

## Children's Select Committee - Standing Task Group (reports)

---

### NOTES OF THE CHILDREN'S SELECT COMMITTEE - STANDING TASK GROUP (REPORTS) MEETING HELD ON 4 JANUARY 2022 AT MICROSOFT TEAMS MEETING.

#### Present:

Cllr Helen Belcher, John Hawkins, Cllr Jon Hubbard (Chair), Cllr Jacqui Lay, Cllr Caroline Thomas and Cllr Jo Trigg

#### Also Present:

Marie Gondlach, Helean Hughes (Director - Education and Skills), Paul Redford and Ruth Starr

---

#### 6 Apologies

There were no apologies.

#### 7 Terms of Reference

The terms of reference were noted.

#### 8 Feedback from the previous meeting

The Chair drew the task group's attention to the feedback included on the agenda.

#### 9 Main Item - Traded Services

Whilst the vast progress achieved in the last two years was recognised, and celebrated, the task group raised a number of questions on the report, including the following, which officers attending agreed to consider further;

1. The aim of the report and success criteria set by the council – should this focus primarily on the commercial value of the service or the quality of the service offered, including how important the service is to schools and young people (*this links to Recommendation 1*);
2. If service quality / importance is a focus, how impact (success) is / can be measured for social change initiatives (where this may not be measured by profit achieved by the service);

3. To include income over expenditure in the dashboard for each services and for traded services overall. Income only does not enable scrutiny of the decision that should be made to keep providing a traded service at a deficit or to invest to increase potential surpluses (which would link to 1 above).

Following questions from the task group reassurance was offered on the following:

4. swot (strength, weakness, opportunity and threat) analyses are carried out by each service area, which was reflected in the structure of the reports included on the agenda (current situation / impact and achievements / areas of opportunity / on-going challenges / next steps / who will miss out / priorities for the following year);
5. each service is also asked to consider the market in terms of competitors and also in terms of “what are schools actually buying” and “why are they not buying, x, y or z”.

Reports in the agenda hinted at areas of challenges which the task group picked up and was reassured that officers were fully aware of, including:

6. the difficulty in identifying a key driver for traded services as a whole as all three side of the equation were believed equally important (and would not exist without the others):
  - a. increased income for the council (as set in budget);
  - b. schools having access to services they need and services they want (therefore providing better outcomes for children and young people in Wiltshire);
  - c. traded services to adequately promote and market their offer (when many did not use to be a “commercial” service).

However, it appeared feasible for each service to establish its own key driver (commercial / social value, etc.).

7. many traded services being “on the cusp” of expansion – unable to seek out further customers due to resource capacity (often staffing), yet seeing opportunities to expand which would likely be valuable (either financially or in terms of benefits for Wiltshire);
8. staffing pressure (some were linked to more experienced workforce which was intrinsic to the work itself – i.e. “on the ground” experience as a teacher or head-teacher required) which limited the potential for expansion of services – this was addressed where possible through apprenticeship opportunities and that option would be explored further;

9. the complexity in establishing the true cost of providing a traded service – therefore the difficulty in working out whether a traded service was operating with a surplus or deficit;
10. the need to define a clear strategic identity for traded services as a whole, but also for each traded service as this would underpin the decision to maintain any “loss making” traded services (because of their recognised benefits) and / or subsidising them from surplus from “profit making” traded services (*Recommendation 1*);
11. linked to 5 above, if “cost recovery” is the current aim financially it should be clear whether that is for each traded services or for traded services as a whole (*Recommendation 1*);
12. to provide more clarity on how any surplus is reinvested – whether that is directly to traded services or to other areas of the council;
13. to provide more visibility of market penetration, including customer engagement and reach, analysis of who does (and who does not) purchase traded services.

An update on these areas of concern would be provided in the next annual report due in November 2022.

### **Conclusion**

In conclusion the key issue identified was the need for a strategic identity for traded services, which would provide direction to address many of the issues raised during the meeting (*Recommendation 1*).

The task group also strongly felt that the cost recovery review and identification of key drivers were crucial for traded services to maintain a sense of direction and to enable it to scrutinise its decision-making in pursuing opportunities (or not), subsidising some services (or not), etc. (*Recommendation 2*).

It was recognised that this was the first report of this kind to be produced and officers were thanked and congratulated for the work that had clearly been required. The task group appreciated the level of information included as each report had been based on a SWOT analysis format and therefore included both issues and opportunities.

A number of alterations were suggested for future reports and are reflected in *Recommendation 3*.

Notwithstanding the points made in conclusion, the task group also wanted to recognise the very significant progress achieved in traded services, this was identified in particular by members who had been involved with the Outdoor Education and Traded Services for School task group. It was felt that this

success reflected the dedication and degree of commitment shown by members of the traded services team and its Head of Service.

### **Recommendation**

**Recommendation 1** - for the council to clearly identify the overarching principle and strategic direction for traded services and the “freedom” it might need to achieve this “vision and mission” within the council’s rules (for example longer-term financial planning, quicker decision making when proposing amendments to charging system).

**Recommendation 2** – for a timeline (or deadline) to be set for the completion of the cost recovery review and for each traded service to identify its key driver and, if possible, for that timeline (or deadline) to be shared with the standing task group.

**Recommendation 3** - for future reports to include:

*In the executive summary / head of service’s summary*

- a. overall vision and mission for traded services as a whole;
- b. risk assessment (based on the swot analysis already undertaken), which could include resource availability / academisation / competitors, etc. Ideally this would be RAG rated and would show trend from one report to the next;
- c. a single gathering of evidence to demonstrate how traded services support the delivery of the council’s business plan (rather than for each service’s report);
- d. a table showing:
  - i. whether a traded service is statutory / or not (may be both);
  - ii. whether a traded service is “benefit led” (benefits to children / schools) or “financially led”;
  - iii. a 1 to 5 scale showing the council’s order of priority (e.g. “1 – nice to have – limited risks if not provided”, “5 – must have – high risk if not provided”)
- e. a table / graphic showing:
  - i. the percentage of schools having purchased any service (product or contract or item) from traded services, ideally showing the split between primary / secondary schools and LA maintained / academy schools / outside of county schools
  - ii. the number of in-county schools (compared to the total number of schools in the county) who have purchased anything from traded services and how many services they have purchased – if possible highlighting the outliers (if this is easily identified through

Right Choice); e.g. 150 schools out of 252 in the county have purchased 15,426 services (contract / product / service), which means an average of 103 services purchased per school, however 5 schools purchased over 200 services and 8 schools only purchased 12.

- f. A table or summary of customers “other than schools” engaged with (and by which traded services), i.e. early years setting, childminders, youth groups, as well as “outside of county” customers engaged with.

*For each service’s report*

- g. each service to have identified one main goal for the year ahead and indicate key steps to achieving this;
- h. a single key driver for each traded service (and if possible for traded services as a whole), e.g. commercial / value added for schools, etc.;
- i. risk assessments (*see b above for details*);
- j. income and expenditure analysis for each service (traded income and traded cost) and whether this meets the expectations for that traded service (i.e. is that traded service expected – or designed - to run at a loss / break even / make a surplus);
- k. opportunity analysis – for each service to identify the top 5 commercial opportunities, their feasibility and, if appropriate, the steps proposed to take these opportunities forward.

10 **Next steps**

The following steps were agreed:

To agree the steps to be taken with the findings of the Standing Task Group.

Proposed:

1. draft findings to be circulated to members of the Standing Task Group and presenting officers for accuracy checking (by 5 January 2022).
2. comments on the draft findings to be returned to the Senior Scrutiny Officer (by 12.00noon on Monday 10 January)
3. finalised findings to be included on the agenda for Children’s Select Committee on 19 January 2022 (agenda to be circulated on Monday 10 January).

4. comments and questions from the task group on the Traded Services collective reports to be emailed to the Senior Scrutiny Officer who will collate these and forward them to the Head of Traded Services. As many of these will be addressed in the mid-year May report as relevant and feasible, and if not then will be addressed in the next annual report due in November 2022.

(Duration of meeting: 11.30 am - 1.00 pm)

The Officer who has produced these minutes is Marie Gondlach, of Democratic & Members' Services, direct line 01225 713 597, e-mail [marie.gondlach@wiltshire.gov.uk](mailto:marie.gondlach@wiltshire.gov.uk)