

|                                      |  |                                  |                 |
|--------------------------------------|--|----------------------------------|-----------------|
| <b>Report to:</b>                    | Cabinet  | <b>Date of Meeting:</b>          | 2 November 2017 |
| <b>Subject:</b>                      | Procurement of a New Information, Advice and Guidance Service for Not in Education, Employment or Training (NEET) Young People |                                  |                 |
| <b>Report of:</b>                    | Head of Regeneration and Housing   | <b>Wards Affected:</b>           | (All Wards);    |
| <b>Portfolio:</b>                    | Cabinet Member - Regeneration and Skills   |                                  |                 |
| <b>Is this a Key Decision:</b>       | Yes  | <b>Included in Forward Plan:</b> | Yes             |
| <b>Exempt / Confidential Report:</b> | No   |                                  |                 |

### Summary:

To seek Cabinet approval to invite tenders through the appropriate procurement route for the provision of information, advice and guidance services for young people not in education, employment or training (NEET).

### Recommendation(s):

That Cabinet:

- (1) Approves the decision to procure and tender for the provision of IAG services; to be published on The Chest using an EU compliant Open Tender process, as outlined in the report;
- (2) Authorises the contract period of 2 years from 1<sup>st</sup> September 2018 to 31<sup>st</sup> March 2020, with an option to extend annually for a further two years based on successful performance.
- (3) Authorises delegated authority to the Cabinet Member for Regeneration and Skills in conjunction with the Executive Director to award the Contract subject to a satisfactory and compliant tender process;
- (4) Approves the extension of the current contract in place for 2017/18 for a period up to six months (from 1 April 2018) to secure continuity of service to young people in the transition to a newly configured, outcomes based offer.

## **Reasons for the Recommendation(s):**

The Council is fully committed to supporting its young residents to achieve and sustain their full potential in terms of their skills, aspirations, economic prosperity and life chances. Vision 2030 sets out the ambition for the Borough and the priority strategic outcomes, three of which are:

- Resilient people and places;
- Growing, living and ageing well;
- A great place to live, work and play.

The proposed approach to Information Advice and Guidance will make a significant and positive contribution to these outcomes and to the Vision overall.

In order to support this aim, there is a clear intention to achieve a step-change in value and impact in the advisory and engagement services through the Council's direct investment and to the future of our young people.

The Council's current service delivery has been procured using established methods. This contract is now ready for renewal and in the changing context the Council now operates in, a new service offer needs to better reflect our Vision 2030 principles.

This investment will be designed to give closer alignment with the Council's Framework for Change priorities and will reflect community based co-design and delivery together with an emphasis on early intervention and prevention (EIP) to ensure that potentially vulnerable young people make a successful transition to the adult world of work.

The objective through the procurement is to ensure young people are actively engaged and supported to make choices and achieve progression based on well informed intelligence about local opportunities available to them.

## **Alternative Options Considered and Rejected:** (including any Risk Implications)

1. Procure a contract for IAG using the similar approach as previous exercises.

This option has been fully considered and has been rejected on the grounds that the Council has moved on with its own approach to early intervention and prevention and requires suppliers able to flex and adapt to this new operating environment in a way that optimises the role of IAG alongside other services targeting young people offered by the Council. It is felt highly likely that using the approach used previously would yield a similar set of results under current circumstances. There is a strong appetite among relevant members to bring about change and innovation in this policy area.

2. Procure a jointly commissioned service alongside the LCR Local Authority partners.

This option has been considered on the grounds that at least four of the LAs have been working together on commissioning for some years and their approach has led to changes in the pattern of service delivery which have not featured in Sefton. In particular, the data tracking/reporting and engagement /support activities have been undertaken by

in-house LA staff while the professional careers guidance has been sourced externally. In Sefton, we have not to date run services such as these in-house

**What will it cost and how will it be financed?**

**(A) Revenue Costs**

The contract will be procured within the current budget provision of £0.743m per year. .

**(B) Capital Costs**

There are no capital costs associated with this service

**Implications of the Proposals:**

|  |
|--|
| <b>Resource Implications (Financial, IT, Staffing and Assets):</b>   |
| <b>Legal Implications:</b><br>As determined by the Council’s Contract Procedure Rules, the contract will need to be sealed as its total value will be in excess of £100,000. |
| <b>Equality Implications:</b><br><br>There are no equality implications.   |

**Contribution to the Council’s Core Purpose:**

|  |
|--|
| <b>Protect the most vulnerable:</b><br><br>The focus of this procured activity will be to ensure that young people facing significant challenges in their lives will be well supported , enabling them to access impartial and high quality advice about developing their plans to progress in learning and employment, thereby improving their future prosperity  |
| <b>Facilitate confident and resilient communities:</b><br>IAG for young people is a key element in developing their personal resilience and their capacity to deal positively with challenges in their lives that may influence their choice of career and their aspirations. The focus on NEET young people and their re-engagement in meaningful learning contributes significantly to their individual skillsets but also impacts upon their parents, families and communities. |

|  |
|--|
| <p>Commission, broker and provide core services:<br/>There are statutory elements of this procurement that the Council needs to secure, including (but not limited to) the destination tracking and reporting of young people aged 16 and 17 years old.</p>  |
| <p>Place – leadership and influencer:<br/><br/>The re-engagement of young people who are NEET has a key role to play in place-making within neighbourhoods where anti-social, disruptive or criminal behaviour is associated with high rates of youth disengagement.</p>   |
| <p>Drivers of change and reform:<br/>Not applicable</p>  |
| <p>Facilitate sustainable economic prosperity:<br/>High quality careers guidance for young people assists them to make choices at pivotal stages in their lives. Positive engagement with employers and training providers to advocate for the needs of young people with complex issues is central to ensuring that young people in Sefton can achieve their career aspirations and lead independent, prosperous lives.</p> |
| <p>Greater income for social investment:<br/>This proposal will incorporate a requirement to secure social investment as part of the procurement exercise to deliver additional investment from other sources to augment the level of impact for young people from the Council’s own spending.</p>   |
| <p>Cleaner Greener<br/>Travel planning for young people is a key part of the decision making process for them to make their choices regarding learning and employment options and this activity will be included within the procured service</p>   |

**What consultations have taken place on the proposals and when?**

**(A) Internal Consultations**

The Head of Corporate Resources (FD4888/17) and Head of Regulation and Compliance (LD4172/17) have been consulted and any comments have been incorporated into the report.

The Head of Commissioning Support & Business Intelligence has also been consulted on the proposal for an extension of the current contract and has given an endorsement of this recommendation to Cabinet in light of the innovation the Council is seeking in this new procurement.

**(B) External Consultations**

**Implementation Date for the Decision**

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

|                         |                              |
|-------------------------|------------------------------|
| <b>Contact Officer:</b> | Claire Maguire               |
| Telephone Number:       | Tel: 0151 934 2684           |
| Email Address:          | claire.maguire@sefton.gov.uk |

**Appendices:**

There are no appendices to this report

**Background Papers:**

There are no background papers available for inspection.

**1. Introduction/Background**

- 1.1 Sefton places a strong emphasis on the provision of engagement, participation, advice and guidance services for young people and the rates of NEET and participation in learning and employment for young people have remained positive over the last few years. Sefton wishes to continue this pattern by securing a new service offer that can deliver improved outcomes for those young people needing assistance to secure a more prosperous future through positive engagement with skills, learning and employment.
- 1.2 The Council recognises that there are many factors which can affect the progress and prosperity of our young people within their communities. It is in this context that the Council is seeking a new service offer that can maximise the impact of service delivery for young people through closer alignment with the wider transformation agenda of the Council. The successful supplier or suppliers of this service will work in collaboration with the Council to ensure the new delivery reflects the evolving priorities within Sefton’s Economic Growth and Public Sector Reform Programmes.
- 1.3 The focus of the new service offer will be on delivering an appropriate blend between:
  - Community-based contact and support for NEET young people ( or those at risk of becoming NEET ) who have with multiple or complex challenges including SEND young people;
  - Assisting the Council meet its statutory duties in relation to young people who are NEET;

- The delivery of timely, high quality, impartial, professional careers guidance services to assist the transitions of NEET young people into positive participation;
- The needs of the local economy for a skilled workforce and in particular the opportunities available for young people working with local employers;
- Working in collaboration with the Council's own employment and learning offer to ensure wider employer engagement benefits young people.

## **2. Procurement Process**

2.1 It is proposed to procure a 2 year contract, which focus on the achievement of positive outcomes and include elements of:

- A payment by results approach, and;
- A payment for direct services provided for through specified schedules of activity.

All Subject to the satisfactory contract performance of the supplier/s, it is proposed to include the option to extend the contract for a further two years annually.

2.2 A provider (whom could be a consortia) will be procured via The Chest portal using an EU compliant Open Tender process in accordance with the Council's Contract Procedure Rules. The basis of evaluation will utilise the principles of MEAT (i.e. Most Economically Advantageous Tender) taking into consideration a balance between Quality and Cost. As the contract is expected to be for two years, there will be a strong emphasis on Quality as part of the tender evaluation.

2.3 The performance of the procured supplier/s will be reviewed in line with a published contract management procedure and the Council will include a provision to terminate the contract if the performance of the supplier/s does not meet the agreed performance indicators. The contract will include a set of Minimum Service standards which suppliers will have their performance measured against, in addition to PBR (Payment by Results) triggers.

The Council will target optimal impact from its investment. The service specification therefore will include an invitation for providers to source suitable partners and investors willing to work with Sefton Council to maximise the social impact of this activity through additional social investment. It is proposed that the evaluation of tenders will include a rationale for rating the social investment mechanism proposed by suppliers.

2.4 The range of services that are expected to be included in the contract are (but not exclusive):

- Provision of a NEET data tracking and reporting service offer to meet the Council's statutory duties;

- Provision of pro-active engagement service for young people with complex challenges including NEET, young people with offending behaviours, young people affected by drug and alcohol, young people affected by poor mental health and other health issues in their families, Looked After Children and Care Leavers, teenage parents and members of families known to Council child and family welfare services including Troubled families. This engagement service will be focused on achieving a set of outcomes related to sustained participation in learning, progression and making successful transitions to the adult world of work;
- A careers information offer, informed by local employer engagement and a sound intelligence base regarding the prominent employment sectors in Sefton;
- Provision of personalised careers advice and guidance to young people by suitably trained and qualified advisers utilising a range of media and techniques including face to face interviewing;
- Services for young persons with special educational needs and disability aged up to 25;

2.5 The contract will include provision for annual business planning, where the resource available for each contract period can be altered in accordance with the funding resource available for this activity. Annual priorities, targeting and volumes will be informed by an in-house stake holder panel drawn from relevant services within the Council (and where appropriate wider partners).