



CABINET – 13TH JANUARY 2021

SUBJECT: TEACHERS PAY AWARD 2020-21

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION & CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To provide Cabinet with details and subsequent implications relating to the Teachers September 2020 pay award. To outline details of a funding shortfall and provide a proposal with regards to how this could be funded in the current financial year.

2. SUMMARY

- 2.1 The report provides details of the teachers pay award for September 2020 and the subsequent financial implications for the Authority if the strategy is to fully support uplift in funding, for this purpose, to our schools. An in year grant from Welsh Government does not fund this cost in full (circa 50%).

3. RECOMMENDATIONS

- 3.1 It is recommended that:
- Cabinet support a proposal to fund the estimated shortfall relating to the teachers pay award (pre-16 learners) in 2020-21 of £286k.
 - This shortfall is funded from the in-year projected underspend within Miscellaneous Finance budgets.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To provide financial support to our schools following an average teacher's pay increase in September 2020 of 3.1%, which is a 1.1% increase above the level of uplift allowed for within the Authority's approved 2020-21 Budget.

5. THE REPORT

- 5.1 On 29th July 2020, Kirsty Williams MS, Minister for Education announced that subject to consultation with key stakeholders that she agreed in principle to accept all the Independent Welsh Pay Review Body's recommendations for teachers pay in 2020-21. On 14th October the Minister announced that there would be an uplift of pay "to reward our highly skilled and hardworking teachers across Wales".
- 5.2 Details of the pay award are outlined in the School Teachers' Pay and Conditions (Wales) Document 2020. It was announced that the pay award would be back dated to 1st September 2020. In recognition that teachers pay costs are a significant element of schools and Local Authorities budgets, it was further announced that additional funding of £5.538m in support of

this cost would be made available by Welsh Government through the payment of an in-year grant. This includes £3.981m for nursery age pupils through to year 11 and £1.556m for post-16 learning.

5.3 The details of the pay award are as follows:

1. 8.48% uplift to the minimum of the teacher main pay scale;
2. 3.75% uplift to the statutory maxima of the main pay scale;
3. 2.75% uplift to the statutory minima and maxima of the upper pay scale;
4. 2.75% uplift of the statutory minima and maxima of the leading practitioner pay range, the unqualified teachers pay scale, the leadership pay scale (including headteacher groups) and all allowances across all pay ranges;
5. Statutory national pay scales for all pay points on the teacher main pay scale, teacher upper pay scale, unqualified teachers pay scale and leadership pay scale;
6. In accordance with their own pay policies, schools ensuring a 2.75% uplift across interim pay points of the leading practitioner pay range and teacher allowances to match the uplift to the national framework in making individual pay progression decisions.

5.4 The average pay uplift of 3.1%, is based on an average of points 2 to 4. This is the percentage uplift that Officers and Members will be familiar with from various press reports.

5.5 On the 9th November 2020, we received notification that Caerphilly's allocation of the grant funding for the additional cost of the uplift in the teachers' pay award was £247k for pre-16 learners. This funding is part of the £3.981m, as detailed in paragraph 5.2. In 2020-21 it is estimated that the 7/12ths impact of the additional cost of the September 2020 teachers pay award in Caerphilly is £533k, resulting in a shortfall of £286k.

5.6 It is important to advise that any inflationary uplift for our schools is based on the Individual Schools Budget (ISB). This budget allocation is distributed to schools through the school formula methodology. To calculate the implications of the pay award, the average salary funding allocations provided for as part of the schools budget process in 2020-21 have been uplifted accordingly.

5.7 On 15th December 2020, details for the post 16 funding for the teachers pay award were received. An allocation of £61,131 will be distributed to our secondary schools supporting our post 16 learners.

6. ASSUMPTIONS

6.1 Details are based on an average uplift of 3.1% for teachers pay from September 2020. The funding shortfall is in relation to nursery age pupils through to year 11.

7. LINKS TO RELEVANT COUNCIL POLICIES

7.1 The recommendation to support an increase in funding in relation to the teachers pay award September 2020 supports the principles of the Authority's Budget Strategy in 2020-21. It also supports the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015: -

- A prosperous Wales.
- A resilient Wales.
- A healthier Wales.
- A more equal Wales.
- A Wales of cohesive communities.
- A Wales of vibrant culture and thriving Welsh Language.
- A globally responsible Wales.

8. WELL-BEING OF FUTURE GENERATIONS

- 8.1 Effective financial planning is a key element in ensuring that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are met.

9. EQUALITIES IMPLICATIONS

- 9.1 There are no potential equalities implications of this report and its recommendations on groups or individuals who fall under the categories identified in Section 6 of the Council's Strategic Equality Plan, therefore no Equalities Impact Assessment has been carried out.

10. FINANCIAL IMPLICATIONS

- 10.1 A grant of £247k has been provided by WG to meet the additional in-year cost of the September 2020 teachers pay award for nursery age pupils through to year 11.
- 10.2 In 2020-21 it is estimated that the 7/12ths impact of the additional cost of the September 2020 teachers pay award in Caerphilly is £533k, resulting in a shortfall of £286k.
- 10.3 It is recommended that the £286k shortfall for 2020-21 is funded from projected underspends in Miscellaneous Finance budgets.
- 10.4 The full-year impact of the pay award will be included in the 2021/22 Draft Budget Proposals.

11. PERSONNEL IMPLICATIONS

- 11.1 There are none in respect of this report.

12. CONSULTATIONS

- 12.1 There are no consultation responses which have not been reflected in this report.

13. STATUTORY POWER

- 13.1 Local Government Finance Act 1992 and regulations made under the Act.

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