

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

4359

Author:

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Department:

Growth and City Development

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Subject:

Provision of NEET Prevention Services for Young People 2021/22

Total Value:

£861,300.00 (Type: Revenue)

Decision Being Taken:

1. To seek authority for Nottingham City Council to spend £861,300 to fund Nottingham & Nottinghamshire Youth Services (NNYS) to deliver NEET prevention services to young people living in Nottingham and fulfil the council's statutory functions for the period 1 April 2021 - 31 March 2022;
2. To seek authority for Nottingham City Council to enter into a contract with Nottingham & Nottinghamshire Youth Services (NNYS) to deliver the aforementioned services for the period 1 April 2021 - 31 March 2022

Reasons for the Decision(s)

The Executive Board met on the 23rd February 2021 where it was agreed for NNYS to continue delivering NEET Prevention services to Nottingham's young people but reduce the budget allocation to Futures, the parent company of NNYS, by £50k . This is evidenced in the Budget 2021/22 and Medium Term Financial Outlook (page 24).

A delegated decision is now required to seek authority to spend £861,300 to fund and enter into a contract with NNYS to deliver young people's services that will fulfil the council's statutory functions and provide a support service for young people aged 13-19 and to those aged between 20 and 25 with special educational needs and disabilities (SEND), support that will encourage, enable and assist them to participate in employment, education or training.

NNYS will have overall responsibility for:

- prioritising the delivery of the statutory functions as set out in Participation of young people in education, employment or training: Statutory guidance for local authorities on behalf of Nottingham City Council
- ensuring that all Nottingham children and young people at risk of becoming NEET in academic year 11 are supported to apply for post-16 opportunities, and have secured an offer of EET prior to them leaving statutory education
- actively tracking and ensuring support for 100% of young people with Education Health Care Plans assessment who are at risk of NEET or who are NEET, in co-ordination with Nottingham City Council Children and Adults Department
- ensuring that the NEET and Not Known targets, 4.3% and 1.2% respectively, are consistently met
- delivering timely and accurate monthly returns to the Department for Education (DfE) via the National Client Caseloads Information System (NCCIS) and to Nottingham City Council

Nottingham City Council will undertake regular performance review meetings with NNYS and in the event of sustained underperformance put in place a Performance Improvement Plan to ensure targets are met.

NNYS is a Teckal' company wholly owned by Nottingham City Council and Nottinghamshire County Council. It is therefore exempt from an open and competitive tendering process.

Other Options Considered:

Several options were considered and presented to the Portfolio Holder for 'Employment and Community Protection'. Options considered included; NNYS to continue delivering the service with no reduction in funding, continue to fund NNYS to deliver the service but reduce the funding allocation for 2021/22, Nottingham City Council to no longer fund NNYS and deliver the service in house or seek an alternative delivery partner. The final option considered was to no longer deliver the service, which would mean the council failing to meet it's statutory obligations. The preferred option, which represented best Value for Money, was for NNYS to continue delivering NEET Prevention Services, on behalf of the council, but to reduce the funding allocation by £50k to £861,300 for 2021/22. Previously, the service was delivered by NNYS for £911,300 (2020/21). The delivery of services and budget reduction was agreed by the Executive Board on the 23rd February 2021, which is evidenced in the Budget 2021/22 and Medium Term Financial Outlook.

Background Papers:

Published Works:

Affected Wards:

Citywide

Colleague / Councillor Interests:

The Portfolio Holder for Skills, Growth and Economic

Development is Cllr Langton. However, Cllr Langton sits on the Board of Futures, the accounting body for NNYS. Hence there is a conflict of interest. Therefore, for the purpose of this DDM we are seeking a Portfolio Holder decision from the Leader Cllr Mellen

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

A primary objective of the NEET Prevention service is to support young people at risk of becoming NEET into Employment, Education or Training at key transition points. The service will therefore help to reduce the potential for young people to become involved in crime or anti-social behaviour by providing participants with greater opportunities to improve their economic and social circumstances.

Equality:

EIA not required. Reasons: The service takes equalities into account. The service has been explicitly designed to address equality between genders, to prevent discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation and to ensure accessibility for persons with disabilities.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

06/09/2021

Advice Sought:

Legal, Finance, Procurement

Legal Advice:

The proposals in this report seek authority to approve the spend associated with the award of a contract to NNYS for the delivery of the NEET prevention services.

NNYS was initially established as a jointly owned subsidiary of Nottingham City Council and Nottinghamshire County Council back in 2014 to operate on the basis of a 'Teckal' company solely responsible for delivering services to the 2 parties.

As a subsidiary meeting the 'Teckal' exemption from the Public Contract Regulations, the Council is permitted to award a contract to NNYS without a separate tender process, provided the contract is able to demonstrate best value to the Council

NNYS is understood to offer best value to the Council and as such this approval seeks authority to enter into a contract for the 2021-22 financial year. The Council is unable to provide a long term commitment due to financial pressures and an annual contract will enable to Council to regularly review the service offered in order to ensure it continues to offer best value.

Legal services will work with the report author and the County to establish the appropriate contractual arrangements with NNYS Advice provided by Dionne Claire Screamon (Solicitor) on 10/08/2021.

Finance Advice:

This decision seeks the approval to allocate £861,300 to Nottingham and Nottinghamshire Youth Services (NNYS) for the financial year 2021/22. This is to fulfil a statutory function. This allocation is to be by a form of contract, but as a wholly owned subsidiary of the Council, this is covered by the Teckal exemption whereby the arrangement will not be treated as a contract for the purposes of procurement, rather it will be deemed to be an in-house administration. This provider has demonstrated value for money over the years and this is demonstrated in the reduced costs year on year whilst still delivering quality services fully fulfilling their statutory obligations. This funding will be exercised with the same kind of control over the service provider as it does with all its other departments.

Advice provided by Michelle Pullen (Commercial Business Partner) on 12/08/2021.

Procurement Advice:

This decision relates to the award of a contract to Nottingham and Nottinghamshire Youth Services (NNYS) for the delivery of NEET prevention services to young people for the period 1 April 2021 - 31 March 2022, to fulfill the Council's statutory functions. NNYS are an experienced provider of these services in the City and the award is considered to offer value for money with reference to performance and cost, which is reduced by £50,000 for this year. As a wholly owned subsidiary of the Council covered by the 'Teckal' procurement exemption, NNYS may be contracted directly in accordance with the Council's Financial Regulations and Contract Procedure Rules. Therefore these proposals are supported. Advice provided by Jo Pettifor (Procurement Team Manager) on 10/08/2021.

Signatures

David Mellen (Leader/ PH Strategic Regeneration Communications)
SIGNED and Dated: 26/08/2021
Michael Wayne Bexton (Interim CD for Growth & City Development)
SIGNED and Dated: 26/08/2021