

Briefing note

To: Schools Forum **Author:** Christina Ponting

Date: 24th April 2019 -
UPDATED **Purpose of the Paper:**

Information	√
Consultation	√
Decision	√

Title of Briefing: Updated - Special Leave SLA Parts 1 and 2 (1. Maternity, Paternity, Adoption, Parental Leave and Jury Service and 2. Trade Union Facility Time (TUFT))

Background:

Schools Forum has an SLA in place overseen/ managed on their behalf by the Local Authority/ their Partners, the SLA has been in place for some time and latter reviews have confirmed:

- a) the SLA to be self-funding operating within its budget/funds allocation;
- b) Schools Forum makes a de-delegated decision for maintained Schools;
- c) all other Schools (within the North Tyneside local authority area) have the option to buy into the SLA;
- d) the SLA operates on an annual basis – from April – March.

The current cost per pupil is £24.73 – indicatively¹ allocated as:

- Part 1 - £20.13 per pupil, and
- Part 2 - £4.60 per pupil,
- with a reference point of pupils in Reception to Year 11 only.

The per pupil value has remained static for some time. Claims are made by eligible schools and are paid in arrears after the close of the financial year with allocations decided once the value and number of total claims are finalised.

- Part 1 remains difficult to predict both in terms of value and the number of claims;
- Part 2 operates via an annual arrangement established in advance with the respective Trade Unions/ Professional Associations (TU/PA) for the 12 month period from April to March and therefore is easier to predict/ manage.

¹ – the 'indicative' value is only a factor for those Schools who have the option to choose to buy into Part 1 or Part 2 (e.g. Academy, Special, Nursery, and PRU).

Current Position:

SLA in operation:

Part1	Part 2
The 'value of claims' relate to the refund of occupational payments (for maternity and adoption leave), refunds of full salary for paternity leave, proportionate refunds for parental leave and jury service dependent upon individual circumstance and the conditions noted in the SLA for claims eligibility. ²	Full reimbursement of release time including on-costs (but excluding allowances) for the member of staff being released from their home/ host school to support another school in the North Tyneside local authority area only. In addition, the SLA provides for a refund to North Tyneside Council (NTC) for their staff who both directly and in-directly support non-teaching school employees.
Claims have fluctuated throughout the year in terms of number and value.	Projected claims remain static as days allocated are agreed at the beginning of each Financial Year and all TU/PA are required to work within this.
Basic Salaries have increased following pay award and progression reviews in September of each year.	Basis Salaries have increased following pay award and progression reviews in both April (non-teaching staff) and September (teaching staff) of each year.
Applicable to Teaching Staff only.	Applies to all staff.
<p>The aim of this part of the SLA is to ensure member schools have some support with the cost of cover for the colleague who is 'absent' from work inclusive of employer costs/'on-costs'. Refunds are based on the following:</p> <ul style="list-style-type: none">a. Refund of occupational maternity or adoption leave only;b. Employer costs for pension at 16.48% of the full value of the payment (e.g. inclusive of statutory pay);c. Employer costs for NIC at 13.8% where the individual earns over £702 per month inclusive of the full value of the payment (e.g. includes statutory pay);d. Refund of 8% of the shortfall in statutory maternity/ adoption pay value;e. Full salary for paternity leave;f. Variable refunds for parental leave dependent upon circumstances;g. Variable refunds for Jury service dependent upon circumstances and the School demonstrating that all available allowances have been claimed.	<p>The aim of this part of the SLA is to provide a refund to the host/ home school to allow them to release their employee to support colleagues in another school in the North Tyneside area (and who buys into the SLA).</p> <p>Refunds are based on actual salary inclusive of on-costs, but excluding allowances.</p> <p>Where the curriculum is a key factor arrangements are agreed to be in place from September 1st to 31st August, with any arrangements being reviewed from the April prior, e.g. April 2018 review/ planning for September 2018 to March 2019 operation.</p>
At year end:	Colleagues making claims are required to note their time and this remains an areas of focus.

² Schools are aware of the value of some statutory allowance payments, e.g. SMP, SMA, etc. as this is allocated to their budgets, paid directly and is therefore outside of scope.

<p>a. ranged from 32 to 73 claims each month;</p> <p>b. monthly average cost between £28,718 to £64,435;</p> <p>c. average of 53 claims;</p> <p>d. average claim value of £9,246.62 per claim;</p> <p>e. 60 Schools have made claims out of 75 who were in the SLA.</p>	<p>Reporting deadlines for claims are clearly notified and colleagues who do not report on time/ correctly/ meet deadlines have claims declined with Branch leads having to manage this directly with their team/ home school.</p> <p>Consistent failure to adhere to reporting conditions will exclude the TU/PA representative from being part of the arrangements going forward.</p>
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Refund Values:

Previously Reported:	Updated:
Claims have been monitored and updates provided to Schools Forum prior with predictions indicating the SLA would be able to accommodate refunds at 100% dependent upon a number of factors.	Claims values have increased in the last quarter and at year end the value of claims in total was £683,748 against a budget allocation of £632,387.
The last SLA update to Schools Forum was provided in December 2018.	There is a shortfall of funds to claims of minus £51,361. Claims therefore cannot be refunded at 100%.
In setting up the SLA Schools Forum agreed for the SLA to be monitored / managed on their behalf by the LA/ their partners and therefore arrangements were made on the 8 th April 2019, due to early year end close for claims to be paid.	<p>Refund Values were provided at:</p> <ul style="list-style-type: none"> • Part 2 claims at 100% on the basis that home/ host Schools have already committed to staff release/ secondment arrangements. • Part 1 claims at 88.5% of the overall value of the claim.

Recommendations:

Schools Forum having read this report and clearly understanding the information provided consider this report and note the following:

1. Endorse the decision to refund the claims at the values noted? – AGREED.

1a) Additional Question: For Part 1 to be paid at 100% what additional funds would need to be added in to the 2018/19 Financial Year Budget?

To be able to provide a response Schools Forum members are asked to consider the information provided in Appendix A and discuss this within their respective groups.

DEFERRED - to be discussed at the Schools Forum meeting in July 2019.

2. Do you agree to a small surplus being maintained and carried forward? – AGREED.
3. Do you wish this SLA to continue for 2019/20 and to operate as it has for 2018/19? The value agreed in January 2019 to remain at £24.73. AGREED.

3a) Additional Question – For the SLA to refund claims for Part 1 at 100% for 2019/20 what additional monies would have to be added into the SLA?

To be able to provide a response to this question Schools Forum members are asked to consider the information provided in Appendix B and discuss this within their respective groups.

DEFERRED - to be discussed at the Schools Forum meeting in July 2019.

4. Confirm the indicative split between for 2019/20 for Part 1 and Part 2 to remain at £20.13 and £4.60³ - £24.73 in total? AGREED to retain the values for 2019/20.

Comment: the per pupil value of £24.73 as agreed in January 2019, has the potential to not be able to manage refund values in the long-term to allow this SLA to remain an effective option for Schools. For the SLA to remain viable?

4a) Additional Question – Should the overall value of the SLA be reviewed annually in future years, e.g. from 20/21, to ensure inflationary/ baseline factors are considered , e.g. pay awards, incremental drift, other increases to employment costs, etc.?

To be able to provide a response to this question Schools Forum members are asked to consider the information provided at Appendix B and discuss this within their respective groups.

DEFERRED - to be discussed at the Schools Forum meeting in July 2019.

5. School who are part of this SLA for Part 1 and Part 2 be advised to estimate refund values for 19/20 of:
- 100% for Part 2 and
 - 80% for Part 1.

Additional Question – Can information be provided to Schools so they are able to estimate what an 80% refund value for Part 1 for Maternity leave would equate too?

To be able to provide a response to this question Schools Forum members are asked to consider the information provided at Appendix C and discuss this within their respective groups.

DEFERRED - to be discussed at the Schools Forum meeting in July 2019.

³ It has been noted that in terms of national comparison the NT TUFT arrangement is on the higher side of the charging range. Employee Relations/ TU/PA Relationships remains very good in NT and all School types benefit from having these arrangements in place. Policy/ LA work is arranged outside of these arrangements/ outside of the School working day in accordance with e underlying good practice recommendations, e.g. burgundy book.

1a) Additional Question – For Part 1 to be paid at 100% what additional funds would need to be added in to the 2018/19 Financial Year Budget?

Update	Action
The reference pupil numbers were 26,357 (based on the 75 schools who bought into the SLA) – therefore each School would need to make a contribution of £1.94 per pupil.	If the decision is that Schools Forum members wished for additional funds to be allocated there would need to be further discussion within the July 2019 Schools Forum about how best to achieve this – options could include charging schools for the additional funds, or using some of the current 2019/20 allocation.

3a) Additional Question – For the SLA to refund claims for Part 1 at 100% for 2019/20 additional monies would have to be added into the SLA?

Update	Action
<p>Based on the information provided below the additional cost per pupil for Part 1 only based on pupil numbers of 25,672 (based on the 75 schools buying in) would be either:</p> <p>a) £26.95 per pupil,</p> <p>Or</p> <p>b) £27.24 per pupil.</p> <p>(Please note if all 75 Schools do not buy in the value will increase per pupil).</p>	<p>If the decision is that Schools Forum members wished for additional funds to be allocated there would need to be further discussion within the July 2019 Schools Forum about how best to achieve this – options could include charging schools for the additional funds, or using some of the current 2019/20 allocation.</p>

The following is noted to support the information provided above:

<p><i>If we assume the 2018/19 claim numbers are maintained for Part 1 – with</i></p> <ul style="list-style-type: none"> <i>the average number of claims pcm was 53,</i> <i>with an average value of £9,246.62</i> <i>shortfall was £-51,361</i> <p><i>Add to this an inflation value of 11%</i></p> <ul style="list-style-type: none"> <i>the shortfall would increase to £57,011</i> 	<p>e.g.</p> <p><i>shortfall per claim was £51,361 / 53 claims in 2018/19 = average £969.07 per claim</i></p> <p><i>x 11% inflationary increase for 19/20 = additional £106.60 per claim</i></p> <p><i>revised average claims value for 19/20 = £1,075.67</i></p> <p><i>x 53 claims = £57,010.42 (rounded £57,011)</i></p>
<p><i>Using the 19/20 pupil ratio of 25,672 eligible pupil reference point –</i></p> <ul style="list-style-type: none"> <i>this would increase the per pupil shortfall value to £2.22 per pupil, and</i> <i>increase the overall cost of the SLA from £24.73 to £26.95 per pupil.</i> 	<p>e.g.</p> <p><i>£57,011 / 25,672 = £2.22 per pupil</i></p> <p><i>SLA value at £24.73 plus £2.22 = £26.95.</i></p>

However, as noted the number of claims have varied throughout the year for Part 1 as follows:

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
46	48	47	41	35	45	60	60	56	62	64	73

Using this data and noting the increase towards the end 2018/19 –	e.g.
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<ul style="list-style-type: none"> • <i>it is recommended that the average claims over the 12 months be considered again, and</i> • <i>a reference number of 60 claims used for the average number of claims per month.</i> <p><i>If then increase the 2018/19 value of claims from £9,246.62 by an inflationary increase of 11% as noted above</i></p> <ul style="list-style-type: none"> • <i>the average claims value increases to £10,263.75, and</i> • <i>the shortfall would increase to £64,540.</i> 	<p><i>shortfall per claim was £51,361 / 53 claims in 2018/19 = average £969.07 per claim</i></p> <p><i>x 11% inflationary increase for 19/20 = additional £106.60 per claim</i></p> <p><i>revised average claims value for 19/20 = £1,075.67</i></p> <p><i>x 60 claims = £64,540.09 (rounded £64,540)</i></p>
<p><i>Using the 19/20 pupil ratio of 25,672 eligible pupil reference point</i></p> <ul style="list-style-type: none"> • <i>this would increase the per pupil shortfall value to £2.51 per pupil, and</i> • <i>increase the overall cost of the SLA from £24.73 to £27.24 per pupil.</i> 	<p><i>e.g.</i></p> <p><i>£64,540 / 25,672 = £2.51 per pupil</i></p> <p><i>SLA value at £24.73 plus £2.51 = £27.24.</i></p>

6a) Additional Question – What would a refund value at 80% be for Part 1 from a Schools perspective?

<p>Schools Forum members have asked if an indicative estimate of what this would mean for Schools for</p> <ul style="list-style-type: none"> • M6, and • Upper 3 <p>Full Time Teacher.</p>	<p>Examples overleaf note 80% refund value for Part 1 only, but do include a number of assumptions.</p> <p>The value of 80% allows for a similar overall spending profile to be maintained within the funds allocated taking into account changes to SMP value, increase to employer's pension value and indicative cost of living increase at 2%.</p> <p>All other factors for ease of illustration remain unchanged.</p>
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Example 1 – Main Scale 6 from 1st Sep 18 and 1st Sep 19

1st Sep 18					
Occupational Maternity Pay Entitlement:	Weeks	Total Maternity Benefit	Minus SMP	Salary Paid by School	
Full Pay inclusive of SMP	4	£ 2,685.69	£ 580.72	£ 2,104.97	
90% inclusive of SMP	2	£ 1,208.56	£ 290.36	£ 918.20	
50% plus SMP	12	£ 5,770.70	£ 1,742.16	£ 4,028.54	
SMP only unpaid	21	£ 3,048.78	£ 3,048.78	£ -	
	13	£ -	£ -	£ -	
Total:	52	£ 12,713.73	£ 5,662.02	£ 7,051.71	
				£ 2,095.22	16.48% Employers Pension paid on whole benefit
				£ 194.94	13.80% Employers NIC where earnings more £702 per month
Annual Salary	£ 35,008.00	M6		£ 452.96	8.00% SMP Shortfall
Weeks Pay	£ 671.42	52.14		£ 9,794.84	TOTAL Full Cost to Employer
SMP	£ 145.18	01-Apr-18			
				£ 8,668.43	88.5% Refund Value at
				£ 1,126.41	Shortfall
1st Sep 19					
Occupational Maternity Pay Entitlement:	Weeks	Total Maternity Benefit	Minus SMP	Salary Paid by School	
Full Pay inclusive of SMP	4	£ 2,739.39	£ 594.72	£ 2,144.67	
90% inclusive of SMP	2	£ 1,232.73	£ 297.36	£ 935.37	
50% plus SMP	12	£ 5,893.25	£ 1,784.16	£ 4,109.09	
SMP only unpaid	21	£ 3,122.28	£ 3,122.28	£ -	
	13	£ -	£ -	£ -	
Total:	52	£ 12,987.65	£ 5,798.52	£ 7,189.13	
				£ 3,117.04	24.00% Employers Pension paid on whole benefit
				£ 199.14	13.80% Employers NIC where earnings more £702 per month
Annual Salary	£ 35,708.00	M6		£ 463.88	8.00% SMP Shortfall
Weeks Pay	£ 684.85	52.14		£ 10,969.19	TOTAL Full Cost to Employer
SMP	£ 148.68	01-Apr-19			
				£ 8,775.36	80% Refund Value at
				£ 2,193.84	Shortfall
Christina Ponting: assume 2% increase					

Christina Ponting:
Total amount paid by School

Christina Ponting:
Total amount paid by School

Example 2 – Upper Scale 3 from 1st Sep 18 and 1st Sep 19

Example 2 - Upper Secondary New 1 Sep 18 and 1 Sep 19						
1st Sep 18						
Occupational Maternity Pay Entitlement:	Weeks	Total Maternity Benefit	Minus SMP	Salary Paid by School		
Full Pay inclusive of SMP	4	£ 3,023.09	£ 580.72	£ 2,442.37		
90% inclusive of SMP	2	£ 1,360.39	£ 290.36	£ 1,070.03		
50% plus SMP	12	£ 6,276.80	£ 1,742.16	£ 4,534.64		
SMP only	21	£ 3,048.78	£ 3,048.78	£ -		
unpaid	13	£ -	£ -	£ -		
Total:	52	£ 13,709.06	£ 5,662.02	£ 8,047.04		
				£ 2,259.25	16.48%	Employers Pension paid on whole benefit
	Value			£ 210.21	13.80%	Employers NIC where earnings more £702 per month
Annual Salary	£ 39,406.00	M6		£ 452.96	8.00%	SMP Shortfall
Weeks Pay	£ 755.77	52.14		£ 10,969.46	TOTAL	Full Cost to Employer
SMP	£ 145.18	01-Apr-18				
				£ 9,707.97	88.5%	Refund Value at
				£ 1,261.49		Shortfall
1st Sep 19						
Occupational Maternity Pay Entitlement:	Weeks	Total Maternity Benefit	Minus SMP	Salary Paid by School		
Full Pay inclusive of SMP	4	£ 3,023.09	£ 594.72	£ 2,428.37		
90% inclusive of SMP	2	£ 1,360.39	£ 297.36	£ 1,063.03		
50% plus SMP	12	£ 6,318.80	£ 1,784.16	£ 4,534.64		
SMP only	21	£ 3,122.28	£ 3,122.28	£ -		
unpaid	13	£ -	£ -	£ -		
Total:	52	£ 13,824.56	£ 5,798.52	£ 8,026.04		
				£ 3,317.89	24.00%	Employers Pension paid on whole benefit
	Value			£ 211.98	13.80%	Employers NIC where earnings more £702 per month
Annual Salary	£ 39,406.00	M6		£ 463.88	8.00%	SMP Shortfall
Weeks Pay	£ 755.77	52.14		£ 12,019.79	TOTAL	Full Cost to Employer
SMP	£ 148.68	01-Apr-19				
				£ 9,615.83	80%	Refund Value at
				£ 2,403.96		Shortfall

Christina Ponting:
Total amount paid by School

Christina Ponting:
Total amount paid by School

Christina Ponting:
assume 2% increase