



## **Executive**

13 January 2014

### **Report from the Acting Director of Children and Families**

Wards Affected:  
ALL

### **Authority to award a contract for Connexions Services**

#### **1.0 Summary**

- 1.1 This report requests authority to award a contract for the provision of education, employment, and training and careers Connexions services to the Council as required by Contract Standing Order No 88. This report summarises the process undertaken in tendering this contract and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded.

#### **2.0 Recommendations**

- 2.1 That the Executive award the contract for the provision of education, employment, training and careers Connexions services to Prospects Services Limited for an initial contract period of three years from 1st April 2014 to 31st March 2017 with an option for the Council to extend by any number of periods up to an aggregate of 2 years.

#### **3.0 Detail**

##### ***Background***

- 3.1 The Connexions service provides a range of information, advice, guidance and support to young people aged from 13-19 (up to 25 for young people with learning difficulties and disabilities). This contract relates to the education, employment, and training and careers aspects of the Connexions service.

3.2 Currently, Brent Connexions, as part of Brent Youth Support Services, provides information, advice, guidance and support for young people to make informed choices about learning and work options and to make effective transitions to adult and working life. This includes providing additional support to those vulnerable to becoming unemployed or at risk of disengaging from learning and supporting young people to access employment, education and training opportunities. The service is available to young people aged 13 to 19, (up to age 25 for young people with special needs/learning difficulties and disabilities). The Services key performance indicators are:

- % of 16-18 year olds not in Education, Employment or Training (NEET)
- Participation of 17 year-olds in education or training
- 16-18 year olds current activity status not known

3.3 In 2012/ 2013 Brent was the joint 3rd best performing local authority nationally against the indicator of minimising the proportion of young people in the NEET (young people Not in Education or Training) group. Brent's performance ranked 2nd in West London. The 2012/13 figures for minimising young people not in Education, Employment or training show the Brent provision in a positive light:

National average 5.6%

London average 4.5%

Brent performance 2.9%

3.4 The Service contributes to the Council's objectives as outlined in the Borough and Corporate Plan for 2012-14, specifically under:

Strategic Priorities:

**BOROUGH PRIORITY 2: JOBS, GROWTH AND FAIR PAY**

Priority 2.2 Support local people into jobs

**BOROUGH PRIORITY 5: BETTER LIVES FOR CHILDREN AND FAMILIES**

Priority 5.1 Make sure that all Brent schools are good quality and that all pupils achieve well..

3.5 The Education Act 2011 sets out a range of changes to the duties of schools and local authorities in relation to careers advice. From September 2012 the Education Act 2011 placed a duty on schools to secure and fund through the Dedicated Schools Grant access to independent, impartial careers guidance for their students in years 9-11. The Department for Education announced that from September 2013 it will extend the statutory duty on schools to deliver independent impartial careers guidance to Year 8 and to all 16-18 year

olds in schools and further education institutions. Local authorities retain their statutory duty to encourage, enable or assist young people's participation in education and training.

- 3.6 The main local authority responsibilities delivered through the current contractual arrangements with Prospects Services Ltd. comprise:
- Information, Advice and Guidance (IAG) for young people in the NEET group or at risk of becoming NEET.
  - Ensuring that all 16 and 17 year olds receive suitable offers to continue in education or training (previously known as the September Guarantee). Achieving the delivery of the September Guarantee involves extensive contact and follow-up of young people, and recording of their offer status on the Client Caseload Information System (CCIS) database.
  - Maintenance of the Integrated Youth Support database, including CCIS, maintained by Ealing Council on behalf of the West London Boroughs and the Pan-London database maintained by Central London Connexions.
  - Tracking and recording young people's participation post-16 on the CCIS database in order to ensure there is reliable data available centrally on young people at risk of being NEET. Currently, a substantial resource is allocated to contact and follow up work across the service. Whilst much information is provided by schools and colleges, at least 80% of the effort on keeping in contact with young people is in maintaining the contact and support for the 10% of the cohort that it is most challenging for us to reach.
  - Maintenance of close links with Job Centre Plus to ensure young people in the NEET group are given appropriate support.
  - Supporting young people with learning difficulties and disabilities who are in special schools or out of borough education including completion of S139 assessments.

3.7 Prospects Services Limited have held this contract in Brent since 1 August 2006 and they have retained this in subsequent competitive tendering exercises, the last being August 2009.

3.8 Following a report to the Executive on 22 April 2013, Officers were authorised to invite tenders for a contract for Connexions services and evaluate them in accordance with the approved evaluation criteria.

#### ***The tender process***

3.9 As a high value contract, the contract was tendered in accordance with Council Standing Orders 88 and 89.

3.10 A two stage or restricted tender process was followed. Advertisements inviting initial expressions of interest were placed in the local press, trade journals and

on the Council's E-procurement system, Due North. The organisations that responded were sent the Council's standard pre qualification questionnaire. Thirteen organisations completed pre qualification questionnaires. The five highest scoring organisations that they were able to demonstrate that they were able to meet the Council's required standards in relation to business probity, economic and financial standing and technical capacity were short listed to move forward to the tender stage. All five organisations were invited to tender.

- 3.11 The tendering instructions stated that the tender would be evaluated to identify the most economically advantageous tender having regard to price and quality. The following high level criteria were approved by the Executive:

### **Quality**

The Quality criteria listed below formed 40% of the evaluation weightings:

- Proposed business models.
- Proposed plans for ensuring effective quality management of the Services and maintenance of the Contract Standard, including self-monitoring and evaluation.
- Proposals for ensuring that the requirements of Child Protection legislation are fully applied in the delivery of the service
- Proposed approach for working in partnership with the Council and its partners.
- Proposals with regard to information systems to be used by bidders to monitor service(s) required by the Specification.

### **Price**

Price consisted of 60% of the evaluation weightings.

Attached at Appendix 1 is a copy of the evaluation methodology detailing the criteria, the weighting attributable to each criterion and how the method statements forming part of the tender fed into the evaluation criteria.

- 3.12 Notwithstanding inviting five organisations to bid, only one organisation submitted a tender by the deadline for tender submissions on 28<sup>th</sup> October 2013, namely Prospects Services Limited. Potential suppliers provided feedback on their reasons for declining to bid, including the financial risks owing to TUPE and pensions issues and the uncertainties of the provision of careers information, advice and guidance in schools, which is negotiated by the successful supplier year on year. Some providers stated that they were

unable to deliver on all aspects of the contract. Despite receiving only one bid Officers carried out a full evaluation of the said bid to ensure that the bid could meet all Council requirements and offered value for money and could therefore be recommended for award.

### ***Evaluation process***

- 3.13 Evaluation of the tender was carried out by a core panel consisting of three managers from the service area (including the Head of Service). Feeding in to the evaluation and assisting with the scoring of elements of the bid were three young people from Claremont High School, Alperton Community School, and St Gregory's Catholic Science College who represented potential users of the service. The Head teacher of Queen's Park Community also assisted with the evaluation, representing schools. Officers from Procurement, Legal and Central Finance provided support to the evaluation panel.
- 3.14 All panel members read through the tender areas allocated to them using evaluation sheets and noted down comments on how well each of the award criteria were addressed by the tenderer.
- 3.15 The tenderer was invited to make a presentation to the evaluation panel. This took place at the Civic Centre on Thursday November 7th 2013 and covered a number of areas considered important to the contract. The presentation scores awarded were incorporated into the quality evaluation score.
- 3.15 The core panel then met to agree scoring. It will be noted from Appendix 2 that for the quality criteria the tenderer scored 33.2% out of a possible 40%, consisting of one score of "satisfactory", ten of "good" and two of "outstanding" for the different elements of the tender.
- 3.16 Officers evaluated the financial aspects of the tender rigorously to ensure it represents value for money. Tenderers had been asked to submit fixed prices for each of the first three years of the contract. Prospects Services Limited's tender indicated a total price for this period of £1,220,000. Based on the current spend of £438,000 per annum or £1,314,000 over three years, this equates to a saving of £94,000 on the current price paid. In addition to the evaluated aspects of the tender, Prospects Services Ltd provide added value in Brent through further contracts and funding which they bring to the Borough. Examples include the Youth Contract programme, the Big Lottery funded Fixed 4 for your Future (F4F) project working with young people who are care leavers or who are leaving Young Offender Institutions and through their work as the commissioned provider for the National Careers Service.
- 3.17 The non statutory schools element of the contract work varies from year to year depending on school take up and it was not possible to identify any savings here.



NEW contract value	406,667	406,667	406,666
Savings	31,333	31,333	31,334
Cumulative savings	31,333	62,666	94,000
Cumulative Current contract value	438,000	876,000	1,314,000
Cumulative new contract value	406,667	813,334	1,220,000

5.5 Although the savings through this retendering exercise amounts to £94,000 which represents a reduction of just over 7%, the total percentage of funding being reduced overall in 2015/16 currently stands at 28% across the Connexions services.

	2013/14 Budget	2014/15 Savings	Revised 2014/15 Budget	2014/15 % Budget savings
TOTAL	693,497	191,000	502,497	-28%

## 5.0 Legal Implications

5.1 The estimated value of the contract for the provision of education, employment, training and careers Connexions services exceeds the Public Contracts Regulations 2006 (the “EU Regulations”) threshold for Services. The provision of education, employment, training and careers Connexions services are however classed as Part B Services for the purposes of the EU Regulations and as such are subject to partial application of the EU Regulations, including:

- (i). Non-discrimination in the technical specification.
- (ii). Notification of the contract award to the EU Publications Office.

The contract is not therefore subject to the full tendering requirements of EU Regulations.

5.2 The estimated value of this contract is above the Council’s Standing Orders threshold for High Value Service Contracts of £250,000, and the award of the contract is consequently subject to the Council’s own Standing Orders and Financial Regulations in respect of High Value contracts. As a result, Executive approval is required for the award of the contract.

- 5.3 As a result of changes introduced by the Education Act 2011, schools are now under a statutory duty to secure and fund careers guidance to certain groups of students. In addition to the core element of the services under the proposed contract, there is also the ability for the council to purchase additional services on behalf of schools. Should a school wish to purchase such services through the council's contract, it will therefore enter into an agreement with the council to purchase such services and the council will then vary the level of service to be delivered under the proposed contract.
- 5.4 As the recommendation is to award the contract to Prospects Services Limited who are the current supplier, there are no implications relating to the Transfer of Employment (Protection of Employment) Regulations 2006 ("TUPE.")

## **6.0 Diversity Implications**

- 6.1 The proposals in this report have been subject to screening and Members are referred to the Equalities Impact Assessment at Appendix 3. It will be noted that no negative impact on protected groups has been identified.
- 6.2 Equalities issues are a core requirement for this contract and formed an important part of the evaluation of the tendering organisations' technical capacity through the assessment of the PQQ and in the assessment of the quality of service both in the written tenders and questions from the panel during the tenderer's presentation.
- 6.3 Brent Connexions service monitors usage of its services, and the progress and achievement that young people make, across a variety of parameters. Specific management information exists by gender, ethnicity and disability.
- 6.4 Consultation on the service is provided by annual surveys such as 'tell us what you think', daily feedback following interventions with young people, pre- and post project evaluation, case studies, feedback from partners in written and verbal form, complaints and compliments.

## **7.0 Staffing/Accommodation Implications**

- 7.1 This service is currently provided by an external contractor, Prospects Services Limited. There are no implications for Council staff arising from retendering the contract and staff delivering the current contract will continue their employment with the existing contractor.
- 7.2 The current contractor operates a Connexions centre accessible to young people and parents and which provides an important service delivery location, particularly for those young people who are not in education. This centre is



based in Willesden. There are also a number of outreach service delivery locations within the Borough which will continue.

## **8.0 Background Papers**

8.1 Executive Report of 22 April 2013: Authority to invite tenders for the provision of education, employment, training and careers Connexions services in Brent.

### **Contact Officers**

Tony Jain,  
Senior Category Manager, Procurement,  
Tel: 0208 937 1631  
e-mail: [tony.jain@brent.gov.uk](mailto:tony.jain@brent.gov.uk)

Tanuja Saujiani  
Tel: 0208 9373719  
e-mail; [tanuja.saujiani@brent.gov.uk](mailto:tanuja.saujiani@brent.gov.uk)

Angela Chiswell,  
Head of Youth Support Services  
Tel: 0208 937 3667.  
email: [angela.chiswell@brent.gov.uk](mailto:angela.chiswell@brent.gov.uk)

**SARA WILLIAMS**  
**Acting Director of Children and Families**