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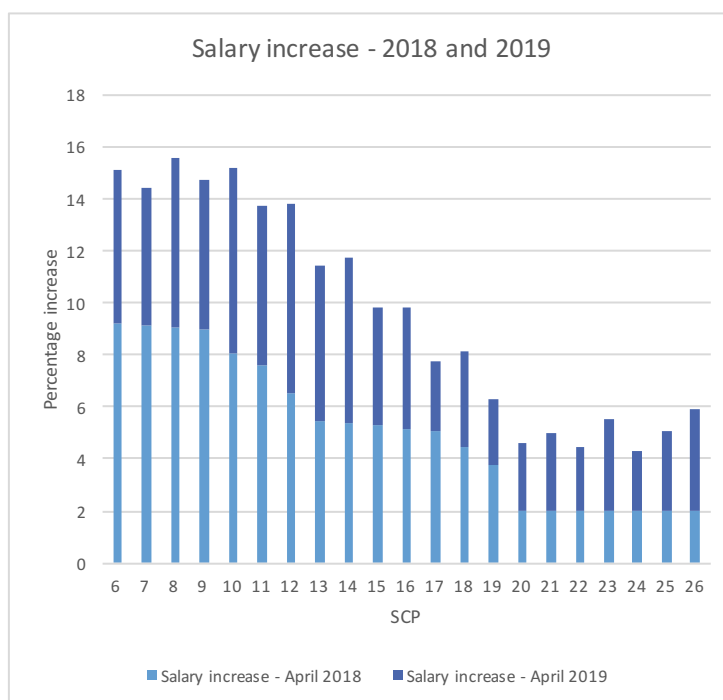
Connecting education vision and the cost effective use of resource through strategic financial planning.

Assessment of Impact of NJC Pay Award on Somerset Special Schools

Report prepared for sen.se

INTRODUCTION

1. The Local Government National Employers made a pay offer in December 2017 for a two year pay deal reflecting the Living Wage. This includes a new pay scale from April 2019, affecting 60% of NJC employees across the country.
2. The national cost of the pay award in 2018/19 is estimated at 2.707% and a further 2.802% the following year.
3. This pay award applies to all support staff in schools, but for those above SCP 20, a full time salary of approximately £20k or above, the increase is 2%, which is likely to be the level that schools have provisionally included in medium term financial plans.
4. For lower grade staff, the increases are considerable. The bottom rate of the pay scale becomes £8.50 in April 2018, rising to £9.00 for April 2019. The increases, for April 2018 are shown in the chart below, for SCPs up to 26:



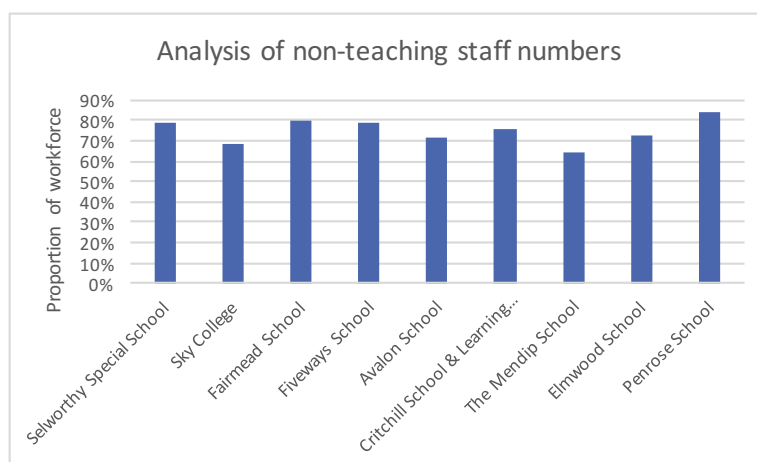
5. In order to do a full analysis of the impact for Somerset Special Schools, information on the 2017/18 budget would be required. At its simplest this would be total budgeted expenditure and a copy of Appendix 2 (Support Staff) from the school's EFS budget plan spreadsheet. In the absence of this data for all schools, some comparisons have been drawn using published benchmark data and an exemplification completed for one Somerset school.

SOMERSET SPECIAL SCHOOLS

6. Drawing information from the 2015/16 financial benchmarking published by the DfE:
 - a. In Somerset Special Schools, non-teaching staff account for 76% of the FTE workforce and 39% of the total expenditure;
 - b. In a comparator group of Somerset mainstream schools, non-teaching staff account for 59% of the FTE workforce and 26% of the total expenditure.

This demonstrates that the impact of the pay award for special schools is likely to be much more significant than for mainstream schools.

The chart below shows the spread across Special Schools:

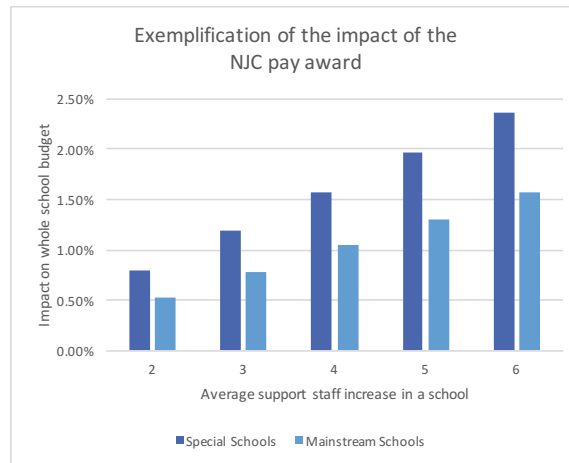


7. As the pay award is higher for the lower grades, the profile of the non-teaching workforce is significant. Again, using the published benchmarking data:
 - a. Average spend per support staff FTE in Special Schools was £18,953, equivalent to £9.82 per hour, which is broadly equivalent to SCP20 – at that level the pay award would be 2% in April 2018;
 - b. In comparator mainstream schools, the average was lower, at £17,008, equivalent to £8.82 per hour or SCP16 – at that level the pay award would be more like 5%.

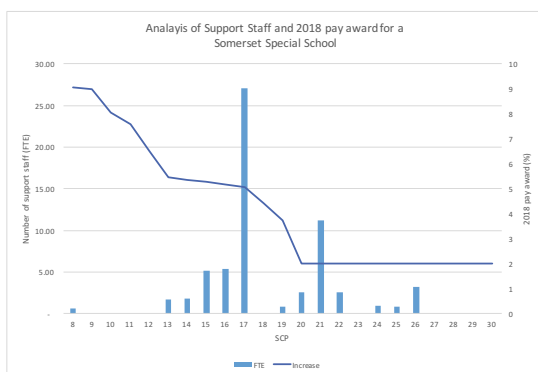
It would be reasonable to assume that the profile of non-teaching staff in special schools would tend towards the higher grades, given the level of responsibility involved, and that would indicate that the impact is potentially lower, counterbalancing the greater proportion of the workforce.

8. Somerset mainstream schools have benefitted from the implementation of the National Funding Formula and have received, for 2018/19, between 0.5% and 3% per pupil increases. In contrast, Special Schools have seen no increase in the place value since it was introduced in 2013, and the top-up rates have not been inflated since being introduced in 2016.
9. For 2018/19, the NFF for the High Needs Block guaranteed a 0.5% increase for local authorities, in addition to an adjustment to reflect population change. The LA can also transfer 0.5% of the Schools Block to support High Needs and this has been approved in Somerset. No increase in top-up rates is proposed for 2018/19, placing Somerset Special Schools at a distinct disadvantage.

10. Using the comparator data from the DfE benchmark site, as an exemplification, the chart below shows the impact of the pay award at different levels – each school will have its own average, depending on the grade profile, and the impact on the overall budget will depend on the proportion of spend on support staff, however, the chart below shows the broad comparison:



11. The impact on one school is exemplified in the chart below. The majority of staff employed at this school are at SCP 17, where the pay award is approximately 5%. However, when adding in some other staff groups, the average pay award



Across the main support staff groups (learning support staff, premises and admin/clerical staff), the average pay award is 3.8%. The cost is estimated at £45k, equating to 1.64% of the overall budget.

This is contrast to a zero increase on funding.

CONCLUSION

12. The support staff pay award will be a significant cost pressure for Somerset Special Schools in comparison to no increase in funding for 2018/19. This is in marked contrast to the situation for mainstream schools, where the impact is less and the funding increase is more. Given that this is a two year pay award, it may be timely to undertake some benchmarking within sen.se and beyond in relation to support staff grades and roles, and the cost-effectiveness of different staffing models for different types of need. This would be advisable before engaging with the LA over the inequity of the cash freeze on funding for special school.

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