

## **BUDGET IMPLICATIONS FOR STAFFING**

### **Context:**

#### **National**

Reduced funding (Formula Grant) from Government to Local Authority not matching the inflationary pressures our LA is under given that council tax rises are not expected to exceed 5%.

#### **Local**

SCC has an overall savings target for Financial Year 2009/10 of £13.4m. This will result in cuts to education budgets reflecting both the national picture and their own deficit.

#### **Cantell**

We are currently forecasting a significantly reduced surplus of £175K into the next financial year 2009/10. This is insufficient to offset the deficit budget position for next year of over £500K that is a result of increasing operating costs and the national and local cuts to budgets.

#### **In addition**

- We have been 'carrying' a surplus of teachers for 2/3 years which brings additional costs.
- The cost of 'threshold' payments to experienced teachers is increasing.
- Funding increases are insufficient to meet increased operating costs.

#### **Outcome**

- Whilst there is some opportunity to move teaching staff between curriculum areas, there is still significant overstaffing in two areas.
- This 'overstaffing' is unlikely to be resolved through natural wastage.
- We are therefore in a situation of looking at redundancies.

#### **Process**

- Unions alerted 28<sup>th</sup> January 2009.
- Governors alerted 30<sup>th</sup> January 2009.
- Paper provided for Governors (extra ordinary meeting 6 March 09).
- Discussion with HR re criteria for selecting specific departments.
- Paper discussed with departments affected.
- Paper issued to all staff.
- Period of consultation to begin March 2009 to include local representatives for teachers unions.
- Outcome communicated to staff....