

<b>LEWISHAM SCHOOLS FORUM</b>		
<b>Report Title</b>	Schools Traded Services Review Progress Report	
<b>Key Decision</b>	Yes	Item no 5
<b>Contributors</b>	Head of Standards and Achievement	
	Date: 8 <sup>th</sup> December 2016	

## **1 Summary**

- 1.1. In Spring 2016, Lewisham Council commissioned a review of services traded with schools. This report outlines how the recommendations of the review have been taken forward by the local authority.

## **2 Recommendation**

- 2.1. It is recommended that Schools Forum:
- (a) Note the report.
  - (b) Approve the approach to consultation.
  - (c) Identify any additional service level agreements which should be consulted on.

## **3 Background**

- 3.1. The Schools Traded Services Review estimated a turnover of £4.9 million in services the local authority offers to schools, with around 30 to 40 services sold encompassing a variety of activities.
- 3.2. Services are traded from three directorates involving nine Heads of Service and twenty-six business units. The Review concluded that information on service charges should be in one place, and discretionary services should recover costs, or provide a business case for any subsidies.

## **4 Approach**

- 4.1. A survey was sent to all managers responsible for service level agreements (SLAs) with schools in August 2016; the purpose of this survey was to gather information about income, expenditure and market insight, but also to gauge the level of commercial awareness across the organisation.
- 4.2. The survey found:
- (a) We're not always clear in our SLAs what we actually charge for.
  - (b) We don't always know why we charge what we charge.
  - (c) Some discretionary services aren't covering costs, particularly considering overheads and on-costs.

- (d) Some services have block contracts for discretionary systems and services which are recharged to schools. The local authority often does not recoup enough to cover the contract costs.
- (e) Internal recharging means we are not always presenting true costs to the Council when we talk about expenditure.
- (f) We recognise that there are often other providers, however we do not always know how we compare.
- (g) Very few services feel able to innovate (particularly within the Council).

4.3. Workshops on financial modelling and SLA development have been well-attended and services have been given a guidance document and template for SLAs for the 2017/18 financial year; this will ensure that information is consistent and easily accessible in one place.

4.4. Managers are in the process of reviewing their SLAs to ensure there is full-cost recovery for discretionary activity and clarity for schools as to the services on offer.

## **5 Next Steps**

5.1. Services planning significant change will be consulting with schools between November 2016 and January 2017, with a view that all SLAs will be published at the end of January 2017 for schools to purchase services starting in April 2017.

5.2. Consultation will take the form of an online survey sent to all schools at the beginning of December 2016 and schools will be invited to participate in focus group sessions in January 2017.

5.3. A list of services which are currently managed through service level agreements between schools and the local authority can be found at Appendix A. The list of services at Appendix A gives an indication as to whether minimal/no change or significant change is likely; the list outlines the services which schools will be specifically consulted on.

## **6 Background Documents and Report Author**

6.1. If you require further information about this report please contact Kate Bond on 0208 314 6412 or [kate.bond@lewisham.gov.uk](mailto:kate.bond@lewisham.gov.uk).

6.2. Appendix A: Proposed SLA Changes for the 2017/18 Financial Year.

## Appendix A: Proposed SLA Changes for the 2017/18 Financial Year

Service	Status
<b>Services to be withdrawn</b>	
Anti-Fraud and Corruption (0 schools purchased for 2016/17)	Significant Change – Service Withdrawn
Corporate Health and Safety (0 schools purchased for 2016/17)	Significant Change – Service Withdrawn
<b>New services</b>	
Emergency and Business Continuity Training	Consultation – New SLA
Safeguarding	Significant Change - New SLA
<b>Consultation</b>	
Customer Services (Schools Mail Collection and Delivery Service)	Consultation
Performance	Consultation
Promoting Health and Wellbeing of Pupils	Consultation
<b>Minimal/No Change</b>	
Attendance and Welfare	Minimal/No Change
Corporate Information	Minimal/No Change
Crisis Communication Support	Minimal/No Change
Education Business Partnership	Minimal/No Change
Education Psychology and Specific Learning Difficulties Team	Minimal/No Change
Energy Procurement and Management	Minimal/No Change
Estate Management Unit	Minimal/No Change
Financial Services	Minimal/No Change
Governor's Services	Minimal/No Change
Insurance and Risk Management	Minimal/No Change – Likely to be managed independently of SLA booklet
Internal Audit Services	Minimal/No Change
Legal Services	Minimal/No Change
Newly Qualified Teachers	Minimal/No Change – Likely to be managed through the SLA booklet
Payroll Services	Minimal/No Change
Personnel	Minimal/No Change