

The background of the slide features a large, light blue watermark of the City of Vancouver's coat of arms. The crest includes a crown with four maple leaves, a shield divided into four quadrants (top-left: a ship, top-right: a stag, bottom-left: a ship, bottom-right: a grizzly bear), and a banner at the bottom with the motto 'CITY OF VANCOUVER' in French. The text 'Agenda Item 5' is centered over the shield.

Agenda Item 5

**Implementing the Council's Medium
Term Financial Plan (MTFP) In Schools –
Update Report**

Falkirk Council

Title: Implementing the Council's Medium Term Financial Plan (MTFP) In Schools – Update Report
Meeting: Education Executive
Date: 29 January 2019
Submitted By: Director of Children's Services

1. Purpose of Report

The purpose of this report is to report back to Education Executive on the outcomes from the development of school's budget savings plans as agreed by Education Executive on 6 November 2018.

2. Recommendations

2.1 The Education Executive is asked to note:

- i) the consultation carried out by both Children's Services and primary and secondary schools;
- ii) the budget options put forward by the primary and secondary school sectors which will now be included within the Council's overall budget process.

3. Background

Medium Term Financial Plan (MTFP)

3.1 Children's Services were set a £5.853m savings target for 2019/20 as part of the Council's MTFP as endorsed by the Executive on 25 September 2018.

3.2 The Education Executive on 6 November agreed:

- a strategic approach to identify specific savings based on the underlying principles of both Devolved School Management (DSM) and the national "Empowering Schools" context;
- that the proportionate savings targets to be consulted on for both the primary and secondary school sectors should be £1.8m and £2.5m respectively;
- a consultation process should take place between 19 November and 14 December 2018 involving relevant stakeholders; and
- a report outlining the development of the schools savings options should be presented to this meeting.

4. Considerations

Consultation Undertaken

4.1 During the consultation period, several key engagements were progressed:

- Headteachers locally engaged with Parent Councils/parents and staff about the budget challenges faced and the potential savings options that could be considered;
- the Director of Children's Services wrote to Parent Council Chairpersons on 13 and 30 November 2018 regarding school budgets and the implementation of the Council's MTFP;
- Senior Officers from Children's Services and Finance Services met with Parent Council Chairs and representatives at Falkirk High School on 4 December 2018;
- Children's Services Senior Leadership Team met with Headteacher groups from both school sectors during the consultation period; and
- all Managers within Children's Services, including Headteachers, held briefing sessions with their staff to update them on the wider Council budget position as stated within the MTFP.

Feedback from the Consultation Exercise – Meeting with Parent Councils

4.2 At the meeting with Parent Councils the following points of concern were raised:

- that reductions to schools budgets would impact directly on children's attainment and curricular offers;
- reduction in teacher numbers would mean bigger classes, less flexibility, less pastoral and ASN support and poorer educational and curricular experiences;
- that schools budgets should be protected; and
- support staff numbers have already been reduced in previous years.

4.3 During the meeting, views were also expressed on a number of other potential budget saving options. It was agreed that options will be considered by Children's Services and that further meetings would be held with Parent Councils, starting early in 2019, to look at budget matters and savings options to be developed to support the Council's MTFP.

It was also highlighted that ASN provision would be protected, where possible.

Feedback from the Consultation Exercise – Written Responses

4.4 In total, Children's Services received 269 responses, comprising of:

- 4 collective/group responses (i.e. Parent Councils etc.);

- 263 individual responses; and
- 2 Elected Members/MSPs.

4.5 Many of the responses cited that they were opposed to cuts in schools and others made specific comments in line with those given in 4.2 above. A few responses from parents commented on the potential impact that budget cuts may have on their own children's current education provision, by way of:

- larger class sizes;
- reduction in subject choices at national 5 onwards;
- potentially shorter school days; and
- less staff for supervision of pupils.

Budget Savings Options Tabled By the Primary and Secondary School Sectors

- 4.6 During the consultation period, Headteachers opted to work collegiately and pragmatically within their individual school sectors to discuss and consider the budget options available to them before agreeing on their collective submissions.
- 4.7 The outcome of this process has been that various savings options have been identified to achieve the overall savings targets of £1.8m and £2.5m, for both the primary and secondary school sectors respectively. Full details of those savings options and impact assessments are provided in Appendix 1.

Next Steps in the MTFP/Budget Process

- 4.8 The above budget savings options will now be incorporated within the wider and overall Children's Services budget savings options which will be the subject of wider discussion and consultation within the overall Council Budget and MTFP process.
- 4.9 Children's Services have arranged a further meeting with Parent Councils on 31 January 2019.

5. Consultation

- 5.1 Sections 4.1 – 4.5 outline the various aspects of consultation undertaken and the feedback received during and as part of this exercise.
- 5.2 Section 4.8 and 4.9 confirms that the outcomes from this budget exercise will be subject of wider consultation as part of the overall Council Budget process and that a further meeting will be held with Parent Councils.

6. Implications

Financial / Resources

- 6.1 Details of the total budget savings options and the estimated impact on staffing resources are provided in Appendix 1.

Legal

- 6.2 None

Risk

- 6.3 In considering options taken forward to the overall Council budget process, Members would need to be mindful of any impact budget options would have on our PTR figure remaining consistent with the national figure.
- 6.4 All of the budget options outlined in Appendix 1 will be subject to the normal Equality, Poverty and Impact Assessments (EPIAs) in the same way that all other budget savings options are.

Equalities

- 6.5 See Section 6.3

Sustainability/Environmental Impact

- 6.6 None

7. Conclusions

- 7.1 There can be no doubt the current level of budget savings that the Council estimates that it needs to make will have a direct impact on the primary and secondary school sector which account for c£139m (73%) of Children's Services overall budget of c£189m. Falkirk Headteachers and senior officers have worked hard to try to minimise the impact that any of the budget savings proposals would have on the extensive educational and curricular provision currently offered within our schools.
- 7.2 Given the MTFP forecasts that similar savings will be required in each of the 4 subsequent years significant work will be required to look at new, creative and innovative ways that Children's Services must adopt to fundamentally review current service delivery and provision.
- 7.3 Children's Services have already agreed to work collectively with both Headteachers and Parent Councils to consider how we can re-shape education provision and the curriculum offer within our schools in the future. These meetings will start early in 2019.

Director of Children's Services

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Appendix

- Appendix 1 – Details of sectoral submissions and provides an impact assessment of these options.

List of Background Papers:

- Education Executive 6 November 2018 - Implementing the Council's Medium Term Financial Plan in Falkirk Schools
- Executive Committee 25 September 2018 - Medium Term Financial Plan

MTFP – Schools Budget Savings Options

1. Primary School Sector	£M Academic (Full Year)	Financial Year Split		Staff (FTE)	Outcomes/Risk Impact/Assessment
		2019/20 £m	2020/21 £m		
i) Re-design of teaching support in nursery classes aligned with use of graduate childcare professionals	0.830	0.519	0.311	20.0	<ul style="list-style-type: none"> Many Councils have already done this. Early Learning Staff will be recruited as part of the expansion plans. Teaching support in nurseries is not included in PTR calculations.
ii) Removal of discretionary support provided for schools (i.e. for additional classes)	0.287	0.179	0.108	7.0	<ul style="list-style-type: none"> Less class configuration flexibility for Headteachers. Larger class sizes may arise in some schools.
iii) Children's Services to review allocations in the following areas: <ul style="list-style-type: none"> SFLAs Supplies & Services Other school support 	0.683	0.426	0.257	Est 27.0	<ul style="list-style-type: none"> Affect pupil supervision in schools. Reduce pupil support in classes. Reduction in purchasing power.
PRIMARY TOTALS	1.800	1.124	0.676	54.0	-

2. Secondary School Sector	£M Academic (Full Year)	Financial Year Split		Staff (FTE)	Outcomes/Risk Impact/Assessment
		2019/20 £m	2020/21 £m		
i) Re-provision of school registration process	0.693	0.433	0.260	16.7	<ul style="list-style-type: none"> SEEMIS period by period registration system to be used. Re-align school pastoral support.
ii) Adjusting demographic growth provision	0.402	0.251	0.151	10.0	<ul style="list-style-type: none"> Schools would forego increased staffing planned to meet those increasing rolls
iii) Reducing teachers across all schools	1.405	0.878	0.527	34.5	<ul style="list-style-type: none"> Headteachers have intimated that 10fte could be achieved with manageable reductions in Education and Curricular provision. Reductions beyond that would mean major reductions in curricular options and cessation of most Advanced Highers.
SECONDARY TOTALS	2.500	1.562	0.938	61.2	-
SCHOOLS OVERALL TOTALS	4.300	2.686	1.614	115.2	-