1. 'Business as usual' performance 2012-17

Although around 98% of members are now using ECC Online regularly, usage of other core services by each member varies year to year. In a typical year around 10-15 members use no consultancy days, attend no events and are unresponsive to ECC Consultants. We try to identify these and take appropriate action, although sometimes members just don't need us at a particular point in time or have more pressing priorities.

The first section of this paper presents trend data over the last five years for the following core activities: membership numbers, consultancy and training, events attendance and resources employed. This excludes the Labour Market Data service, network events, enquiries, ad hoc support etc.

1.1 Membership levels

	2012/13	2013/14	2014/15	2015/16	2016/17
New in-year	1	5	1	2	1
Lost in-year	1	6	1	1	2
Members at year-end	125	124	124	125	124

- Year-end figures differ slightly here from those stated in Annual Reports (eg. the two lost in-year during 2016/17 didn't actually leave until the first day of 2017/18).

- Total membership has been fairly stable at around 124-5

- Over the five years we lost 11 members (seven through merger with existing members or new entities that immediately became members, mainly in Scottish FE; two choosing to use Hay; one closing down; and one Scottish college choosing to not use a JE scheme). Of the 11 then, only 3 actively chose to leave ECC.

- We won 10 new members (six through recommendation or active sales effort; three arising from mergers of existing members, again mainly in Scottish FE; and one HEI who had been previously using another member's HERA database on a shared campus)

- The Colleges Scotland contract will mean we will lose our four existing Scottish colleges from membership (but all 26 colleges will become FEDRA users)

- We have begun to promote ECC to FE in England, and will ramp this up once the Colleges Scotland work gathers momentum and visibility

- There is limited potential for membership from other sectors, although we are actively looking at independent museums and ecclesiastical organisations

ECC Educational Competences Consortium Ltd

1.2   In-house consultancy and training
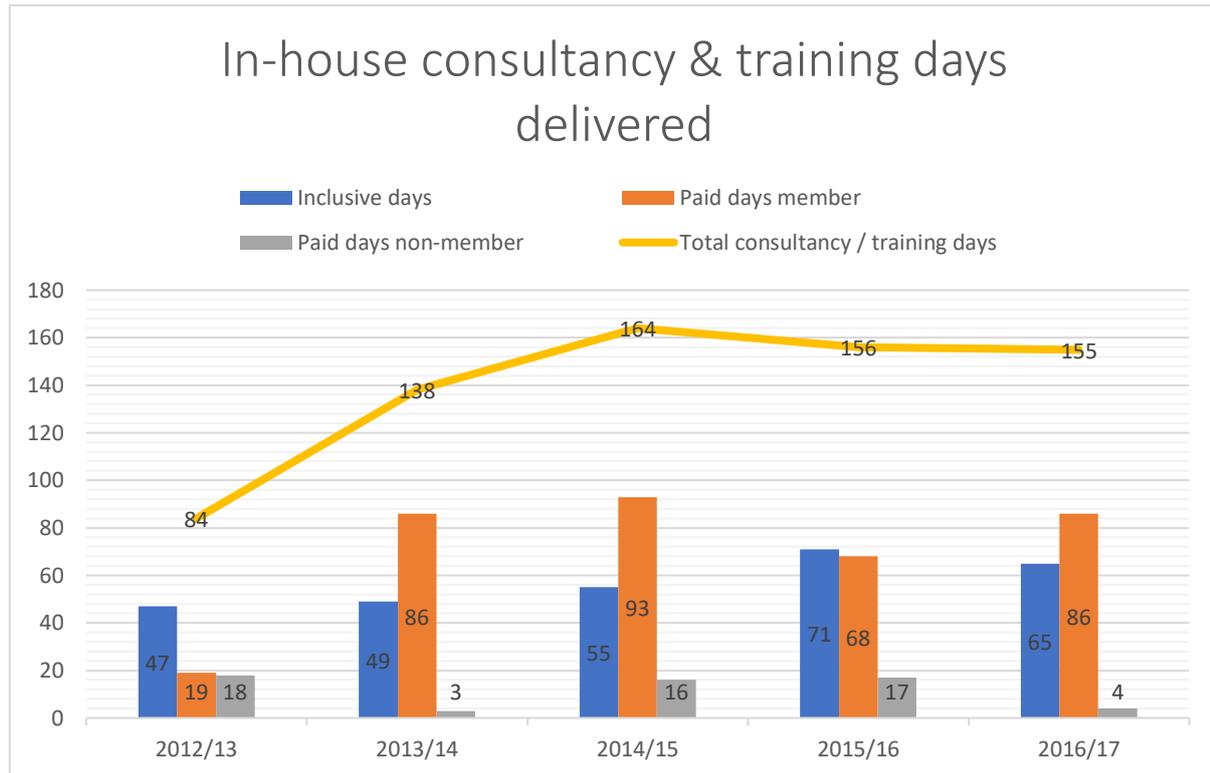
Inclusive days

- Delivered within Consultants' contracted time
- Average is around 57 per annum (46% of members)
- Peak of 71 coincided with introduction of new ECC Online software
- Every member is entitled to 1 day per annum (3 days in their first year), so the total potential could be 124-130 in a year

Paid consultancy and training – members

- Delivered in non-contracted additional Consultant time
- Grown significantly from a low base
- Fee sharing changed from 50:50 Consultant:ECC to 60:40 in December 2013
- A good indicator of client satisfaction: we do see repeat business and word of mouth recommendation
- Mixture of single training days and longer (10 days) projects on restructuring, reward design etc. The 86 days in 2016/17 were for 21 members.

Paid consultancy – non-members

- Delivered in additional consultant time
- Much more volatile
- Very reactive, we tend to respond to organisations approaching us
- Low client numbers: 3 in 2014/15, 4 in 2015/16 and 2016/17. Some repeat business

Total consultancy and training

- Very large increase in total days, due more to paid growth than inclusive

1.3   Events

- Typically we run 4-5 national training events per year
- Event attendance should be considered in terms of individual delegates but also number of member organisations attending – we want successful events with lots of attendees, but we also want a significant proportion of our overall membership participating
- The peak in delegate numbers in 2014/5 is predominantly due to events supporting the software migration to ECC Online
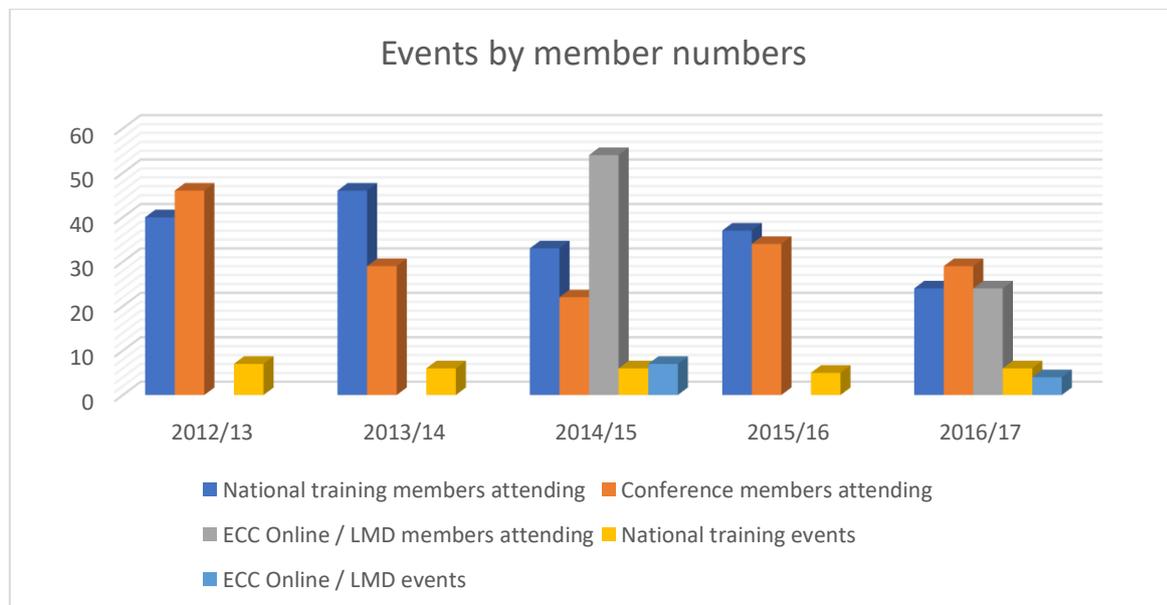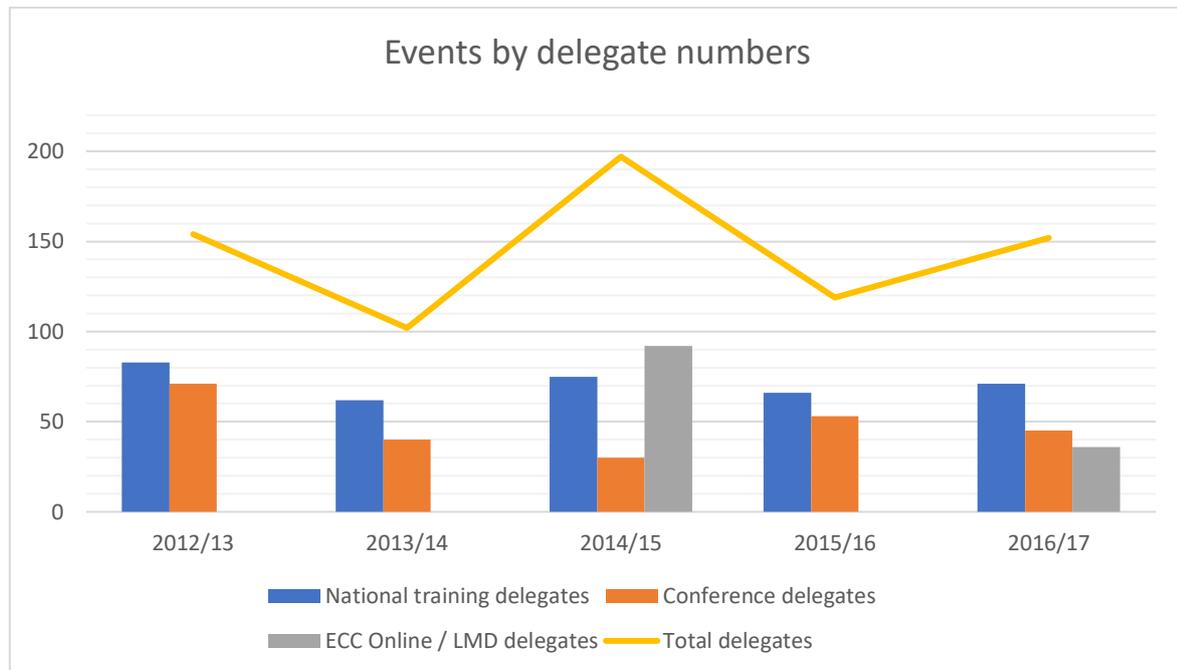
NB. May include double counting, eg. the same member organisation may have sent delegates to more than one event in the same year

1.4   Resources employed

Income, expenditure and reserves
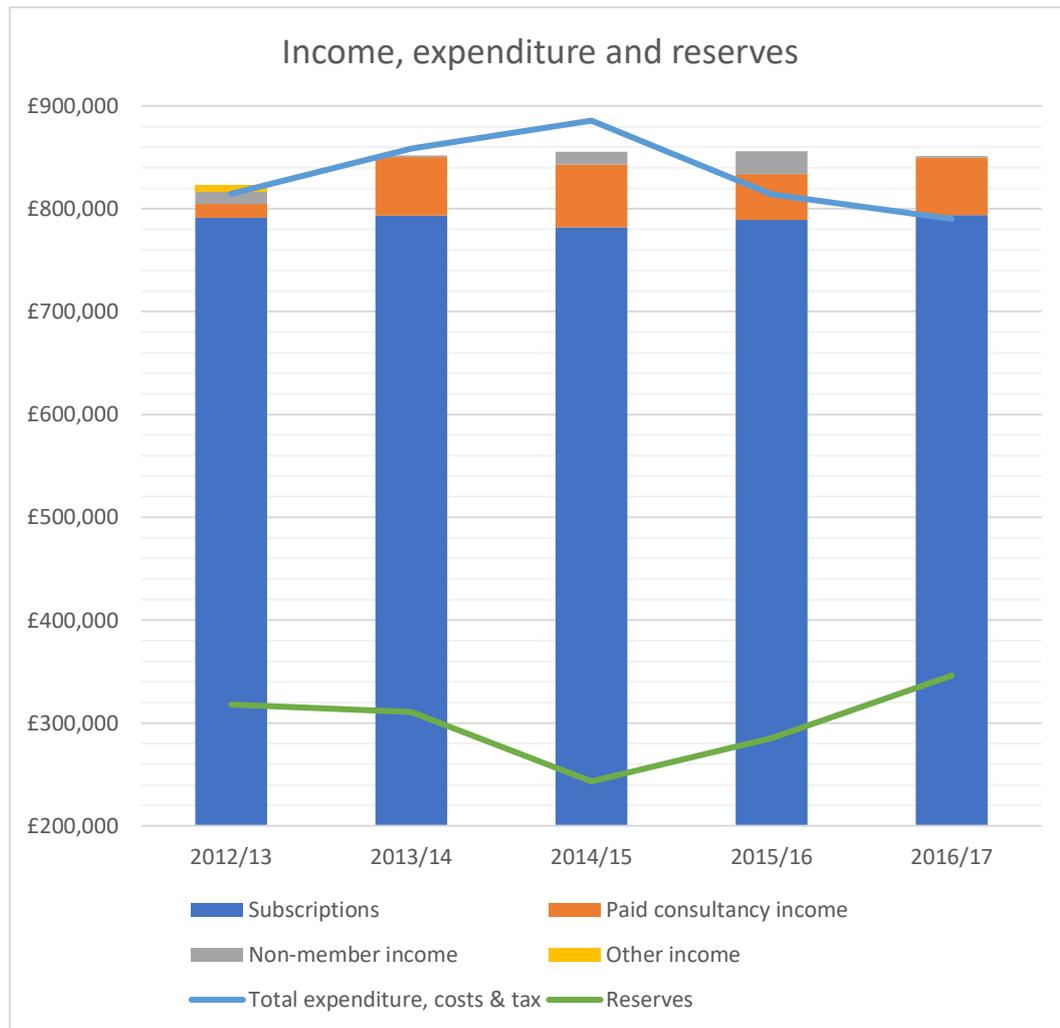
Income
- Subs levels have remained unchanged; a new lower Band in 2013 reduced overall income. Subs include new member one-off joining fees (c.£4000 per member)
- We budget for minimal paid income confident that we should over-achieve

Expenditure
- Operating expenditure has reduced year on year
- Some expenditure relates directly to paid income eg. additional staff hours
- Peak in 2013/14 and 2014/15 relates to software respecification
- Staffing FTE has increased from 5.5 in 2012/13 to 5.9 in 2016/17 (mainly Consultant resource with a reduction in admin of 0.2)

Reserves
- 2014/15 dip relates to software respecification
- Reserves in future are to be identified as 'Development long-term', 'Development short-term' and 'Business contingency'.
- The current value of our assets (ECC Online) stands at £334k.
- Approximately £370k required for wind-up costs

2.   Strategy 2016/21

The strategy was developed between November 2015 and February 2016, to start from August 2016. The current status of each of the four strands is described briefly below:

A: Relationships and Collaboration
Being proactive in identifying, managing and generating value from our communications, partnerships and collaboration.

Progress

- Communications strategy developed and being implemented (A3/A2). New product literature, revised core letter templates for new members etc, reviewed all members and targeting relationships that could be improved.
- Sector bodies project plan agreed and being implemented (A1)

Future

- Continue to add to product literature eg. ECC Online and implement comms (A4)
- Project to review exploiting consortium power needs to be planned (A5)

B: Market development
Defining ECC's opportunities, evaluating each viable option and entering those most likely to enhance our offering.

Progress

- Policy on handling new market opportunities agreed and implemented (B1)
- New markets identified and researched (B2/3/4/5)
- Hay Vs HERA briefing produced for internal use (B4)

Future

- Contact museums and ecclesiastical organisations (B6)

C: Product and Service Development
Maintaining and developing our products and services, enabling organisations to deliver excellence through people, performance and reward.

Progress

- Core scheme documents revised (C1)
- LMD service reviewed and revised
- Existing competency framework edited (C2a)

Changed / deleted

- Summarise benefits ECC Online (C4 deleted as stand alone project, will develop benefits leaflet and / or online presentation on this)
- Maximise use of ECC Online (C5 deleted as stand alone project now part of our core activity and built into service developments)

- Define total reward service (C6 deleted, agreed main components are contained within existing services)

<u>Future</u>

- Launch new LMD service
- Revise competency framework and develop guidance and support (C2b)
- Services around people management and reward to be identified and developed (C3/C8)
- Member consultation to be planned and implemented (C7)

D: Technology and Innovation

Ensuring a technically sound product offering and using technology and/or innovative approaches to support ECCs products, services and working practices.

<u>Progress</u>

- Existing competency framework added to ECC Online (D1)
- Potential dovetailing ECC Online and website (D3) completed; single sign-in technically difficult and impractical as not all staff will have access to ECC Online. Website and ECC Online share Twitter feed. ECC Online established as primary online service delivery medium eg. international pay calculator.

<u>Future</u>

- Complete ECC Online phase 2 CRM admin portal (D1)
- Identify member needs re phase 3 ECC Online (D4) to be done, should be informed by member consultation (C7)
- ECC Online phase 3 delivery (D5) dependant on D4

1 February 2018

Nicholas Johnston
Chief Executive
ECC