

ANGUS COUNCIL

EDUCATION COMMITTEE

21 APRIL 2011

**SCOTTISH NEGOTIATING COMMITTEE FOR TEACHERS:
PROPOSED CHANGES TO TEACHERS' TERMS AND CONDITIONS**

PROGRESS REPORT BY THE DIRECTOR OF EDUCATION

ABSTRACT

This report provides an update on progress in relation to the Scottish Negotiating Committee for Teachers (SNCT) negotiations and the financial implications for the Council.

1 RECOMMENDATIONS

It is recommended that the Education Committee

- (i) note that the Scottish Negotiating Committee for Teachers (SNCT) has concluded negotiations in relation to proposed changes to teachers' terms and conditions;
- (ii) note that, as yet, there is no agreement with the Teachers' side about these changes;
- (iii) note that Teachers' Trade Unions are currently undertaking ballots on revised proposals;
- (iv) note the financial implications for 2011/12, including the provision of additional grant from the Scottish Government;
- (v) note that it may be necessary to take corrective action to compensate for any 2011/12 Education savings that cannot be delivered as a result of difficulties in securing national agreement around changes to teachers' terms and conditions of service; and
- (vi) note that the outcomes of the ballots and related issues will be the subject of a further report to Committee.

2 REFERENCES

- 2.1 At its meeting on 10 February 2011, the Special Education Committee considered report 108/11 which outlined savings proposals for the Education Service in 2011/12 amounting to £3.266m. Item 2 referred to savings resulting from proposed national changes to teachers' terms and conditions and amounted to £979k (30% of the total Education savings package).
- 2.2 At the subsequent meeting of Angus Council on 10 February 2011 the Council's 2011/12 revenue budget was agreed recognising the risk associated with the savings related to the proposed changes to teachers' terms and conditions given that these were dependant upon the Scottish Government's negotiations with the Scottish Negotiating Committee for Teachers. In light of this risk it was agreed that **any shortfall** in delivering the £979K of savings could, if required, be met on a one off basis from the Council's contingency reserve and subsequently addressed through the 2012/13 revenue budget. This arrangement was an expediency to ensure that the council set a balanced budget for 2011/12 as required by statute. However in the event that a shortfall was determined a report would be brought forward to identify how the matter could be addressed in 2011/12.

3 BACKGROUND

3.1 John Swinney, Cabinet Secretary for Finance & Sustainable Growth and Pat Watters, President of CoSLA, wrote on behalf of the Scottish Government and CoSLA to Councils on 17 November 2010 outlining a funding package for 2011/12. Councils were required to demonstrate a commitment to delivery of this funding package or face a significant reduction in government grant provision for 2011/12. This required agreement on the following range of commitments in relation to the education service:

- maintain the pupil-teacher ratio in P1-P3, the crucial early years of primary school.
- protect the number of teacher posts as far as possible in order to secure:
 - places for all probationers who require a place under the induction scheme in August 2011;
 - sufficient teaching posts available for all probationers who achieve the Standard for Full Registration in summer 2011 (i.e. successfully complete their probation); and
 - a reduction in the total number of unemployed teachers.
- endorse an independently chaired review of all aspects of the McCrone Agreement, to report by June 2011, with the clear intention that its recommendations should be available for implementation before August 2012.

3.2 In return for the delivery of the above commitments, the Scottish Government sought agreement by the end of January 2011 to the following changes (or similar) through SNCT negotiations with a view to delivering £60m of savings nationally:

- a pay freeze in 2011/12 and 2012/13 for all employees (teachers and all associated professionals);
- an increase in class contact time for probationers to 0.9 FTE;
- all supply teachers to be paid on Point 1 of the Main Grade Scale and only for hours worked;
- the removal of salary conservation;
- the Teacher leave year to be moved to 40 days per annum for the calculation of family leave entitlements; and
- a freeze on entry to the Chartered Teacher Scheme.

3.3 Based on delivery of this national package within the timescales set out by the Scottish Government, officers estimated that the financial savings for Angus Council would be £979K in 2011/12 and £1,962K in a full financial year. Savings proposals for 2011/12 were prepared on this basis. However, since national negotiations had not been concluded, when the Council's budget was set on 10 February 2011, it was agreed that, in the event that the full £979K was not delivered, **any shortfall** in 2011/12 could, if required, be met from the Council's contingency reserve within General Fund balances as an expediency. In the event of a failure to reach a national agreement, a report to members would also be brought forward outlining options for managing the 2011/12 shortfall.

3.4 On 24 February 2011, the leader of the Council provided a formal assurance to the Cabinet Secretary that the 2011/12 budget, approved by the Council, included provision to deliver all the commitments required of Councils as specified in the offer letter of 17 November 2010. However, the letter from the Council Leader providing that assurance made clear that the Council's ability to deliver the budget as set on 10 February 2011 and those commitments is absolutely dependent on the availability of resources to be released by the £60m package of conditions of employment changes currently being nationally negotiated with teaching unions through the SNCT and described in paragraph 3.2 above.

4 CURRENT POSITION

4.1 On 25 February 2011, SNCT negotiations were concluded, details of which were circulated to all local authorities and Teacher Unions.

4.2 The Teachers' side rejected the proposed deal, and subsequent teacher ballots voted against the proposals.

- 4.3 On 23 March 2011 a revised proposal was put to the Teachers' side. The EIS are recommending that teachers vote to accept the revised offer, details of which are included in Appendix 1(a) and Appendix 1(b). It is understood that other teacher unions will recommend that teachers reject the offer. It is anticipated that the outcome of the teacher ballots on the revised proposal will be known in early May. A related report will be submitted to committee thereafter.

5 FINANCIAL IMPLICATIONS

- 5.1 Based on final SNCT deliberations and the revised proposal, it is now estimated that savings in 2011/12 will be £815K rather than the original projection of £979K (see breakdown in Appendix 2) leaving a disparity of £164k. This calculation includes the national provision of an additional £15m of grant from the Scottish Government, of which the Council's share is estimated to be £350K. The balance of £164K can be met as follows:

	£ 000
Carried Forward underspend from 2010/11	100
It is currently projected that the Education net underspend in 2010/11 will be £214K. While £114K has already been committed (report number 75/11 refers), it is proposed to fully commit the remaining underspend, currently estimated to be £100K, by way of a 100% budget carry forward request to help meet the shortfall *	
Further reduce the 2011/12 secondary staffing budget	64
Through careful management of the budget, and taking into account the most recent school roll projections, it should be possible to generate further savings without impacting on staffing standards	
Total	<u>164</u>

*this would only be a one-off funding measure for 2011/12 (subject to the approval of the Strategic Policy Committee) but would be able to be supplanted in 2012/13 by alternative savings arising from the full-year impact of terms and conditions changes

- 5.2 In the context of the Council's 2011/12 revenue budget, there remains a current requirement to identify savings of £979K and/or decide how any shortfall resulting from the failure to reach a national agreement will be managed. If agreement is not reached nationally to enable the implementation of the proposed changes to teachers' terms and conditions by August 2011, it will be necessary to take corrective action.
- 5.3 To date, only a small reduction in school staffing levels for 2011/12 has been actioned in line with agreed 2011/12 savings proposals. Significant work has, therefore, already been undertaken in schools to take forward their plans based on current staffing standards which have been unaffected by national proposals. Such work includes, for example, course choice frameworks for pupils entering S3, S5 and S6 and the preparation of school timetables for August 2011. If Head Teachers had been informed earlier of reductions in staffing, action could have been taken to minimise potential problems for schools, for example, by restricting the number of courses offered and by reducing the staffing standard.
- 5.4 Making changes to the Education budget at this stage is clearly less than ideal, and could cause major issues for schools (in particular secondary schools), parents and pupils. Changes to staffing entitlements, for example, could result in the need to reduce course choices, reconfigure classes and establish larger class sizes in both primary and secondary schools. Notwithstanding these challenges, officers are currently developing contingency plans.
- 5.5 Failure to achieve a national agreement will necessitate the Council considering how to address any shortfall in savings for 2011/12 given that the funding of ongoing costs from one-off resources is not a prudent approach. In such circumstances, a report would require to be considered by the Council with regard to the implications for the 2011/12 revenue budget and consideration of the ongoing financial implications as part of the budget process for 2012/13 and beyond.

6 HUMAN RIGHTS IMPLICATIONS

6.1 There are no human rights implications arising from the consideration of this report.

7 EQUALITIES IMPLICATIONS

7.2 The issues dealt with in this report have been the subject of consideration from an equalities perspective. An [equalities impact assessment](#) is not required.

8 CONSULTATION

8.1 The Chief Executive, Director of Corporate Services, Head of Finance and Head of Law and Administration have been consulted in the preparation of this report

**NEIL LOGUE
DIRECTOR OF EDUCATION**

NOTE: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

ED/NL/CTC

**Scottish Negotiating Committee for Teachers (SNCT)
Proposed Changes to Pay and Conditions**

1. The three parties to the SNCT (the Scottish Government, COSLA and the Teachers Side) referred to below as the 'three parties' agree to abide by the conditions set out in Appendix 1(b) attached.
2. The three parties affirm their commitment to the independently chaired review of all aspects of the McCrone Agreement chaired by Professor McCormac.
3. The three parties agree that following the outcome of the review chaired by Professor McCormac they will have tri-partite discussions looking at issues relating to teacher employment with the intention that any agreed decisions will be in place by August 2012.
4. Member Councils shall undertake to protect the number of teacher posts as far as possible in order to secure:
 - places for all probationers who require a place under the induction scheme in August 2011;
 - sufficient teaching posts available for all probationers to apply for who achieve Standard for Full Registration in summer 2011 (i.e. successfully complete their probation); and
 - a reduction in the total number of unemployed teachers.
5. The three parties agree to regard these objectives as having been met if the number of FTE teachers in publicly funded posts in Scotland reported in the census taken in September 2011 is at least 51,131
6. If the number of FTE teachers reported in the census falls below that number, then
 - the SNCT will agree changes to the measures listed in Appendix 1 affecting teacher terms and conditions that reduces the total value of the package by an amount equivalent to £40,000 for each FTE teacher below 51,131, including the possibility of reversion to the status quo ante, OR
 - Where the parties to the SNCT agree that, based on census returns from individual councils, failure to achieve the figure of 51,131 FTE teachers is due to the actions of a small number of councils, SNCT may recommend to Scottish Government that, as an alternative, any sanction is applied to these Councils in a proportionate manner, having regard to the changes proposed in Appendix 1 in negotiations in the SNCT, provided that it is absolutely clear that these Councils' actions have materially contributed to the failure to comply. Where such a sanction is applied to individual councils, there would be no change to the national terms and conditions proposed in Appendix 1 of this agreement.

If either of these sanctions is applied, Scottish Government will not take any further action in response to failure to achieve the teacher employment objectives.

This document sets out the terms of proposed changes to the pay and conditions of teachers and associated professionals. It consists of six specific elements, details of which are set out below. It also includes a proposal to increase the local government settlement.

1. Pay Agreement 2011-2013

There will be no pay award for teachers and associated professionals for the period from 1 April 2011 to 31 March 2013. The awarding of additional salary points for teaching service, as set out in the SNCT Handbook Part 2, Section 1, paragraphs 1.15 to 1.20, will not be affected by this agreement.

2. Conservation for Promoted Post Holders appointed before 1 April 2001

The conservation arrangements set out in the SNCT Handbook Part 2, Section 1, paragraph 1.63 shall be amended as follows:

From 1 April 2011, a promoted post holder currently in receipt of lifetime conservation shall receive a period of cash conservation (as defined in paragraph 1.62) until 31 March 2016 after which the conservation arrangements will cease to apply. This agreement applies to all promoted post holders for whom the previous terms of paragraph 1.63 applied.

From 1 April 2011 until 31 March 2013, a promoted post holder appointed to a post before 1 April 2001 and:

- (a) whose post is re-sized during that period and the salary is downgraded; or
- (b) who is transferred during that period, for reasons other than inefficiency or indiscipline, to another post, which has a lower salary;

shall receive a period of cash conservation (as defined in paragraph 1.62) until 31 March 2016 after which the conservation arrangements will cease to apply. This agreement applies to all promoted post holders for whom the previous terms of paragraph 1.63 applied.

From 1 April 2013, any promoted post holder appointed to a post before 1 April 2001 and;

- (a) whose post is re-sized from that date onwards and the salary is downgraded; or
- (b) who is transferred from that date onwards, for reasons other than inefficiency or indiscipline, to another post, which has a lower salary;

shall be entitled to a period of three years cash conservation.

In addition, the SNCT will provide advice to councils on mechanisms which may be utilised as means of minimising costs in relation to conservation. These will include the following:

- (i) permanent or temporary redeployment;
- (ii) where redeployment is not possible, direction from the employer that the employee carries out other duties that reflect, as far as is possible, the level of payment that they receive; and
- (iii) early retirement.

3. Annual Leave

From the leave year commencing 1 September 2011, the annual leave entitlement of teachers and music instructors, currently set out in the SNCT Handbook, Part 2, Section 5, paragraph 5.3, shall be 40 days per annum. The balance, up to the current entitlement, will be redefined as School Closure. In addition, the daily and hourly rates of pay, set out in the SNCT Handbook, Part 2, Section 1, paragraph 1.5 shall be amended and will be 1/235 and 1/1645 respectively. The rate of accrual of paid leave, as set out in the SNCT Handbook, Part 2, Section 5, paragraph 5.4 shall also be amended and will be 0.2051.

The working year of teachers and music instructors shall remain at 195 days.

From 1 September 2011, teachers and music instructors who return from maternity or adoption leave and who wish to take the balance of annual leave that has accrued during that leave, shall, in the first instance, be directed to take this leave during School Closure periods.

Further, employees who have accrued statutory leave during sickness absence shall, in the first instance, be directed to take any such leave which they have accrued and not taken during the sickness absence, during School Closure periods.

4. Chartered Teacher Scheme

The award of salary increments for teachers commencing modules on an accredited Chartered Teacher Programme, currently set out in the SNCT Handbook, Part 2, Section 1, paragraph 1.25, shall be suspended with immediate effect, with the following exception. Teachers who are already working towards completion of a module or modules, shall receive one salary increment on successful completion of the module or modules. However, until further notice is provided, no additional salary increments shall be awarded for any further modules of study which are completed.

The SNCT will take a decision on the awarding of additional increments for teachers undertaking an accredited Chartered Teacher programme by April 2012.

5. National Teacher Induction Scheme

From 1 August 2011, the amount of class contact time for teachers on the National Teacher Induction Scheme shall increase from 15.75 hours to 18.5 hours per week. The SNCT Handbook, Part 2, Section 3, paragraph 3.5 and Section 9, paragraph 9.10 will be amended accordingly.

6. Supply Teachers' Pay

6.1 *Supply teaching*

All periods of cover teaching for periods of 5 days or less will be defined as supply. Supply teaching is where teachers may be offered work on a short term temporary basis, generally with little notice, and usually on a day-to-day basis. In such instances there is no obligation on the council to provide work or on the teacher to accept the offer of work. Each separate period of engagement of less than 5 days will be treated as a separate contract.

The duties required of a supply teacher will be to teach assigned classes together with associated preparation and correction.

From August 2011, for periods of supply of 5 days or less, payment will be on point 1 of the Main Grade Scale and for a maximum of 25 hours (comprising a maximum of 22.5 hours class contact and 2.5 hours set aside for preparation and correction, pro-rated for those who work for less than a full week). In situations where the supply period exceeds the initial 5 days, then the teacher should be issued with a fixed term temporary contract. From the 6th day onwards payment, working hours and duties will be in accordance with the SNCT Handbook.

6.2 *Fixed Term Appointments*

Where it is known at the outset that the period of engagement is to be more than 5 days then the teacher should be issued with a fixed term contract as described in Appendix 2.8 paragraph 3.1 of the SNCT Handbook. Payment, working hours and duties will be in accordance with the SNCT Handbook.

The relevant provisions in the SNCT Handbook, Part 2, Sections 1.23 and 1.69, remain. The relevant provisions in the SNCT Handbook, Part 2, Sections 1 and 3 will be amended to reflect these changes.

7. Local Government Settlement

Scottish Government and COSLA propose that the local government settlement is increased by £15.31m above the level set out in the Local Government Finance Order, to be allocated as a re-determination following agreement with COSLA over the distribution methodology. That amount will be added to baseline provision for the purposes of the next Spending Review.

ANGUS COUNCIL
EDUCATION DEPARTMENT
FINANCIAL IMPLICATIONS OF SNCT AGREEMENT
Updated March 2011

	Estimated 2011/12	savings	in
	£000		
1 Pay freeze	Already	assumed	in
	approved	budget	
2 Removal of salary conservation	No impact until 2016/17		
3 Annual leave/change family leave entitlement from 1.9.11	210		
4 Freeze entry into Chartered Teacher Scheme	No impact in 2011/12		
5 Increase in contact time for probationers from 15.75 hours to 18.75 hours per week	110		
6 Pay supply teachers on point 1 of main grade scale (for periods of cover for 5 days or less) from 1.8.11	145		
	465		
SUB TOTAL			
Increase in Local Government Settlement (Angus Share)	350		
TOTAL	815		