

Schools Forum
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Teachers' pay grant methodology

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Introduction

A guide to help school leaders understand and plan for the teachers' pay grant.

This methodology will help you to understand the teachers' pay grant, covering the 2018 to 2019 and 2019 to 2020 financial years.

Eligibility for the grant

We will pay the grant based on the number of pupils aged 2 to 19 in:

- maintained nursery schools
- primary and secondary maintained schools
- primary and secondary academies and free schools
- all through maintained schools and academies
- 16 to 19 maintained schools
- 16 to 19 academies

For schools with fewer than 100 pupils, we will allocate funding as if they had 100 pupils.

The Education and Skills Funding Agency (ESFA) will pay the funding for maintained school to local authorities, who will need to pass the funding directly on to the schools at the rates published. They will pay the funding for academies directly to the academy.

We will also allocate funding to local authorities to distribute to institutions who provide for children with high needs.

We will do this based on places in:

- maintained special schools
- special academies and free schools
- pupil referral units
- alternative provision academies and free schools
- hospital schools

We will also allocate funding directly to non-maintained special schools. The grant does not cover independent special schools. For institutions with fewer than 40 places, we will allocate funding as if they had 40 places.

How we have determined the rates

The teachers' pay grant is worth £187m in 2018 to 2019 and £321m in 2019 to 2020.

We have taken the overall annual pay bill for teachers, including additional costs such as pensions and national insurance, and applied the average percentage uplift of the announced 2018 to 2019 pay award.

We then subtracted the 1% that schools would have been planning for, in line with the previous public sector pay cap.

For 2018 to 2019 we take 7/12 of this figure. The teacher pay award came into effect on 1 September 2018. As such the teachers' pay grant needs to provide for the 7 months between September 2018 and March 2019. The 2019 to 2020 figure represents the ongoing cost of the 2018 pay award and so is for the 12 months of that financial year. This gives a total of £187m in 2018 to 2019 and £321m in 2019 to 2020.

We have divided this funding between primary (including early years), secondary (including school sixth forms) and special schools. We have done this based on the size of the teacher wage bill for each sector. We have done this to take into account, for example, that special schools generally spend more on staff per pupil.

We have applied an Area Cost Adjustment (ACA), which takes into account higher teacher wages in London.

The ACA uses 4 rates:

- inner London
- outer London
- London fringe
- the rest of England

We also assume that all mainstream schools have at least 100 pupils and all high needs institutions have at least 40 places.

We then divided the amount of funding for each sector between the number of pupils, to generate a per-pupil rate.

Rates

Rates for primary schools

Region	Rate in 2018 to 2019 (£)	Rate in 2019 to 2020 (£)
Inner London	19.51	33.65
Outer London	18.05	31.13
London fringe	16.90	29.14
Rest of England	16.40	28.29

Rates for secondary schools (with same rate for all 11-19 year olds)

Region	Rate in 2018 to 2019 (£)	Rate in 2019 to 2020 (£)
Inner London	31.57	54.20
Outer London	29.20	50.15
London fringe	27.34	46.94
Rest of England	26.54	45.56

Rates for special and alternative provision schools

Region	Rate in 2018 to 2019 (£)	Rate in 2019 to 2020 (£)
Inner London	78.10	134.97
Outer London	72.25	124.87
London fringe	67.64	116.89
Rest of England	65.65	113.46

Detailed allocations

We will provide further detailed guidance and information in October. This will include school level allocations for mainstream schools, and local authority level allocations for high needs.

We will then make payments later in the autumn.