

**LANCASHIRE SCHOOLS FORUM
CHAIRS' WORKING GROUP**

Minutes of a meeting held on 12 December 2022, via Microsoft Teams

Present Daniel Ballard (Chair)
Stephen Booth
Steve Campbell
Phillipa Perks
Claire Thompson

In attendance Julie Bell
Neil Kissock
Sylwia Krajewska

1. Apologies for the Absence

Apologies were received from Liz Laverty.

2. Minutes of the Last Meetings

The minutes of the meetings held on 17 March 2022, were agreed as a correct record.

3. Matters Arising

There were no matters arising from the minutes of the previous meetings.

4. Living Wage increase (Attached)

The recent announcement of the pay increase will have an impact on the budgets of schools. The Local authority (LA) acknowledges that this will have an impact on the budgets of schools.

A nationally negotiated pay increase has been agreed for staff who are subject to the National Joint Council (NJC) pay agreement, which was from negotiations between the employer and trade union sides of the NJC. The pay award was agreed for 2022/23.

Lancashire County Council has approved a proposal to amend the Foundation Living Wage from its current rate of £9.90 per hour to a rate of £10.50 per hour, with effect from 1 November 2022. This proposal is in response to the cost-of-living pressures for employees currently on the Foundation Living Wage and is in advance of the Pay Policy Statement being approved in February, which will propose the new Foundation Living Wage rate of £10.90 be implemented with effect from 1 April 2023.

Four options were considered, as follows:

1. Option One - change the current Foundation Living Wage rate (£9.90) to the new National Joint Council rate of (£10.50), with effect from 1 April 2022 (when the National Joint Council pay award is effective from).

2. **Option Two - change the current Foundation Living Wage rate (£9.90) to the new National Joint Council rate (£10.50), with effect from 1 November 22, which is the month the National Joint Council pay award will be paid.**
3. Option Three - change the current Foundation Living Wage rate (£9.90) to the new Foundation Living Wage rate (£10.90) with effect from 1 November 2022 which is the month the National Joint Council pay award will be paid.
4. Option Four – retain the status quo by, subject to approval, applying the £10.90 Foundation Living Wage rate on the 1 April 2023 and, as already agreed, move to a supplement payment method of the Foundation Living Wage rate from the same date. There would be no additional cost as this will already be budgeted for.

The four options were considered and in recognition of the unprecedented cost-of-living pressures, it was agreed to implement option two as this option provides the balance between recognising the cost-of-living pressures for employees on the Foundation Living Wage and the budgetary pressures within the Council.

LA currently intends to make the payment in January and to backdate it to the beginning of November. The Director of Finance seeks views of the Chairs on how to go forward on the pay increase that will impact schools budget. If the Chairs would wish to follow the LA approach and pay early or wait until the end of April.

The [schools forum operational guidance](#) was provided in appendix, which supports that in exceptional circumstances, it may be necessary for a decision or formal view to be expressed by the Forum, before the next scheduled meeting.

In such circumstances, the LA will attempt to convene an unscheduled meeting of the Forum or an appropriate Working Group. In this circumstance, the Chairs sub-group has been arranged for 12 December 2022.

Neil Kissock explained that Foundation Living Wage announcements are annual and usually apply from the following April. The LA has considered all the options mentioned in the paper and selected Option 2. The council has agreed on an additional increase in our current Foundation Living Wage rate. The new rate will rise from £9.90 to £10.50. This is expected to be included in January pay and will be backdated to November. The current unprecedented cost-of-living pressures were a contributing factor to the county's decision. It provides the balance between recognising the cost-of-living pressures for employees on the Foundation Living Wage and the budgetary pressures within the Council.

With current pressures on schools, this meeting was arranged to seek the views of Chairs who represent school forum members, as LCC could not make this decision for those employed within the schools sector. The sub-group of Chairs is appropriate to make this decision as they represent all of the sectors.

The Chair of the Forum has asked each individual to express their opinions on this decision. Some Chairs sought the views of others prior to the meeting, but it was a very tight timescale. As all Chairs endorsed Option 2 and the LCC pay increase, the

payment will be made in January and backdated to the beginning of November. Prior to the decision, the pressure that it might have on schools' budgets was discussed, but it was the right move, especially given today's economic challenges. A member has expressed concern that the current pay increase on NLW to £10.50 will narrow the gap between the pay for TA1, who earns £10.71 an hour. A pay gap still exists, which may affect recruitment if it does not increase. It may be possible for people to find a job that pays more elsewhere if it does not increase.

Academies have reviewed the impact this change will have on their schools. For example, a secondary academy saw an increase of £12,000* in their budget whereas a primary school saw an increase of £570*. Their analyses showed that schools will be affected and will vary as it all depends on how many NLW staff the school employs. Either way, despite the pay increase and the effect on the budget, it was supported as it is the morally right thing to do.

A discussion was also held regarding the lack of time available for the portal to gather more views from people on this urgent matter. This matter needs to be decided immediately, which is why this meeting was held. Particularly, since schools are most busy now before they close for the Christmas holidays, there would be very limited input, if any. In addition, the School Block Working Group on 6 December 2022 discussed how few people have used or engaged with the portal for recent consultations. The operational guidance support that an appropriate group can decide on behalf of the forum. Therefore, with all the Chairs' support, it was decided for LCC to follow the same pay increase method for schools via the LCC payroll. It was agreed that decisions from this meeting will be shared with members via email.

The Chairs' Group:

- a) **Noted the report;**
- b) **Recommended for LCC to mirror their method of a pay increase that will affect school via LCC payroll.**

5. Any Other Business

No further items have been notified.

6. Date of Next Meeting

The next scheduled meeting of the Chairman Working Group is arranged for 9.30 am on 10 January 2023, in Savoy Suite.