

Report No.

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: GENERAL PURPOSES AND LICENSING COMMITTEE

Date: 8th November 2023

Decision Type: Non-Urgent Non-Executive Non-Key

Title: Teacher Pay Policy 2023/24 – Centrally Based Staff

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Chief Officer: Director of HR & Customer Services and Public Affairs

Ward: N/A

1. Reason for report

1.1 From 1 September 2023 revised arrangements came into force in relation to Teachers' Pay and Conditions through the publication of the statutory 2023 School Teachers' Pay and Conditions Document.

1.2 This report sets out the main changes.

2. **RECOMMENDATION(S)**

2.1 **That Members note and comment on the report;**

2.2 **That Members note from 1st September 2023 a statutory 6.5% increase to all pay and allowance ranges and advisory points for Teaching Staff, with higher increases to some parts of the Main Pay Range to reach a minimum starting salary of £30,000 outside London, with slight variations to the London pay ranges.**

2.3 **That Members authorise officers to apply the % statutory increases to Teacher Pay Scales as set out in the School Teachers' Pay and Conditions Document 2023 and to update the Centrally Based Teaching Staff Pay Policy for 1st September 2023. There are no other required changes to the Policy this year.**

Impact on Vulnerable Adults and Children

1. There is no impact on vulnerable adults arising from this report however the teaching staff referred to in this report are specialist teaching staff delivering educational services to pupils with complex special needs.

Corporate Policy

1. Policy Status: Existing Policy
2. Making Bromley Even Better Ambitions Framework: Learning and Living well, Transforming Our Services.

Financial

1. Cost of proposal: £105k in 2023/24
2. Ongoing costs: £181k full year effect in 2024/25
3. Budget head/performance centre: Various
4. Total current budget for this head: Various salary budgets
5. Source of funding: DSG

Personnel

1. Number of staff (current and additional):

All Teachers and Heads of Service centrally employed in our Central Education Division including specialist educational provision.

As at 1st September 2023 this comprised 53 staff (42.94 FTE) employed on Teacher Terms and Conditions of employment.

2. If from existing staff resources, number of staff hours: N/A.

Legal

1. Legal Requirement: Statutory Requirement Sections 122 and 127 Education Act 2002
2. Call-in: Applicable

Procurement

1. N/A

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable

2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 The Education Act 2002 gives the Secretary of State power to prescribe pay and conditions and to issue guidance on pay and conditions matters, to which those concerned must have regard.
- 3.2 The statutory requirements for teachers' pay and conditions for maintained schools in England and Wales are set out in the School Teachers' Pay and Conditions Document, which is published annually, and schools and local authorities (LAs) must abide by these. LAs and governing bodies are also required to have regard to the statutory guidance issued in conjunction with the document, and in respect of guidance on procedural matters a court or tribunal may take any failure to do so into account in any proceedings.
- 3.3 In accordance with the requirements of the School Teachers' Pay and Conditions Document, the LA as the "relevant body" is required to have in place a pay policy setting out the arrangements for determining pay arrangements for all centrally based teaching staff.
- 3.4 Each year the School Teachers' Review Body (STRB) is provided with a remit from the Secretary of State to review Teachers' Pay. The remit focuses on specific areas as well as pay trends in general. The school teachers' review body consults with employers, teacher organisations and Unions and reports back to the Secretary of State its findings and recommendations. The Secretary of State then determines whether or not to accept the proposals put forward by the review body.
- 3.5 In making its recommendations, the STRB was asked this year to have regard to the following:
- An assessment of the adjustments that should be made to the salary and allowance ranges for classroom teachers, unqualified teachers, and school leaders in 2023/24. This should aim to promote recruitment and retention whilst taking into account the Government's commitment to uplift starting salaries to £30,000 and the cost pressures facing both the school system as a whole and individual schools.
 - **Matters for the STRB's views.**

In the last STRB report (2022), the STRB indicated that it would welcome the opportunity to assist in developing recommendations on broader structural issues. The Secretary of State for Education acknowledged that The Department and the STRB have a shared aim to provide a coherent and fulfilling career path for teachers and leaders. The Secretary of State therefore further invited the STRB to offer an initial view on areas within the STRB's scope which would most benefit from future exploration to support this aim in the context of the Government's ambitious professional development reforms in Initial Teacher Training, the Early Career Framework and National Professional Qualifications.

In considering its recommendations on pay and views on wider structural matters the Secretary of State advised that the STRB should have regard to the following:

- a) Potential equalities impacts associated with any changes proposed to the STPCD.
- b) The cost pressures that schools are already facing and may face over the year (and how they affect individual schools).
- c) The need to ensure that any proposals are not too difficult or onerous for schools to implement.
- d) Evidence of the national state of teacher and school leader supply, including rates of recruitment and retention, vacancy rates and the quality of candidates entering the profession.

- e) Evidence of the wider state of the labour market in England.
- f) Forecast changes in the pupil population and consequent changes in the level of demand for teachers.
- g) The Government's commitment to increasing autonomy for all head teachers and governing bodies to develop pay arrangements that are suited to the individual circumstances of their schools and to determine teachers' pay within the statutory minima and maxima.

A copy of the 33rd Review Body full report including a copy of its Executive Summary can be found at the following link:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1170121/STRB_33rd_Report_2023_Web_Accessible_v02_1_.pdf

3.6 This year, the Review Body made the following recommendations:

- With effect from September 2023, a 6.5% increase to all pay ranges and advisory points, with higher increases to parts of the Main Pay Range to reach a minimum starting salary of £30,000 outside London, with slight variations to the London pay ranges.
- Given that the various allowances form part of teachers' total pay, it is appropriate to increase their value by the same rate (6.5%), ensuring that the headline award rate is reflected across all elements of a teacher's pay.

The proposed pay and allowance ranges and advisory points are set out in full at Appendix D of the STRB report (see link above).

The STRB estimate that its recommendations will increase the paybill by 6.5% or approximately £1.6bn for mainstream schools. Over the next school year these costs are similar to the Government's recent offer, albeit the STRB recommendations are for fully consolidated awards.

These recommendations were accepted in full by the Secretary of State.

- 3.7 Under the current pay system, it remains as in previous years for school leaders, governing bodies and Local Authorities to determine how to implement, in their individual schools, and Education Services the changes to the School Teachers' Pay and Conditions Document (STPCD) arising from the STRB recommendations.
- 3.8 The DfE carried out extensive consultation with relevant parties (see 3.22 below) and the School Teachers' Pay and Conditions Order was laid before parliament in October 2023, with implementation of the 2023 School Teachers Pay and Conditions Document backdated to the 1st September 2023.
- 3.9 The new pay and conditions document continues to provide flexibility for relevant bodies in relation to reward and performance of staff. Each School and LA is required to determine its own specific pay policy tailored to the needs of the individual school/service.
- 3.10 In light of the recommendations of the review body the Council needs to review its pay policy and determine whether any changes are required.

STRB Commentary

- 3.11 In developing its recommendations, the STRB has drawn on the written and oral evidence provided by the Department for Education and its consultees as well as a wide range of economic and school workforce data.
- 3.12 Recruitment and retention of sufficient numbers of high-quality teachers remains the primary objective of the STRB's pay considerations. Both rates continue to be below the level required to fill posts across regions, school types and subject specialisms with appropriately qualified teachers. The recruitment shortfalls are particularly concerning and are getting worse.
- 3.13 This deteriorating recruitment position is in the STRB's view linked in part to pay levels. Teachers' pay has been losing value relative to whole-economy earnings and to other professional occupations. This pre-dates the difficult economic conditions associated with the pandemic and the war in Ukraine. The STRB also noted that salaries for new graduates are now around 12% higher than they were when the Government adopted a target of £30,000 for new teachers entering the profession.
- 3.14 Pay is not the only motivation for many teachers. Nonetheless, salary levels need to be sufficiently competitive if able graduates are to be attracted and retained. The STRB found that there is strong empirical evidence that they are not competitive enough.
- 3.15 The STRB carefully considered what the Government had submitted in relation to budgets and school finances. The detail is complex and the STRB acknowledged there has been a changing picture even during the period of consultation. A combination of the variability in funding levels across schools and the additional unpredictability this year from energy price movements means it is not possible for the STRB to make a robust assessment of individual schools' ability to fund its recommended award.
- 3.16 In its evidence, the Government said that affordability constraints mean an increase in the paybill should not exceed 4%. A larger pay rise would require trade-offs with other priorities. This reflects the Government's position that the 2021 Spending Review settlement (as subsequently adjusted) may not be reopened.
- 3.17 The STRB estimated the total cost of the offer made to the teacher and leadership unions in March, of a 4.5% average award and a non-consolidated payment of £1,000, was approximately £1.6 bn to the end of the academic year 2023/24. The Secretary of State told the STRB in oral evidence this was to be fully funded.
- 3.18 The STRB recognise that government ultimately makes the decisions on budgets. The STRB role is to provide independent recommendations which take into account all the relevant evidence, including in relation to funding. The STRB have also considered what approach offers best value-for-money for taxpayers. Given limited resources, it is important that its recommendations are cost-efficient and that they support the objective of enabling schools to recruit and retain a high-quality teaching workforce.
- 3.19 Spending more than is needed in a given year is not a good use of public funds. Spending too little may appear to be a saving but gives rise to serious problems. The cost of remediating poor or unbalanced decisions can be significant and, in the medium term, can represent poor value for money.
- 3.20 For this reason, the STRB concluded it is necessary to recommend exceeding the increases to teachers' pay proposed by the Government. In doing so the STRB recognised that its recommendations also exceed the general level supported by schools' current budgets, in so

far as it had been able to determine. Given the constraints on schools, the STRB commented that adequate funding should be put in place to accompany the pay increases.

3.21 The STRB recommendations are primarily driven by the objective of remedying, in a balanced and considered manner, the structural deterioration in the relative pay of teachers and the inadequate recruitment of graduates. Additional investment is needed and it will be more cost-effective to act sooner rather than later. The cost of failure is high: it affects teaching quality and adversely impacts children's education.

3.22 CONSULTATION

3.23 The Department's views (DFE)

3.24 In its evidence, the Department said one of its top priorities was to ensure that it continued to attract, retain and develop the high-quality teachers needed to inspire the next generation, and that teaching should remain an attractive career.

3.25 It noted the COVID-19 pandemic and highlighted the crucial role teachers play in children's lives. It recognised the importance of investing in teachers and delivering a motivating career path for the whole profession.

3.26 The Department also emphasised that the pay award needed to balance recognising the vital importance of public sector workers with delivering value for money for the taxpayer. In oral evidence, the Secretary of State expressed her disappointment that teachers had not accepted the offer made by the Government in March 2023.

3.27 The Department invited the STRB to make recommendations with effect from September 2023. In line with its aspiration to achieve a starting salary in the rest of England of £30,000 by 2023, its written evidence proposed an uplift of 7.1% to the minimum of the Main Pay Range with progressively smaller uplifts to points M2 to M6, and a 3.0% award for all other teachers and leaders. It said its proposals equated to a paybill increase of 3.5%.

3.28 In oral evidence, it revised its position in light of changing affordability assumptions and suggested an overall increase of 4.0% on average was manageable. It also referred to the offer of an award averaging 4.5% that it had made to the teacher and leadership unions in March, for which it said it had provided additional funding.

3.29 The Department reiterated its view that targeting pay at early career teachers, including a higher starting salary, remained critical to addressing recruitment and retention challenges where they were most acute. This was in addition to bursaries and retention payments.

3.30 It also said that the pay system should reflect the significant contribution of experienced teachers and leaders. While it noted that retention levels for experienced teachers were more stable, it said challenges remained and that recognising the value and importance of experienced teachers and leaders remained a key consideration.

3.31 The Department suggested the STRB should consider the broader labour market context, including the overall package received by teachers and that many teachers received pay progression awards. It said that public sector pay needed to be affordable and that increases to public sector pay could exacerbate inflationary pressures.

3.32 Overall, the Department said it would like to see recommendations for an award that:

- Delivers the manifesto commitment of a £30,000 starting salary for new teachers.
- Provides awards for all teachers and leaders comparable with the rest of the public sector and broader workforces, but within the bounds of affordability.
- Supports schools to manage their overall budgets.

3.33 Trade Union and Other Consultee Views

- 3.34 There was a strong consensus from the teacher and leadership unions for a fully funded restorative pay award. In their submissions, the unions set out a range of analyses illustrating the real-terms losses to teachers pay since 2010. They also highlighted the damage to pay in comparative terms, including against the wider economy, graduate labour market and through international comparisons.
- 3.35 All unions sought a uniform pay award. While the teacher and leadership unions supported significant increases to starting pay they said this level of increase should be applied to all teachers and leaders. Some suggested differential pay awards were divisive and, particularly in the context of leaders' pay, that resultant diminished differentials and a flatter structure negatively impacted recruitment into senior roles.
- 3.36 On the question of the Government's proposal for starting pay, several noted that the £30,000 starting salary, originally announced in 2019, had now lost considerable real-terms value, meaning it was less competitive compared to starting salaries in other graduate professions.
- 3.37 Several consultees highlighted the gender pay gap and wider pay inequalities, with some suggesting the gap is higher in schools with greater flexibility on pay matters. In this context it was suggested that the sector was failing in its public sector equality duty.
- 3.38 The teacher and leadership unions all challenged the Government's view on the inflationary impact of public sector pay increases, suggesting this was incorrect and was contradicted by independent economists.
- 3.39 Other consultees noted a range of concerns relating to pay, funding, the workforce and the Pay Review Body process. Key points made included:
- Teachers had experienced very significant real-terms pay decreases and a restorative pay award was therefore required.
 - Many schools' budgets were extremely challenging; this was heightened by cuts to support services, increasing energy costs and recent support staff pay awards.
 - Teacher and school leader supply were worsening with action required to address both recruitment and retention. There were significant issues across all phases and levels of experience. Teachers in England have the lowest average tenure in the OECD. Several consultees pointed to diminishing teacher morale.
 - In oral evidence, the teacher and leadership unions expressed their disappointment at the pay offer from the Government following negotiations in March. Members of ASCL, Community, NAHT, the NASUWT and the NEU had rejected the offer.
 - Several consultees felt the Government had repeatedly constrained the STRB's ability to recommend appropriate pay awards such that the credibility of the Review Body process was now in jeopardy. They suggested the STRB should demonstrate greater independence by putting to one side the Government's framing of the remit.

Other specific proposals included:

- The NASUWT and the NEU proposed a six-point mandatory pay scale for classroom teachers, without a performance-related element or a pay threshold to hinder progression.
- NAHT proposed a ‘professional pay continuum’ with improved pay differentiation between levels of responsibility.
- Several consultees suggested changes to the use of Teaching and Learning Responsibility payments (TLRs), including fixed value points and improved guidance on eligibility. NGA proposed a middle leader range to negate the need to award TLRs.
- The NASUWT and the NEU called for supply teachers to be brought within the national pay and conditions framework.
- ASCL and NAHT called for Business Managers to be included in the national pay and conditions framework.
- All consultees sought greater action and analysis to understand and eradicate pay inequalities.

3.40 Secretary of State statement to the House of Commons on 13th July 2023

The Secretary of State accepted the STRB’s recommendations in full. In a statement to the House of Commons she said:

“I am pleased to confirm that the Government has today accepted the STRB’s recommendations for 2023/24 teacher pay awards in full. This means that teachers and leaders in maintained schools will receive an increase of at least 6.5%, the highest STRB award in three decades. This comes on top of the increases already received last year, and for many teachers will also be accompanied by additional pay rises due to progression, recognising the hard work of our teaching profession. Further information about the implementation of this can be found in the annex to this statement.

These recommendations also include higher uplifts to starting salaries outside London, which mean that as of September, the Government will have delivered its manifesto commitment of starting salaries of £30,000 or more for teachers in all areas of the country.

The award is fully funded, and we will be providing an additional £525m of funding in 2023-24, and £900m in 2024-25. That is equivalent to the full costs of the pay award over 3.5% which our evidence states is affordable to schools nationally, and in line with the evidence the Government submitted to the STRB. This Government is committed to living within its means and delivering value for the taxpayer, and therefore we are reprioritising within the Department for Education’s existing budget to deliver this additional funding to schools, while protecting frontline services. The award is consistent with the Government’s priority to halve inflation.

This support is being provided in respect of mainstream and special schools, as well as school-based early years and post-16 provision. Every school will benefit from this additional funding. We have also published details of its distribution (which can be found at the following link:

<https://www.gov.uk/government/publications/teachers-pay-additional-grant-2023-to-2024>), providing schools with the information they need to finalise their budgets. I recognise that this will not mean that no school will face financial challenges and I will also extend the support currently available to individual schools facing the most difficult financial circumstances by up to £40m.

This support comes on top of the £2 billion a year provided for schools in our Autumn Statement. As a result, the Core Schools Budget will now total more than £59.6 billion in 2024-25 – its highest ever level, in real terms per pupil, as confirmed by the independent Institute for Fiscal Studies.

I am also announcing today other measures to promote recruitment and retention across schools which remains a priority for this government. We will convene a workload reduction taskforce to explore how we can go further to support trust and school leaders to minimise workload for teachers and leaders. We want to build on previous successes and aim to reduce working hours by five hours per week. We also plan to reinsert a revised list of administrative tasks that teachers should not be expected to do into the School Teachers' Pay and Conditions Document (STPCD).

We know that flexible working opportunities can help to recruit, retain, and motivate teachers and leaders and help promote staff wellbeing. Last month we appointed seven Flexible Working Ambassador Multi-Academy Trusts and Schools to offer practical advice to school leaders on implementing flexible working and we are currently in the process of recruiting more. This is part of a wider programme, funded by the Department, to help embed flexible working in schools and trusts."

- 3.41 Following publication of the Pay and Conditions Document the Council is required to formally consult with Trade Unions to seek their views on the pay policy. This year there are no changes to the Bromley Pay Policy except for the Statutory pay increases to Teachers Pay and Allowances as set out in paragraph 2.2 above.
- 3.42 The Regional Teacher Trade Union representatives recognised by the Council have been sent a copy of this report for any further views/comments and any responses received will be verbally reported at the meeting for Members consideration.

4.0 IMPACT OF THE STRB RECOMMENDATIONS ON SPECIALIST EDUCATION SERVICES IN BROMLEY

- 4.1 The LA employs All Teachers and Heads of Service employed in our Central Education Division which includes specialist educational provision.
- As at 1st September 2023 this comprised 53 staff (42.94 FTE) employed on Teacher Terms and Conditions of employment.
- 4.2 There is existing provision for each Teacher's salary to be reviewed annually. In addition, the LA already has an appraisal policy in place agreed by Members in autumn 2012. Teaching Standards were introduced in 2012 and from September 2014 pay progression for all Teaching staff became directly linked to performance.
- 4.3 Since 2012 the STP&CD has provided the flexibility for LA's to set their own pay scales for Teachers with mandatory % increases only at the minimum and maximum of scales and allowances. As well as the Main Pay Range there are separate ranges for Unqualified, Upper Pay Range and Leadership staff.
- 4.4 The use of mandatory pay points was removed in 2015 and the ability to set pay scales linked to local circumstances, need and affordability was provided.
- 4.5 At that time Bromley alongside many other LA's continued to set pay points with members of the Council determining the annual % increase for scales and Managers and Head Teachers determining any additional pay progression based on performance. In 2020 however the Government reintroduced advisory points for the Main Teaching Scale and these were adopted by the Council.
- 4.6 The current policy provides flexibility for managers in determining arrangements for Teachers' Pay for all Teaching staff including those employed on the leadership range. This includes flexibility regarding starting salaries and progression and is broadly consistent with the current

principles applied to those staff employed by the Council on Localised Pay terms and conditions. This means that there is still the flexibility for Head Teachers and Heads of Service to progress Teachers within the salary scale based on performance.

4.7 The Council's centrally based teaching staff are specialised staff working with highly vulnerable pupils with special and complex needs. Recruitment and retention of staff to these posts remains essential and it is vital that salary packages are competitive in the wider teacher recruitment labour market.

4.8 The Council must implement the changes required by the SCTP&CD 2023 as this is a statutory requirement however it continues to have discretion regarding those elements which are non-statutory.

5.0 IMPACT ON VULNERABLE ADULTS AND CHILDREN

5.1 There is no impact on vulnerable adults arising from this report however the teaching staff referred to in this report are specialist teaching staff delivering educational services to pupils with complex special needs.

6. POLICY IMPLICATIONS

6.1 The model policy is consistent with the Making Bromley Even Better Ambitions Framework and our Transformation Programme. It continues to provide strategic leadership and support to Education Services in the Borough ensuring the organisation has a workforce of appropriate skills and experience to meet future challenges in delivering local priorities. Various elements of the model policy for teachers are similar or consistent with the key elements of the Council's local terms and conditions of service for all non-teaching staff employed by the authority.

7. FINANCIAL IMPLICATIONS

7.1 There are 53 relevant posts (equivalent to 42.92fte's).

7.2 The proposal to uplift salaries by 6.5% from September 2023 for the academic year as detailed in paragraph 3.6 will cost the following:-

COST OF UPLIFTS

	<u>£'000</u>
2023/24	105
2024/25	181

7.3 The costs above also contain elements of additional employers costs of National Insurance and Pensions, etc

7.4 These employees are funded from the Dedicated Schools Grant (DSG), a ringfenced grant used for Education purposes. The expectation would be that the increase in costs would be met from this grant in the first instance.

8. PERSONNEL IMPLICATIONS

8.1 As set out in this report.

9. LEGAL IMPLICATIONS

9.1 Part 8 of The Education Act 2002 deals with the legal status of teachers pay and conditions.

Section 122 gives the Secretary of State a power to prescribe pay and conditions for teachers and Section 127 recites that the Secretary of State after due consultation may issue guidance which a local authority and a school governing body shall have regard to in respect of teachers pay.

10. PROCUREMENT IMPLICATIONS

10.1 N/A

Non-Applicable Sections:	N/A
Background Documents: (Access via Contact Officer)	