



People, Performance and Development Committee  
24 September 2018

### **Centrally Employed Teachers' Pay Settlement 2018-19**

#### **Purpose of the report:**

This report is being brought to People, Performance and Development Committee in accordance with its responsibility to determine the pay progression arrangements for centrally employed teachers for 2018/2019 in accordance with the Section 2, para 6.13 of the Scheme of Delegation.

#### **Recommendations:**

That the People, Performance and Development Committee agree the following pay progression increases for centrally employed teachers:

- i. a two percent pay increase, subject to a successful appraisal rating, backdated to 1 September 2018;
- ii. a three percent increase, subject to an exceptional appraisal rating, backdated to 1 September 2018;
- iii. this pay progression award should be confirmed to Babcock 4S and head teachers as the local authorities recommended approach to pay progression effective from 1 September 2018 for Surrey maintained schools.

#### **Introduction:**

1. Remuneration for centrally employed teachers is determined in accordance with the Department for Education (DfE) School Teachers' Pay and Conditions Document which sets out the national framework and any legal changes or changes to the staff structure which have an impact on local discretionary pay decisions for teachers.
2. Where, the remuneration of an unattached teacher (other than a teacher in charge of a pupil referral unit) is determined in accordance with the provisions applicable to a

member of the leadership group, the teacher's conditions of employment that relate to professional duties and working time are agreed between the teacher and the County Council.

3. The pay year for teachers runs from 1 September each year and for the pay year commencing 1 September 2018, the following adjustments to the pay ranges have been proposed as part of the national framework, the outcome of which are anticipate by the end of September:
  - 3.5% to the minimum and maximum of the unqualified pay range and main pay range;
  - 2% to the minimum and maximum of the upper pay range, leading practitioner pay range and all allowances; and
  - 1.5% to the minimum and maximum of the leadership pay ranges.
4. Except for teachers and leaders on the minima of their respective ranges or group ranges, Surrey County Council has local discretion to determine how to take account of the uplift to the national framework in making individual pay progression decisions.
5. The Council currently employs approximately 200 centrally employed teachers of which there are ten staff on the minimum of the teachers' upper pay scale who will receive an automatic uplift in their pay from 1 September 2018.
6. A teachers' pay review group has been established within HR & OD to work with the service based pay moderation group to consider any recommendations on pay increases for centrally employed teachers.

#### **2018/2019 Pay Progression Arrangements**

7. Decisions on pay progression are reviewed annually and take into account affordability. Representatives of the teachers' trade unions, NASUWT, NEU and NAHT have been consulted on the recommended pay progression arrangements for 2018/2019.
8. For 2018/2019 the service recommend the following pay progression arrangements subject to either a successful or exceptional appraisal rating.
  - a. 1% increase to all employees for a successful appraisal rating, and
  - b. 2% increase to all employees for an exceptional/outstanding appraisal rating.
9. Appraisals for centrally employed teachers take place during September and October with the service pay moderation panel meeting at the end of October 2018 in order to review recommendations for either a 'successful' or 'exceptional' appraisal rating. It is anticipated that 95 percent of the workforce will be moderated as 'successful' and 5 percent of the workforce moderated as 'exceptional'.
10. Whilst the DfE have confirmed a fully funded pay rise of up to 3.5% for teachers on the main pay range, 2% for those on the upper pay range and 1.5% for those in leadership positions. It would appear that this funding will only apply to classroom based teachers in all maintained and schools and academies. Costings have therefore been considered

on the basis that the Council is expected to fund the increase for centrally employed teachers on national terms and conditions.

11. The service have a budget provision of one percent for 2018/2019 pay award. Finance have costed three options set out in table 1

**Table 1: Options for 2018/2019 pay award and estimated costs**

2018/2019 Pay Progression			Current staffing cost inc on-costs	Total full year staffing cost including on-costs			Extra cost	Extra cost Sept-Mar	Increase budgetted at 1%	Cost pressure above budget
Option	Increase for successful (95%)	Increase for exceptional (5%)		Successful (95%)	Extra to uplift base of grade	Exceptional (5%)	Total	Total	Total	
1	3.5%	4.5%	6,041,920	5,946,909		315,418	6,262,326	220,407	128,571	40,740 87,830
2	1.0%	2.0%	6,041,920	5,798,991	2,961	307,633	6,109,585	67,665	39,471	40,740 - 1,269
3	2.0%	3.0%	6,041,920	5,858,158		310,747	6,168,905	126,985	74,075	40,740 33,334

**Notes:**

1. All options are inclusive of the 2% uplift in grade boundaries
  2. It has been assumed that all staff currently in post will be eligible for an increase.
  3. Costs are based on existing staff in post.
12. There are ten staff on the minimum pay points of the teachers' upper pay scale and therefore affected by the uplifts to the national framework. The cost of this uplift is £7,617 and can be met within the budget provision for 2018/2019.
13. In considering options for pay progression, the service were seeking 'near' parity with Surrey Pay colleagues. Option 3; two percent increase for successful performance and three percent increase for exceptional performance achieves this. Although this option results in a slight budget pressure of £33,334, five percent of these costs fall outside of Schools and Learning as they are teachers in the Hope Service (six FTE) and Families Team (0.6 FTE)

**Conclusion**

14. A two percent pay increase for successful performance and a three percent increase for exceptional performance as assessed via the service appraisal and moderation process is the 2018/19 recommended pay progression increase for centrally employed teachers.
15. Following approval, the pay progression award should be confirmed as the local authority recommended pay progression for all school teachers employed in Surrey maintained schools with effect from 1 September 2018.

**Financial and value for money implications**

16. The Section 151 Officer has confirmed that the cost of implementing the change to the national framework and the pay progression costs of £33,334 can be met within the wider budget Schools and Learning for 2018/2019.

### **Equalities and Diversity Implications**

17. None.

### **Risk Management Implications**

18. There are no known risk management implications of introducing this pay arrangement.

<b>Next Steps</b>
-------------------

19. If approved, the Pay Policy Statement will be updated and published on the Council's external website.
20. Individual changes to pay will be implemented following the outcome of the service pay moderation panel and backdated to 1 September 2018.
21. This pay progression award should be confirmed to Babcock 4S and head teachers as the local authorities recommended approach to pay progression effective from 1 September 2018 for Surrey maintained schools.

-----  
**Report contact:** Paul Smith, Interim HR Consultant / Rakhi Saigal, HR Business Partner

**Contact details:** Tel - 020 8213 2619