

Alternative Solution for Schools HR, Payroll and Finance Business Case

Note to Cabinet from the Education, Children and Young People O&S Committee

At its meeting on 11 October 2024, the Education, Children and Young People O&S Committee considered the **Alternative Solution for Schools HR, Payroll and Finance Business Case** as a pre-decision scrutiny exercise prior to the Cabinet consideration on 15 October 2024.

Recommendation 3.5 of the Cabinet report asks that Cabinet “*notes the feedback on this report from the Education, Children and Young People Overview and Scrutiny Committee on 11th October*”.

We would wish to advise Cabinet Members of the following points made during our meeting and recommend that these are included in Cabinet’s consideration of the report.

1. The Committee sought further assurances regarding the level of support to be provided to schools to prepare for transition as the report recognises that the recommended option ‘is likely to impact on schools in terms of budget, capacity and expertise’. The Committee noted the current customer base for the Schools HR and Payroll and Pension services is heavily weighted towards smaller, maintained schools. We heard that some schools were worried about the pace of change and their capacity to manage the required changes and the effect of these on staffing and staff wellbeing. The Committee suggest the impact on schools is monitored and requested a progress report be provided before the September 2025 implementation.
2. Members noted that consultation with schools had been undertaken and that reference was made to this in the report. However, they felt the report lacked detail on exactly what consultation had taken place, what feedback had been received and what had been learnt about the perspective of schools. The Committee would like assurances about how the Directorate was reaching out to those schools that had not yet engaged and how it would continue to ensure all schools were fully involved and engaged in the process.
3. The Committee noted the reputational damage that had resulted from the Oracle failure and were concerned that we risk damaging our relationship with those schools again. The Committee sought assurance that a structured plan of support would be made available to schools and their staff throughout this process and that additional support would be offered to those schools who found themselves requiring it.

4. Members recognised that a number of schools were already struggling financially and in deficit budget position and this was predicted to rise in the future financial years. The Committee asked for clarity on arrangements for financial oversight and accountability for financial management when all schools become chequebook schools and assume full responsibility for their own finances.
5. The Committee would like assurance that systems and process will be in place to address the risks identified in the report: Paragraph 4.49 notes that the Council's Fair Funding Scheme has not been updated since 2017/18. Paragraph 4.55 highlights a lack of clarity on what elements of work are statutory duties and that the council does not hold a definitive list. There are further risks to the council of the proposed recommendation leading to a fragmented landscape and the council losing control of HR advice to schools where the council is an employer.
6. In addition to the above comments about the report, Members expressed disappointment that Overview and Scrutiny had not been involved earlier in the process in the development of options. It is keen to assist and support policy development by utilising the experience, scrutiny skills and knowledge of elected members and the church and parent governor members on the Committee. Members also asked that in future information is provided in a timely and accessible format.

Councillor Kerry Jenkins

Chair

Education, Children and Young People OSC