

REPORT TO CABINET

18 November 2020

Subject:	Schools' Model Pay Policies 2020/21
Presenting Cabinet Member:	Councillor Joyce Underhill - Cabinet Member for Children's Services
Director:	Interim HR Director – Sue Stanhope Director – Education, Skills and Employment – Chris Ward Executive Director of Children's Services – Lesley Hagger
Contribution towards Vision 2030:	
Key Decision:	Yes
Cabinet Member Approval and Date:	Councillor Joyce Underhill - Cabinet Member for Children's Services: 15/10/2020
Director Approval:	Interim HR Director - Sue Stanhope: 21/10/2020 Director – Education, Skills and Employment – Chris Ward: 23/10/2020 Executive Director of Children's Services – Lesley Hagger: 16/10/2020
Reason for Urgency:	Urgency provisions do not apply
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
Contact Officer(s):	Sue Stanhope, Interim HR Director Sue_stanhope@sandwell.gov.uk David Briggs, Assistant HR Business Partner David_briggs@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Cabinet approves:

1. The September 2020 Pay Award as follows:

- a 5.5% uplift is applied to the minima, and a 2.75% uplift is applied to the maxima of the Main Pay Range (MPR), the four advisory points (M2 – M5) within the MPR are also adopted. All other pay and allowance ranges are uplifted by 2.75%

and it is applied to local authority Community Schools.

2. The Unattached Teachers' Pay Policy 2020/21, now submitted as Appendix 1, be approved and implemented by the Council with effect from 1 September 2020.

3. The Model Schools' Pay Policy 2020/21, 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 2020.

1 PURPOSE OF THE REPORT

1.1 The purpose of this report is to recommend to Cabinet the September 2020 Pay Award and seek approval for the Unattached Teachers' Pay Policy 2020/21 and the Model Schools' Pay Policy 2020/21.

1.2 The Department for Education issues the School 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 2020 and as such the Pay Policy is a general refresh only rather than representing wholescale changes.
- 1.6 Both policies are compliant with all appropriate employment legislation and with the 2020 School Teachers' Pay and Conditions Document and accompanying statutory guidance.
- 1.7 The September 2020 pay award has been agreed nationally and the recommendation for Sandwell MBC, in keeping with regional comparators for all teachers, is summarised below:
 - a 5.5% uplift is applied to the minima, and a 2.75% uplift is applied to the maxima of the Main Pay Range (MPR), the four advisory points (M2 – M5) within the MPR are also adopted. All other pay and allowance ranges are uplifted by 2.75%

The Pay Policies reflect these new pay points.

2 IMPLICATION FOR SANDWELL'S VISION

- 2.1 The proposals contained in this report support the Sandwell's Vision 2030 as stated in

Ambition 3: 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 and

Ambition 4: 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 (STPCD) 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 (DfE) normal statutory consultation process.

- 3.3 The revised arrangements for teachers set out in the 2020 Document come into force with effect from 1 September 2020.

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 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 non-statutory guidance.

- 3.4 The statutory changes made to the STPCD Document 2020 have been limited and therefore only a general refresh of the Pay Policies has been necessary from this perspective.
- 3.5 However, for completeness and clarity, the Schools Model Pay Policy has been amended to include the following items that are already in operation within local authority schools:

The Merit Increment Scheme applies to all employees on Local Government Services terms and conditions (including school-based employees).

The application of the **Special Educational Needs Allowance** did not change following the implementation of the Single Status Agreement.

4 THE CURRENT POSITION

- 4.1 Local Authority Human Resources Management have consulted with the trade unions on this policy. Due to the DfE's late notification and confirmation of the School Teachers' Pay and Conditions Document 2020, consultation with Trade Unions could not commence prior to the start of the Autumn Term, and certainly not before the School Teachers' Pay and Conditions Document was laid before parliament.
- 4.2 Therefore, to prevent a delay in the actioning of the pay award, all Schools and the trade unions were written to in October to confirm the employer's position and invited to give their comments.

- 4.3 The Schools' Model 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 2020, 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:

Option 1: a 5.5% uplift is applied to the minimum of the Main Pay Range (MPR), and all other pay and allowance ranges are uplifted by 2.75%

Option 2: a 5.5% uplift is applied to the minima, and a 2.75% uplift is applied to the maxima of the Main Pay Range (MPR), the four advisory points (M2 – M5) within the MPR are also adopted. All other pay and allowance ranges are uplifted by 2.75%.

For clarity, the four advisory points* contained within the SPTCD, smooth and bridge the gap between the minima and the maxima of the Main Pay Range (MPR) as detailed below:

SMBC Teachers	Current	Option 1	Option 1	Option 2	Option 2
Main Pay Range	2019	2020	2020	2020	2020
Scale point	£	£	%	£	%
M1	24,373	25,714	5.50	25,714	5.50
M2	26,298	27,022	2.75	*27,600	4.95
M3	28,413	29,195	2.75	*29,664	4.40
M4	30,599	31,441	2.75	*31,778	3.85
M5	33,010	33,918	2.75	*34,100	3.30
M6	35,971	36,961	2.75	36,961	2.75

- 5.2 Feedback was sought over a 7-day period and based on a total of 38 responses, 14 (37%) were in favour of Option 1, and 24 (63%) were in favour of Option 2.

- 5.3 This position has also been reflected locally by trade union representatives of the Joint Union Panel (JUP). It was felt that by awarding the four advisory points contained within the STPCD, that this would further help schools attract, recruit and reward teachers through an increase in pay, which can also act as an incentive for continuous improvement.
- 5.4 Locally, the teaching trade unions welcomed the above uplift and the adoption of the advisory points.

6 ALTERNATIVE OPTIONS

- 6.1 Schools have been presented with two options (see 5.1) in relation to the application of the pay award. 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, and by adopting the Main Pay Range advisory points contained within the STPCD, this 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.
- 6.3 The feedback would also suggest that the majority of schools do still want a consistent pay spine produced by the Local Government Association (LGA) for them across all the pay ranges.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 Central government has made funding available for the financial year 2020_21 through the provision of a Teacher's Pay Grant (TPG) and a Teachers' Pension Employer Contribution Grants (TPECG) however this will not cover the full cost of the pay award or the pension increase. The government has calculated the TPG on the assumption that schools will have budgeted to meet some of the pay award increase.
- 7.2 The TPECG covers the cost of the increase in the employer contribution rate of the Teachers' Pension Scheme (TPS) from 16.4% to 23.6%, from September 2019.
- 7.3 For the financial year 2021_22, from April 2021 onwards, funding for the TPG and TPECG will be paid through the schools, high needs and central school services block of the national funding formulae (NFF), instead of as separate grants.

- 7.4 The budgets will have to be efficiently managed by schools and their governing bodies in order to deal with the budget pressures they will face going forward.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The policies have been prepared based on the School Teachers' Pay and Conditions Document 2020. 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 Document should take precedence.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 The subject of this statement does not meet the criteria for undertaking an Equality Impact Assessment. If agreed, the revised pay scales will be applied equally to all employees who are entitled to this pay award, irrespective of any protected characteristic that they may or may not have.

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 2020 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.

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 2020 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 2020/21, now submitted as Appendix 1, be approved and implemented by the Council with effect from 1 September 2020.
- 15.3 That the Model Schools' Pay Policy 2020/21, 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 2020.

16 BACKGROUND PAPERS

- DfE: School Teachers Pay and Conditions Document 2020 -
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/832634/School_teachers_pay_and_conditions_2020.pdf

17 APPENDICES:

Appendix 1 - Unattached Teachers' Pay Policy 2020/21
Appendix 2 - Schools' Model Pay Policy 2020/21

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