

<b>Meeting:</b>	<b>Employment panel</b>
<b>Meeting date:</b>	<b>Tuesday 24<sup>th</sup> October 2017</b>
<b>Title of report:</b>	<b>Teachers pay award 2017/18</b>
<b>Report by:</b>	<b>Head of Learning and Achievement, Children's Wellbeing</b>

## **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 increased pay award for teachers. The proposals aim to ensure that all teachers are treated equally and receive a cost of living increase. The national pay award only applies to the minima and maxima of each pay range and not the pay reference points in-between; therefore if the national award was applied, the majority of teachers would not receive a cost of living increase.

## **Recommendation(s)**

**That the panel provide comments on proposals to approve:**

- (a) a 2% increase for teachers on the main pay range point M1 from 1 September 2017;**
- (b) a 1% increase for teachers on all other scale points from 1 September 2017;**
- (c) a 1% increase for all allowances paid to teachers from 1 September 2017.**

## **Alternative options**

1. 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 depending on the teachers current pay grade.

## Key considerations

2. The working party (comprising of headteachers, union representatives and local council officers) considered that it was unfair not to give all teachers a cost of living increase. The working party is a sub-committee of the Children's Wellbeing 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 might impact on the work undertaken by any member of staff on school teachers' pay and conditions. The Children's Wellbeing union meetings are held on a termly basis with the Director for Children's Wellbeing or nominated representative as Chair.
3. 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.
4. The working party considered it essential to keep considerations around teachers' performance-related pay and cost of living increases separate. Support members of staff (National Joint Council terms and conditions) in schools all receive a cost of living increase and also automatic pay increments within their scale irrespective of performance, because the scales are generally based on time served and are not performance related pay. If a teacher does not meet their performance targets, then they would not receive a performance-related pay increase. This is a term of their terms and conditions.
5. The working party considered that an additional 1% increase on top of the national agreement, increasing to 2% increase across all pay points on the main pay range (M1 to M6 as proposed by national teaching unions) was not affordable and therefore not recommended.
6. Current information from other local councils in the West Midlands indicates that no organisation is implementing the minimum national pay award. Most are implementing the pay award proposed in this paper. In the last three years, teachers in Herefordshire and other local council areas have received a 1% increase across all pay points and allowances (teaching and learning responsibilities and special educational needs allowances), as defined in the Statutory Schools Teachers Pay and Conditions Document. Trends in pay have followed the national pay award and in line with the public sector, increases have been capped at one percent.
7. Numbers of teachers per pay grade is:

Pay Grade	Number of teachers
Leadership	177
UPR (Upper Pay Range) 1	108
UPR2	104
UPR3	183

M6	113
M5	44
M4	32
M3	45
M2	38
M1	37
Unqualified	5

## Community impact

8. The implementation of the minimum national pay award may potentially impact upon 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.
9. As academy schools have the flexibility to implement differing pay awards from local council schools, this may potentially cause recruitment and retention issues for local council maintained schools.
10. The minimum national pay award only offers a cost of living increase to staff who are on the minima and maxima pay points. In this instance the majority of teachers will not receive any cost of living increase. This will lead to inequalities amongst staff and potential tensions.

## Equality duty

11. 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.
12. A workforce equality impact assessment has been completed and no negative impact has been identified.

## Resource implications

13. Schools were advised to budget for a 1% increase across all pay points and allowances in line with previous pay awards. There are only 37 teachers (out of 886) across 23 local council schools on reference pay point M1, who in line with the national pay award will be required to receive 2%. Schools (23) will meet this total unbudgeted increase of £7911 on an individual basis, which on average will be £344 per school. Schools hold contingency funding in the form of reserves and unallocated funding, typically 5 – 10% of their budget, to meet unexpected/unplanned costs, such as this increase.
14. The council receives funding for schools via the designated schools grant. This does not therefore impact on the council's retained budget.

## **Legal implications**

15. In accordance with the national teachers' pay and conditions the national agreement on the pay increase for a 2% or 1% increase to specified grades effective from 1 September 2017 will automatically apply.
16. The decision for the chief executive for which employment panel is consulted, is whether to apply the increase to all grades and not just those specified in the national agreement.
17. The national agreement is reached between staff and employer side representatives.
18. 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 include recruitment and retention problems if there is evidence to support this. Historical pay arrangements can be tainted with discrimination so should not be relied upon for a reason.

## **Risk management**

19. If we do not implement the recommendations as set out in this report, it is possible that the teaching trade unions will ballot members to potentially take industrial action. This will be mitigated if the recommendation is approved. The proposed pay award is for 1% across all pay grades which, on average, is no higher than other public sector worker pay awards and the average pay award for National Joint Council (NJC) staff.

## **Consultees**

20. We have consulted with the teacher trade unions and they were supportive of the recommendations as detailed above.
21. In addition, we have consulted with headteachers from academies, maintained and voluntary aided schools who again were supportive of the recommendations.

## **Appendices**

Appendix 1 – Workforce Equality Impact Assessment

## **Background papers**

None