

<b>Report to :</b>	<b>SCHOOLS FORUM</b>
<b>Date :</b>	18 October 2016
<b>Reporting Officer:</b>	Ian Duncan – Assistant Executive Director - Finance  Bob Berry – Assistant Executive Director - Learning
<b>Subject :</b>	<b>COUNCIL SERVICES TO SCHOOLS FROM 2017/2018</b>
<b>Report Summary :</b>	<p>The report provides an update to Schools Forum members on the key principles of the Services to Schools delivery model from 1 April 2017, one of which will be a fixed two year rolling contract agreement.</p> <p>Schools Forum members should note that additional details, of the delivery model and associated services (including prices) contained within will be provided to schools by 30 November 2016 at the latest. Schools will be required to confirm associated services required from the Council by 31 January 2017 in advance of the first two year period commencing 1 April 2017.</p>
<b>Recommendations :</b>	That Schools Forum notes the contents of the report and provides any comments on the principles contained within.
<b>Links to Sustainable Community Strategy :</b>	The proposals in the report support those elements of the Community Strategy which relate to a Learning and Supportive Tameside.
<b>Policy Implications :</b>	There are no policy implications arising from this report.
<b>Financial Implications :</b> <b>(Authorised by the Section 151 Officer)</b>	<p>It is essential that Council services delivered to schools are provided on a full cost recovery basis which is one of the key principles contained within the report.</p> <p>Associated set price details for the initial two year contract agreement period from 1 April 2017 to 31 March 2019 (2017/2018 and 2018/2019) will be provided to schools by 30 November 2016. Schools will then be required to confirm associated services required from the Council by 31 January 2017 in advance of the 2017/2018 and 2018/2019 two financial year period.</p> <p>The next two year rolling agreement set price details will be communicated to schools by 30 November thereafter in advance of the next two financial year period. Schools will then be required to confirm continuation of associated services required from the Council for a further two year period by 31 January each year thereafter.</p>
<b>Legal Implications :</b> <b>(Authorised by the Borough Solicitor)</b>	The Council agreed that services could only be provided if they were fully funded by schools including any overheads. There is a very challenging and uncertain education landscape at the moment which has made it difficult for schools and the Council to determine a medium term strategy.

**Risk Management :**

There are risks for the Council if services continue to be offered to schools on an annual basis as per the current financial year as the Council is unable to satisfactorily plan services and future staffing levels given such a short period of certainty. It is therefore important that the Council and schools together are clear about which services will continue to be provided over and above the Council's statutory responsibilities. A two year rolling contract agreement should ensure this risk is managed. It is essential that all Council services offered to schools are provided on a full cost recovery basis.

**Access to Information :**

The background papers relating to this report can be inspected by contacting Stephen Wilde – Head of Resource Management, Resource Management, Governance and Resources by :



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## **1. INTRODUCTION**

- 1.1 The Council has been delivering services to schools on a traded basis for a number of years. Schools were required to procure these services for the two year period 1 April 2014 to 31 March 2016. This arrangement was presented in a report to Schools Forum on 22 October 2013. The two year agreement was implemented to provide the Council and schools with greater certainty in the planning and delivery of associated service support.
- 1.2 Services were provided on the basis that:
- Services to schools should continue to be provided on a full cost recovery basis
  - Schools would be required to commit to procuring services for a two year period
  - Schools converting to academy status would be required to pay the full year service cost regardless of date when they converted. The year two charge would not be levied however if a school converted during year one of the agreement.
  - No services would be provided to any academy without a written agreement to pay for services in full
- 1.3 A further report was presented to the Schools Forum on 20 October 2015 to extend the existing two year agreement by a further one year (1 April 2016 to 31 March 2017) to enable a review to be implemented of the existing service delivery model and consider proposals beyond 2016/2017.
- 1.4 It should be noted that it has become apparent that there are demands on certain services that exceed the cost recovery e.g. HR support for schools where some school leaders require additional support, or where there are particularly complex cases requiring additional support beyond the normal expectations. The prices of associated services where this applies will need to be reviewed.

## **2. CONSIDERATIONS**

- 2.1 For both budget and human resource planning purposes, the Council needs to obtain an agreement from schools if services are required for a pre-determined duration prior to the start of the following financial year.
- 2.2 Council services have reviewed their capacity to deliver additional services over and above their core statutory functions. One such service includes Educational Psychologist support. The service now only delivers core statutory functions. Schools procure additional support via other external providers.
- 2.3 In May 2015, Heads of Service and Service Managers met with a Headteacher Quality Assurance Panel to receive feedback about the quality and responsiveness of services. This proved to be extremely valuable to all concerned. A similar forum has not been convened since, however Headteachers raise related issues with respective Service Managers directly to ensure they are addressed and an amicable resolution is achieved.
- 2.4 Tameside currently has 7 Secondary Academies and 15 Primary Academies out of a total of 96 schools. There are 2 further primary conversions planned to take place during the Autumn 2016 term. In addition there are 1 Secondary and 2 Primary conversion applications awaiting approval by the Department For Education. There will be 27 Academy schools within the borough should all existing applications either in progress or approved be completed.
- 2.5 It should be noted that there are a variety of arrangements in place relating to services procured by Academy schools from the Council. An evaluation of future service delivery models will need to be considered if there is any acceleration in the number of schools

converting to an academy as this will clearly impact on the viability of some support services

- 2.6 The Government is also proposing to introduce a national funding formula which is expected (but not confirmed) to reduce the overall level of funding delegated to Tameside schools. This will clearly require schools to review their spending priorities. Whilst the date for the introduction of the new funding formula is yet to be confirmed, it should be recognised this could impact on the level of services procured by schools from the Council in future years.

### **3. PRINCIPLES OF THE FUTURE SERVICE DELIVERY MODEL**

- 3.1 The Council is currently in the process of preparing details of the service delivery model which will be effective from 1 April 2017.
- 3.2 However, Schools Forum members are requested to note that the service delivery model will include the following key principles :
- 3.3 Council services will be available to schools on a two financial year rolling agreement basis from 1 April 2017.
- 3.4 All services will be priced on a full cost recovery basis and will include associated service level agreement details.
- 3.5 Service prices will be set for a two year period.
- 3.6 Service price details for the two financial year period 2017/2018 and 2018/2019 will be provided to schools by 30 November 2016 at the latest. The next two year rolling agreement set price details will be communicated to schools by 30 November thereafter in advance of the next two financial year period.
- 3.7 Schools will be required to confirm associated services required from the Council by 31 January 2017 in advance of the first two year period commencing 1 April 2017. Schools will then be required to confirm continuation of associated services required from the Council for a further two year period by 31 January each year thereafter.
- 3.8 Details will be provided of services which have to continue to be provided to schools should that service no longer be procured from the Council. This will include services where no charge will be levied and those services where a charge will be levied (should this apply). The relevant charges will be clearly stated for the two year rolling agreement.
- 3.9 Details will be provided of the process, timescales, notice periods and relevant costs for termination of the two year rolling agreement.
- 3.10 Details will be provided of the process, timescales, notice periods and relevant costs for termination of the two year rolling agreement where conversion to academy status applies.
- 3.11 Details will be provided of the quality assurance process.
- 3.12 Details will be provided of the dispute resolution procedure.
- 3.13 The service delivery model detail and associated prices as outlined in section 3.2 of the report will be provided to schools by 30 November 2016 at the latest.

3.14 The service delivery model will include details of the procedure for the procurement of Council Services on a two year rolling agreement which schools will be required to confirm by 31 January each year.

#### **4. RECOMMENDATIONS**

4.1 As stated on the report cover.