

KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Rory Love, Cabinet Member for Education and Skills

DECISION NO:

24/00047

For publication [Do not include information which is exempt from publication under schedule 12a of the Local Government Act 1972]

Key decision: YES

Key decision criteria. The decision will:

- a) result in savings or expenditure which is significant having regard to the budget for the service or function (currently defined by the Council as in excess of £1,000,000); or
- b) be significant in terms of its effects on a significant proportion of the community living or working within two or more electoral divisions – which will include those decisions that involve:
 - the adoption or significant amendment of major strategies or frameworks;
 - significant service developments, significant service reductions, or significant changes in the way that services are delivered, whether County-wide or in a particular locality.

Subject Matter / Title of Decision

Services provided by The Education People

Decision:

As Cabinet Member for Education and Skills, in consultation with Cabinet Member for Integrated Children's Services, I agree to:

- a) reduce the value of the core contract with The Education People by £0.9m over the next 2 years through the changes to the service specification set out in Table 1 and Appendix A of the decision report; and
- b) delegate authority to Director of Education & SEN to take the necessary actions to implement the decision.

Reason(s) for decision:

The Council's Medium Term Financial Plan requires the Education Service to deliver savings of £1.2m and £0.4m in 2024-25 and 2025-26 respectively. This in part is being driven by the Government's decision to greater align the maintained schools' sector with academies by no longer subsidising Council's to provide services on behalf of maintained schools, that must or can be paid for by schools within academy trusts. These savings were partly expected to be achieved through the identification of efficiencies through The Education People (TEP) contract.

A contract review of TEP has been taking place with KCC officers and TEP leadership team to update the specifications of the contract to identify areas where possible efficiencies and savings could be made within the company to reduce the total value of the contract by £1.6m over a three-year period, of which £0.4m of efficiencies were agreed and actioned in 2023-24, with a further £0.9m and £0.3m in 2024-25 and 2025-26 respectively (as outlined in Decision number [23-00050 Services Provided by The Education People](#)).

A decision on the savings for 2024-25 is now needed to enable these to be implemented.

The Proposals

Proposals have been received from TEP to deliver the £0.9m required to contribute to the 2024-25 savings. The details of these and their impacts on service delivery were set out in Appendix A of the exempt reports considered by the Children's, Young People and Education Cabinet Committee on 6 March and 16 May 2024, and in the exempt decision report. The proposals seek to have the least impact on quality of service and outcomes for children, and limit impact on schools and settings directly, by endeavouring to remove underutilised and unprofitable aspects from the TEP contract, and avoid resources being drawn from more critical areas of activity either now or in the future.

Financial Implications

The total contract value for TEP is just over £8m (before the allocation of overheads). The proposed savings of £0.9m in the TEP contract form part of the delivery solution to the overarching MTFP savings required of the Education Service of £1.2m in 2024-25, along with identifying potential efficiencies within the Early Years Dedicated Schools Grant block that can be re-directed to other eligible spend. Approximately £0.7m of the proposed savings relate to services funded from the Dedicated Schools Grant and £0.2m will be savings to council's base budget.

Some of these proposals will result in additional property related savings and capital receipts for the Council from TEP exiting some properties, although these are not expected to be realised initially as there will be some short-term holding costs. In addition any pension and redundancy costs will fall to KCC where services are decommissioned.

Legal implications

The proposals produced jointly by the company and the Education Service, the contract commissioner. This is in line with contract requirements.

Legal advice has been taken by the Service and is considered within the 16 May 2024 Cabinet Committee report and in the decision report. These include the Legally Privileged Appendix B which details a review of the statutory duties that are applicable to this change and the extent to which they impact the change required.

Equalities implications

The equalities impact assessment has been revisited. This identifies potential impacts related to age and disability. It is concluded that the impacts will be minimal to negligible, and sufficiently off-set by the mitigation.

Data Protection implications

The proposed decision does not create any data protection implications.

The proposed decision supports the key priority "Levelling up Kent" within the 'Framing Kent's Future (2022-26)'. It helps deliver our commitment to maintain KCC's strategic role in supporting schools and settings in Kent to deliver accessible, high quality education provision for all families.

The proposed decision supports "Securing Kent's Future – budget recovery strategy". It contributes towards delivering the Service's MTFP savings target, ensures value for money, and a sharp focusing of the available resources to delivering the Council's statutory duties.

Cabinet Committee recommendations and other consultation:

The Children's, Young People Cabinet Committee considered the proposed decision on 16 May 2024, having received an update report on the possible proposals on 6 March 2024.

Any alternatives considered and rejected:

The alternative to reducing the value of the TEP contract by £0.9m is to secure savings elsewhere in the Education Service budget. Delivery of the MTFP savings (£1.2m in 2024/25) requires action in addition to the proposals in this paper. The proposals represent a fair balance as to where savings are being made.

It is feasible to consider finding different savings from within the TEP contract to those included in the proposals. However, the proposals offer savings which best align with the Council's statutory duties, from areas where activity levels have changed, areas where responsibility for funding these should rightly fall to other parties, and areas which are believed to add least value.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer: None

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signed

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date