

# KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

## DECISION TO BE TAKEN BY:

Rory Love, Cabinet Member for Education and Skills

## DECISION NO:

23/00094

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

**Key decision: YES**

## Subject Matter / Title of Decision

Management Information Systems (MIS) and Financial Accounting Systems (FAS) for LA Maintained Schools

## Decision:

As Cabinet Member for Education and Skills, I agree to:

- 1) no longer purchase MIS and FAS for maintained schools
- 2) to support schools to contract directly with their supplier of choice with competitive pricing negotiated by Kent (including signing the Facilitation Agreement with ESS to enable this for SIMS)
- 3) Delegate authority to the Corporate Director of Children, Young People and Education, to take necessary actions, including but not limited to entering into contracts and other legal agreements, as required to implement the decision

## Reason(s) for decision:

### Background

**1.1** Every school has a management information system (MIS) that handles key attendance and performance data on its pupils, and a Financial Accounting System (FAS) that supports effective financial and budget monitoring. These systems support the day-to-day running of the school and produce statutory returns throughout the school year. Most schools manage their finances and budget within the same system/supplier, but this is not obligatory.

**1.2** A previous SIMS contract was in place 2014 to 2021. The current contract for maintained schools has been in place since 01/04/2021. The core contract term of three years ends on 31/03/2024. During this contract, the LA has paid for SIMS and then this money has been recouped from schools through de-delegation.

**1.3** ESS, the supplier of SIMS, are no longer issuing or extending LA contracts, as they are moving to more cloud-based systems and the data storage and information governance requirements change with this, meaning that they will only contract directly with schools.

**1.4** Over the last few years, the MIS and FAS market has changed significantly. Nationally, SIMS have dropped to a market share of 55%, down from 75% in 2020. In Kent, some maintained schools have already opted to move away from SIMS to an alternative MIS provider. Academies often use alternative providers. The MIS market is therefore splintering in Kent, and some schools are currently paying for two systems, which is not a sustainable position for stretched school budgets. With this backdrop schools need to make their own decision about what they pay for.

### Financial Implications

**2.1** The current SIMS contract is cost-neutral for the LA, as the costs are recovered from schools

through de-delegation. De-delegation is agreed every year at Schools Funding Forum and communicated with schools. They are aware that the current year of de-delegation should be the last as all maintained schools are aware the SIMS contract is ending next March. De-delegation takes back a proportion of the DSG delegated to schools. The de-delegation approach means that the deductions occur after the formula has run so individual schools can see the cost of each element in their budget. For SIMS the amount that is taken depends on the number of pupils on roll as MIS and FAS licences are based on a per-pupil cost. Going forward, schools will retain this amount to spend directly with suppliers for a new MIS/FAS contract (which will also be costed on a per-pupil basis).

**2.2** By moving away from an LA contract for SIMS, there is no budgetary implication for the LA. However, Kent is keen to ensure that schools can secure best value prices from the main suppliers. KCC, Cantium and The Education People have been working with suppliers to negotiate the best possible prices for Kent maintained schools. Competitive pricing has been agreed with Arbor and Bromcom, the two systems that most schools move to (and which are also supported by Cantium and The Education People). To benefit from ongoing competitive pricing from SIMS we need to sign a Facilitation Agreement which ends various terms and licences under the existing contract and means the supplier (ESS) will then offer schools the same pricing they're currently on for the next three years.

**2.3** After the three years of schools' initial terms with their supplier of choice, including SIMS (the Facilitation Agreement only offers the competitive pricing for SIMS for three years and we don't anticipate another Facilitation Agreement as that ends specific terms in our LA contract so would not be required in future), we do not know what the pricing will be, though as the market is likely to be even more competitive by then, the main suppliers will be keen to maintain their foothold in Kent, so pricing is likely to remain competitive. This will be something for schools to make decisions about in the context of their other budget commitments.

### **Legal Implications**

**3.1** The ESS Facilitation Agreement has been reviewed by solicitors commissioned by Legal Services and are content with the terms of the agreement.

### **Equalities Implications**

**4.1** The EqIA screening has indicated this to be low risk, as there is no change to the information that is recorded within schools. All MIS used by schools must be accredited by the DfE to capture all the required information in order that they can meet schools needs and produce all the statutory returns to the LA and central government.

### **DPIA**

**5.1** Schools are the data controllers on their pupil data, not the Local Authority. None of the data recorded is changing, as this is defined by the Department for Education's (DfE) Common Basic Dataset. It will be held in school systems (which have to be accredited by the DfE) and controlled by schools.

### **Cabinet Committee recommendations and other consultation:**

The Children's and Young People Cabinet Committee consider the decision on.

### **Any alternatives considered and rejected:**

**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