

AGENDA ITEM

REPORT TO CABINET

12 OCTOBER 2017

**REPORT OF SENIOR
MANAGEMENT TEAM**

CABINET DECISION

STRATEGIC REVIEW OF EDUCATION: UPDATE REPORT

SUMMARY

This report summarises the approach and progress to date in a strategic review of the Council's education role. It sets out anticipated savings to respond to the loss of education Services grant, and further work to be progressed.

RECOMMENDATIONS

Cabinet is asked to:

1. Note the progress made on the strategic education review.
2. Comment on the work undertaken to date.
3. Agree to receive a further report in January.

DETAIL

1. Cabinet considered a report in January 2017 which set out the changing context for the Council in education.
2. This report set out the following issues:
3. It noted the need to bring a further report back to Cabinet on the proposals for 2018/19 and beyond.
4. A strategic review is included as one of the key priorities in the Children's Services Strategy for 2017-20, agreed at Cabinet in June 2017.

The rationale for review: a reminder

5. The key drivers and context for the review continue to be:
 - a. The continued priority attached to improving educational outcomes for children in Stockton, the concept of Campus Stockton and the commitment to 'all Stockton children'.
 - b. The loss of Education Support Grant, and the need end to mitigate this in the Medium Term Financial Plan. The budget pressure associated with the loss of ESG is £1.4m.
 - c. A rapidly changing policy landscape which includes a changing role for the Council.
 - d. Increasing academisation, and increasing choice for Multi Academy Trusts on how they deliver a range of services including around school improvement.

6. The approach taken is therefore to set out a clear direction, within which more detailed and specific reviews and actions can be undertaken, rather than undertaking a series of disconnected mini-reviews.

Strategic analysis

7. The starting points for understanding our role are the key roles for local authorities as set out in the Education Excellence Everywhere White Paper. Although not all aspects of this white paper have since been included into statute, it still provides the basis for understanding the role of the Council, and provides a helpful framework for understanding the extent of the Council's powers and duties:
 - a. Strategic convener of the system
 - i. Providing strategic leadership and partnership.
 - ii. Maintaining a focus on outcomes and collective responsibility.
 - iii. Oversight of the whole system from early years and support into employment.
 - b. Championing the vulnerable
 - i. Undertaking the statutory role and duties associated with the identification of need, and the provision of support to children and young people who have Special Educational Needs.
 - ii. The statutory duties associated with supporting looked after children through the Virtual School and the range of statutory duties associated with the role.
 - iii. Closing the gaps between disadvantaged pupils and non-disadvantaged pupils, including an oversight role in the use of pupil premium funding.
 - iv. Safeguarding and ensuring access to education for children and young people who regularly miss school; who are young carers or who are home educated or education other than in mainstream school, including those in alternative provision including Bishopton PRU.
 - v. Undertaking statutory duties around safeguarding – ensuring all schools fulfil their duties to safeguarding children: effective policy and practice; training and understanding of thresholds for intervention.
 - vi. Effective support through other services to support vulnerable families, and to support schools in team around the family/child in need/strategy/child protection activity, where schools are often the most important influence and 'constant' in the lives of young people.
 - c. Children in school
 - i. School planning which is pro-active and responsive to changing demographic patterns and trends as well as physical regeneration and redevelopment: anticipating the changing demand for school places and planning ahead to meet demand.
 - ii. An efficient annual admissions process.
 - iii. Supporting schools to manage attendance and keep children in school.
 - iv. The opportunity to access high quality alternative curriculum and provision where necessary.
 - v. An effective means of managing in year transfers, managed moves and fair access.
 - vi. Minimising exclusions.
 - d. A self-improving system
 - i. Support and challenge to schools on performance – data, intelligence and a mechanism for peer review.
 - ii. The availability of expertise on improvement in a dynamic marketplace.

- iii. Leadership and governance expertise.
- iv. Quality, recruitment and retention for teaching.
- v. Fulfilment of statutory responsibilities around mainstream schools.
- vi. Clear roles around under-performing academies.

The review process – how we have approached the task

8. The process has been an iterative process which has included the need to progress with specific proposals to meet immediate budget challenges associated with the withdrawal of ESG in 2017/18, as well as developing longer term models for future delivery.
9. It has included the following elements:
 - a. An appraisal of our current approach against the four main roles identified in paragraph 7 with a focus on whether roles are statutory, discretionary or focused on income generation – the baseline exercise.
 - b. Specific reviews in key areas which are aligned to our overall plan eg in SEN, which has been reported to Cabinet previously and around educational psychology which was steered through Children and Young People Select Committee.
 - c. Detailed work to develop a traded services model for services which we currently provide for free, but for which schools have the option of sourcing from elsewhere.
 - d. Exploration of the opportunities for attracting external funding to support elements of activity – including via the national Strategic School Improvement Fund, and the Tees Valley Combined Authority.

Baseline: what we do now

10. Against these priorities, a high level SWOT analysis has been undertaken of the current position to help shape the structure of the review, and an assessment of how we currently fulfil the key roles:
 - a. Strategic convenor
 - i. We provide leadership through the newly established Strategic Education Board.
 - ii. Effective and well respected leadership providing high levels of challenge and support across the system.
 - iii. A school governor service which operates on a self-financing basis.
 - iv. There is a requirement for the Council to fund premature retirement costs on behalf of schools, though there may be opportunities to tighten the criteria on this aspect.
 - b. Championing the vulnerable
 - i. The changes to the model of delivery for children with special educational needs and disabilities (SEND) aims to reduce the strain on the Dedicated Schools grant (High Needs Block). The opportunity also exists to shift funding for the team into DSG, so reducing the strain on the Council's own resources.
 - ii. It is a requirement to operate a Virtual school for children in our care.
 - iii. Promoting inclusion in schools, and tackling the issue of exclusion, including through the development of more options for alternative curricula.
 - c. Children in school
 - i. We have reviewed our role in these areas in recognition that we were delivering significantly more than the minimum.
 - ii. There are opportunities to consolidate the work of the admissions team and the attendance team to reduce overlaps around areas such as in year transfers and managed moves. More work is needed in this area to

effectively map the statutory roles and the extent to which we are currently exceeding them.

- d. Self-improving system
 - i. We have well developed data and analysis to support challenge.
 - ii. The newly established raising Achievement Partnership (RAP) model supports schools to undertake peer review and challenge.
 - iii. The Council continues to have an effective education improvement service which is helping to support improved outcomes and the number of children in good or better schools.

Specific service reviews

11. There are a number of currently vacant posts in the Education Improvement Service which have been frozen for 2017/18 to provide a short term saving to meet the challenges of ESG removal and which also provide an opportunity to reconsider the role of the Council in 2018/19 and future years.
12. Specific change proposals have been identified and delivered in priority areas:
 - a. SEN – implementation of a series of changes designed to shift the overall approach to be more effective around preventing the needs for more specialist interventions (eg EHC plans). This includes strengthening the triage and early support roles and the commissioning of the additional provision model to create enhanced schools and so provide a clearer link to need, and to reduce the need for school changes. In addition, there has also been a great deal of work in this area focusing on the need for an effective joint commissioning strategy and approach with partners, and a more detailed needs assessment to understand trends, trajectories and demands.
 - b. Engagement / attendance – a remodelling of our approach to focus more on statutory roles and responsibilities around attendance, such as the statutory role around fines.
 - c. Educational Psychology – a remodelling of the team structure to respond to the immediate pressures of operating significantly under-capacity.

Traded services model

13. Learning Trust model development – work to understand the extent to which additional income could be generated by the development of a more coherent trading model. Initially this work focused on the potential for the Council to develop a Multi Academy Trust, and therefore to be able to secure funding through the application of a central charge/overhead/ membership fee.

External funding

14. External funding and additional income generation – the options to secure additional external funding through the Tees Valley Combined Authority (TVCA), or latterly through the National Strategic Schools Improvement Fund (SSIF) have been explored. The picture in these areas is far from clear (around priority, the government's intentions, and the opportunity for local authority services to be fully engaged and benefit). No bids to the SSIF were successful in the North East in round 1. Further proposals are currently being developed, working through the Tees Valley Sub Regional Improvement Board to seek to attract additional funding in round 2, closing at the end of October.
15. The combined impact of the work to date has resulted in planned savings and additional projected income of around £550K. This is made up of:

- Deletion of 'held' vacant posts in the Education Improvement Service £250K

- SEN and attendance reviews £167K
- Additional traded income(anticipated) £130K

Where next

16. Additional work is underway in the following areas:
 - a. Remodelling our approach to early years.
 - b. Income generation through SSIF and TVCA.
 - c. Opportunities for de-delegation of Dedicated Schools Grant
17. We anticipate that this could generate an additional £500K to offset the funding gap through savings and income. Additional work is also proposed as part of the Smarter Working programme to identify additional opportunities to improve efficiency and process.
18. Implementation of these proposals would mean that the Council would retain:
 - a. An effective, streamlined and efficiency Education Improvement Service with a well-defined core and discretionary offer, and an ability to trade competitively in Stockton and across the wider region.
 - b. A reshaped and remodelled targeted approach to supporting vulnerable pupils.

COMMUNITY IMPACT IMPLICATIONS

19. Each element of review work undertaken to date has taken into account community impact implications, particular on the basis of reshaping services around vulnerable pupils.

FINANCIAL IMPLICATIONS

20. The proposals in this paper address the funding gap associated with the removal of Education Services Grant. Current proposals address a significant proportion of the gap, and the additional work outlined is anticipated to close the gap further. At this stage it is not anticipated that the Council can fully mitigate the loss of ESG for 2018/19, and therefore that there be an additional budget pressure as a result. Further details will be included in the medium term Financial Plan in February.

LEGAL IMPLICATIONS

21. Part of the approach being adopted in the development of the review is to ensure that the statutory duties of the Council continue to be met through the review process, and that we are clear where services are being provided over and above a statutory minimum as part of discretionary choices to meet policy priorities.

RISK ASSESSMENT

22. There are some risks associated with a move towards a more traded model of delivery in particular, and this will be addressed further in a further report.

COUNCIL PLAN POLICY PRINCIPLES AND PRIORITIES

23. The proposals in this paper are consistent with the policy priorities around protecting the vulnerable through targeted intervention and creating economic prosperity.

CORPORATE PARENTING IMPLICATIONS

24. The Council will continue to deliver all statutory responsibilities to children in our care as part of this approach.

CONSULTATION INCLUDING WARD/COUNCILLORS

25. The Cabinet Member for Children and Young People has been consulted. Informal consultation has also take place with schools on the traded delivery model.

Name of Contact Officer: Martin Gray
Post Title: Director of Children's Services
Telephone No. 01642 527043
Email Address: martin.gray@stockton.gov.uk

Education related? Yes

Background Papers

Ward(s) and Ward Councillors:

Property