

Report to: Performance Scrutiny Committee

Date of Meeting: 28th June 2012

Lead Member/Officer: Lead Member for Education

Report Author: Education Finance Manager

Title: Building Capacity in Schools

1. What is the report about?

1.1 The report details the outcomes following the implementation of the Building Capacity in Schools Project

2. What is the reason for making this report?

2.1 To inform the Committee of the impact the project has had on schools and the planned future developments to build on and develop this resource further.

3. What are the Recommendations?

3.1 Members to review the outcomes to date and assess the ability of schools to improve standards through the use of this resource.

4. Report detail

4.1 The Building Capacity in Schools Project model was developed in 2011 as a mechanism for increasing the capacity of schools to manage the pressure of increased delegation and to free up Head Teacher time in dealing with business and finance functions. It was also aimed at enhancing the ability of the school to manage these functions more robustly and making more effective use of the resources available to schools.

4.2 The initial model looked at the feasibility of deploying the existing Secondary Business Managers across all the schools in the cluster and then recruiting a Finance Manager to be employed by the Secondary and also providing support across the cluster.

4.3 It was recognised that there was not a one size fits all approach across each cluster and so the model was adapted where appropriate to meet the differential needs.

4.4 The diagram below outlines the final model adopted across each Cluster:

Llangollen	Ruthin	Denbigh	Denbigh Faith	Welsh
1 x Business Manager 1 x Finance Manager	1 x Business Manager 1 x Finance Manager	1 x Business Manager 1 x Finance Manager	1 x Business Manager 1 x Finance Manager	1 x Business Manager 1 x Finance Manager
Dinas Bran Bryn Collen Gwernant Llandrillo Maes Hyfryd Carrog Caer Drewyn Glyndyfrdwy	Brynhyfryd Betws GG Borthyn Bro Cinmeirch Bro Elwern Bro Famau Bryn Clwyd Clocaenog Cyffylliog Dyffryn Iâl Gellifor Llanbedr Llanfair Pen Barras Pentrecelyn Rhewl Rhos Street	Denbigh High Bodfari Esgob Meiriadog Esgob Morgan Faenol Frongoch Gwaenynog Heulfre St Asaph VP Trefnant Y Parc	St Brigid's (Sec) St Brigid's (Prim)	Glan Clwyd Dewi Sant Henllan Tremeirchion Twm o'r Nant Pant Pastynog Y Lllys

Rhyl	Rhyl Faith	Prestatyn Secondary	Prestatyn Primary	Special
1 x Site Manager 1 x Finance Manager	1 x Business & Finance Manager	1 x Business & Finance Manager	1 x Business & Finance Manager	1 x Business & Finance Manager
Rhyl High Bryn Hedydd Christchurch Emmanuel Llywelyn Y Castell	Blessed Edward Jones Mair	Prestatyn High	Bodnant Clawdd Offa Hiraddug Melyd Penmorfa	Tir Morfa Plas Brondyffryn

4.5 The School Budget Forum approved a revision to the funding formula for schools which resulted in allocations being given to schools for the funding of the project as follows:

Sector	No. of pupils	Days per week - Business	Days per week - Finance	Total £ Budget
Primary	< 105	0.25	0.25	4,104
Primary	>105	0.50	0.50	8,208
Secondary	<500	1.25	1.25	20,521
Secondary	>500	2.50	2.50	41,042
Special	-	1.25	1.25	20,521

4.6 The funding allocated as per the table was sufficient to cover the recommended equivalent number of days for each post. Schools chose how they wanted to deploy the funding within their cluster in order to fund both elements of the project. The model detailed in 4.5 above was the final funded model that went live in April 2012

- 4.7 The implementation of the Finance Managers has significantly improved the financial position of schools with 2012-13 figures suggesting that the number of schools in financial difficulty will have reduced from 8 to 2. It has also increased our ability to deal more proactively with issues in schools by ensuring early training and intervention is provided for key issues.
- 4.8 This model has been recognised as best practice by Estyn and also across other Local Authorities in Wales. It has also been widely praised across Denbighshire as all services have seen a significant increase in the ability to engage more proactively with all of our schools.
- 4.9 The project has developed significantly from its original proposal with GAIA Technologies now adopting the model for our Schools ICT support and Corporate HR are working with schools to develop a similar model for HR support.
- 4.10 A monthly network meeting is held with all Business and Finance Managers to discuss and develop specific areas across schools including with the forward work programme focussing on key areas including Financial management, Procurement, Training & Development, Health & Safety, Commissioning, HR. This group will be pivotal in transforming the way support services in schools work in the future.

5. How does the decision contribute to the Corporate Priorities?

- 5.1 It will free up Head Teacher time in schools and ensure the effective use of resources is being maintained thus supporting the raising and maintaining of levels of attainment and achievement which contributes to the priority of Modernising Education.

6. What will it cost and how will it affect other services?

- 6.1 The total cost of the model is £630k. This equates to £410k of expenditure already being incurred against the existing Secondary School Business Managers, £90k from the cessation of the Schools central LMS service and the remaining £220k was new money transferred into the total school budget from the schools non-delegated budget.
- 6.2 The Central LMS Service ceased on 31st March 2012 resulting in the loss of 2 posts within the Education Finance Team. One post was successful in being slotted into a School Finance Manager Post and the other post requested early retirement. The total funding for this central service was delegated in full to the schools to contribute towards the funding of the new model.

7. What consultations have been carried out?

7.1 The School Budget Forum, Chair of Governors Forum and the Joint Consultative Committee were involved in the initial consultation on this project

8. What risks are there and is there anything we can do to reduce them?

8.1 If schools fail to identify savings early then the deficit continues to build up therefore making the recovery process harder and longer. It is vital that schools are proactive in identifying risk areas early to allow savings to be identified as early as possible. The Building Capacity in Schools project aims to build the support that will mitigate against this risk.

8.2 This model requires greater emphasis on training and development of Business and Finance Managers and whilst they are employed by Schools there is still a direct line of accountability back to the Local Authority to ensure that statutory responsibilities are fulfilled. The monthly Business and Finance Network provides regular support for the officers on all aspects of the role to ensure this risk is reduced.

9. Power to make the Decision

9.1 The Denbighshire Scheme for Financing Schools and the Schools Funding Regulations govern the financial management arrangements in schools and give LA's the power to intervene where necessary.

Contact Officers:

Head of Customer Care and Education Support
01824 712620

Education Finance Manager
01824 712633