

Children & Young People's Services

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Contact: Ian Thomas
Date: 9th February 2015

To: All Headteachers and Chairs of Governors

Dear Colleagues

Re: Schools' Forum decision that the majority of centrally retained budgets from the Dedicated Schools Grant (DSG) will not be held by the Local Authority (LA)

As promised in my letter to you dated 27th January 2015, I am writing to set out the risk assessment to schools and next steps following the above decision.

The LA has carried out a thorough risk assessment (see table 1) based upon those services that face significant complex staffing implications when DSG funding is removed. As a result, the following risk rating has been applied, which highlights those services where funding can cease from 1st April with minimum risk (green) to those services that are rated red that I would urge schools to reconsider the funding decision via your Schools' Forum representative in time for the next Forum meeting on 6th March.

- Green (£925,143) – funding can go to schools from 1st April 2015 with little impact on LA budgets or service delivery this academic year.
- Amber (£125,649) – funding can go to schools from 1st July as work is required with budget holders to ensure continuity in service delivery until the end of the academic year and to develop Service Level Agreements for schools to buy back services for 2015/16 if they so wish.
- Amber/Red (£1,416,652) – service commitments in place with schools until the end of the academic year but funding could go to schools from 1 July. However, without firm financial commitments from all/significant majority of schools, these improvement services are likely to cease in 2015/16 due to limited capacity – other than the LA's statutory duties to intervene where there is failure or cause for concern.
- Red (£385,208) – this would result in significant cost to the LA in termination of staff contracts and pose significant challenge to those services catering for the needs of our most vulnerable children.

As a result of this assessment, the Council has identified £925,143 of 2014-15 budgets (rated as green in table 1 overleaf) that can be delegated to schools from 1st April 2015. This is in addition to the £261,999 that will also be delegated to schools as a result of the Maintained Sector Schools' Forum vote to cease funding for Educated Other Than At School (EOTAS) – formerly part of Behaviour Support – Free Schools Meals (FSMs) eligibility checks and Local Trade Union support and Voice & Influence from 1st April 2015.

A further £125,649 (pro-rata 1st April – 30th June 2015) of those Services rated as Amber can also be delegated to schools from 1st July. In addition, I have asked the School Effectiveness Service



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(SES) to radically review their costs and services so that a new affordable Rotherham School Improvement Service can be developed and presented to you for your consideration on how best to fund from 1st July 2015 – if funded through DSG, I expect to report back significant economies resulting in several hundred thousands of pounds in savings for 2015/16.

Table 1: DSG Retained Budgets Risk Assessment for 2014/15 Academic Year

Service	Function	2014/15 Budget	RAG Rating
Children in Public Care	Support to Designated Teachers for Looked After Children	£152,000	RED
Education Welfare	Funds posts to support school attendance and children missing in education	£31,000	RED
Learners First	School improvement with a focus on leadership and management support and development	£765,000	GREEN
Moving and Handling Account	Provides health & safety guidance and practical assistance to schools on manual handling for those children with mobility issues	£45,500	RED
Operational Safeguarding Unit	Funds posts to provide advice, guidance and support to Governors, Heads and School Safeguarding Leads	£66,000	RED
Outdoor Education Co-ordinator	Advice, guidance and support regarding all aspects of educational visits via EVOLVE	£24,649	AMBER
School Effectiveness	Advice, support, guidance and resources on a range of school improvement strategies and initiatives, including learning community development, support for schools of concern, Governor support, performance analysis and the sharing of good practice delivered by consultant head teachers and teaching & learning consultants.	£1,254,040	AMBER/RED
Sexual Exploitation Team	Direct support and training to schools to identify sexual exploitation as well as direct prevention and intervention work with children	£45,208	RED
Special Education Needs Transport	Contribution to travel assistance for children with special educational needs	£101,000	AMBER
Termination of Employment Costs	Financial support to schools for all HR related issues	£157,000	GREEN
Training for Children with Medical Needs	Support to schools staff to enable children with medical needs attend mainstream education	£45,500	RED
Voice & Influence	Facilitate the work and delivery of Youth Cabinet and UK Youth Parliament and their links with School Councils	£3,143	GREEN
Winterhill & Rawmarsh CLCs	Enhance teaching & learning in the use of digital technology and to access up-to-date cutting edge resources and facilities for their students.	£162,612	AMBER/RED

Next Steps

- 1) LA Finance colleagues will write to you shortly after half-term setting out:
 - a) The additional funds each school will receive from 1 April as a result of funding withdrawal for those services to maintained schools and those services rated as green above; and
 - b) Potential total funding for each school from 1 July should you decide not to reverse any of the decisions made by Schools' Forum for those services rated as red and amber/red.

2) Regarding the removal of services for maintained schools, the following actions will be necessary:

- FSMs eligibility checks – administering the assessment of FSMs entitlement for maintained schools will cease from 1st April unless you choose to buy back this service (on the same cost basis and arrangements as is currently the situation for Academies – the charge for 2015-16 will be £5.12 per eligible FSM pupil according to your January 2015 census). A Service Level Agreement will be sent to every school shortly after half-term. Should maintained schools not wish to buy back this service, then you will have to make your own arrangements for assessing entitlement to FSM, including how parents can apply, collecting evidence, documentary proof there is entitlement, dealing with change in circumstances and possibly reviewing entitlements.
- Trade Union duties – The LAs Strategic Human Resource Directorate will develop a Service Level Agreement and send to you before the end of term setting out how schools can buy-back this service should you wish.
- EOTAS – The LA will fulfil its statutory responsibility for young people permanently excluded under Section 19 and fund this from its Revenue budget from 1 April. However, I recognise the need for more effective early help and prevention from both the LA and schools. As a result of my plans to restructure the Children & Young People’s Service, I will be looking for schools to work in partnership with the newly emerging Universal and Targeted Service and the new Inclusion Service to support students at risk of fixed/permanent exclusion. Where exclusions do arise, I will be challenging school and LA leaders to demonstrate that all early help and prevention measures available have been exhausted – crucial for the LA and schools to demonstrate to any future Ofsted inspections that Section 19 has been used as a last resort.
- Termination of employment costs – there is no impact or actions for schools from 1st April, as this a LA liability, which the Authority will put in place contingencies.

3) I am asking the Leads of those services rated Amber to work on Service Level Agreements and costs before the end of term to enable you to make decisions on whether to purchase these services from 1st July. They will also need to set out the implications of these new arrangements on service delivery.

4) Finally, I would like to take this opportunity to set out my plans for developing and delivering a new Rotherham School Improvement Service from 1 July 2015 as I believe significant improvements and savings can be made in this area of work. I have asked my colleagues in SES to develop a new look service that is:

- A schools-led offer based upon your requirements and purchasing power to achieve economies of scale and value for money– in other words, schools know what they are purchasing prior to allocating budgets;
- Focussed on prevention rather than solely intervention and is able to both support and challenge to benefit all schools and children and achieve our school improvement mission;
- Independent and 100% committed to Rotherham’s school improvement mission, re-investing DSG resources into school improvement; and
- Based upon robust analysis of data working in partnership with schools and Learners First – thereby avoiding creating a market place that would be costly and divisive.

It is crucial that these new arrangements are developed in partnership with you. I have therefore, set out a timeline below and welcome your input. I am very conscious that I have yet to meet with many of you and have asked my office to schedule a series of meetings with you and your groups to take this work forward following the half-term break.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Ian Thomas', written in a cursive style.

Ian Thomas
Strategic Director
Children and Young People's Services.

Annex A: Timeline for developing new Rotherham School Improvement Service (SIS) for 2015/16

Timeline	Action	Stakeholder	Outcome/Agreement
w/c 26/1/15	LA letter to schools following Forum's decision to cease DSG for retained services	Headteachers and Chair of Governors	<ul style="list-style-type: none"> Ian Thomas letter to schools 27/1/15 Forum extend timescales for implementing decision until 1 July 2015
By 13/2/15	<ul style="list-style-type: none"> Communicate risk assessment, timeline and proposals for developing a revised SIS offer to schools based upon above paper. Finance colleagues to write to schools with individual budget readjustments for 1 April and projections for 1 July 	Headteachers and Chair of Governors	<ul style="list-style-type: none"> Ian Thomas letter to schools 6/2/15
6/3/15	<ul style="list-style-type: none"> Presentation of risk assessment and next steps Decision required on whether services rated as Red will continue to be funded beyond 1 July 	Schools Forum	
w/c 9/3/15	Discussion and agreement following outcomes of School Forum decision on risk assessment and next steps	Lead Member SLT	
w/c 9/3/15	Consult focus group on SIS draft model prior to going out to all schools for comment	Headteachers focus group	
w/c 29/3/15	Draft SIS model circulated to schools for consultation and for them to take back to their LCs for discussion prior to going to Forum in summer term	Headteachers and Chair of Governors	
w/c 13/4/15	Final SIS model presented for approval	Lead Member SLT	
24/4/15	<ul style="list-style-type: none"> Service Leads SLAs arrangements presented for decision on how best to fund beyond 1 July Final SIS Model presented for decision on how best to fund beyond 1 July 	Schools Forum	
14/5/15	Presentation of final SIS model to Secondary Heads	Secondary Heads Meeting	
16/5/15	Presentation of final SIS model to Special Heads	Special Heads Meeting	
23/5/15	Presentation of final SIS model to Primary Heads	Primary Heads Meeting	
1/7/15	New agreed service contracting, funding and delivery arrangements commence		