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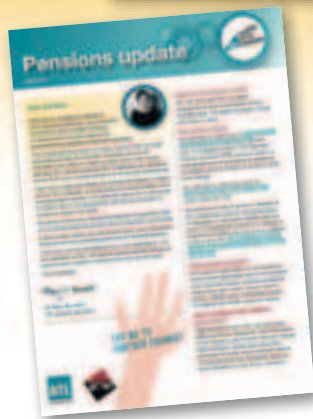
Summer 2011



speaking out for pensions

## TAKING ACTION ON PENSIONS

The government's proposal to cut pension provision presents the biggest threat to the teaching profession for 30 years



*Following an informed and passionate debate at ATL's national Conference, where several independent members spoke out against pensions changes, delegates voted to ballot members on strike action against the government's proposals.*

*This was not a decision taken lightly. ATL has never balloted its members before. However, there are rare occasions when a threat is so serious to the well-being of our members, and education generally, that is right and proper to consider the action of last resort.*

*Of course, ATL will always seek amicable resolution. Unfortunately, the government is not listening to reasoned argument. Consequently, the Executive believes that the government is only going to see sense by a collective show of ATL strength through balloting those eligible to be in the TPS. Members of the LGPS may be balloted separately.*

*No government could underestimate the significance of ATL members voting to take industrial action. They know that ATL members are reasonable people who would only make such a decision with a heavy heart. The rarity of ATL taking such action makes it all the more powerful. Government would sit up and listen.*

## THREAT TO INDEPENDENT SCHOOLS

Increasing the cost of pension contributions, while downgrading the benefits, will make it harder to attract top quality staff into the teaching profession.

However, in the worst case scenario, exclusion from any new scheme for teachers will impact on independent school employers' ability to recruit and retain the best graduates and experienced teachers.

To maintain their competitiveness, employers are likely to face significant additional costs in setting up a comparable scheme. While some will be able to bear this additional cost, others may struggle to maintain their competitiveness and a few could face closure.

Having significantly different pension schemes will inevitably adversely affect the movement of teachers between the independent and state schools and the exchange of best practice and ideas.

Even before the publication of Lord Hutton's review of public service pensions, in March 2011, ATL knew that teachers and support staff were facing the prospect of paying more, working longer and getting less for their pension.

However, for the independent sector, Hutton's report contains something far worse than even the most cynical member feared:

**"It is in principle undesirable for future non-public service workers to have access to public service pension schemes."**

So as well as swingeing cuts to pension entitlements the government proposes excluding independent sector teachers from the scheme altogether.

Chancellor George Osborne endorsed all the recommendations of Lord Hutton's review in his recent Budget.

The proposals will not only hit the living standards of teachers and support staff in the independent sector but will also affect the

attractiveness of the teaching profession and the ability of independent schools to recruit and retain staff.

Employers will be faced with the prospect of the additional cost of setting up a commensurate pension scheme or losing their competitiveness. Some schools might not survive.

ATL's 2010 pay and conditions survey indicated that around 90 per cent of independent sector teachers are in the Teachers' Pension Scheme (TPS); and around 10 per cent of support staff are in the in the Local Government Pension Scheme (LGPS). The TPS and LGPS apply to England and Wales and there are similar schemes in Scotland and Northern Ireland.

The government has refused to negotiate any flexibility to Hutton's proposals. By acting collectively, ATL members can send the government the clear message that these proposals are unacceptable, short-sighted and detrimental to the teaching profession.

## TAKING ACTION ON PENSIONS (cont)

### “Gold-plated” myth

The one ray of light in Lord Hutton’s report is his total rejection of the charge that public service pensions are ‘gold-plated’ and his argument against ‘a race to the bottom’, referring to the low levels of pension benefits in the private sector.

The gold-plated myth does not stand up to scrutiny: the average annual public service pension in payment is £7,000 a year. For teachers in the TPS it is £10,000; for support staff in the LGPS it is only £4,000.

### Public pensions affordable and sustainable – National Audit Office

The National Audit Office (NAO) has concluded that public pensions are affordable and sustainable. In December 2010, they published an independent report into the impact of changes made in 2007/08 to public sector pensions. The reforms included:

- increases in employee contribution rates

- a later default retirement age
- cost-capping and sharing mechanisms.

The government has recently made further savings by switching the index by which the pension is annually increased from RPI to CPI. This will reduce a pension in payment by around 15 per cent on average over the period it is paid.

### ATL CAMPAIGN

ATL is campaigning against the proposed pensions cuts. We know that our members are not alone in their depth of concern over this issue. Recent surveys of the members of leadership unions indicate that two thirds support action to defend their pensions. ATL’s own leadership section, the Association of Managers in Education, has found similar levels of opposition among our school and college leaders.

Our campaign is for all education staff, regardless of sector. However, we are conscious that members working in the independent sector are in a different position to their state sector



colleagues. We are also aware that some staff, such as those with boarding responsibilities, may not feel in a position to take any action, regardless of their sympathy.

Consequently, we are explaining very carefully to independent school employers that any protest action is not aimed at the school or employer. Should ATL members decide to take action, we hope that employers will take a sympathetic view, understanding what is at stake for their staff and their schools.

### You can make a difference

You can make a difference. You don’t have to do all the work or have all the solutions. As a member of ATL, you are part of the largest professional association and trade union in the independent sector.

You can play an important part by making sure that colleagues are aware of the detrimental affect of the changes both for staff and the school itself.



## PAY MORE

Pre-empting the Hutton Review, in January 2011, the government announced that it wanted to increase the contribution rate for the Teachers’ Pension Scheme (TPS) from 6.4 per cent to an average of 9.8 per cent from 2014.

The move had nothing to do with the pension scheme in itself – the government has postponed scheme valuations for more than 18 months – but followed the diktat from the Comprehensive Spending Review in October 2010 that £2.8 billion of savings must be made.

ATL calculate that this would mean that each year:

- teachers would pay on average £1,145 more
- headteachers £1,965 more
- support staff earning more than £24k, £525 more.

ATL is concerned that new teachers may not be able to afford to pay almost 10 per cent of their salary to join the pension scheme, due to debts from their student loans and higher tuition fees.

We also predict that there will be a surge of teachers close to retirement dropping out, with many retiring early to avoid having their pensions cut.

## WORK LONGER

Lord Hutton recommends that teachers and support staff may also be forced to work until age 66 and eventually 68 before they can draw their pension.

Working with pupils is a highly demanding job with burn-out a real danger. Compelling teachers to work longer will have a detrimental affect on their health and will have implications for pupils.

## GET LESS

Lord Hutton has recommended that final salary pension schemes are ended and replaced by career average pension schemes. While such a change would affect individuals differently, this would result in teachers and support staff receiving at least 15 per cent less in pension benefits over the course of their retirement.

15%



## Action you can take to defend your pension

- Keep up to date with the latest developments at [www.atl.org.uk/pensionscampaign](http://www.atl.org.uk/pensionscampaign).
- Download pension flyers to display on your school or college noticeboard.
- Attend one of our pensions roadshow meetings, details (including promotional poster) at [www.atl.org.uk/pensionsroadshow](http://www.atl.org.uk/pensionsroadshow).
- Speak to colleagues and organise an all-staff meeting. ATL has provided a slideshow you can download from [www.atl.org.uk/Images/RoadshowsWebsite.PPT](http://www.atl.org.uk/Images/RoadshowsWebsite.PPT).
- Ask for a meeting with your head and bursar. Your head's pension is under threat too. Your bursar will have to deal with the additional cost of any alternative pension scheme.
- Talk to the governors. Not only do these proposals have a significant impact on their staff but the school as well.
- Lobby your MP.
- Write to your local newspaper.
- Discuss the option of your school writing to the national newspapers.

By taking collective action, you have a real opportunity to influence the government policy. Let's send the government a clear message that:

- ATL opposes the threat to our members' standard of living

- ATL opposes the threat to the standing of the teaching profession

- ATL opposes the threat to the viability of our members' employers.

## Conference gets angry



### The coalition government's proposed changes to teachers' pensions dominated ATL's Annual Conference in Liverpool this year.

Rarely have passions at ATL Conference run so high. But rarely has the threat to teachers' remuneration and the attractiveness of the profession been so severe.

An emergency motion was overwhelmingly passed to ballot members on industrial action on pensions. This is a unique moment in ATL's history as we have never undertaken a national industrial ballot.

And independent sector members led the way, as they have the most to lose. Hutton's proposal to dump them out of the scheme altogether has serious ramifications not only

for them but for the sector. Richard Ainsworth, from Cheshire, decried the wedge that Hutton's proposals would drive between the sectors, making transfer between the two very difficult.



While the mood was sombre it was defiant. Conference regular **Malcolm St John Smith** told delegates he had never been so angry as he was now about the effects

of pensions cuts to those teaching now and those who wanted to teach in the future. He ended with a traditional ditty, sung to the tune of "Oh Mr Porter", warning Chancellor George Osborne not to take teachers for granted.

Of course, there were other issues debated. The economic recession has not gone away and members in the independent sector zone discussed its affects in their schools from redundancies, to cuts in staff fee reductions, to less and less non-contact time.

Back in the conference hall, members unanimously supported Geoff Pye's call for independent schools to keep school trips at the heart of learning by ensuring that staff have rigorous health and safety training and that cuts due to the recession do not happen.

As the education union, you would expect education opportunities and these were provided in the learning zones. Here members learnt about such things as protecting identity, leadership, using games in the classroom and behaviour management. Among other sessions, Deborah Parren, North London Collegiate, led a stimulating session on getting practical in science.

Opportunities to network ranged from coffee breaks to the conference dinner when we also welcome colleagues from the leading heads' and employer's associations.

There was also a legal surgery workshop on wills and probate and one-to-one sessions with solicitors on other legal matters along with free financial health checks. And when it all got too much for delegates there was a relaxation zone including shiatsu, Indian head massage and reflexology.

For more about goings-on at Conference see [www.atl.org.uk/conference2011](http://www.atl.org.uk/conference2011).

# ATL wins payout for school closure

ATL has won an employment tribunal case for 68 staff who lost their jobs at Mostyn House School in July 2010. The judge awarded 90 days' pay, the maximum possible, because the school had failed to follow employment law when dismissing their staff.

Mostyn House School, Cheshire, closed at the end of the summer term in 2010 after 156 years. The co-ed independent school was run for six generations by the Grenfell family before coming into serious financial problems. On 27 May 2010 the staff were told that the school would close at the end of term and that they would all lose their jobs.

ATL supported its members affected by launching legal proceedings for a protective award against the school for its failure to comply with the provisions of section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992. At the end of February 2011, the judge at Liverpool Employment Tribunals found that the school had seriously defaulted in its obligation to consult staff before taking the decision to dismiss. As a result, the Judge determined that all staff who had been made redundant on 7 July 2010 and had completed at least three months' service, should receive the maximum protective award of 90 days.

John Richardson, ATL national official for independent schools, said: "We are delighted by the decision. ATL has secured the maximum protective compensatory award for our members. Independent school employers need to remember their legal and moral responsibilities to their staff. They need to properly consult with staff over redundancies. If they do not, then ATL will not hesitate to use the law to secure our members' entitlements."

Elizabeth Kearney, a teacher at Mostyn House School, said: "We are really pleased with the tribunal decision. The closure of Mostyn House was extremely sad for everyone affected, but we can now look forward knowing that justice has been done for staff at the school, thanks to the support of ATL. At a very difficult time ATL gave us hope and direction. We are extremely grateful for its professional advice and support."



## Free independent schools?

When the government announced in 2010 plans to enable interested parties to set up 'free schools', it was not envisaged by many that existing independent schools might apply.

However, to date, ATL is aware of seven independent schools vying to become free schools in 2011. Although predominantly smaller schools, they include Batley Grammar School, Yorkshire.

Interestingly, this total is similar to the total number of independent schools that have become academies since 2007. Six independent schools have converted to academy status including Belvedere High School, Liverpool, William Hulme, Manchester, Bristol Cathedral and Colston Girls, Bristol, The Steiner Academy, Hereford, and Birkenhead High School.



## Training for ATL reps and contacts

ATL recommends that all our school representatives and contacts attend the *Being our independent school rep* training.

The course is designed specifically to address the issues faced in independent schools and to help you carry out your role. The course is free of charge and ATL will meet all reasonable travel and other expenses.

"The course gave me the confidence to coordinate the staff response to another 'new initiative' which negatively impacted on staff PPA time. Happily, in the face of a united staff, the senior leadership team backed off and changed their minds!"

The next course is:

• 10 & 11 June 2011, Bristol

For further details please contact [training@atl.org.uk](mailto:training@atl.org.uk).



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