

EDUCATION POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Minutes of the Select Committee Hearing into Provision of Sold Services to Schools held at 7.15 pm on 17 July 2012

Present:

Councillor Nicholas Bennett J.P. (Chairman)
Councillor Lydia Buttinger (Vice-Chairman)
Councillors Kathy Bance, Nicky Dykes, Judi Ellis,
Brian Humphrys, David McBride, Alexa Michael (from
9.40pm) and Neil Reddin FCCA

Dolores Bray-Ash JP, Tom Clements, Janet Latinwo and
Hilary Richardson

Also Present:

Councillor Stephen Wells, Education Portfolio Holder
Councillors Robert Evans, Care Services Portfolio Holder

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Father Owen Higgs, Darren Jenkins, Alison Regester and Andrew Spears. Tom Clements attended as substitute to Andrew Spears. Apologies for lateness were received from Councillor Alexa Michael.

2 DECLARATIONS OF INTEREST

The Chairman reminded the Committee that the Declarations of Interest made at the meeting on 12th June 2012 were taken as read.

Councillor David McBride declared that he had been a teacher at a school in the London Borough of Bexley until July 2011 and would be returning to teach in the London Borough of Bexley from September 2012.

Councillor Judi Ellis declared that she was Chairman of the Finance Committee at two primary schools within the Borough.

3 QUESTIONS TO THE PDS CHAIRMAN FROM MEMBERS OF THE PUBLIC AND COUNCILLORS ATTENDING THE MEETING

No questions had been received.

4 SCOPE OF THE REVIEW OF SOLD SERVICES TO SCHOOLS

The Committee considered the scope of the review which would include evidence from a number of witnesses including Council Officers,

representatives of a school in the Borough, a private provider of sold services and a neighbouring local authority offering sold services to schools. The Education Portfolio Holder would also provide the perspective of the Council's Executive.

In addition to the witness sessions, a Background Information Briefing had been circulated in advance of the meeting which had included information around the range, cost and staffing of Local Authority sold services to schools, as well as the take up of these services by Bromley schools. An executive summary around the future of Local Authority support and sold services to schools considered by Cabinet in January 2012 had also been included, as had a discussion paper drafted by the Interim Assistant Director (Education) around the future of support services to schools.

RESOLVED that the scope of the review be noted.

5 SOLD SERVICES TO SCHOOLS: PUBLIC EVIDENCE SESSION

The Committee heard evidence from a range of witnesses around the provision and use of sold services to schools.

Witness Session 1: Council Officers responsible for Education Sold Services

The Interim Assistant Director (Education), Deputy Director of Finance and Strategic Commissioning Manager provided evidence around the work the Local Authority was undertaking to deliver a sold services offer to schools in the Borough. The Chief Executive was also requested to provide evidence around the issues impacting sold services at a strategic level.

A Member queried what progress had been made since Cabinet had considered the Executive Summary around the future of Local Authority support and sold services to schools in January 2012. The Strategic Commissioning Manager confirmed that all sold services to schools had been moved to operational trading accounts based on full cost recovery. The majority of these services had now achieved full cost recovery through a process of lowering overheads, increasing sales and where appropriate, increasing charges for services. Property: Reactive Services and Education Development Centre (Dedicated Schools Grant funded services) were not yet achieving full cost recovery, however a restructure had recently taken place at the Education Development Centre to reduce costs and work was continuing with these services.

The Chief Executive highlighted the importance of full cost recovery for sold services and underlined the need to ensure that sold services provided to schools through the Revenue Support Grant were not being subsidised by Council funds. Services funded by the Dedicated Schools Grant were also considered and Members noted that it was the role of the Schools' Forum to decide how this grant should be allocated and whether any portion of it should be used to subsidise schools.

In response to a question from a Member regarding marketing of sold services, it was confirmed that funding had been made available for marketing but that this had not yet been utilised. Neighbouring boroughs had undertaken marketing of their sold services within the Borough, and Members noted the potential to target out-of-Borough schools as part of any future marketing strategy. Members were concerned that no research had as yet been undertaken to identify the sold service needs of Bromley schools and assess what demand there would be for a range of services in the future. There had also been no analysis undertaken around what was available in competition from the private market.

A Member highlighted the importance of ensuring that early intervention services continued to be prioritised to ensure that children and young people received support as an early stage. It was also noted that there was also likely to be a significant increase in demand for services for children and young people with special educational needs which would further increase cost pressures in this area.

In response to a question from the Chairman, the Interim Assistant Director (Education) confirmed that there were three main options in the future delivery of services to schools. These included continuing to provide sold services in the existing manner, approaching commercial organisations to deliver these services, or a move to working with schools to develop partnership arrangements which would allow the right services to be delivered to schools whilst enabling the Local Authority to carry out its statutory duties.

Witness Session 2: Representatives of Schools purchasing Sold Services

Mrs Janet Vick, HR Director, Bishop Justus Church of England School provided evidence around the experience of Bishop Justus Church of England School in purchasing sold services from both the Local Authority and other providers.

The school had previously used the Local Authority Human Resources Service but following a tendering exercise in 2010, the school had chosen to utilise the services of a private provider for Human Resources and associated services.

Mrs Janet Vick confirmed that whilst the Local Authority had offered a good service, the successful private provider had offered a similar service at a significantly reduced cost. Additional benefits were also offered that included a telephone support service available both during and outside working hours and a named case officer being assigned to the school to address difficult issues, for example issues raised by a disciplinary hearing.

Unlike the Local Authority, employment protection through the new provider also included the cost of legal support, and a 'pay as you go' option was provided for Occupational Health Services, whilst the Local Authority charge included the costs of cover for all employees. The school had found it

relatively simple to take on other roles, such as recruitment and advertising, which had previously been undertaken through the Local Authority.

In response to a question from a Member, Mrs Janet Vick confirmed that the Local Authority had queried why the school was moving to a private provider. She also noted that the school still utilised other services provided by the Local Authority including behaviour and audit services.

Witness Session 3: Representatives of Private Providers of Sold Services

Mr Brian Oppenheim, Cambridge Education provided evidence around the range of services offered to Bromley schools by Cambridge Education as a provider of sold services to schools.

Cambridge Education was a global education services company working with a wide range of partners including schools, public sector agencies, education institutions and organisations, donors and charities and governments. The company primarily sold services to individual schools but had also delivered education support services to the London Borough of Islington since April 2000. The company was currently providing advice, consultancy and training to meet the existing and developing needs of schools within the Basildon Schools Partnership which aimed to raise standards throughout Basildon Education Services Trust schools.

Mr Brian Oppenheim noted that the company's Sales and Marketing Team was key to supporting the development of services offered to schools, particularly with regard to school improvement courses, and that the expert knowledge of practitioners and use of intelligence data was vital to ensure the right courses were offered. Cambridge Educational also worked to encourage repeat business, supporting schools to build capacity. The move of schools to academy status was expected to continue, particularly for the secondary sector, which would impact the future development of services, and Cambridge Education had also identified a potential opportunity to support sales and event management for other individuals and organisations in offering services to schools.

In response to a question from a Member, Mr Brian Oppenheim confirmed that Cambridge Education had a broad customer base and had had some form of contact with approximately 45% of Bromley schools in the last year through training, consultancy or the purchase of publications.

Witness Session 4: Representatives of another Local Authority offering Education Sold Services

Mrs Jo Lakey, Acting Head of School Improvement, London Borough of Bexley provided evidence around the work London Borough of Bexley was undertaking to deliver a sold services to schools offer.

Prior to April 2011, the London Borough of Bexley had offered a traditional sold services offer to schools. This had now been developed into a Service

Level Agreement product where schools could buy into a range of educational and operational services whilst benefiting from savings realised by group purchasing. A marketing approach to this service had been developed around schools preferred mechanisms of communication and included brochures, web advertising and e-mail alerts.

Mrs Jo Lakey highlighted the advantage local authorities had in delivering sold services, as they had both local knowledge and existing relationships with schools. The London Borough of Bexley had worked to build on this strong relationship with schools by providing an open and consistent charging policy across services and offering flexible support outside the boundaries of service level agreements as needed, for example by introducing quality assurance associates into the School Improvement Team as part of the Council's duty to support children and young people in the Borough. The London Borough of Bexley also encouraged schools to buy services where most appropriate to meet their needs, even if these services were offered by alternate providers.

Looking to the future, the London Borough of Bexley was working with schools to develop a partnership approach to the future provision of services. There was also potential for the London Boroughs of Bexley and Bromley to develop shared project working and services. Former employees of Bexley's Education Welfare Service had started a business within the Borough and continued to maintain links with the London Borough of Bexley in delivering their service to local schools.

Witness Session 5: Representatives of the Executive

Councillor Stephen Wells, Portfolio Holder for Education provided evidence around the aims of the Executive in supporting schools in Bromley to purchase a wide range of services.

The previous witness sessions had raised a number of issues, including alternate delivery models for sold services and how the sold services needs of schools were changing. It was noted that the current model for sold service delivery used by the Local Authority was unsustainable, and that a new model might include the delivery of services by social enterprises, as well as increased partnership working with other local authorities, schools and commercial organisations to ensure the right services were offered in an accessible way.

The need to market the Local Authority sold service offer both within and outside of the Borough was highlighted, as was the need to undertake market testing of schools and private provider provision to ensure a quality offer was being provided.

Members highlighted the need to have leadership from Executive on this issue and the Portfolio Holder for Education agreed to highlight a number of issues with Executive colleagues.

In concluding, the Chairman thanked all the witnesses for attending the meeting and noted that the evidence provided would support future decisions by the Local Authority in delivering a high quality sold services offer to schools.

The Chairman also noted it was Bob Garnett's last meeting as Interim Assistant Director (Education) and thanked him on behalf of the PDS Committee for all his hard work. The Committee wished him well for the future.

RESOLVED that the presentations from witnesses be noted.

6 EVALUATION AND RECOMMENDATIONS

In considering the evidence that had been presented, the Chairman requested Members provide their comments on the future development of sold services in the Borough for inclusion in the report of the Select Committee to be drafted by the Chairman.

RESOLVED that Members provide their comments on the future development of sold services in the Borough for inclusion in the report of the Education Select Committee Hearing.

The Meeting ended at 10.42 pm

Chairman