

**REPORT TO:** Executive Board

**DATE:** 20 July 2017

**REPORTING OFFICER:** Strategic Director, People

**PORTFOLIO:** Children, Young People and Families

**SUBJECT:** Request for Halton Borough Council to lead the procurement of an IAG service for Halton, Liverpool, Wirral and Knowsley Authorities

**WARDS:** Borough wide

## **1.0 PURPOSE OF THE REPORT**

- 1.1 To obtain Executive Board approval for Halton Borough Council to lead the procurement of services to encourage, enable and assist young people to participation in education and training.

## **2.0 RECOMMENDED: That**

- 1) the report be noted; and**
- 2) the Board approves Halton Borough Council acting as lead in a joint procurement process with Liverpool, Wirral and Knowsley local authorities.**

## **3.0 SUPPORTING INFORMATION**

- 3.1 Local authorities have a duty to make available to all young people aged 13-19 and to those between 20 and 25 with special educational needs and disabilities, support that will encourage, enable and assist them to participate in education or training. This is a duty under Section 68 of the Education and Skills Act 2008.
- 3.2 In addition, the Education and Skills Act 2008 placed two 'Raising the Participation Age' related duties on local authorities with regard to 16 and 17 year olds:
- 3.2a. Local authorities must promote the effective participation in education and training of 16 and 17 year olds in their area with a view to ensuring that those persons fulfil the duty to participate in education or training. A key element of this is identifying the young people in their area who are covered by the duty to participate and encouraging them to find a suitable education or training place.
  - 3.2b. Local authorities must make arrangements – i.e. maintain a tracking system - to identify 16 and 17 year olds who are not

participating in education or training. Putting in place robust arrangements to identify young people who are not engaged in education or training or who have left provision enables local authorities to offer support as soon as possible.

- 3.3 On the 17<sup>th</sup> October 2013 the Executive Board approved a report outlining a revised approach within Halton to delivering services to meet these duties. The revised approach, known as the Halton Participation Strategy, brought a large element of the work in house and achieved financial and resource efficiencies in doing so and began in April 2014.
- 3.4 Since the implementation of the Halton Participation Strategy the percentage of young people who are not in education, employment or training or whose activity is not known to the council has dropped from 12% in 2013/14 to 8.8% in 2015/16.
- 3.5 An element within the Halton Participation Strategy is the commissioning of a service to encourage, enable and assist young people to participation in education and training through the provision of information, advice and guidance.
- 3.6 The commissioning of a service to encourage, enable and assist young people was carried out in collaboration with other Liverpool City Region Authorities. As approved by Executive Board on the 17<sup>th</sup> October 2013 Halton Borough Council led the procurement process and created a Framework Agreement for the service incorporating Liverpool City Region Authorities.
- 3.7 The contract was awarded to Greater Merseyside Connexions Partnership and came into effect from 1<sup>st</sup> April 2014 for a period of two years with an option to extend for a further two years. The option to extend has been taken and the current contract will end on 31<sup>st</sup> March 2018.
- 3.8 Halton and the Liverpool City Region Authorities of Knowsley, Liverpool and Wirral seek to procure a service to encourage, enable and assist young people from 1<sup>st</sup> April 2018. The service will maintain similar features to current as all local authorities have found the current service specification to meet their requirements.
- 3.9 The joint procurement process would seek to procure a service from April 2018 for a period of four x 12 month periods. This will allow for consistency of service from 2018 to 2022 but with the option to reduce or terminate the service annually should the Council's statutory duties change or further budget savings require a reduction.
- 3.10 The maximum total contract value annually would be:  
Halton = £130,000  
Combined Knowsley, Liverpool, Wirral= £1,460,000

*Maximum total annual value = £1,590,000*

- 3.11 The joint procurement process would once again lead to a Framework Agreement for the service, with each local authority responsible for their own element of service delivery and managing their own payment schedules direct to the service provider.
- 3.12 There is a significant advantage to Halton to be involved in a joint procurement process because of the size of the contract across the four local authorities; there are economies of scale Halton will benefit from, and given the size of Halton's budget it's likely the Council will benefit the most from being part of a much larger contract.
- 3.13 As the lead for the current service to encourage, enable and assist young people across Liverpool City Region authorities, Liverpool, Wirral and Knowsley authorities have asked Halton to act as the lead once again to procure a joint service from April 2018.
- 3.14 As Halton has the most experience of procuring this service, with procurement documentation that only needs minor amendments, there is an advantage to the procurement teams of all the local authorities involved for Halton to lead. Given the scale of Halton's budget compared to the investment in this procurement from other local authorities Halton's procurement team will negotiate with the other local authorities teams either:
- 3.14a a charge for the work representative of the scale of the contract value for each local authority
  - 3.14b a reciprocal arrangement whereby another authority leads another joint procurement exercise
- 3.15 Given the benefits outlined above, and in order to make the procurement process as efficient as possible for all local authorities involved the Strategic Director, People, seeks Executive Board approval to lead the procurement across Halton, Liverpool, Wirral and Knowsley Local Authorities.

#### **4.0 POLICY IMPLICATIONS**

- 4.1 Securing a service to encourage, enable and assist young people to participate in education is an essential element of the Council's work to meet its statutory duties.

#### **5.0 FINANCIAL IMPLICATIONS**

- 5.1 A joint procurement process offers the best option for all local authorities to achieve value for money through economies of scale. As the smallest budget holder Halton has the potential to benefit most from this joint procurement.

- 5.2 The staffing resource from all local authorities involved can be best utilised by allowing Halton to lead this particular joint procurement process, given the vast experience and documentation already available in Halton.

## **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **6.1 Children and Young People in Halton**

The service to encourage, enable and support young people to participate in education and training is an important element of the Halton Participation Strategy, which is proving successful in providing young people who are not in education, employment or training with the support they need to progress.

### **6.2 Employment, Learning and Skills in Halton**

The Halton Participation Strategy supports key priorities in encouraging young people to access learning or training that will lead to longer term, more sustainable employment options.

### **6.3 A Healthy Halton**

None

### **6.4 A Safer Halton**

None

### **6.5 Halton's Urban Renewal**

None

## **7.0 RISK ANALYSIS**

There is a financial risk in not being part of a joint procurement process and therefore incurring a higher level of service charge from any supplier delivering to Halton only.

Both Liverpool and Wirral local authorities have recently procured a service for their European Social Fund project. Despite procuring the same service both local authorities chose not to procure jointly. If Halton did not lead this procurement process there is a risk no other local authority would agree to lead a joint procurement process, with individual local authorities then having to procure separately.

## **8.0 EQUALITY AND DIVERSITY ISSUES**

None

## **9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.