

**Swindon Borough Council and NHS Swindon  
Diversity Impact Assessment for Review of Retirement & Redundancy Policy****1 What's it about?**

For a number of years there have been separate Early Retirement & Redundancy Policies for teachers and school support staff. At the meeting of the Schools Forum on 11 October 2011 a report was considered proposing a review of these Policies in the light of the following:

- The increasing number of Maintained schools converting to Academy status and, therefore, sitting outside the Local Authority (LA) and these two Policies;
- The need to achieve equity across all school types;
- The requirement to obtain maximum value for money for the Dedicated Schools Grant (DSG), which, like the Council's core budget, has been under increasing pressure.

The LA's core budget of approximately £320k funds ongoing commitments but the cost of any new school redundancies is financed through the Redundancy budget in the retained part of the Designated Schools Grant (DSG) and this amounts to £200k per annum. This budget currently overspends and is running at £265k in the present financial year.

The view of the Schools Forum was that the Schools' Redundancy Policies needed to be updated to take account of recent developments, in particular, the number of schools converting to Academy status, and also that a single, revised Policy for both teaching and school support staff would make more sense.

The Forum in particular considered two options for the future management of the budget, as follows:

- Option 1 – the LA continues the retained DSG funding to meet estimated costs, which would vary from year to year.
- Option 2 – the LA delegates all funding to schools, which will then directly fund any dismissal redundancy costs, thereby enabling Maintained schools to be comparable with Academies.

Following the October Schools Forum meeting, wider consultation on the future direction of the Early Retirement & Redundancy Policy has involved the following two groups in particular:

- the Education Joint Consultative Committee, comprising Trade Union representatives and officers, at its meeting on 19 October 2011;
- the Schools Forum Sub-group on 22 November 2011.

A report on the outcome of this and other consultation will be submitted to the next meeting of the Schools Forum, on 17 January 2012.

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## **2 Who's it for?**

The Early Retirement & Redundancy Policy is for teachers and school support staff in Maintained schools, ie, Community, Voluntary-Controlled, Voluntary-Aided and Foundation schools. When Maintained schools convert to Academy status they take with them a "slice" of this budget. As the number of Academies increases, so the pressure on this budget will reduce but also the amount of funding available will decrease.

The purpose of this budget and the accompanying Policy is to support schools where there is an overwhelming case for a redundancy due to reduced resources. The funding available to a school may reduce for a number of reasons but often it is due particularly to a decrease in pupil numbers, which account for around 80% of the funding received through the agreed formula.

In these circumstances, a school will put forward a case for the retained DSG budget to fund a redundancy or early retirement where it is seen as unavoidable. Each application to the LA is carefully scrutinised by an officer Panel, chaired by the Director of Schools & Learning. The Panel must be convinced that the proposed redundancy is unavoidable and may call for additional evidence from a school to demonstrate clearly its case.

As indicated above, the Schools Forum considered two options for the future of either the LA retaining the funding within the central DSG or the funding being delegated to schools, as it is for Academies. However, the legal advice received indicates that the LA is not able to delegate funding to individual schools but can require schools to fund the costs themselves in certain circumstances, including where a school has surplus balances and no agreed plan to use them.

The revised and updated Policy will be considered at the Schools Forum meeting on 17 January 2012 and it will more clearly define the circumstances when funding may be provided to schools from the central DSG budget. Equally, it will set out the circumstances when this will not be the case.

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## **3 Impact**

The key principles behind the proposed changes to the Redundancy Policy are as follows:

- Defining more clearly the circumstances under which redundancy payments should be funded by schools or through the retained DSG;
- Ensuring that any schools with uncommitted balances fund redundancy costs – this fits with the report elsewhere on the Agenda regarding the use of school balances;
- Determining that schools will pick up costs associated with premature retirement except in exceptional circumstances;
- Enabling the LA Panel that considers applications from schools for funding redundancy costs to be more rigorous in its approach;
- Nevertheless continuing to fund redundancy costs in schools if there is a strong and robust case to do so.

The possible impact of the revised Policy, if recommended by the Schools Forum on 17 January 2012, will need to be monitored closely by the LA, schools and, in particular, the Schools Forum, especially in terms of the following:

- Whether the new Policy leads to a proportionate increase in the number of older teachers and support staff (eg, over 55 years old) that are made redundant;
- Whether there is an impact in terms of gender, ie, a proportionate increase in the number of women made redundant;
- Whether there are any other equality implications that result from the new Policy and also the increasing need for schools to minimise their costs;
- Whether there are any equality implications resulting more generally from the increased competition between schools, including Maintained schools and Academies – schools are likely to be making increasingly determined efforts in the future to attract pupils to their schools and this could be accentuated by the establishment of Free Schools.

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#### **4      So what?**

In order for the Schools Forum (and LA) to monitor the position carefully and any changes that arise, it is proposed to report to the Forum on an annual basis assessing the impact of the revised Early Retirement & Redundancy Policy.

If it is demonstrated through this data that there are equality implications arising to the detriment of particular groups, then it will be incumbent on the Schools Forum to review and revise the Policy to mitigate these effects. Ongoing discussions will also be held on this subject through the Education Joint Consultative Committee and more generally with Trade Union representatives.

Finally, it does need to be borne in mind that with an increasing number of schools converting to Academy status the revised Policy will have an impact on only a decreasing number of LA (mainly Community) schools. However, it will be important to assess whether or not these schools and their staff are becoming more disadvantaged compared to those schools that have converted to Academy status. In particular, it will need to be assessed whether any of this has an impact on the teaching and learning of children and young people in the Borough.

<b>For the record</b>	
Name of person leading this DIA <i>Ian Bickerton</i>	Date completed <i>05.01.12</i>
Names of people involved in consideration of impact	
Name of Director signing DIA <i>Ian Bickerton</i>	Date signed <i>05.01.12</i>