

Cabinet – 18 March 2015

Walsall Education Business Partnership

Portfolio: Councillor B Cassidy

Related portfolios: Councillor M Nazir

Service: Children's Services

Wards: All

Key decision: No

Forward plan: No

1. Summary

- 1.1. To provide an overview of the Education Business Partnership (EBP).
- 1.2. To set out the options for the future arrangements for the EBP and to present the recommended option.

2. Recommendations

- 2.1 That Cabinet approves the recommended option 4 for the future provision of the EBP and it services as part of the Council, operated as a traded service to schools, Academies and Education Providers.
- 2.2 That Cabinet approves the establishment of a new EBP advisory panel, under the remit of the 14-19 Partnership Board.
- 2.3 That Cabinet agrees the proposal of a 3 year self funded/subsidised business model.

3. Purpose of the EBP

- 3.1 Walsall EBP Mission statement:

“Walsall Education Business Partnership is a professional body dedicated to improving the employability skills and life chances of young people, helping make young people more empowered, employable and entrepreneurial, through enrichment within a learning environment, brokering real business engagement and helping local economic development”

- 3.2 Walsall EBP currently offers three distinct activities to support schools and businesses:

Work Experience Support Services – finding, checking or placing students in appropriate and safe environments in order to expose individuals to the experience of employment.

Work Related Learning Activities – a range of programmes that help prepare individuals for engagement with further or higher educational providers, apprenticeship programmes, vocational learning or directly with employers.

Curriculum Enhancement Activities – bespoke programmes that help reinforce and validate the case for learning through interactive and engaging activities that demonstrate the real application of learning in a particular subject.

- 3.3 Walsall EBP's main strength in terms of educational engagement is the ability to broker predominantly voluntary support from businesses, public and third sector providers to support work-related learning in schools from local small & medium sized enterprises, and corporate and private sector partners.
- 3.4 The EBP is a proven, capable and effective vehicle for brokering and developing relationships between local businesses and schools and education providers within the Borough. The EBP is respected by both schools and businesses for the services it offers.
- 3.5 Recent concerns over direction, interim staffing and depleting resources has placed its future at risk in the market.

3 EBP Governance, management and finance

- 4.1 The EBP has a Partnership Board, which provides strategic direction, determines the annual business plan and provides support to enable the achievement of the aims and objectives set out in the EBP mission statement.
- 4.2 The current membership includes Local Authority (LA) representation with elected members, local business, schools, public, private and 3rd sector organisations. See **Appendix A** for the current membership.
- 4.3 SERCO managed the EBP from 2002 to 2012, when it transferred to the Children's Services Directorate. At this point the Partnership Board determined that the income did not sustain the level of staffing and significant reductions were made. The EBP is now managed by the Head of Youth Support Services, supported by the members of the Partnership Board.

5. Council priorities

- 5.1 The EBP makes an important contribution to the Council priorities to
 - Improve safeguarding, learning and life chances for children and young people
 - Support business to thrive
 - Support local people into work and create safe, sustainable and inclusive communities.

The EBP is well placed to support the 14-19 education agenda and work and employability agendas. It complements the work on employment growth managed by the Regeneration Directorate.

This contribution is focused on its

- Work experience support services
- Work related learning activities
- Curriculum enhancement activities

6 Challenges

6.1 There have been a number of factors that have continued to present difficulties for the EBP since the loss of central funding, including the move into SERCO and subsequent transition back into the Council, and the subsequent service re-design. Other factors include:

- a number of experienced staff left and have subsequently set up services of a competitive nature to the EBP, which have relied on the goodwill generated while working for the EBP
- some of the core EBP activities have declined significantly due to the changes in procurement methods for schools since the change to Academy status for the bulk of Walsall's secondary schools
- some schools have up-skilled their own staff, and formed external relationships independently with a range of service providers
- there has been a change of focus by schools on the provision of work related learning, which does not seem to be a priority area for Ofsted inspections. This, and the Raising of the Participation Age has created a current climate in which fewer opportunities are sought for young people to experience or understand the world of work or the required skills and employer expectations. This concern is echoed from local businesses and can be demonstrated through their efforts in recruitment and retention.

7. Key role for an EBP in Walsall

7.1 Walsall EBP continues to provide its core service activity as outlined in 3.2 above. These activities generate a revenue stream which currently partially mitigates the draw on the accrued reserves.

7.2 It is proposed that the EBP in Walsall should continue to deliver these activities to:

- Contribute to effective communication with businesses on work related learning in schools and colleges for young people approaching the labour market
- Provide a link between the business (including public and 3rd sector organisations) community, learning providers and young people
- Offer to identify training and/or staff development opportunities to support business seeking to discharge their corporate social responsibility, which meet the needs of schools and young people for developing an understanding of the world of work.

- Support the work of the 14-19 Partnership in meeting the needs of schools, young people and businesses for raising aspirations, achievement and preparedness for the world of work.

7.3 As there is no government funding for this role it will be necessary for the EBP to seek funding for these activities from public, 3rd sector partners, businesses and other organisations both locally and nationally and seek to identify opportunities to develop other suitable products and activities.

8 Options for a sustainable EBP services

8.1 There are a number of ways in which EBP activities can be provided to young people, schools and businesses. These are set out in **Appendix B** and explore the key decision about whether a Borough-wide EBP or leaving schools and colleges to seek their own solutions from a range of providers services, best meets the needs of businesses and young people.

8.2 The recommended option is to retain the current Borough-wide EBP within Children's Services, which provides a valuable link between schools and business, young people and the world of work. It also provides a potentially sustainable model for income generation given its potential reach to businesses, schools and funders. That said, it cannot continue to operate without a key decision being made about its future governance and management.

9. Risk management

9.1 All relevant corporate risk management arrangements will be adhered to.

10. Financial implications

10.1 Nationally and historically, EBP's have benefitted from central government grants to enable primarily work experience and teacher placement work to be carried out, and for support to particular curriculum areas such as science and technology. Walsall EBP developed a number of traded services over recent years to augment this grant income, which ceased in 2011.

10.2 To facilitate the continuation of activities since the cessation of government funding in 2011, Walsall EBP has relied heavily on its reserve fund, which has been accrued from the revenue for extra-curricular activities provided as a traded service into schools and funds from previous grants.

10.3 The EBP reserve at the end of December 2014 was £330,709. The end of year forecast balance is £342,033. Income for this financial year to date is around £60k and is projected to be around £90k by the year end.

10.4 The EBP would need to be designed to be predominantly self-funding, enabling reserves to be used for the development of new products and services.

11. Legal implications

11.1 The EBP is currently a Council service, despite its appearance of a degree of independence and having its own advisory Board. The Council would need to consider the necessary legal and procurement steps to enable options 1 and 2 to be implemented.

12. Property implications

- 12.1 Space would continue to be needed to be found for the staff, equipment and materials, if the EBP remained part of the Council, however this is not seen as an obstacle.

13 Health and wellbeing implications

- 13.1 The proposals in this report have implications for two of the Council's core priority objectives:
- Enable all children, young people and adults to maximise their capabilities and have control over their lives
 - Create and develop healthy and sustainable communities
- 13.2 The Marmot Review, while focusing on health inequalities, makes it clear that educational attainment, employment status, social networks and support are social determinants of health.
- 13.3 The EBP contributes to economic, social and personal well-being and are focused on supporting young people in scope to develop the skills, knowledge and understanding they need to lead healthy and fulfilling lives and contribute effectively to their community.

14. Staffing implications

- 14.1 The development and implementation of a 3 year business model would require the appointment of staff. This would be of the order of 3 FTE posts dependent on the development of demand for services and products.
- 14.2 The EBP does not currently directly employ staff relying on the on the flexibility of use of agency staff.

15. Equality implications

- 15.1 There are no direct equality implications in continuing with the delivery and governance of the EBP as proposed.

16. Consultation

- 16.1 Regeneration and Legal colleagues have been consulted as part of the development of this report.

Background papers

None

Author

Alan Michell

Head of Youth Support Services

☎ 650346

✉ michellalan@walsall.gov.uk

A handwritten signature in black ink that reads "David Haley". The signature is written in a cursive style with a horizontal line underlining the name.

David Haley
Executive Director
9 March 2015

A handwritten signature in black ink that reads "B Cassidy". The signature is written in a cursive style with a horizontal line underlining the name.

Councillor B Cassidy
Portfolio Holder
9 March 2015

Appendix A

List of EBP Board Members

Ex-Officio members (never retired)

Name	Title	Agency	Representative
David Haley	Director Children's Services	Walsall MBC Children's Services	Alan Michell
Simon Neilson	Head Of Strategic Regeneration	Walsall MBC Regeneration	Mark Lavender
Jatinder Sharma	Principal	Walsall College Principal	June Morrow
Tim Luker	Operations manager	Walsall Prospects / Connexions	Tim Luker
Richard Farmer	Interim Manager	Walsall EBP Manager	Richard Farmer
Vacant	Chief Executive	Black Country Chamber	Not represented
Vacant	Dean Of Education Faculty	Wolverhampton University	Not represented

Fixed term members (3 year term)

Carolyn Stokes	Operations Director At PTP	Chair of Walsall Training Provider Network	Carolyn Stokes
Jenny Perks	14-19 Practitioner (ex STM)	Nominated WRL/Enterprise support member	Jenny Perks
Cllr Sean Coughlan	Finance Portfolio Holder	WMBC Councillor - 1st representative	Christopher Towe
Cllr Barbara Cassidy	Children's Services & Education Portfolio Holder	WMBC Councillor - 2nd representative	
Vacant		WMBC Councillor - 3rd representative Optional (Max)	Not represented
Vacant	Nominee from the Walsall division membership of the BCC		Not represented
David Hassell	DLH Marketing	DLH Marketing	David Hassell
Vacant		Walsall Business	Not represented

		representative	
Vacant		Walsall Business representative	Not represented
Vacant		Walsall Business representative	Not represented
Vacant		Walsall Business representative	Not represented
Vacant		Walsall Business representative	Not represented
Vacant		Walsall Business representative	Not represented
Vacant	Head Teacher / Principal	Walsall Primary School	Not represented
Vacant	Head Teacher / Principal	Walsall Secondary School	Not represented
Vacant	Head Teacher / Principal	Walsall Special School	Not represented

Appendix B Education Business Partnership - Options Appraisal

Option	Risks	Benefits
1. Close the EBP	<p>Inability to meet contractual obligation (via current SLAs) to conclude the current academic year delivery commitment</p> <p>A respected provider of EBP services would be lost to the local market place, reducing choice</p> <p>The loss of a single provider could impact on the ability to attract significant funding (£40m) to the Black Country region under the YEI (Youth Employment Initiative)</p> <p>The 14-19 Partnership would lose an 'executive arm' for delivering the engagement of schools & businesses in support the employment agenda</p>	<p>This would completely mitigate against the need to draw further on the EBP reserves (There are some legacy implications with the jurisdiction and direction of spend of the reserves. These funds are 'ring-fenced' for the purpose of delivering the aims and objectives of the EBP under its original central funding contract).</p>
2. Contract the EBP out of the Council under a partnership delivery agreement with a third party	<p>Would require a decision about the disposal of reserves, which may appear to confer an advantage onto an external body</p> <p>May lessen the focus of the EBP if contracted out to a larger organisation</p> <p>May lead to conflict of interest or commercial tension with the partner organisation</p>	<p>There has been local interest from related service providers in moving to this status</p> <p>Potentially an enhanced portfolio of services, supported by partnership's core activities</p> <p>Immunity against future direct council budget reductions / restrictions from local authority</p> <p>The potential of additional staffing infrastructure resources more aligned to the EBP's current provision</p>

		An alternate perspective of independence with the schools and businesses within the borough.
3. Contract out of the Council by setting up the EBP as an independently established organisation; Would first require establishing the EBP as a community interest company / registered charity or other such constituted body	<p>Sustainability risks of a standalone new venture both in terms of process to develop and product development.</p> <p>Potential lessening of control for the Council</p> <p>Would require a decision about the disposal of reserves, which may appear to confer an advantage onto an external body</p>	<p>Freedoms and flexibilities of commercial operation, without the intervention of bureaucracy or political influence</p> <p>Mitigation against any direct council budget reductions or restrictions associated to a partnership, hosting or local authority enforcement</p> <p>Access to ESF, DWP, SFA funding opportunities as they arise</p>
4. Childrens Services based EBP, offering of traded services to schools, businesses and young people	<p>May limit additional potential sources of funding, without working in partnership</p> <p>Would require a business plan to be agreed which enabled the recruitment of suitable staff to provide long term stability (A viable staffing model would consist of 3 fte posts)</p> <p>Council budget pressures may limit the EBP's scope for development</p> <p>Securing sufficient business to make the EBP cost neutral</p>	<p>Contributes best to a strategic overview of this and related agendas, including NEET, 14 – 19, school improvement and the wider youth agenda.</p> <p>Continuation of effective brokerage between businesses, schools and young people</p> <p>Good fit with Councils Regeneration and Children's Services Directorates supporting 'work related learning' and 'work readiness' agendas for schools and businesses</p> <p>Infrastructure support and economy of scale</p> <p>Opportunity for direct political support</p> <p>Allows for satisfactory application of hypothecated reserves</p>