



# Budget for Teachers' Annual Pay Award

All schools are required to have a pay policy which sets out the basis on which the annual pay award and pay progression of teachers will be determined. The pay policy should be agreed with the NASUWT and subject to annual review.

#### INTRODUCTION

The pay policy provides the basis on which a school will recognise and reward teachers not just in relation to incremental progression, but also in relation to the implementation of the annual pay award.

Critical to ensuring that teachers at the school have access to the pay system and teachers receive an annual pay award, the school's pay policy must be underpinned by a focus on effective budget planning.

The pay policy should ensure all teachers receive an annual cost-of-living increase in line with the NASUWT pay policy.

The school must ensure that its pay policy makes clear how teachers will receive their annual cost-of-living pay award. The school must not seek to restrict the pay award for teachers on financial grounds.

## THE SCHOOL PAY POLICY

A significant part of any school's budget is taken up with staffing costs with a large proportion attributable to teachers' salaries. School budgets are finite and limited. Therefore, each school will need to ensure that it has a planned and consistent approach, taking into account a variety of factors that would influence the likely teachers' pay award, which would therefore allow for predictability in relation to budget planning.

The school's pay policy should therefore:

- be closely aligned to the budget plan and the school's development plan;
- enable all teachers to receive an annual cost-of-living pay award;
- provide a basis for sound financial planning and financial predictability for the school in relation to likely future costs associated with teachers' pay.

In addition, the school will need to ensure that the design of the pay policy does not leave the school vulnerable to future costs associated with legal claims arising from the operation of the pay policy (e.g. equal pay or discrimination claims).

The school should:

- ensure that it has a transparent, structured and fair pay system that is agreed with the NASUWT;
- ensure that the budget enables the contribution and performance of all teachers to be recognised and rewarded on a fair and consistent basis.



The largest teachers' union in the UK



The NASUWT Model School Pay Policy has been designed to enable schools to apply a transparent, structured and fair pay system.

### **ISSUES FOR THE SCHOOL TO ADDRESS**

The school should have a clear and agreed pay policy with clear rules governing the annual pay award and teachers' pay progression and with limited scope for discretion over pay matters. This will enable the school to maintain a managed and predictable approach to teachers' pay.

The pay policy should be designed to afford maximum transparency and predictability to the teachers' pay structure and in the rules governing eligibility for and access to pay progression.

The school should establish a pay policy that assists it to calculate in a straightforward manner the costs associated with the annual pay award and pay progression for teachers on the main, upper and leadership-related pay ranges.

## **USEFUL SOURCES:**

NASUWT Pay Policy Checklist NASUWT Model School Pay Policy NASUWT Teachers' Pay: A Guide for Governors



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