

## Pay award update 2021/22

The Local Government Association (LGA) has issued its circular for 2021/22 regarding the pay award for teachers working in residential establishments.

The LGA circular confirms that there will be no pay increase for 2021-22 for school teachers in England apart from those earning £24,000 or below per year (£25,194 in the Fringe, £27,419 in Outer London and £28,681 in Inner London), who will receive a pay uplift of £250. This relates to those classroom and leadership teachers employed under the terms of the School Teachers' Pay and Conditions Document (STPCD).

**Teachers on Instructor Scales A and B should receive a payment of £250 on the same basis as teachers in English schools covered by the STPCD.**

Further details on the 2021/22 pay award for teachers working in residential establishments in England can be found at: [www.nasuw.org.uk/EnglandPayAward](http://www.nasuw.org.uk/EnglandPayAward).

For teachers in residential establishments in Wales, pay arrangements are set by the School Teachers' Pay and Conditions (Wales) Document, which includes a pay increase of 1.75% to teachers in Wales in 2021-22. The pay scales for teachers in Wales are mandatory and establishments are therefore expected to revise their pay scales accordingly to reflect this.

Further details on the 2021/22 pay award for teachers working in residential establishments in Wales can be found at: [www.nasuw.org.uk/WalesPayAward](http://www.nasuw.org.uk/WalesPayAward).

**Despite this, the NASUWT did not agree the circular as it failed to make reference to the impact of the 2021/22 pay freeze and the impact of this on the Teachers' Pension Scheme (TPS) for those teachers working in residential establishments in England.**

### **Indexation in the TPS for teachers working in residential establishments in England**

The confirmation in the STPCD of no pay increase for 2021-22 could have an effect on how some final salary pensions in the TPS are calculated, due to how the regulations work.

The 2010 TPS Regulations, which apply to this scheme, establish that the calculation method for the 'best consecutive three years in ten' average salary only applies indexation if the salary rate changes.

The Department for Education (DfE) accepts that this is the position.

Non-revaluation therefore cuts the pensions that members get in retirement if a period of pay freeze is part of the 'best consecutive three in ten'. Therefore, 2021/22 may lead to losses for members at the top of their pay range or those who do not achieve progression, but who retire or leave teaching in the next ten years with their pension being calculated using Method B ('best consecutive three in ten').

Whilst the DfE is now considering whether the regulations need amending to stop this issue occurring in the future, this will not resolve the problems that will be experienced this year.

As such, the NASUWT along with ASCL, NAHT, NEU and Voice, has written to all employers in England to highlight the problem and the action needed. The joint correspondence sets out a practical way of ensuring the regulations work as intended by asking employers to create a change in the pay rate to trigger the revaluation for the TPS. There is no specific threshold of payment which would trigger TPS indexation, so a payment of just £1 would suffice.

Further details on the issue of indexation for the TPS for teachers working in residential establishments can be found at: [www.nasuw.org.uk/TPSIndexationEngland](http://www.nasuw.org.uk/TPSIndexationEngland).

