

Independent Welsh Pay Review Body (IWPRB): Remit for the 4th Report

Supplementary comments from the Association of School and College Leaders on the evidence provided by statutory consultees

 Following the submission of evidence provided by the statutory consultees with regard to the 4th remit of the Independent Welsh Pay Review Body (IWPRB), we wish to thank the organisations involved for the considerable thought and wisdom demonstrated in their responses.

Funding/Affordability

- 2. As in previous years, we must object to the continued insistence of the Welsh Government to include affordability and costs within the remit of the review body. The trade union consultees are united in their stance on this; the review body, as an independent body, should be allowed to make recommendations that it deems appropriate based on the significant evidence considered as part of each remit.
- 3. It remains a political decision for the Minister for Education and Welsh Language as to the Welsh Government's ability to fund said recommendations.
- 4. This also raises the question of how the review body or consultees could comment accurately on affordability and funding, when the decisions on funding and budgets for pay awards are decided at local authority level.
- 5. It is widely reported that schools in Wales face a 'postcode lottery' with regards to their funding. This was demonstrated in the last pay award period, where local authorities had been advised to budget for a 1 per cent uplift on teachers' pay, but some decided not to budget for this.
- 6. When the pay award of 1.75 per cent was announced, the Welsh Government provided funding to local authorities for the additional 0.75 per cent of the award.
- 7. However, this funding was not consistently passed on in full to schools. Each local authority took its own approach to this.
- 8. From information obtained¹ by ASCL Cymru through a Freedom of Information request, we found that 17 local authorities fully funded the pay award, either by including extra funds in the initial budget allocation or by allocating additional funds after the pay award was agreed, or a combination of the two. Four local authorities appeared not to have fully funded the pay award, with their contributions ranging from nothing to 0.75 per cent. One local authority was still undecided.

¹ <u>https://www.ascl.org.uk/News/Our-news-and-press-releases/ASCL-reveals-postcode-lottery-on-local-authority-s</u>

- 9. This is simply unacceptable. The pay award should have been fully funded for all schools by all local authorities. Local authorities should be held accountable for ensuring that this happens.
- 10. Welsh Government must put measures in place to ensure that when they provide funding to local authorities to cover pay awards for school staff, that this must be passed on in full and this must be confirmed to schools at the earliest possible opportunity.
- 11. The mismatched approach left school leaders in Wales in a completely untenable position. Initially they were told that the Welsh Government were providing additional funding to local authorities to support the cost of the pay award, only to discover that their local authority may have ignored that instruction and instead chosen not to pass on the funding, either in full or at all. This then left them to find money from their overstretched budgets to implement the pay award.
- 12. The approach taken by some local authorities flies in the face of the Nolan principles and the transparency required by public sector finance.
- 13. Furthermore, we do not believe it is the place of consultees to provide costs of any proposed changes to pay and conditions. ASCL do not make specific recommendations on pay awards but provides substantial evidence on the nature of the award we believe is necessary.
- 14. This is where there is conflation between the role of the review body and the role of the Welsh Government. Responsibility for the identification of costs falls to the Welsh Government upon receipt of the review body's report and recommendations.

Commitment to no detriment

- 15. We are disappointed to see that the Welsh Government continues to refer to the commitment to no detriment in relation to total pay bill costs or average teacher and leader pay data.
- 16. In the 2nd remit, the previous Minister for Education gave the comparison of the percentage increase to the total pay in Wales being equal to the increase in the pay bill in England. This contradicted her own letter to the IWPRB for the same remit which stated: 'Additionally, I have been very clear that teachers and leaders in our schools in Wales should suffer no detriment in their pay and conditions as a consequence of the devolution of pay and conditions.'²
- 17. The previous First Minister was clear on this commitment when responsibility for pay and conditions were devolved when he said: 'As is the case in other areas where pay and conditions have been devolved there's no question, no question at all, of teachers being paid less than teachers in England.'³
- 18. We therefore do not understand how the proposals from the Welsh Government for the 2022/23 and 2023/24 pay awards, which would leave starting salaries at below £30,000 in 2023, are in line with the no detriment commitment.

² WG evidence to IWPRB 2nd Remit

³ <u>Furious attack on devolving teachers' pay</u>

19. In the tables below, we have applied the proposed pay awards for Wales and England to the current pay scales for each respective jurisdiction and highlighted where the values on some points within the main pay range for Wales would be lower than the same point in England.

Wales	2021		2022 (4%) proposed		2023 (4%) proposed		2023 (2.5%) proposed	
M3	£	29,699	£	30,887	£	32,122	£	31,659
M4	£	31,987	£	33,266	£	34,597	£	34,098
M5	£	34,506	£	35,886	£	37,322	£	36,783
M6	£	37,974	£	39 <i>,</i> 493	£	41,073	£	40,480
U1	£	39,368	£	40,943	£	42,580	£	41,966
U2	£	40,827	£	42,460	£	44,158	£	43,522
U3	£	42,333	£	44,026	£	45,787	£	45,127
L1	£	42,934	£	44,651	£	46,437	£	45,768

England		2021		2022	2023		
England	2021		р	roposed	proposed		
M1	£	25,714	£	28,000	£	30,000	
M2	£	27,600	£	29,800	£	31,650	
M3	£	29,664	£	31,750	£	33,391	
M4	£	31,778	£	33 <i>,</i> 850	£	35,227	
M5	£	34,100	£	35,989	£	37,165	
M6	£	36,961	£	38,440	£	39,209	
U1	£	38,690	£	39,851	£	40,648	
U2	£	40,124	£	41,328	£	42,154	
U3	£	41,604	£	42,852	£	43,709	
L1	£	42,195	£	43,461	£	44,330	

- 20. Additionally, we have already expressed our concern over the nominal 'memorable' target figure of £30,000 used in England, as this does not represent a competitive graduate starting salary, and this is particularly the case due to the delayed progress towards it.
- 21. The latest High Fliers report '*The Graduate Market in 2022*' which states that: 'For the first time in eight years, graduate starting salaries at the UK's leading graduate employers are set to increase in 2022, to a new median starting salary of £32,000.'⁴
- 22. Moreover, the report states that 'a quarter of the country's top employers now offer graduate starting salaries of more than £40,000.'5
- 23. The review body will need to ensure that this is addressed in the recommendations it makes. ASCL, along with the other unions, do not support differentiated awards, and so the only resolution to this would be for an award which was higher than four per cent in both years.

⁵ Ibid

⁴ The Graduate Market in 2022, (High Fliers, February 2022)

Welsh Government Evidence

- 24. We are pleased to see that the Welsh Government shares ASCL's view that many of the items for consideration should not be looked at in isolation and that they should be considered under the wider strategic review.
- 25. We are also pleased to see the proposals for the 2022/23 and 2023/24 pay awards are for increases to be applied evenly across pay ranges and allowances. We urge the review body to adopt this approach and avoid making recommendations for targeted or differentiated awards.
- 26. We included significant evidence to demonstrate how school leaders and experienced teachers have been disproportionately affected by the real-terms cuts and erosion of their pay since 2010. This is a direct result of differentiated awards, including the award in 2018 when teachers and leaders in Wales suffered at the hands of the Education Secretary for England, who chose to ignore the recommendations of the STRB and award lower increases to these two groups.
- 27. Whilst we welcome the undifferentiated approach to the pay awards, the uplifts suggested are nowhere near sufficient. They do not reflect the exceptionally high levels of inflation and cost of living that our members face, in fact in year one the award would represent yet another real-terms pay cut, and one, if not both, of the options for year two would do the same.
- 28. We find it alarming that the Welsh Government's proposals do not include any reference to the need for a review mechanism for the second year of the award. As we have seen over the last two years, the economy is far from stable, and inflation is rising rapidly.
- 29. There must be a mechanism in place to ensure that a multi-year award does not penalise teachers and school leaders with a lower than inflation award in year two.
- 30. Furthermore, the proposals do nothing to repair the erosion of pay since 2010. Our evidence highlighted the amounts involved for school leaders, and we note that several fellow consultees have presented similar examples. These cannot be ignored.
- 31. A briefing published by the Institute of Fiscal Studies (IFS) on 10 March warns: 'if the changing outlook for inflation were not reflected in pay awards, the average public sector worker would see their gross salary reduced by around £1,750 in real terms..... Most public sector workers had their pay frozen this year, after a decade in which many had already experienced substantial pay cuts.'⁶
- 32. Fellow consultees also drew attention to the comments of the Minister for Education made at the height of the pandemic, 'For me, and pupils across Wales, school staff are already our everyday heroes. But now in this time of national need – in supporting the fight against coronavirus – you are national heroes.'

⁶ Heightened uncertainty and the spectre of inflation hang over the Spring Statement, IFS

- 33. Is another real-terms pay cut what national heroes deserve? No, it is not, and the IWPRB and the Welsh Government must ensure that this is not allowed to happen.
- 34. We remain concerned that the Welsh Government maintains the view that recruitment and retention rates across Wales show little evidence of concern. This is at odds with the evidence provided by all other consultees and the findings of the first Teacher Labour Market in Wales report.⁷

Other consultees' evidence

- 35. We note that NAHT recommend that a nationally-negotiated pay policy should also be considered to bring consistency across Wales. Whilst we could support a model pay policy being negotiated in this way, we could not support one which removed the flexibilities available to schools under the Document and became too prescriptive.
- 36. We note that several consultees call for increases of eight per cent upwards. Whilst it is not ASCL's practice to recommend specific increases, these recommendations do appear to be more in line with our position of being at least in line with inflation (RPI) and beginning to repair the erosion of pay which has taken place over more than a decade.
- 37. We must disagree with comments in UCAC's evidence which recommends a move from separate main and upper pay ranges to a single pay scale. The evidence also suggests that this move will have no impact on other pay ranges.
- 38. Likewise, we must object to NASUWT's proposal to not only move to a single pay scale, but also to reduce that to six points within the minimum of the main pay range and the maximum of the upper pay range.
- 39. This is, in effect, a targeted pay award, as it would only benefit those on the main or upper pay ranges.
- *40.* We do not support the move to a single pay scale and have provided evidence to back up our views on this.
- *41.* This was also considered in England recently as part of the STRB's 30th Remit, where, interestingly, the NASUWT's own evidence to that same remit stated *'that the UPR should continue to be a separate pay range as it was a crucial element of the pay system which motivated teachers by allowing them to aspire to higher salaries for remaining in the classroom.'⁸*
- 42. The STRB did not make any recommendations for any changes to this element of the pay system. It's 30th Report stated: '*Overall, the STRB sees some merit in maintaining a pay threshold in the classroom teacher pay system.*'⁹
- 43. ASCL has submitted evidence demonstrating the erosion of the differentials between pay ranges, and the negative effect this has on school leaders. This is clear example of how changes to one part of the framework can have a negative impact on another¹⁰.

⁷ Teacher Labour Market in Wales, NFER

⁸ STRB 30th Report

⁹ Ibid

¹⁰ ASCL Cymru evidence to IWPRB 4th remit, (paragraph 161)

- 44. We firmly believe that any changes to the structure of the framework must be considered together as part of the wider strategic review.
- 45. We do not agree with NASUWT's comments on the potential for unintended inflationary impact on headteacher's pay.
- 46. The STPC(W)D is clear that 'the relevant body must ensure that process of determining the remuneration of the headteacher is fair and transparent. There should be a proper record made of the reasoning behind the determination of the headteacher pay range (including any temporary payments made).
- 47. They make a comment that 'the general rule is that pay scales which attract timeserved progression should only be seven or eight points in length at most', yet in the same document propose shortening an eight-point pay scale to six, but keeping the values of the nine-point scale, therefore creating pay inflation.
- 48. Their evidence also points out that the seven-point range for headteachers and five-point range for deputy headteachers and assistant headteachers remain in the pay policies in use in Wales, so this appear to be a moot point anyway.
- 49. The Department for Education in England produces a guidance document for schools and governance boards, entitled '*Implementing your school's approach to pay*'¹¹ which includes guidance on pay setting arrangements for headteachers.
- 50. The Welsh Government could consider producing a document such as this specific to Wales and reflecting the STPC(W)D.
- 51. This would be in line with our previous suggestions for the 3rd remit which were included as recommendations by the IWPRB but, as far as we are aware, have not yet been actioned by the Welsh Government.

Availability of data

- 52. We have previously raised concerns over the availability of Welsh specific data. We note from the Welsh Government's evidence submission several references to data source 'SWAC HR (Welsh Government)' but which have no hyperlinks or have hyperlinks that do not work. Section 6.2 states: 'Data on salaries and allowances for teachers in Wales has been derived from the School Workforce Annual Census (SWAC) pay, HR and absences return submitted by all local authorities and schools which have opted-out of payroll and/or HR service level agreements with their local authorities.'
- 53. It is wholly unfair that the Welsh Government is the only consultee who has access to this data.
- 54. There are gaps within the data that is available online, for example, there is limited information available on NQTs, other than as part of the Policy Briefing Presentation from October 2021.
- 55. Data of this nature should be available to consultees in user friendly formats in the same way that the SWAC and StatsWales data is.

¹¹ Implementing your school's approach to pay, DfE

56. In our evidence submission we also highlight the lack of data available in relation to school leaders. We call on the review body to recommend that these issues are actioned and that full and accurate data is made available to all consultees.

Lack of evidence from Welsh Local Government Association (WLGA)

- 57. Finally, we must voice our concerns and utter disbelief at the lack of an evidence submission from the Welsh Local Government Association (WLGA) or any explanation as to why they did not make a submission.
- 58. This is not the first time this has happened. For the 2nd Remit, they failed to submit evidence for the initial deadline and instead submitted it for the deadline for supplementary evidence.
- 59. Again, we received no notification or explanation as to why they have not submitted evidence.
- 60. Out of just four remits to the IWPRB, this is a poor record by any measure.
- 61. Following complaints to the Secretariat in 2020, the IWPRB assured consultees that any evidence submitted by the WLGA by the supplementary evidence deadline would be treated in the same way as all supplementary evidence submissions.
- 62. As this is a repeat of previous unacceptable behaviour from a statutory consultee, we look to the review body to confirm that the WLGA will not be permitted to submit any evidence to the next deadline. If this was permitted statutory consultees, who have dutifully adhered to both the process and the deadlines set by the IWPRB, would be disadvantaged by not having had opportunity to see any WLGA evidence or provide any supplementary comments on it.
- 63. Furthermore, in light of this, we firmly believe that the WLGA should not be permitted to attend an oral evidence session.
- 64. In their submission for the 1st remit, their opening statement was: The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, who have statutory responsibility for education and act as the statutory employer for teaching staff employed in maintained schools in Wales.
- 65. It simply beggars belief that the organisation who act as the statutory employer for teaching staff employed in maintained schools in Wales, and who represents the employer as a member of the Teachers' Pay and Conditions Partnership Forum, has nothing to contribute to such an important consultation on teachers' pay, which covers pay awards for two years.
- 66. This appears to be a major failing in their responsibilities as an employer body and we request that they are asked to explain the reasons behind their extraordinary decision not to make a submission.

Conclusion

67. We look forward to discussing all of the pertinent issues with the IWPRB during the oral evidence session in April.

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