

Opportunities for Managing Supply Agency Expenditure in Schools.

Guidance for School Leaders.

Introduction;

The aim of this project and paper was to establish the key themes or causes for requirement of supply expenditure in schools, to highlight good practice from within our schools in controlling supply expenditure and to develop recommendations of actions or approaches that could support a reduction of costs in this area for Schools. The approach used in undertaking this research was a mixture of data analysis and stakeholder interviews with a cohort of Headteachers and Business/Administrative managers who manage the supply budgets in schools.

Background

Schools are encouraged to procure agency supply via the 23 agencies on the Welsh government Commercial Delivery (WGCD) Framework for temporary workers and supply teachers. The framework sets a minimum pay for teachers and outlines the maximum charge each agency will charge per day. These fees range for £22 to £72 per day in addition to the agency workers Salary, Ni and Pension costs.

The costs of procuring agency workers via the 23 approved supply agencies for Carmarthenshire has risen from £4.9million in 2019-20 to £9.6million in 2022-23 an increase of 93%. 46% of expenditure in 2022-3 was offset by income from insurance or grants however the income received from these sources has not kept pace with increases to staff remuneration and the income received no longer covers the cost of supplying alternative or additional staff in these circumstances.

Summary of key findings

Most schools have similar potential needs in terms of cover requirements.

- **Absence Cover** – The need to provide replacement cover for absent staff to facilitate the continuation of whole class learning or 121 educational support. The reason and length of the absence influences the type of cover required.
- **Managing Vacancies** – The provision of staffing via agencies where a substantive post on the school's organizational structure remains unfilled and the costs of the agency can therefore be offset by a virement from budgeted staffing costs.
- **Additionality** – The use of agency supply to provide additional staff over and above the school's organizational structure. This may be budgeted or unbudgeted expenditure.

It is the approach to meeting these needs which varies. All schools accepted that some level of cover for absences was necessary the profile of cover within the schools, and the way in which agency supply procurement is managed by schools, has a significant influence on the overall expenditure seen. There is a clear place for the provision of some cover and staffing through agencies however schools should not feel they cannot control the costs associated with it.

Recommendations

Recommendations for Schools

The following recommendations are intended to provide schools with a range of options to support them in managing their cover needs and ensuring that they are achieving best value.

- **Raise the profile of agency in schools.** All senior leaders and staff who are involved in planning agency need to be fully aware of the cost implications and realise it is a precious resource. The purchase of a few textbooks from curriculum resources has greater scrutiny in some settings than supply yet the cost implications of supply cover are significantly higher. Clear processes for the authorisation of the procurement of cover which include the associated costs and clear reasoning for the cover are needed to support the robust management of cover
- **Understand agency supply needs.** The reason agency supply is needed is key to understanding and managing the needs. Ensure clear records are kept of the reason supply is required in a format that is suitable so these can be analysed for patterns. In some circumstances agency supply is the most cost-effective solution. Use the patterns to ensure the school has included an appropriate budgetary commitment in the working budget for agency supply where it is known or can be projected. Ensure virements are completed when costs are moved within the year from staffing to agency supply. This will provide a clearer picture of unplanned/uncontrolled overspend.
- **Be aware of underfunding.** If an absence is funded for example attendance at a course where the provider offers a reimbursement, or an insurance policy which will provide a payout due to absence check that amount that is being offered covers the cost of the agency supply. If this is a planned absence there is the opportunity to seek cover from a range of agencies or alternative sources to support the minimisation of costs. Where Agency staff are being brought in to provide additionality for grants ensure the expenditure matches the grant funding.
- **Control the level of need.** Ensure that staff understand there is an expectation that cover be limited when designing school events/ activities. Schools who actively manage their planned cover do this at a senior level with Long, medium and short term plans.

Examples of good practice –

Long term planning - Plan the school's annual timetable with cover in mind. Only allow events to run concurrently where they support each other's cover needs. Once agreed highlight weeks on the timetable where no additional cover for events meetings and courses will be allowed and ensure staff are aware requests submitted for these weeks will be rejected. Include provision in directed time for meetings where possible to prevent additional time being requested.

Medium term planning- As events are finalised ensure staff are aware of and are limiting cover needs. For example, ensuring where possible if students are required for an event, entire classes go at once, to allow the class teacher to be released to provide cover either with their group or backfilling for another staff member. Or proposals are included to collapse classes. If meeting requests are submitted ensuring the time chosen is the most effective in reducing cover commitments.

Short term planning – Be prepared to say no and to make changes to plans and events if circumstances have changed. Schools who are controlling their cover budgets all have senior staff closely overseeing the arrangements who actively challenge requests and seek to exhaust internal /lowest cost options before appointing an agency or casual supply teacher.

- **Control the cover costs.**

Schools with low agency spend have strong internal cover systems which utilise or generate capacity and reduce the requirement for adhoc agency supply. These systems can also promote equity and provide opportunity for staff to gain new skills and experiences and be appropriately recompensed.

Examples of internal systems in operation in Carmarthenshire schools to utilise/generate capacity.

- **Equity of load** – Ensure any staff member who does not have a full timetable once PPA and management time have been allocated is allocated cover support to their timetable and is used in the event of a cover need arising. This ensures a greater equity amongst staff as teachers who have a full teaching load are not called to cover and a teacher who does not isn't perceived to have 'free' time. When constructing the timetable consider the distribution of PPA and management time to provide an equal distribution of such 'cover support sessions' across the weekly timetable.
- **PPA%** - Where the structure of a school's day means PPA sessions equate to more than 10% of **timetabled teaching time** agree at the start of the year an annual number of sessions which can be clawed back for cover if required.
- **Golden time schemes**- Allow staff to volunteer to surrender management or PPA time to enable them to bank this and have time back as time off at a mutually convenient time. It is important when doing this that staff are aware of times when it would not be acceptable for them to take the time back (see Long term planning above)
- **Cover supervision/Cover TA** – Where schools establish that they have the equivalent of 1 or more FTE a day absent from the teaching team for more than 141 days a year the recruitment of a cover supervisor to provide teacher cover is recommended. An employed cover supervisor has a good working knowledge of their school, school systems and students. They provide a level of consistency and are currently used in several schools to provide active teaching, delivering work provided by their teaching colleagues for up to 5 days.

Where there is a high occurrence of daily absences within the TA team a cover TA can provide a higher quality resource for the school. A supernumerary TA can move between classes and students to support as required daily.

- **Acting up** – Where the cover need is less frequent TA's from the school's existing team can be trained to undertake cover supervision on an adhoc acting up basis. This enables the staff member to gain more skills and receive additional payments in addition to their normal salary. By training a number of such staff it can be possible for a number of TA's to share the cover need by releasing them from other classes for part of a day without needing to back fill them. The continuity of staffing is beneficial to the students who respond better to staff they know and staff report feeling well supported by their colleagues and less frustrated when the sometimes-poor quality of external supply provision received results in a poor day for their students.
 - **Collapsing classes** – Understand where in the school classes are small and utilise this to release teachers to cover by amalgamating classes either on an adhoc or longer-term basis. Bring 2-3 groups together into a larger space such as a hall to work independently with limited supervision or to undertake lecture style lessons.
 - **Nothing is set in stone** – Schools with low agency expenditure actively move staff around during the working week to ensure that pupil need, and school need can be most appropriately met. This involves matching staffing levels to pupils' attendance and ensuring additional TA cover is only requested where the need cannot be met internally.
 - **Sports Champions** – Establish sports coach positions which can be voluntary or paid casual to provide additional escorts to sports fixtures or to support staff in managing collapsed PE classes in the event of Staff attending fixtures. Limit the fixtures the school attends, seek to work with other schools to provide more round robin events reducing the number of times year activities take place and increasing the number of students attending making the provision of collapsed classes in school easier to manage.
 - **Checking the daily need.** – When pre booking supply to ensure availability if needed, ensure the daily need is fully assessed and be prepared to cancel or send agency workers away if they are not required. This is particularly relevant for TA cover where student absence could facilitate movement within the TA team to provide cover.
- **Managing absence** – Ensure the school is consistent and robust in following the Time off policy to manage requests for absence and the Sickness absence policy to manage sickness absence. Require staff to make phone contact with a specified senior member of staff and ensure return to work procedures are followed in a timely and consistent manner.

- **Short Term Supply- Cover Supervisors** –For schools with limited cover needs and for ad hoc non subject specific cover, the engagement of a cover supervisor via an agency on a day-to-day basis is a more cost-effective method of providing cover than a supply teacher. If you inform your agency this is a need area, most will work to increase the number of this type of staff they have available and will support in their upskilling.
- **Be clear what the costs are.**
When the cover need is not short term, but to cover vacancies/ maternity or budgeted additional teaching staffing on a medium to long term temporary basis agency may be the most appropriate option.

It is important however to understand the total costs, whilst the minimum daily rate payable to an agency teacher are set and agencies accepted onto the framework are required to state their fees not all agency fees are equal. The daily cost of an agency worker is made up of the agency workers gross pay, the cost of employers NI in relation to the gross pay currently 13.8%, the costs of the employers contribution to a workplace pension scheme currently 3% and the agencies daily fee. For long term cover such as maternity leave or long term sickness analysis of the costs indicate that when more than 13 weeks specialist teaching cover is required unless a teacher is on M2 or M3 an agency agreement with an agency charging up to £40 a day fee is equal to or less than the cost of employing that staff member direct on a short term contract due to the higher cost of the Teachers pension scheme.

It is essential that expectations for staff in long term agency positions in terms of planning, marking, attendance at CPD and parents evenings are clearly defined, without negotiation schools may not be receiving the same level of commitment or quantity/quality of work they could have benefitted from had they employed the worker direct.

It should be noted the employed costs of teachers will increase from April 2024 with a further increase in superannuation for teaching staff to 28.8% this will accentuate the difference between employed and agency costs for teachers and will make agency supply the least costly option for longer term covers in most circumstances.

- **Long term booking discounts**
When placing a booking of over 13 weeks. Check whether the agency has offered a discount as part of their submission to be included in the Framework and if they have being applied where relevant.
- **TA Cover**
TA's provided by Agencies are always more expensive than direct employment. Schools should consider developing a pool of casual TA staff employed directly by the school and paid on a timesheet basis via payroll. It should be noted that staff in

this pool would need to complete at least one shift every 6 months to maintain their employment and it would be recommended that these staff are requested to maintain their DBS on the update service with checks undertaken when there are longer periods without the staff member completing shifts.

Where there is a longer term need these staff should be employed. If a post is linked to a specific child or the end point of the recruitment is uncertain speak to your HR advisor as a temporary contract with clauses to enable flexible termination can be issued instead of a fixed term contract. Examples of different contract can be found here [contract-types.pdf](#)

- **Transferring agency staff to the council payroll**

If a staff member is employed via an agency on the framework as long as 4 weeks notice is given by the end of the 8th week of the intention to transfer the agency worker to the councils payroll no extended agency period or charge can be applied.

- **Agency Choice**

Whilst in an emergency choice of agency can be limited by availability of staff it would be beneficial for schools to seek to establish working relationships and supply pools with agencies offering a lower fee. It is also possible to negotiate with an agency to reduce their agency fee element. In doing this however schools must not share the competitive tender information regarding the fees other agencies have agreed to on the framework. When discussing potential candidates with agencies ask the agency to provide the daily cost for the employee broken down into the salary, including holiday pay, Ni and Superannuation and agency fee. There is £50 a day difference between the lowest and the highest fee charged on the framework.

Recommendations for the global support of agency needs in schools.

The following recommendations are options which could be explored centrally to support Carmarthenshire schools in managing their cover needs

- **Development of a central Internal cover pool.**

The development of a local cover pool with teaching assistants and cover supervisors would be a more cost effective way of delivering supply. This could be internal with all candidates employed by CCC however it has been noted this would result in an increases workload for HR Employee services which would need to be funded by some form of fee or SLA. Alternatively, the use of the Teacherbooker platform via the Welsh government could provide the local authority with a means to recruit to a local talent pool without increasing the workload of the HR department and would also provide a method of management of candidates and requests. Staff recruited to the pool would be paid at the same rate and pension as existing staff without the current daily agency fee. This approach will require commitment from the local authority to support advertisement of the scheme to ensure the local pool had sufficient depth and diversity to meet our differing school

needs. There would not be financial savings as a result of employing teachers in this way due to the cost of the Teachers pension.

- **Development of a Teaching Assistant/ Cover supervisor Apprenticeship-** The development of a supported apprenticeship program within Carmarthenshire schools with a focus on the provision of high-quality classroom support and management skills and an understanding of child development would ensure a strong supply of potential candidates to our schools and would raise the profile of the profession to support recruitment. The provision of Welsh language placements within the scheme could also support the development of a learning continuum for Welsh language school leavers seeking experience in schools prior to training potentially via a school based scheme to join the teaching profession.
- **Contract options and support-** Provide clear guidance on the types of temporary and casual and annualised hours contracts schools can offer including guidance on linking contracts to cessation of funding or pupil support and the return of named colleagues. Provide information on how such posts can be used for workforce planning to avoid widespread disruption from redundancies. Provide guidance on the most efficient process to recruit agency workers into CCC paid posts.
- **Develop a probationary policy suitable for adoption by schools –**A school's probationary policy would support schools in managing early concerns within employment with a view to developing staff rapidly to meet the schools expectations. This would reduce the impact on students of poor support and would also reduce the turn over of staff experienced by students as a result of the current agency usage.
- **Wellbeing and resilience support -** Explore options for wellbeing and resilience support for high challenge units is there the potential for non pay benefits to support staff retention and recruitment in these challenging settings.