

REPORT TO CABINET

14 November 2018

Subject:	Schools' Model Pay Policies 2018/19
Presenting Cabinet Member:	Councillor Simon Hackett - Cabinet Member for Children's Services
Director:	Executive Director – Resources – Darren Carter Director – Education, Skills and Employment – Chris Ward Executive Director of Children's Services – Lesley Hagger
Contribution towards Vision 2030: 	 
Key Decision:	Yes
Forward Plan (28 day notice) Reference:	SMBC05/11/2018
Cabinet Member Approval and Date:	Councillor Simon Hackett - Cabinet Member for Children's Services: 10 October 2018
Director Approval:	Executive Director – Resources – Darren Carter: 18 October 2018 Director – Education, Skills and Employment – Chris Ward: 10 October 2018
Reason for Urgency:	This report has been scheduled on the forward plan along with recommended timelines
Exempt Information Ref:	There is no information contained in this report that should not be shared publicly
Ward Councillor (s) Consulted (if applicable):	This is a Council-wide initiative
Scrutiny Consultation Considered?	It is not planned to present to Scrutiny at this time
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DECISION RECOMMENDATIONS

That Cabinet approve:

- 1 That the September 2018 Pay Award be agreed as set out below and applied to local authority Community Schools:-
 - a 3.5% uplift to each of the points of the main pay range (MPR) and unqualified teacher pay range
 - a 2% uplift to each of the points of the upper pay range and the leading practitioner pay range
 - a 1.5% uplift to each of the points of the leadership pay ranges
 - a 2% uplift of all allowances in the national framework
- 2 That the Unattached Teachers' Pay Policy 2018/19, now submitted as Appendix 1, be approved and implemented by the Council with effect from 1 September 2018.
- 3 That the Model Schools' Pay Policy 2018/19, now submitted as Appendix 2, be approved and recommended to the Governing Bodies of Schools in Sandwell for adoption and implementation with effect from 1 September 2018.

1 PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to recommend to Cabinet: the September 2018 Pay Award and seek approval for the Unattached Teachers' Pay Policy 2018/19 and the Model Schools' Pay Policy 2018/19.
- 1.2 The Department for Education issues the Schools Teachers' Pay and Conditions Document (the Document) to local authorities on an annual basis. It places a statutory duty on organisations employing teachers to have a pay policy in place by 1 September each year which sets out the basis on which the employer will determine teachers' pay, the date by which it will determine the teacher's annual pay review and to establish procedures for addressing teachers' grievances in relation to their pay.
- 1.3 From this the Council prepares Model Pay Policies:
 - for teachers in schools, which it recommends School Governing Bodies to adopt; and
 - for unattached teachers who are employed by the Council but who do not work in a school location.

These are revised annually.

- 1.4 The Model Policies have been subject to consultation with all appropriate trade unions in Sandwell.
- 1.5 The School Teachers' Pay and Conditions Document has had limited changes for 2018 and as such the Pay Policy is a general refresh only rather than representing wholesale changes.
- 1.6 Both policies are compliant with all appropriate employment legislation and with the 2018 School Teachers' Pay and Conditions Document and accompanying statutory guidance.
- 1.7 The September 2018 pay award has been agreed nationally and the recommendation for Sandwell MBC, in keeping with regional comparators for all teachers, is summarised below:
 - a 3.5% uplift to each of the points of the main pay range (MPR) and unqualified teacher pay range
 - a 2% uplift to each of the points of the upper pay range and the leading practitioner pay range
 - a 1.5% uplift to each of the points of the leadership pay ranges
 - a 2% uplift of all allowances in the national framework

The Pay Policies reflect these new ranges.

2 IMPLICATION FOR SANDWELL'S VISION

- 2.1 Our workforce and young people are skilled and talented, geared up to respond to changing business needs and to win rewarding jobs in a growing economy.
- 2.2 Our children benefit from the best start in life and a high-quality education throughout their school careers with outstanding support from their teachers and families.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The School Teachers' Pay and Conditions Document requires schools and local authorities to have a pay policy which sets out the basis on which they determine teachers' pay, the date by which they will determine teachers' annual pay review, and the procedures for determining appeals.
- 3.2 Schools and local authorities must stay within the legal framework set out within the Document and in other relevant legislation, such as equality, employment protection and data protection legislation.

The Document has been consulted on with all key stakeholders as part of the Department for Education's normal statutory consultation process.

- 3.3 The revised arrangements for teachers set out in the 2018 Conditions Document come into force with effect from 1 September 2018.

The purpose of the pay reform is to give schools/local authorities autonomy to attract, recruit and reward teachers through an increase in pay, which can act as an incentive for continuous improvement.

The flexibility within the Conditions Document allows Schools/ local authorities to develop pay policies that are tailored to local circumstances. The policies must be revised to reflect the statutory changes and to clarify the School's/ local authority's approach to making pay decisions. The pay policy should be considered alongside the Schools'/ local authority's appraisal policy.

The Department has published a non-statutory guidance.

- 3.4 The statutory changes made to the Pay and Conditions Document 2018 are limited and therefore only a general refresh of the Pay Policies has been necessary.

4 THE CURRENT POSITION

- 4.1 Local Authority Human Resources Management has consulted with the trade unions on this policy. Due to the late notification and confirmation of the School Teachers' Pay and Conditions Document 2018, consultation with Trade Unions could not commence prior to the start of the Autumn Term. Trade Unions were notified of Sandwell MBC's proposals for the pay award but these could not be confirmed until the School Teachers' Pay and Conditions Document was laid before parliament. Therefore, to prevent a delay in the actioning of the pay award, all Schools were written to in September to confirm the employer's position and invited to give their comments. A side panel meeting with trade unions took place on 11 October 2018 and the policies were also submitted to the Joint Union Panel meeting on 16 October 2018.
- 4.2 The Model Schools' Pay Policy if agreed will be published and recommended to schools where the Local Authority is the employer for the Governing Bodies to adopt, and be implemented as the Local Authority Policy for Unattached Teachers.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 In response to the discretion available within the School Teachers' Pay and Conditions Document in 2018, the views of head teachers have been sought specifically in relation to the application of the pay award to all pay ranges. Having due regard to any staff recruitment and retention issues and the impact the pay award may have on School budgetary pressures, views have been sought on whether head teachers have a preference for the percentage uplift to be applied to all points of the respective pay ranges (Option 2) or to the minimum and maximum points only (Option 1).
- 5.2 Feedback was sought over a 2-week period and based on a total of 73 responses, 63 were in favour of Option 2 (percentage uplift being applied to all the pay points within the respective ranges) and 5 were in favour of Option 1 (percentage uplift being applied to the minimum and maximum points only). A further 5 respondents were in favour of Option 2 but with a preference for the percentage uplift to be applied to all points of the Leadership Pay Range only.
- 5.3 Nationally, the joint position of the teaching trade unions is Option 2 i.e. a percentage uplift to be applied to all points of the respective pay ranges. This position has also been reflected locally by trade union representatives at the side panel meeting on 11 October 2018 and the Joint Union Panel meeting on 16 October 2018. Awarding the same increase to all pay points within the respective pay range (Option 2) would also be more equitable than focusing on the minimum and maximum points only (Option 1) which would result in no pay award for those teachers on the intervening points.
- 5.4 Locally, the teaching trade unions at the side panel meeting welcomed the above uplift.

6 ALTERNATIVE OPTIONS

- 6.1 Schools have been presented with two options in relation to the application of the pay award to each of the pay ranges. These options have been informed by the views of head teachers and also reflect the views of trade unions both locally and nationally.

- 6.2 In considering these pay options, applying the pay award to all points within the respective pay range (Option 2) would potentially assist Schools experiencing staff recruitment and retention difficulties but would also need to be balanced with any consequential impact on budgetary pressures i.e. its affordability. It would also be more equitable than focusing on the minimum and maximum points only (Option 1) which would result in no pay award for those teachers on the intervening points.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 Central Government has committed to protecting schools per pupil funding in each authority. Funding has been made available by the Government through the provision of a teacher's pay grant however this will not cover the full cost of the pay award (as set out in paragraph 1.7 above), Employer superannuation and national insurance increases will also effectively reduce the spending power of schools. The teacher's pay grant has been calculated on the assumption that schools will have budgeted to meet 1% of the pay award, but there are some issues yet to be clarified. The budgets will have to be efficiently managed by schools and their governing bodies in order to deal with the real term cuts to funding.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The policies have been prepared based on the School Teachers' Pay and Conditions Document 2018. The Document contains provisions relating to the statutory conditions of employment of school teachers in England and Wales, and has been prepared by the Secretary of State for Education.
- 8.2 The Document relates to teachers employed by a local authority or by the governing body of a foundation and voluntary aided school.
- 8.3 In the event of any contradictions between the policy and the Document and guidance, the Conditions Document should take precedence.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An initial Equality Impact Assessment screening has been undertaken and it has shown that a full Impact Assessment is not required for this proposal.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 The Model Schools' Pay Policies (Appendix 1 and 2) are recommended to the Governing Bodies of Schools in Sandwell for adoption and implementation with effect from 1 September 2018 and have been subject to trade union consultation. Should schools choose to make amendments to the recommended Pay Policies they are reminded of the need to undertake full and meaningful consultation with the recognised trade unions before doing so. Implementation by schools of pay arrangements and allowances is by instruction to their payroll provider and strict arrangements are in place to ensure confidentiality and good governance. For example, schools are also advised of the need to notify their HR/Payroll provider of the details of any amended Pay Policy to ensure the payroll system, salary assessments, contracts, job advertisements etc are processed in accordance with their Policy.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 The Corporate Risk Management Strategy has been complied with to identify and assess the significant risks associated with this decision/project. This includes (but is not limited to) political, legislation, financial, environmental and reputation risks.

Based on the information provided, it is the officers' opinion that for the significant risks that have been identified, arrangements are in place to manage and mitigate these effectively.

This assessment has identified there are no current "red" risks that need to be reported.

The initial risk capture indicates that the current risk is low. Stakeholders including trade unions, head teachers and appropriate officers are aware of the proposals which are in line with the nationally negotiated recommended percentage uplift. However, this was to the minimum and maximum points only of each pay range and therefore following stakeholder consultation, the pay award has been applied to the intervening points as well.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 The Department for Education issues the Schools Teachers' Pay and Conditions Document (the Document) to local authorities on an annual basis. It places a statutory duty on organisations employing teachers to have a pay policy in place by 1 September each year which sets out the basis on which such employer will determine teachers' pay, the date by which it will determine the teacher's annual pay review and to establish procedures for addressing teachers' grievances in relation to their pay. This annual review ensures that any proposals are affordable and sustainable pending the next review.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 There will be no direct impact on the health and wellbeing of teaching staff as a result of this report being approved or not approved by Cabinet. However, the implementation of the pay award and teachers' annual pay review will contribute to the recruitment and retention of teaching staff in a competitive jobs market.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

- 14.1 There will be no impact on any Council managed property or land as a result of this report being approved or not approved by Cabinet.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 That the September 2018 Pay Award be agreed as detailed in paragraph 1.7 and applied to LA Community Schools. To note that this has been informed by the School Teachers' Pay and Conditions Document and also consultation with head teachers specifically responses from Schools in relation to the options available and feedback from Teacher trade unions locally and nationally.
- 15.2 That the Unattached Teachers' Pay Policy 2018/19, now submitted as Appendix 1, be approved and implemented by the Council with effect from 1 September 2018.
- 15.3 That the Model Schools' Pay Policy 2018/19, now submitted as Appendix 2, be approved and recommended to the Governing Bodies of Schools in Sandwell for adoption and implementation with effect from 1 September 2018.

16 BACKGROUND PAPERS

- School Teachers Pay and Conditions Document
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/740575/School_teachers__pay_and_conditions_document_2018.pdf

17 APPENDICES:

Appendix 1 - Unattached Teachers' Pay Policy 2018/19

Appendix 2 - Schools' Model Pay Policy 2018/19

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