

**NORTH SOMERSET COUNCIL
DECISION**

**DECISION OF: DIRECTOR OF PEOPLE AND COMMUNITIES
WITH ADVICE FROM: HEAD OF LEGAL AND DEMOCRATIC SERVICES,
S151 OFFICER AND HEAD OF STRATEGIC PROCUREMENT
DIRECTORATE: PEOPLE AND COMMUNITIES**



DECISION NO: PC87 (2017-18 SCHEME)

SUBJECT: AWARD OF CONTRACT FOR EDUCATION SUPPORT SERVICES

KEY DECISION: KEY

BACKGROUND:

The contract to provide a number of statutory education support services on behalf of the Council and our partners is designed to support the Council in achieving our corporate aims, particularly 'prosperity and opportunity - enable young people to fulfil their potential' and 'health and wellbeing - support families to give their children the best start in life'.

People and Communities Directorate Statement

The priorities in the Annual Directorate Statement will contribute to the ambition in the Corporate Plan of enabling young people to fulfil their potential by:

- Working in partnership to develop and implement the council's response to the Education Reform
- Continuing to reduce inequalities for all children and young people
- Continuing to work in partnership with schools to help them raise attainment for all children and young people
- Continuing to work in partnership with settings and schools to increase the percentage of children and young people attending good or better settings and schools
- Continuing to improve outcomes for children
- Increasing opportunities for young people, including care leavers, to work in public services through our apprenticeships schemes

The priorities in the Annual Directorate Statement will contribute to the ambition in the Corporate Plan of supporting families to give their children the best start in life by:

- Preventing ill-health, improving health and well-being and reducing inequalities
- Promoting excellence in education and lifelong learning that supports individual employability
- Promoting independence and enabling individuals, families and communities to improve their own lives

DECISION:

It is requested that the contract for providing education support services to North Somerset Council and our partners be awarded to Somerset County Council over an initial period of three years for an estimated annual value of £606,378.

This decision is being made by the Director of People & Communities under the delegated authority granted to them via scenario b defined within the Executive Report of 24th October 2017.

REASONS:**Background**

Schools are critical partners in achieving our corporate aims, particularly 'prosperity and opportunity - enable young people to fulfil their potential' and 'health and wellbeing - support families to give their children the best start in life'.

In October 2016 the Government announced that it was withdrawing the Education for All Bill and would be bringing forward new proposals for educational reform in spring 2017. However, the ongoing changes to the responsibilities of the Council in relation to Education, and reductions in the funding available to deliver them mean that it is necessary to find a more cost effective and resilient way to deliver the local authority's statutory obligations.

As a result, work has been proceeding to secure an alternative service delivery model.

On 6th December 2016 the Executive considered a report on the future delivery of services to education providers. The Executive then considered a further report on the 25th of April 2017, and a final report on the 24th of October 2017, and agreed:

- a) In principle, to transfer traded education services to Somerset County Council (SCC)
- b) In principle, to commission residual statutory and non-statutory education support services from SCC
- c) In principle, to commission a service to broker residual services provided by NSC that will be used by schools

Market Engagement

Two neighbouring local authorities were considered as potential partners; SCC and South Gloucestershire Council. The Executive agreed for officers to proceed to a detailed negotiation phase with SCC.

Procurement

A tender will not be required for the commissioned service contract, as the contract will be awarded via a Regulation 12(7) inter-authority agreement under the Public Contracts Regulations 2015.

The commissioned services agreement has been directly negotiated with SCC by the Head of Education Transformation, with extensive support from the Transformation &

Policy Team, Strategic Procurement Service and Veale Wasbrough Vizards, our external solicitors.

Social Value

The education commissioned services will support NSC in achieving social value by;

- Promoting the use of the local supply chain
- Supporting the employment of local people

Contract Management

The Vulnerable Learners' Service Manager will act as the Client Lead for the commissioned services, supported by the People & Communities Commissioning & Contracts Team. Provision has also been made for the purchase of specialist subject matter expertise as required to inform the review of the standard of service provided.

Implementation of contract

The contract will commence on September 1st 2018 and run until March 31st 2021. The contract provides for two one-year extensions by mutual agreement.

OPTIONS CONSIDERED:

In April 2017 The Executive considered the option of transferring services to South Gloucestershire Council alongside the option to transfer services to SCC. An earlier approach was also made to Bath and North East Somerset Council. However, because of other arrangements that Bath and North East Somerset Council had already put in place, they did not want to pursue an option of partnership working with North Somerset in relation to traded services for schools and settings.

FINANCIAL IMPLICATIONS:

Costs

The annual cost of the contract is £606,378, which is broken down into the following Lots

Lot 1 – Education Psychology	£231,571
Lot 2 – Education Welfare (Statutory)	£83,452
Lot 3 – Preventative Psychology	£72,912
Lot 4 – Education Welfare (Elective Home Education & Gypsy Roma Traveller)	£27,500
Lot 5 – Enhanced Provision	£90,909
Lot 6 – Speech & Language	£83,036
Contingency	£17,000
Total	£606,378

Funding

The services are being commissioned using a combination NSC core budget (Lots 1 & 2) and the Delegated Schools Grant (via Strategic Schools Forum) (Lots 3 to 6).

LEGAL POWERS AND IMPLICATIONS

The services for which these proposals refer are associated with a wide range of regulation and guidance. Some of the main regulatory powers include:

- The Children Act 1989

- The Children Act 2004
- The Education Act 1996
- The Education Act 2002, as amended by the Education Act 2011
- The Education Act 2005
- Education and Inspections Act 2006

The proposed terms and conditions that will govern the education services contract have been approved by Legal Services and are attached below.

CONSULTATION

General Consultation

Consultation on developing the original options appraisal took place with a wide range of staff, stakeholders including School Leaders, Governors, Senior Officers, Elected Members and the Regional Schools Commissioner. A consultation paper on a wide range of issues for schools, including the direction of travel in relation to future trading arrangements, was issued on 7th September 2016 and events with schools took place on the 23rd June and 23rd September 2016.

Since this point in time the SSF, schools, staff and unions have been regularly informed of progress through meetings and written communication

Staff, managers and schools have also contacted the lead officers informally with specific questions or issues.

Member Consultation

A number of sessions have been held to discuss this issue, and the wider education changes with members. Details of these sessions is provided below:

- 08/07/2016 – CYPS led session for all Councillors;
- 18/11/2016 – presentation to CYPS Panel meeting ‘White Paper: Educational Excellence Everywhere’;
- 27/01/2017 - CYPS led session for all Councillors;
- 24/03/2017 – presentation to CYPS Panel meeting ‘Future Arrangements for Education Traded Services’

RISK MANAGEMENT

The proposal to transfer traded and commissioned activity to another local authority is designed to reduce risks faced by North Somerset Council, including:

- a) the cost of termination of employment costs following any reduction in the level of buy back from schools beyond September 2018;
- b) the loss of highly skilled and experienced staff due to uncertainty and the expansion of other service providers in competition;

- c) a reduced ability to fulfil commitments to deliver the Council’s statutory responsibilities following budget reductions and the transfer of traded services alone.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Yes

CORPORATE IMPLICATIONS

TUPE transfer of staff to SCC would be of officers delivering wholly school/setting/child or family facing commissioned services, all of which are currently based in People of Communities Directorate.

In addition, the contract reflects the fact that some staff also deliver services which are purchased from SCC by schools. This includes a small number of officers currently based in the Corporate Services Directorate.

These staff will also be subject to TUPE transfer, depending on the final level buyback by schools.

BACKGROUND PAPERS

December 2016 Executive Committee Report

<http://apps.n-somerset.gov.uk/cairo/docs/docs27797.pdf>

April 2017 Executive Committee Report

<http://apps.n-somerset.gov.uk/cairo/docs/doc28045.pdf>

October 2017 Executive Committee Report

<http://apps.n-somerset.gov.uk/cairo/docs/doc28377.pdf>

Educational Excellence Everywhere White Paper

<http://www.gov.uk/government/publications/educational-excellence-everywhere>

<https://www.gov.uk/government/news/next-steps-to-spread-educational-excellence-everywhere-announced>

Commercially Confidential – exempt from publication

- The contract

SIGNATORIES:

DECISION MAKER(S):

Signed:

Title: Director, People and Communities

Date:

WITH ADVICE FROM:

Signed:

Title: Head of Legal and Democratic Services

Date:

Signed:

Title: S151 Officer

Date:

Signed:

Title: Head of Strategic Procurement

Date:

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable: