on whether the proposed changes to policies, activity or services are external (i.e. affecting the residents of Herefordshire) or internal:

- a. **External** - A workforce EIA should be completed after the proposed policy or service changes have been identified and the service area has completed their EIA of the proposed changes. If those changes impact our workforce then a workforce EIA is completed prior to implementation of the new policy, activity or service.
- b. **Internal** – A workforce EIA should be completed after the proposed policy, activity or service changes have been identified and prior to implementation of the new or revised activity, policy or services.

4. Does a negative impact on our workforce mean that we can't implement policy, activity or service changes that disproportionately impact our workforce?

This is not the purpose of Workforce EIA. It helps you take action to reduce or remove inequalities and unlawful discrimination and promote equality better. Where there is a disproportionate impact it enables us to:

- a. Amend a proposed policy that would discriminate unlawfully, whether directly or indirectly, against particular equality groups.
- b. Enable us to fulfill our duties under the Equality Act 2010 to make reasonable adjustments for members of staff.
- c. To identify and assess risk

5. Who should carry out the Workforce Equality Impact Assessment?

An EIA should be completed by more than one person in order to broaden the range of perspectives and knowledge to be brought to the process. In general, the team should involve a member of the HR team plus the Head of Service responsible for the policy or activity. The Head

of Service may also be a member of the HR team, if the policy change relates to an HR policy. The EIA will develop service actions that will form part of the Service Plan and, therefore requires Head of Service involvement.

6. **How do I complete the Equality Impact Assessment?**

You should be **documenting your key findings (particularly negative impacts - actual or potential)** or gaps in knowledge about the likely impact. It should be a *relatively short process* which makes use of previous consultation results, personal knowledge & experience, research and reports, internet searches, internal and external specialist advice and staff with previous experience of similar policies or activities etc as appropriate.



School Teachers' Review Body

School Teachers' Review Body

TWENTY-NINTH REPORT – 2019

Executive Summary

Chair: Dr Patricia Rice

THE SCHOOL TEACHERS' REVIEW BODY

Our role

The School Teachers' Review Body (STRB) was established in 1991 as an independent body to examine and report on such matters relating to the statutory conditions of employment of school teachers as may from time to time be referred to it by the Secretary of State for Education. The STRB reports to the Prime Minister and the Secretary of State. The current legal foundation for the function and work of the STRB is Part Eight of the Education Act 2002. In its previous reports, the STRB made recommendations about teachers in England and Wales. The responsibility for pay and conditions of teachers in Wales was devolved in September 2018, so the STRB now makes recommendations on teachers in England only. The secretariat for the STRB is provided by the Office of Manpower Economics (OME).

The members of the STRB are:

Dr Patricia Rice (Chair)

Sir Robert Burgess

Ken Clark

Harriet Kemp

John Lakin

Mike Redhouse

Dr Andrew Waller

Jeanne Watson

Executive Summary

In November 2018, the Secretary of State asked us to make recommendations on: *an assessment of what adjustments should be made to the salary and allowance ranges for classroom teachers, unqualified teachers and school leaders to promote recruitment and retention, within the bounds of affordability across the school system as a whole.* He asked us, when considering our recommendations, to have regard to: ensuring affordability across the school system as a whole; the national state of teacher and school leader supply; the wider state of the labour market in England; forecast changes in the pupil population and the level of demand for teachers; and the Government's commitment to increasing autonomy for schools on pay. The remit letter stated that the School Teachers' Review Body (STRB) should set out in its report what consideration it had given to targeting and affordability.

The unions representing teachers and school leaders told us there should be a substantial uplift in teachers' pay in September 2019 as part of a longer-term process to restore the value of teachers' salaries. Four of these organisations submitted a joint statement proposing a pay increase of 5% for all teachers and school leaders. Most of these unions and the organisations representing local authorities and school governors stated that the Government should fully fund any pay uplift. The Department did not make any specific proposals on the level of pay uplift for teachers but stated that a 2% increase in per teacher pay was affordable nationally. The Secretary of State told us that we should not assume that any additional funding would be provided to schools by the Government for teachers' pay from September 2019.

Our analysis and considerations

An effective education system that delivers excellent pupil outcomes depends on having high-quality teachers and school leaders. The national pay framework must therefore support initial teacher recruitment, motivate and retain experienced teachers, and provide a career pathway with incentives to progress into leadership roles. Our role is to position the national pay framework within the graduate and wider labour market to achieve these objectives.

Recruitment and retention

This year the evidence shows that the teacher supply situation has continued to deteriorate, particularly for secondary schools. This has affected teachers at all stages of their careers:

- The Government's target for recruitment to postgraduate Initial Teacher Training (ITT) was missed in 2018/19 for the seventh successive year. There has also been a marked decline in the number of overseas teachers being awarded Qualified Teacher Status (QTS).
- Retention rates for teachers in the early years of their careers have continued to worsen, a trend that we have noted for several years now.
- There is also evidence that retention rates are starting to deteriorate for experienced teachers, and there has been a marked increase in the number of teachers aged over 50 leaving the profession.
- Retention rates for head teachers have fallen in recent years and our consultees report that it is increasingly difficult to attract good quality applicants to fill leadership posts at all levels. We have heard similar concerns from some of those we spoke to during our school visit programme.

Taken together, these trends paint a worrying picture. This is all the more concerning as increasing pupil numbers mean that there will be a need for more teachers in coming years, particularly in the secondary phase and for English Baccalaureate (EBacc) subjects.

We welcome the Department's publication of its *Teacher Recruitment and Retention Strategy*. The proposals it sets out, if implemented, should help address these problems in teacher supply. However, complementary action on pay is vital.

Teacher earnings

The Government accepted our recommendation for a 3.5 per cent uplift to the Main Pay Range (MPR) from September 2018. We welcome this decision, which improved the competitiveness of teacher starting pay. However, our evidence shows that teachers' salaries continue to lag behind those available in other graduate professions:

- Median starting salaries for other graduate careers remain higher than those for teachers in most areas of England, and the earnings of experienced teachers are lower than those available in other *professional occupations*.
- Over the last decade, the position of the national teachers' pay framework in the earnings distributions for both *professional occupations* and the wider economy has deteriorated. In other words, more people in more occupations are becoming better paid than teachers.

We conclude that this steady decline in the competitiveness of the teachers' pay framework is a significant contributor to teacher supply difficulties. Until it is reversed, these difficulties will continue.

Consideration of affordability

The Secretary of State's remit letter asked us to ensure that our recommendations are affordable across the school system as a whole. In its submission, the Department reported that its assessment indicated that there could be an increase in per teacher pay of 2 per cent, nationally and overall, before schools faced real-terms cost pressures. We carefully considered this assessment and the other evidence available on school funding and finances. We have made no assumptions about additional funding being provided to schools by the Government from September 2019.

We appreciate the Department's evidence. However, it is very difficult to make a meaningful assessment of affordability at a system-wide level:

- There is considerable variation in schools' financial situations, which limits the weight that can be placed on national averages.
- Cost pressures are not necessarily synonymous with affordability, as school leaders and governing bodies have autonomy over school budgets and will set their priorities and allocate funds accordingly.
- School leaders and governing bodies also have autonomy with respect to the pay arrangements within their individual schools. Their decisions will affect the overall system-wide impact.

Any assessment of affordability also needs to take into account the costs imposed on the system of not recruiting and retaining enough teachers. Failing to prioritise teacher supply through an investment in pay may lead to financial savings in the short term, but these are likely to be outweighed by additional costs and reduced productivity across the education system in the longer term.

Consideration of targeting

The remit letter also asked us to outline what consideration had been given to targeting. We noted the following points:

- With ITT targets repeatedly missed and the demand for teachers forecast to rise, the pay framework still needs to support recruitment to the profession.
- A focus on pay for early career teachers, at the expense of those on the upper or leadership pay ranges, risks being ineffective even in its own terms. Those considering joining the profession, and particularly career changers, look ahead at their possible future earnings, as well as at starting pay.
- We also have significant concerns about declining retention rates for experienced teachers, who have a key role in supporting pupil outcomes and mentoring new recruits. Reducing the leaving rates of these teachers is an essential part of any strategy to achieve well-staffed schools, not least by reducing the pressures to recruit new entrants.
- The evidence about the recruitment and retention of school leaders suggests their position is deteriorating. We heard on our school visits and from our consultees concerns about narrowing pay differentials reducing the incentives for career progression.

Overall, while in previous years we have recommended some targeting of early career teachers, we do not think that this is the right approach for this round. On visits, we were struck by how negatively many school leaders and senior staff viewed the Government's targeted approach to uplifts last year. If the most experienced teachers believe they are being repeatedly disadvantaged in order to direct resources towards the newest recruits, this will not create a good environment for the retention of teachers at any stage of their careers.

Our conclusions and recommendations

For September 2019, we recommend that all pay and allowance ranges for teachers and school leaders are uplifted by 2.75%.

Our key considerations in making this recommendation are:

- The state of teacher recruitment and retention has continued to get worse, while rising pupil numbers will increase the challenges in the coming years.
- A decade of relative decline has taken the teachers' national pay framework too low in relation to the graduate labour market and the wider economy.
- The costs of this are already being carried by schools all over the country, who are finding it harder to recruit and retain teachers and risk becoming less effective.
- Without action this year to improve the competitiveness of the teachers' pay framework, there will be further deterioration in the state of teacher supply.
- The median value of pay settlements across the economy was 2.5 per cent, and the upper quartile in the distribution of pay settlements was 3 per cent in the year to March 2019.
- There is a context of heightened economic uncertainty and the need to consider affordability.

Under the current pay system, it will be for school leaders and governing bodies to determine how to implement, in their individual schools, the changes to the School Teachers' Pay and Conditions Document (STPCD) arising from our recommendations.

Looking ahead

Our recommendations will be a step towards improving the position of the teachers' pay framework in the wider labour market. More will be necessary over the period of the next Spending Review. We appreciate that much will depend on developments in the wider economy. However, investment is essential to underpin teacher supply across England.

In his remit letter, the Secretary of State indicated that he planned to set the STRB a further remit to consider reforms to the pay structure for classroom teachers to ensure that the pay framework provides a clear career pathway, meets current challenges and provides an attractive offer for teachers at all career stages. The evidence we have considered this year highlighted a number of structural issues with the current pay framework and reinforces our views that such a consideration of the classroom teachers' pay structure is required if we are to get maximum value from the money spent on teachers' pay. We look forward to further discussion of this with the Department. We also see evidence of some issues with the pay framework for school leaders which, in the longer term, may need to be reviewed.

Pay Consultation Responses:

2.75% across all reference points.

I would not think it fair to do the same as last time – when it was not apportioned across all levels. That was fine then – but not to repeat this so soon.

Headteacher - Trinity (local authority primary)

I feel as I have always felt that the pay awards should go across all reference points, however I know how difficult this would make the budget for most schools mine included. I would be interested to hear other views.

Headteacher – Blackmarston (local authority special primary)

I expect us as a county to follow suit and apply across the board and I believe it should be but this is now getting to breaking point funding a 2% increase internally across all ranges is crippling, and is double the hit that we were asked to burden when we were funding 1% rises. Serious representation to the DfE needs to be made for this to be funded in full and across the board, I suppose we will see what handout we get and if the touted £4b is correct and forthcoming fast.

Headteacher – Queen Elizabeth High School (secondary academy)

I firmly support option 1 which is to increase ALL reference points equally by 2.75%. I struggle to see why the plan would be to increase M1 and M6 as it would then mean M1 moves closer to M2 and M6 moves further away from M5 complicating issues in terms of gradual pay increases. It seems strange to not apply a pay rise equally to all teachers.

Headteacher - Stoke Prior Primary School (local authority primary)

Thanks for this. My own view has always been that pay awards should be fair and applied to all regardless of their position on the pay scale. At a time when recruitment and retention are real issues for Herefordshire schools, it seems totally unacceptable to say to one colleague that they can have a pay rise when another colleague at a slightly different career stage (sometimes by a matter of months) will not receive it.

For this reason I'd support the application of the 2.75% across all reference points. I realise this could be problematic for some schools – we've budgeted to fund 2% across all reference points and will just have to hope that the government's spending review allocates funding to schools to help cover it.

Headteacher – Whitecross (secondary academy)

I believe we should take the same approach as Birmingham – 2.75% across all pay references and allowance points

Best wishes

Headteacher – John Masefield (secondary academy)

Unfortunately I can't make the meeting on Thursday But I would definitely support the decision to have the same percentage across all pay points, not just the maxima and minima.

Headteacher – Marlbrook (local authority primary)

Option 1 would be our preferred view, (2.75% across all pay reference and allowance points)

Headteacher – Ashperton (primary academy)

Not sure we have much choice, especially if we want to have comparable salaries to other LAs.

Headteacher – Weobley High & Primary (local authority)

TEACHER PAYSCALES – SEPTEMBER 2018

LEADERSHIP PAY

Reference Point	Annual Salary England and Wales (excluding the London Area)
1	39,965
2	40,966
3	41,989
4	43,034
5	44,106
6	45,213
7	46,430
8	47,501
9	48,687
10	49,937
11	51,234
12	52,414
13	53,724
14	55,064
15	56,434
16	57,934
17	59,265
18	60,755
19	62,262
20	63,806
21	65,384
22	67,008

Reference Point	Annual Salary England and Wales (excluding the London Area)
23	68,667
24	70,370
25	72,119
26	73,903
27	75,735
28	77,613
29	79,535
30	81,515
31	83,528
32	85,605
33	87,732
34	89,900
35	92,135
36	94,416
37	96,763
38	99,158
39	101,574
40	104,109
41	106,709
42	109,383
43	111,007

1. Main Pay Range

Point 1	£23,720
Point 2	£25,344
Point 3	£27,380
Point 4	£29,488
Point 5	£31,811
Point 6 a	£34,665
Point 6 b	£35,008

2. Unqualified Teacher Pay Range

Minima	Point 1	£17,208
	Point 2	£19,210
	Point 3	£21,210
	Point 4	£23,212
	Point 5	£25,215
Maxima	Point 6	£27,216

3. Upper Pay Range

Minima	Point 1	£36,646
	Point 2	£38,004
Maxima	Point 3	£39,406