

Sold Service Review September 2014

1. Do we need to provide this service at all and if not please explain why we are providing it?

This is a non-statutory service.

The income generated provides additional income to the Bromley EBP budget. The service also provides economy of scale for schools wanting to engage with employers to support young people's development of employability skills. BEBP engages with the national and local business community to offer opportunities for them to meet their CSR obligation of reaching out to the local community and volunteering their support.

Delivery of these activities helps schools to:

- meet Ofsted guidance to provide impartial careers advice following demise of Connexions
- keep updated with what's really happening in the world of work and how this will influence/support the curriculum and provide employment opportunities in the future
- facilitate study opportunities and access to employers or providers that would otherwise be restricted due to confidentiality, health and safety or business limitations e.g. Health & Social Care and Chemistry at Work events

Delivering these activities helps the Council to:

- maintain communication with schools/young people for contact details of young people to help fulfil obligation to NEET/EET targets
- Maintain communication with local employers and help to influence local economy in relation to skills and training for residents.
- achieve its corporate goals (Building a Better Bromley).
- demonstrate an effective track record and positive impact thus enabling it to make a strong case for when submitting bids for external funding.

2. Is this a new charge to be considered or an amendment/change to our existing charging policy?

BEBP has operated a sold service for these E & E events for over 10 years. Our charging policy is based on team member's individual hourly charge out rate, event running costs plus a 20% overheads charge to cover core and fixed costs

Any proposals would be an amendment to existing fees and charging rates, which are reviewed on an annual basis, following indicative funding information becoming available for the following academic / financial year.

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3. Is the charge set by Statute?

No

4. Is the level of charge set by Statute?

No

5. If 3 & 4 above are not applicable, is the proposed charge based on full cost recovery and if not please specify why not

The delivery plan and charges for the Bromley EBP Enterprise and Employability Programme are based on recovery of controllable expenditure only, as the trading account was not set up as full cost recovery. The service is profiled to balance salaries, overheads and specific training expenditure or resources with income that is generated through sold service revenue plus income generated from national funding through external contracts.

6. Who uses the service and when, and can they go elsewhere?

Primary schools, Secondary schools/academies and Colleges in Bromley and to an extent neighbouring Boroughs. Services are delivered during academic year either as a planned event by us on specific days or bespoke to meet the school's needs.

They can choose

- Not to provide this type of work related learning activities
- To provide similar events in-house
- To find suitable providers in the open market.

Experience has shown that our rates are very reasonable compared to other similar providers.

Schools also appreciate the quality of activities delivered which eases the burden on already busy school staff. The schools also benefit from a significant number and range of business representatives involved providing face to face support and updated information for the young people. These business representatives are checked, trained and able to provide a professional service whilst in schools.

7. What impact will any change in charging have on the service?

Schools are operating under increasingly different circumstances within the conversion to academies agenda. Although our work is highly regarded by the schools, with stretched budgets and their capacity to deliver a bespoke curriculum, the number of requests from schools has diminished over the past two years.

Some schools have moved towards delivering this type of events in-house which could mean approaches to local business organisations by 18 separate

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institutions. Bromley EBP's role as the facilitator avoids this type of approach which can, in some circumstances, have a negative effect and impact on an employer's ability to get involved to support schools and young people.

Our Offer of Services is a key part of the service we provide. Our track record of delivering contracts particularly in connection with supporting potential NEET groups has been successful. As a result a significant proportion of our funding in recent years has come from these large external contracts. A reduction in service delivery or access to this type of activity could impact negatively on the Council's success in applying for external funding as these activities often represent key elements of the bid criteria.

8. Will consultation need to be undertaken out and how long will this take?

Bromley EBP is accountable to a Steering Group made up of representative stakeholders from business, education and the local community. Any key change in our income generation would need to take into account their views.

9. Is there evidence that there will be a disproportionate impact on some Customer groups? If yes a full equality impact assessment will need to be undertaken

No

10. How acceptable are the proposals to the public?

N/A

11. Is the charge subject to VAT? (if you are not sure, please seek advice from the VAT Officer in Finance)

No

12. Impact on service demand – if demand increases/falls, can the Council adjust its provision accordingly?

Bromley EBP can adjust capacity to meet increasing or decreasing demand because the service employs a number of staff on casual hours contracts thus enabling it to adapt quickly to changes or cope with peaks and troughs in the annual pattern of delivery.

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13. Which services do we offer concessions on? Please state if this happens in your area.

Not generally applicable unless Bromley EBP holds a contract to deliver the activity on external funding in which case activities may be delivered free of charge to the school/college as part of the contract outputs.

Benchmarking

14. Are third party commercial providers operating similar services in competition with the council?

Yes as far as I know...

- 14b If yes, what/how do our charges compare and why are they different?

Our charges are favourable and below the market average. This is due to the fact that originally we received central government funding to provide under the recent Enterprise Agenda to provide these sort of activities at highly subsidised rates. Schools enjoyed taking advantage of that reduced rate and, in some cases, found it difficult to adjust to them being charged at full cost recovery.

15. Is there a planned rate of increase for charges (above inflation) and how frequently are charges increased above inflation?

Prices are reviewed each academic year when the revised Offer of Services is made to schools. Prices have remained the same for the last two years at very favourable rates.

- 15b. Is member approval needed for new charges or increases above inflation (scheme of delegation allows chief officers to increase by inflation only, unless specifically agreed?)

Yes

- 15c. Is this consistent with third party commercial providers?

N/A

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16. How do charges compare to:

- Similar councils?
- Neighbouring councils?
- Other service providers?
- How are charges structured, and why?

The delivery plan and charges for the Enterprise and Employability Events are based on full cost recovery of Controllable expenditure. The service is profiled to balance salaries, overheads and specific training expenditure or resources with income that is generated.

Title	Price	Aim of event/Curriculum support	BEBP Set activity or bespoke for schools	No. of employers involved
Not all Chemists wear white coats – Chemistry at Work	£10 per student for full day	One day event to encourage a positive attitude to science and to inspire young people to follow a career within the sector	BEBP	10 from range of organisations
What's it like to work in Health & Social Care	£5 half day £10 full day	2 day event to support Health & Social Care courses and to inspire students to understand the breadth of employment opportunities within the sector	BEBP	15 from range of organisations
Dragon's Pen (enterprise)	£4.00 per student half day	Enterprise activity delivered in school to introduce the concepts of enterprise and creativity to young people (Year 9/10)	Bespoke for each school	Between 10/15 at each event
Next Steps	£800 per school	A bespoke employability event aimed at helping young people (17/18) to improve their transition to the workplace	Bespoke for each school	Between 10/15 at each event
Maximise your potential for work	£700 per school	A bespoke employability event aimed at young people with learning difficulties to build their confidence and develop their employability skills	Bespoke for each school	Between 5/8 at each event
Get Ready for Post 16 options	£900 per school	A bespoke employability event aimed at students in Year 11 to raise their awareness of the opportunities opened to them in connection with new RPA legislation	Bespoke for each school	Between 10/12 at each event

- How and when will we evaluate the impact of charges?
Termly monitoring of performance to date and future bookings provides a general indication of demand and service trends.
What data will we need?

Income to be generated on confirmed and anticipated bookings if costs remain the same.

Profiled costs of running proposed service for coming year to include salaries, resources, training venues/hospitality/speakers, overheads.

- Can we collect this data cost effectively?
We hold this information – this is how we balance the financial profile each year.

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- When should we next review our approach?
In spring/summer term 2015 prior to confirmation of BEBP staffing in 2015-2016 Academic Year and publication of the new brochure

Payment Methods

17. Income collection method – does it advantage/disadvantage or encourage/discourage use?

A non refundable booking deposit is charged with the balance being due on completion of the event. Cancellation terms apply due to the intensive nature of preparation work and venue booking costs.

Invoices are raised on a termly basis.

- a) Is a prompt/advance payment discount appropriate/desirable?
This would not be appropriate as it would make the booking and fee collection system overly complicated for both the Council and schools/colleges.
- b) Is the administrative process involved economic and/or efficient?

Other

18. Please identify if there are any risks or unintended consequences as a result of the proposals.