

**Manchester City Council
Report for Information**

Report to: Children and Young People Scrutiny Committee – 8 March 2023

Subject: One Education Limited – Update on Activities

Report of: Director of Education

Summary

This report is based on information provided to officers by One Education Limited. It outlines developments with One Education since the last report to scrutiny, in February 2015, its range of services currently offered to schools in Manchester and its plans for the future role it hopes to play in the life of school children in Manchester.

Recommendation

The Children and Young People Scrutiny Committee is asked to note the contents of the report.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

There is no current impact.

Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments
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The work of One Education Limited is applicable to all young people of nursery, primary and secondary school age and their settings', along with their families where intervention and assessment takes place in relation to e.g.; Adoption services.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
<p>A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities</p>	<p>We provide new local jobs, traineeships, apprenticeships, work experience, expenditure in local supply chain, investment in Manchester;</p> <ul style="list-style-type: none"> • Employ apprentices and offer work experience /internships across a range of services to local young people • Overwhelming majority of staff live in GMCA region • Very diverse ethnic and cultural staff establishment representative of Manchester’s ethnic diversity • Hold conferences – School Business Manager, Safeguarding, Literacy – free CPD to school (and therefore effectively) MCC employees we are the leading organisation in the region for the sector • Provide work placement/traineeships opportunities for Manchester resident students in both Educational Psychology and Therapeutic Interventions. These opportunities are rare on a national scale and the Company provides a unique environment for these students to experience both case work and cross service working.
<p>A highly skilled city: world class and home-grown talent sustaining the city’s economic success</p>	<p>One Education has developed a recruitment model by which encourages the CPD of all staff across their disciplines to further their own attainments and enrich the capabilities of those working in education across the City</p>

<p>A progressive and equitable city: making a positive contribution by unlocking the potential of our communities</p>	<ul style="list-style-type: none"> • The Manchester minimum wage and Living wage accredited and paying above it. • Flexible and family-oriented employer with many fractional contracts as requested by staff to accommodate family commitments – always respond in affirmative to requests. • Developing and leading on significant regional wellbeing initiatives for schools across the City for staff and children well-being instruction in schools around both mental health and nutrition training and self-help methods to make schools better places to be for all.
<p>A liveable and low carbon city: a destination of choice to live, visit, work</p>	<ul style="list-style-type: none"> • Hot desk and agile working encouraged (mandatory in some services) to reduce employee travel and the ‘return to base’ mentality • Major WFH initiative post COVID-19 is ongoing • Ensure all our waste is sorted and recycled by landlords • Move to RSS software for the EP service, a paperless case management system to reduce stationery requirements further
<p>A connected city: world class infrastructure and connectivity to drive growth</p>	<ul style="list-style-type: none"> • Work across the City and across services with LADO, CAMHS, Adoption agency, NHS and universities to achieve greater synergy and joined up working to support children • Continual offer of time to assist and enhance services that will not lead to commercial opportunities but are vital to communities being made better • Urgent response to local community incidents offering provision of counselling and support for members in respect of trauma interventions • Music – facilitate Manchester Music Hub but also store, repair and loan for free instruments to schools and music events as part of the service as evidenced by Hub and Arts council we always go further than any commission • Cross cultural reach of music across Manchester is significant

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

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1.0 Introduction

- 1.1 This report is based on information provided to officers by Stuart Fern, Acting Chief Executive of One Education Limited. The report provides an update on the current operating model of the Company, the services available for schools to procure and the proposed future plans for the Company following an independent review of its operations by SOLACE, commissioned by MCC.

2.0 Overview

- 2.1 The Company is a wholly owned Council company, continuing to operate as a limited company at arms-length from the Council, since incorporation in 2011. It has never received any subsidy or funding from the Council and trades with schools and associated public bodies on its own merits in the marketplace of schools' procurement of services for both Specialist Pupil Services and School Business related services and interventions.
- 2.2 Current governance of its activities are through its Board with two senior MCC officers as Non-Executive Directors. Its activities and quality of delivery are also clear to MCC from the many engagements MCC staff have with the Company during the course of providing support to schools in Manchester as One Education operate services in many primary, and some secondary, settings.
- 2.3 The Company was set up to operate at arms-length from the Council in order to allow it sufficient flexibility to operate successfully in the competitive schools' market, delivering high quality education services to schools in Manchester and into other boroughs/regions should the opportunity arise.
- 2.4 The Company provides 10 main services, please see Appendix A for a detailed list of their operational profile and engagements with schools, other bodies and contribution to Manchester schools and communities. It employs approx. 210 staff, has an income of £10.5m and at an operational level is a very marginal business, generating a very small surplus that it reinvests into its activities to continue supporting schools and pupils.
- 2.5 MCC commissions are around 15% of income – this in the main being the contract for Educational Psychology won by the Company in an open tender competition in 2020. This figure is down from 42% on incorporation in 2011 and further illustrates the operation at arms-length independently with schools. Regionally income from schools is - 87% Manchester, 11% GMCA boroughs and 2% elsewhere.
- 2.6 Its success is measured in the quality and competitiveness of its services and the year on year retention of business from schools. Consistently, 94% of schools and customers renew their decision to purchase services from the Company each year. 73% of these schools buy two or more services from the Company illustrating their trust in the high quality of provision across all services. Where business is lost, it is usually down to schools joining Multi

Academy Trusts that have their own in-house provision or other national preferred suppliers.

3.0 Current Operations

3.1 Company continues to win schools' business for its services in a number of ways:

- Transfer – where a member of a schools Senior Leadership Team move schools and introduce the Company as a previously satisfied customer
- Marketing and traditional sales techniques – introducing our services and engaging in dialogue with a school new to us and the school buying a service
- Incrementally in a school where, having bought a service they then approach the company to provide other services from the portfolio
- Where schools are dissatisfied with their current supplier
- Local Authorities stopping providing a service or the quality no longer being what a school require
- By bidding for commissions from awarding bodies- LAs, Adoption First, MATs, DfE moderations etc

3.2 Engagement with, and commitment to the Council is key to both the Company's profile in Manchester and its relationship with schools in achieving the best possible outcomes for pupils and schools in the region. This engagement takes place on several levels:

- Regular dialogue between Director of Education, Assistant Director and Senior Leaders in the Directorate and the Company's staff around MCC initiatives, developments and the Council's priorities for schools and young people
- Joint working on delivering a SchoolsHub website with the Council and the Manchester Schools Alliance to provide a platform for school resources and training – the cost being sponsored by the Company
- Supporting the Council's risk management process for schools
- Reciprocal invitations to both bodies staff to speak at/attend schools' events, conferences and awareness sessions in the City across the academic year
- Sole provider of the statutory Educational Psychology work required by the Council
- Trusted partner and provider of services to schools signposted to the Company
- Assist in the delivery of specialist initiatives on behalf of the Council where they do not have the specialist staffing numbers to deliver

3.3 Engagement with Manchester and its communities are inherent in the operation of the Company's services. Some recent examples of this are:

- Our Year 2022 – supporting event's through the music service performing at them with students from our music centres. Also supported with

donations of art materials and gifts for the achievement awards day. Will continue to support and engage with the UNICEF's 'Child friendly cities and communities' award initiative going forward.

- Supporting local charities with corporate donations and staff engagement and donations, we were proud to be part of the Wood Street Mission Christmas appeal and will be working closely with them on their objectives around books and literacy in the coming year.
- Supported the no-cost specification and roll-out of 500+ laptops to pupils during lockdown and subsequently as part of the MCC and DfE initiatives
- Working with MCC and cross service teams on refugee, adoption and family intervention issues in the community

4.0 Future shape and operation

4.1 It has been acknowledged by both the Company's Board and the Council that continuing to trade as a limited company (under the companies Act 2006) is not ideal and that a change in entity status would enhance the Companies ability to work in the best interests of pupil and school outcomes.

4.2 To this end the council commissioned SOLACE to undertake a review of the Company's current operation and structures and recommend a way forward.

4.3 Some of the accepted recommendations from the review are:

- The Company adopts governance and legal frameworks that would allow it to become a charitable organisation limited by guarantee. This would then allow for the application for grant and charitable sector funding (not currently available as a limited commercial company in law) to further all of its pupil services and broaden the Company's ability to support schools and pupil interventions for Manchester.
- The Board is strengthened with Non-Executive members outside of MCC, three to be appointed including an independent Chair, this recruitment is currently ongoing
- Putting in place a clear Shareholder Agreement which sets out the obligations between MCC and the Company and review the Articles of Association as part of this. The Shareholder Agreement should include the treatment of future surpluses and the pension liability issue.
- Develop further 'arms-length' relationships with MCC and the Manchester Schools Alliance to provide, develop and enhance services available for schools to purchase.

4.4 All of the Company's Specialist Pupil services are focussed on the outcomes for the child being the best they can be and are can be characterised as being charitable pursuits.

5.0 Conclusion

5.1 One Education has an exciting future ahead continuing to work in partnership with the Council whilst also delivering high quality, best practice services direct

to schools, academies, children and young person-centred organisations, and the community at large.

- 5.2 The Company will have to remain agile and reach out further to the markets it operates in, ensuring it maintains its market presence and importance as a trusted service provider as the landscape of school's changes with the accelerated academisation of schools happening throughout the region.