



Open Report on behalf of Heather Sandy, Executive Director of Children's Services

Report to:	Lincolnshire Schools' Forum
Date:	22 April 2021
Subject:	Schools Broadband Services

Summary:

The purpose of this report is to provide an overview of the current schools broadband services for all Lincolnshire schools (including academies) to October 2022, and to outline the direction of travel for securing schools broadband services from November 2022.

Recommendation(s):

The Schools Forum is asked to:

1. note the content of the report, and
2. support the direction of travel of the Local Authority (LA) in securing continued access for Lincolnshire schools to high quality, affordable network provision and management services from November 2022.

Background

The LA entered into a broadband arrangement in November 2012 through a regional initiative supporting both corporate and schools infrastructure. This contract is delivered through East Midlands Public Sector Network (EMPSN), and service provider, KCOM. The decision delivered significant savings to both Lincolnshire County Council and schools through a consolidated broadband offer enabling greater purchasing power to be achieved. The recommendation was supported by the Schools Forum in January 2012.

The annual cost in 2012 of schools broadband services prior to the agreement was £3.350m reducing to a budget requirement of £1.600m in 2013/14 through the new consolidated broadband offer. This enabled monies to be reinvested back into the Dedicated Schools Grant (DSG) for the benefits of all schools. The 2021/22 budget agreed by the Schools Forum for schools broadband is £1.199m, which demonstrates further steps in securing more cost effective broadband delivery.

The Council including other LA members¹ formed two teckal companies² (EMPSN Services Ltd and EMPSN Infrastructure Ltd) in February 2012 to aggregate demand for and arrange for a supply of Public Sector Network (PSN) that connects public organisations connectivity and IT services to each other, enabling various services to be provided through the network, while maintaining end to end quality, security and integrity. EMPSN is a not for profit, Company Limited by Guarantee.

Schools Forum has agreed annually to retain a central budget to fund the schools consolidated broadband offer each January for the following financial year in line with the School's and Early Years Finance (England) Regulations. The schools broadband budget is held within the Central Schools Services Block (CSSB) under 'historic commitments' following the implementation of the national funding formula.

The government's school funding reforms have placed restrictions on LAs in retaining central budgets relating to schools costs (such as broadband costs) with the move towards the 'hard' national funding formula. The government has allowed LAs to retain historical funding commitments (through contracts) for pre 2013/14 decisions up to their end point, which the schools consolidated broadband offer falls into. The existing contract end date for schools core broadband services is the 31 October 2022.

The government has been implementing 20% reductions in LAs historical commitments funding levels in both 2020/21 and 2021/22 as a step towards removing these legacy funding arrangements. Lincolnshire can however meet the schools broadband costs from the CSSB in 2021/22 due to the DfE's determination of LA funding allocations and Lincolnshire creating a mainstream schools formula factor in 2020/21 for a formerly centrally held budget, in response to the government's changes³.

Prior financial uncertainty existed, and at the October 2018 Schools Forum, members supported the LAs recommendation to earmark within the DSG reserves £1.350m to cover any potential shortfall in revenue funding up to the contract end point. This prior commitment can now be reduced in monetary value due to financial certainty achieved in 2021/22, and as we near the contract end date.

This central budget supports the core broadband costs of Lincolnshire schools and academies delivered through EMPSN, which achieves significant economies of scale and value for money, and provides a resilient, secure and quality broadband service for all schools in delivering the schools educational goals. EMPSN continue to provide an effective brokerage function and are continually identifying opportunities for improving schools broadband connectivity, as enhanced technology is rolled out. The centralised contract was considered to be the fairest approach for all schools since it means that schools are not being financially disadvantaged purely by their location, which is

¹ Tier 1 LA members include: Lincolnshire County Council, Leicestershire County Council; Leicester City, Derbyshire County Council; Nottingham City and Rutland County Council. The Board of Directors consist solely of the nominees of the Tier 1 LA members.

² A teckal company is a Local Authority controlled company and has day-to-day control over the company's affairs. The company is inwardly focused on activities to support the Local Authority's needs.

³ Following consultation with the sector, the LA introduced a Private Finance Initiative (PFI) formula factor for mainstream schools compared to retaining a centrally held budget.

particularly important in rural Lincolnshire where broadband costs do vary between schools.

The operational broadband service benefits for Lincolnshire schools through this contract include:

- Resilient, monitored and managed network, available 24/7/365 supported by UK based staff and operations.
- No limits on usage (data caps), which means no unexpected bills.
- Secure service behind emPSN and Janet Firewalls.
- Ability to upgrade to more bandwidth for many schools.
- Supports cluster working amongst schools, locally, county wide and nationally.
- Managed service with the ability for suppliers to remotely access sites your router to fix faults, often without you realising anything was wrong.
- Free access to dedicated educational resources, including British Pathe, Audio Networks and Listening Books plus other resources only available on the National Education Network.
- Connection to the Internet through JANET (National service for HE, FE and schools) and access to JANET services, including many commonly used services (e.g. Google, Microsoft, BBC, Amazon) are on network through EMPSN and Janet so are accessed without touching the Internet giving better performance and security.
- Guaranteed minimum provision to schools, dependent on size and location.
- Access to a wide range of additional services and supplier available, on network, from the growing EMPSN catalogue.
- Lincolnshire County Council is one of the owners of emPSN – a not for profit, Company Limited by Guarantee.
- EMPSN staff work closely with Council staff to monitor and develop service delivery and quality.
- Opportunity to be part of national initiatives, such as the current DCMS / DfE pilot to make available low cost fibre broadband services to schools and their communities.

Nearly 300 Lincolnshire schools receive this consolidated broadband offer through the central contract with the remaining Lincolnshire schools contracting with an IT provider directly.

Future Arrangements

From November 2022, Lincolnshire will not be able to retain a central budget for schools broadband services in accordance with the schools funding reforms.

The government's direction of travel is for schools to have a direct relationship for school related costs rather than it being contracted centrally by a LA. Going forward schools will have a direct relationship (including billing) with an IT provider for broadband services, such as EMPSN and to meet this cost from their delegated budgets. All schools will, from November 2022 be required to meet the full cost of broadband services. The schools core

broadband service will be a new cost for schools to meet from November 2022; therefore preparation for this will be important.

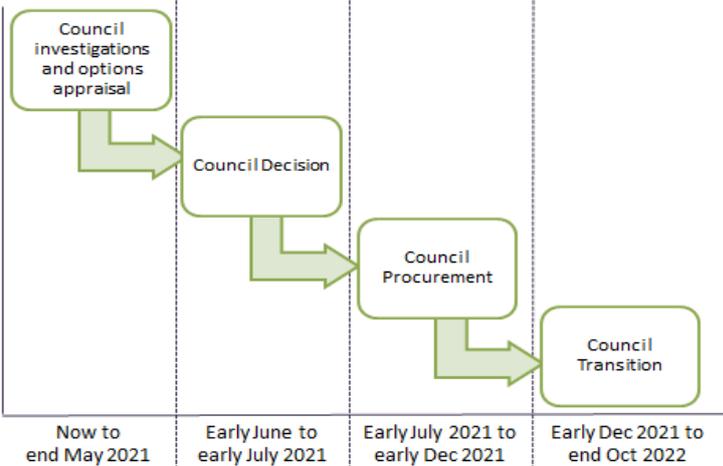
The Council is keen to support Lincolnshire schools continued access to high quality, affordable network provision and management services, but needs to do so in line with the revised funding arrangements. Alternatives arrangements must be secured to enable a platform for continuity and a smooth transition of the services.

The LA has established a Wide Area network (WAN) Advisory Board in governing this process. The primary purpose of the Board is to provide the required leadership, direction and authority to ensure appropriate provision is maintained for Lincolnshire's technical operations and WAN, covering both the Council and schools, beyond the current contract with the East Midlands Public Sector Network (EMPSN).

To help inform the Council's approach to supporting schools, the LA is currently engaging with the sector and is keen to understand schools future intentions, i.e. to seek service continuity or to procure alternatives. Head teachers were sent an email on 17th March with further information and a link to a short online survey to be completed by the 21st April. The LA has recently engaged with Lincolnshire Learning Partnership and Schools Leadership briefings also. The LA considers that a sector solution provides all schools with the optimum outcomes of cost and service performance, by ensuring quality and secure broadband provision is sustained and value for money continues to be achieved.

To ensure time for a smooth transition for schools (should this be required), the Council need to make a decision on a preferred option in early July 2021 and commence the procurement immediately after this. Transitioning to new WAN arrangements takes time, is complex and can be costly. Whilst no decision has yet been taken, sufficient time must be planned for.

The diagram below details the planned timeline for securing service continuity.



The activities of the key stakeholders are as follows:

Council

- The Council is seeking legal, procurement and expert IT advice regarding our options for future WAN and management services. At this stage, whilst it is clear that a procurement of some nature is required, the form this could take along with any future contractual arrangements are yet to be determined.

Schools

- Whichever model is adopted by the Council, EMPSN advise that an offer will be available from them to schools, so schools will have the choice to either:
 - (i) Retain continuity of service but put in place a direct contract arrangement with EMPSN, or
 - (ii) Procure services from the market independently and transition to them ready for 1st November 2022.

EMPSN

- EMPSN have confirmed they will offer schools continuity of their current services alongside new opportunities up to and beyond November 2022. To finalise their offers for schools and academies, EMPSN will need to understand the nature of the market and the likely intentions of Lincolnshire schools. They will be in direct contact regarding specific offers.

The schools core broadband service will be a new cost for schools to meet from November 2022; therefore preparation for this will be important. The information being provided back from Lincolnshire schools will enable the desire of service continuity to be understood by the LA and to enable modelling of future indicative costs, which will aid financial planning within schools. The final price will however be dependent on the procurement solution for schools.

Conclusion

A resilient, secure and quality broadband service is essential for schools in delivering their educational goals. The Council is keen to support Lincolnshire schools with access to a platform that continues to deliver these service qualities and best value from November 2022.

The planned timeline outlines the key milestones for securing service continuity for the sector post October 2022. At this stage, whilst it is clear that a procurement of some nature is required, the form this could take along with any future contractual arrangements are yet to be determined.

Engagement with the sector including providing updates will continue to take place through the procurement process.

Consultation

a) Risks and Impact Analysis

The WAN Advisory Board is governing the process for securing Council and schools broadband services from November 2022. The Board consists of senior officer membership from key disciplines reporting to the Chief Executive and Executive Director of Children's Services. A risk log is maintained by the Board with its risk level scored and actions, activities and controls outlined with timescales. When future procurement options become clear, a risk and impact analysis will be carried out.

Access to suitable broadband provision for the schools is essential whether than be retaining continuity or a school procuring an alternative service. Steps to manage this risk through a procurement exercise will enable schools access to secure this service. Market preparedness is important for this to be secured.

The cost for schools going forward will be dependent on the market itself, but more fundamentally price is likely to be impacted by the aggregated demands of the schools sector i.e. the schools collective buying power should provide market confidence of anticipated demand levels when determining pricing. The current contract of aggregation of schools has helped deliver a reliable and secure platform, and the economies of scale have helped to achieve value for money also.

Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
Schools Broadband Services (Schools Forum – item 74): 11 October 2018	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CIId=166&MIId=5163&Ver=4

This report was written by Mark Popplewell, who can be contacted on 01522 553326 or mark.popplewell@lincolnshire.gov.uk.