

**From:** Roger Gough, Cabinet Member for Education and Health Reform  
Patrick Lesson, Corporate Director Education and Young People's Services

**To:** Education and Young People's Service's Cabinet Committee – 15 December 2015

**Subject:** Performance and progress of EduKent

**Non-Key decision**

**Classification:** Unrestricted

**Electoral Division:** All

**Summary:** To provide an update on the progress of EduKent over the last two years and an outline of future developments.

**Recommendations:** The Cabinet Committee is asked to note the progress of EduKent.

## 1. Introduction

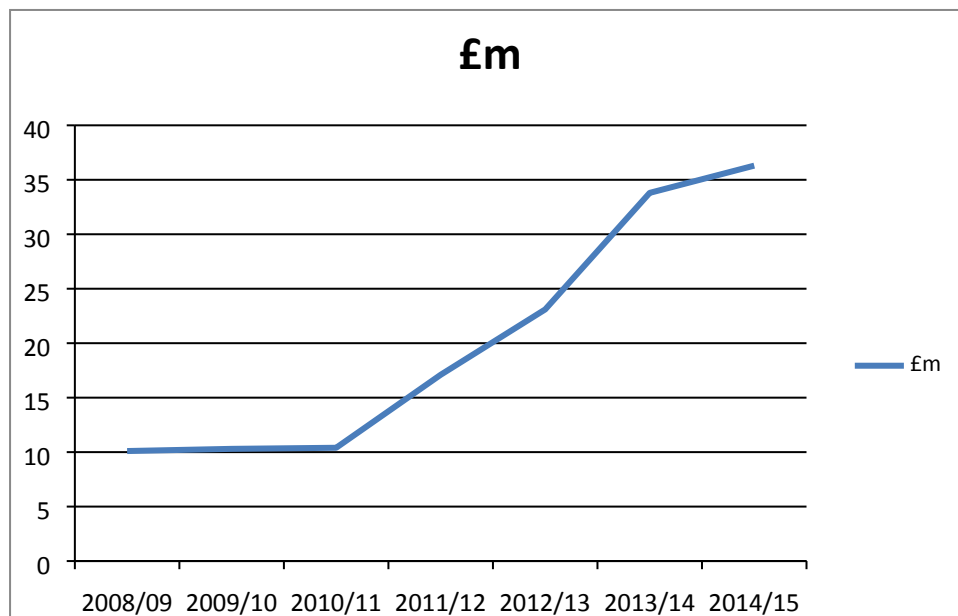
- 1.1. Members will know EduKent as the overarching branding vehicle which facilitates how schools purchase a wide range of services from Kent County Council (excluding Commercial Services). In excess of 40 service providers across all Directorates within KCC are now trading through EduKent with schools and academies in Kent and beyond (appendix 1). EduKent has continued to develop as a single point of access for school based customers and to refine how it communicates with them, driving turnover and market share.
- 1.2 The core functions of marketing, training, billing and debt recovery are delivered by a small centrally based EduKent team. A total of 6.75 FTE is responsible for the co-ordinated support to service providers across KCC via the EduKent website presence ([www.edukent.co.uk](http://www.edukent.co.uk)).

## 2. Progress over the past two years

- 2.1 As part of the recent Facing the Challenge procurement exercise the central EduKent team and a number of service providers worked to provide very detailed analysis of the trading position of the 13 EduKent providers identified as the core services for Lot 2. Work was undertaken with services to develop detailed specifications, respond to the many queries and clarifications issued by the potential bidders and lead on much of the competitive dialogue process with the interested bidders. Alongside this work significant progress has been achieved with key developments summarised below:

### 3. Income

3.1 The graph below shows the significant increase in income over the past two years with income levels reaching £36.3m in 2014/15. This sum is three and half times higher than in 2009-10 when EduKent was established.



#### The increase can be explained by:

- Changes in legislation resulting in increased delegation to schools, notably in April 2012
- An increase in available products from a broader range of services across KCC
- Increased market share for many service providers through the tailoring of product offer.
- A 30% upturn in customer numbers in the period 2013 – 2015.
- Customer numbers in 2015 stand at just under 1500, generating 23,000 contracts.
- Expansion into markets outside Kent's borders.
- Minimal price increases which recognise the "flat cash" funding position which schools are having to manage.

3.2 We know from the detailed work carried out for Facing the Challenge that the core services continue to meet their share of corporate overheads and generate an overall surplus for KCC that is built into existing budgets across the organisation.

3.3 Now that the procurement process has concluded we need to complete a similar analysis for all the remaining services, which fell outside FtC, in order that a more detailed report on the financial position of EduKent can be reported to this committee (as an exempt paper given the commercial sensitivity) at a later date.

## 4. Marketing and Systems

- 4.1 EduKent now offers an increased professional marketing service for providers which not only caters for the more “traditional” approach with the use of the improved website along with brochures and leaflets but also exploits the reach of social media and client management systems.
- 4.2 The Central EduKent team and Service Providers manage their interaction with current and future customers using a customer relationship management system (CRM) which provides a single record for all marketing, customer support and sales related activities. A data mining tool has opened up access to a large database of educational establishments called the ‘Education List’, containing 30,000 UK school records. Every record is tagged with vital demographic data, funding method, subjects taught, financial information, performance and assessment levels and trends. EduKent uses this system to drive new marketing campaigns drilling down on data to target potential customers. The central EduKent team is now also using Dot Mailer, email marketing software to create and coordinate professional and targeted campaigns. It encourages click through to the EduKent website, and can direct customers to EduKent’s social media presence.
- 4.3 EduKent has a Twitter account and its following is increasing daily. The central team is in the process of setting up over 30 EduKent Services with their own accounts which will be used to help build and maintain the brand through personalisation. The accounts should encourage people to visit the website, sign up to attend the Expo and will reward them with previews of new content, updates and the opportunity to influence service delivery through conversational feedback.
- 4.4 The EduKent website continues to be refined with additional functionality improving the ability of customers to interact with services and download content. Password protected resources are available for purchase and include curriculum materials such as Primary Science, Maths, English and ICT. This has enabled us to move away from the production of CDs and DVDs saving production cost allowing for more timely updates.

This means of accessing resources has a far bigger, and as yet largely untapped, potential and plans are in the pipeline to make greater use of it.

The team is developing more E Learning and Webinar facilities and working with the School Improvement CPD Team is about to offer all EduKent Service Providers the opportunity to launch ‘e learning’ materials and webinars which has generated interest from the overseas school sector. This should generate extra revenue at minimal cost.

- 4.5 The fourth annual EduKent Expo & Conference was recently held at the Kent Showground, Detling. This is now Kent’s leading event for the promotion and development of services to schools and included technical workshops, a comprehensive exhibition of leading suppliers of services to Schools and

academies and a programme of innovative speakers which attracted over 500 Heads, Bursars and Chairs of Governors. Feedback from the event has proved the most positive ever and will inform the planning of next year's Expo.

## 5. The Future

- 5.1 Over the last two years a number of important building blocks have been put in place. The resulting benefits are beginning to be evidenced through the growth figures on customer base and income levels. The central team maintains an ongoing dialogue with service providers and schools about their needs and works to facilitate improvements wherever possible.
- 5.2 Given the competitive nature of the market EduKent needs the flexibility to form new partnerships, both in Kent and beyond. It has acquired membership of the Council for British International Schools (COBIS) which will allow links with over 400 Schools worldwide.
- 5.3 Recent analysis suggests that services purchased through EduKent represent a 53% share of the Kent market. The increasing levels of financial pressure on KCC will leave traded services needing to deliver an increased surplus. This comes against a backdrop of ongoing and acute constraints on school budget. If KCC's position is to be supported without detrimental effect to schools then EduKent and its provider services will need to focus on increasing market share and widening the customer base beyond Kent.
- 5.4 The principal focus for the coming year will be updating the business plan to reflect an emphasis on growth as described above.

**6. Recommendations:** The Cabinet Committee is asked to note the progress of EduKent.

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## 7. Contact Details

Report Author:

Nick Jordan - EduKent Manager, Strategic and Corporate Services

03000 416327

[Nick.jordan@kent.gov.uk](mailto:Nick.jordan@kent.gov.uk)

Relevant Director:

Keith Abbott – Director, Education Planning and Access

03000 417008

[Keith.abbott@kent.gov.uk](mailto:Keith.abbott@kent.gov.uk)