

REPORT FOR: **CABINET**

Date of Meeting:	23 April 2015
Subject:	Information, Advice, Guidance (IAG) and Support Services to Young People in Harrow
Key Decision:	Yes
Responsible Officer:	Chris Spencer, Interim Corporate Director of Children and Families
Portfolio Holder:	Councillor Simon Brown, Portfolio Holder for Children, Schools and Young People
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	None

Section 1 – Summary and Recommendations

This report sets out the background, the present position and the case for the proposed recommendation of re-tendering the contract for Information, Advice, Guidance (IAG) and Support Services to Young People in Harrow.

Recommendations:

Cabinet is requested to:

1. Give approval to re-tender the above service with a view to awarding a 3 year contract with a possible extension of a further 2 years from April 2016.
2. Delegate authority to the Corporate Director for Children and Families following consultation with the Portfolio Holder for Children, Schools and Young People, together with the Portfolio Holder for Finance and Major Contracts to award a contract for IAG Careers Service. This will ensure that the tendering process is undertaken without delay and that new services are commissioned with a view to commencing in April 2016.

Reason:

The Education Act 2011 places the duty for local authorities to encourage, enable or assist young people's participation in education or training and to assist the most vulnerable at risk of disengaging with education or work. In addition, local authorities are expected to have arrangements in place to ensure that 16 and 17 year olds have received an offer of a suitable place in post-16 education or training and that they are assisted to take up a place.

Section 2 – Report**Introductory paragraph**

1. The Education Act 2011 places the duty for local authorities to encourage, enable or assist young people's participation in education or training and to assist the most vulnerable and at risk of disengaging with education or work. In addition, local authorities are expected to have arrangements in place to ensure that 16 and 17 year olds have received an offer of a suitable place in post-16 education or training and that they are assisted to take up a place.
2. In adherence to this, the contract and service specification was developed to reflect our statutory duty and link this to Children and Families Services Directorate priorities namely Early Intervention and Narrowing the Gap.
3. The recommendation for approval to tender for this service will mean that the council is fulfilling its statutory obligations and corporate priorities.

Background

4. The current service provider, CfBT Careers Service, is commissioned for the provision of information, advice, guidance and support on education, employment, training and careers to young people targeted as those most in need:
 - a. in schools/colleges with statements of special educational needs (up to 25)
 - b. not in education under the age of 16 and under 16 educated other than at school
 - c. aged 16-19 (up to 25 for young people with Learning Difficulties and Disabilities LDD) in vocational education or training outside of school/academy/college
 - d. aged 16-19 (up to 25 for young people with LDD) not in education, employment or training
 - e. Additional provision includes:
 - Support to parents/carers of the young people in the above categories
 - Provision of information and support to young people on benefits, allowances and regulations concerning work
 - Work with local employers to identify and match young people to local opportunities
 - Provision of Youth Stop, a multi-agency drop-in centre for young people
 - Services and support to the September Guarantee
 - Provision of careers IAG support for NEET young people working with the Youth offending and CLA/Leaving Care Teams.

Current situation

5. In 2012 a market testing exercise was undertaken to determine and identify an established market with the knowledge and experience with a track record of providing outcome focussed service to young people with social, physical, learning and/or emotional complexities. The results showed that CfBT were the only provider at that time who could fulfil the full statutory duties as above.
6. The Leader of the council gave approval to award the contract to CfBT from 1st April 2013 to 31st March 2014 with a further one year extension. In April 2014 the one year extension was agreed between the parties lasting until March 2015 with a £50,000 reduction in the budget.
7. In January 2015 approval was given by way of Strategic Procurement Board and the Portfolio Holder for Finance and major Contracts and the Corporate Director for Children and Families to directly award a one year contract to CfBT in order for the council to carry out a competitive procurement process.

Why a change is needed

8. The current service provider was awarded the contract in 2012 and we have exhausted the extension period built into the contract. We therefore request approval to go out to tender for the IAG service for a period of 3 years with the potential to extend for an additional 2 years.

Options considered

9. The table below shows the three options considered in relation to delivering this service and costs and risks associated with each one

Options	Advantage	Disadvantage	Costs/Risks
1	<p>Continue with current arrangements: Tender for a 3-5 year period.</p> <p>Continued provision and fulfilment of the LA's statutory responsibilities</p> <p>Management of IAG services is a core competence of private sector providers and not yet a Harrow Council strength.</p> <p>Harrow has achieved the lowest NEET figures across London, there is an opportunity to enhance existing specification to deliver efficiency savings</p> <p>Flexibility of price during tendering.</p>		<p>TUPE cost and future management of staff if another provider wins the contract</p>
2	<p>Bring the service in-house to be managed by Children & Families Directorate</p> <p>Transparency and public interrogation, fits in with open scrutiny.</p> <p>Opportunity to fully embed the service into Children's Services as all the staff would be based within the Civic Centre</p>	<p>Will require the establishment of a full staffing structure within the local authority to manage and deliver the service</p> <p>Uncompetitive and doesn't allow contestability</p> <p>Capacity and specialist IAG knowledge to manage the service does not currently exist within the Harrow Local Authority.</p>	<p>The Council would absorb any future redundancy costs</p> <p>Exact TUPE costs will be calculated once all the information is received.</p> <p>The current salary costing includes a 40% approximate Harrow Council on-cost per person (for example IT, pensions, NI, car allowance etc):</p> <p>8 qualified staff at £45k = £360k 1 Operations Manager at £56k Additional costs for Tupe and management of data system</p> <p>Total: £446,000</p>
3	<p>Co-commission with other</p> <p>Opportunity to commission with school could ensure consistency</p>	<p>Could become complex if joint-</p>	<p>Negotiations with other boroughs could mean</p>

	<p>boroughs/schools</p>	<p>of service delivery to young people</p> <p>Neighbouring boroughs have taken this approach so there may be a possibility of commissioning jointly in the future as Harrow has low NEET figures</p>	<p>commissioning with schools or other boroughs.</p> <p>Academies have autonomy; joint-commissioning would be based on all the high schools signing up to this approach. There may therefore be a possibility that schools may not want to commission with us.</p>	<p>higher costs for Harrow's identified contract price.</p>
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10. Option 1 which is to progress with the competitive tendering process is the preferred option.

Implications of the Recommendation

Resources, costs

11. The current provider, CfBT have delivered the Connexions IAG and Support Services contract in the London Borough of Harrow since 2008. The current contract will end on 31st March 2016.
12. The service has faced annual budget cuts since 2008, reducing the contract value from £1,164,642 to the current contract value of £438,400. Whilst the provider has made every effort to accommodate these costs, there are concerns about the impact that any further reduction in funding will have on the service and meeting the needs of the local community and their IAG requirements.
13. The current contract with CfBT includes managing a young people's centre called the 'Youth Stop'. The centre is a 'one stop shop' providing a multi-agency information and advice centre in central Harrow. Young people were involved in naming the centre and the re-design and refurbishing of the previous venue. The centre has two confidential meeting rooms, internet-enabled computers for use by young people, an informal waiting space and an information library that is easily accessible to the local community. The multi-agency services commissioned by Children and Families are 'Clinic In the Box' (sexual health service), housing advice, substance misuse outreach service and counselling service.

Performance Issues

14. The current service is monitored by the council through scheduled quarterly meetings with the lead commissioner, service provider and service managers from Children and Families.

15. Harrow has a good track record in maintaining young people in education, employment and training post age 16. Performance against our NEET targets is significantly lower than our statistical neighbours and amongst the lowest nationally.
16. In 2014, 2.5% of young people in Harrow were NEET, which was lower than the same period in 2012, at 2.8%. The rates of positive intended destination recorded for Year 11 students has also increased and an increasing number of young people choose to stay on in education.
17. The table below shows the raw data from December 2014 figures of participation of young people residents of Harrow in education, employment or training. Years 12-14 ages 16-19, years 15 ages 19-20, year 16+ aged 20+. LDD ages are 16-25 years.

<i>December 14</i>	<i>Yr 12 – Yr 14</i>	<i>Yr 15</i>	<i>Yr 16+</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>LDD</i>
Cohort Total	7843	1775	362	5298	4677	9980	920
EET Total	7600	1053	14	4527	4135	8667	199
NEET Group	113	33	47	111	82	193	62
Available to the labour market	104	25	40	102	67	169	54
Situation not known	123	688	301	652	460	1112	349

18. However, although the NEET group is low in numbers in Harrow, they are concentrated in some areas and amongst vulnerable groups of young people. About 15% of the NEET group is estimated to have some form of disability.
19. The current service provider CfBT supported the successful visit of the London region Ofsted team and London Councils to Harrow on 6th November 2014. The purpose of the visit was to share and gather best practice skills from boroughs with either a track record of low NEET or a significant improvement over the last 12-18 months. As Harrow has one of the lowest NEET in the country, London councils were very keen for them to be involved, particularly from a sharing good practice perspective.

Legal Implications

20. The current contract with CfBT for the Connexions Service for young people has been extended until March 2016 to ensure continuity of service pending a full competitive tendering exercise. The direct award of the contract was obtained by way of the Waiver Approval Process using a Gateway 2 Report which was approved by the Strategic Procurement Board and appropriate Portfolio Holder on 29 January 2015.
21. Legal are satisfied that the future tender exercise scheduled to be undertaken will be conducted in accordance with the Public Contract Regulations 2006 (or subsequent legislation) and the council's Contract Procurement Rules. The services currently fall within Part B of Schedule 3 of the Regulations.

Financial Implications

22. The current annual value of the contract is £438,400. The funding for this service comes from general fund budget of £438,400. There are currently no future savings proposed against this budget.
23. The contract value will be reviewed annually to ensure there is flexibility of pricing throughout the contract duration.

Equalities implications / Public Sector Equality Duty

24. Section 149 of the Equality Act 2010 requires that public bodies, in exercising their functions, have due regard to the need to (1) eliminate discrimination, harassment, victimisation and other unlawful conduct under the Act, (2) advance equality of opportunity and (3) foster good relations between persons who share a protected characteristic and persons who do not share it.
25. Equalities Impact Assessment has been undertaken on the proposals to re-tendering the contract for Information, Advice, Guidance (IAG) and Support Services to Young People in Harrow. The Equalities Impact Assessment is included in Background Papers. The conclusions of this assessment is that the implications are either positive or neutral in that the service will provide support to those young people that are in risk of disengaging or not in education, employment or training.
26. The assessment has not identified any potential for unlawful conduct or disproportionate impact and conclude that all opportunities to advance equality are being addressed.

Council Priorities

27. The Council's vision is: **Working Together to Make a Difference for Harrow.**

The Council Priorities are as follows:

- Making a difference for the vulnerable
- Making a difference for communities
- Making a difference for local businesses
- Making a difference for families

28. The recommendation supports these priorities by:

- Ensuring Harrow Council fulfils its statutory duties to encourage, enable or assist young people's participation in education or training and to assist the most vulnerable at risk of disengaging with education or work.
- Local Authorities are expected to have arrangements in place to ensure that 16 and 17 year olds have received an offer of a suitable place in post-16 education or training and that they are assisted to take up a place. This can include apprenticeship and employment in local businesses.
- Providing opportunities to young people that have a positive impact on their emotional wellbeing which can impact on the community overall.

Section 3 - Statutory Officer Clearance

Name: Jo Frost

on behalf of the
Chief Financial Officer

Date: 18 February 2015

Name: Sarah Inverary

on behalf of the
Monitoring Officer

Date: 17 February 2015

Ward Councillors notified:	NO, as it impacts on all Wards
EqIA carried out:	YES
EqIA cleared by:	Corporate EqIA Quality Assurance Group

Section 4 - Contact Details and Background Papers

Contact: Kamini Rambellas, Divisional Director – Targeted Services, Children & Families, 020 8420 kamini.rambella@harrow.gov.uk

Background Papers:

1. Equalities Impact Assessment on the re-tendering for the Information, Advice and Guidance contract.
2. Department for Education, “Statutory Guidance for Participation of Young People in Education, Employment or Training For local authorities” September 2014.

Call-In Waived by the Chairman of Overview and Scrutiny Committee	NOT APPLICABLE <i>[Call-in applies]</i>
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