

School Teachers' Pay Award 2017/18

Remit for 2017/18 teacher pay award (1)

Remit from Sec of State to STRB (October 2016)

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 1% limit for pay awards for public sector workers.

In particular, robust, objective and up-to-date evidence on:

- The school workforce, including in relation to recruitment and retention;
 - Teachers' pay – comparative levels and the implementation of recent reforms; and,
 - Schools' financial positions and the impact of annual teachers' pay awards on school budgets
-

Remit for 2017/18 teacher pay award (2)

STRB asked to consider and take into account in its recommendations:

- Government's policy of average 1% pay award
 - Recruitment and retention pressures
 - Affordability – at national level and within existing school budgets
 - Evidence of national state of teacher and school leader supply, including recruitment, retention, vacancy rates, quality of candidates
 - Evidence of wider state of labour market in England and Wales
 - Forecast changes in pupil population and consequent changes in level of demand for teachers
 - Government's commitment to increasing autonomy for heads and GBs to develop pay arrangements suited to individual school circumstances and to determine teachers' pay within statutory min and max
-

STRB recommendations

- Report imminent (probably)
 - Uplift relates to national ranges only
 - Schools decide how to increase pay of individual teachers, in accordance with pay policies and within national ranges
 - Can we expect a higher than 1% award?
 - Will the uplift be the same across the ranges or differ between them?
-

Consequences of a > 1% uplift

- Breach of public sector pay cap? Treasury agreement needed
 - STPCD specifies for national ranges only – so Government can argue affordable because schools have discretion to manage individual uplifts within budgets
 - Sec of State rejection of recommendation could lead to negative press and national strike action + undermine credibility of STRB as independent body
 - Encourages schools to differentiate further on basis of performance
 - Unions will push for across the board uplifts
 - Local shortages and skills scarcity add to this pressure
 - Unfunded cost pressure vs threats of industrial action at local level and r & r challenges
 - More costly for some schools than others
 - Erosion of differentials between ranges (remunerative and professional) if uplift not uniform
 - LGA uprating of points within the ranges would be unlikely
-

National Joint Council Review

The pay spine

Term Time Only Working

Pay settlement for 2016

- National Living Wage not a significant issue in 2016
 - 2 year deal – 1% in each year for most with bottom-loaded amounts of up to 10% (over 2 years) to begin to meet the NLW challenge
 - 2.4% addition to pay bill over 2 years
 - Recognition of structural issues at the bottom end of the pay spine caused by likely NLW rates up to 2020
 - Commitment to early work on longer term structural changes
-

National Living Wage (1)

- 60% of median hourly earnings by 2020
 - OBR estimate (March 2017) of £8.75 per hour by 2020
 - Political aspiration for at least £9 by 2020
 - If introduced now £9.00 would exceed the bottom 10 pay points
 - Allowing for 1% annual increases, the bottom 9 points would still be below NLW by 2020 if it is £9 per hour
-

National Living Wage (2)

- About 83,000 FTE are employed on those pay points (excluding schools)
 - This is about 18% of FTE workforce and a far bigger proportion of headcount
 - Sample data suggests a greater proportion of school support staff are paid at lower end of spine than elsewhere in local authorities
 - Those pay points are likely to capture bottom 3 grades in council structures
 - Almost certain to capture 1st line supervisors of lower skilled roles
-

NJC Working Group

- Technical examination of possible models – not adopting negotiating positions
 - ‘Simple’ compliance with vastly reduced differentials in bottom third of pay spine? Anyone want single status v2?
 - Potential costs - assumption of no offsetting of bottom-loading?
 - Evening out of pay spine with assimilation to a new spine in 2019 or 2020?
 - Whether to achieve headroom and if so how much?
 - With limited headroom how can a new pay spine have a shelf life in an era of 1% pay awards?
-

What next?

- Further meetings of technical working group
 - Union claim – now received
 - Consultation with councils – July/August
 - Reaching agreement as inflation starts to increase?
-

Term time only working

As part of 2016-18 LGS pay deal

- NJC agreed to conduct a joint review of term-time working to consider “*an NJC approach to deliver fair, consistent and transparent contracts for school support staff and term-time only staff not employed in schools*”
 - Employer Sounding Board consisting of local authority officers and MAT rep who have practical and technical expertise in day-to-day issues relating to term time employees
-

Terms of Reference and Timescale

- To produce advisory guidance for incorporation into Part 4 of the National Agreement 'Green Book'.
 - Guidance likely to include online calculator to assist employers and trade union representatives in understanding how remuneration for annual leave, sickness and maternity/paternity leave might be calculated for term time employees
 - Review concluded by end of year
-