

# School Teachers' Review Body

Further evidence March 2017



1. This further evidence to the Review Body covers issues raised during our oral evidence session:-

- ATL Future Survey on Financial Incentives; and
- school reserves.

In addition, we are commenting on two reports produced for the OME:-

- Use of Agency Workers in the Public Sector; and
- The Changing Educational Attainment of Graduate Recruits to Major Public Sector Occupations

We have also provided comment on the Education Committee's report on the supply of teachers.

## ATL Future Survey on Financial Incentives

2. As stated in our evidence, ATL does not believe that bursaries are an effective way of attracting and retaining graduates into teaching. Prior to our oral evidence we surveyed our trainee and newly qualified members to gain their views on financial incentives.
3. Do you think a partial or full contribution from government towards student loan repayments (paid for the duration of the loan, providing the recipient remained as a teacher in state-funded schools) would act as an:-

incentive to enter the profession	Yes	67.7%
incentive to remain in the profession	Yes	74.7%
4. In comparison to the current system of training bursaries, do you think this would be:-

more of an incentive to remain	Yes	86.1%
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5. Among career changers the bursary or salaried route was important in enabling them to leave their current role and move into teaching. But this could be more to do with the lack of loans or support for anyone undertaking further training to change careers.
6. The Schools' Minister has provided information to the Education Committee on the level of QTS awards and retention rates for those teachers who received bursaries and we are concerned that the percentages for those recipients in the shortage subjects of maths, chemistry, physics and computing all had completion rates of less than 90%.
7. The data is extremely limited, and in ATL's opinion inadequate to properly judge retention in the profession of bursary recipients. This evidence only shows those in post within six months which does not even get them through their induction phase. There may of course be some who decided to take a break before entering the profession or who are having difficulty finding a suitable post. We hope that further such information is made available on the career paths of bursary recipients, and urge STRB to request further evidence from DfE earlier than the April 2018 completion date cited by the schools' minister.
8. We note that the IFS research commissioned by OME suggests that bursaries' success should be judged by the retention of 'high-achieving' recipients 'in shortage subjects'.

## Use of Agency Workers in the Public Sector

9. Despite the very small number of actual supply teachers interviewed for this report (just 12) it reinforces many of the trends reported to us by our members working as supply or agency teachers. We have included data from our 2013 survey of supply teachers which although a few years out of date received many more responses.
10. Supply teachers are a vital part of the education workforce and, when used effectively, ensure continuation of learning for pupils during teacher absence. Supply teachers are best used to cover for absences due to illness or when the assigned teacher is undertaking CPD. Long supply contracts through agencies should be rare. ATL shares the Report's concern over the decentralisation and the lack of regulation of this market.
11. Alternative methods of cover. ATL has always supported the appropriate use of cover supervisors within schools. However, we have growing evidence from our membership that schools are expecting too much from cover supervisors and that this is having a detrimental impact on pupils as well as exploiting staff. We are also concerned that the cuts to school budgets are impacting on the number of support staff, including cover supervisors, that schools can employ. We understand that many are being issued with redundancy notices or having their hours reduced. Although the overall number of full-time equivalent teaching assistants has increased, school workforce data shows a drop in the full-time equivalent of teaching assistants in secondary schools for the second year in a row.
12. Quality of agency staff. Concerns were raised about the quality of some agency staff in the report (para 2.1.6). Agencies should be making provision to ensure that their staff have access to high quality CPD. Schools should also make available any whole school training to any agency staff currently working in the school. An ATL survey shows that just 4% of supply staff are always included in school CPD sessions, with 6% usually being included and 25% sometimes included. This compared with 57% who said that they were never included.<sup>1</sup>
13. Cost of agency staff. With the end of the national pay scales, agency staff have no clear idea as to what level of pay they should be receiving. There is a great deal of uncertainty as to what is the correct level of pay for a supply teacher once they reach the 12 week threshold and the end of pay portability has increased this uncertainty. There also needs to be much more transparency over the amount charged to the school and then subsequently paid to the teacher. We know DfE is also concerned by daily charges and finders fees which agencies demand and the cost-effectiveness of current arrangements for supply cover, as its Schools Commercial team has been investigating current practice.

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<sup>1</sup> ATL, Supply Teacher Survey, 2013

14. Comparison with the NHS. The situation in the NHS is something that we would not wish to see replicated within teaching. We believe that it is essential that wherever possible staff at schools are permanent. The trend towards agency working being more profitable than we have seen in the NHS must be resisted in teaching. As well as the impact on pay and finances, such organisation of work adds to the workload demands of those permanent staff employed directly by the NHS. The government must ensure that steps are taken to reduce the excessive workload of teachers to ensure that the job remains attractive and regains a reasonable work/life balance. Teaching cannot become part of the gig economy as we have seen in FE.
15. Reasons for working as a supply teacher. 54% of respondents to an ATL survey stated that it was their choice that they were working on a supply basis. Over 30% said that they were working as a supply teacher as this was the only job that was available while looking for a permanent full- or part-time position.
16. One of the reasons that our members are reporting for undertaking supply work is that they are too expensive to be employed permanently in schools. We have made several submissions to the Review Body on the practice of schools using performance management to remove teachers – usually females over 50 on the upper pay scale. These teachers find it hard to get back into schools on a permanent basis and so are resorting to supply work to make ends meet.
17. Workload is a major reason for teachers leaving the profession and many are accessing their pension benefits early and topping up their pensions with supply work when they want to or when it is available. As the interim report from the Working Longer Review shows older teachers have significant concerns over their work/life balance and do not feel that schools are supportive of managing flexible working requests from older teachers.<sup>2</sup>
18. Access to pensions. One of the disadvantages of working as a supply teacher is that they do not have access to the Teachers' Pension Scheme. The statutory scheme which agencies will have to provide will not provide an adequate income in retirement for teachers who wholly or mainly work through agencies. However, the inability of agency workers to rejoin the Teachers' Pension Scheme does mean that they are not restricted by the amount that they can earn without affecting their pension in payment.
19. Impact of agency staff on permanent staff. As highlighted in the report one of the reasons that teachers choose to work as supply teacher is that they

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[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/594521/WLR\\_Interim\\_Report.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/594521/WLR_Interim_Report.pdf)

often do not have the additional workload associated with teaching. In schools with long-term supply staff the increased burden on permanent staff can become excessive leading to further illness or vacancies. Schemes such as the job-sharing of agency teachers (para 2.1.3) will also impact on the workload of permanent staff.

20. Impact on permanent staff of the cost of agency staff. The cost of providing cover has, according to our members, resulted in less availability of opportunities for CPD.
21. Movement from agency to employment. The Report shows agencies that have a reasonable approach to 'finders fees' when an agency worker is taken on by the school; however, there are other agencies with a more punitive approach. The 20-30% of the annual salary quoted in para 2.1.5 is too high and if schools are having to pay this amount this will have a serious impact on school budgets and act as a disincentive even if this is beneficial to both the teacher and the school.
22. We have had reports that agencies are trying to sign up student teachers stating that they will be able to secure them a placement. If this practice becomes commonplace then schools will have to pay a premium for any NQT that they wish to recruit.
23. We note that the use of agency workers in education may well change as a result of government's plans, published alongside the Trade Union Bill (now Trade Union Act 2016), to lift the ban on employers hiring agency staff to cover duties of employees on strike. ATL made clear to government this would serve to undermine legitimate industrial action. Amongst the consequences are the questionable ability to ensure rapid DBS-checking of a replacement workforce and significant damage to workforce relations in schools and colleges, risking inflaming workplace disputes.

## **The Changing Educational Attainment of Graduate Recruits to Major Public Sector Occupations**

24. Comparison of teachers' increases and AWE during the Great Recession. Any public-private comparison is in an attempt to find a way to compare apples and oranges, and different approaches yield different results. The ONS are cautious of drawing any conclusions as the results obtained from using different methodologies give differing pictures.<sup>3</sup> The IDS research commissioned by Unison still holds true and clearly outlines the difficulties of trying to compare pay in the two widely different sectors.<sup>4</sup>
25. ATL does not really see the value of the bulk of this report as we know that the level of qualification does not translate across to the quality of the teacher. Teaching is a graduate profession and so it should be accepted that all teachers have a degree. Of more concern is the increasing numbers of teachers that are teaching subjects in which they have no experience beyond GCSE or A level.
26. The IFS cautioned that the expected squeeze on public sector wages up to 2020 could have an impact on the quality of recruits into teaching. The report supports ATL's concern over the toxic mix of the system of performance-related pay, severe pay restraint and excessive workloads in schools.

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<sup>3</sup> [http://www.ons.gov.uk/ons/dcp171776\\_383355.pdf](http://www.ons.gov.uk/ons/dcp171776_383355.pdf)

<sup>4</sup> <https://www.unison.org.uk/content/uploads/2013/06/Briefings-and-CircularsIDS-Pay-Premium-Summary3.pdf>

## **Education Committee – Supply of Teachers**

27. ATL has long seen the confusion of initial teacher training routes as a barrier to prospective students and to excessive workload during training. Government needs to take an in-depth look at how initial teacher education can better attract, prepare and retain teachers.
28. Not only are more teachers leaving the profession, but as the report learned, more are doing so for reasons other than retirement. With 48% of teachers in the profession for less than 10 years, this retention issue is key, not just because of the need for teachers in the classroom, but also in terms of providing leadership and professional support for the new teachers we so desperately need. With fewer subject specialists every year, losing experienced specialist teachers will have a hugely negative impact on the skill and knowledge-base within the profession.
29. This report is clear that the Government and Ofsted must review their policies which are increasing teacher workload. They must also look to move from vague words to a clear entitlement for teachers to CPD and targeted funding to ensure that they have the time and access to opportunities.

## Annex A

### School Reserves – ATL Notes for Oral Evidence

#### ATL on school surpluses and reserves re increasing funding and affordability for pay uplifts

##### Summary of position

- ATL believes in secure and sound financial management and financial planning in schools
- government absolutely must provide additional funding to schools – for pay and more
- This does not mean that we believe there should be huge surpluses at individual school level – but this is not a significant problem that we see in data/evidence
- We also believe in transparency, and note that the maintained school sector does not have the transparency and misappropriation problems of the academy sector

1. The first thing you note is the years which saw the large increase in total and average revenue balances – 2010/11 and 2011/12
  - These were the first years of a brand new government. There may have been a (small c) conservative reaction in schools' financial planning on the basis of the surface political differences between the two governments in terms of public sector spending
  - But we also know that these were the years that launched educational reform on a widespread – and it has proven close to unmanageable – scale:
    - Curriculum and qualification reform is not a cost neutral process for schools; alongside the time cost and the training for staff are significant costs in purchasing new resources such as text books
    - It would not be surprising if schools started putting some money aside once they saw these changes signposted and in the run-up to implementation
  - Arguably most significant though was Michael Gove's cancellation of the Building Schools for the Future programme in 2010, responsible for 1/3 of DfE's capital spending at the time
    - Many schools – often in dire need of refurbishment and building works – were left directly affected by the sudden withdrawal of this project and its funding
    - And many more would have hoped to have benefitted in subsequent years
  - In addition, is widespread academisation (especially in the secondary sector) from 2010
    - Schools face increasing budget pressures from a need to fend for themselves
    - We know of one LA which recently cancelled a borough wide broadband contract, leaving its schools to have to spend time – and we assume more money – negotiating individual supply contracts
2. If you adjust those revenue balances from 2009/10 for inflation<sup>5</sup> then the trend of increasing surplus size looks less dramatic:
  - 35% growth in average surplus between 2009/10 to 2014/15 may be worth observing – but is substantially less than their evidence suggests
  - Most of this growth took place in the years I've just discussed
  - Since then, 2011-12 to 2015-16, the average revenue balance has only increased slightly – by 12% over the four years, or just 4% in real terms when adjusted for inflation.

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<sup>5</sup> RPI applied at April each year

3. ATL does not believe it is sensible to ignore wider contexts.
  - Even before the National Funding Formula plans were announced in December it was very reasonable to assume that government would not be maintaining funding at existing levels: the IFS and more recently the NAO have said as much
  - And the argument that the whole of the current total revenue balance could be spent on a single year pay uplift, when schools face a range of pressures, is naïve.
    - Schools need more money
- Latest year for which data is available:
  - DfE data shows that in 2015/16 on average LA schools had a revenue balance of £124,000, which equates to 7.5% on their total revenue income: a fall.
  - The proportion of schools with a surplus has decreased from 93.4% in 2014-15 to 93.1% in 2015-16. The proportion of schools with a deficit has increased from 5.4% in 2014-15 to 6.0% in 2015-16.
  - Note too the growth of average deficit for those in deficit – suggesting a worsening situation for those already struggling financially.

#### Financial planning in schools and what they may be saving money for

- I'll add a few comments from the schools' perspective
  - Financially surplus will be better than deficit wherever possible
  - Although no national guidance currently exists, LAs do issue their own rules or advice on surpluses and deficits.
    - One LA has told us they recommend 5-7% of budgets are reserved
    - Another would begin getting concerned when surpluses hit 5-8%, with expectations for secondary schools at the start of that scale, and primaries at the end
    - On a national basis, the total revenue balance as a proportion of total funding is only slightly beyond these boundaries
  - The way maintained schools can carry forward surplus to next year's budget, rather than holding reserves, means that for many schools we could assess current year surplus revenue balance as cumulative – making the increase in average surplus size pretty small
  - The average surplus of £124,000 being reserved is not going to go far under the current climate of increased inflationary pressures, the introduction of the apprenticeship levy and costs incurred due to recent changes to curriculum and assessment.
    - That carried over between years is useful for unexpected costs that can occur at any time.
  - Average real-terms cuts in school funding shown on our SchoolCuts website indicates these surpluses are likely to be swallowed up very quickly
    - £87k primary
    - £405k secondary
  - It is not uncommon for schools to plan to save from their budget over several years due to a lack of available capital funding for them despite much needed capital improvements and essential grounds or building work
  - It is also not uncommon that what they might have saved in-year for significant forthcoming projects is reduced by increasing costs and, for many, reducing budgets. Salaries are a significant cost but not the only cost.
    - Let me be clear:
      - It should not be concluded that a pay award must be limited because of this context; it should be concluded that there is not currently, nor is there projected to be, enough money in the schools system.
        - Government needs to address this urgently

### Conclusion

So, ATL does not believe it is right to make the jump from the revenue balance dataset to say schools' surpluses are out of control.

We certainly do not think these surpluses demonstrate there is enough money in the school system to fund **annual** pay uplifts, and we don't think there is sufficient funding for schools full stop.

The National Funding Formula is not going to address this: as we've said, despite that change in allocation of funds, 98% of schools are set to lose out in real terms on a per pupil basis.

The bigger picture is important and schools need more money to provide their pupils with an education and to retain the values of teachers' salaries and avert a deepening of the crisis in recruitment and retention.