



Shropshire Council  
Legal and Democratic Services  
Shirehall  
Abbey Foregate  
Shrewsbury  
SY2 6ND

Date: Tuesday, 12 May 2015

**Committee:  
Cabinet**

**Date: Wednesday, 20 May 2015**  
**Time: 12.30 pm**  
**Venue: Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND**

You are requested to attend the above meeting.  
The Agenda is attached

Claire Porter  
Head of Legal and Democratic Services (Monitoring Officer)

**Members of Cabinet**

Keith Barrow (Leader)  
Steve Charmley (Deputy Leader)  
Tim Barker  
Karen Calder  
Lee Chapman  
Ann Hartley  
Mike Owen  
Malcolm Price  
Claire Wild

**Deputy Members of Cabinet**

Peter Adams  
Nick Bardsley  
Robert Macey  
Robert Tindall  
David Turner  
Les Winwood  
Tina Woodward

Your Committee Officer is:

**Penny Chamberlain** Principal Committee Officer

Tel: 01743 252729

Email: [penny.chamberlain@shropshire.gov.uk](mailto:penny.chamberlain@shropshire.gov.uk)

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31<sup>ST</sup> October 2011

# AGENDA

## 1 Apologies for Absence

## 2 Disclosable Pecuniary Interests

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

## 3 Minutes (Pages 1 - 4)

To approve as a correct record the Minutes of the meeting held on 25<sup>th</sup> March 2015, attached marked 3.

Contact – Penny Chamberlain (01743 252729)

## 4 Public Questions

To receive any public questions, statements or petitions from the public, notice of which has been given in accordance with Procedure Rule 14.

## 5 Matters Referred from Scrutiny/Council

## 6 Reports of Scrutiny Committee (Pages 5 - 18)

Enterprise and Growth Scrutiny Committee – Report of the Economic Growth Redesign Task and Finish Group

Report of the Head of Economic Growth and Prosperity is attached, marked 6.

Contact – Andy Evans (01743 253869)

## 7 Future Delivery of Customer Services in Shropshire (Pages 19 - 26)

Lead Member – Mr Steve Charmley, Portfolio Holder for Business, ip&e, Culture and Commissioning (North).

Report of the Director of Public Health is attached, marked 7.

Contact – Dr Rod Thomson (01743 253934)

## 8 Proposal to transfer selected Education Support Services Operating as Inspire to Learn to ip&e Ltd (Pages 27 - 56)

Lead Member – Mr Steve Charmley, Portfolio Holder for Business, ip&e, Culture and Commissioning (North).

Report of the Director of Children's Services is attached, marked 8.

Contact – Karen Bradshaw (01743 254201)

**9 ip&e Annual Business Plan and Update Report**

Lead Member – Mr Mike Owen, Portfolio Holder for Resources, Finance and Support.

Report of the Head of Finance, Governance and Assurance is to follow.

Contact - James Walton (01743 255001)

**10 Exclusion of Press and Public**

To RESOLVE that in accordance with the provisions of Schedule 12A of the Local Government Act 1972 and Paragraph 10.2 of the Council's Access to Information Rules, the public and press be excluded during consideration of the remaining items.

**11 ip&e Annual Business Plan and Update Report**

Lead Member – Mr Mike Owen, Portfolio Holder for Resources, Finance and Support.

Exempt Appendix to the report of the Head of Finance, Governance and Assurance (item 9 above) is to follow.

Contact - James Walton (01743 255001)

**12 Exempt Minutes (Pages 57 - 58)**

To approve as a correct record the Exempt Minutes of the meeting held on 25<sup>th</sup> March 2015, marked Exempt 12.

Contact – Penny Chamberlain (01743 252729)

**13 Much Wenlock Flood Alleviation Scheme - Compulsory Purchase Order (CPO) (Pages 59 - 62)**

Lead Member – Mr Malcolm Price, Portfolio Holder for Regulatory Services, Housing and Commissioning (Central).

Exempt report of the Director of Commissioning is attached marked Exempt 13.

Contact – George Candler (01743 255003)

**14 Transfer of the Management and Development into Supported Living Accommodation of Kempfield - Residential Home for Adults with Learning Disabilities - Recommendations for the Award of Contract (Pages 63 - 88)**

Lead Member – Mr Lee Chapman, Portfolio Holder for Adult Services and Commissioning (South).

Exempt report of the Director of Adult Services is attached, marked Exempt 14.

Contact – Stephen Chandler (01743 253704)

**15 Marches Local Enterprise Partnership Local Growth Fund and Priority Projects**

Lead Member – Mr Steve Charmley, Portfolio Holder for Business Growth, ip&e, Culture and Commissioning (North).

Exempt report of the Director of Commissioning is to follow.

Contact – George Candler (01743 255003)

## **16 Connecting Shropshire Phase 2 Procurement**

Lead Member – Mr Steve Charmley, Portfolio Holder for Business Growth, ip&e, Culture and Commissioning (North).

Exempt report of the Director of Commissioning is to follow.

Contact – George Candler (01743 255003)

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## Committee and Date

Cabinet  
20 May 2015

12.30 pm

## **CABINET**

### **Minutes of the meeting held on 25 March 2015**

**In the Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND**

**12.30 - 12.35 pm**

**Responsible Officer:** Penny Chamberlain

Email: penny.chamberlain@shropshire.gov.uk Tel: 01743 252729

### **Present**

Councillor Keith Barrow (Chairman)

Councillors Tim Barker, Lee Chapman, Steve Charmley, Mike Owen and Claire Wild

### **108 Apologies for Absence**

108.1 Apologies for absence had been received from Karen Calder, Ann Hartley and Malcolm Price.

### **109 Disclosable Pecuniary Interests**

109.1 Members were reminded that they must not participate in the discussion or voting on any matter in which they had a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

### **110 Minutes**

#### **110.1 RESOLVED:**

That the Minutes of the Cabinet meeting held on 11 February 2015 be confirmed as a correct record and be signed by the Leader.

### **111 Public Questions**

111.1 There were no public questions.

### **112 Matters Referred from Scrutiny/Council**

112.1 There were no matters referred from Scrutiny/Council.

### **113 Reports of Scrutiny Committee**

113.1 There were no reports from the Scrutiny Committees.

### **114 Determination of Admission Arrangements 2016/17**

114.1 On behalf of the Portfolio Holder for Children's Services the Portfolio Holder for Performance presented a report by the Director of Children's Services – copy attached to the signed minutes – which sought determination of the Council's Admission Arrangements for the academic year 2016/2017.

**114.2 RESOLVED:**

- (a) That the proposal to reduce the Published Admission Number at Trinity CE Primary School in Ford from 25 to 23 be approved.
- (b) That the admission arrangements as determined in April 2014 be approved without further amendment.
- (c) That by agreement of the above, the school admission arrangements for Shropshire Council for the academic year 2016/2017 be determined, in accordance with the School Admissions Code.
- (d) That officers notify the Secretary of State by 15 April 2015 that Shropshire Council has determined its school admissions arrangements for the 2016/2017 academic year.

**115 Proposal to Transfer Selected Education Support Services, Operating as Inspire to Learn, to ip&e Ltd**

115.1 The Leader confirmed that this item had been withdrawn from consideration at the meeting.

**116 Proposal to Transfer Customer Services into ip&e Ltd.**

116.1 The Leader confirmed that this item had been withdrawn from consideration at the meeting.

**117 Exclusion of Press and Public**

**117.1 RESOLVED:**

That in accordance with the provisions of Schedule 12A of the Local Government Act 1972, Section 5 of the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations and Paragraph 10.2 of the Council's Access to Information Rules, the public and press be excluded during consideration of the following items.

**118 Exempt Minutes**

**118.1 RESOLVED:**

That the Exempt Minutes of the Cabinet meeting held on 11 February 2015 be confirmed as a correct record and be signed by the Leader.

**119 Shrewsbury Town Council - Service Level Agreement for Grounds Maintenance Works in Shrewsbury**

119.1 The Portfolio Holder for Highways and Transport presented an exempt report by the Director of Commissioning – copy attached to the signed exempt minutes – on the Service Level Agreement between the Council and Shrewsbury Town Council for Grounds Maintenance Works in Shrewsbury.



119.2 **RESOLVED:**

That the 3 recommendations set out in the exempt report of the Director of Commissioning be approved.

120 **Proposal to Transfer Selected Education Support Services, Operating as Inspire to Learn, to ip&e Ltd**

120.1 The Leader confirmed that this item had been withdrawn from consideration at this meeting.

*(The full version of Minute 119 constitutes exempt information under categories 1, 2 and 4 of paragraph 10.4 of the Council's Access to Information Rules and has accordingly been with-held from publication.*

Signed ..... (Chairman)

Date: .....

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<u>Committee and date</u>
Cabinet
20 May 2015
12.30 pm

<u>Item No</u>
6
Public

## Report of the Economic Growth Redesign Task and Finish Group

**Responsible Officer:** Andy Evans

Email: [andrew.m.evans@shropshire.gov.uk](mailto:andrew.m.evans@shropshire.gov.uk) Telephone: 01743 253869

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### 1. Summary

- 1.1 This paper presents the final report of the Economic Growth Redesign Task and Finish Group to Cabinet following the endorsement of its recommendations by the Enterprise and Growth Scrutiny Committee at its meeting on 2 April 2015.
- 1.2 The work of the Group has been primarily focussed on making recommendations around the most effective methods of business engagement to take forward into the new Economic Growth operating model. As the work developed the Group also felt it necessary to consider the assets within the Economic Development Portfolio and the recommendations have been derived from the Group’s understanding of that specific portfolio as it is the only one covered by the Task & Finish Group’s remit.
- 1.3 The Task and Finish Group has developed its conclusions and recommendations based on the evidence gathered through its work.
- 1.4 Cabinet, whilst considering the recommendations as set out in the Task and Finish Group Recommendations and Final Report, should give regard to the Council’s Asset Management Strategy as approved by Cabinet at its meeting on 11<sup>th</sup> February 2015. This strategy sets out the aims, objectives, principles, criteria and standards to effectively manage the Council’s land and property portfolio.
- 1.5 Therefore, Cabinet will have already concluded an approach which captures recommendations 2.5, 2.6 and 2.7 of the Task and Finish Group recommendations listed below.

## **2. Recommendations**

- 2.1 The Economic Growth Task & Finish Group is fully supportive of the aims of the Economic Growth Redesign proposals and recommends its rapid implementation.
- 2.2 Acknowledgement that Shropshire Council has responsibility for promoting Shropshire as a business location, working with our Partners to showcase what Shropshire can offer to businesses based here (both new and existing).
- 2.3 The Group recommends the need for more intelligent and cohesive business engagement than takes place currently. This must take place with businesses, investors, intermediaries and brokers of economic growth such as commercial property agents, developers and asset holders and investment makers to allow a more complete approach to facilitating economic growth for Shropshire.
- 2.4 The provision of a stand-alone website using the domain name [www.investinshropshire.com](http://www.investinshropshire.com) which will be the shop window for the new Economic Growth Service, and will include what projects and activities are currently being implemented for business benefit.
- 2.5 Economic Development Assets (workshops & land) to be taken back into Corporate Landlord – with an Asset Management Strategy in place to align with the new purpose of the Economic Growth Service and the immediate implementation of it.
- 2.6 The need for Cabinet to make a strategic decision on what Shropshire Council's purpose is as an owner of commercial land and premises and who is subsequently best placed to manage and maintain those assets on its behalf.
- 2.7 The need for Cabinet to make a strategic decision on whether Shropshire Council will take, in the future, a proactive role as an investor and developer of commercial land and premises in Shropshire, to provide jobs and broker further investment.

## **3. Report**

- 3.1 The Report of the Economic Growth Redesign Task and Finish Group is attached as Appendix A.

## **4. Risk Assessment and Opportunities Appraisal**

- 4.1 There are no identified issues relating to Risk Management, Human Rights or community associated with this report.

## 5. Financial Implications

- 5.1 The Task and Finish Group did not focus on specific financial expenditure areas. However, the recommendations do not impact in any adverse way on the Council's existing budget assumptions or Financial Strategy.

<b>Background Papers</b>
None
<b>Cabinet Member/s</b>
Portfolio Holder for Business Growth, ip&e, Culture and Commissioning (North) <ul style="list-style-type: none"><li>• Councillor S Charmley</li></ul>
<b>Local Member/s</b>
All
<b>Appendices</b>
Appendix A – The report of the Economic Growth Redesign Task and Finish Group

## APPENDIX A



### ECONOMIC GROWTH REDESIGN TASK AND FINISH GROUP RECOMMENDATIONS & FINAL REPORT

**Responsible Officer**      Claire Cox  
e-mail:    Claire.Cox@Shropshire.gov.uk      Tel: 01743 255617

#### 1.0 Background

In March 2014 a review began to identify all areas within Shropshire Council who were involved in the area of economic growth to see what opportunities could be realised by working differently and more collaboratively, in response to the changing operating environment. The approach was to bring representatives from service areas that had historically operated separately; transport & highways, voluntary sector, economic development (business & enterprise), skills, planning policy and research & intelligence together.

This work has developed over the course of 2014 and is now at the stage where a new operating model and associated 'new way of working' has been identified that encompasses all the areas who have a role in economic growth.

A key element of the Economic Growth Redesign and the new culture it wishes to foster lies in the relationships it manages with businesses and stakeholders and the two way mechanism that exists that when combined with data will create meaningful intelligence.

Stakeholder engagement done at the strategic and local level is a key activity within Economic Growth. As part of the new operating model how these relationships are managed will be an important element in its success going forward.

A Task & Finish Group commenced in November 2014 to make recommendations through the Economic Growth Scrutiny Group around the most effective methods of

business engagement to take forward into the new Economic Growth operating model.

## 2.0 Recommendations

To follow is a summary of the recommendations the Group are proposing, a more detailed justification is provided within Section 6.0 alongside how the recommendations will be incorporated into the new operating model.

- 2.1 The Economic Growth Task & Finish Group is fully supportive of the aims of the Economic Growth Redesign proposals and recommends its rapid implementation.
- 2.2 Acknowledgement that Shropshire Council has responsibility for promoting Shropshire as a business location, working with our Partners to showcase what Shropshire can offer to businesses based here (both new and existing).
- 2.3 The Group recommends the need for more intelligent and cohesive business engagement than takes place currently. This must take place with businesses, investors, intermediaries and brokers of economic growth such as commercial property agents, developers and asset holders and investment makers to allow a more complete approach to facilitating economic growth for Shropshire.
- 2.4 The provision of a stand-alone website using the domain name [www.investinshropshire.com](http://www.investinshropshire.com) which will be the shop window for the new Economic Growth Service, and will include what projects and activities are currently being implemented for business benefit.
- 2.5 Economic Development Assets (workshops & land) to be taken back into Corporate Landlord – with an Asset Management Strategy in place to align with the new purpose of the Economic Growth Service.
- 2.6 The need for Cabinet to make a strategic decision on what Shropshire Council's purpose is as a land / asset owner and who is subsequently best placed to manage and maintain those assets on its behalf.
- 2.7 The need for Cabinet to make a strategic decision on whether Shropshire Council will take, in the future, a proactive role as an investor and developer in Shropshire, to provide jobs and broker further investment.

### **3.0 Terms of Reference**

#### Purpose of the Group

To make recommendations through the Economic Growth Scrutiny Group around the most effective methods of business engagement to take forward into the new Economic Growth operating model.

#### Membership

Cllr Dean Carroll (Chair)  
Cllr Steve Davenport (Vice Chair)  
Cllr Roger Evans  
Cllr Peter Cherrington  
Cllr Alan Mosley

#### Officers

Claire Cox  
Emma Smith  
Richard Edwards (part)

#### Duration of Group

From end November 2014 and report to Scrutiny in mid-February 2015, with weekly 1hr meetings.

#### Objectives of the Group

1. To ascertain if the current mechanisms in place around Business Engagement are effective. What works well? What needs improvement?
2. How can the conversations / business engagement activities that are undertaken become two way and feed back into Shropshire Council to create meaningful intelligence? Is it different for local engagement and strategic engagement and who is best placed to undertake these activities? Is it a different set of Council representatives?
3. Identify what will ensure that Shropshire Businesses do become engaged in their respective localities, and help shape activities that can create the conditions for economic growth? How do they currently engage in their local area – are some areas better than others? Or is it the types of businesses / sectors that matters?
4. Are there areas of best practice across the UK that could be used as a model or framework for engagement?

#### Background

The new purpose of Shropshire Council's Economic Growth Function is to create the conditions for Economic Growth & Resilience in Shropshire.



This will be done by:

- Creating a culture and operating model around Shropshire's businesses and communities.
- Delivering a new operating model that will enable Shropshire's businesses and communities to thrive.
- Attracting the right investment into the county, alongside encouraging entrepreneurial activity.
- Responding successfully to economic challenges, opportunities and pressures.
- Providing clarity on Shropshire Council's role in creating the right conditions and sharing our vision with our stakeholders.

In summary the Economic Growth Redesign has taken place to create a more efficient way of working so Shropshire Council resources and others that it influences or sources are used in the best way possible to create economic growth and resilience across Shropshire.

#### **4.0 Chairman's Report**

As Chairman, I offer my sincere thanks to all who have contributed to this piece of work, particularly my fellow members who have contributed so much, and to our Lead Officer, Claire Cox for her tireless support of the group.

When we first came together in November 2014, we took the conscious decision to take a subtly different approach from normal Task and Finish Groups, outlined below is what I found to work well or not, and where further improvements can be made. The group benefitted from having a very clear purpose. The process was structured at the first meeting in a way which gave order and ensured all aspects could be covered fully, but also allowed flexibility to look at issues that arose during the process such as Economic Development assets. We operated a policy of complete openness within the group, and also included other members as needed. At every stage we had confidence that opinions could be expressed and concerns shared without politicization, which was a credit to our members from across the spectrum. Without such frankness our work would have lacked many of its fundamental conclusions.

There were, however, two aspects of the process which proved stumbling blocks. The timescale originally allotted was too tight to properly look at the whole area in detail, as well as become familiar with the redesign work. With the agreement of Scrutiny we were able to extend the timeframe to enable a higher quality of work to be produced. The second element of difficulty was the breadth of our remit. The thorough research we carried out highlighted a number of further areas with Economic Development requiring attention, these have been identified within the report requiring further work.

In concluding my brief remarks, I would like to share the most important factors in the success of this Task and Finish Group. Member Leadership of Task and Finish Groups is vital to achieving the most valuable conclusions. Whilst the work programme of such a group must be structured to meet its objectives, it must also retain a degree of flexibility to reach its full potential and add value to the work it undertakes. As has been discussed above, frankness must accompany the work of Task and Finish Groups. Finally, I hope we can foster a two-way dialogue between a Task and Finish Group and both Scrutiny and the Executive. This would be for the benefit of large pieces of work where some recommendations could be implemented whilst newly identified areas could be given to the existing group to incorporate into its work.

In conclusion, this Task and Finish Group worked very well in a slightly different format, and the aspects above each played an important role in arriving at the conclusions it did.

## **5.0 Work undertaken to inform Recommendations**

A number of pieces of work and investigations were undertaken by the Group to inform and shape the recommendations made. These are summarised below, if further detail is required these can be made available upon request.

- 5.1 A review of Shropshire Council's Geographic and Statistical Neighbours Economic Growth Activity. This was a web-based study and included Telford & Wrekin, Herefordshire & Staffordshire alongside Lincolnshire, Suffolk, Wiltshire, Devon and Dorset.
- 5.2 A Review of how the Economic Development Portfolio is managed internally and the transactions that take place with businesses for successful lettings and management. This work was originally undertaken by Steve Taylor and reviewed by the group to inform their understanding.
- 5.3 A site visit was undertaken on 8/12 to view ED Assets - the Shropshire Food Enterprise Centre and Harlescott Barns in Shrewsbury to greater understand the type of units held and to meet businesses who rent them.
- 5.4 Maps were provided detailing where all the ED workshops and land holdings were across Shropshire.
- 5.5 Financial information was obtained for Economic Development Assets detailing current value, income generated (and how much is surplus/deficit) and rates of return, both for individual assets and the Portfolio overall.

5.6 A Business questionnaire was formulated (on paper and electronically via Survey Monkey) and disseminated out via Members to businesses to assess their business engagement experience with Shropshire Council.

5.7 A process map proposing how engagement will take place in the new Economic Growth model was discussed and examples were talked through it to ensure it captured all the meaningful intelligence available.

5.8 A meeting took place with two prominent commercial property agents on 21/1 for the Group to discuss their findings to date, and discuss ways in which Shropshire Council's engagement with businesses and facilitators of Economic Growth could be improved.

## **6.0 Recommendations and how they sit within new Proposed Operating Model for Economic Growth**

### **6.1 The Economic Growth Task & Finish Group is fully supportive of the aims of the Economic Growth Redesign proposals and recommends its rapid implementation.**

The work of the Task & Finish Group on behalf of Economic Growth Scrutiny Group has understood the need for change and the reasons why that change is necessary. Through the work of the Group the original findings from the Economic Growth Redesign have been ratified. Most notably:

- There is a lack of clear direction that is corporately adhered to; all service areas are not taking decisions in conjunction with other services and not seeing the bigger picture of 'economic growth' and the role they have in it.
- Income relating to the proceeds of Economic Growth is collected by individual service areas and not prioritised corporately for re-use to facilitate further Economic Growth. In some instances it is not collected or monitored.
- The process for prioritising projects and activities is not robust; it can be funding or politically led and not based on evidenced need (in some cases).
- Shropshire Council / the Public Sector are not the first port of call for businesses looking for support....unless the business believes the council can directly influence e.g. planning, licencing or access to land or grant funding.
- We are not set up to take advantages of opportunities – both new and existing that provide real benefit to the Shropshire economy.

The need for a widespread change in approach with an associated change in culture has been demonstrated by the findings made by the Group and the willingness of the Group to engage and remain engaged is testament to the desire to see things change.

**6.2 Acknowledgement that Shropshire Council has responsibility for promoting Shropshire as a business location, working with our Partners to showcase what Shropshire can offer to businesses based here (both new and existing).**

There should be an ongoing process of benchmarking and learning from our 'Neighbouring Authorities' (Geographic and Statistical) to capture intelligence and trends.

It was evident from the learning that was achieved from the Review that there are similar Authorities to Shropshire who are taking a similar approach to Economic Growth and have similar 'strategies' and do take responsibility for promoting their area as a business location. More notably there were similar Authorities taking different, more innovative approaches that we can learn from and this is where we should be looking to benchmark.

**Moving forward to implementation**

Stage 1 of the new operating model places great emphasis on learning from best practice, research, strategies and identifying opportunities and priorities. The cohesive nature of this approach will ensure that good practice is captured, utilised and promoted.

**6.3 The Group recommends the need for more intelligent and cohesive business engagement than takes place currently. This must take place with businesses, investors, intermediaries and brokers of economic growth such as commercial property agents, developers and asset holders and investment makers to allow a more complete approach to facilitating economic growth for Shropshire.**

There have been a number of instances and examples that have been identified through the work of the Group that illustrate that the current situation and the siloed and insular working approach does not produce the best results for the Shropshire Economy.

This can be best summarised by the acknowledgement of a Commercial Agent that he was working with 6 or 7 companies who were looking to relocate in the Shrewsbury area but he felt that it was not something he could share with Shropshire Council for fear of it not remaining confidential. Although he did have a willingness to work far more collaboratively with the Council if things were different and that there was valuing in the sharing of intelligence. Whilst the comments are made from one sector (who were involved primarily to discuss the Economic Development Asset Portfolio) they are systematic of the business engagement that takes place currently. This illustrates the need for the Council to foster relationships not just with the business community to enable a meaningful two way exchange in confidence.

The Group re-iterates and supports the need for a single point of contact (similar to account management) to maintain business confidence and maintain integrity and build trust. The capturing of data in a uniformed manner would ensure that data and subsequent intelligence can be easily shared (confidentially if necessary).

### **Moving forwards towards implementation**

The value the Relationship Managers will have in the new model will be in the relationships that they foster, broker and effectively manage. As resources diminish it will be necessary to work far more collaboratively and become highly-skilled facilitators who are able to influence and channel resources to where they can be used most appropriately.

#### **6.4 The provision of a stand-alone website using the domain name [www.investinshropshire.com](http://www.investinshropshire.com) which will be the shop window for the new Economic Growth Service, and will include what projects and activities are currently being implemented for business benefit.**

The lack of a web-based presence was noted and highlighted as a serious missed opportunity to promote Shropshire as a place to do business and invest (refer to 6.2). It is noted that there is limited information within the Council's main website but this is not enough to enable us to compete against our statistical and geographical neighbours.

The Group noted that there must have a clear route for business engagement and the presence of an effective website will enable this to happen. It will ensure that a larger number of the county's businesses and those looking to relocate here will be able to effectively engage through a channel they are comfortable using.

It was accepted that in the future the Marches Growth Hub will be looking to provide a comprehensive web-based resource to provide businesses with relevant, generic support across the Marches Local Enterprise Partnership area. The purpose of the new Shropshire Council website will be to promote the county, to inward investors and indigenous companies and would then link to the Marches Growth Hub (which is what the other Authorities within the LEP will do.)

The new site will need to showcase all development that is taking place across the county and also link to partners / collaborators sites. The site must also include development opportunities and show Shropshire as a viable investment location both now and in the future whilst showcasing the benefits of Shropshire including our quality of life etc.

The website that the Group believe should be benchmarked against was [www.investinsuffolk.com](http://www.investinsuffolk.com) which had the right mix of investor information and call to action.

### **Going forward towards implementation**

This had also been identified within the Redesign and revenue to allow for the creation of a new website (within 6 months of the new model being operational) has been recognised as a requirement. It is estimated that between £15-20,000 will be required to include the build of the stand-alone site, and associated copy and imagery via open tender.

In addition the Business Development function would have responsibility for maintaining relevant content on the website and dealing with the enquiries that are made via that route.

### **6.5 Economic Development Assets (workshops & land) to be taken back into Corporate Landlord – with an Asset Management Strategy in place to align with the new purpose of the Economic Growth Service.**

The analysis that was provided by SC Finance looking at the ED Assets did show differences in the type of facilities within the portfolio and the subsequent revenue generated.

It showed troubling differences within the performance of the portfolio with some market under-performance. Some of the assets held had only tenuous links to economic development and appeared to be masking under-performance. Of most concern was the long term picture; giving the declining condition of the units and workshops with no apparent provision made for scheduled maintenance and improvement requirements the minimal return on investment will likely prove untenable in the long term.

The discussions with Estates/Corporate Landlord did provide some learning on how better to engage with businesses who are interested in Shropshire Council run units and has identified the type of information that needs to be captured and subsequently utilised to create meaningful intelligence around demand and take up of commercial premises.

### **Going forward towards implementation**

The maintaining of a 'client function' for the Economic Development Asset Portfolio, which is subsequently managed by Estates Services is not seen as a necessary function of the Economic Growth Team. The most appropriate place for the assets (with immediate effect) would be for them to be managed and maintained by Corporate Landlord.

The capturing of the information is still relevant and will be fed into Stage 1 of the operating model to help identify demand and subsequent opportunities to create the conditions for economic growth.

**6.6 The need for Cabinet to make a strategic decision on what Shropshire Council's purpose is as a land / asset owner and who is subsequently best placed to manage and maintain those assets on its behalf.**

The Group recommends this, and if there is additional work to be done to best answer that question it would be keen to be involved (although it appreciates it would not be within the Economic Growth Scrutiny Groups remit as Estate Services / Corporate Landlord sit elsewhere).

The Group has also identified the need for a Condition Survey to be carried out to further identify any opportunities or potential liabilities and assess the value for money of individual assets (not just those within the Economic Development Portfolio).

The decision on who would be best placed to manage and maintain the Assets would then better inform the new Economic Growth Service, and in doing so start to identify where the income should sit and where any profit should be reinvested to enable further economic growth. This would then allow for disposals or investments to be made that can support the new service to achieve purpose – by investing in the most appropriate vehicles / activities for the creation of economic growth and resilience.

Discussions with the Commercial Property Agents and the financial analysis of the Economic Development asset portfolio validated the recommendation that is being made.

**Going forward towards implementation**

This decision can be made at the appropriate time and with the appropriate evidence by Cabinet with no detrimental effect on the Economic Growth Redesign implementation. The Assets can transfer to Corporate Landlord (as 6.5) with the appropriate Asset Management Strategy in place that can be subsequently amended to reflect the decision when it is made.

**6.7 The need for Cabinet to make a strategic decision on whether Shropshire Council will take, in the future, a proactive role as an investor and developer in Shropshire, to provide jobs and broker further investment.**

This recommendation follows on from 6.6 and looks to gain clarity on where best to re-invest income from SC owned asset sales and rental, or where new investment should be made to increase the availability of employment land and commercial property. The Group believes that a more proactive stance by Shropshire Council will bring new businesses into the county and allow Shropshire companies to expand – both creating new jobs and creating economic growth and resilience.

### **Going forward towards implementation**

The new Economic Growth operating model takes a robust, and uniformed approach to identifying, developing and implementing (via a commissioned model) projects and activities that create the conditions for economic growth in Shropshire.

This model will ensure that any potential investment is tailored to meet the demands of the county's businesses, is feasible and deliverable with a return on the investment and other funds (where available) can be brokered to support Shropshire Council's initial investment. This approach will ensure that Council funds, or those that it controls are only used to create measured outcomes and will provide identified and quantifiable benefit the Shropshire economy.

## **7.0 Potential for Further Work**

During the work it was apparent that there were a number of other areas worthy of further exploration but were not directly covered by the Terms of Reference detailed in Section 3. These include:

### **7.1 Identification of Shropshire's Economic Growth Areas / Sectors**

To identify how we actively identify, promote and grow Shropshire's growth areas / sectors. A further piece of work to evaluate if current methods are facilitating growth, how that can be effectively measured and if there are other more effective methods and strategies that should be employed.

### **7.2 How are the tenants in all Shropshire Council owned property managed and are their needs met to enable them to grow and flourish and create economic growth**

To undertake a survey of tenants and identify what they need from Shropshire Council as a Landlord and also as a Local Authority. This will provide intelligence from a captive audience to better inform economic growth activity and identify if there are further opportunities to support and facilitate their growth.





Officer and Date

Cabinet 20 May 2015

12.30 pm

Item

**7**

Public

## Future delivery of Customer Services in Shropshire

**Responsible Officer** Rod Thomson

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Tel: 01743 253934

### 1. Summary

- 1.1 As part of the local authority's plans to become a commissioning Council, a review is under way to assess which of its existing services may have the ability to trade beyond the provision on internal council services. Permission is sought to further explore the potential advantages and disadvantages of prospective delivery models for the Customer Service function, and to investigate the potential market.
- 1.2 Careful consideration needs to be given to what is commissioned going forward by way of the public face, both for the Council and for the citizens of Shropshire. The potential advantages and disadvantages around commissioning what currently operates as a single front door into all Council services and indeed, whether such a service is required at all in the future, requires thorough investigation. Additionally, the opportunity to gather intelligent data on our customers, through technology that affords a "single view of the customer" and which could bring significant benefits and savings to the Council, also requires investigation.
- 1.3 Shropshire Council is redesigning its services, including adult social care, locality commissioning and customer engagement 'hubs' and Customer Services is an integral part of these redesign programmes. Any change to its services may have positive or negative effects on such redesign plans. Whilst Customer Services delivery options could be looked at in isolation from a coordinated strategic redesign, such a move could adversely affect other services and could also affect the timing of any changes needed.

- 1.4 For Shropshire's citizens and businesses, Customer Services is the front door into Council services, it is a recognised and trusted single point of contact that people either know or can easily find. It is also the first point of contact with the authority for individuals and organisations outside the County.
- 1.5 Customer Services is not a message handling centre, it is the point at which Shropshire citizens engage with skilled advisers, who have the capacity to identify and meet a wide range of needs for the customer using the principle of one contact providing multiple solutions and dealing with the whole customer not just the transactional need. This minimises the number of steps and contacts that a customer must make. Skilled advisers draw out even complex underlying and unseen needs and in meeting these can dramatically increase the long term value of that contact.
- 1.6 Shropshire Council must continue its programme of financial savings during the coming years and some of these savings will relate to Customer Services. Recent work with other services to redesign their customer interface through the Customer Service Centre has resulted in large operational savings for those services. The potential to factor in a proportion of the value of these operational saving against those otherwise required from Customer Services should be investigated.

## **2 Recommendations**

- 2.1 Cabinet is recommended to approve the proposals set out in this paper which are to explore the commissioning options with the advantages and potential disadvantages for delivering the Customer Services function
- 2.2 Cabinet is recommended to give delegated authority to the Director of Public Health, in consultation with the Portfolio Holder for Resources and Support, with input from Commissioning Directors, to make any further decisions around changes to service scope.
- 2.3 Cabinet receives a further report on the outcomes following completion of the required financial and due diligence work and any resulting proposal relating to a revised delivery model.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1 The primary risks include the possible effects on what is a key role in supporting the Council to deliver a high quality, fully managed, maintained and efficiently operated multi-channel Customer Service function that in a single contact will increasingly meet the needs of vulnerable people. Vulnerable customers could be disadvantaged by not being able to manage multiple delivery routes. The loss of a single point of access puts at risk the provision from one place of independent data on the performance of services and potentially the ability to provide a detailed history of a customer's needs that will further support preventative actions. Such a loss could lead to the creation of silos of information elsewhere.
- 3.2 Many customers will still see Shropshire Council as the principle route for support with services that it commissions and it follows that Shropshire citizens will continue to see the Council as responsible and accountable for these services. There is therefore a key role for any front of house service to play.
- 3.3 There is clearly a need to reduce the cost of customer transactions but what is also clear is that reducing the cost of delivery together with encouraging a shift to more cost effective methods such as online services for those who can, will not address the funding gap. A new approach that incorporates a more preventative style able to deal with multiple requirements is needed.
- 3.4 Customer Services' approach is more co-ordinated, incorporating both channel-shifting of appropriate enquiries to more cost effective and convenient methods and adding a more preventative model concentrating on early identification of potential difficulty. Providing a timely and appropriate intervention here can avoid crisis situations arising. For example the successful redesign of adult and children's services has demonstrated the benefits to the public, particularly those with significant social care needs, of having thorough and effective triage based call handling and an 'early help' approach, this has made significant savings elsewhere.

- 3.5 Any new delivery model must recognise and deliver the core activity of safeguarding and promoting the welfare of children and adults with the prioritisation of appropriately skilled adviser time being a major requirement. The high priority of these contacts, the time devoted to their resolution and the speed with which such contacts are answered must reflect the status of this activity
- 3.6 Call centres are reliant on good quality technology to support their roles. Whilst such technology requires significant and regular investment which is likely to be difficult in view of the financial constraints faced by the Council, such investment in this technology negates the risk of duplication in the back office so avoiding unnecessary cost and making businesses cheaper. With that in mind any new delivery model may need to seek a partner in order to share resources and reduce its running costs.

#### **4. Financial implications**

- 4.1 The total gross 2015/16 budget agreed by Council on 26<sup>th</sup> February 2015 to deliver these services is currently £4.034M, controllable costs £2.791M.
- 4.2 Under the current Medium Term Financial Plan which ends in 2016/17 any proposed change would need to reflect the 7.5% a year reduction however, recent work with other services to redesign their customer interface through the Customer Service Centre has resulted in large operational savings for those services. The potential to factor in a proportion of the value of these operational saving against those otherwise required from Customer Services should be investigated

#### **5. Equality and Social Inclusion Impact Assessment**

- 5.1 An Equality and Social Inclusion Impact Assessment has been undertaken and will continually evolve, being kept under review following any consultation. These services are universal in nature and will continue to be provided to all Shropshire residents and businesses, fairness and equity in service provision is a key requirement.

#### **6. Background**

- 6.1 Customer Services provides the Council and the customer with a single front door where all issues, from high volume high capacity

enquiries to highly involved preventative interventions with more vulnerable customers, are resolved. This single front door combines the face to face, telephone, social media and digital (web) channels working together in a co-ordinated approach and gives the opportunity to completely redesign the way in which the Council interacts with customers.

- 6.2 Through servicing customer needs in one place, the Customer Services operation affords economies of scale and efficiencies in customer handling that are lost where separate businesses work in isolated silos. The skills flexibility and service knowledge of customer service staff across a wide range of Council services means they are not restricted to handling single service requests but can instead handle multiple needs for the customer there and then. Significantly, these skills allow advisers to service many different types of contact so adding to the effectiveness and economy of the provision and the smooth customer perception of what is a high compliment low complaint service.
- 6.3 In our experience, Shropshire citizens continue to rely on Customer Services and considerable numbers continue to make contact in respect of services now placed outside Shropshire Council. Having met customer expectations over a long period of time, this issue must be a consideration in any wider redesign or delivery model.
- 6.4 Digital and online service provision also offers the opportunity to move those customers who can self-serve onto more cost effective and convenient channels (The Society of Information Technology Management SOCITM figures suggest that individual face to face transactions can cost up to £7.40 each verses 32p for an online transaction).
- 6.5 Our experience shows that increasingly, people seek advice through Shropshire Council especially when they face difficult issues in their lives. Continuing to concentrate solely on the transaction and on reducing the cost without investigating preventative action would be to miss an opportunity. Concentrating instead upon early identification and early intervention through effective triage raises the chances of changing long term outcomes for customers, especially those who are more vulnerable and at risk of reaching crisis point. We know, from the work already done with Adult and Children's Social Care Teams, that this reduces the number of costly interventions elsewhere in Shropshire Council and has the potential

to go beyond, for example reducing dependency on welfare and NHS provision.

- 6.6 Changing the customer's outcome, for example using the interaction to help to support someone to remain within their own home for longer before requiring a funded support package represents much larger financial savings than simply reducing the costs of providing existing, traditional transactional channels. We will make it easier to conduct simple transactions through alternative and more cost effective channels, but we will also identify and meet need in those areas that could otherwise end up as a high cost to the Council.
- 6.7 The natural advantage of Customer Services is in having the customer there, talking to us, sitting in front of us meaning that we truly own the interaction. Our knowledge of trends and fluctuating demands allows us to proactively manage those demands for the back office and our ability to identify and take steps to prevent unnecessary contact can make savings for that business.
- 6.8 The ability to manage the entire customer pathway using the right Customer Relationship Management (CRM) system would facilitate an information history showing why customers have contacted us. This single view of the customer can be used by our Digital First and Quality Assurance Teams to interpret patterns and trends so allowing us to circumvent avoidable contact particularly for simple high volume business by releasing appropriate messages through a variety of media. Significantly, intelligent systems can interpret this data and alert the need for preventative action to be taken. The opportunity to share merged data from other public sector bodies through joint ventures strengthens this ability to prevent and increases the ability of each to meet their own duties and responsibilities as well as giving opportunity for wider financial savings.
- 6.9 The concept behind Customer Services is one based on continually redesigning the customer contact pathways from first point of contact through to resolution.

Any future delivery option should consider continuing these core principles of delivery:

- Customer self-serve and self-support wherever possible is the primary delivery objective.

- Appropriate signposting, assisted support, including assistance to use digital channels, is prioritised ahead of direct intervention so concentrating personal contact upon those citizens who have underlying or greater needs.
- Early intervention and early identification, including through the support of partners is key to reducing long term demand and dependency
- Resolution at first point of contact is key to ensuring back office resources are concentrated on those who need them most

## 7 Conclusions

- 7.1 As a Council wishing to be seen as providing the best service possible, the interface with our customers is a vital role now and in the future. Customers are the lifeblood of any business and treating them well should always be a natural priority and careful consideration therefore needs to be given to the kind of public access a commissioning council should have and how this interaction might feel for the customer. This is particularly important given that in the eyes of Shropshire's citizens the commissioning Council will still be highlighted as having a major role in, and responsibility for, any services commissioned.
- 7.2 In investigating the possible options available it is important that the role currently fulfilled by Customer Services is clearly understood. The Customer Services function was designed to bring economies of scale into our dealings with our customers. In addition there are in-built efficiencies and an increased effectiveness in having advisers who possess multi-service knowledge able to handle many different customer needs in one place. This flexibility to handle large numbers of contacts could be lost.
- 7.3 The reduction in public spending will impact on the ability to deliver services across the whole Council. There is now the need to investigate further the options for commissioning Shropshire Council's front door and to investigate and test any market opportunities with the results of these investigations being brought back to future cabinet.



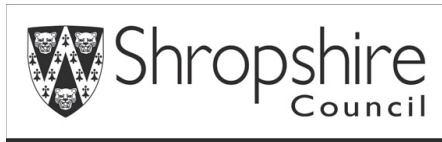
**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

**Cabinet Member : Mike Owen**

**Local Member: All**

**Appendices:  
None**





<u>Committee and Date</u>
Cabinet
20 May 2015 12.30 pm

<u>Item</u>
<b>8</b>
Public

## Proposal to Transfer Selected Education Support Services, Operating as Inspire to Learn, to ip&e Ltd

**Responsible Officer** Karen Bradshaw  
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### 1.0 Summary

1.1 This paper sets out further detail regarding proposals for the delivery of education support services for Shropshire. It sets out proposals for ip&e Ltd to explore options for it to become the Council’s preferred provider of education support services, which may lead to the transfer the Council’s current delivery arm to ip&e Ltd.

The report proposes that, as part of the exploration of the options, the Council will continue to hold the contracts for service delivery with schools for the 2015/16 financial year and will sub-contract the service delivery to ip&e Ltd.

The range of services are outlined in Appendix A.

A separate report will be brought to Cabinet in respect of Shire Services (catering and cleaning) given the scale of the business and the specific matters relating to any potential transfer of this service.

1.2 Cabinet previously considered a report at a special meeting on 22 January 2014 at which they approved the intention to transfer education support services to ip&e, and authorised officers to progress the detailed work on this transfer and undertake relevant due diligence processes.

The Inspire to Learn traded service offer for 2015/16, which was prepared jointly between Shropshire Council and ip&e, and was circulated to individual Shropshire schools in January 2015, with schools purchasing required services before the end of the spring term.

1.3 The education support services market in Shropshire is very mature and has operated effectively for many years and so the Council has enjoyed a significant level of customer loyalty, evidenced by the historically high level of buy-back from Shropshire schools. The Council has also been successful in securing service contracts outside of the county borders. However, changes in the public sector in general, and the education sector in particular – both in structural and financial terms – means that there is a need for a new operating model that builds on the current solid foundations and is able to take advantage of the growth opportunities that are emerging in the market.

- 1.4 Any new operating model for service delivery will aim to maintain and consolidate the existing significant local market share, and to use this platform to grow the business beyond the county boundaries in the medium to long term. The services should be better placed to respond to the challenge by becoming more commercial, customer-focussed and responsive to an ever-changing education and wider public sector landscape. It should aim to provide the opportunity for schools to purchase all support services from one place.
- 1.5 Under the terms of the Strategic Contract in place between the Council and ip&e Ltd, there is the ability for the Council to instruct, or for ip&e Ltd to propose, that the Council commissions ip&e Ltd to undertake certain enabling services to work on proposals relating to new service provisions models, or alternative delivery methods for Council services. The Strategic Contract states that when such enabling services are complete this may result in the award of a services contract to ip&e Ltd.
- 1.6 It is proposed to put in place an Enabling Services contract with ip&e Ltd, further to the Council's Strategic Contract, to effect an interim arrangement for the delivery of education support services by ip&e Ltd whilst enabling work continues on a range of considerations including an appropriate operating model, taxation (including VAT), pensions, internal market charges, assets, IT systems and business support services in order to inform a new operating model and enable a longer term transfer. An enabling arrangement through to the end of March 2016 is being proposed involving the secondment of relevant staff to ip&e Ltd. In respect of the Inspire to Learn traded services consideration would need to be given to the most appropriate method of future traded service delivery.

## **2.0 Recommendations**

2.1 That Cabinet agrees:

- 2.1.1 That on a phased basis as detailed in Appendix B, the following services currently delivered by Shropshire Council will be delivered in full (or part) by ip&e Ltd under an Enabling Services Contract to the end of March 2016 while consideration is given to a new operating model : School Library Services, Shropshire Music Service, School Financial Services, Schools IT Support Services, Education Access Services, Information Advice and Guidance and Governor Services, subject to completion of staff consultation.
- 2.1.2 To delegate authority to the Director of Children's Services in consultation with the Portfolio Holder for Children's Services to agree the terms of the Enabling Services Contract with ip&e Ltd, including the specification of the service to be commissioned by Shropshire Council and the outcomes to be achieved from the enabling services being commissioned.
- 2.1.3 To delegate authority to the Director of Children's Services in consultation with the Portfolio Holder for Children's Services to second staff currently employed in the delivery of services during the period of the Enabling Services contract.

## REPORT

### **3.0 Risk Assessment and Opportunities Appraisal**

#### **3.1 Opportunities**

- 3.1.1 The aims of a new operating model for education support services are to enable a wide range of Shropshire Council service teams to come together into a single commercial business unit – Inspire to Learn – providing an opportunity to deliver services to schools and the wider public sector in a more structured, effective and innovative way. Many of the service teams have traded successfully with Shropshire schools for many years but will benefit from being joined with other services in a single commercial enterprise that is fit for purpose and able to take up the challenge of operating in an increasingly competitive education services marketplace while retaining a strong Shropshire ethos.

This strategy will mitigate future financial liabilities to Shropshire Council, particularly as the Education Services Grant (ESG) reduces as more schools opt out of local authority control.

#### **3.2 Risk**

- 3.2.1 There are a number of considerations, as referred to elsewhere in this report, for the Council in respect of any proposal for the delivery of the services being transferred to ip&e Ltd which are to be considered during the Enabling Services contract period. The use of a shorter Enabling Services contract to explore new operational models will allow any risks to be identified and explored, whilst mitigating any risks associated with a commitment to a longer term arrangement prior to the specific issues of new models being fully explored.

Some other risks may, however, be longer term and not related exclusively to the services within Inspire to Learn – they may apply to other transferring services.

#### **3.3 Council Decisions and Statutory Powers**

- 3.3.1 No powers of intervention for underperforming schools will be undertaken by ip&e Ltd, its employees or staff seconded to it.

#### **3.4 Consultation**

- 3.4.1 There is a requirement to conduct consultation with staff and stakeholders. A number of briefings have taken place and communications sent out, both prior to and following the special Cabinet meeting in January 2014, with key stakeholders including school leaders and governors – both directly and via representative groups - on the proposal to bring education support services under the Inspire to Learn banner. Further consultation with staff will be required.

#### **3.5 Equality and Diversity**

- 3.5.1 An Equality and Social Inclusion Impact Assessment has been completed and is attached at Appendix C.
- 3.5.2 Any arrangement between the Council and ip&e Ltd will require the latter to ensure the equality duty, other equalities duties and the Council's equality policies are taken into account. The company will be required to assess the impact of any changes to working arrangements on staff with protected characteristics.

### 3.6 Environmental Consequences

- 3.6.1 There are no anticipated environmental consequences from the transfer of education support services to ip&e Ltd during the enabling services period.

### 3.7 Vulnerable People, Families and Community Resilience

- 3.7.1 The services under consideration for transfer support the work in protecting vulnerable children, looked after children and young people e.g. education welfare services with regard to statutory school attendance, including responsibilities in respect of child employment, children missing education and elective home education. The services will be required to operate under existing safeguarding processes – agreed and current – and to comply with any statutory responsibilities to share information in this regard.

## 4.0 **Financial Implications**

- 4.1 The total gross 2015/16 budget proposed for the delivery of the services by ip&e Ltd, excluding 'below the line' costs, is £5.411m. The projected income from trading and external grants is £3.908m, while the budget for Council commissioned services from ip&e Ltd is £1.503m. Appendix D provides details of the 2015/16 budget, service by service.
- 4.2 The services being delivered by ip&e Ltd as part of the enabling services have significant budgets which are currently approved in the Council's budget under expenditure and income categories. Under the Council's financial regulations approval is required for these budgets to be spent in a manner that differs to that currently approved in the Council's budget i.e. Financial Strategy, that was approved by full Council on 26 February 2015.
- 4.3 The contracting of the delivery of services to individual schools (or formal groups of schools) for 2015/16 has been Council-led supported by ip&e Ltd. The contracts will remain between Shropshire Council and the school(s) during the enabling services contract period. The Council will sub-contract this work to ip&e Ltd to deliver the services. The income derived from these contracts will therefore come into the Council and be utilised to pay ip&e Ltd for the services provided.
- 4.4 A commissioning budget, primarily underwritten by a combination of Education Services Grant (ESG) and base budget, will need to be established from the existing aggregated expenditure budgets of the services in order to purchase back, under contract, the delivery of a range of statutory functions from the staff being seconded into ip&e Ltd. It is important to note that the funding the Council will

receive via the ESG will reduce over time in direct proportion to the schools opting out of maintained control to become academies (in 2015/16 the Council will lose £87.00 ESG for every pupil in converting maintained schools). This will result in a diminishing commissioning budget and funding from the Council but will also open up opportunities for a provider to secure more business from the converting schools.

- 4.5 The overall buy-back levels for 2015/16 from Shropshire schools for education support services are being confirmed. At the time of writing the projected income from Shropshire school contracts is comparable with figures for the financial year 2014/15. In the face of stiff competition from other providers targeting the local market this is a very positive position and provides a solid platform for moving forward.
- 4.6 In the enabling contract period ip&e Ltd will be required to buy back internal Council services.
- 4.7 As set out in the recommendations, there will be a phased approach to service delivery by ip&e Ltd. Initially services proposed for transfer (on 1 June 2015) are fully traded services with all costs being met by income from service contracts with schools and an external grant. These services and the gross 2015/16 budgets associated with them are summarised in the table below with more detail provided in Appendix D.

<b>Service Area</b>	<b>Gross Budget £'000</b>	<b>Income from Contract with Schools £'000</b>	<b>Income from other Sources £'000</b>	<b>Net Council Budget £'000</b>
Shropshire Music Service	1,288	-913	-375	0
School Library Service	282	-282	0	0
School's IT Services (SIMS)	131	-131	0	0
School's Financial Services	309	-309	0	0
<b>Total</b>	<b>2,010</b>	<b>-1,635</b>	<b>-375</b>	<b>0</b>

The total gross budget identified above of £2.009m includes support costs of £0.132m which are currently only estimates but are not expected to vary significantly.

For the second phase of service delivery by ip&e Ltd the budgets are identified below. These services are partially traded services:

<b>Service Area</b>	<b>Gross Budget £'000</b>	<b>Income from Contract with Schools £'000</b>	<b>Income from Other Sources £'000</b>	<b>Net Council Budget £'000</b>
Information, Advice & Guidance	951	-161	-112	678
Education Access & Equality	492	-169	0	323
Technical Support Services - Governor Services	260	-248	0	12
<b>Total</b>	<b>1,703</b>	<b>-578</b>	<b>-112</b>	<b>1,013</b>

For this second phase, a substantial amount of the gross budget is funded from Education Services Grant (ESG) currently received by the Council. As this grant reduces to maintain the same level of gross spend, the services will need to secure alternative funding.

It is important to note the services identified are not funded from the Council's net budget (council tax, business rates and revenue support grant). They are funded from either service contracts with schools or from specific or other grants including ESG. As services transfer it will be important to ensure that the commissioning contract ensures that the current funding arrangements remain and that the transfer has no effect on the Council's net budget.

The financial business case for the transfer out of any function or service is dependent upon a number of factors, not least of which is the funding the Council retains (from internal or external sources) to commission services into the future. While the Council's current Medium Term Financial Plan does provide a certain degree of certainty over the Council's overall projected financial position, it will be necessary to revisit any financial assumptions made beyond the 2015/16 year.

## **5.0 Background**

- 5.1 In support of the Council's 'Commissioning for the Future' strategy and in the context of the reductions in public sector funding, required budget savings and the changing education sector landscape, the opportunity of bringing together the wide



range of education support services from across the Council into a more coherent, cost effective and commercially driven Shropshire-based enterprise under Council ownership, has been recognised by the Council, resulting in the decision of Cabinet on 22 January 2014 to approve the intention to transfer these services to ip&e with authority for officers to progress this and undertake due diligence processes.

## 5.2 This strategy will:

- 5.2.1 Mitigate future liabilities to Shropshire Council, particularly as the Education Services Grant reduces as more schools opt out of local authority control.
- 5.2.2 Secure a financial return for the purposes of re-investment.
- 5.3 Following the Cabinet decision in January 2014, the priority has been to pull together the education support services from across the Council under a single brand (Inspire to Learn), to deliver improvements in certain service areas based on feedback from schools, and for ip&e Ltd to launch the brand to staff and schools, and to co-ordinate the service offers to schools for 2015/16, which were sent out in January 2015.
- 5.4 The Strategic Contract between the Council and ip&e Ltd allows ip&e Ltd to undertake 'enabling services' on behalf of the Council, which include making, developing and promoting proposals to the Council, including in relation to new services for transfer to ip&e Ltd and the transformation of existing services. Proposals by either party may include new and innovative service provision models and new or alternative service delivery methods. The Strategic Contract recognises that such enabling services may lead to the award of a service contract to ip&e Ltd and the parties can agree the requirements for the delivery of the enabling services such as the secondment of staff, available budget and requirements to work with either of the ip&e companies to effect the most suitable operating model.
- 5.5 There is an acknowledgement – via the recommendation to provide for the delivery of services through an enabling services contract with ip&e Ltd for a period of one year - that there is still a significant amount of work to do and some key issues to be addressed before both parties are in a position to commit to a longer term arrangement. To allow this work to be undertaken as part of the enabling services required in order to consider the award of a service contract, the report provides a number of delegations and authority for this work to be undertaken, completed and issues resolved enabling services contract period while exploiting the opportunity for services to operate more commercially and holistically. Via an enabling services arrangement the secondment of the staff and the availability of the service delivery budget to ip&e Ltd as set out in this report will also provide the opportunity to demonstrate that any future operational model is fit for purpose and that the Council is protected both financially and legally prior to any award of a service contract.

## 6.0 Additional Information

### 6.1 Enabling Services contract

6.1.1 An appropriate contract for the enabling services and service delivery will be drawn up to take account of the range and complexity of the services that will be delivered via ip&e Ltd. The contract will need to distinguish between the requirement to deliver services direct to schools, education settings and parents through the sub-contracting of this traded business, and the work being commissioned back by the Council to deliver a range of statutory functions for which it is responsible.

6.1.2 Sub-contracting the service delivery to ip&e Ltd in accordance with the proposed recommendations means the Council can take advantage of the Teckal exemption that allows local authority services to be transferred to a local authority trading company without having to go through tendering and procurement processes that would otherwise be required.

6.1.3 In respect of the Council commissioned work, the contract will specify the services to be provided.

## 6.2 Commissioning Structure

6.2.1 The internal structure for the commissioning functions of Shropshire Council in respect of statutory responsibilities for education is currently being consulted upon and is expected, during the interim contract period, to comprise the strategic commissioner - the Head of Education Improvement and Efficiency (reporting to the Director of Children's Services) - supported by other commissioning officers in Education Improvement Services, Education Access Services, and Information, Advice and Guidance. This interim arrangement will eventually need to fit in with the evolving Council-wide commissioning approach, while recognising the need for the specialist knowledge and understanding of the commissioned services to provide appropriate quality assurance and performance management.

## 6.3 Employment Issues

6.3.1 It is proposed that staff in the identified service delivery teams are seconded to ip&e Ltd through to the end of March 2016 to allow the enabling services to be undertaken in order and determine the longer term arrangements.

6.3.2 The secondment arrangement will allow Shropshire Council and ip&e Ltd to test business and operational assumptions as part of the enabling services, including further work around the pension implications of any TUPE transfer of staff.

## 6.4 Transition Process

6.4.1 Following the Cabinet decision, the matters that remain outstanding and will need to be addressed include:

- a) agreeing the enabling services contract and service delivery specifications for the period to March 2016;
- b) agreeing the transition plan for transferring the delivery of services
- c) consulting with staff and stakeholders prior to any transfer of service delivery
- d) addressing the outstanding issues including, but not restricted to: appropriate operating model, taxation (including VAT), pensions, internal market charges, assets and business support services.



## 7.0 Conclusion

7.1 In order to consider an appropriate service delivery model for education support services in order to achieve the Council’s strategic aims involving ip&e, whilst managing any issues involved in the transfer of services, an enabling arrangement as set out in this report ensures any risks involved are mitigated through such an arrangement whilst providing the opportunity to explore and achieve the most beneficial delivery model for the services.

<b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</b>
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Special Cabinet report of 22 January 2014 entitled ‘Support Services for Education in Shropshire’
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<b>Cabinet Member (Portfolio Holder)</b>
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Cllr Ann Hartley – Portfolio Holder for Children’s Services
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<b>Local Member</b>
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Not applicable as proposals have county wide application
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<b>Appendices</b>
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Appendix A: Education Support Services
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Appendix B: Inspire to Learn Transition Plan
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Appendix C: Equality and Social Inclusion Impact Assessment
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Appendix D: Inspire to Learn Budget 2015/16
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### Education Support Services

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#### Shropshire Music Service

The Shropshire Music Service currently has 23.45 fte staff plus a number of casual employees. The service operates on a fully traded basis and the whole service is under consideration for transfer. Up to 25% of the service's funding – around £381k – is received in the form of Arts Council Grant. The balance of the funding is secured through service charges to schools and parents.

The key functions of the Shropshire Music Service include:

- Teaching children to play an instrument
- Classroom support for music education
- The provision of live music festivals in school, music workshops, instrumental recitals, and leadership, direction of school orchestras and other instrumental ensembles
- The provision of a wide range of county-wide ensemble activities:
  - support for gifted and talented young musicians through a range of activities
  - special playing days within discrete instrumental families (e.g. double reed day)
  - support for free lessons for looked after children and for children in receipt of free school meals
  - support for longer lessons for those who meet key criteria, showing progress, high attainment and involvement in ensemble opportunities with the service
  - provision of music support for pre-school children (e.g. a rolling programme of support for practitioners in partnership with the early years team)
  - provision of opportunities for children to perform in a range of instrumental and vocal ensembles and for parents and carers to see and hear them as part of a programme of public performance
  - provision of initiatives to support informal music making.

#### School Library Service

The School Library Service currently has 6.78 fte staff plus a number of casual employees. The service operates on a fully traded basis and the whole service is under consideration for transfer, including day to day management.

The service operates across both in Shropshire and Telford & Wrekin areas, supporting schools in progressing learning across the curriculum. Schools are able to buy-back annually into the core service at a variety of levels to meet their specific needs, with aspects available on a pay-as-you-use basis to offer increased flexibility.

The functions of the School Library Service include:

- Access to more than 250,000 books and learning resources
- Bespoke collections to support differentiated needs of schools
- 'Door to door' service for the delivery and collection of a wide range of library resources
- Telephone contact to support resource selection and planning

## Building The Case For Transition

- Access to discounts of between 20% and 27% on books through a national recognised provider of books for young people
- Access to an online bookshop with a range of the most recent publications displayed and regularly updated
- Access to a web-based catalogue of the service's available resources.

### **Schools IT Support Service**

The Schools IT Support Services (SITSS) offers high quality advice and guidance to meet school's needs. The team has a wide range of experience in supporting schools and academies. The team is made up of experienced technicians who can provide advice on technical and SIMs based issues. The service is currently made up of 3.2 fte staff and operates on a fully traded basis.

The SITSS team key service features include:

- Tailored solutions for schools
- Hybrid cloud solution that allows you to retain your on-site infrastructure
- Training courses for hardware, software or Microsoft applications,
- Consultancy to schools to help team understand data, track trends, enhance schools use of SIMs to meet needs of staff
- Support for software, and hardware, for third party products installation, upgrade and maintenance,
- Access to additional pay as you go services such as onsite technical support, switch maintenance, online back-up service.

### **Schools Finance Service**

The School's Finance Service currently has 7.4 fte staff and operates on a fully traded basis. The whole service is being considered for transition.

The service provides financial advice and operational support to schools, colleges and academies. They provide the link between the corporate financial systems and the day to day running of the school. The staff have excellent experience of operating within the education sector.

Some of the team's current service functions include:

- Monthly payroll reporting
- Account close-down
- Submission of Consistent Financial Reporting (CFR) to the Department for Education
- Financial forecasting
- Financial reporting and attendance for committees
- Financial analysis by department
- Providing end of year reporting
- Ad-hoc training events.

### **Information, Advice & Guidance**

The Information, Advice and Guidance service has been subject to service redesign and restructure and the intention is for the majority of the service to transfer into ip&e with a small retained staff to undertake the commissioning of services to meet the Council's statutory responsibilities, primarily in respect of special educational needs

## Building The Case For Transition

support, NEET activity and data tracking. The expectation is that the estimated number of staff transferring to ip&e will be 19.57 fte. The transferring staff will include management. The transferring budget has been disaggregated on this basis. The transferring team costs will be underwritten through buy-back from schools and colleges and commissioned support to meet the statutory obligations of the Council.

The service provides independent and impartial information, advice and guidance to schools and colleges to help young people make realistic, informed and aspirational decisions about their future. They support young people with their transition into education, employment or training and in reducing their barriers to participation, achievement and progression in line with the expectations of Raising the Participation Age. The statutory duty to provide independent and impartial careers advice for young people rests with schools and colleges.

The services offered include:

- One-to-one/group work sessions
- Interviews
- Undertaking/participating in careers and progression events eg options evenings
- A dedicated website and access to web-based resources
- A small scale work experience and safety/risk assessment checking service.

### **Education Access Service**

The Education Access Service has been subject to service redesign and restructure and has been disaggregated with an element of the existing structure being retained within the Council, primarily to deliver the authority's statutory functions in respect of school attendance. The expectation is that the estimated number of staff transferring to ip&e will be 10.07 fte. The transferring staff will include management. The transferring budget has been disaggregated on this basis.

The transferring staff will provide traded services to schools and academies in Shropshire, as well as to both maintained schools and academies in Telford & Wrekin Council area. The Council will also potentially commission services from the transferred team to meet aspects of the statutory provision.

In respect of the traded services, the key functions include:

- Reviewing and monitoring of school registers
- Identification of patterns and trends in attendance
- Development and implementation of strategies to address targeted areas
- Advice and contribution to the strategic planning of attendance policy and procedures
- Pupil and family assessment procedures
- School attendance audits
- Mediation between families and schools
- Attendance at child protection, children in need and core group meetings
- Undertaking and advising on legal work relating to court proceedings
- Attending court when required.

### **Governor Services**

The Governor Support and Development Service has 5.50 fte staff plus a number of casual employees who provide clerking services to schools. The transferring staff will include management.

The service provides a range of options for school governing bodies from a full clerking service (electronic or paper based) through to an agenda advice service (with or without a local authority clerk). In addition governors can subscribe to new governor training and online distance learning via Modern Governor. Training and development opportunities for school governors are provided through the annual Education Improvement Service CPD programme.

The transferring team costs will be underwritten through buy-back from schools and commissioned support to meet the statutory obligations of the Council in respect of school governance.

Inspire to Learn Service Transition Plan

	Original Proposal		Method	Revised Transfer Date	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
School Library Service	November 2014	→	Secondment	June 2015	Staff consultation & HR process			Start in ip&e										
Shropshire Music Service	November 2014	→	Secondment	June 2015	Staff consultation & HR process			Start in ip&e										
Schools Financial Services	None	→	Secondment	June 2015	Staff consultation & HR process			Start in ip&e										
Schools IT Support Service	None	→	Secondment	June 2015	Staff consultation & HR process			Start in ip&e										
Education Access Service	December 2014	→	Secondment	September 2015	Staff consultation & HR process for transfer to ip&e						Start in ip&e							
Information, Advice & Guidance	December 2014	→	Secondment	September 2015	Staff consultation & HR process for transfer to ip&e						Start in ip&e							
Governor Services	March 2015	→	Secondment	September 2015	Staff consultation & HR process for transfer to ip&e						Start in ip&e							

Fully Traded Services	Traded & Part Commissioned Services	Commissioned Services
School Library Service	Education Access	Educational Psychology Service
Shropshire Music Service	Information, Advice & Guidance	HR Advice
Shire Services	Governor Services	Employment Services
Schools Financial Services	Education Improvement Service	Payments & Income Team
	Schools IT Services	Property Services
		Audit Services
		Risk & Insurance
		Occupational Health & Safety

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### Shropshire Equality and Social Inclusion Impact Assessment (ESIIA)

#### Contextual Notes 2014

##### *The What and the Why:*

The Equality and Social Inclusion Impact Assessment (ESIIA) tool replaces the Equality Impact Needs Assessment (EINA) tool previously in use by Shropshire Council. It is a tool to help us to identify whether or not any new or significant changes to services, including policies, procedures, functions or projects, may have an adverse impact on a particular group of people, and whether the human rights of individuals may be affected.

What we are now doing is broadening out such assessments to consider social inclusion. This is so that we are thinking as carefully and completely as possible about all groups and communities in Shropshire, including people in rural areas and people we may describe as vulnerable, as well as people in what are described as the nine 'protected characteristics' of groups of people in our population, eg Age, eg Gender Reassignment. We demonstrate equal treatment to people who are in these groups and to people who are not, through having what is termed 'due regard' to their needs and views when developing and implementing policy and strategy and when commissioning, procuring, arranging or delivering services.

It is a legal requirement for local authorities to assess the equality and human rights impact of changes proposed or made to services, such as through a new policy or a change in procedure. Carrying out ESIIAs helps us as a public authority to ensure that, as far as possible, we are taking actions to meet the general equality duty placed on us by the Equality Act 2010 to have what is called *due regard* to the three equality aims in our decision making processes. These are: eliminating discrimination, harassment and victimisation; advancing equality of opportunity; and fostering good relations.

##### *The How:*

The assessment comprises two parts: a screening part, and a full report part.

**Screening (Part One)** enables energies to be focussed on the service changes for which there are potentially important equalities and human rights implications. If screening indicates that the impact is likely to be positive overall, or is likely to have a medium or low negative or positive impact on certain groups of people, a full report is not required. Energies should instead focus on review and monitoring and ongoing evidence collection, enabling incremental improvements and adjustments that will lead to overall positive impacts for all groups in Shropshire.

A **full report (Part Two)** needs to be carried out where screening indicates that there are considered to be or likely to be significant negative impacts for certain groups of people, and/or where there are human rights implications. If you are not sure, a full report is recommended, as it enables more evidence to be collected that will help you to reach an informed opinion.

## Shropshire Council Part 1 ESIIA: initial screening and assessment

*Please note: prompt questions and guidance within boxes are in italics. You are welcome to type over them when completing this form. Please extend the boxes if you need more space for your commentary.*

### **Name of service change**

Transfer of the delivery of certain education support services to ip&e Ltd which can be summarised into two broad categories:

- fully traded services that are underwritten by a combination of traded income from schools, parents and external grants (School Library Services, Shropshire Music Services, School Financial Services, Schools IT Support Services); and,
- services that both trade directly with schools and are also commissioned under contract back by the Council to meet either statutory responsibilities that cannot be delivered by a residual Council-side core team, or provide key business support functions required by the commissioning council (Education Access Services, Information Advice and Guidance, Governor Services and Education Improvement Services).

Ip&e Ltd (Inspiring Partnerships & Enterprise Ltd) is a wholly owned Council company that provides public services on behalf of Shropshire Council. It aims to enable the Council to reinvest profit from any trading back into Shropshire services.

### **Aims of the service change and description**

The proposed transfer of service delivery to ip&e Ltd aims in the short term to maintain and consolidate the existing significant local market share in the face of increasing competition from other providers, and to use this platform to grow the business beyond the county boundaries in the medium to long term. The services will be better placed to respond to the challenge by becoming more commercial, customer-focussed and responsive to an ever-changing education and wider public sector landscape.

At this stage the intention is to transfer delivery of the services on a 12 month interim basis. The longer term commissioning options will be the subject of further consideration by the Council during this 12 month interim period.

### **Intended audiences and target groups for the service change**

The service change impacts on a wide range of stakeholders, including:

- Schools, academies, colleges, early years settings and other education providers, including staff, governors, parents, families and children
- Trusts, federations, school companies, learning partnerships and other collaborative and representative groups
- Health, social care and voluntary sector colleagues and partners
- Diocesan education boards, Shropshire School Governors Council
- Information, Advice and Support Service, Parent and Carers Council
- Elected members and MPs
- National government agencies: Department for Education, Ofsted, Education Funding Agency, Regional Schools Commissioner, Arts Council

Vulnerable groups including children with SEN (special educational needs), LAC (looked after children), children missing education, elective home educators, pupils eligible for pupil premium, NEETs (Not in Education, Employment or Training).

### **Evidence used for screening of the service change**

The primary evidence used in developing the proposal to transfer the delivery of services into ip&e Ltd is the Council's past and future financial savings targets and the impact this has had and will continue to have on service team budgets, staffing numbers and on the resilience, level and quality of services that can be delivered now and in the future.

The other risk factor is the impact of other providers entering the local education support services marketplace, the potential reduction on market share, loss of vital intelligence on Shropshire schools compromising the ability of the Council to fulfil its statutory responsibilities, and the loss of influence on the educational outcomes and social well-being of the county's children and young people.

### **Specific consultation and engagement with intended audiences and target groups for the service change**

A number of briefings have taken place and communications sent out to key stakeholders including school leaders and governors – both directly and via representative groups - on the proposal to bring education support services under the Inspire to Learn banner and for the delivery of these services to eventually transfer into ip&e Ltd. While the feedback has been fairly limited there has been support for the approach being taken by the Council, much of this related to the generally strong relationships between the local authority and Shropshire schools.

The service offer to schools for 2015/16 under the Inspire to Learn has been managed and co-ordinated via ip&e Ltd with significant engagement at the individual school level, particularly in the Spring term 2015.

Consultation with staff has primarily been conducted via staff briefing sessions across all services and within individual service areas following the Cabinet decision in January 2014 to undertake further work on the transfer of services into ip&e Ltd. Newsletters and emails have been used to keep staff informed of developments.

# Potential impact on Protected Characteristic groups and on social inclusion

## Guidance notes on how to carry out the initial assessment

Using the results of evidence gathering and specific consultation and engagement, please consider how the service change as proposed may affect people within the nine Protected Characteristic groups and people at risk of social exclusion.

1. Have the intended audiences and target groups been consulted about:
  - their current needs and aspirations and what is important to them;
  - the potential impact of this service change on them, whether positive or negative, intended or unintended;
  - the potential barriers they may face.
2. If the intended audience and target groups have not been consulted directly, have representatives been consulted, or people with specialist knowledge, or research explored?
3. Have other stakeholder groups and secondary groups, for example carers of service users, been explored in terms of potential unintended impacts?
4. Are there systems set up to:
  - monitor the impact, positive or negative, intended or intended, for all the different groups;
  - enable open feedback and suggestions from a variety of audiences through a variety of methods.
5. Are there any Human Rights implications? For example, is there a breach of one or more of the human rights of an individual or group?
6. Will the service change as proposed have a positive or negative impact on fostering good relations?
7. Will the service change as proposed have a positive or negative impact on social inclusion?

## Guidance on what a negative impact might look like

<b>High Negative</b>	Significant potential impact, risk of exposure, history of complaints, no mitigating measures in place or no evidence available: urgent need for consultation with customers, general public, workforce
<b>Medium Negative</b>	Some potential impact, some mitigating measures in place but no evidence available how effective they are: would be beneficial to consult with customers, general public, workforce
<b>Low Negative</b>	Almost bordering on non-relevance to the ESIIA process (heavily legislation led, very little discretion can be exercised, limited public facing aspect, national policy affecting degree of local impact possible)

## Initial assessment for each group

Please rate the impact that you perceive the service change is likely to have on a group, through inserting a tick in the relevant column.

<b>Protected Characteristic groups and other groups in Shropshire</b>	<b>High negative impact</b> <i>Part Two ESIIA required</i>	<b>High positive impact</b> <i>Part One ESIIA required</i>	<b>Medium positive or negative impact</b> <i>Part One ESIIA required</i>	<b>Low positive or negative impact</b> <i>Part One ESIIA required</i>
<b>Age</b> (please include children, young people, people of working age, older people. Some people may belong to more than one group eg young person with disability)			√	
<b>Disability</b> (please include: mental health conditions and syndromes including autism; physical disabilities or impairments; learning disabilities; Multiple Sclerosis; cancer; HIV)				√
<b>Gender re-assignment</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				√
<b>Marriage and Civil Partnership</b> (please include associated aspects: caring responsibility, potential for bullying and harassment)				√
<b>Pregnancy &amp; Maternity</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				√
<b>Race</b> (please include: ethnicity, nationality, culture, language, gypsy, traveller)				√
<b>Religion and belief</b> (please include: Buddhism, Christianity, Hinduism, Islam, Judaism, Non conformists; Rastafarianism; Sikhism, Shinto, Taoism, Zoroastrianism, and any others)				√
<b>Sex</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				√
<b>Sexual Orientation</b> (please include associated aspects: safety; caring responsibility; potential for bullying and harassment)				√
<b>Other: Social Inclusion</b> (please include families and friends with caring responsibilities; people with health inequalities; households in poverty; refugees and asylum seekers; rural communities; people you consider to be vulnerable)			√	

## Decision, review and monitoring

Decision	Yes	No
Part One ESIIA Only?	√	
Proceed to Part Two Full Report?		√

### Actions to mitigate negative impact or enhance positive impact of the service change

From the service users perspective the transfer of the delivery of education support services into ip&e Ltd should not have a negative impact, in fact one of the rationales for the change is to enhance the offer to schools, education settings and families. Many of the service teams have traded successfully with Shropshire schools and families for many years but will benefit from being joined with other services in a single commercial enterprise that is fit for purpose and able to take up the challenge of operating effectively in an increasingly competitive education services marketplace while retaining a strong Shropshire ethos.

The primary issues from the end user perspective are the range, responsiveness and quality of services as well as the value for money. Through Inspire to Learn schools, education settings and families will be able to contribute to the redesign and co-design of future services and products.

The intention of ip&e Ltd is to grow the business, primarily outside of the county borders, and to reinvest profits back into the community of Shropshire, another positive consequence of the proposed change.

### Actions to review and monitor the impact of the service change

An outline framework will need to be developed setting out the governance arrangements that are required to be put in place. The framework will include:

- provision by ip&e Ltd of financial and performance information as will be required through the service contract
- a system of quality auditing by the commissioners, being officers with knowledge and appropriate experience of the specific services
- regular performance management meetings between the two parties
- oversight through the existing Council governance arrangements supporting the strategic contract with ip&e Ltd
- a specific contract governance board that acts in an advisory capacity to Cabinet/Council; portfolio holders will sit on this board
- an annual review process and an annual report to Cabinet detailing the outcomes of the annual review and overall performance against the contract.


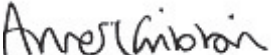
The appropriate service delivery contract will be drawn up to take account of the range and complexity of the services that will be delivered via ip&e Ltd. The contract will need to distinguish between the requirement to deliver services direct to schools, education settings and parents through the sub-contracting of this traded business, and the work being commissioned back by the Council to deliver a range of statutory functions for which it is responsible. The contract will include the appropriate review, quality assurance and monitoring arrangements.

There will be an ongoing engagement with stakeholders across the target groups identified above to monitor the impact on the service change on their access to appropriate support services.

## Scrutiny at Part One screening stage

People involved	Signatures	Date
Lead officer carrying out the screening Phil Wilson, Service Delivery Manager		12 March 2015
Any internal support None		n/a
Any external support Lois Dale, Principal Rural Policy Officer		16 March 2015
Head of service Anne Gribbin		12 March 2015

## Sign off at Part One screening stage

Name	Signatures	Date
Lead officer's name Phil Wilson, Service Delivery Manager		12 March 2015
Head of service's name Anne Gribbin		12 March 2015



## Shropshire Council Part 2 ESIIA: full report

### Guidance notes on how to carry out the full report

The decision that you are seeking to make, as a result of carrying out this full report, will take one of four routes:

1. To make changes to satisfy any concerns raised through the specific consultation and engagement process and through your further analysis of the evidence to hand;
2. To make changes that will remove or reduce the potential of the service change to adversely affect any of the Protected Characteristic groups and those who may be at risk of social exclusion;
3. To adopt the service change as it stands, with evidence to justify your decision even though it could adversely affect some groups;
4. To find alternative means to achieve the aims of the service change.

The Part Two Full Report therefore starts with a forensic scrutiny of the evidence and consultation results considered during Part One Screening, and identification of gaps in data for people in any of the nine Protected Characteristic groups and people who may be at risk of social exclusion, eg rural communities. There may also be gaps identified to you independently of this process, from sources including the intended audiences and target groups themselves.

The forensic scrutiny stage enables you to assess:

- **Which gaps need to be filled right now, to help you to make a decision about the likely impact of the proposed service change?**

This could involve methods such as: one off service area focus groups; use of customer records; examination of data held elsewhere in the organisation, such as corporate customer complaints; and reference to data held by similar authorities or at national level from which reliable comparisons might be drawn, including via the Rural Services Network. Quantitative evidence could include data from NHS Foundation Trusts, community and voluntary sector bodies, and partnerships including the Local Enterprise Partnership and the Health and Well Being Board. Qualitative evidence could include commentary from stakeholders.

- **Which gaps could be filled within a timeframe that will enable you to monitor potential barriers and any positive or negative impacts on groups and individuals further along into the process?**

This could potentially be as part of wider corporate and partnership efforts to strengthen the evidence base on equalities. Examples would be: joint information sharing protocols about victims of hate crime incidents; the collection of data that will fill gaps across a number of service areas, eg needs of young people with learning disabilities as they progress through into independent living; and publicity awareness campaigns that encourage open feedback and suggestions from a variety of audiences.



Once you have identified your evidence gaps, and decided on the actions you will take right now and further into the process, please record your activity in the following boxes. Please extend the boxes as needed.

**Evidence used for assessment of the service change: activity record**

*How did you carry out further research into the nine Protected Characteristic groups and those who may be at risk of social exclusion, about their current needs and aspirations and about the likely impacts and barriers that they face in day to day living?*

*And what did it tell you?*

**Specific consultation and engagement with intended audiences and target groups for the service change: activity record**

*How did you carry out further specific consultation and engagement activity with the intended audiences and with other stakeholders who may be affected by the service change?*

*And what did it tell you?*

**Further and ongoing research and consultation with intended audiences and target groups for the service change: activity record**

*What further research, consultation and engagement activity do you think is required to help fill gaps in our understanding about the potential or known affect that this proposed service change may have on any of the ten groupings and on the intended audiences and target groups? This could be by your service area and/or at corporate and partnership level.*

## Full report assessment for each group

Please rate the impact as you now perceive it, by inserting a tick. Please give brief comments for each group, to give context to your decision, including what barriers these groups or individual may face.

Protected Characteristic groups and other groups in Shropshire	High negative impact	High positive impact	Medium positive or negative impact	Low positive or negative impact
<b>Age</b> (please include children, young people, people of working age, older people. Some people may belong to more than one group eg young person with disability)				
<b>Disability</b> (please include: mental health conditions and syndromes including autism; physical disabilities or impairments; learning disabilities; Multiple Sclerosis; cancer; HIV)				
<b>Gender re-assignment</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				
<b>Marriage and Civil Partnership</b> (please include associated aspects: caring responsibility, potential for bullying and harassment)				
<b>Pregnancy &amp; Maternity</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				
<b>Race</b> (please include: ethnicity, nationality, culture, language, gypsy, traveller)				
<b>Religion and belief</b> (please include: Buddhism, Christianity, Hinduism, Islam, Judaism, Non conformists; Rastafarianism; Sikhism, Shinto, Taoism, Zoroastrianism, and any others)				
<b>Sex</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				
<b>Sexual Orientation</b> (please include associated aspects: safety; caring responsibility; potential for bullying and harassment)				
<b>Other: Social Inclusion</b> (please include families and friends with caring responsibilities; people with health inequalities; households in poverty; refugees and asylum seekers; rural communities; people you consider to be vulnerable)				

## ESIIA Full Report decision, review and monitoring

### Summary of findings and analysis - ESIIA decision

*You should now be in a position to record your decision. Please highlight in bold the route that you have decided to take.*

1. To make changes to satisfy any concerns raised through the specific consultation and engagement process and through your further analysis of the evidence to hand;
2. To make changes that will remove or reduce the potential of the service change to adversely affect any of the Protected Characteristic groups and those who may be at risk of social exclusion;
3. To adopt the service change as it stands, with evidence to justify your decision even though it could adversely affect some groups;
4. To find alternative means to achieve the aims of the service change.

*Please add any brief overall comments to explain your choice.*

*You will then need to create an action plan and attach it to this report, to set out what further activity is taking place or is programmed that will:*

- *mitigate negative impact or enhance positive impact of the service change,*  
AND
- *review and monitor the impact of the service change*

*Please try to ensure that:*

- *Your decision is based on the aims of the service change, the evidence collected, consultation and engagement results, relative merits of alternative approaches and compliance with legislation, and that records are kept;*
- *The action plan shows clear links to corporate actions the Council is taking to meet the general equality duty placed on us by the Equality Act 2010, to have due regard to the three equality aims in our decision making processes.*

### Scrutiny at Part Two full report stage

People involved	Signatures	Date
<i>Lead officer</i>		
<i>Any internal support</i>		
<i>Any external support</i>		
<i>Head of service</i>		

### Sign off at Part Two full report stage

<b>Signature (Lead Officer)</b>	<b>Signature (Head of Service)</b>
Date:	Date:

## Appendix: ESIIA Part Two Full Report: Guidance Notes on Action Plan

Please base your action plan on the evidence you find to support your decisions, and the challenges and opportunities you have identified. It could include arrangements for:

- continuing engagement and involvement with intended audiences, target groups and stakeholders;
- monitoring and evaluating the service change for its impact on different groups throughout the process and as the service change is carried out;
- ensuring that any pilot projects are evaluated and take account of issues described in the assessment, and that they are assessed to make sure they are having intended impact;
- ensuring that relevant colleagues are made aware of the assessment;
- disseminating information about the assessment to all relevant stakeholders who will be implementing the service change;
- strengthening the evidence base on equalities.

Please also consider:

- resource implications for in-house and external delivery of the service;
- arrangements for ensuring that external providers of the service are monitored for compliance with the Council's commitments to equality, diversity and social inclusion, and legal requirements including duties under the Equality Act 2010.

And finally, please also ensure that the action plan shows clear links to corporate actions the Council is taking to meet the general equality duty placed on us by the Equality Act 2010, to have due regard to the three equality aims in our decision making processes.

These are:

- Eliminating discrimination, harassment and victimisation
- Advancing equality of opportunity
- Fostering good relations

***Note for 2014 refresh of our corporate equality impact assessment approach: Shropshire Council has referred to good practice elsewhere in refreshing the EINA material and replacing it with this ESIIA material. The Council is grateful in particular to Leicestershire County Council, for graciously allowing use to be made of their Equality and Human Rights Impact Assessments (EHRIsAs) material and associated documentation.***

***For further information on the use of ESIIAs: please contact your head of service or contact Mrs Lois Dale, Principal Rural Policy Officer and internal policy support on equality, via telephone 01743 255667, or email [lois.dale@shropshire.gov.uk](mailto:lois.dale@shropshire.gov.uk).***

**Inspire to Learn**

FTEs	Employees	Premises	Transport	Supplies & Services	Transfer Payments	Support Services	Total Expenditure	Traded Income	Grant Income	DSG Grant off setting expenditure	Council Commissioned Income	Total Income	Net (Costs less Income)	% Non-Staffing Budgets
£	£	£	£	£	£	£	£	£					£	

**Fully Traded Services**

Music Service	Fully Traded	23.45	1,012,040	25,470	105,200	56,470	45,000	43,340	<b>1,287,520</b>	-912,770	-374,750	0	0	<b>-1,287,520</b>	0	21.4%
School Library Service	Fully Traded	6.78	172,460	15,000	10,730	75,020	0	8,620	<b>281,830</b>	-281,830	0	0	0	<b>-281,830</b>	0	38.8%
Schools IT Support Services (SIMS)	Fully Traded	3.16	110,612	0	2,264	2,331	0	15,526	<b>130,733</b>	-130,733	0	0	0	<b>-130,733</b>	0	15.4%
School's Financial Services	Fully Traded	7.44	232,730	0	9,300	2,430	0	64,540	<b>309,000</b>	-309,000	0	0	0	<b>-309,000</b>	0	24.7%
<b>Fully Traded Services Sub-Total</b>		<b>46.78</b>	<b>1,527,842</b>	<b>40,470</b>	<b>127,494</b>	<b>136,251</b>	<b>45,000</b>	<b>132,026</b>	<b>2,009,083</b>	<b>-1,634,333</b>	<b>-374,750</b>	<b>0</b>	<b>0</b>	<b>-2,009,083</b>	<b>0</b>	<b>24.0%</b>

**Traded/Commissioned Services**

Information, Advice & Guidance	Partial Traded	19.57	679,710	77,190	21,000	66,200	0	107,220	<b>951,320</b>	-161,000	-112,000	0	-678,320	<b>-951,320</b>	0	26.1%
Education Access & Equality	Partial Traded	10.07	317,220	410	19,020	24,590	0	130,600	<b>491,840</b>	-168,570	0	0	-323,270	<b>-491,840</b>	0	35.5%
Technical Support Services - Governor Services	Partial Traded	5.50	211,810	1,000	6,000	8,300	0	33,270	<b>260,380</b>	-248,150	0	0	-12,230	<b>-260,380</b>	0	18.7%
Education Improvement	Partial Traded	26.07	1,117,950	33,210	62,890	127,410	133,750	223,960	<b>1,699,170</b>	-842,880	-11,950	-354,850	-489,490	<b>-1,699,170</b>	0	19.8%
<b>Traded/Commissioned Services Sub-Total</b>		<b>61.21</b>	<b>2,326,690</b>	<b>111,810</b>	<b>108,910</b>	<b>226,500</b>	<b>133,750</b>	<b>495,050</b>	<b>3,402,710</b>	<b>-1,420,600</b>	<b>-123,950</b>	<b>-354,850</b>	<b>-1,503,310</b>	<b>-3,402,710</b>	<b>0</b>	<b>100%</b>

<b>INSPIRE TO LEARN TOTAL</b>		<b>107.99</b>	<b>3,854,532</b>	<b>152,280</b>	<b>236,404</b>	<b>362,751</b>	<b>178,750</b>	<b>627,076</b>	<b>5,411,793</b>	<b>-3,054,933</b>	<b>-498,700</b>	<b>-354,850</b>	<b>-1,503,310</b>	<b>-5,411,793</b>	<b>0</b>	
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