

MEETING:	SCHOOLS FORUM
DATE:	31 JANUARY 2011
TITLE OF REPORT:	SERVICE LEVEL AGREEMENTS FOR 2011/12
OFFICER:	Assistant Director, Planning, Performance and Development, Children and Young People Services

Open

Wards Affected

County-wide

Purpose

To update schools forum on the steps being taken to establish service level agreements (SLAs) for 2011/12

Recommendation

THAT:

Schools Forum note the progress being made to establish a comprehensive range of SLAs and comment on any improvements that could be made;

Key Points Summary

- The use of SLAs has developed over the past two financial years from a low basis in Herefordshire. 2010/11 was the first year when all school were enabled to explicitly purchase a range of services.
- 2011/12 was always set to see an expansion of the SLA approach to cover a range of services within the children and young people's directorate. The new government agenda, including the move to more schools becoming Academies as well as the changes to the way services at a school and council level are funded, has accelerated the need for a more developed approach.
- In preparation for SLAs taking effect for the 2011/12 financial year a market place event has been arranged for 10 February 2011 to enable schools to discuss the wide range of individual services being offered with those responsible for delivering those services and so gain a more detailed understanding of the processes involved in signing up for SLAs.
- The costs for services will reflect the need to provide high quality, cost effective services for all schools in Herefordshire that compare favourably with other potential providers, including other local authorities in the surrounding area. Financial work in this area has also revealed that some services have been subsidised for schools by the Council over a number of years.

Further information on the subject of this report is available from
Christopher Baird, Assistant Director, Planning, Performance and Development 01432 260264

- Herefordshire's SLA approach will be further developed through the coming year to respond to schools' views on those services they most value and require in the future. It will also change to incorporate initiatives such as the Shared Services in Herefordshire that will affect a range of corporate services, for example human resources, legal services, and property services.

Alternative Options

- 1 No alternatives are presented as this is an update report.

Reasons for Recommendations

- 2 The new funding arrangements and the emerging role of the local authority mean that schools will have a much greater choice regarding which services they use and therefore purchase. Herefordshire is putting in place a more comprehensive suite of services for schools to purchase. Many of these reflect existing service arrangements with schools, some reflect the shift in funding and the move of some budgets into dedicated schools grant (standards fund for example). There have also been significant cuts in the local authority budgets, including grants previously covered by Area Based Grant. Schools will have the opportunity to exercise choice across a range of service areas. However, if sufficient schools do not wish to purchase some services then these will no longer exist as services provided by Herefordshire Council.

Introduction and Background

- 3 The national and local context now places all schools in a much stronger role as purchasers of services. Herefordshire's high level of delegation has meant that schools in Herefordshire have been used to providing a range of services themselves. However, the system of SLAs has required significant development over the past two years. This is set to continue with the shifting role of schools and the local authority, underpinned by significant changes in funding mechanisms and also levels of funding.

Key Considerations

- 4 There has been a strong take up of many of Herefordshire Council's services by schools. The following sets out the percentage take up across all schools and PRUs of the different services offered for 2010/11.

Service Area	Percentage take up for 2010/11 financial year
Creditor Payments	92%
Curriculum ICT Hands on support	74%
Facilities Management	97%
Human Resources	100%
ICT – Broadband	100%

Service Area continued	Percentage take up for 2010/11 financial year
SIMS Application Support	96%
SIMS FMS Support	18%
ICT technical support (weekly)	1%
ICT technical support (bi	8%
ICT technical support 3	8%
Legal Services	100%
LMS Budget Support (Basic)	46%
LMS Budget Support (Enhanced)	54%
Bank Account Support	7%
Occupational Health	100%
Payroll	100%
Property Maintenance and Improvement	99%
Risk Management and Insurance	100%
Schools Library Service	95%
Staffing and Appointments	100%

- 5 A revised suite of SLAs is under development and will be available for schools to consider in February 2011. To improve the access to service information a revised SLA book will be available for 2011/12, with an additional folder containing the details of each service offer. Both will be available for all schools, with the latter forming a folder that can be updated year on year. Academies will be provided with a separate Academies SLA booklet as some of the services on offer will need to cover this additional dimension.
- 6 A market place event has been established to enable schools to discuss the service offers in more detail with individual services. The event on the 10th February 2011 will also set out the process for choosing services and also the costs. The services listed below are examples of those that will be available, as well as those listed above (some will be on offer to Academies only due to the different split of funding and responsibilities.):
- Admissions, applications and appeals support
 - Locality Services
 - Educational Welfare
 - Child Anxiety Intervention Programme
 - Extended Services for Disadvantaged Pupils
 - Youth Support Services
 - Triple P Parenting Group Programme

- School Improvement
 - ICT Curriculum Support
 - ICT VLE Support
 - Governor Services
 - CPD and Professional Development
 - Newly Qualified Teacher (NQT) Programme
- Special or Additional Educational Needs
 - Learning Support
 - Literacy and Numeracy Difficulties
 - Behaviour Support
 - English as an Additional Language*
 - Language and Communication Needs*
 - Educational Psychology*
 - Services for the Hearing and Visually Impaired*

(* Note: some elements of these services will remain at no cost to schools in Herefordshire)

Community Impact

- 7 The changes in national policy and funding in relation to schools and the local authority will potentially have a profound impact on the community of schools in Herefordshire. The local authority wishes to support all state schools in Herefordshire, irrespective of status as it is in the best interests of children and young people growing up in Herefordshire. National government, through the Academies Act 2010 and the Education White Paper has placed a range of responsibilities more firmly under the direct management of individual schools. SLAs provide a vehicle for schools to purchase services which will benefit the management and leadership of schools, as well as enhancing the curriculum and providing services for targeted groups. There is however the risk of services not being available for some schools if others do not purchase them.

Financial Implications

- 8 The services covered by SLAs in 2010/11 amounted to c.£2.2m. This money was delegated to schools and then schools determined whether they bought back each service. 2011/12 presents a much more complex picture. The changes in national funding in terms of total amounts, and in terms of removing some grants, placing other grants such as some standards fund in dedicated schools grant, and changing some national requirements for local delivery also need to be set alongside the Academies Act and requirements for top slicing money to Academy Schools' budgets.
- 9 Herefordshire Council aims to support schools with high quality, cost effective services which respond to schools at a local level, with all the advantages of quality assurance, local relationships and knowledge. Cost will therefore be competitive with the market, where markets exist. Council services are looking at what full cost recovery might mean, whilst also being mindful of the impact on schools. Changes such as the moved to Shared Services will also affect costs and Herefordshire's approach will develop over the next two financial years.
- 10 Academies will be charged the appropriate amount for the services on offer i.e. they will only be charged additional amounts if the services they take up are provided at a different level to those schools directly within the local authority. The Academies Act 2010 and subsequent work by the Department of Education has taken a somewhat simplistic approach to top slicing and the local authority will work with Academy Schools to be clear about what responsibilities have followed the funding top slice.

11 The risks associated with SLAs is covered below.

Legal Implications

12 The legal framework for SLAs was established through the local management of schools legislation. In other parts of the country this has been more actively pursued over a longer period of time than in Herefordshire. The recent Education White Paper affirms some of the approaches to individual school determination that are already available in legislation. The Academies Act 2010 established a further range of legal requirements which schools the local authority are complying with as some schools choose to move to Academy status. SLAs provide vehicles for all schools to buy back services that they value.

Risk Management

13 The SLA approach enables schools to purchase services and for any dissatisfaction with services to be managed through a clear process, beginning with individual service leads. A further range of services are being offered through the SLA approach for 2011/12. Many of these have been used by schools; some such as Governor Services are expanded services to meet school requirements. However, if a sufficient number of schools do not buy back individual services then the Council may not be able to afford to provide the service to those schools that do indicate they want to buy the service back. This picture is compounded by the impact of Academies and of large schools and their choices, since much of the funding follows an individual pupil methodology. Despite national headlines, schools in Herefordshire, like the local authority, face very challenging financial times.

14 This is the first year for this expanded SLA approach to be tried in Herefordshire and the outcome is unknown at this stage. However, the services on offer are similar in many cases to the range of services on offer to schools in other parts of the country by local authorities in those areas.

Consultees

14 None in terms of this paper.

Appendices

15 None

Background Papers

- None identified.