

1. Savings proposal	
Proposal title:	Schools Related Services
Reference:	J2
LFP work strand:	School Effectiveness
Directorate:	CYP
Head of Service:	Alan Docksey
Service/Team area:	Standards and Achievement, Education Psychology, Attendance and Welfare, Estates Management, Pupil Support?
Cabinet portfolio:	Children and Young People
Scrutiny Ctte(s):	Children and Young People

2. Decision Route			
Saving proposed:	Key Decision Yes/No	Public Consultation Yes/No	Staff Consultation Yes/No
a) Schools SLAs £100k: Introduce a 2.5% above inflation increase to the charges to schools for service level agreements.	NO	NO	NO
b) Attendance and Welfare: (£150k) The proposal is to focus council spend on meeting statutory duties and increase the range of services that schools can receive if they pay.	YES	NO	YES
c) Schools Infrastructure ICT: (£118k) Schools Strategic IT post costs to be covered by charges to schools	NO	NO	NO
d) Educational Psychologists £5k: Increase in charging for training to PVI sector	NO	NO	NO
e) School Estates Management	NO	NO	NO

2. Decision Route

£220k: To increase charges to schools, reduce budgets for consultancy services and management re-organisation			
f) Free School Meals Eligibility Assessment £17k: A re-organisation to reduce costs of service	NO	NO	NO
g) Standards and Achievement team £50k: Management re-organisation to reduce costs of service	NO	NO	NO

3. Description of service area and proposal

Description of the service area (functions and activities) being reviewed:

The services and activities being reviewed all provide support to schools in support of their responsibilities.

The Local Authority already charges for services provided to schools with an annual income of £3.3m (2015/16). The proposals set out below would increase the level of traded services by £0.4m representing 0.2% of the totality of schools' delegated budgets.

Saving proposal

a) To increase the charges to schools for all existing SLAs 2.5% above rate of inflation to raise **£100k** in 2016/17. This would better reflect the actual cost of delivering the services. The increase represents 0.2% of the budgets delegated to schools

b) This proposal is to increase the proportion of **Attendance and Welfare services** traded with schools and reduce the cost of the core service. The increased income is estimated at **£150k**. While the attendance of vulnerable pupils would continue to be the subject of attendance casework centrally, schools would be charged for routine casework currently undertaken as part of the core service. Under this proposal, the AWS would better reflect the statutory duties of the LA and there would be greater clarity about the responsibilities that schools must deliver either by doing the casework themselves or paying for the LA to undertake it. Primary schools will in the main be affected by this proposal as secondary schools already have the in-school resources to absorb the impact of this change.

The current council funded budget of £498k represents a cost of £19 per pupil

3. Description of service area and proposal

which benchmarks against average English spending of £12 per pupil. The budget has in last two years been reduced to move towards national and local comparators and this further saving would achieve the English average benchmark.

c) The **Schools Strategic IT** post grew out of the BSF programme providing advice on whole school ICT infrastructure set up and options for curriculum IT devices to support the curriculum. More recently the role has supported primary expansion works and the delivery of the new special school. The proposal is that the role is to be covered by the DSG through charges to schools or to no longer provide the service. The post currently costs **£118k**.

d) Increase in charges for training by **Education Psychology service** to PVI child care providers raising £5k.

e) **School Estates:** Some savings have already been made through the voluntary severance scheme releasing **£30k** not already accounted for in previous savings proposals.

It is anticipated a further efficiency of the estates team can release savings of **£190k** through greater collaboration within the Council and a reduction in provision for property consultancy fees.

f) **Free School Meals Eligibility Assessment:**

It is proposed to transfer the service to the Customer Services financial assessments team. The saving would delete the remaining GF contribution of £17k towards costs but there would still be a cost borne by the DSG. This will be achieved by the deletion of a vacant post and a change of line management.

g) **The Standards and Achievement Team** monitors the performance of schools, identifies where action is required to secure improvement and broker or provide that support to the schools requiring it. A management restructure is in process which would ensure the senior capacity required for the school improvement agenda especially for secondary schools and continue work for primary and early years while delivering savings. The re-organisation would deliver **£50k** of savings through reduction in staffing budget, with the remaining staffing/commissioning budget sufficient to meet the local authority's duties to secure improvement of schools.

There continues to be a challenge concerning the improvement of secondary school results however the aim is, that through increased use of school to school support and the focussing of the savings on management posts, there will not be an impact on the support and challenge provided to schools. It may however take until 2017/18 for the changes and savings to be achieved fully.

The reduction in staffing costs will not result in redundancies because of existing vacancies.

4. Impact and risks of proposal

Outline impact to service users, partners, other Council services and staff:

General

School budgets and the dedicated schools grant have come under increasing pressure over the last few years. For 2015/16, funding allocated to schools in respect of children with special educational needs has been reduced by £2.1m to help balance the central DSG budget. The Schools Forum agreed to this change, recognising that schools had already been funded for some of these costs within their delegated budgets.

Recent publicity, nationally, has highlighted that real terms funding of schools budgets will reduce over the life of this parliament by at least 7% in real terms if the funding level per pupil stays cash frozen. Some forecasts suggest up to 12% (an analysis by the Institute of Fiscal Studies).

A 7% reduction would reduce schools' spending power across Lewisham by £17m. There are other budgetary pressures on the Dedicated Schools Grant that will need to be funded. The national rates revaluation which will take place in 2017 is expected to increase the rates bills falling to the DSG. Some of this pressure will however be eased by the continued increase in pupil numbers.

In respect of the individual proposals:

- a) The increased income would represent 0.2% of the delegated budgets of schools so the impact on both take up of services and on schools budgets will be minimal.
- b) There is a risk that if schools do not buy in to this, that children who have some vulnerabilities and who are not in school may be missed. However the LA's 'missing from education' procedures should mitigate this. If the service is not successful in securing buy back from schools, there is a risk that up to 3 FTE staff may need to be made redundant.
- c) Schools not buying the Strategic IT service may make poorer decisions on renewal of their IT infrastructure and equipment.
- d) The increase in training charges by EPS will not have a significant impact over 120 child care providers in the borough
- e) There will be a reduced capacity to respond to major incidents across the schools estate that no one individual school could manage on its own.
- f) It should be possible to maintain the free school meals eligibility service with the budget reduction of £17k
- g) There will be reduction in support to schools which are good and outstanding, with a greater expectation that they are sustained and improved through school to school support.

Outline risks associated with proposal and mitigating actions:

General

4. Impact and risks of proposal

It is likely that there will come a point when schools feel the increased charges through SLAs will result in them having to purchase fewer services, a reduced level of support or reducing expenditure on other services in support of pupils' education. This will make the traded services much more sensitive to price increases than has been the case in the past.

In order to mitigate the likelihood of the increased levels of income failing to be achieved there will be consultation with schools forum on the proposals with the opportunity to influence the final shape of the proposals for the services to be charged for and the value of charges. Other mitigation for each specific proposal is set out below:

- a) Consultation with schools forum with the results of that available for subsequent scrutiny and decision making.
- b) There is a need to ensure that schools have robust systems in place to identify vulnerable children and refer to the appropriate agencies.
- c) Promotion of the IT goods and services framework contract negotiated by the Council for schools
- d) n/a
- e) Closer alignment of service with corporate property services and wider spread of expertise to draw upon.
- f) There is a need to ensure that the close working with the free entitlement Child care provision team to ensure national objectives are being delivered. The implementation of IT solutions for the application process should assist this.
- g) None significant

5. Financial information

Controllable budget:	Spend £'000	Income £'000	Net Budget £'000
General Fund	5,844	3,670	2,174
Saving proposed:	2016/17 £'000	2017/18 £'000	Total £'000
a)	100		100
b)	150		150
c)	60	58	118
d)	5		5
e)	220		220
f)	17		17
g)		50	50
Total	605522	108	660
% of Net GF Budget	28%	2%	30%
Does proposal impact on: Yes / No	General Fund	DSG	HRA
	Yes	Yes	No
If impact on DSG or HRA describe:	The DSG provides additional support to these services £634k.		

6. Alignment to Political priorities

Main priority	Second priority	Political priorities
		A. Strengthening community input

6. Alignment to Political priorities		
D	E	B. Sharing services C. Digitisation D. Income generating / Assets E. School places and improvement F. Housing delivery G. Waste strategy and change H. Social Care and Health transformation I. Violent crime
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
MEDIUM	LOW	

7. Impact on Corporate priorities		
Main priority	Second priority	Corporate priorities 1. Community leadership and empowerment 2. Young people's achievement and involvement 3. Clean, green and liveable 4. Safety, security and a visible presence 5. Strengthening the local economy 6. Decent homes for all 7. Protection of children 8. Caring for adults and the older people 9. Active, healthy citizens 10. Inspiring efficiency, effectiveness and equity
2	10	
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
NEUTRAL	POSITIVE	
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
LOW	LOW	

8. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No Specific Impact
	If impacting one or more wards specifically – which?
	N/A

9. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			NO

10. Human Resources impact

Will this saving proposal have an impact on employees: Yes / No					NO
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Known	Not known			

11. Legal implications

State any specific legal implications relating to this proposal:

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12. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

The main savings timetable has been included here FYI.

Please amend for proposal if different.

Month	Activity
August 2015	Proposals prepared (this template and supporting papers – e.g. draft public consultation)
September 2015	Proposals submitted to Scrutiny committees leading to M&C on 30 September
October 2015	Consultations with Schools Forum 1 October 2015
November 2015	Consultations ongoing and (full decision) reports returned to Scrutiny for review
December 2015	Consultations returned to Scrutiny for review leading to M&C

12. Summary timetable

	for decision on 9 December
January 2016	Transition work ongoing
February 2016	Transition work ongoing and budget set 24 February
March 2016	Savings implemented
April 2016	
May 2016	
June 2016	
July 2016	
August 2016	
September 2016	
October 2016	