



2020/21 Full Transformation/Budget Saving Proposal Form

The Senior Responsible Officer (SRO) for the proposal should complete forms. Please use a separate form for each proposal.

Proposal Title	Individual Schools Budget – saving	Lead/Responsible Officer:	Nikki Wellington
Your Ref No:	CYP001	Directorate:	CYP
Version No:	0.1	Section:	Finance
Date:	02/12/19		

Version	Date	Changes Made
0.11	02/12/19	Initial Mandate
2		
3		
4		

Brief Summary (Please include a brief description of the proposal being explored)

The proposal is to reduce the Individual Schools Budget by 2%, (£830,000). This reduction is applied prior to the additional pension costs and pay award has been provided to the schools. Furthermore, this saving excludes funding used to support pupils with additional learning needs.

Once the pressures have been afforded the overall budget would increase by £1,591,437 but this would see a real term pressure on the ISB of £830,764 which would result in schools having to save on average 2%

Please answer the following questions and provide as much information as you have available at this stage of the proposals development. It is appreciated that further information will be developed prior to final approval of submitted proposals.

Question	Y/N	Comments/Impact
Does this proposal align with the MCC Corporate Plan ?	Y	The proposed saving excludes the funding for our most vulnerable learners and affords the schools the pressures for the increased pension and the payroll costs
Has this proposal been included in your current Service/Business Improvement Plans?	N	At the point of writing the business plans this proposal was not considered.
Has a Future Generation Evaluation been commenced?	N	
How will this proposal address MCC's Climate Emergency commitment?		This will not address the climate change emergency.
Is an Option Appraisal required? (Please refer to MCC Standard Option Appraisal Process/Template)	N	



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What is the impact of this proposal on other services?		<p>Whilst we do not foresee any specific impacts on other services there are risks associated with reducing the ISB.</p> <p>There is a significant likelihood that Governing Bodies will apply even more rigorous budget monitoring and seek to make other efficiencies through different procurement routes such as grounds maintenance and technology support from the SRS.</p> <p>There is a risk (unquantified at the moment) that a reduction in the ISB could lead to a reduction in staffing levels and greater workload issues for remaining staff.</p>																																								
What other services will affect this proposal?		None																																								
Will this proposal require any amendments to MCC policy?	Y	<p>Two amendments to the funding formula are required as a part of this support package.</p> <p>i) There is a requirement to re-enable the authority to make loans to schools</p> <p>ii) The policy needs to be amended to ensure that the costs of detriment protection are met by the schools rather than the local authority</p>																																								
Will this proposal have any staffing implications?	Y	As a result of this there may be a need for schools to make staff redundant. However it will be the Governing Body that would need to decide how to make the savings.																																								
Will this project have any legal implication for the authority?	N	None																																								
Will this proposal have any financial benefit?	Yes	<table border="1" data-bbox="587 1070 1465 1317"> <thead> <tr> <th>Description</th> <th>Remainder of 19/20</th> <th>20/21</th> <th>21/22</th> <th>22/23</th> <th>23/24</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>ISB saving</td> <td></td> <td>£830K</td> <td></td> <td></td> <td></td> <td>£830K</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>Additional Comments:</p>	Description	Remainder of 19/20	20/21	21/22	22/23	23/24	Total	ISB saving		£830K				£830K																										
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Will this proposal require investment to implement?	No	<table border="1" data-bbox="587 1621 1465 1868"> <thead> <tr> <th>Investment Description</th> <th>Description</th> <th>Remainder of 19/20</th> <th>20/21</th> <th>21/22</th> <th>22/23</th> <th>Total</th> <th>Source of funding</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>Additional Comment:</p> <p>None required.</p>	Investment Description	Description	Remainder of 19/20	20/21	21/22	22/23	Total	Source of funding																																
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<p>Has this proposal considered the opportunities for external funding?</p>	<p>N</p>	<p>The funding of schools is a statutory requirement of local authorities. Schools attract additional grant funding outside of the ISB, primarily through the funding flows through the Education Achievement Service (EAS).</p>																				
<p>Will this proposal have any non-financial impacts?</p>		<table border="1"> <thead> <tr> <th data-bbox="587 517 655 573">Ref</th> <th data-bbox="655 517 1461 573">Benefit</th> </tr> </thead> <tbody> <tr> <td data-bbox="587 573 655 658">1</td> <td data-bbox="655 573 1461 658">In seeking to mitigate the reduction in the ISB schools could collaborate to reduce their costs. Examples include, but are not limited to the use of shared Headteacher posts and shared support services.</td> </tr> <tr> <td data-bbox="587 658 655 689">2</td> <td data-bbox="655 658 1461 689"></td> </tr> <tr> <td data-bbox="587 689 655 721">3</td> <td data-bbox="655 689 1461 721"></td> </tr> <tr> <td data-bbox="587 721 655 752">4</td> <td data-bbox="655 721 1461 752"></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th data-bbox="587 775 655 831">Ref</th> <th data-bbox="655 775 1461 831">Disadvantage</th> </tr> </thead> <tbody> <tr> <td data-bbox="587 831 655 862">1</td> <td data-bbox="655 831 1461 862">Possible increased redundancy costs.</td> </tr> <tr> <td data-bbox="587 862 655 893">2</td> <td data-bbox="655 862 1461 893">Possible staffing reductions</td> </tr> <tr> <td data-bbox="587 893 655 925">3</td> <td data-bbox="655 893 1461 925"></td> </tr> <tr> <td data-bbox="587 925 655 956">4</td> <td data-bbox="655 925 1461 956"></td> </tr> </tbody> </table> <p data-bbox="587 1003 1461 1256">Additional Comment:</p>	Ref	Benefit	1	In seeking to mitigate the reduction in the ISB schools could collaborate to reduce their costs. Examples include, but are not limited to the use of shared Headteacher posts and shared support services.	2		3		4		Ref	Disadvantage	1	Possible increased redundancy costs.	2	Possible staffing reductions	3		4	
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<p>Has a risk analysis been completed for this proposal?</p> <p data-bbox="129 1899 461 1955">(Please refer to MCC Strategic Risk Management Policy)</p>		<p data-bbox="587 1816 1461 1872">Main Risks</p> <table border="1"> <thead> <tr> <th data-bbox="587 1872 655 1928">Ref</th> <th data-bbox="655 1872 995 1928">Risk</th> <th data-bbox="995 1872 1134 1928">RAG Rating</th> <th data-bbox="1134 1872 1461 1928">Mitigation</th> </tr> </thead> <tbody> <tr> <td data-bbox="587 1928 655 2038">7</td> <td data-bbox="655 1928 995 2038">Possibility that needs and capabilities of learners are not sufficiently addressed and consequently, they do</td> <td data-bbox="995 1928 1134 2038">Amber</td> <td data-bbox="1134 1928 1461 2038">Working with schools to help to make the savings required. This will include support from the</td> </tr> </tbody> </table>	Ref	Risk	RAG Rating	Mitigation	7	Possibility that needs and capabilities of learners are not sufficiently addressed and consequently, they do	Amber	Working with schools to help to make the savings required. This will include support from the												
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		not achieve to their highest potential		EAS to advise Headteachers.																																
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Will consultation and engagement be required for this proposal?		<table border="1"> <thead> <tr> <th>Ref</th> <th>Consultee</th> <th>Description</th> <th>Comp/Pending</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Headteachers</td> <td>Through the budget consultation process and Headteacher meetings</td> <td>Pending</td> </tr> <tr> <td>2</td> <td>Governors</td> <td>Through the budget consultation process</td> <td>Pending</td> </tr> <tr> <td>3.</td> <td>Children and Young People</td> <td>Through the budget consultation process and youth engagement events</td> <td>Pending</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Ref	Consultee	Description	Comp/Pending	1	Headteachers	Through the budget consultation process and Headteacher meetings	Pending	2	Governors	Through the budget consultation process	Pending	3.	Children and Young People	Through the budget consultation process and youth engagement events	Pending																
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Will this proposal require procurement of goods, services or works?	N																																			
Has a timeline been considered for this proposal?	Y	<table border="1"> <thead> <tr> <th>Ref</th> <th>Activity</th> <th>Start</th> <th>Complete</th> </tr> </thead> <tbody> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> </tbody> </table>			Ref	Activity	Start	Complete																												
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Additional Comments: This will form part of the budget consultations for the local authority but will also be communicated direct to schools via our usual meetings																																				



<p>What evidence/data has been gathered to date to inform this Proposal?</p>	<p>The ISB for the current financial year (2019-20) increased to fully fund the pay award and the increase in the pension costs. This did result in an uplift for the ISB in absolute terms to afford the increasing costs.</p> <p>This proposal will still afford schools the funding for the pay award and pension but see a reduction on the total funding excluding the funding for additional learning needs.</p> <p>The detail for a sample of individual schools is outlined below, these are all based on January 2019 pupil numbers:</p> <p>Monmouth Comprehensive:</p> <p>Pressure for pension and pay £246,551 Increased funding to meet pressure £246,551 2% saving required by school £99,175</p> <p>King Henry School:</p> <p>Pressure for pension and pay £185,878 Increased funding to meet pressure £185,878 2% saving required by school £74,140</p> <p>Chepstow School:</p> <p>Pressure for pension and pay £120,779 Increased funding to meet pressure £120,779 2% saving required by school £65,089</p> <p>Caldicot School:</p> <p>Pressure for pension and pay £219,014 Increased funding to meet pressure £219,014 2% saving required by school £92,939</p> <p>A N Other 210 Primary School:</p> <p>Pressure for pension and pay £32,308 Increased funding to meet pressure £32,308 2% saving required by school £13,263</p>																																
<p>Will support services be on required for this proposal?</p>	<table border="1" data-bbox="587 1592 1461 1823"> <thead> <tr> <th>Ref</th> <th>Support Service</th> <th>Activity</th> <th>Internal/External</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table> <p>Additional Comment:</p>	Ref	Support Service	Activity	Internal/External																												
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Will this proposal impact on the authorities built assets?	Y	There may be a choice made by some schools not to spend allocated funding on maintenance issues this could present a risk of deterioration in assets.
Will this proposal present any collaboration opportunities?	Y	There will be opportunities for schools to collaborate to share costs were applicable.
Will this project benefit from digital intervention?	N	
How will the impact of this proposal be measured?		The proposal will be measured by monitoring the school budgets and the impact it has on the deficits both collectively and for individual schools. There will be an ongoing monitoring on the outcomes achieved by all schools and whether this reduction has a detrimental impact.

What Next? - Email your proposal to the Business Transformation Team for the attention of Rob O'Dwyer robertodwyer@monmouthshire.gov.uk All submissions will be used to prepare the support required to implement the proposal further.