

Staff and Pensions Committee

22 November 2023

Pay Award for Warwickshire County Council Employees on School Teachers' Pay and Conditions

Recommendation

That the Committee approves the application of the national pay award to Warwickshire County Council staff employed on School Teachers' Pay and Conditions Document in line with the approach set out at section 3 of the report.

1. Executive Summary

- 1.1 This paper outlines the position regarding the 2023 pay award to employees paid on the School Teachers Pay and Conditions Document (known as STPCD) which applies to teachers based in maintained schools and those employed centrally.
- 1.2 Pay awards for teachers are decided by Government Ministers and based on the recommendation of the School Teachers' Review Body (STRB). The STRB are issued a remit by the Secretary of State (SoS) for Education and asked for recommendations on pay awards. Following a national consultation, the final decision on pay awards is made by the SoS for Education.
- 1.3 The SoS for Education has accepted the recommendations of the 33rd report of the STRB and the draft STPCD.
- 1.4 The revised STPCD outlines the following September 2023 pay award:
 - 6.5% increase to all pay points and allowances for both teachers and leaders, apart from:
 - higher uplift for pay point M1 (the lowest pay point) on the Main Pay Range of 7.1%; and
 - all pay uplifts will be back dated to 1 September 2023.
- 1.5 The Department for Education (DfE) has advised the teachers pay award is being funded via an additional £525m in 2023-24, and £900m in 2024-25. The DfE estimates that this is equivalent to the full costs of the pay award as it adds an additional 3 per cent of funding to the 3.5 per cent (DfE estimated was affordable and budgeted for) in the average school. In addition, the SoS announced an extension to the support currently available to individual schools facing the most difficult financial circumstances by up to £40m.

- 1.6 The DfE has confirmed that Centrally Employed Teachers (CETs) are not included in the new Teachers' Pay Additional Grant following the National Employers' Organisation for School Teachers (NEOST) raising this question on behalf of all school members and stakeholders. This point is being considered further and we hope to receive an update shortly on whether there will be any additional funding provision for CETs.
- 1.7 In response to the national consultation, NEOST confirmed it welcomes:
- the decision to fully implement the STRB recommendations for teachers' pay 2023/24;
 - the Government's proposal of a minimum starting salary for teachers of £30,000 from September 2023;
 - the Government's decision to provide new additional financial support, including an additional 'one off' hardship fund of £40 million and asks that the Government ensures it continues to provide adequate financial support so that all schools can fully implement the pay award without having to make significant adjustments that are likely to affect the quality of education; and
 - the DfE, establishing a task force where employers are represented to look at recommending ways of reducing the workload of teachers and leaders.
- 1.8 Looking forward to next year's STRB remit, NEOST asks for a review of the Upper Pay Rate (UPR) and salary safeguarding specific issues to be included. An effective consultation process that supports the statutory financial management processes for all schools is also sought, avoiding announcements and consultations held almost entirely during the school holidays.
- 1.9 The joint response to the STRB report from Education unions representing almost all teachers and school leaders underlines the consensus in the profession on the key pay and conditions issues:
- teachers and school leaders are clear that the pay increase for September 2023 must be only the first in a series of urgent steps to repair the damage to pay and conditions, and to tackle the recruitment and retention crisis;
 - the unions agree that for the sake of our education service, teachers and school leaders agree on the need for a major correction in teacher pay and urgent improvements in workload and working conditions; and
 - this year the unions have also sent a separate joint statement to SoS for Education on performance-related pay (PRP). The unions call on the Government to immediately remove PRP in favour of pay progression based on experience and expertise..
- 1.10 The draft STPCD was laid in parliament on 13 October to 3 November for the 21-day praying period, which is the formal end of the process. All pay uplifts will be back dated to 1 September 2023.

2. Consistent Application of Teachers Pay

- 2.1 Pay awards for teachers are decided by Government Ministers and based on the recommendation of the STRB.
- 2.2 A teacher on the main pay range must be paid such salary within the minimum and maximum of the main pay range set out in the STPCD. Additionally, advisory pay points for the main pay range are set out to help support decisions about pay for teachers on the pay range.
- 2.3 Warwickshire continues to align to the advisory pay points as set out in the STPCD and this has then been incorporated into the Warwickshire school teachers pay policy for centrally employed staff and the model pay policy for teaching staff in schools. This approach has provided the basis for a consistent application of the pay award and therefore helped to minimise equal pay risks. Although schools have discretion over how they apply the pay discretions there remains no evidence that they have moved away from the position recommended within the model policy.
- 2.4 In response to the pay discretions offered to schools, each year the Staff and Pensions Committee has approved the application of the national pay award to Warwickshire County Council staff employed on School Teachers' Pay and Conditions.

3. Proposed application of the 2023 Pay Award

- 3.1 Implementing the approach as set out in section 2 will mean presenting pay policies for teachers based in maintained schools and those employed centrally requiring a 6.5% increase on all pay ranges and allowances and pay reference points, apart from point M1 on the Main Pay Range (MPR) where a higher uplift of 7.1% will be applied.
- 3.2 It is proposed that the following should be incorporated into teacher pay policies for schools and centrally employed staff for 2023/24:

Main Pay Range:

SPINE POINT	1 SEPT 2022 TO 31 AUG 2023	1 SEPT 2023 TO 31 AUG 2024	% Increase
Main Pay Range			
Min M1	£28,000	£30,000	7.1%
M2	£29,800	£31,737	6.5%
M3	£31,750	£33,814	6.5%
M4	£33,850	£36,051	6.5%
M5	£35,990	£38,330	6.5%
Max M6	£38,810	£41,333	6.5%

Upper Pay Range			
Min U1	£40,625	£43,266	6.5%
U2	£42,131	£44,870	6.5%
Max U3	£43,685	£46,525	6.5%

- 6.5% uplift to be applied to the minima and maxima, and all pay reference points in between, of all other pay ranges in the national framework - to include upper pay range, unqualified teacher range, leading practitioner pay range, Headteacher pay range, Deputy Head Teacher Pay Range, Assistant Headteacher Pay Range, Leadership Group Pay Range.
- 6.5% increase to be applied to the minima and maxima and all of the pay reference points in-between (where these exist) of all allowances across all pay ranges, including Teaching and Learning Responsibility Payments and Special Education Needs Allowances.

Warwickshire Music Service Instrumental Pay Range:

- 6.5% uplift to the minima and maxima, and all pay reference points in between, of the Warwickshire Music Service Instrumental Pay Range.

SCALE POINT	1 SEPT 2022 TO 31 AUG 2023	1 SEPT 2023 TO 31 AUG 2024	% Increase
Min 1	£20,197	£21,510	6.5%
2	£21,883	£23,305	6.5%
3	£22,756	£24,235	6.5%
4	£24,456	£26,046	6.5%
5	£26,189	£27,891	6.5%
6	£28,459	£30,309	6.5%
Max 7	£30,165	£32,126	6.5%

- 3.3 It is proposed that the pay recommendation to our schools should again be accompanied by a notification to Governing Bodies, that any legal costs associated with equal pay claims as a result of not following the Local Authority advice would fall to the school's budget share. This message would be consistent with Section 6.2.11 of the Scheme for the Financing of Schools (Section 48 of the School Standards and Framework Act 1998) that the Council publishes each year.

4. Financial Implications

- 4.1 The DfE has advised the teachers' pay award is being funded via an additional £525m in 2023-24 and £900m in 2024-25. The DfE estimate that this is equivalent to the full costs of the pay award as it adds an additional 3 per cent of funding to the 3.5 per cent (DfE estimated was affordable and budgeted for) in the average school. In addition, the Secretary of State announced an

extension to the support currently available to individual schools facing the most difficult financial circumstances by up to £40m.

- 4.2 The DfE has confirmed that Centrally Employed Teachers (CETs) are not included in the new Teachers' Pay Additional Grant and following NEOST raising this question on behalf of all school members and stakeholders. This point is being considered further and we hope to receive an update shortly on whether there will be any additional funding provision for CETs.
- 4.3 Due to the legal delegated financial framework for state funded schools WCC does not hold extensive payroll information for Warwickshire's state funded schools, this means that we are unable to understand or model the potential impact on individual schools or on the sector as a whole.
- 4.4 Those schools directly supported by Warwickshire's School Finance traded service were recommended to budget an increase at between 3% and 7.1% (dependant on scale) for teachers' pay from September 2023. The settlement proposals in Sept 2023 now assume all points at 6.5% with exception of M1 at the higher % of 7.1%. Therefore, the cost of the pay award is higher than previous planning assumptions for these schools.
- 4.5 For some schools the additional funding allocated by the Government will broadly align to the additional costs, but not for all schools. Some initial estimates are showing cost pressures, but it is not possible to determine the extent of these pressures due to individual school circumstances, including whether they have relatively high staffing levels. Where there is a shortfall schools will have to make savings elsewhere and this will add to continued financial pressures and reduced financial stability across the school system.
- 4.6 We know many local authorities and schools will have based their financial planning on lower estimates of pay inflation than the 3.5% assumed by the DfE in calculating the need for additional funding. For these schools the potential financial gap will be greater.
- 4.7 Using data from May to June 2023, it is estimated that the teachers' pay costs for non-schools (Education Services) would be circa £5.2m for the financial year 2023/24. A simple 6.5% increase in teaching costs would equate to an increase of £0.197m for a full year, £112k on traded services (music and specialist teaching service) and £85k on DSG funded services.

5. Environmental Implications

- 5.1 None

6. Supporting Information

- 6.1 It is recommended the Committee approve the application of the national pay award to Warwickshire County Council staff employed on School Teachers' Pay and Conditions Document in line with the approach set out at section 3 of the report.

7. Timescales associated with the decision and next steps

- 7.1 The draft STPCD was laid in parliament on 13 October to 3 November for the 21-day praying period, which is the formal end of the process.
- 7.2 It is proposed pay review will be implemented in the December 2023 pay run and all pay uplifts will be back dated to 1 September 2023.

Appendices

1. School Teachers' Review Body 33rd Report 2023
2. School Teacher's Pay and Conditions Document 2023

Background Papers

None

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The report was circulated to the following members prior to publication:

Local Member(s): n/a

Other members: Councillor Yousef Dahmash and Councillor Bill Gifford