
Report to: Cabinet

Date of Meeting: 19th January 2012

Subject: Information Advice and Guidance (Connexions) Service Update

Report of: Director of Young People & Families **Wards Affected:** All

Is this a Key Decision? No **Is it included in the Forward Plan?** No

Exempt/Confidential

No

Purpose/Summary

This paper outlines the progress on procurement options for securing Information, Advice and Guidance (IAG) services for young people for 2012/13 and the contractual implications between the six Liverpool City Region Local Authorities and Greater Merseyside Connexions Partnership Limited (GMCP).

Recommendation(s)

It is recommended that:

- 1) Officers continue to negotiate a one year agreement in 2012/13 with Greater Merseyside Connexions Partnership for Information Advice and Guidance services, within each local authority's available budget.
- 2) Notice be served on GMCP on 31st January 2012 if agreement cannot be reached with all 6 authorities;
- 3) The parallel procurement process continues;
- 4) The Cabinet delegate responsibility for procuring IAG provision to the Director of Young People & Families in consultation with the Leader of the Council.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	√		
2	Jobs and Prosperity	√		
3	Environmental Sustainability		√	
4	Health and Well-Being		√	
5	Children and Young People	√		
6	Creating Safe Communities		√	
7	Creating Inclusive Communities	√		
8	Improving the Quality of Council Services and Strengthening Local Democracy		√	

Reasons for the Recommendation:

Planning for next year and the discussions with Connexions need to remain as flexible as possible to work in partnership with the 6 Liverpool City Region boroughs to achieve the best possible service in the context of budget reductions and evolving Government policy.

What will it cost and how will it be financed?**(A) Revenue Costs**

The payment to Connexions for Information Advice and Guidance is fully funded through the non-ringfenced Early Intervention Grant (EIG) which is incorporated into the Council's core Revenue Budget. The connexions budget for 2011/12 is £2.5m. To reflect the change in statutory responsibilities in Sefton, £700,000 has been offered up as a budget saving in 2012/2013. No information is available on the level of EIG available for 2013/2014.

In addition to funding the provision of an IAG Service and a data tracking service the available budget for 2012/2013 must fund the following costs:

- £3, 500 towards the costs of the parallel procurement process
- £11,667 toward the cost of the Liverpool City Region contract management
- The costs of local accommodation for Information Advice and Guidance
- The costs of the development of a web portal and "U-explore".

(B) Capital Costs

N/A

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below.

Legal

Under the terms of the existing services contract the 6 Merseyside Authorities are either collectively or individually able to give notice to GMCP at any time after 1 December 2011 bringing the contract to an end on 31 March 2012.

The change in legislation to local authority duties and responsibilities has meant that the service specified for 2012/13 onwards is significantly different than that provided previously by GMCP. Consequently, it is possible that agreement on changes may not be achievable with GMCP. Therefore, in order for LAs to protect their interests and ensure there is an IAG service in place from 1 April 2012 Halton BC has started a parallel procurement process to seek alternative providers for the service. If it is not possible to reach agreement on the young people's tracking service with GMCP, an option is for LAs to bring this in house. There would need to be consideration of TUPE for the small team currently employed in this area of work.

If the current price becomes unacceptable and unaffordable to a number of authorities, and should it not be possible to negotiate a price acceptable to each authority, notice will have to be served to GMCP and an external provider will need to be secured by April

2012.

There is a risk that it may not be possible to procure a provider that would be affordable to all six authorities. In addition, the timescale for resolving the TUPE and pension issues is very tight and likely to present a significant challenge.

TUPE will apply to those staff who spend the majority of time on the activity to be transferred. If TUPE applies and there are no new providers in place by 31st March 2012 then the appropriate number of staff will transfer to the Council on their existing terms and contracts.

Human Resources

None

Equality

- | | | |
|----|--|-------------------------------------|
| 1. | No Equality Implication | <input checked="" type="checkbox"/> |
| 2. | Equality Implications identified and mitigated | <input type="checkbox"/> |
| 3. | Equality Implication identified and risk remains | <input type="checkbox"/> |

Impact on Service Delivery:

What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT (FD1253) and Head of Corporate Legal Services (LD616/11) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

The considered options are outlined above.

Implementation Date for the Decision

Immediately following the Committee / Council / Working Group meeting.

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Background Papers:

The following papers are available for inspection by contacting the above officer(s).

Cabinet report of April 14th 2011

Background

Under the previous government, the Department for Children Schools and Families transferred grant funding for Information Advice and Guidance (Connexions) Services from Government Office North West to the Local Authority, as part of the Area Based Grant. From that point it was for each Local Authority to commission 'Connexions' activity in line with statutory requirements, national specifications and local priorities.

A set of national standards for Information, Advice and Guidance (IAG) was established, and the Local Authority became statutorily responsible for (a) ensuring the implementation of the IAG standards and (b) ensuring that schools and colleges were delivering to those standards. The then Secretary of State also transferred to LAs the following statutory duties:-

- Obligations to ensure careers services are provided for schools and college students;
- Obligations to ensure the assessment of young people with learning difficulties and disabilities;
- Obligations to ensure young people aged 13-19 are offered support to enable their effective participation in learning.

The six Liverpool City Region Authorities agreed in 2007/2008 to jointly commission a pan-Merseyside Connexions Service, with an interim transition arrangement led by Wirral Council. A procurement process under EU legislation was undertaken, and following competitive tendering the contract was offered to Greater Merseyside Connexions Partnership (GMCP). The new contract took effect on 1st January 2010.

Halton Borough Council now acts as the lead authority on procurement, and holds the main contract with GMCP Ltd**. The six Liverpool City Region Authorities have agreed a Collaboration Agreement that specifies ways of working between them when working within the framework contract. A contractual monitoring process is in place between them, led by Halton Council. Regular local monitoring meetings are held.

Current position

The current contract with GMCP runs to March 2012, with an optional extension to March 2014, subject to government policy announcements.

On the 30 June 2011, the six Liverpool City Region local authorities agreed a Supplemental Agreement with Greater Merseyside Connexions Partnership Limited, which secured a £2 million reduction on the contract value for 2011/12. This Agreement was subject to local authorities commencing negotiations with GMCP during October/November 2011 over the option of extending the contract into 2012/13 and 2013/14. The purpose of these negotiations was to determine service levels and associated charges in light of legislative changes. Those negotiations are currently taking place.

New Requirements

The Education Act 2011 changes the duties on delivering information, advice and guidance to young people. Local authorities will no longer have a duty to provide a

universal careers guidance offer. Local authorities will retain responsibility for tracking the learning and employment status of young people aged 16-19; encouraging young people aged 16-19, and up to age 24 if they have Learning Difficulties or Disabilities (LDD). The focus is particularly those vulnerable to becoming NEET into learning and employment.

Schools, colleges and learning providers will become responsible for delivering IAG to all their learners from September 2012. This will include a duty to secure access to independent and impartial careers guidance for all pupils in the third and fourth key stages of their education. This needs to include information on all 16-19 education and training options, including apprenticeships. Many schools are likely to secure access to independent and impartial careers guidance by buying a service from the All Age Service or other providers of high quality guidance.

Delivery Requirements from 2012/2013

To meet the duties and responsibilities that the Local Authorities have in the Education Act 2011, the City Region IAG Commissioning Group (IAGCG) and the Directors of Children's Services have endorsed the following 3 delivery strands:

- (1) Data and tracking – to enable local authorities to track young people and meet the requirements to supply data to Department for Education (DfE). This involves work and data exchange with schools and colleges. Given the travel to learn patterns this is a sub-regional solution, through a single provider.
- (2) IAG advisory service for NEET and vulnerable young people. One contract across the city region; but with costs, staffing and operational delivery determined in each LA.
- (3) Web-portal to provide accessible information and guidance support to young people. The portal will offer some common themes across all authorities, but each area will have a tailored product to meet local authority needs.

Individual authorities have agreed that their needs, including the transition period between April and August 2012, can and will be met within these strands. Service specifications have been developed for each of these – Wirral led on the web portal specification, St Helens on the IAG service specification and Halton on the data tracking specification. Every LA has had an input to these and they were agreed by the Liverpool City Region Information Advice and Guidance Commissioning Group and endorsed at the DCS meeting on 19th September 2011; these service specifications are the basis for the negotiations with GMCP.

At the Learn Together Partnership (LTP) DCS meeting on 19th September agreement was also given to continuing to work at the Liverpool City Region level for 2012/13, including agreement to have Halton BC continue to lead on the procurement for the region.

Arrangements to Secure Delivery

Under the Supplemental Agreement if it is not possible to secure agreement to the satisfaction of both parties, either party can issue notice to terminate the contract on 31st March 2012 at any point from 1st December 2011.

Financial Implications

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