

**REPORT FOR: EDUCATION  
CONSULTATIVE FORUM**

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**Date of Meeting:** 7 March 2012

**Subject:** Review of the Brent and Harrow Education Business Service (BHEBS) and the Ethnic Minority Achievement Service (EMAS)

**Key Decision:** No

**Responsible Officer:** Catherine Doran  
Corporate Director of Children's Services

**Portfolio Holder:** Brian Gate  
Portfolio Holder for Schools and Colleges

**Exempt:** No

**Decision subject to Call-in:** No

**Enclosures:** Brent and Harrow Education Business Service review paper for consultation  
  
Ethnic Minority Achievement Service review paper for consultation

## **Section 1 – Summary and Recommendations**

This report describes the current review of the Brent and Harrow Education Business Service (BHEBS) and the Ethnic Minority Achievement Service (EMAS). These services are being reviewed in order to inform decisions on any future provision of services. The review of Brent and Harrow Education Business Service (BHEBS) is being carried out jointly with Brent Council.

### **Recommendations:**

Forum members are asked to:

- 1) consider and comment on the review papers and;
- 2) encourage their constituencies to respond to the consultation by 26 March 2012.

### **Reason:**

The views of service recipients and other stakeholders of the Brent and Harrow Education Business Service (BHEBS) and the Ethnic Minority Achievement Service (EMAS) are essential in designing any future provision.

## **Section 2 – Report**

### **1. Introductory paragraph**

- 1.1 From September 2012, BHEBS and EMAS will have to be full cost recovery services that exist without local council or central government grant funding. It is therefore essential that the council establishes the level of demand from schools and other partners for BHEBS' and EMAS' services to inform the planning of any changes that may be required to the current services and to allow time for their implementation. The review papers set out the:
  - context and reasons that have led to this review;
  - review process;
  - current service model, and;
  - future funding arrangements.
- 1.2 The views of stakeholders, in particular the current customers, namely schools and colleges and, in BHEBS case, the businesses that support the delivery of work-related learning, are essential in helping the Council to decide the future shape of these services.

- 1.3 The review period for both services closes on 26<sup>th</sup> March 2012. Harrow Council officers will summarise the responses for BHEBS' and EMAS' staff and other stakeholders, and will use the responses to propose the future services from September 2012. This proposal will include: the service vision and direction; its menu of services and charges; its organisational structure, and; service continuity. A key factor that officers will consider is whether there is a sustainable financial basis for future service provision.

## **2. Financial Implications**

- 2.1 On 28<sup>th</sup> March 2011, the Young People's Learning Agency wrote to all local authorities in England to inform them that the Department of Education (DfE) had decided to withdraw the Education Business Partnership Services Grant from 1<sup>st</sup> April 2011. In the financial year 2010/11 the grant had subsidised BHEBS' delivery by £109,310 for Brent and £103,103 for Harrow. The three day notice of the grant's withdrawal put substantial pressure on the service's planned budget for the current financial year. It led to immediate increases in the charges for BHEBS' services and, during the year, cost efficiencies through a reduction in staffing by natural wastage and by moving premises. However, the service is not yet self-sustaining financially and it is therefore necessary to look at its viability and if necessary, make adjustments in its organisation, traded services and operating model to create a self-financing and effective traded service.
- 2.2 From 2011/12 the previously ring fenced Ethnic Minority Achievement Grant was incorporated into the Dedicated Schools Grant (DSG) by the DfE. Consequently EMAS is now funded by centrally retained DSG. EMAS is one of the services impacted by Academies, as a proportion of the service's DSG funding transfers to academies on conversion. The lack of buy back from the academies who converted in 2011/12, coupled with the loss of other external grant funding, has already created pressures on service costs and has resulted in some service adjustment, including a significant reduction in staffing. The service is not yet self sustaining financially and it is necessary to look at its viability and make any necessary adjustments in its organisation, traded services and operating model to make it a self financing and effective traded service within the timescale outlined above.
- 2.3 The proposed consultation and service reviews will be undertaken at minimal cost and will be funded from within existing resources. The recommendations resulting from the reviews will lead to further reports to Members on the future of these services, which will include any financial implications.

## **3. Risk Management Implications**

- 3.1 At this stage the full risks associated with any changes to service provision are not clear. Any reduction in service provision may involve

implications for children and young people and organisational change, including staffing reductions.

#### **4. Equalities Implications**

4.1 At this point there are no proposals for change. If there are proposals made after this review an Equality Impact Assessment will be carried out.

#### **5. Corporate Priorities**

5.1 These considerations will support the Council's Corporate Priorities for 2011-2012:

- United and involved communities: a Council that listens and leads
- Supporting and protecting people who are most in need

### **Section 3 - Statutory Officer Clearance**

Name: Emma Stabler	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 22 February 2012		
Name: Sarah Wilson	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 22 February 2012		

### **Section 4 - Contact Details and Background Papers**

#### **Contact:**

Patrick O'Dwyer  
Education Professional Lead  
Education Strategy and School Organisation

020 8736 6514  
[patrick.odwyer@harrow.gov.uk](mailto:patrick.odwyer@harrow.gov.uk)

#### **Background Papers:**

None