

---

# Central South Consortium Joint Education Service

## Phase 1 - School Improvement Five Authority Model

### Draft Outline Business Case

Version 1.1



---

# *Contents*

---

<i>1. Executive Summary</i>	<i>3</i>
<i>2. Background and Vision</i>	<i>11</i>
2.1 Background – why we need to change	11
2.2 Vision – what we aim to achieve	17
<hr/>	
<i>3. Operating Model</i>	<i>19</i>
3.1 Principles and Overview	19
3.2 Scope of Service	20
3.3 Governance Structure	25
3.4 Organisation Structure	28
<hr/>	
<i>4. Financial and Resource Model</i>	<i>31</i>
<i>5. Traded Service – Initial Assumptions</i>	<i>41</i>
<i>6. Phase 1 Transition Plan</i>	<i>45</i>
Outline Transition Plan	46

---

# 1. Executive Summary

## Purpose of this Document

This document describes the rationale and approach for establishing a joint school improvement service between Vale of Glamorgan, Merthyr Tydfil, Rhondda Cynon Taf, Bridgend and Cardiff councils. It sets out the scope of service to be provided, the effort required to deliver the service, how the service will be governed and organised and the outline financial case for the service.

This is Phase 1 of a longer plan to aggregate a range of education authority services at consortium level.

At this stage the document is an outline business case subject to detailed design. It has been prepared by senior managers from the five authorities with review from the Director group. At this stage the group has not consulted more formally within each local authority, with Welsh Government or with schools.

The following summarises the key messages.

## Background and Vision

At present three of the authorities in the consortium source school improvement services from the Education and School Improvement Services (ESIS). This was established in 1996 to provide both challenge and intervention and a range of traded support services that schools commission directly. The Vale of Glamorgan and Cardiff councils retain school improvement services and do not use ESIS.

The authorities recognise that although the current model has performed well it will not be sufficient to support future school improvement whilst remaining financially viable in the future. The pressures forcing the change are as follows:

- A renewed national focus on improvement services to address the findings of PISA.
- A presumption for regional collaboration based on four national consortia.
- Significant financial pressures on member authorities
- The parallel need for both a step change in the rigour of challenge and intervention and an increase in delegation to allow schools greater freedom in commissioning support services.
- The need to ensure that the accountabilities of schools and local authorities are clear.
- A recognition of the difficulty in delivering a robust challenge role and a responsive traded service role in the same organisation without a potential conflict of interest.

To address these issues the consortium wish to establish a Joint Education Service (JES) that operates separately from a traded service and has a primary objective and the means such that in three years the consortium schools will universally achieve good outcomes as measured by Estyn inspections.

The authorities have also committed to increase delegation rates to schools to 80% by 2012/13.

## Scope of Service

The above vision will require a departure from the existing model of schools support. The current shared model of school improvement as operated by ESIS, Vale of Glamorgan and Cardiff councils will be split into two components:

- **Joint Education Service** – that focuses purely on delivering the LA responsibility to drive up standards in our schools through challenge and intervention, using robust data holding schools to account for their educational performance and by ensuring delivery of key national strategies.
- **Traded Services** – focusing on delivering traded support services that schools may choose to use to support their improvement plans. Each school will commission the services it needs to execute the improvement plans agreed with the JES.

A key principle of the Joint Education Service is that it is able to focus on rigorous monitoring and challenge of schools without the distraction of selling a wide range of support services that schools may need to support their improvement. Therefore, the JES will not provide general support services.

---

Any additional support required to execute the improvement plans agreed with the JES will be commissioned by schools from the Traded Service or from other bodies. This aligns with the national intention to increase funding delegated to schools and to enable increasing self reliance in the school system.

The bulk of this business case addresses the creation of a Joint Education Service. Some initial work has been undertaken to define the scope and approach to a Traded Service. This is set out in Section 5.

## Joint Education Service

### Joint Education Service – Operating Model

The Joint Education Services are grouped as follows:

- **Universal Services** – all schools will receive an annual monitoring and challenge package based around securing an improvement plan based on evidence of performance as assessed by the headteacher, governors and local authority. All headteachers will be supported through an annual performance process. The JES service will lead on the new statutory training of governors. These services will be provided by a pool of “system leads” working to a national job specification.
- **Additional intervention** – where performance issues are identified by the service, the local authority or Estyn a tiered package of further improvement challenge and monitoring will be provided depending on the level of concern registered. This additional intervention will be focused on schools in most need of support irrespective of in which authority they reside.
- **National priorities** – the consortium will deliver a common strategy and support for key curriculum areas, primarily numeracy and literacy but including a range of other areas. This will ensure a common response to national strategy and ensure that systems leads working with schools are best equipped. In addition to the strategic leadership role the JES will also provide resources where these are currently funded by national grants, for example the Athrawon Bro service.
- **Casework Services** – JES will work with Estyn and schools on pre and post inspection reports, will monitor the induction of NQTs, support senior appointments and schools reorganisation.
- **Enabling Services** – the JES will hold the single view of performance data for the consortium such that an overall improvement strategy can be developed and executed and the quality systems to ensure the system lead role is effective in delivering the above. Although the JES will not deliver traded support services currently commissioned by schools, it will provide a brokerage role advising the school on how to commission further improvement services and understanding and shaping the market to ensure support services are available to be commissioned.
- **Authority Link** - JES will provide a link role for each authority that in addition to performing elements of the above services will be available as a direct conduit to feed in the needs of the authority and co-ordinate a JES response. The equivalent role on the side of the authority will be a “School Improvement Lead” who will act as the authority intelligent customer for improvement services.

The resourcing of the above has been assessed by estimating effort in delivering each role and building from a zero base to a total establishment. As such an establishment of 76 FTE will be required to deliver the above and support and manage the service.

This includes 5 FTE that will remain with each authority as a “School Improvement Lead” providing a client function for the JES.

This also includes the Athrawon Bro team of 17 which although not directly delivering challenge and intervention are a key grant funded support service to schools.

Finally to provide an ability to respond to need for the development of specific improvement programmes the JES will retain a budget of £600,000 for commissioned services. This budget may be used to commission work from other third party providers including traded services or from seconded school staff.

---

## Joint Education Service - Governance Structure

The current ESIS supports three of the five authorities and is governed on a joint member committee basis with each sovereign authority delegating selected governance powers. Beneath this a board of management meets four times each year with the Chief Executive of ESIS.

As the national position on the governance of education services is as yet unclear and as the time pressure for implementing the new service is significant, a decision has been taken to adapt the current governance structure, rather than adopt a significantly new model – for example a move to a limited company.

As such we will:

- Establish a new joint committee representing five authorities
- Create a joint operational group of the Heads of Service and the Head of JES to actively shape and direct the work of the JES.
- Investigate the creation a single employing authority to replace the current four authority secondment model operated by ESIS. This offers potentially the best operational approach for the JES.

This governance model will be agreed for the first phase of JES. It may be adjusted as the service matures and as additional services are delivered on a regional basis.

The governance of the traded service is likely to be undertaken through a separate joint committee with a reference group of school representatives.

## Joint Education Service - Organisation

The future establishment of the first phase of JES will comprise 71 under a Head of Service with a further 5 client roles residing in each authority. The key elements of this are as follows:

- **LA Link System Leaders** – five senior system leaders that in addition to delivering challenge and support to schools will have the primary role of understanding the needs of an individual authority and co-ordinating the JES services to that authority. They will face a “School Improvement Lead” in the authority who will act as an intelligent client.
- **System Leader Pool** – a single pool of system leaders will deliver challenge and intervention services to schools. How these resources will be configured is not yet clear. The likely organisation is by phase with an approach to maintain relationships with schools. The service will avoid authority silos. To provide a balance and ensure value some system leaders will also take lead responsibility for national priority areas.
- **Deployment Support and Administration** – to ensure that the system leaders are effective a resourcing and administrative team will provide logistical, translation and other support.
- **Strategy Team** – a small strategy team will own the overall improvement strategy, provide a brokerage service to schools and will lead on literacy and numeracy. This team will also own the master data and provide statistical services to the JES. The strategy team will also remain responsible for communication and system lead training. Finally, as this is only Phase 1 of the JES the team will include a service development role responsible for pulling in further education services.
- A single corporate services role will provide financial management support and will act as the client for a host authority from which JES would source technology, HR and facilities support.

## Joint Education Service – Financial and Resource Model

### Staff Costs

The five authorities currently spend £5.8m on staff delivering work that will be in the scope of JES representing 115 FTEs. This excludes staff who currently provide additional support to schools. These are described further in the section on Traded Services below.

The future establishment for the Joint Education Service will be 76 FTEs. These calculations are set out in Section 4 and Appendix 1.

This represents a reduction of 60% in the costs of administration and support due to economies of scale and 40% reduction in the cost of delivering national priority, challenge, monitoring and intervention work due to a consortium approach and a new system leader model. This represents an overall net reduction of 39 posts with a significant shift in investment towards front line school improvement.

### **Non Staff Costs**

Currently the five authorities spend £820,000 on accommodation, expenses and supplies and service for the staff within the scope of the JES. Assuming the use of Ty Dysgu (current ESIS accommodation) and a reduction in the variable costs currently incurred by each authority the non staff costs incurred by authorities will reduce to £670,000.

This assumes the continuing operation of a separate traded service to take a share of the fixed costs of Ty Dysgu. Should a traded service not be able to share this building an additional cost of £392,000 will be incurred by JES unless alternative lower cost accommodation is found.

### **Overall Shift in Cost**

The following table summarises an overall reduction in the baseline cost of £689,000 from moving to a consortium model for Joint Education Services.

<b>Element</b>	<b>Cost</b>
Current Staffing Cost	5,793,561
Current Non-Staff Costs	820,482
<b>Total</b>	<b>6,614,044</b>
Future Staffing Cost	4,645,781
Future Commissioned Services	609,368
Future Non Staff Costs	670,001
<b>Total</b>	<b>5,925,150</b>
<i>Variance with Current</i>	<i>-688,894</i>

### **Salary Models**

The effectiveness of the JES in practice will be largely determined by the calibre of its professional staff. In order to safeguard the recruitment and retention of very high quality System Leaders who can meet and exceed the required national standards, the standard target salary for System Leader posts within the JES has been benchmarked at the range 18-21 of the national Soulbury scale, with the possibility of progression through a further three SPA points.

This salary range is commensurate with the level of knowledge, expertise and experience required by the new System Leader role and broadly equates to that of senior advisers within the current school improvement services, both in the consortium and across Wales and the UK. Points of assimilation to this range will depend on current salary and progression through it will be subject to national terms and conditions.

---

## Traded Service

### Operating Model and Organisation

The authorities recognise that the ability of schools to source excellent support services is a critical element of school improvement.

They recognise that the decommissioning the current traded service would transfer an additional £392,000 of fixed cost onto JES and would require redundancy payments of £1.69m assuming all staff were subject to severance based on the average redundancy assumptions stated in Section 4.

Therefore it is the intention of the authorities to establish a new traded service to respond to the requirements of schools and develop a service offer that can be delivered on a cost recovery basis.

Over the past 10 years schools have often been dependent on local authorities for continuing professional development and specific whole school or subject area specialist training. The market for such provision in Wales is limited at present and schools have benefited financially from the risk of such traded services being borne by the local authorities.

Therefore, the Traded Service will be a schools' led model, invested in and governed in partnership with the five local authorities. If the Traded Services provides a range of services that schools value, it will be a very viable, freestanding operation and will make a substantial contribution to a raising school standards.

The future establishment of the Traded Services will depend on the service offer agreed with schools. However initial analysis suggests that an establishment of 31.5 posts under a Head of Service, with a commissioning budget to buy in specialist staff as required to meet school demands will be supportable.

The assumptions behind the trading model are set out in Section 5.

### Financial and Resource Model – Traded Service

To ensure the future operational and financial viability of the Traded Service, the Service needs to generate an annual income of approximately £3.1m.

To secure this, 90% of the schools across the five local authorities would have to purchase to the value of 30% of their School Effectiveness Grant. Schools from other regional consortia areas could also be offered the opportunity to buy in to the service.

Before, the Traded Service is commissioned in September 2012, schools will be expected to make a forward commitment to services based on a value proposition to be developed.

This would allow the traded service to operate on a cost recovery basis with **no call on local authority subsidy**. The presence of a traded service reduces the severance bill on the authorities and substantially reduces the fixed costs of operating the Joint Education Service through sharing accommodation and support costs.

The above does not include additional revenue for the traded service arising from the JES commissioning services to support national priorities using it's commissioning budget.

## Transition Plan

The transition from the current arrangements will apply the following principles.

- ESIS will cease to exist.
- The JES will be commissioned and take on workload and resources from the constituent authorities and ESIS. Authorities will not retain resources undertaking work that is within the scope of the JES.
- A future traded service will be established providing services required by schools on a cost recovery basis.
- Staff delivering work that will be covered by the Joint Education Service will be recruited into the new establishment.

The intention is to deliver an operational service at the start of the Autumn term in 2012. To achieve this the following key milestones will be targeted:

- End November – End January – decision to proceed subject to Welsh Government funding and the completion of detailed design, legal and financial agreement.
- End January – detailed design is completed with structures and role definitions sufficient to commence staff consultation and prepare a budget such that 2012 budget process is supported.
- End March – decision to implement following completion of consultation.
- End March – design of supporting data and systems complete and a draft school improvement strategy for the consortium and work take-on plan.
- End June – recruitment to a shadow structure is completed.
- End July – initial training of system leads is completed, facilities, systems and working procedures are completed and work take-on is completed.
- End August – operational go-live.

To achieve the above the project must be and adequately resourced. A full time project manager has been appointed and a programme structure established with Directors and Heads of Service from each authority. Lead officers for finance and people issues have been appointed. Further details on programme resources and structure are set out in Section 6.

## Funding and Affordability Model

### Operating Costs

Section 4 sets out the funding and affordability model for the Joint Education Service. Each authority has identified the specific budgets that would be released to fund the JES. Specific funding budgets of £6.70m are currently expended on services that will move into the JES.

The authorities have initially discussed that an equitable approach to funding the future JES service would be to use a formula based allocation based on the IBA less those elements that are not directly relevant to school improvement. This ensures that the funding allocation recognises the social demands on each authority in addition to its size and geography. The exact funding model will be agreed during detailed design.

The following table summarises the contribution required of each authority to the operating expenditure of the JES assuming this model was applied.

Affordability Calculations	Bridgend	Merthyr	RCT	Vale	Cardiff	Total
2011/12	£	£	£	£	£	£
<b>Total Current Funding - In Scope Services</b>	963,469	432,926	1,739,276	929,017	2,643,174	6,707,863
<b>Basis of Funding Split - Adjusted IBA £</b>	80,837,670	34,793,138	145,925,973	75,441,236	175,603,000	512,601,017
<b>Basis of Funding Split - Adjusted IBA %</b>	15.77%	6.79%	28.47%	14.72%	34.26%	1
<b>Future JES cost base</b>						5,925,150
<b>Contribution £</b>	934,402	402,174	1,686,757	872,024	2,029,793	5,925,150
<b>Variance from current funding</b>	<b>-29,068</b>	<b>-30,753</b>	<b>-52,519</b>	<b>-56,993</b>	<b>-613,381</b>	<b>-782,713</b>

---

On this basis all authorities would make savings against current funding. This is based on 2011/12 expenditure. These authorities may already have made commitments of this level of saving to meet current budget reductions. For example the Vale of Glamorgan, has already committed these savings in budget forecasts by 2013/14.

We have assumed that the traded service would operate based on income from schools and would not require a local authority subsidy. Currently, four of the five councils recover costs to cover the work they would transfer to the traded service. The Vale of Glamorgan currently offer services at no cost and would need to agree to charge for services with schools.

## **Transition Costs**

### **Severance**

The most significant transition cost will be from the severance of staff as post numbers fall by 39 with the creation of the JES. Costs of £2.08m will be incurred assuming that 42.8 staff are released on an average age profile including an assumption that 10% of JES posts cannot be filled by existing staff.

In addition to this the shift to a traded service will incur severance costs of £168,000. However, should the traded service not provide viable it will be decommissioned incurring severance costs for all 33 current staff.

Therefore, the worst case severance position is the loss of 75.6 posts with staff over 55 making up the majority of the loss. This would incur a cost of £4.532m.

This does not take into account at this point a number of vacancies that exist within the establishment. The effect of vacancies will reduce the overall severance cost.

### **Other Costs**

Transition project staffing costs will be £550,000 with a further £360,000 provided for the departure of Caerphilly as IT provider, the reconfiguration of Ty Dysgu to accommodate increased staff numbers and the training and induction of JES staff.

The project staffing costs identified here take into account the need to start work on defining the further transition of education services to JES.

**Therefore the total severance and transition costs will range from £4m to £5,6m depending on the viability of the traded service. This can be part funded by the £1m capacity grant but the remainder will require support from the spend to save fund.**

**Each council in the consortium gains financial benefit and incurs severance costs at different rates. This will depend on this business case and local policy. The payback of the invest to save loan from the savings generated will vary considerably. Some councils may require to payback over 20 years.**

**It is evident that the invest to save payback will use funds that could otherwise be deployed to schools. If additional capacity grant was available up front schools would benefit more quickly.**

## **Conclusion**

This business case sets out a model for consortium school improvement services as a first phase of the implementation of a Joint Education Service. It identifies a model for the service that each authority can agree and complies with the intentions of Welsh Government for consortia delivery and school improvement.

It is based on the following key assumptions:

- The separation of a robust challenge and intervention organisation working to execute the statutory responsibilities of the member authorities from a trading support organisation and working to provide schools with the support services they wish to commission.
- The appointment of an establishment of senior education professionals as system leaders working to a national job description.

- 
- The retention of a single school improvement client role within each authority to ensure the school improvement work undertaken by the JES is co-ordinated with other education and children's services work.
  - The joint funding of the JES school improvement service by 5 authorities as Phase 1 of a regional education service. The funding allocation based on an equitable IBA based model.
  - The maintenance of a viable traded service supporting schools on a cost recovery basis. If this is not deliverable then further significant overhead and severance costs will be incurred. This is set out in Section 5.
  - That funding for school improvement services remains in proportion to the needs of schools.

We recommend that the approach set out in this document is approved and progressed on the following basis:

- That the service delivers a fit for purpose school improvement service at a lower cost and well within current funding for each member authority and the consortium as a whole.
- That the designed service meets authority and Welsh Government requirements.

Further detailed design is required to determine exactly how the new service will operate, how a traded service will work on a cost recovery basis and how staff will be selected and transition to the new service. This will also include agreement on governance and financial arrangements. This will be done jointly by the authorities in consultation with members, senior officers, schools, governors, unions and the Welsh Government.

---

## ***2. Background and Vision***

### ***2.1 Background – why we need to change***

#### **Introduction**

At present Bridgend, Cardiff, Merthyr Tydfil, Rhondda Cynon Taf and Vale of Glamorgan councils provide local authority education services. Each council provides a range of statutory and traded services under a Director of Education / Chief Education Officer.

Three of the authorities provide school improvement services jointly via the Education and School Improvement Service (ESIS). The Vale of Glamorgan and Cardiff councils provide school improvement services directly. Caerphilly council also uses ESIS but in future will deliver its services in consortium with the South East group of authorities.

The five councils have established that the current provision of services is not financially sustainable, will not adequately support schools' improvement and does not address the direction set by Welsh Government towards regional service provision.

This business case tests whether the five councils can meet these objectives more effectively as a consortium operating a Joint Education Service, initially focused on schools improvement.

#### **Drivers of Change**

The Joint Education Service must allow the five councils to address the following pressures more effectively than current structures.

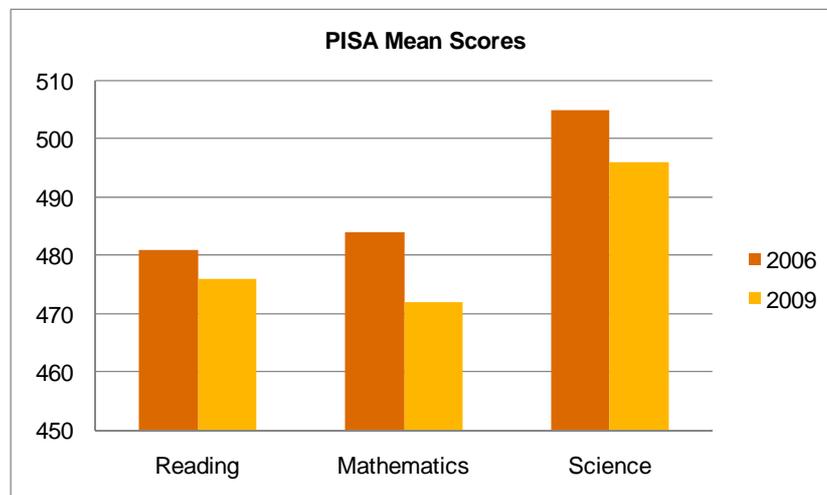
##### **Renewed national focus on schools' improvement**

Following the publication of the last PISA study, local government leaders have made education their number one priority and have given a firm commitment to working with the Welsh Government to raise standards and secure improvement. In his speech 'Teaching Makes a Difference'<sup>1</sup>, the Education Minister expressed his concern regarding the 2009 PISA outcomes – in all three domains the mean score for Wales and the region's international 'ranking' was lower than in 2006 in both absolute terms and relative with others. The table below highlights the trend change over this period<sup>2</sup>:

---

<sup>1</sup> Delivered 02-02-11. Accessed 09-06-11 from <http://wales.gov.uk/docs/dcells/publications/110202teachingmakesadifferenceen.pdf>

<sup>2</sup> Whilst it is not statistically valid to compare the results of two PISA assessments in this way it is, however, reflective of overall performance.



Source: <http://wales.gov.uk>

It is clear that the approaches to address school improvement will need to change significantly with the:

- Acceptance of the findings of PISA Report and introduction of new and more effective national policies to accelerate improvement in School Standards and Performance
- Introduction of the School Effectiveness Framework, which has begun to lay out and describe new methodologies to support School Improvement, to be applied consistently across Wales
- Introduction of the Common Inspection Framework, which is much more rigorous than anything that preceded it
- Introduction of Systems Leaders. On current proposals, future School Improvement work will be undertaken by professionals who have qualified and been appointed as Systems Leaders. (This could be compared with having a 'practising certificate')
- Systems Leaders Wales (SLWs) will be a combination of directly-employed LA staff and serving school leaders
- The development of Professional Learning Communities - groups of schools working together to support their own improvement
- In future the focus of SLW work will change to focus more strongly on challenge to schools to improve, as opposed to provision of support.
- Introduction of a national Schools Standards Unit
- National system for the grading of schools implemented by local authorities and the Standards Unit
- Strengthened and more consistent intervention processes, in proportion to risk, backed by likely new statutory guidance for school improvement.

A key test is whether the five authorities working together can introduce and respond to these changes and implement their implications for structures, staffing and skills more effectively and efficiently by making one consistent change rather than pursuing five improvement programmes.

### **Understanding existing provision in the light of new pressures**

Across the five authorities there is a significant range of services in place to provide school improvement to the 426 schools. Currently the five authorities can be split between the three (RCT, Merthyr and Bridgend Councils) who have been part of the ESIS collaboration since 1996 and the two (Vale of Glamorgan (VoG) and Cardiff Councils) who have continued to employ their own school improvement staff.

Both the ESIS collaboration and the two individual services in Cardiff and the VoG are well regarded and provide a comprehensive range of school improvement and training services to schools. All three services offer a significant portfolio of traded services in training and consultancy work.

The current structures do not easily support the new model of school improvement:

- In all three models there are staff employed who are involved in providing challenge to schools and support through traded services. It is widely recognised that this concept is not sustainable in the new context, and that the school challenge and support functions should be more clearly separated, so that the challenge is not compromised.
- Any focus on revenue generation may constrain capacity to prioritise the challenge role and lead to a dilution of outcomes in terms of school improvement.
- The current approaches are not leading to the required rate of improvement. There is a significant number of primary and secondary schools which are underperforming across the five authorities.
- The continuation of any of the current models would not provide a visible marker to stakeholders and staff that the approach to school improvement has changed.

The traded service role is considered separately from the school improvement role of the Joint Education Service and is discussed further in Section 5.

### **Financial Drivers and Delegation Rates**

The current fiscal pressure on local authorities nationally is likely to demand a reduction in revenue budgets of about 10% over the next three years. In addition the proportion of the budget delegated to schools will increase to 85% further weakening the financial position of each authority.

The five local authorities are committed to increasing the delegation rate to 80% by 2012/13 and to work towards 85% over the following two years to 2014/15 in line with the Minister's expectation of increased funding to 'frontline' services. The projected delegation rates for 2011/12 for the Central South local authorities are as follows:

	<b>Delegation rate</b>
	%
Bridgend	77.79
Cardiff	79.79
Merthyr Tydfil	80.33
Rhondda Cynon Taf	75.29
Vale of Glamorgan	83.63

Each local authority has its own education and financial strategies and will choose to deliver its educational provision in the manner considered most appropriate for the communities it serves. As such each will be introducing different approaches to reach the delegation target. The three local authorities with delegation rates less than 80% for this financial year will achieve the 80% target for 2012/13.

In increasing the delegation rates, all five local authorities are committed to the following principles of increased delegation:

- Increased levels of delegation must involve transferring both funding and responsibilities;
- Increased delegation must be an integral part of a coherent and joined up education strategy rather than any mechanistic delivery of a delegation target;
- Greater ownership by schools should arise from additional delegation of an area of funding and responsibilities through the potential to free up resources for front line provision in schools themselves;
- There must be clarity regarding the responsibilities that are being transferred to schools and the responsibilities that remain with the Authority;

- 
- Some of the challenges in relation to specific areas of potential delegation could be managed more readily through delegation to a cluster of schools.
  - Whilst funding and responsibilities can be delegated to schools, in some areas the ultimate responsibility will still remain with the Authority should a school fail to meet their responsibility.

The WAO preliminary corporate assessments conducted in October 2010<sup>3</sup> state that all councils face significant and rising funding gaps and need to make progress in establishing how they will fully bridge this gap over the medium term and how they will sustain and improve services and deliver priorities with fewer resources. The research recognises that making significant financial savings is not simply a technical matter of financial planning. There is a clear leadership challenge for councils to set priorities and change the model of service provision in some areas.

There are significant reasons to believe that five authorities working together will better manage such reductions from the following:

- Shared investment in process, policy, curriculum, contracting and systems development
- Greater access to scarce specialist skills
- Improved ability to recruit and retain as staff are offered greater opportunities to develop within a larger improvement service
- Improved utilisation of skills through flexible deployment over a larger workload.
- Greater career options and ability to promote from a larger pool of staff
- Lower management costs
- Better utilisation of staff from a greater volume of work and a bigger team
- Better ability to obtain better prices when procuring goods and services both from greater volumes and the influence that five organisations working together can wield.

Research commissioned recently by the Management Consultancies Association<sup>4</sup> highlights that public services – particularly locally – continue to underperform when working across organisational boundaries, thereby impacting adversely on quality and outcomes. The research states that new ways of working are needed in order to meet the scale of the government’s fiscal challenge, and significant savings could be found through “increasing government agency collaboration”.

Almost all councils in Wales need to make progress with detailed financial and workforce planning, and collaboration is highlighted as offering the potential to improve or maintain services whilst reducing costs. However, the research states that whilst there is a clear commitment to collaboration there is limited evidence to suggest that the impact of collaboration is routinely monitored in terms of outcomes and cost. Whilst many councils have assumed that increased collaboration will lead to improvement and significant cost savings, most lack the evidence base to show how collaboration has delivered such results.

---

<sup>3</sup> Wales Audit Office (2010), *Councils’ Response to the Financial Challenge: Key Messages from the Wales Audit Office Preliminary Corporate Assessments*. Accessed 09-06-11 from [http://www.wao.gov.uk/assets/englishdocuments/LG\\_briefing\\_report\\_517A2010\\_ENGLISH\\_FINAL.pdf](http://www.wao.gov.uk/assets/englishdocuments/LG_briefing_report_517A2010_ENGLISH_FINAL.pdf)

<sup>4</sup> Management Consultancies Association (2010), *We Can Cut the Deficit: Ten Proven Ways of Reducing the Public Sector Deficit while Improving Public Services*. Accessed 09-06-11 from <http://www.mca.org.uk/sites/default/files/We%20Can%20Cut%20the%20Deficit.pdf>

### **Presumption for regional collaboration**

The Making the Connections policy for public service reform was established during the second term of the WG and sets out the vision for a prosperous, sustainable, bilingual, healthier and better-educated Wales.

Making the Connections supports continuous improvement in the delivery of public services to citizens and communities in Wales through four main principles:

- Citizens at the Centre: services should be more responsive to users, with people and communities involved in designing the way services are delivered;
- Equality and Social Justice: every person should have the opportunity to contribute and connect with the hardest to reach;
- Working together as the Welsh Public Service: there should be more co-ordination between providers to deliver sustainable, quality and responsive services; and
- Value for Money: making the most of our resources.

The current efficiency agenda puts shared service delivery in the centre ground of Government policy, and it is widely understood that undertaking any activity on a standalone basis is not an effective form of working.

This agenda is now being significantly reinforced. In his list of 20 actions to be taken immediately to address the issue of underperformance, the Minister stated: *"We will expect local authorities to participate in consortia arrangements, including shared consortium services, or suffer financial penalties, including the withdrawal of Better Schools Funding..."* (Action 19)<sup>5</sup>.

The rationale for consortia working is best seen when comparing the average pupil numbers by LEA. Wales operates the smallest average LEA and even within Wales the five smallest authorities together equal the size of Cardiff. Figure 1 illustrates the average size of local education authorities by pupil numbers in each region.

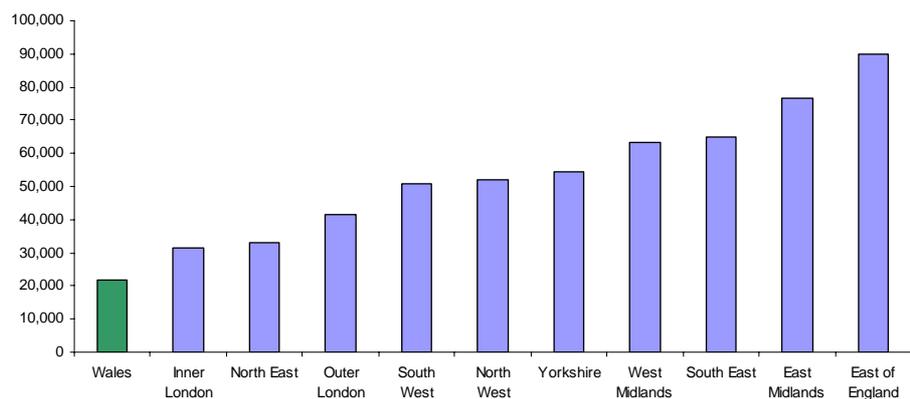


Figure 1 : Average size of local education authorities by pupil numbers in each region. 2009

<sup>5</sup> Delivered 02-02-11. Accessed 09-06-11 from <http://wales.gov.uk/docs/dcells/publications/110202teachingmakesadifferenceen.pdf>

---

## **A Joint Education Service – Leading with School Improvement**

The financial pressures facing councils and the recent review of the structure of education would suggest that there is advantage in regionalising a range of local authority education services. The intention of the consortium is to form a Joint Education Service across a broad range of services. However, the first increment of that service will focus purely on school improvement. This is for three clear reasons:

### Delivering a clear, working model for improving schools is the priority

The recent Task and Finish Group report<sup>6</sup> into the structure of education services in Wales summarised the need for structural reform: *“We believe there has been some confusion as to who is really responsible and accountable for the performance of a school, college or local authority. ....We conclude that education accountability structures are over complex or simply not clear enough in Wales at this time and that reform is required.”*

### Ability to rapidly deliver a working joint service

School improvement services are reasonably easily defined and through the ESIS model already delivered in a joint way by three of the five authorities. This platform of joint working allows rapid progress to delivering a financially sustainable and effective service.

### Opportunity to form a new service together

The agenda for school improvement discussed above will demand significant changes to the current provision in any case. Attempting to do this within the current model will be less effective than using the opportunity of defining a new provision together.

## **Conclusions**

In summary we are proposing a move to a Joint Education Service initially delivering schools improvement services across five authorities as:

- We can better respond to the new national agenda for school improvement together than separately.
- The current provision does not allow us to operate as required in the future and cannot be easily reconfigured to do so.
- We will be better able to deliver a financially sustainable service together than separately.
- School improvement is the area of service that requires the greatest, most immediate impetus and where we can build on a platform of joint working to deliver rapidly.
- There is a Ministerial presumption that we will deliver in a consortium.
- A joint service will create greater consistency in approach to the provision of challenge and support to schools and in the implementation of national and local strategy.
- It will create a critical mass that will allow resources to be deployed more flexibly and responsively, in proportion to risk.

---

<sup>6</sup> Independent Task and Finish Group chaired by Vivian Thomas (2011), The Structure of Education Services in Wales. Accessed 08-06-11 from <http://wales.gov.uk/docs/dcells/publications/110412educationen.pdf>

## 2.2 Vision – what we aim to achieve

The vision of the project is to bring about an overall step change in the rate of learners' improvement and to ensure greater equity so that poverty and disadvantage are not barriers to achievement. In achieving this vision there will be a reduction in the level of variation between and across schools and there will be a greater level of accountability at all levels of the system. Intervention in school improvement will be in inverse proportion to success.

The aim of the consortium is to quickly identify schools which are under-performing, and effectively target school improvement services that are cost-effective, flexible, of high quality, accountable and responsive to need in order to challenge and support schools to improve rapidly.

As a result of the challenge and leadership provided by the Joint Education Service we aspire that within five years:

- all schools in the consortium will achieve good outcomes as measured by Estyn inspections.
- governing bodies will better know their schools and will have the capacity to drive improvement in a proactive manner;
- schools will, through partnership and collaboration, be better placed to challenge, plan, evaluate and improve, support themselves and each other, reduce dependency and increase capacity and self-reliance;
- learners will achieve aspirational and challenging targets in line with their identified level of potential and good levels of literacy and numeracy skills that will enable them to function effectively as learners and citizens;
- there will be improved equality of access to a high class education - parents will have confidence that their local school is a good school. Learners who are educated outside mainstream school will achieve excellent, context-appropriate outcomes. All learning environments will promote well-being and safeguarding.

### Current Performance

The following table sets out the performance of each of the 5 local authorities at Key Stage 4 for the key indicators of:

- percentage of pupils achieving the Level 1 threshold;
- percentage of pupils achieving the Level 2 threshold including English/Welsh and Maths
- percentage of pupils achieving the Core Subject Indicator

KS4				
Performance Indicators & Targets		2008/9	2009/10	2010/11
Bridgend	L1 Th	88.1	89.1	89.0
	L2 Th+	45.2	47.9	45.0
	CSI	43.6	47.5	45.0
Merthyr Tydfil	L1 Th	83.3	85.7	82.0
	L2 Th+	34.7	34.4	39.0
	CSI	33.3	32.9	38.0

<b>KS4</b>				
<b>Performance Indicators &amp; Targets</b>		<b>2008/9</b>	<b>2009/10</b>	<b>2010/11</b>
Rhondda Cynon Taf	L1 Th	86.5	86.7	88.0
	L2 Th+	40.7	43.0	43.0
	CSI	39.8	42.5	43.0
Vale of Glamorgan	L1 Th	92.9	91.8	91.0
	L2 Th+	54.3	57.1	56.0
	CSI	53.6	54.4	54.0
Cardiff	L1 Th	86.9	87.8	89.0
	L2 Th+	44.3	47.6	48.0
	CSI	43.2	46.7	47.0

The table indicates that there is a significant variation of performance across the local authorities in the Consortia and there is also significant variation between and within schools within each local authority. Over the next few months specific consortium annual and three year targets for each of the key performance indicators at Key Stage 2, 3 and 4 will be prepared as the Central South Consortium develops.

The Consortium will also set targets to ensure no Consortium schools are in Band 4 or 5 of the new Welsh Government secondary school banding analysis over a specified period.

---

## 3. Operating Model

**This section describes the services to be provided by Phase 1 of the Joint Education Service, how the service will be managed and how it will be organised and governed.**

### 3.1 Principles and Overview

Phase 1 of the Joint Education Service will deliver school improvement services. The scope of service has been determined by the following principles:

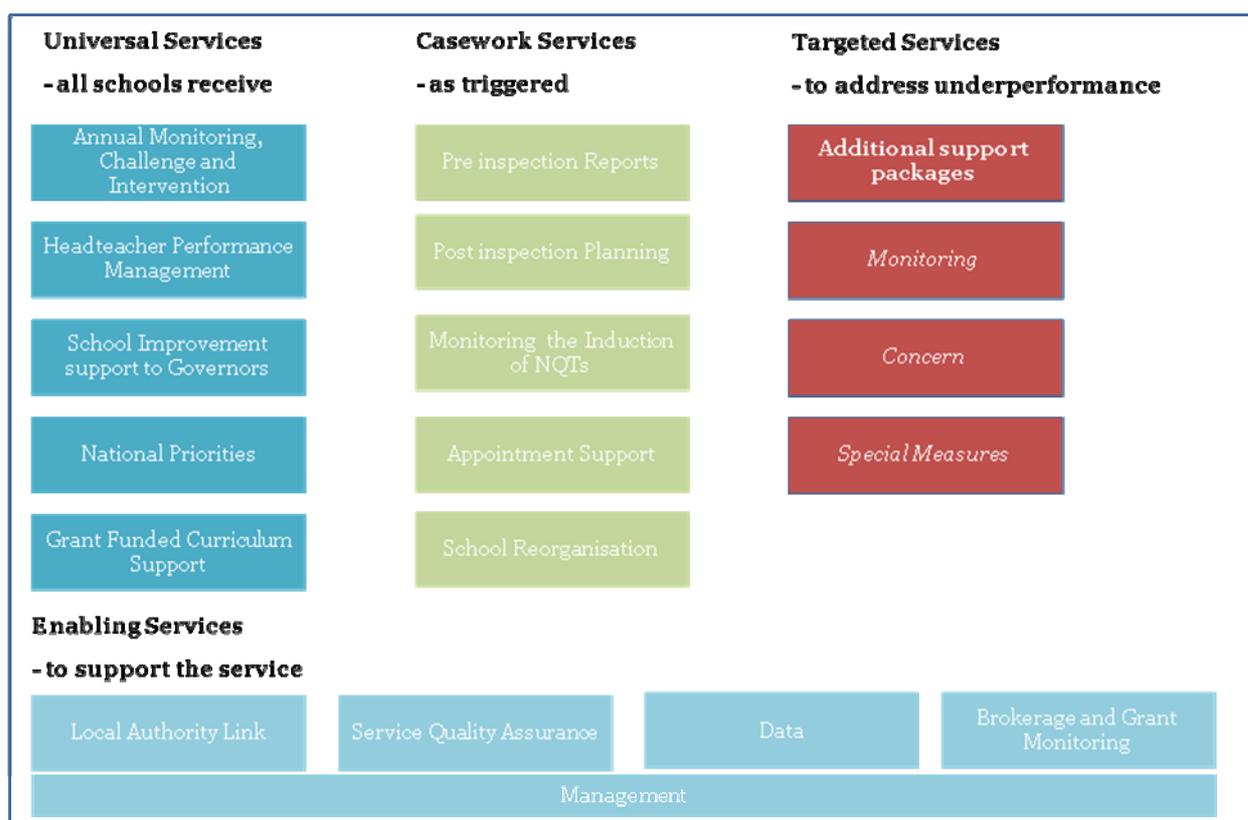
- That a clear focus is provided on monitoring, challenge and intervention to ensure each Local Authority can see how schools are performing and that each school has sufficient plans in place to deliver required improvement.
- That the level of challenge and intervention is proportion and the number of days allocated is appropriate to school performance.
- That there will be a clear separation of operating functions between the Joint Education Service and the Traded Service. The Joint Education Service will not provide traded support services but will provide a brokerage service to ensure schools are able to identify and procure the additional services they need from peers or other third parties. This is a key element to support increased delegation levels, school self-reliance and to avoid conflicts of interest between challenge and traded services.
- That the service will have the data, skills and resources to be able to recommend and execute a school improvement and effectiveness strategy on behalf of the five authorities. This will include services that address a range of aspects of schools' performance including:
  - Annual improvement planning
  - Challenge and intervention based on local or Estyn assessment
  - Consistency in strategy, analysis and judgement across the consortium
  - Headteacher performance management
  - School improvement training for governors
  - Use of improvement grants and commissioning of third party support services.
- That the service will set the strategic direction for literacy, numeracy and key curriculum learning and teaching areas across the five authorities, delivering a single response to national priorities.
- That to provide economies of scale the service will bring together delivery services related to the above areas that are covered by retained grants, for example, Athrawon Bro and Basic Skills work.

These services will be deployed to schools as

- Universal services – all schools receiving an annual entitlement to support and challenge and access to strategic leadership and grant funded support in curriculum areas.
- Casework services – required by schools when triggered by an event such as an inspection or the need to appoint a headteacher.
- Targeted services – a menu of additional challenge and intervention when prompted by performance concerns.

In addition to the above the service will operate a data unit to support monitoring and analysis, a link function to own the relationship with each local authority, an internal QA function and a brokerage and grant monitoring function to ensure that to the service can guide on sourcing further support.

The diagram below summarises the key services provided.



### 3.2 Scope of Service

***This section describes the scope of service to be offered and outlines the initial estimate of resources for each element.***

#### **Universal Services – All Schools Receive**

##### ***Annual Monitoring, Challenge and Intervention***

This is a universal service to ensure that each school produces and implements an annual improvement plan based on the evaluation of performance data, self evaluation and external assessment. It will involve visits to every school in order to meet with senior staff and the governing body to discuss the school's categorisation/banding and agree priorities. A written report will be made available to the school, governing body and Local Authority as part of the process.

Currently the annual challenge programme is completed by Local Authority or ESIS staff, with variations in process and use of data across each organisation. In future, the process will be undertaken by "System

---

Leaders” employed by the Joint Education Service or seconded from schools. The System Leader role is nationally prescribed and demands a high level of objective challenge.

This will also require a clearer division between the delivery of monitoring, challenge and support in preparing an improvement plan and the ongoing support required by the school. The JES will be resourced to provide monitoring and challenge. The school will generally source further support independently or with advice from JES. This is a significant change.

The initial estimate is that each primary school will receive 3.5 days of system leader time a year with secondary and special schools receiving 5 days as a core entitlement. Depending on the findings of this and other inspection activities a range of additional support packages will be targeted to address performance needs as follows:

### **Headteacher and Deputy Appointments**

The process for recruiting school leaders currently rests with governing bodies, as the employer, with support provided by LAs in relation to specification development, shortlisting and appointment processes. JES will undertake this statutory role on behalf of LAs. Although the Welsh Government provides guidance to governing bodies, there are potential efficiencies to be gained through JES provision in ensuring a consistent approach across the consortium. The process design function will aim to ensure that the approach is systematic, objective, transparent, fair and will stand up to rigorous scrutiny and any possible challenge.

1.5 days of support will be provided for each appointment on the basis that 10% of schools will require support each year.

### **Headteacher Performance Management**

The annual process of agreeing performance management targets and monitoring is currently completed by external advisers in line with WG regulations and will move to JES. The process design task will need to ensure that a consistent approach is adopted across the JES, and that changes to WG regulations are able to be incorporated easily into the new framework.

1.5 days of support will be provided annually to each school.

### **Provision of School Improvement Training to Governing Bodies**

Governor training is currently provided by LAs in line with WG regulations. The provision in the JES will relate to the new requirement for an annual additional level of provision covering enhanced accountability and statutory responsibilities for target-setting and improvement planning, based on close knowledge of performance data. As this is a new requirement, the process design task will need to determine the level of provision in scope, and ensure that this is clearly communicated to schools, LAs and governing bodies.

400 days has been allocated for this delivery of school improvement training by JES based on an agreed national priorities although it is possible that the JES will delegate administration or delivery of the training as part of LA's existing governor training.

### **Grant Funded Support**

The Joint Education Service will take on delivery of grant funded support where this is integral with meeting school improvement objectives or to delivery of strategic leadership taken into the JES. This business case identifies identifies Athrawon Bro and Basic Skills as two initial areas. At this stage they will be resourced in the JES as now under grant funding.

### **National Priorities**

JES will provide a single view for the consortium of national priority areas ; this will be an important enabler of system-wide capacity to support improvement and help meet national priorities. The regional provision of strategic leadership allows for greater specialisation and eliminates inconsistency. A key benefit of this approach is that there will be increased opportunities to share good practice, and targeting of resources to schools across the consortium where need is greatest.

---

The JES will be resourced to provide the strategy for the consortium in each priority area. A further commissioning budget will be made available to allow the JES to commission design and development of materials and programmes to support schools in implementing strategy where this is necessary.

The following describes the national priority leadership functions provided by JES. Although some of the functions will be provided by specialist roles, the bulk of the work will be provided as part of system leader roles. This balance of challenge and strategic leadership roles will enrich the job of a system leader.

- **Literacy and Numeracy** - The Strategic Leads for literacy and numeracy will be responsible for developing strategic plans for improving standards across the consortium, monitoring implementation and outcomes and co-ordinating the national agenda through analysis and aggregation of data. There will be increased accountability to and greater cohesion across the LAs. It is critical that the consortium is able to quickly react to the publication of the national strategies for literacy and numeracy and effectively implement the priorities therein.
- **Curriculum ICT** - The strategic lead will develop a plan for improving curriculum ICT provision across the consortium, monitor implementation and evaluate outcomes. The outcome will be a strategy that enables planning for appropriate activities to support ICT skills and the skills framework and ensures suitable coverage of ICT across the areas of learning.
- **School Leadership and Management Development** - This function relates to the design of strategy for leadership and management development programmes within the consortium, ensuring that they are aligned with the need to raise standards and improve the quality of leadership, as well as helping to develop emerging national standards in this regard. The consortium will need to ensure that the emerging national aspirations for school leadership are reflected in the scope of this role.
- **Development of the Welsh Language** - The design and implementation of strategy for the development of the Welsh language and providing leadership for the Athrawon Bro service are the key functions within this role. The role will involve very close working with schools and the LAs in order to ensure that the programmes meet identified need and the structure of the preferred delivery and support model (provides a consistent and coherent approach).
- **ALN/Vulnerable Groups** - This function will ensure effective support for vulnerable learners and pupils with ALN across the consortium. The intention is to ensure that triggers for intervention are informed by robust data, and that there will be greater clarity regarding outcomes and outputs, with high levels of accountability to the LAs.
- **Transition** - The transition function within the JES will assume responsibility for strategic planning in relation to the links between foundation phase, 8-13 and 14-19 learning pathways. This will involve the continued roll-out of statutory functions, having oversight and designing development programmes, and maintaining close and effective partnership working with each LA, ensuring that needs and priorities are met within a regional framework.
- **Learner Wellbeing and Achievement** - This function, which is currently implemented on a very fragmented basis includes taking ownership for the design, delivery and full implementation of strategy to improve achievement for learners who are disadvantaged by poverty and helping to develop the national framework for the development and implementation of consortium responses to relevant policy, such as the Child Poverty Agenda and safeguarding.
- **SACRE and the Agreed Syllabus for Religious Education** - This function will provide support to LAs and schools regarding their statutory duties in relation to SACRE and RE, as well as working within and helping to develop the national framework for the support and development of RE.

---

## **Casework Services – as triggered**

### **Preparation of Estyn Pre-Inspection Reports and Monitoring of Post-Inspection Action Plans**

This process relates to reporting in advance of and following inspections undertaken in Estyn's 6 year cycle. A report will be prepared for the Estyn inspection team 10 days prior to inspection. Schools' completion of an effective improvement plan within 40 days of completion of the report will be monitored by the JES.

Reporting is linked to the level of challenge, and will be completed by JES staff on a consistent basis across the five authorities. The process design task will be heavily informed by Estyn requirements, which are well understood across the consortium. As the JES will have access to datasets for all five LAs there will be opportunities to report on a more efficient basis.

A day is allocated to completing the reports in addition to the core and additional package support identified above.

### **School Reorganisation**

This process relates to involvement in statutory processes and provision of advice to schools that are amalgamating or undergoing reorganisation. The objective of the function is give schools targeted support to reduce the risk to performance from organisational change. The outcome is likely to be a support plan, into which the school and the JES may provide input. An average of five days of support has been estimated for each school undergoing reorganisation.

### **Monitoring Newly Qualified Teacher Induction and Early Professional Development Processes**

This function will monitor the effectiveness of processes within schools and ensure statutory requirements are being addressed. Whilst the responsibility for monitoring and sign-off of the NQT will remain with the LAs, the QA of the processes adopted will be undertaken by the JES. As implementation of this function is currently completed at a LA level, the process design task will ensure a greater level of consistency, which will require access to consistent datasets for schools across the consortium. One day will be provided to assess the recruitment of each NQT.

## **Targeted Services – to address underperformance**

### **Additional Intervention Packages**

In addition to the core provision above, further tiered support will be targeted at schools that demonstrate performance issues as follows:

---

<b>Category</b>	<b>Triggered</b>	<b>Additional annual support received for two years</b>	<b>Proportion of Schools receiving in a 6 year period</b>
Significant Improvement and Special Measures	ESTYN Inspection	15 days	8%
Monitoring by Estyn and LA	ESTYN Inspection	5-8 days	35%
LA Concern	LA Monitoring	5-8 days	10%

---

---

The Joint Education Service will maintain the datasets and the interaction with schools and ESTYN necessary to identify the need for improvement. The improved annual challenge process will ensure this becomes more a proactive than reactive process. The monitoring package will be designed with Local Authorities, school leadership and governing bodies and will result in an agreed improvement plan. The JES will advise and assist the tool in identifying additional resources to support implementation of the plan.

The proportion of schools requiring support and the level of support provided in addition to the core challenge days are initial estimates based on the current position nationally and will be resolved further as the service is implemented. A contingency of 10% has been allowed to give additional flexibility in monitoring.

## **Enabling Services – to support the service**

### **Data and Assessment**

The aim of the data and assessment strategic function is to enable the production of robust data that enables the challenge and intervention system leaders to effectively challenge schools to improve standards. This will require the strategic lead to work with LA and JES colleagues to devise and implement assessment moderation procedures and pupil tracking systems, and a new data pack and templates, taking into account the advantages of each of the systems in operation currently across the consortium.

### **Brokerage and Grant Monitoring**

This function will ensure that system leaders have an ability to advise schools on sourcing additional support to guide the appropriate expenditure of School Effectiveness Grant .

Local Authorities have a duty to monitor the use of School Effectiveness Grant delegated to schools. The percentage of grant funding delegated to schools is increasing allowing schools to have an increasing proportion of school improvement budgets under their control.

This process currently falls within LA support functions, with varying levels of input noted across the consortium. It is critical that the process design task ensures that school budget planning aligns more closely with the WG strategic direction for school improvement at a consortium level, whilst taking account of LA accountability procedures.

The desired outcome will be a process in which:

- schools are empowered to control their own delegated budgets, but supported in the knowledge that expenditure is consistent with national priorities for school improvement appropriate to the regional context of the JES;
- the JES is able to provide support to schools in the collaborative planning of grant funding to help achieve LA, JES and WG outcomes; and
- LAs feel enabled to provide a more robust challenge of schools' spending plans to ensure compliance with grant requirements and conditions of delegation.

Time has been allocated to prepare grant applications, monitor grant expenditure and identify the internal and external resources on which schools can call and procure to support improvement.

This brokerage role is substantially new.

### **Quality Assurance and Local Authority Link**

If the JES is to take responsibility for recommending and executing a school improvement programme across the five authorities, it must maintain functions both to ensure quality and manage the relationship back with each client authority.

Quality Assurance of challenge and intervention functions is currently undertaken at a LA level and therefore linked to each authority's corporate processes. The process involves scrutiny of Link Adviser reporting, planning and engagement with schools and governing bodies, providing support as required.

QA of this function will become the function of the JES, with lines of accountability to LAs clarified and implemented on a coherent basis. The process design will need to take account of the five legacy QA frameworks and develop a systematic process which ensures that the standards and procedures for implementation of challenge and intervention are appropriate and correctly implemented.

The current LA reporting process aims to ensure linkage and coherence with LA strategy through the provision of regular reporting on progress against school improvement objectives to LAs and elected members. The process is currently completed by ESIS and, in the case of Vale of Glamorgan and Cardiff LA staff. In ensuring rapid response to issues/challenges arising, the design task will need to facilitate a consistent process of that facilitates enhanced rigour and robustness.

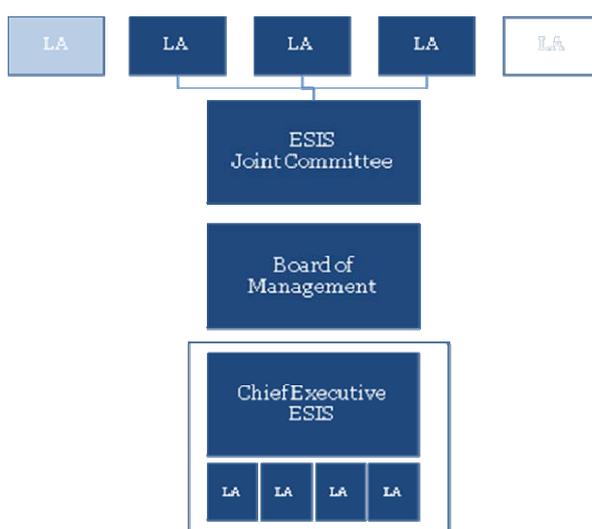
In the JES 3.5 FTE's has been estimated to provide a link function between the local authority and the service with an additional 1.5 for QA. These link and QA functions will be undertaken by nominated system leaders as part of their wider roles.

### 3.3 Governance Structure

The current ESIS shared service is governed by a joint committee representing members from the four authorities together with a Chief Executive. The joint committee meets three times a year with delegated powers from the authority within the remit of the service and the financial and resource estimates agreed by the councils.

A board of management comprises the Heads of Service, Director and representative Head Teachers and meets four times a year with the Chief Executive.

The arrangement is covered by a legal agreement between the four authorities that also confirms the core establishment of the service. The establishment is split between four employing authorities. The following diagram summarises this position.



ESIS governance structure as it currently operates is considered not to meet the requirements of the future service because:

- It does not offer the required flexibility and control necessary to deliver a consortium improvement service capable of meeting future needs.

- ESIS' requirement to provide Continuing Professional Development constrains its focus on the key role of monitoring and challenge.
- The formal split of the establishment between the four authorities limits the flexibility of the service in recruiting and managing staff.
- The current governance arrangements do not include Vale of Glamorgan or Cardiff councils.

### **Future Governance Options – Joint Education Service**

The Welsh Government has set out a strategy for a number of education consortia across Wales delivering services which have traditionally been Local Authority Education functions. Although the governance model for these functions has not been clearly determined, it is likely that one option that the government may consider is the appointment of a single Director of Education with statutory responsibilities for each consortium. This Director of Education could then direct resources and be independently responsible for school improvement.

This position of a single regional director is under consideration but as the Joint Education Service Phase 1 only includes school improvement services it would not yet be appropriate to appoint a single regional Director of Education.

The governance structure for Phase 1 may be regarded as transitional and therefore whilst it needs to significantly improve on current governance, it should avoid unnecessarily complex changes that may be nugatory.

Three broad options exist:

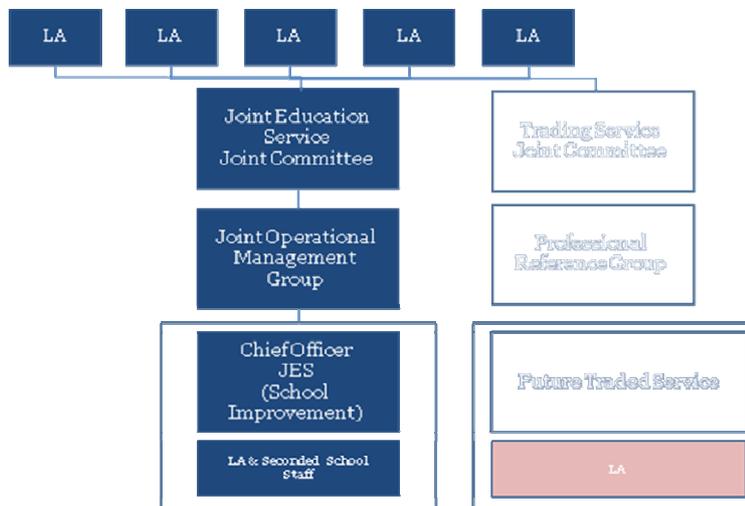
- Delegate the delivery of regional functions to individual member authorities who will employ the staff
- Establish a new joint committee structure to deliver the new schools improvement remit but significantly improve the way the service is governed and consider transferring staff to a host employing authority.
- Create a jointly owned sovereign body to hold a budget and employ the staff directly.

Heads of service consider that option 1 will be a backwards step from the current shared arrangements and would not easily accommodate the service model discussed above. Although Option 3 may usefully form a foundation for an independent regional education service, it delivers little advantage in the short term given the lack of a nationally agreed model for consortia services.

The following approach reflects the significant advantages of Option 2. It is important to note that this model implies major changes to in the behaviours and processes adopted in managing the joint service so that maximum benefit can be gained from the basic governance model.

### **Future Governance – Joint Education Service**

The diagram below presents a potential future governance model for the consortium. Although the principles of joint committee governance are retained, this will operate in a significantly different way as follows:



- **Active joint operational direction** - A Joint Operational Management Group meets monthly to agree strategy and jointly direct the work based on recommendations from the JES Head of Service. This group will set the outcomes required and targets for the service and make key prioritisation decisions to ensure that local needs are met within the allowed resources of the service. This is a key element of the consortium being jointly accountable for school improvement.
- **Tasking the JES with delivering improvement outcomes** - the Head of the Joint Education Service will have the remit and resources to take professional responsibility for implementing an improvement strategy based on school performance data and execute that strategy once agreed.
- **Single employing authority** – instead of balancing a seconded establishment from four authorities the JES staff will work for a single employing authority removing differential terms and conditions and simplifying management arrangements
- **Consortium delivery unit** – the school improvement service will now align with the consortium and bring the substantial capability of the five authorities into the service.
- **Clear differentiation of the JES and Trading role** – the model gives a clear commission to JES to drive improvement and deliver on the accountability of the member local authorities and gives a further clear commission to a future traded service to provide services that schools need and can commission given increased levels of delegated funding. The governance of the traded service is likely to be undertaken separately through its' own joint committee with a reference group of school representatives.

The following table sets out the responsibilities of the key elements of the governance structure.

Joint Governance	Summary Role	Membership	Initial Frequency
Joint Members Committee	Agree common purpose of Joint Education Service and required outcomes. Agree joint funding and manage LA agreement.	LA Portfolio Members Statutory Education Officer (Attending only) JES Head of Service	Termly
Joint Operational Management Group	Approve improvement strategy. Recommend costed budget for LA approval, prioritise work, monitor programme delivery and address exceptions.	Head of Education Service / School Improvement Lead JES Head of Service	Monthly (for initial period)
Stakeholder Group	To present and take feedback on the school improvement programme such that it is driven by the LA and schools working in tandem	Headteachers Governors	Termly
Head of Service JES (School Improvement) Management Team	Monitor school performance, recommend improvement strategy and costed programme and manage delivery to that programme.	Head of JES Service Senior System Leads	Weekly

The roles and responsibilities of local authority stakeholders within this structure are as follows:

Individual Governance	Summary Role
Local Authority Portfolio Member	Work as part of the council executive to agree required school improvement outcomes as part of council strategy and expenditure on school improvement as part of council budget.
Statutory Education Officer	Statutorily accountable for school improvement and for the local authority inputs to JES. Accountable for non JES education services. Ensuring JES reflects Local Authority strategies and financial plans.
School Improvement Lead	Responsible for undertaking the council's responsibilities for school improvement as the customer for the Joint Education Service. Providing data and insight into local needs as required, working with the nominated system leads to agree an overall improvement strategy and prioritising work locally. Participating in planning the response to significant improvement and special measures  In larger authorities this may be a separate role, in smaller authorities this may be the head of service.

### 3.4 Organisation Structure

Phase 1 of the Joint Education Service establishment will be organised to meet the following principles:

- To deliver best advantage from the new system leader role by pooling and multi skilling resources where possible. To avoid silos based on skills or authority areas.
- To ensure that each local authority has a strong link with the service through a nominated system lead.
- To ensure that strategic leadership is maintained for key priority areas and that the roles created have variety by creating a mix of full-time strategy and part time lead roles.

- To ensure that system leaders have the co-ordination and administrative support to ensure they can spend the maximum time with schools.
- To provide resources with a specific focus on data, communications and service development to ensure that the service is well directed.
- To minimise layers of hierarchy and create a single role of head of service that has a similar position as a Local Authority Head of Service.

The diagram below sets out an example organisation structure meeting these principles. How this might operate and the key responsibilities of each management role are set out below.

### **LA System Leaders**

These roles all report to the Head of Service as part of the senior management team of the JES. They are responsible for overall JES service to a local authority and for working with the nominated LA School Improvement lead and head teachers for defining improvement needs in an LA and ensuring that the overall JES strategy meets those needs.

They will also be scheduled to undertake challenge and support work in addition to this lead link role.

### **System Lead Manager**

The system leader team is responsible for delivering the challenge, support and intervention role of the JES. The manager of the team will have a large span of control and is primarily responsible for recruiting, training and managing the performance of system leads. He/she will be aided in that work by resourcing leads who will support the day to day scheduling of work and deployment of staff.

### **Deployment Support and Administration Team**

This team will perform a scheduling, co-ordination and support function ensuring that system leader professionals are deployed efficiently, that visits and meetings are scheduled with appropriate supporting documentation and to support the production of service deliverables. The administration team will support the whole service and will also provide a contact centre role handling queries and requests from stakeholders.

### **System Leaders**

The system leaders will deliver the challenge, support and intervention work of the service. Individual system leaders will also commit part of their time as specialist leads ensuring that a common approach for the consortium in an individual area. In this latter role they will have dotted line responsibility to the relevant Strategy Manager. A system of peer review within the team will be established to ensure quality and reduce the need for a separate QA function.

System leaders will be deployed to school improvement work for 190 days a year with the remaining allocating for continuing development and training.

A proportion of system leaders will be permanent with the remainder being seconded from local authorities or schools.

### **Strategy Manager**

The manager is responsible for working with the senior management team of the service to pull together an overall school improvement strategy for the consortium. To support that role the strategy team will include a data unit to provide intelligence on school performance.

The team is also responsible for defining single strategic approaches in key priority areas that reflect national strategy.

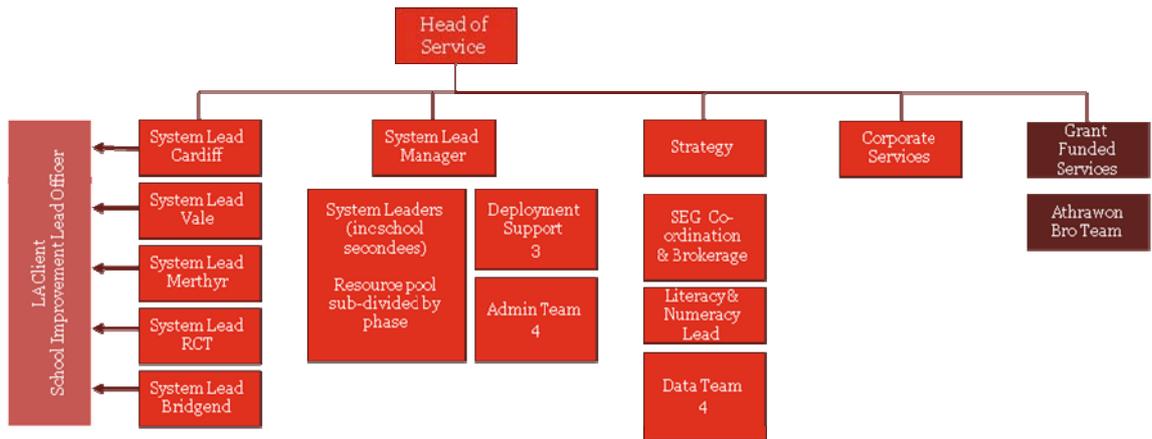
The team will be responsible for the relationship with the Future Traded Service and providing a brokerage function, ensuring that system leads can advise schools on options to procure further support services.

### **Corporate Services**

This role will be responsible for managing the service budgets and arranging for the provision of human resources, ICT and facilities services from the selected host authority.

### Grant Funded Service Teams

A number of resources will be retained by the Joint Education Service to provide services to schools that are grant funded, such as Athrawon Bro.



**Possible organisation structure for the Joint Education Service Phase 1**

## 4. *Financial and Resource Model*

**This section identifies the current school improvement establishment of each authority including those seconded to ESIS and the future staffing establishment of the first phase of the Joint Education Service. The section includes a reconciliation between the two and identifies potential for changing staff levels or transferring staff. The section concludes by discussing approaches for equitable funding of the cost of the Joint Education Service.**

### **Baseline Staffing**

Table 1, below, highlights the number of full time equivalent posts (FTEs) currently resourcing school improvement tasks within the scope of JES by LA, including the number of FTEs seconded to ESIS. 115 FTEs initially identified as potentially in scope were selected by Heads of Service as the basis for this analysis. Traded Service staff are identified in Section 5.

The numbers directly employed by each Local Authority are identified followed by those employed by the authority but seconded as part of the ESIS establishment.

The time of each full time equivalent was then separated out depending on the percentage of work attributable to:

- Tasks that would fall within the scope of the Joint Education Service further broken down into:
  - Challenge and Monitoring
  - National Priorities
  - Service Management and Support
  - Grant funded services – primarily Athrawon Bro
- Tasks that represent a JES client role – this has been capped at 0.3 FTE by authority
- The delivery of support services to schools that do not fall within the scope of JES and are either provided at no cost or are traded.

**Table 1: Baseline Staffing FTEs**

Baseline Staffing – FTEs						
FTE	JES				Client	Total
	Challenge & monitoring	National Priority	Support	Grant-funded service development		
Bridgend – LA	1.5	1.3	1.0	1.5	0.3	5.6
Cardiff _ LA	18.0	17.1	11.0	9.0	0.3	55.4
Merthyr – LA	0.2	0.0	0.0	0.0	0.3	0.5
RCT – LA	2.3	0.9	4.3	0.3	0.3	8.1
Vale of Glamorgan – LA	5.4	1.6	1.6	1.5	0.3	10.5
Bridgend - ESIS Secondment	2.2	1.5	5.9	1.0	0.0	10.6
Merthyr - ESIS Secondment	0.8	0.2	3.0	0.0	0.0	3.9
RCT - ESIS Secondment	3.0	4.0	9.5	4.0	0.0	20.5
<b>Total</b>	<b>33.3</b>	<b>26.5</b>	<b>36.3</b>	<b>17.4</b>	<b>1.5</b>	<b>114.9</b>

Table 2, below, highlights the staffing costs (including on costs) associated with the resources outlined above. This is based on actual current salaries.

**Table 2: Baseline Staffing Costs**

Baseline Staffing - Costs						
£	JES				Client	Total
	Challenge & monitoring	National Priority	Support	Grant-funded service		
Bridgend - LA	86,268	86,498	22,987	84,070	27,117	306,940
Cardiff LA	1,296,942	771,412	290,940	322,250	27,117	2,708,661
Merthyr - LA	5,266	0	0	0	27,117	32,383
RCT - LA	192,184	65,769	152,556	25,283	27,117	462,910
Vale of Glamorgan - LA	322,599	112,224	43,513	78,835	27,117	584,288
Bridgend - ESIS Secondment	167,975	111,305	199,542	47,700	0	526,522
Merthyr - ESIS Secondment	57,380	10,275	99,500	0	0	167,155
RCT - ESIS Secondment	212,733	315,650	279,720	196,600	0	1,004,703
<b>Total</b>	<b>2,341,347</b>	<b>1,473,133</b>	<b>1,088,758</b>	<b>754,738</b>	<b>135,587</b>	<b>5,793,561</b>

**Baseline Staffing – Out of JES Scope**

The Joint Education Service will not provide traded support services to schools. The existing ESIS organisation provides traded services to the schools of three authorities with the Vale of Glamorgan and Cardiff providing support services directly. In future, these services could be fully traded on a cost recovery basis by a future traded services organisation. This is further discussed in Section 5.

Table 3 identifies the current ESIS, Cardiff and Vale resources providing school support on a traded or a non-traded basis.

**Table 3 : Baseline : Traded and Non Traded School Support**

	FTE			£		
	Not Traded	Traded	Total	Not Traded	Traded	Total
Bridgend - LA	0.0	0.0	0.0	0	0	0
Cardiff LA	0.9	9.6	10.5	45,747	514,613	560,360
Merthyr - LA	0.0	0.0	0.0	0	0	0
RCT - LA	0.0	0.0	0.0	0	0	0
Vale of Glamorgan - LA	6.7	1.2	8.0	366,312	87,078	453,390
Bridgend - ESIS Secondment	0.0	3.9	3.9	0	288,360	288,360
Merthyr - ESIS Secondment	0.0	4.1	4.1	0	274,845	274,845
RCT - ESIS Secondment	0.0	6.3	6.3	0	463,317	463,317
			0.0			0
<b>Total</b>	<b>7.6</b>	<b>25.2</b>	<b>32.8</b>	<b>412,059.0</b>	<b>1,628,213.0</b>	<b>2,040,272.0</b>

### **Future JES Staffing**

Table 4 below highlights that to deliver school improvement services as discussed in Section 3 that 76 FTEs will be required. The assumptions and rationale for future service staffing is set out in detail in Appendix 1. In summary the following approach was taken.

- Heads of Service estimated the time taken for individual school facing tasks and multiplied these by school numbers. The assumptions for individual tasks are described in Section 3 and summarised in Appendix One. This primarily drives the challenge and intervention resources.
- We have used an assumption that staff can deliver school facing tasks for 190 days per annum, with the remainder of productive time being absorbed by professional and service development, training and administration.
- We assumed a fixed level of resource required to represent the consortium in each priority area. We have converted half of this resource into fixed posts in the establishment below and half into a commissioning budget for flexibility in sourcing services.
- We assumed a level of resource for administrative support based on the number of staff supported.
- We added roles for a Head of Service, a corporate services lead, a communications and service development role to manage and support the service. Remaining management roles are assumed to be delivered from the resources determined above.
- We assumed that each authority would retain a single FTE each as a school improvement lead additional to the current Head of Service.
- A contingency of 10% has been added to the Challenge and Monitoring resource assessments.

### **Variance between current and future staffing**

Table 4 summarises the new establishment and identifies the variance between current and future establishment. For clarity we have grouped work on challenge and monitoring and national curriculum priorities as the work will be primarily delivered by the same group of system leaders.

Overall the future staffing model represents a decrease of 39 FTEs against the level of current staff doing the same work.

The key findings in relation to staffing numbers are summarised below:

- Resourcing of school challenge and monitoring tasks and national priority functions will reduce by 22.5 FTEs from the effect of pooling professional staff and focusing them on a specific programme of challenge and monitoring.
- Administration/support functions are currently the most heavily resourced across the five LAs and ESIS. The number of FTEs will decrease by 20 as economies of scale are gained through collaborative working and clustering of administrative functions. This future figure includes a number of professional support functions, e.g. the JES Head of Service, and the administration and data teams.
- It has been assumed that the number of FTEs in grant-funded service, primarily Athrawon Bro will remain the same as currently – based on the future grant funding remaining available.
- This model assumes that all posts allocated to schools support, in table 3 above, are not within the scope of JES.

**Table 4 : Staffing Reconciliation by discipline**

Future Staffing	Challenge, monitoring and national priorities	Service Management	Support	Grant-funded service	LA Client	Total
Future FTEs	37.3	1.0	15.4	17.4	5.0	<b>76.0</b>
Current FTEs	59.8	1.0	35.3	17.4	1.5	<b>114.9</b>
Variance	-22.5	0.0	-19.9	0.0	3.5	-38.9

### **Staffing Budget : Salary Assumptions**

The costs of the JES operation will change as resource numbers required change but will also be affected by the salary points assumed for the new roles. Appendix 1 documents the grade assumptions for each role.

Table 5 below sets out the average salaries for staff undertaking current roles in each area and the a future salary point based on the following assumptions

- **System Leader salaries** - the standard salary for System Leader posts within the JES has been benchmarked at the range 18-21 of the national Soulbury scale, with the possibility of progression through a further three SPA points.
- This salary range is commensurate with the level of knowledge, expertise and experience required by the new System Leader role and broadly equates to that of senior advisers within the current school improvement services, both in the consortium and across Wales and the UK. Points of assimilation to this range will depend on current salary and progression through it will be subject to national terms and conditions. The salary figure quoted includes on-costs.
- **Administration, Support and Service Leadership** - The key assumptions on salary for the mix of future roles under this heading is as follows:
  - Head of service - £102,000, including on-costs, based on current Head of ESIS
  - Resource Manager, Communications lead and Corporate Services lead – set at associate adviser level
  - Data Team lead – set at system lead level
  - Administrators – assuming current average salaries
- **Client role** – assuming an system leader salary for the school improvement lead working within each authority to support the Head of Service in their relationship with the JES.

The new salary points above contain on-costs comprising employer's National Insurance and pension contributions. The level of on-costs currently varies by LA due to differences in authority pension schemes. An average of 32% has been used to apply on-costs to Soulbury scales.

Table 5 identifies the number of staff at each grade and calculates the staff budget.

**Table 5 : Overall staffing and staff cost reconciliation**

Grade	FTE Number	Average Salary	Total Staff Cost
System Leader	38.3	£76,171	£2,914,996
Associate Adviser	5.0	£76,171	£380,855
Client Role	0.5	£63,388	£31,694
Head of Service	1.0	£102,000	£102,000
Support	13.9	£28,352	£394,272
Grant Funded Service Dev	17.4	£47,326	£821,963
<b>Total</b>	<b>76.0</b>	<b>£0</b>	<b>£4,645,781</b>
Current Baseline	114.9	£0	£5,793,561
Variance	-38.9	£0	-£1,147,781

### **Overall Financial Case – Future Staff Budgets**

The last row of Table 5 identifies the variance from the current staffing budget for those staff doing work within the scope of the Joint Education Service. This indicates that a shift of resources towards challenge and intervention could be achieved with a financial saving.

The above does not take into account:

- A commissioning budget of £600,000 which will be provided to give JES the flexibility to commission additional challenge and intervention services as required.
- a shift of the work of 8 posts with a salary bill of £412,000 into a traded services operation. If moved to a cost recovery position this could be a significant additional financial benefit although likely to be offset by an increased delegation of funding to schools. This primarily affects the Vale of Glamorgan.

### **Non Staff Costs**

The non-staff costs attributable to staff within scope of JES have been established based on the current ESIS cost base and then extrapolating for local authorities for variable costs only based on existing staff numbers. The fixed costs incurred by local authorities have been excluded as not influencable.

**Table 6 : Baseline Non-Staff Costs**

Proxy Baseline Non Staff Costs									
	ESIS Baseline		Proxy Baseline - LA Avoidable Costs						Proxy Baseline Total
	Total Cost Base	Staff Unit Cost	ESIS JES Staff	Bridgend	Cardiff	Merthyr	RCT	Vale of Glamorgan	
<b>Variable costs:</b>									
Administration	74,000	1,057	36,938	5,867	69,645	529	8,530	19,486	140,994
Supplies & Services	35,500	507	17,720	2,815	33,411	254	4,092	9,348	67,639
Asset Replacement	30,000	429	14,975	2,379	28,234	214	3,458	7,900	57,160
Transport	80,000	1,143	39,933	6,343	15,058	571	9,221	4,213	75,340
Sub Total	219,500	3,136	109,567	17,403	146,348	1,568	25,300	40,946	341,132
<b>Fixed costs:</b>									
Administration	91,000		45500						45,500
Supplies & Services	48,500		24250						24,250
Asset Replacement	6,000		3000						3,000
Restaurant	119,000		59500						59,500
Property	594,200		297100						297,100
Central Services	100,000		50000						50,000
Total	1,178,200		588,917	17,403	146,348	1,568	25,300	40,946	<b>820,482</b>

Table 6 estimates the future non-staff costs. The key assumptions in this table are as follows:

- Supplies, services and transport costs are established by multiplying the unit cost by the future establishment.
- The restaurant cost is assumed to relate to traded services activity and we are assuming will be provided on a cost recovery basis to JES staff.
- We are assuming in the transition plan that Ty Dysgu will accommodate both JES and a Future Traded Service and that property costs will be apportioned based on staff numbers. Therefore additional accommodation fixed costs are unlikely and decommissioning costs avoidable. Some reconfiguration costs may be incurred temporarily.

**Table 7 : Future Non Staff Costs**

Future Non-Staff Costs	JES		Traded
	Unit Cost	Total	Total
FTE		71.0	32.8
%		68.41%	31.59%
<b>Variable costs:</b>			
Administration	1,057	75,103	34,675
Supplies & Services	507	36,029	16,635
Asset Replacement	429	30,447	14,058
Transport	1,143	81,193	37,487
Sub Total			
<b>Fixed costs:</b>			
Administration	91,000	62,256	28,744
Supplies & Services	48,500	33,181	15,319
Asset Replacement	6,000	4,105	1,895
Restaurant	119,000		119,000
Property	594,200	279,274	314,926
Central Services	100,000	68,413	31,587
Total		<b>670,001</b>	<b>614,325</b>

There will therefore be a reduction in non staff costs as traded activities move to a cost recovery basis and the overall establishment reduces. To realise this saving each authority would reduce operating budgets as they transfer current authority based school improvement posts to the JES.

### Total Future Financial Requirement

The future cost base of the JES on the above assumptions will be £5.92m. Assuming any future school improvement support services are managed on a cost recovery basis then the authorities will release a financial saving of £0.69m.

**Table 8 : Future Financial Requirement**

Element	Cost
Current Staffing Cost	5,793,561
Current Non-Staff Costs	820,482
<b>Total</b>	<b>6,614,044</b>
Future Staffing Cost Target Salary	4,645,781
Future Commissioned Services	609,368
Future Non Staff Costs	670,001
<b>Total</b>	<b>5,925,150</b>
<i>Variance with Current</i>	<i>-688,894</i>

## Transition Costs

### Transition Costs - Severance

The creation of the JES will require 76 posts. These posts will be offered to existing staff through a selection process in the first instance. Staff who do not succeed in being appointed will return to their host authority for redeployment or severance. The following table sets out potential severance costs.

The average redundancy cost based on the age profile of staff has been estimated. These figures are for guidance only and will be confirmed during a subsequent design phase.

The recruitment process to the JES establishment will be employer neutral but for the business case we have assumed that the proportion of staff release will be the same across each authority. We have assumed that 10% of new establishment posts will not be filled as existing staff may not have the skills required. We have set out three assumed scenarios as follows:

- Redundancy cost based on the average age profile using a council scheme for over 55s
- Redundancy cost assuming that over 55s choose to leave using a council scheme

For the purposes of this business case we have assumed an average age profile for severance candidates. We have not taken into account the vacancy position expected in 2012. The likely outturn is that a greater number of over 55s will take severance but that the number of staff affected by severance will be lower than indicated below.

**Table 9 : Assumed Severance Costs**

Authority	Average Redundancy Per Staff Member Under 55	Average Redundancy Per Staff Member Over 55 - Council Scheme
Cardiff	£18,321	£55,124
RCT	£0	£84,311
Vale	£61,962	£99,992
Bridgend	£16,376	£69,199
Merthyr	£11,773	£30,364

**Table 10 : Severance Costs Applied**

Authority	Total Baseline Staff	Post Reduction Assuming Same Proportion by Authority	Staff Loss Assuming 10% of Future Establishment Can't Be Filled	Redundancy Cost - Based on Average Age Profile – Council Scheme	Redundancy Cost - All over 55s go first - Council Scheme
Cardiff	55	18.7	20.6	£619,368	£1,150,722
RCT	29	9.7	10.6	£896,097	£896,097
Vale	10	3.5	3.9	£301,133	£469,956
Bridgend	16	5.4	6.0	£242,062	£414,752
Merthyr	4	1.5	1.6	£26,959	£49,850
<b>TOTAL</b>	<b>115</b>	<b>38.9</b>	<b>42.8</b>	<b>£2,085,618</b>	<b>£2,981,378</b>

### Transition Costs – Project Management

The proposed project management arrangements are set out in Section 6. Additional time of service staff will be required and sourced from within the five authorities. However, we have made provision for the following additional staff costs to be incurred by the project. A full time project manager will be in place for a year supported by a co-ordinator and an analyst role. An interim head of service will be appointed six months prior to service commissioning. External support has been procured to deliver the business case and assist with completing a robust design for the service in support of the project manager.

**Table 11: Project Team Costs**

Project Team Costs	FTE	Salary	Cost
Project Manager	1	£63,000	£63,000
Analyst	2	£40,000	£80,000
Interim Head	0.5	£102,000	£51,000
External Support			£120,000
HR Lead	0.5	£63,000	£31,500
Corporate Services	0.5	£63,000	£31,500
Legal Advice			£50,000
Phase 2 Business Case	1	£63,000	£63,000
External Support			£60,000
<b>Total</b>			<b>£550,000</b>

### Transition Costs - Other

We anticipate costs to be incurred in transitioning to a new IT and corporate services provider with the departure of Caerphilly. We also expect some cost to be incurred in reconfiguring Ty Dysgu to accommodate a larger and mobile workforce and we anticipate the need to budget for training and induction of the 76 new appointees to the Joint Education Service. In total a provision of £360,000 will be made. In addition to the above costs may arise from:

- Equalisation of terms and conditions with transfer to a host authority
- Costs associated with decommissioning existing organisations (such as dissolution of the joint committee, final accounts, crystallisation of any losses / liabilities / contingent liabilities);
- Novation of contractual arrangements from current host authorities.

### Balance of Funding between Authorities

In addition to the detailed business case set out above each local Authority has identified the current budgets that will be attributed to the future funding of the Joint Education Service. This is set out in table 12.

**Table 12 : Current Budgeted Funding**

Current Budgeted Funding	Bridgend	Merthyr	RCT	Vale	Cardiff	Total
Total	£963,469	£432,926	£1,739,276	£929,017	£2,643,174	£6,707,863

The JES will be funded by the five authorities. To provide a stable financial position and to reflect the fact that the JES will provide school improvement on a consortium basis, the service will be funded using a consistent, equitable formula rather than on an individually negotiated SLA basis.

A number of models could be used to establish the proportion contributed by each authority.

- Model 1 – Total Education Spend as recorded in S52 returns
- Model 2 – Total IBA funding allocated to the authority
- **Model 3 – Total IBA less activities unrelated to school improvement (school meals, transport, adult education, energy)**
- Model 4 – As model three but also less SEN
- Model 5 – Pupil Numbers

Model 3 was selected as an objective approach to identifying appropriate funding levels for each authority. The IBA formula should accurately reflect the number of pupils and schools supported and the need based levels of deprivation and other factors. The IBA model is also not affected by previous local funding decisions.

Table 13 sets out the allocation of cost between authority on this model. The exact funding allocation will be agreed during the design work for agreement as part of the 2012 budget process.

**Table 13 : JES Cost Allocation against current budgeted funding**

Affordability Calculations	Bridgend	Merthyr	RCT	Vale	Cardiff	Total
2011/12	£	£	£	£	£	£
<b>Total Current Funding - In Scope Services</b>	963,469	432,926	1,739,276	929,017	2,643,174	6,707,863
<b>Basis of Funding Split - Adjusted IBA £</b>	80,837,670	34,793,138	145,925,973	75,441,236	175,603,000	512,601,017
<b>Basis of Funding Split - Adjusted IBA %</b>	15.77%	6.79%	28.47%	14.72%	34.26%	1
<b>Future JES cost base</b>						5,925,150
<b>Contribution £</b>	934,402	402,174	1,686,757	872,024	2,029,793	5,925,150
<b>Variance from current funding</b>	<b>-29,068</b>	<b>-30,753</b>	<b>-52,519</b>	<b>-56,993</b>	<b>-613,381</b>	<b>-782,713</b>

## 5. Traded Service – Initial Assumptions

**This section discusses proposals for a traded service to operate separately from the JES.**

### Current Position

Over the past 10 years schools have been dependent on local authorities for continuing professional development and specific whole school or subject area specialist training. The market for such provision in Wales is limited at present and schools have benefited financially from the risk of such traded services being borne by the local authorities

Currently Merthyr, RCT and Bridgend councils use ESIS to provide services to schools on a trading basis. As the ESIS operation also provides challenge and monitoring services this trading cross subsidises and is used to support overheads. Cardiff provides traded services directly. The Vale of Glamorgan provides support services on a non traded basis.

The current staffing baseline for traded services is set out below.

	FTE			£		
	Not Traded	Traded	Total	Not Traded	Traded	Total
Bridgend - LA	0.0	0.0	0.0	0	0	0
Cardiff LA	0.9	9.6	10.5	45,747	514,613	560,360
Merthyr - LA	0.0	0.0	0.0	0	0	0
RCT - LA	0.0	0.0	0.0	0	0	0
Vale of Glamorgan - LA	6.7	1.2	8.0	366,312	87,078	453,390
Bridgend - ESIS Secondment	0.0	3.9	3.9	0	288,360	288,360
Merthyr - ESIS Secondment	0.0	4.1	4.1	0	274,845	274,845
RCT - ESIS Secondment	0.0	6.3	6.3	0	463,317	463,317
			0.0			0
<b>Total</b>	<b>7.6</b>	<b>25.2</b>	<b>32.8</b>	<b>412,059</b>	<b>1,628,213</b>	<b>2,040,272</b>

---

### **Future Provision of General Schools Support**

A key principle of the Joint Education Service is that it is able to focus on rigorous monitoring and challenge of schools without the distraction of selling a wide range of support services that schools may need to support their improvement. Therefore, the JES will not provide general support services. Each school will commission the services it needs to execute the improvement plans agreed with the JES. This also aligns with the national intention to increase funding delegated to schools and to enable increasing self reliance in the school system.

However, the authorities recognise that the ability of schools to source excellent support services is a critical element of school improvement. They also recognise the decommissioning the traded service would transfer an additional £392,000 of fixed cost onto JES and would require redundancy payments of £1.7m based on redundancy assumptions stated in Section 4 and assuming that all staff would be subject to severance.

Therefore it is the intention of the authorities to pool the resources that currently provide general support to schools into a Future Traded Service. This organisation would respond to the requirements of schools and develop a service offer that can be delivered on a cost recovery basis.

### **Traded Service Operation**

The Traded Service will be a schools' led model, invested in and governed in partnership with the five local authorities. If Traded Services provide a range of services schools value, it will become a very viable operation that will make a substantial contribution to a shared support infrastructure for the Traded Service and the Joint Education Service.

To ensure the Traded Service is operationally and financially viable we are likely to require a level of forward commitment from schools based on the programme they require.

The offer to schools will start from the respective support offers of ESIS, Cardiff and the Vale of Glamorgan but will develop following consultation with schools and in response to consortium strategy work in key national priority areas.

This trading organisation may also offer services to schools in other authority areas or to the JES itself. For example, JES may use its commissioning budget to procure additional support required to address a particular LA schools issue. Neighbouring regional school improvement services are not planning on offering Traded Services and therefore the potential market has available resources in excess of £12million to procure school improvement services.

The future establishment of the Traded Service will depend on the service offer agreed with schools. However initial analysis suggests that an establishment of 31.5 posts under a Head of Service, with a commissioning budget to buy in specialist staff as required to meet school demands will be supportable. Based on the financial arrangements with the current ESIS schools, sufficient income will be generated to cover these costs and reduce the overhead costs of the JES.

The Traded Service will share accommodation and selected support services with the JES. A single corporate services role will provide financial management support and will act as the client for a host authority from which Traded Services would source technology, HR and facilities support. It has been assumed that the Traded Service will occupy two of the three floors of Ty Dysgu and take a 66.6% share of the fixed costs of this building.

### **Traded Service - Governance**

The Traded Service will be governed by a separate joint committee made up of representatives from the 5 local authorities and representatives from the group of schools who have committed to three year service level agreements with the Traded Service.

The responsibilities of key elements of the Traded Service governance structure will be as follows:

Joint Governance	Summary Role	Membership	Initial Frequency
Joint Members Committee	Agree common purpose of Traded Service and required outcomes.	LA Portfolio Members Statutory Education Officer 5 headteacher representatives (Attending only) Head of Traded Service	Termly
Professional Reference Group	To present and take feedback on the school improvement and CPD programme such that it is driven by the schools working in tandem with the LAs	Headteachers Governors	Termly
Head of Traded Service	To develop a school improvement an CPD programme that meets schools demands and needs, supports national and JES priorities for improvement.	Head of Traded Service Consultative Group of Headteachers  JES Senior System Leads	Half Termly

### Financial and Resource Model – Traded Service

To ensure its' future operational and financial viability, the Traded Service needs to generate an annual income of approximately £3.1m. This is based on the successful trading operations operated by ESIS. Since 1996, the ESIS authorities have consistently secured over 90% of the available schools to buy in to their service.

To secure the level of income to operate an operationally and financially viable organisation 90% of the schools across the 5 local authorities would have to purchase at a level of 30% of their School Effectiveness Grant. Schools from other regional consortia areas could also be offered the opportunity to buy in to the service.

Before, the Traded Service is commissioned in September 2012 schools would be expected to make a forward commitment to services based on a value proposition to be developed.

This would allow the Traded Service to operate on a cost recovery basis with no call on local authority subsidy. The presence of a Traded Service reduces the severance bill on the authority and substantially reduces the fixed costs of operating the Joint Education Service through sharing accommodation and support costs.

An estimated financial model for the traded service shows a breakeven position as follows

Traded Service – Future Operating Costs	
<b>Staff Costs</b>	<b>1,987,869</b>
Non Staff Costs	
External Consultants	80000
Supplies and Services Recharge	28,060
Administration Recharge	55,891
Central Services SLA Recharge	25,755
Accommodation costs	858,200
Marketing	50,000
Travel	24,000
<b>Total Cost Base</b>	<b>3,109,776</b>

<b>Traded Service – Future Operating Costs</b>	
Income	
Primary and Special SLA	£1,550,200
Secondary Schools	£745,200
Leadership and Management courses	£65,000
5/15 day welsh courses	£115,000
Roundings	£2,400
HLTA Grant	£15,000
Building income including the restaurant	£716,424
<b>Income Total</b>	<b>3,209,224</b>
<b>Net Cost</b>	<b>-99,448</b>

The variance between the current traded service staffing baseline and the future establishment used to generate the above is set out in the table below.

<b>Future Establishment</b>			<b>Current Establishment</b>		<b>Variance</b>	
<b>Staff</b>	<b>FTE</b>	<b>£</b>	<b>FTE</b>	<b>£</b>	<b>FTE</b>	<b>£</b>
Board of Management		20,000				
Head of Service	1	90,391				
BD Manager	1	63,388				
Lead Consultants	4	320,000				
Consultants - 16	16	1,216,240				
Support Staff	9.5	277,850				
<b>Total</b>	<b>31.5</b>	<b>1,987,869</b>	<b>33</b>	<b>2,040,272</b>	<b>-1</b>	<b>52,403</b>

The reduction in staffing establishment with an assumption that 10% of the future establishment will not be filled by current staff will generate a severance bill of £168,000. This has been included in the overall JES cashflow.

We have also assessed the further risk of being unable to sustain the above establishment on a cost recovery basis. The following table indicates the potential cost of releasing 20% and 40% of the current baseline staffing. The assumptions on average redundancy costs are described in Section 4.

<b>Authority</b>	<b>Total Baseline Staff</b>	<b>Redundancy Cost at 10% loss based on average age profile</b>	<b>Redundancy Cost - at 20% loss based on Average Age Profile</b>	<b>Redundancy Cost - at 40% Based on Average Age Profile</b>	<b>Redundancy Cost at 100% of staff based on average age profile</b>
Cardiff	10	31,473	62,945	125,891	314,727
RCT	6	53,453	106,906	213,812	534,531
Vale	8	61,361	122,721	245,442	613,605
Bridgend	4	15,912	31,824	63,649	159,122
Merthyr	4	6,716	13,432	26,864	67,161
<b>TOTAL</b>	<b>33</b>	<b>168,914</b>	<b>£337,829</b>	<b>£675,659</b>	<b>£1,689,146</b>

---

## ***6.1 Principles***

The consortium objective is that the Phase 1 – School Improvement service shall be operational in September 2012. This requires that not only the Joint Education Service be operational but that local authority structures and the existing ESIS organisation have been adjusted to fill the new roles.

The principles underlying transition are as follows:

- That the new Phase 1 JES organisation as described above will be commissioned and take on workload and resources from ESIS and the constituent authorities.
- That current arrangements for traded school support will cease to exist in ESIS, Cardiff and the Vale and will be replaced by a Future Traded Service. This service will provide support services to schools on a cost recovery basis. The future intention for the future traded service is discussed below.
- Staff will be recruited into the new posts in the JES structure and the proposed Future Traded Services structure. Staff in excess of the proposed future establishments may be subject to redeployment or severance. The approach to staff recruitment has not been confirmed but is discussed below.
- That this Phase 1 implementation forms part of an overall trajectory to take on further services into the JES. That trajectory for each service will follow a standard set of phases:
  - Assessment – establishing the case for change that determines the advantages of a consortium structure for each element of school service
  - Design – preparation of a detailed, costed business case and operating model for the consortium delivery of a given service
  - Transition – the implementation of a consortium service and the transfer of work
  - Continuous Improvement – adjusting the design to meet the needs of the consortium and developing processes and structures on a consortium basis

## ***6.2 The role of a Future Traded Service***

Cardiff, the Vale of Glamorgan and ESIS currently operate both a challenge and support function, ESIS undertaking these functions on behalf of three authorities. In future the challenge role will be delivered by JES on behalf of five local authorities. To avoid a conflict of interest the JES will not deliver traded support service.

The economic and to an extent the stakeholder case for the JES is influenced by the ongoing role of this residual traded service as:

- Decommissioning ESIS and Cardiff's and the Vale of Glamorgan's traded services in the short term will incur significant severance and other costs.
- Decommissioning traded services will leave a gap in schools support and is likely to prompt discontent from satisfied customer schools.
- The separation of JES from ESIS, Cardiff and the Vale of Glamorgan will reduce revenue and some cost but will make the residual traded services of Cardiff, ESIS and the Vale of Glamorgan financially and operationally sustainable.

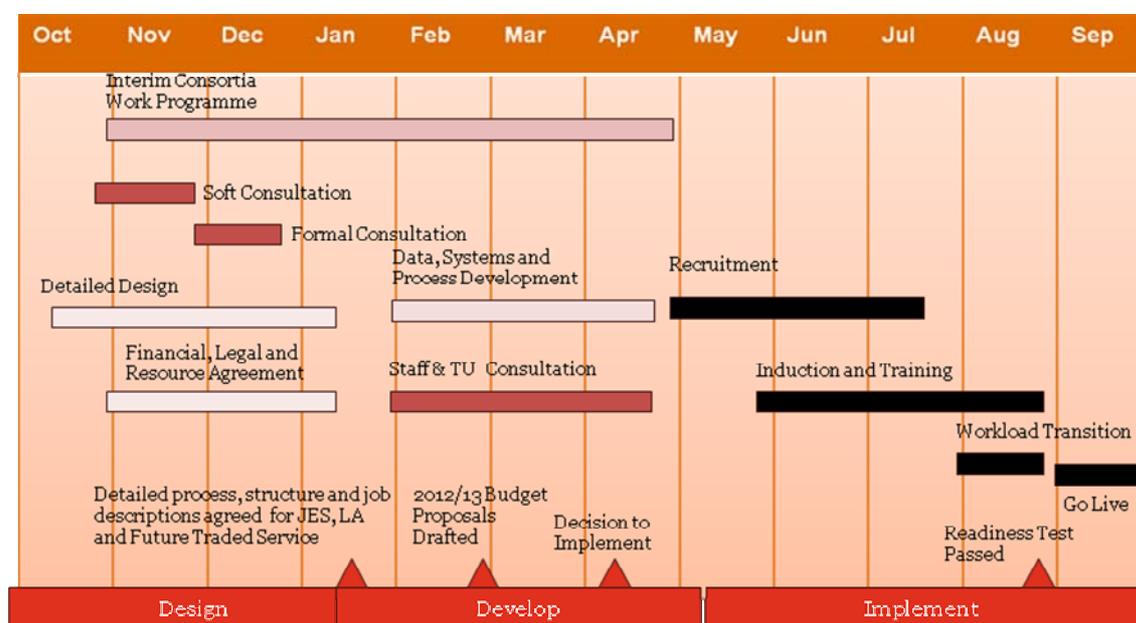
The approach to transition to the JES is to either:

- Design a long term, self funding future traded service operating separately from the JES focused on delivering excellent traded services to schools; or
- Leave a short term traded service delivering a steadily reducing portfolio of services eventually transitioning services to a competitive provider market.

Both options require the maintenance of a traded service in the short term. This business case has investigated the future role of a Traded Service over a three year period to test the model with schools and to determine whether it has a longer term future. This work will be completed alongside design of the JES.

## Outline Transition Plan

The following diagram illustrates a potential series of actions and milestones towards go live of the JES in September 2012. It is subject to detailed planning and confirmation but illustrates the sequence and elapsed time if the objectives are to be met.



The key tasks in this plan are as follows:

### Soft Consultation

This business case has been prepared by a small Head of Service group over a period of seven weeks. The time has allowed for limited consultation with stakeholders. Therefore, before this case enters formal consultation we recommend a process of discussion with key stakeholders to ensure that the principles discussed here are considered reasonable and welcome. This would involve:

- Directors of Education
- Chief Executives
- Portfolio Members
- Welsh Government representatives
- *Head teachers and Governing Bodies*
- ESIS Management Team and Management Teams of existing LA School Improvement Services
- Trade Unions

---

### **Formal Consultation**

The document will be submitted for agreement to the five authorities Cabinets and Senior Management Teams. At this stage the decision required is agreement in principle to proceed to detailed design. Final decision to implement will be taken at a later date.

### **Detailed Design**

This will involve the preparation of detailed operating procedures for the service, management structures, governance processes and role descriptions. The final establishment will be confirmed to a level of detail necessary to start formal staff consultation. The completion of this task requires that DfES provide necessary guidance on the operation of consortia, future funding and the role of system leaders.

This task will be done for the JES, the future traded service and the residual local authority structures in parallel.

### **Finance, Legal and Resource Agreement**

This task will determine the 2012/13 operating budget for the service, the legal structure of the JES and will confirm the approach to staff transition including the nomination of a host authority. This will outline the financial impact of the service to a level sufficient to inform the agreement of authority budgets for 2012/13.

The termination of the ESIS service needs to be resolved. The current legal agreement indicates that the agreement can be terminated with 12 months notice ending on 31 March. The above transition plan does not allow for this.

### **Staff and Trade Union Consultation**

Three months is allowed in the plan for formal consultation on new structures before action is taken to recruit staff.

### **Data, Systems and Strategy Development**

Alongside consultation the Heads of Service will work together to implement the support systems for the service and bring together the first data set that will inform the improvement strategy. They will prepare the first improvement strategy for the Joint Education Service.

### **Implementation**

At the end of March 2012, a decision to implement will be sought as council budgets are agreed. Action can then start to recruit staff to the new establishment, establish a shadow governance and management structure, undertake staff induction and training and transition workload to the new service. The intention would be to complete population of the new structure and mobilisation of the service as the Summer term ends and formally commission the service following a readiness test in September 2012. This would also include commissioning adjusted LA structures and the Future Traded Service.

### **Interim Consortium Work Programme**

It is the intention of the authorities to continue joint Head of Service and Chief Officer meetings to build a consortium work programme in parallel with the design and implementation of the JES.

---

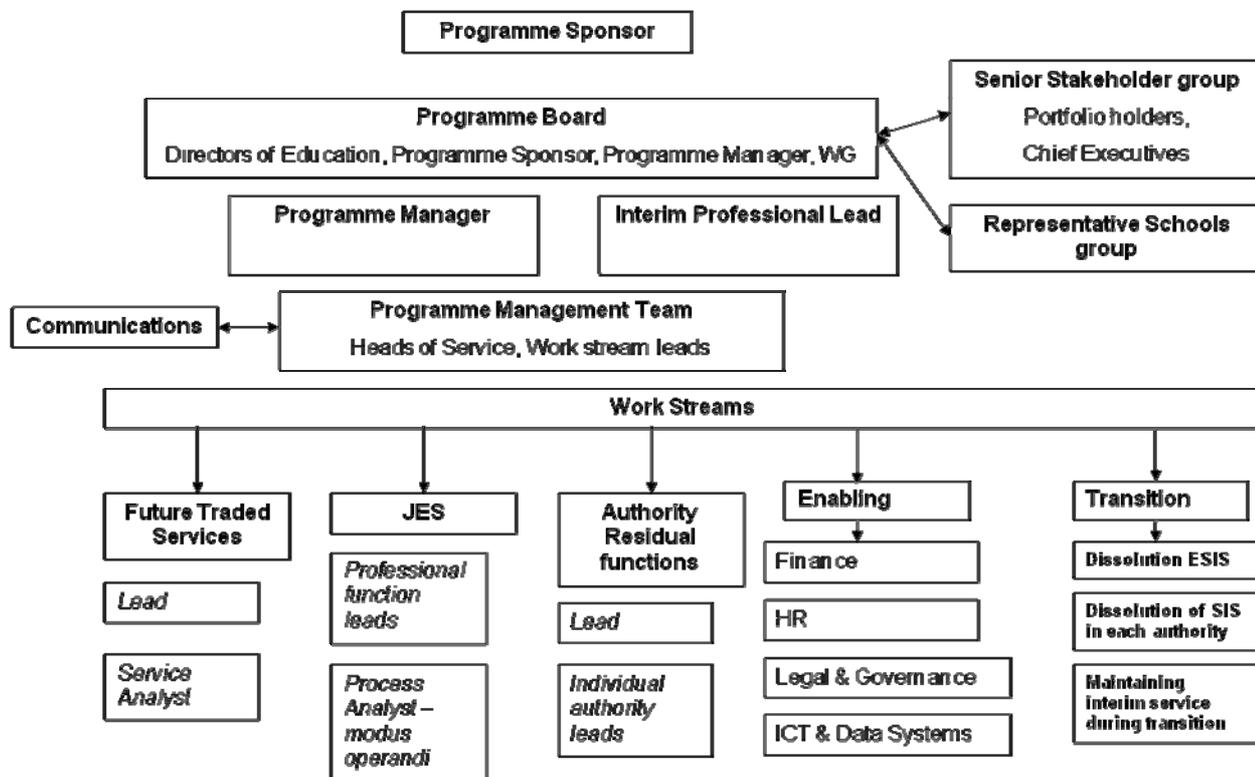
## ***6.3 Resourcing and Managing the Transition Plan***

The new school improvement service is a critical new capability for each authority and, as the first increment of a shared service, brings with it further challenges. The following is based on delivering a school improvement service that is defined to a sufficient level of detail to ensure that:

- Staff are recruited to newly specified roles with a manual setting out the processes they will operate and the systems and documentation they will apply.
- Processes, systems and documentation are designed specifically to meet the new levels of expectation for the service and are challenged as such.
- The design as agreed by five participating authorities is easily communicable to schools and services.
- The roles and staffing structures are specified sufficiently to allow consultation and then implementation. This is true for the JES, the residual local authority role and the future traded service.
- The service offer of the future traded service is clear and agreed with receiving schools including those currently supported by ESIS, Vale of Glamorgan and Cardiff.
- The corporate and administrative support to the service is specified and agreed with a host or provider authority.
- The budget implications of the JES for 2012/13 are known and factored into agreed council budgets.
- The governance structure is documented and legally appropriate. Members of the governing organisations can understand how this will operate.
- There is consultation upon the process to recruit staff to the new establishment and manage existing staff who will not be part of the establishment.

The current business case has been prepared through workshops with Heads of Service and external support. This approach gets useful input but does not allow sufficient time to develop the material necessary to deliver the above.

The following delivery structure and resource is suggested as an approach to delivering the programme. The potential roles of each element are outlined below.



Element	Role	Membership
Programme Board	To direct the programme , secure resources, resolve exceptions and ensure delivery	Chief Education Officers, Programme Lead, Programme Manager, WG
Senior Stakeholder Group	To provide input, take key decisions, and communicate back into host organisations.	Portfolio Holders, Chief Executive
Representative Schools Group	To provide input on the design and operation of the new services.	Head teacher selection / Governors
Interim Professional Lead	To take professional lead responsibility for the future of school improvement and direct the design and development on behalf of Chief Education Officers.	? (May initially be an existing head of service. The role would transition to a operational head of joint service at a point in the implementation.)
Programme Manager	To manage the programme team, develop and execute the plan, escalate and manage exceptions and take responsibility for delivery of the service to time, cost and quality	Experienced programme professional capable of working at a senior level (full time)
<i>Future Traded Services Workstream</i>		
Lead	To take responsibility for designing a programme for a future traded service	TBD – likely to incorporate members

<b>Element</b>	<b>Role</b>	<b>Membership</b>
	on a cost recovery basis incorporating the ESIS, Vale and Cardiff service offer	of the ESIS leadership team
Service Analyst (s)	Responsible for collating the current baseline for traded services and engaging with schools to develop a new programme which can be costed.	Full time (1-2)
<i>JES Stream</i>		
Professional Function Leads	Identified school improvement professionals for each JES service area to propose the design for the consortium for agreement.	A number of senior roles on a part time basis.
Process Analyst	Responsible for supporting the professional leads, designing and documenting the processes, products and structures for the JES. Documenting the job descriptions sufficiently for consultation. Producing an overall design document at the end of the design phase	Full Time Strong process analysts (2)
<i>Authority Residual Stream</i>		
Authority Reps	Responsible for understanding the baseline staffing position for the authority and developing the residual structures for the authority.	Part time Senior education officer
<i>Enabling Stream</i>	A representative for HR, Finance and Legal to develop approaches in each of these areas and work with other consortium members to make sure the approaches are agreed.	Substantial part time roles

## 6.4 People Transition

### Future Establishment

The future Joint Education Service will comprise approximately 76 posts from approximately 115 employed within the school improvement services in ESIS and the five councils. 31.5 posts will be created in a future traded service from a current establishment of 31.5. The residual posts will be either be required by the home authority or will be surplus to requirements.

The posts cover the following functions:

- System leader roles – to primarily undertake challenge and intervention reflecting the all Wales job profile. The job description here differs from current established posts and represent a shift to a more rigorous challenge role in school improvement. We expect the approximate salary position to be £76000 including on costs subject to formal grading.

- Strategy lead roles – to lead on individual strategy areas requiring a common focus across the authorities. This will include literacy and numeracy in addition to a focus on grant management and brokerage. Again, these do not match current established posts.

NB. It is likely that individual System Leader posts will include a mix of challenge and intervention and strategy responsibilities.

- Administrative, data and resourcing support – to provide support to the education service including providing a data service.
- Interim Phase 1 Head of Service – to lead the Joint Education Service.

### **Future Employment**

In resourcing to the new establishment the following applies.

Where the roles require a markedly different skill set and workload to current positions recruitment will be on a competitive selection basis

The new JES establishment would be at a point in time employed by a single host authority to ensure consistency of terms and conditions and flexibility in adjusting the mix of establishment without referring back or maintaining balance between contributing authorities.

Given the long term nature of the JES the proposed model is to:

- Ring fence current staff applicable to new positions
- Recruit into new positions
- Move new recruits to a host employing authority at an appropriate time
- Remaining staff remain with the local authority in traded or other positions

This model will require validation with human resources and legal and will require significant consultation with staff and unions. Depending on the authority costs and the extent to which new candidates are appointed to established positions costs will be incurred in rationalising terms and conditions. These costs have not yet been established but are not thought to materially compromise the case.

Some of the remaining staff will be subject to severance. The estimated overall reduction in establishment is 39 with a further 1.5 from traded service staffing but the gross effect in each skill area and the profile of the source group may mean that the impact on each authority would differ. In addition these numbers do not factor the vacancy position meaning that the overall impact on employed staff may be lower than the numbers here suggest.

## **6.5 Information Technology**

This section discusses the technology implications of phase 1 of the Joint Education Service.

### **School Information Management System**

School Information Management System (SIMS) is a comprehensive and integrated Management Information System (MIS) that, in addition to supporting teaching and learning and the ability to engage with a wide range of staff

---

across schools and LAs, has the potential to enable the effective use of data to help achieve policy objectives such as efficiency and effectiveness and the driving up of educational standards.

Each of the five LAs currently has access to SIMS, which can enable and support school improvement through the identification of data to inform school improvement strategies and monitoring of progress against targets.

However, early analysis indicates that SIMS data is currently held at school sites in four of the five authorities. Inefficiencies related to the retrieval of performance and management information are therefore likely to be significant, with multiple systems and processes in operation.

Further investigative work is also required to establish how data is currently managed, handled and reported upon by each LA individually and at ESIS, whether Information Sharing protocols are in place and whether Data Protection policies are robust and effective.

It is critical that in order to enable collaborative working across school improvement, the processes within and outcomes of which are strongly data-led, that priority is given to the improvement of critical business processes to enable efficient, effective and timely access to reliable and accurate school performance and management information. This should be completed in advance of the new service launch.

### **ICT Infrastructure**

There is ICT infrastructure in place at Ty Dysgu to support up to c.80 staff. There are 71 staff currently seconded to ESIS that would use this building as their base; however, only a small proportion of this staffing complement are office-based, i.e. all support staff and a small number of Advisers (c.10). It is recognised that there would need to be analysis undertaken in order to measure the level of investment required in the building's ICT infrastructure in order to accommodate additional staff.

### **ICT Applications**

School improvement staff currently employed across the consortium use standard Microsoft applications for the completion of their work, therefore there are no issues expected in terms of additional requirements for licences etc.

Support staff within ESIS currently use Workforce, a reservation system for INSET and the monitoring of school expenditure on various grants. This will also need to be made available to the System Leader with responsibility for grant expenditure monitoring (challenge and intervention) and the Corporate Services team, as a minimum.

ESIS support staff also use the Caerphilly CBC accounting systems. These will need to change to the accounting systems of the host authority.

## ***6.6 Accommodation***

Currently the shared service is operated from Treforest from Ty Dysgu, a leased building. The councils would be penalised for terminating the lease. The building is modern and centrally located.

Currently the building provides workstations for 80 staff and additional meeting and conference facilities that are used by the traded service for training and other events.

Given the above, this business case proposes that Ty Dysgu house both the Joint Education Service and the Future Traded Service.

In total approximately 104 staff would be housed from Ty Dysgu in this arrangement. To allow this within the capacity of the current building will require that system leader staff who are primarily mobile do not retain an individual devoted desk but operate on a drop in basis. Further drop in facilities may be created within local authority offices.

## Appendix One – Future JES Staffing Model

This appendix breaks down the assumptions and calculations underpinning the future staffing model.

**Table 1 : Number of Schools Supported**

On current data the JES service will support 426 schools across five authorities. The future establishment is partly derived from an effort assessment for key school improvement tasks multiplied by the number and type of schools.

Number of schools:	Primary	Secondary	Special	PRU	Total	Proportion
Bridgend	51	9	2	1	63	14.8
Cardiff	97	21	7	1	126	29.6
Merthyr Tydfil	25	4	1	0	30	7.0
RCT	120	19	4	3	146	34.3
Vale of Glamorgan	49	8	3	1	61	14.3
TOTAL	342	61	17	6	426	100.0

**Table 2 : Staffing Assumptions**

The following tables identify the assumptions underlying the JES establishment. These tables identify the Full Time Equivalent posts required and the assumptions on grading.

**Table 2.1 : Challenge and Monitoring**

Challenge and Monitoring	Assumptions		Primary	Secondary	Special	PRU	Total Annual Days	Total FTE @ 190 Days
Annual Monitoring Challenge and Support	Annually to every school	3.5	5.0	5.0	5.0			3.5
		1197.0	305.0	85.0	30.0	1617.0	8.5	1197.0
Monitoring	35% schools require input in a 6 year Estyn cycle. Each of these schools gets annual inputs for 2 years.	5.0	8.0	5.0	5.0	23.0		5.0
		199.5	56.9	9.9	3.5	269.9	1.4	199.5
Special Measures	8% schools require input in a 6 year Estyn cycle. Each of these schools gets annual inputs for 2 years.	15.0	15.0	15.0	15.0	60.0		15.0
		136.8	24.4	6.8	2.4	170.4	0.9	136.8
Concern	10% schools require input in a 6 year Estyn cycle. Each of these schools gets annual inputs for 2 years.	5.0	8.0	5.0	5.0	23.0		5.0
		57.0	16.3	2.8	1.0	77.1	0.4	57.0
Pre-inspection report	16.7% schools require input annually. Each of these schools gets annual inputs.	0.5	0.5	0.5	0.5	2.0		0.5
		28.6	5.1	1.4	0.5	35.6	0.2	28.6
Post-inspection action plan	16.7% schools require input annually. Each of these schools gets annual inputs.	0.5	0.5	0.5	0.5	2.0		0.5
		28.6	5.1	1.4	0.5	35.6	0.2	28.6
Headteacher PM	Annually to every school.	1.5	1.5	1.5	1.5	6.0		1.5
		513.0	91.5	25.5	9.0	639.0	3.4	513.0
Governor SI Training	Annually to every school.	1.0	1.0	1.0	1.0	4.0		1.0
		342.0	61.0	17.0	6.0	426.0	2.2	342.0
Brokerage and Grant Monitoring	Annually to every school.	0.5	0.5	0.5	0.5	2.0		0.5
		171.0	30.5	8.5	3.0	213.0	1.1	171.0
Peer Quality Assurance Allowance	Assumption at FTE level - 1.5 FTE for JES.					0.0		
						285.0	1.5	
Local Authority Link	Assumption at FTE level - 0.75 FTE for each LA.					0.0		
						570.0	3.8	
Appointment Support	10% of schools require input annually.	1.5	1.5	1.5	1.5	6.0		1.5
		51.3	9.2	2.6	0.9	63.9	0.3	51.3

Challenge and Monitoring	Assumptions		Primary	Secondary	Special	PRU	Total Annual Days	Total FTE @ 190 Days
School Reorganisation	Estimate of total 11 schools p.a. requiring input.	5.0	5.0	5.0	5.0	20.0		5.0
		60.0	60.0	60.0	60.0	240.0	1.3	60.0
NQT Induction Monitoring	Estimate of 275 NQTs p.a. requiring 1 day's input each.							
						275.0	1.4	
CONTINGENCY							2.7	
<b>Total Challenge and Intervention</b>						<b>5065.4</b>	<b>29.3</b>	

**Table 2.2 : National Priorities**

National Priorities	FTE Assumption	Grade Assumption
Total FTE	8.0	System Leader

**Table 2.3 Service Management and Support**

Service management and Support	Assumption	FTE Assumption	Resourcing Grade	FTE Inc Contingency
Head of Service	Full time role to lead JES	1.0	Head of Service	1.0
Resourcing Manager	Scheduling system leads undertaking school facing tasks. Assumes 1 for 10	2.9	Support	2.9
Administration team	Providing administrative support to SI staff. Assumes 1 in 10	3.8	Support	3.8
Translation		1.8	Support	1.8
ICT/REPROGRAPHICS		1.0	Support	1.0
Data Team - Lead	Statistician	1.0	System Leader	1.0
Data Team - Support	Data Entry Technicians	3.0	Support	3.0
Corporate Services	Leading on finance and as intelligent customer of support services from lead authority	0.5	Associate Adviser	0.5
Corporate Services	Finance Support	1.5	Support	1.5
<b>Total Admin and Support</b>		<b>16.4</b>		<b>16.4</b>

**Table 2.4 : Other Roles**

Other Roles	Assumptions	FTE	Resourcing Grade
Grant Funded Services	Resource level maintained as current	17.4	As current
LA School Improvement Lead	Client role - one for each authority	5.0	Equivalent Salary to System Leader

**Table 3 : Salary Assumptions and Reconciliation with current staffing costs**

The table below identifies the number of staff in the future establishment by grade and the salary assumptions underlying the business case. The future salary of system leader assumes that all staff work on a Soulbury spine point of 21 plus three spars.

The variance figure in the bottom row identifies the reduction or increase in FTE and costs incurred by moving to the new establishment. This does not include any savings from trading for staff that currently support schools in the Vale of Glamorgan.

Grade	FTE Number	Average Salary	Total Cost
System Leader	38.3	£76,171	£2,914,996
Client Role	5.0	£76,171	£380,855
Associate Adviser	0.5	£63,388	£31,694
Head of Service	1.0	£102,000	£102,000
Support	13.9	£28,352	£394,272
Grant Funded Service Dev	17.4	£47,326	£821,963
<b>Total</b>	<b>76.0</b>	<b>£0</b>	<b>£4,645,781</b>
Current Baseline	114.9	£0	£5,793,561
Variance	-38.9	£0	-£1,147,781