



Isle of Man  
Government

Keiltys Ellan Vannin

# Department of Education and Children

*Rheynn Ynsee as Paitchyn*

Chief Executive Officer  
Prof Ronald Barr

18 January 2017

Ms C Keates  
General Secretary  
NASUWT  
Hillscourt Education Centre  
Rose Hill  
Rednal  
Birmingham B45 8RS

**Mrs Yvette Mellor ACA**  
**Director of Strategy and Corporate Services**  
Department of Education and Children  
Hamilton House  
Peel Road  
Douglas  
Isle of Man  
IM1 5EZ

Direct Dial No: (01624) 685805  
Website: [www.gov.im](http://www.gov.im)  
Email: [yvette.mellor@gov.im](mailto:yvette.mellor@gov.im)

Dear Ms Keates

## Response to NASUWT Teachers' Pay Claim

The Department were surprised to receive a Teachers' pay claim from the NASUWT, firstly because the Department had not sought submissions from the Teachers unions and secondly because the agreed arrangements for determining teachers pay awards were recently re-affirmed by all the teaching unions, including the NASUWT, only 2 years ago, when the Pay Policy was collectively put together. In the Pay Policy, it states that *'annual pay increases awarded by the School Teachers' Pay Review Body (STRB) published in STPCD will be reflected on the Isle of Man.'*

It is also established practice that matters which concern potential changes to the terms and conditions for the Department's teaching workforce are matters for discussion at the JNC and not by individual teaching unions making separate submissions.

Nevertheless, notwithstanding this, the Department wishes to make the following comments on your submission, in particular, in relation to some inaccurate information and assertions used to determine your opinions. The Department also found it interesting that in compiling the submission the comparators used changed to best suit the case being made and that none of the positive things about being in the teaching profession on the island were mentioned.

### Section 1 – Introduction

It is not a true representation of the facts to assert that the Department broke the link to the STPCD, when it didn't apply the 2% increase to M6, as this implies it was imposed by the Department without discussion. Whilst, it is true that the STPCD recommended an uplift of 2% to the maxima of the main pay range it also stated that **it would not expect all teachers on the maxima to receive a 2% increase: the full uplift should be awarded only where merited by performance. Some might receive a lower award, or none.**

It was therefore clear in the STPCD report that this recommended potential increase to M6 was to only apply in certain high performing individuals and therefore they were not recommending an absolute increase of 2% to the M6 pay scale.

Nevertheless, applying a potential 2% increase to the top of the M6 pay scale for all teachers at M6 was raised at the JNC at the time by the NASUWT representative. Following the JNC, due to the financial implications of applying the 2%, the matter was referred to the Department's political members for consideration.

The Department noted that in relation to the additional percentage being sought on the maximum point on the main pay range, that there were 63.3 fte teachers on the maximum point on the main scale and 22.3 fte teachers on the penultimate point who would progress to the maximum in September 2015, subject to successful performance. The annual cost of paying the additional 1% on M6 would be £33,400 for those in contracted employment with the Department. In addition, the vast majority of supply teachers are also paid on M6, as this is the maximum rate for supply work. Hence, the supply teaching costs would also increase by a further £21,000 per annum should the additional percentage be applied.

Given the financial constraints within which the Department must operate, this meant an additional percentage at the top of main scale would have to be offset by staffing savings, i.e. a reduction in posts and therefore, the Department approved a 1% increase for all teachers, with no additional percentage applied at the maximum of the main scale (i.e. just a 1% not a 2% increase on M6). Their decision and reasoning was then relayed back to the teaching unions by the previous Director of Strategy and Corporate Services.

It is also inaccurate to assert that there is no formal link to the STPCD on the Isle of Man as there is, of course, a contractual link to adopt the pay awards published in the STPCD via the agreement at Section 14.0 of the agreed Pay Policy.

## **Section 2 – Context**

The Department does not agree with many of the assertions in this section for example, there is no evidence to support point 2.1 “huge recruitment issues and retention issues.” The island does have problems recruiting teachers to secondary specialist subjects and to SENCO roles which, as you are aware, are not problems unique to the Isle of Man. Nevertheless, the Department does recognise that we are competing for resources in a difficult market and has put in place the following to assist with recruitment:

- We have been working with a UK recruitment agency - to promote teaching on the Island. Developing a ‘microsite’ dedicated to Isle of Man vacancies, promoting them across a database of some 100,000+ colleagues and creating a ‘Careers on the Isle of Man’ postcard campaign and ensuring Isle of Man representation at recruitment fairs.
- The DEC offers ‘golden hellos’ (an additional payment to new teachers at the start of their second and third years of their permanent employment with the Department following their initial qualification), rent subsidies for teachers in shortage subjects, relocation packages (housing subsidies towards mortgage or rent payments for two years, plus relocation costs) and are about to advertise the benefits of teaching on the Isle of Man through ITV Player.
- During 2016, four of the secondary headteachers (and a representative from the fifth school) visited a number of teacher training institutions in the UK to promote teaching on the Island and to seek out potential recruits.
- In addition, the waiving by the Government of the requirement for a work permit for secondary school teachers is aiding recruitment.
- We have reduced the minimum requirement to qualify for student awards support, from a minimum of a 2:1 to a 2:2 undergraduate degree, for students who wish to study a PGCE.
- We are also trialling a ‘loan forgiveness’ incentive for local students who secure employment within our secondary schools.

The recently issued retention rate for teachers on the Isle of Man of approx. 6% shows that we do not have a retention issues compared with the UK whose retention rate is 10%, and the IOM rate includes people that have retired which are omitted in the UK retention rate. The

Department would also refute that there are 'continual changes to exams and curricula' on the island. The recent move to iGCSEs here was introduced following a large and widespread consultation, the outcome of which was overwhelming support for their introduction. It is therefore wholly inaccurate to state that the Department prefers imposition over negotiation and consultation in relation to this or indeed any other matter. Indeed, matters affecting teachers are discussed at the regular JNC meetings and where appropriate, the Department has convened additional separate working groups e.g. the working group established in relation to the development of the Pay Policy.

Contrary to your general assertion about the teaching environment on the Island, there is, in fact, much to celebrate by teaching here such as there are no Ofsted inspections, no league tables etc. which have been frequently applauded by visiting union national executive members.

### **Section 3 – Isle of Man Teachers' Pay since 2010**

Many of the assertions in this section are related to UK statistics. I have checked with the Head of Economic Affairs in the Treasury who confirmed that it is normal practice to use CPI, rather than RPI, when comparing pay rises with changes in household expenditure which would lead to far smaller increases than in your submission. There has been no account, or even acknowledgement given, that the island has low Income Tax thresholds which is obviously a very relevant factor in calculating 'take home' pay and when making comparisons with other jurisdictions. We also understand Jersey and Guernsey are reviewing their pay scales as they are finding they are unable to afford the differential which exists between themselves and the UK.

In relation to the pensions situation, you are well aware of the ongoing discussions and the fact that this is subject to a separate working group chaired by the Public Sector Pensions Authority. Throughout, the discussions, the Department has supported the position of the teaching unions in relation to any proposed changes and up until 2015 when the CARE scheme was introduced in the UK, the pension provision on island has followed the UK changes.

The pay increases for island teachers have followed the UK STPCD in accordance with the collectively agreed Pay Policy. The Department acknowledges the pay differential between the IOM and the other Crown Dependencies as stated in 3.13, however there are additional costs that need to be met in both Jersey and Guernsey which are free on the Isle of Man, such as health and dental services, where with the exception of A&E services all need to be paid for. Housing rents and purchase costs are also considerably higher. Taking both of these into account, the net disposable income of a teacher would be comparable between the Crown Dependencies.

In relation to pay rises for other groups of staff, their pay awards are agreed in accordance with their collectively agreed procedures and negotiated locally. For clarity, the most recent pay award for employees of the Public Services Commission was determined, in the end, by an independent arbitrator as agreement was not achieved during pay discussions between the unions and the Public Services Commission. The Public Services Commission is, of course, a different employer and outside the control of the Department.

It is therefore simply inaccurate to assert that the Department is in some way treating teachers unfairly when the application of the awards published in the STPCD is the agreed practice in determining the annual pay awards for the Department's teachers. If the NASUWT prefer to move to local pay negotiations, then this proposal needs to be discussed, in the first instance, with the other teachers unions at the JNC. To date, pay parity with the teaching profession in the UK has been something the teaching unions on the island have sought to protect.

## **Section 4 – Affordability**

Although the Isle of Man economy is continuing to grow, the level of VAT income earned under the VAT agreement with the UK has fallen requiring the Island's public services to be funded through use of the reserves. The latest outlook stated recently in the press, is that the IOM Government still needs to save £35 million over the next 5 years to be able to replenish reserves and maintain the level of services the IOM population need and want.

As stated above, if the NASUWT are asserting that they wish to move away from the STPCD to local pay negotiations then this needs to be discussed at the JNC.

## **Section 5 – Teachers Supply**

The Department has been quite open regarding the difficulties it has experienced in recruiting secondary specialist subject teachers and SENCOs. As already stated above, there is also no evidence that the Department has difficulty in recruiting non specialist teachers or retaining teachers. It is also not true that all teachers on island are exempt from work permits, the work permit exemption only applies to secondary teachers.

In addition to recruiting trained teachers from off island, the Department also has various other arrangements in place to train Secondary teachers on island in difficult to recruit to areas. The two routes currently used to train small numbers of school staff include the Certificate in Education (FAHE or post 14 education) offered through UCM/University of Chester followed by professional formation towards achievement of TLS or by following "Assessment Only" of QTS supported by the University of Cumbria. The Department of Education and Children are, with secondary schools, exploring other options for developing on-island initial teacher training further but as a separate jurisdiction to England, the Isle of Man cannot receive allocations for School Direct from NCTL, so this will require the development of a bespoke solution that would need to be supported by a business case for funding.

There are also student award incentives, as outlined above, to encourage newly qualified teachers to return to the island to work. The Department would also dispute your assertion that the lack of available teachers compounds the problem caused by the salaries offered by the Isle of Man being 'uncompetitive.' There is no evidence that the lack of available teachers is caused by the salaries offered. Salaries on the Isle of Man are in accordance with the STPCD and whilst it is true that it is increasingly competitive to recruit secondary subject teaching specialists, the Isle of Man has much to offer teachers who wish to work here, as already outlined, above including:

- Low rates of Income Tax

- No Ofsted

- No league tables

- iGCSE ie the examination system is protected from the constant politically driven changes

- no work permit requirements for secondary teachers

Indeed, this environment is frequently applauded by visiting teaching Union National Executive members, most recently by ATL and NUT, who are extremely positive about this and the stance the Department has taken regarding the wider teaching environment.

## **Section 6 – Wider Economic and Labour Market Conditions**

This section compares the IOM to the UK, presumably because if compared to the other Crown Dependencies, the IOM would come out favourably. House prices are more expensive than the North West of England and areas of Wales but are considerably cheaper than Jersey or Guernsey as mentioned earlier, with a one bedroom flat on Jersey being on average £228k. The Department feels that if NASUWT, instead of cherry picking the different areas affecting teachers' pay etc. had looked at the total package on offer in the IOM, and compared this to the equivalent in the other Crown Dependencies and different sections of the UK, it may have given a fairer comparison of teachers pay and terms and conditions on the island.

## **Section 7 – Equality Impact**

Contrary to your assertion that more men than women achieve promotion, the Department can provide the following information in relation to Headteacher posts which demonstrates that there is no inequality on the Isle of Man:

Primary Headteachers – Total 32 split Male 17 (55%); Female 15 (46%)

Secondary Headteachers – Total 5 split Male 2 (40%); Female 3 (55%)

Other Heads of Service – Total 5 split Male 1 (20 %); Female 4 (80%)

There is also no evidence to support your statement that the Isle of Man is in any way shows discrimination towards black/minority ethnic and disabled teachers on island. You assert that the NASUWT has 'significant evidence of discriminatory practices at school level' and if this is the case, it would be helpful if you could urgently make us aware of the specific concerns as the Department is unaware of any discriminatory practices in its schools and obviously is unable to take appropriate measures to address such practices in the absence of this knowledge.

In relation to the Island's equality legislation, you will be aware that consultation has taken place regarding proposed changes to the legislation and indeed, the Equality Bill is currently making its passage through the branches of Tynwald Court and is likely to receive Royal Assent later this year.

## **Section 8 – Conclusion**

As can be gleaned from the above comments, the Department does not agree with 8.2 to 8.5 however if the NASUWT are proposing that the Department moves towards local pay negotiations and away from the Department applying the pay awards as determined by the STPCD, we would be willing to consider this and the figures used provided the basis for the change being needed are amended to reflect the comments above and look at the full package on offer to teachers who come to work on the Isle of Man. This should be raised at the JNC in the first instance as the link to the UK has, to date, been something the JNC has so far, always wished to protect.

Yours sincerely



Yvette Mellor ACA  
Director of Strategy and Corporate Services