

Appendix 1: Recommendations

SCL

ID	Recommendation	Owner	Timescale for completion
SCL1	<p>Savings proposals:</p> <p>SCL has proposed a set of savings to retain a positive Profit and Loss position subject to the agreement of a contract uplift allowing this. This savings plan should be discussed agreed with SCC to ensure implications and risks of the proposed savings are understood and accepted.</p>	<p>Managing Director (SCL)</p> <p>and</p> <p>Executive Director of Adults and Communities (SCC)</p>	April 2024
SCL2	<p>Back Office Function:</p> <p>SCC should review its approach to back-office functions for its portfolio of companies to ensure value for money is achieved.</p>	Executive Director of Strategy and Change (SCC)	April 2025
SCL3	<p>Demand Management and Prevention Pathways:</p> <p>SCC and SCL should collectively review the efficacy and cost of existing prevention pathways and demand management activities/services to support wellbeing and increase independence. A shared understanding of the prevention pathways and activities should be developed across the local health and social care system to ascertain if there is an alternative way to achieve a saving through a reduction in demand.</p>	Executive Director of Adults and Communities (SCC)	September 2024
SCL4	<p>Specification Review:</p>	Executive Director of	September 2024

	SCL and the Council need to work together to update the specification underpinning the service delivery model, this will ensure that both the Council and SCL have a shared understanding of the requirements, workforce strategy and the commercial capabilities to deliver it.	Adults and Communities (SCC)	
SCL5	Rate Card: SCL and the Council need to work together to update the rate card considering actual costs in the wider local care and support market. Additionally, the Council should update the overall specification for services to consider whether the current service delivery model still meets the need of the service user cohorts. This review should include a consideration of best practise relating to day services to resolve the issue of under occupancy and as per the requirements of the Care Act, should include feedback and co-production with service users alongside the external provider market.	Executive Director of Adults and Communities (SCC)	September 2024
SCL6a	Review SCL Board Membership: The SCL Board membership should be updated, in order to achieve this a skills audit should be undertaken to ensure the new Board membership is established with an appropriate breadth of skills to be a functional governance body. As a part of this skills audit SCC nominated officers or Members should be identified with appropriate skills sets, whilst minimising any conflicting roles in the Council. These individuals should then be nominated to the Board.	Managing Director (SCL) and Executive Director of Strategy and Change (SCC)	April 2025
SCL6b	An 'observer' role could be incorporated and undertaken by a Member, whilst an Officer holds a Non-Executive Director position. This would offer a more balanced Member / Officer representation.	Executive Director of Strategy and Change (SCC)	April 2025

SCL6c	Appropriate Board Member training should be provided to the new Board members, as well as any other appropriate Board members.	Managing Director (SCL)	April 2025
SCL7a	SCL / SCC Governance Review: The governance arrangements for SCL should be updated to provide better clarity of the roles and which groups / individuals are enfranchised to undertake them. These roles include SCC Shareholder, Commissioner and Contract Manager positions as well as the SCL Board, MD and management team.	Executive Director of Strategy and Change (SCC)	May 2024
SCL7b	Performance objectives for the MD and Chairman could be set by SCC to help define the roles and be better aligned with the business plan, tying into a corresponding change in the articles to reflect a reserved matter on appointment and dismissals of these key roles.	Leader of the Council (SCC)	June 2024
SCL7c	The establishment of a new officer group, or extension of the role of an existing group to undertake the more detailed officer led shareholder role.	Executive Director of Strategy and Change (SCC)	May 2024
SCL8	Governance Documents Review: The key documents underpinning the operation of SCL and the Council, as shareholder, should be updated to ensure there is appropriate clarity over how and where decisions are taken. In particular the “Reserved Matters” to the Council should be updated and a “Delegations Matrix” developed that shows how these decisions are then taken within the respective organisations.	Director of Legal Services (SCC)	September 2024
SCL9	Maximise Teckal Status:	Executive Director of	April 2025

	<p>If the Council is to continue with SCL in its current form, there is an opportunity to operate the company in a more effective way by maximising the potential of its “Teckal” status. The relationship between the Council and the Company should be updated to move the two entities “closer together” and to better enable joint policy, strategy and service / resource planning. This should be supported by the update in the governance arrangements and the establishment of joint forums of officers and Members to support these roles, and the interaction between these groups and the existing governance groups should be clearly mapped.</p>	Strategy and Change (SCC)	
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Vecteo

Text in italics are additions to recommendations made by stakeholders in reflection of the report.

ID	Recommendation	Owner	Timescale
VEC1a	<p>Financial model:</p> <p><i>A full financial breakdown for Vecteo to be produced including all operating costs, overheads and income.</i></p>	Senior Finance Business Partner (SCC)	April 2024
VEC 1b	<p>Vecteo to provide further detailed proposals on cost savings, including details of the impact on services, and the cost of implementing the savings proposals. Where savings are based on driving income a detailed business case should be presented to justify the assumptions.</p> <p><i>Savings to be presented to Commissioning and Shareholder representatives</i></p>	Vecteo Board	April 2024
VEC2	<p>Central Operating Cost Model:</p>	Executive Director of Strategy and Change (SCC)	June 2024

	<p>SCC should look to identify whether it can deliver some of the central operating costs of the Company at a lower price than they are currently delivered.</p> <p><i>Assessment will be made for 'quick win' savings through shared use of resources (i.e. office and depot facilities).</i></p>		
VEC3	<p>Passenger Transport Services Review:</p> <p>There is a fundamental need for a joint Council / Company review of the passenger transport services being undertaken and the cost base for delivery through commissioned and self-delivered services. This should include transport patterns, route planning, third party provision available in the market and the cost base across the Council and Company.</p>	Interim Head of Placements and Contracts (SCC)	September 2024
VEC4a	<p>Clarifying the Company's Purpose:</p> <p>There is a need to provide greater clarity over the company's purpose and how it inter-relates with the Council. The objectives should be reviewed and agreed.</p>	Interim Head of Placements and Contracts (SCC)	September 2024
VEC4b	The Shareholders agreement updated to match the company objectives	Executive Director of Strategy and Change (SCC)	September 2024
VEC4c	Updated Business Plan developed for the company to operate against.	Vecteo Board	September 2024
VEC5	<p>Route Planning Responsibilities:</p> <p>There is a need, as part of the anticipated change in operational arrangements for the Council / Company, to ensure that responsibility for the</p>	Interim Head of Placements and Contracts (SCC)	September 2024

	Route Planning approach and operation is clearly mapped across the Council and Company and that the specific team of specialists are brought together to plan and operate this critical role effectively. This should be a key consideration in the establishment of updated governance and working practices.	and Vecteo Board	
VEC6	Back Office Functions: SCC should review its approach to Back Office functions across its company ecosystem, including Vecteo, SCL and other Council companies. As part of this the potential to establish a back-office service for these companies should be considered either through the Council's internal services or another entity.	Executive Director of Strategy and Change (SCC)	April 2025
VEC7a	Statutory Requirements Improvement: Home to School Transport Policy – The Council's home to school transport policy was reviewed from the Council's website Home to School Transport Policy (southend.gov.uk) but it was noted that this hasn't been updated since 2019. Given the recent updates to the statutory guidance (in June 2023) it is recommended that this is refreshed and updated. Independent Travel Training – The review found no evidence of independent travel training (ITT) being offered in Southend. There are many case studies which demonstrate the positive impact of ITT on a child/young person's life outcomes alongside Local Authority budgets. This approach should be considered.	Interim Head of Placements and Contracts (SCC)	September 2024
VEC7b	Alternative Travel – The review found no evidence of provision of alternative travel in Southend (for example travel budgets, expenses, cycling allowances, independent travel training or escorts to support their child/young person to attend school.)	Interim Head of Placements and Contracts (SCC)	September 2024

	There are many case studies which demonstrate the positive impact of alternative travel arrangements on a child/young person's life outcomes alongside Local Authority budgets. This approach should be considered.		
VEC8	<p>Commissioning Strategy Review:</p> <p>The Council / Company should undertake a review of the Vecteo commissioning strategy and currently deployed model. This should focus on understanding the difference in rates between Vecteo's directly delivered services and commissioned service, and whether there are alternative means of commissioning such as preferred supplier rates / Dynamic Purchasing Systems or other models that could secure more competitive rates.</p>	Interim Head of Placements and Contracts (SCC)	September 2024
VEC9	<p>Update Board Membership:</p> <p>The Vecteo Board membership should be updated to ensure it is fit for purpose moving forward. Changes which include:</p> <ul style="list-style-type: none"> • Completion of a skills audit in order to develop a board of appropriately skills representatives; • Consideration of the mix of Council officers, Non-Executive Directors and company representatives • Consideration of whether the Board Members have any conflict of interest through their Council roles (such as taxi licensing); and • An increase in the number of Board members to correlate with IOD guidance for an effective Board • Appropriate Board Member training should then be provided to the new Board members, as well as any other appropriate Board members. 	Executive Director of Strategy and Change (SCC) and Vecteo Board	June 2024
VEC10a	<p>Update Governance Arrangements:</p> <p>The governance arrangements for Vecteo should be updated to provide better clarity of the roles and which groups / individuals are enfranchised to</p>	Executive Director of Strategy and Change (SCC)	September 2024

	undertake them. These roles include SCC Shareholder, Commissioner and Contract Manager positions as well as the Vecteo Board, and management team.		
VEC10b	The establishment of a new officer group, or extension of the role of an existing group to undertake the more detailed officer led shareholder role.	Executive Director of Strategy and Change (SCC)	May 2024
VEC12	<p>Update Underpinning Company Key Documents:</p> <p>The key documents underpinning the operation of Vecteo and the Council, as shareholder, should be updated to ensure they reflect the latest ownership and governance structure post the Council taking control of the entity. They should also ensure there is appropriate clarity over how and where decisions are taken. In particular the “Reserved Matters” to the Council should be reviewed and a “Delegations Matrix” developed that shows how these decisions are then taken within the respective organisations.</p>	Director of Legal Services (SCC)	September 2024
VEC13	<p>Reporting Lines:</p> <p>As part of the changes to governance and working arrangements for the company, the reporting line (<i>for Commissioning and Contract Management functions</i>) should be changed from the Executive Director for Environment and Place to the Executive Director of Childrens and Public Health. As part of this change, the Environment and Place staff and budget should be reviewed to ensure that any staff, and associated resources, that are relevant to the services provided, should be reviewed and moved as appropriate to the Childrens and Public Health Directorate.</p>	Executive Director for Environment and Place (SCC)	September 2024
VEC14a	Adopt Teckal Status:	Director of Legal Services (SCC)	April 2025

	<p><i>In advance of taking a decision on Teckal status there should be consideration of the outcomes of the Financial Position (VEC1), Purpose (VEC4) and Commissioning Strategy (VEC8) as this may identify a more suitable delivery model for the Vecteo services.</i></p> <p>Taking Teckal Decision - There is a need to take a paper through Shareholder Board and Cabinet to appraise and approve the Teckal status of the company.</p> <p>Updating Governance Documentation - There is a need to update the Shareholders Agreement and Articles of Association to highlight the new Teckal status of the company.</p>		
VEC14b	<p>Implement new working practices – The Council needs to review its working practices and establish new working groups to support an ecosystem-based approach to policy, strategy, operations and as part of this critically resource planning.</p>	Executive Director for Childrens and Public Health	September 2024
VEC14c	<p>Further Planning Activity - Further planning activity to consider:</p> <ul style="list-style-type: none"> • The weight of focus between in self-delivery and commissioned services • The weight of focus on income generating activities • The options and costs associated with co-locating Vecteo with wider, complementary Council Services. 	Interim Head of Placements and Contracts (SCC)	September 2024
VEC15	<p><i>Additional recommendation identified by Vecteo Board:</i></p> <p><i>Review existing contractual arrangements that support the commissioning intentions and status of the company as wholly owned (VEC 8). This should include the terms of the contract and the performance indicators.</i></p>	<i>Head of Procurement (SCC)</i>	<i>September 2024</i>