

# School Teachers' Pay Award 2017/18

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# 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?
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# 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

# LGS pay settlement 2016-18

- 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)

- Govt aim of NLW that = 60% of median hourly earnings by 2020
- Latest OBR estimate (March 2017) that this will be £8.75/hour – but estimate fluctuates
- Political aspiration for NLW of at least £9 per hour?
- If introduced now £9 would be > the hourly rate for the bottom 10 LGS pay points
- Allowing for 1% annual increases to LGS spine, 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 bottom 9 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 – thus conflating the pay for those grades

# NJC Working Group

- Technical examination of possible models – not adopting negotiating positions

Some considerations:

- Effect of ‘simple’ compliance – leading to vastly reduced differentials in bottom third of pay spine
- 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 from NLW 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

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