ATL to ballot for industrial action over 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 believe that the government is only going to see sense by a collective show of ATL strength. 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.

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 hard the living standards of teachers and support staff in the independent sector but 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 2010 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.

**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.

**“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 pa. For teachers in the TPS it is £12,000; 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.
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 could 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 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.

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 amongst 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.

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 notice board.
- Attend one of our pensions road show 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.