Commissioning and Procurement Executive Committee Agenda Item 8 2024

Subject:	NEET Reduction Service: provision of information, advice and guidance for entry into employment, education and training opportunities.			
Director:	Nicki Jenkins – Economic Development and Property			
Executive Member:	Councillor Radford – Skills, Growth and Economic Development			
Report author and contact details:	Paul Crookendale, Employment and Skills Development Manager paul.crookendale@nottinghamcity.co.uk			
Other colleagues who have provided input:	Paul Rogers & Geetha Blood – Finance Tom Button – Legal Jo Pettifor – Procurement Matthew Wheatley – Head of Economic Development Adele Margetson – Senior Finance Business Analyst			
Key Decision	Yes No Subject to call-in Yes No			
Reasons: Expenditure taking account of the overa	☐ Income ☐ Savings of £750,000 or more ☐ Revenue ☐ Capital			
	munities living or working in two or more			
Type of expenditure:	Revenue Capital			
Total value of the decision	on: £941,300			
Section 151 Officer expe				
•	oved by the Section 151 Officer? \(\subseteq \text{Yes} \text{No} \text{N/a} \)			
	oval reference number: 5628			
Commissioner Considera	ation			
•	Has this report been shared with the Commissioners' Office? ☐ X Yes ☐ No			
	ssioners wish to provide are listed in section 6 below.			
Wards affected: All				
Date of consultation with Executive Member: 28/08/2024 Relevant Council Plan Key Outcome:				
Green, Clean and Connected Communities				
Keeping Nottingham Working				
Carbon Neutral by 2028				
Safer Nottingham				
Child-Friendly Nottingham				
Living Well in our Communities Keeping Nottingham Moving				
Improve the City Centre	'9			
Better Housing				
Serving People Well				
Summary of issues (including benefits to citizens/service users):				
In 2014, Public Health England estimated that "Each 16–18-year-old who spends some time				

In 2014, Public Health England estimated that "Each 16–18-year-old who spends some time NEET will cost an average of £56,000 over the course of their life up to retirement age in public finance costs (e.g. cost to services and lost tax revenue), or, alternatively calculated, £104,000 in opportunity costs (e.g. loss of income to the economy and individuals)." The overall loss to the economy in earnings and spending magnifies this economic impact.

The NEET (not in Employment Education and Training) Reduction Service supports young people to enter Employment, Education or training opportunities. NCC currently commissions through Teckal arrangements, a contract with Nottingham, Nottinghamshire youth Service (NNYS - Futures) to deliver a NEET reduction service in response and in execution of the Councils statutory obligations as defined in Section 68 of the Skills and Employment Act 2008. The Act places a duty on Local Authorities to make available to all 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 or assist them to participate in education or training.

The service proposed for 2024/25 will:

- ensure all children and young people at risk of becoming NEET in academic year 11 are supported to apply for post-16 opportunities and secured an offer of EET prior to them leaving statutory education;
- actively track and support young people in Years 12 & 13 to ensure 94.5% are engaged in employment, education or training;
- actively track and support all 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;
- submit Client Caseload Information System (CCIS) returns to the Department for Education covering NEET and key stages four & five progression measures.

In previous years, an annual joint contract with Nottinghamshire Country Council has been issued to NNYS, containing Nottingham City delivery and finance schedules to ensure Nottingham City funding is only utilised for the support of Nottingham City residents.

The Budget of £941,300 for the NEET reduction service in 2024/25 has been approved as part of the Council's Medium Term Financial Plan.

Note: the term "TECKAL" refers to a specific exemption under Regulation 12 of the Public Contracts Regulations 2015 that allows public authorities to award contracts directly to entities they control without going through the usual competitive tendering process.

Exempt information: None.

Recommendations:

- 1. To delegate authority to the Corporate Director for Growth and City Development to enter into a new joint contract with Nottinghamshire County Council for the delivery of NEET reduction activity, delivered by NNYS under TECKAL arrangements within Nottingham City for the period 2024/25, with the combined value not exceeding £941,300 (£410,300 LA base budget) and the contract to be reviewed by Legal Services in advance of signature.
- To delegate authority to the Corporate Director for Growth and City Development to sign the contract and any subsequent modifications on behalf of Nottingham City Council, subject to compliance with the applicable Public Procurement regime and review by Legal Services.

1. Reasons for recommendations

1.1 Section 68 of the Skills and Employment Act places a duty on local authorities to support young people in participating in education or training. Implementing a NEET reduction service in Nottingham ensures that the local authority complies with its legal obligations under this Act.

- 1.2 Reducing the number of NEET individuals is crucial for economic development and is a key metric in the Keeping Nottingham Working strand of the Strategic Council Plan. Young people who are NEET are at higher risk of long-term unemployment, which can have lasting negative impacts on their future earnings and economic contributions. By implementing a NEET reduction service, Nottingham can help young people acquire the skills and qualifications needed to enter the workforce, thus enhancing their employability and contributing to the local economy. This, in turn, can lead to a more robust and resilient economic environment in Nottingham.
- 1.3 Young people who are NEET often face multiple social challenges, including mental health issues, social exclusion, and lower life satisfaction. By providing targeted support through a NEET reduction service, Nottingham can address these issues directly, improving social outcomes for young people. This support can help reduce social inequality, as those from disadvantaged backgrounds are more likely to become NEET. Ensuring that all young people have access to education, training, or employment opportunities can lead to more equitable social outcomes and a more inclusive community.
- 1.4 A Best Value review is being carried out during the Summer and Autumn of 2024 to inform delivery and contracting in the 25/26 financial year. Until such time that the outcome of the review is implemented and subject to performance, the continuation of maintaining the award to NNYS, under TECKAL arrangements will allow NCC to realise significant benefits;
 - NNYS have maintained good performance achieving profiled results;
 - holds established relationships with deep understanding of the local context;
 - existing local infrastructure and expertise and deployed resource;
 - NNYS through Futures hold additional Employment and Skills grant awards to enhance NEET reduction activity (UKSPF);
 - significant administrative savings due to not having to undergo a commissioning and re-implementation process.

2. Background (including outcomes of consultation)

- 2.1 Nottingham continues to see high levels of inequality and deprivation across several indicators important for quality of life (e.g. Pay, Employment, Basic Skills Attainment, Healthy Life Expectancy, Anxiety), however the city has achieved recent improvements in several areas (e.g. Level 3 and 4 skills attainment and digital connectivity).
- 2.2 In the 2019 Indices of Multiple Deprivation (IMD), Nottingham ranked as the 11th most deprived Local Authority out of 317 in England.
- 2.3 56 of the 182 Lower Super Output Areas (LSOAs) in the city fall amongst the 10% most deprived in the country. Regarding income deprivation, 30% of the Local Super Output Areas (LSOAs) in the city are amongst the 10% most deprived nationally.
- 2.4 Gross Value Added (GVA) in Nottingham is 13.7% lower than the England average. As productivity directly impacts on pay, local earnings are also significantly below the national average.
- 2.5 The local employment rate has historically lagged behind the national rate and continues to do so with employment rates in Nottingham standing at 71.7%, which is 3.4% below the national average of 75.1%.

- 2.6 The employment rate gap widens further for some of the City's priority groups. In March 2022, the BAME employment rate in Nottingham was 7.42% lower than the national average, the disabled employment rate was 22.21% lower than the national average, and the employment rate for older workers was 3.18% lower than the national average.
- 2.7 The employment rate gap between men and women in Nottingham stands at 2.6%.
- 2.8 Basic and entry level skills attainment in the city also track below national average. For example, Nottingham ranks in the 96th percentile in terms of numeracy skills need. Ranking in the 96th percentile means only 4% of Local Authorities rank higher for need (and therefore lower for skills).
- 2.9 The Council through its core budget in 202/25 allocates £410,300.00 to meet its statutory obligation, which in order to provide a more comprehensive support service is supplemented by £531,000.00 from Public Health budgets through a discretionary grant. Historically, Employment and Skills activity specifically for young people aged 16-24, funded through the European Social Fund has also been deployed to supplement NEET reduction activity, by supporting to young people into employment and Skills activity. ESF funding ended in November 23 which had an impact to overall deployed resource in 2023/2024. Futures were successful in securing funds via UKSPF, which offset some of the funding lost as a result of the end of ESF funding and continues to supplement statutory activity.

2.10 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.

3. Other options considered in making recommendations

3.1 Not delivering statutory service. This was rejected as it would leave the Council open to potential legal challenge, it would result in poor performance on the Strategic Council Plan NEET rate key metric and create demand for other Council services.

3.2 The best route to source future delivery will be examined through the planned Best Value review.

4. Consideration of Risk

- 4.1 Non or poor delivery of the NEETS service could result in;
 - increased Not knowns, leading to increase in NEETS;
 - reduced levels of EET attainment;
 - higher levels of youth unemployment;
 - increased levels of anti-social behaviour;
 - increased requirement of criminal justice service interventions;
 - increase requirement for mental health support for YP;
 - consequences resulting for failing to deliver statutory function.

5. Best Value Considerations

- 5.1 An outline Best Value review and initial Duties and powers consideration were undertaken during 2023 to inform the approach to delivery. To deliver statutorily required activity, given the continuing high-quality performance of Nottingham and Nottinghamshire Youth Services (NNYS) and the lack of viable or cost-effective external providers or internal solution, the preferred delivery option is to continue with the current 'BIWO' joint contract with Nottinghamshire County Council for the service to be delivered by NNYS under TECKAL arrangements.
- 5.2 KPI's and expected data returns will be agreed as part of the contract commissioning. Monthly monitoring performance and Quality reviews will be undertaken by a designated contract manager. A continuous improvement methodology will be applied to service reviews to ensure opportunities are not missed to improve overall service delivery.
- 5.3 In the event of underperformance, if trigger points are reached, NNYS will be required/supported to develop a performance improvement plan to be executed over a 3-month period to bring the contract back to profile/acceptable performance levels.
- 5.4 If after 3 months, appropriate levels of progression have not been achieved, the next stage of the under-performance methodology will commence which could lead to contract reduction with financial reductions or termination.

6. Commissioner comments

6.1 Commissioners have noted the content of the reports and have no further comments

7. Finance colleague comments (including implications and value for money/VAT)

- 7.1 The decision to enter into a joint contract with Nottinghamshire County Council for the delivery of Not in Education, Employment or Training (NEET) reduction activity, delivered by NNYS as detailed above for the period 2024/25, with options to extend another one or two years is recommended.
- 7.2 The cost of £941,300 for 24/25 comprises funding of £531,000 Public Health grant for this purpose and £410,300 contribution from Nottingham City Council, which is already in the budget in cost centre 11387 Nottingham Futures. If the scheme is to be extended checks into the continped fulling from Public Health will be required.

- 7.3 The provision of the Not in Education, Employment or Training (NEET) service is a statutory requirement under Section 68 of the Skills and Employment Act.
- 7.4 Reducing the number of Nottingham citizens Not in Education, Employment or Training is crucial for the economic development of Nottingham and is a key metric in the Keeping Nottingham Working strand of the Strategic Council Plan.

Paul Rogers, Commercial Finance Business Partner & Geetha Blood Strategic Finance Business Partner – 12/08/2024

8. Legal colleague comments

- 8.1 This decision seeks approval to enter into a new contract jointly with Nottinghamshire County Council with Nottingham and Nottinghamshire Youth Support Limited, in order to discharge its statutory duty under Section 68 of the Skills and Employment Act 2008.
- 8.2 Nottingham and Nottinghamshire Youth Support Limited, is a company jointly owned by Nottingham City Council and Nottinghamshire County Council. As such it is permissible to make a direct award provided that the Teckal exemption applies.
- 8.3 The new joint contract should make provisions for a scenario that only one of the client parties requires the extension in 2025-26.

Tom Button, Contracts and Commercial Team Leader – 12/08/2024

9. Other relevant comments

Procurement

- 9.1 This decision relates to the proposed joint contracting with Nottinghamshire County Council for a NEET Reduction Service to be delivered by Nottingham and Nottinghamshire Youth Support Ltd (a subsidiary of Nottingham Futures) for the year 2024/25.
- 9.2 The proposed award will enable the continuation of services delivered under a previous arrangement following a Best Value review which assessed NNYS to be meeting the performance requirements and providing value for money, with reference to other comparable services.
- 9.3 It is proposed to undertake a more comprehensive review of requirements and future commissioning route during the period of this award. As a company wholly owned by Nottingham City Council and Nottinghamshire County Council, Nottingham Futures is understood to be covered by the 'Teckal' procurement exemption at Regulation 12 of the Public Contracts Regulations 2015, and therefore may be contracted directly in accordance with the Council's Contract Procedure Rules, Article 18.31. The continuing applicability of the 'Teckal' exemption should be confirmed prior to award.

Jo Pettifor, Category Manager – People, 12th August 2024

10. Crime and Disorder Implications (If Applicable)

11. Social value considerations

11.1 NEET reduction activity in Nottingham will improve life chances and reduce social inequalities for Nottingham young people by:

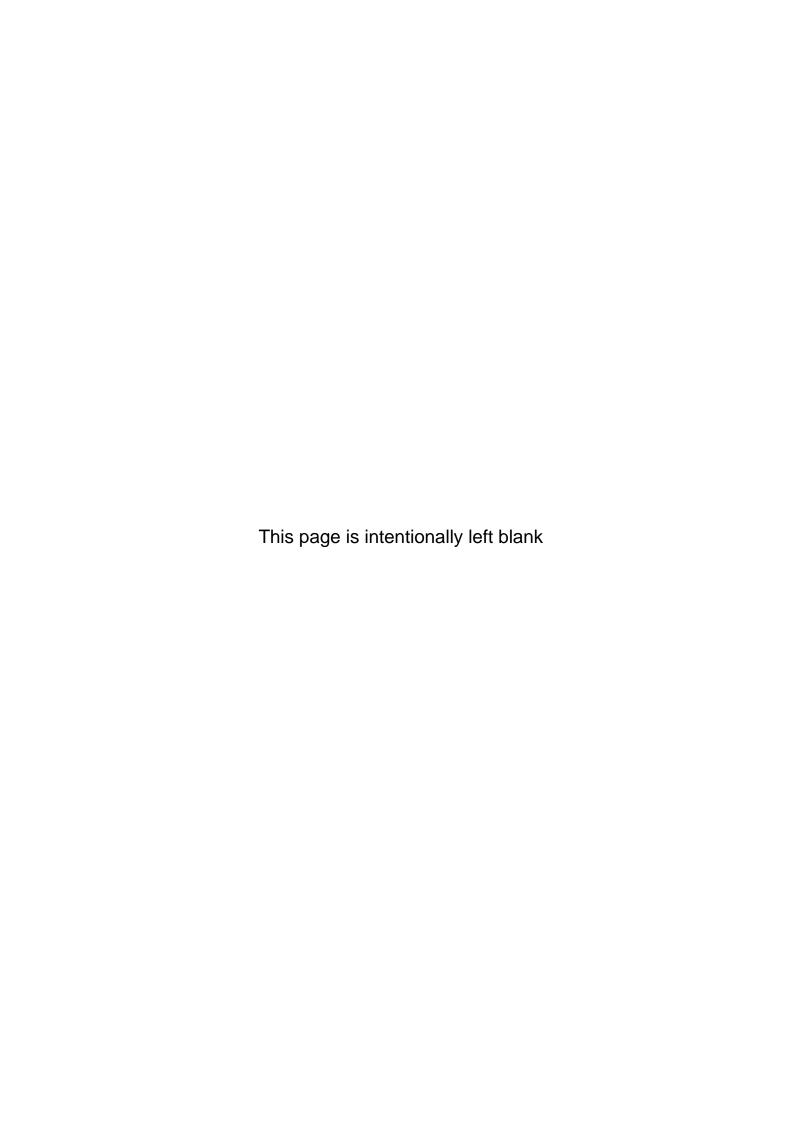
Enhancing educational opportunities and supporting young people to make positive progressive life choices, by increasing access to high quality career counselling and exposure to local employment and skills opportunities, direct advocacy to access vocational training programmes, apprenticeships, internships and support to apply for employment opportunities.

Reducing Anti-Social Behaviour through encouraging participating in positive activities that support transition from secondary education.

Reduced Criminal Justice interventions, by contributing to addressing some of the economic underlying issues contributing to youth offending.

Improving Levels of Mental Health, through supporting participation is positive activity which fosters a sense of inclusion.

- 12. Regard to the NHS Constitution (If Applicable)
- 12.1 N/A
- 13. Equality Impact Assessment (EIA)
- 13.1 Attached as an appendix and due regard will be given to any implications identified in it.
- 14. Data Protection Impact Assessment (DPIA)
- 14.1 A DPIA is not required because as part of the reporting requirements for NEET reduction activity, there is no transfer of participant personal data between the service provider and the authority.
- 15. Carbon Impact Assessment (CIA)
- 15.1 A CIA is not required.
- 16. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)
- 16.1 None.
- 17. Published documents referred to in this report
- 17.1 None.



Equality Impact Assessment Form

screentip-sectionA

1. Document Control

1. Control Details

Control Details	
Title:	NEET Reduction Service – Provision for Information Advice and Guidance to Enter into Employment Education and Training Opportunities.
Author (assigned to Pentana):	Paul Crookendale
Director:	Nicki Jenkins
Department:	Development & Growth
Service Area:	Economic Development
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Strategic Budget EIA: Y/N	Y
Exempt from publication Y/N	N

2. Document Amendment Record

Author	Date	Approved
Paul Crookendale	24/07/2024	07/08/2024

3. Contributors/Reviewers

Name	Position	Date
Rosey Donovan	Equality and Employability Consultant	26/07/2024 / 07/08/2024

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4. Glossary of Terms

Term	Description
NEET	Not in Employment, Education and Training
NNYS	Nottingham and Nottinghamshire Youth Service
NCC	Nottingham City Council
YP	Young Person
SEND	Special Educational Needs and Disabilities
ECHP	Educational Health and Care Plan
SMART	Specific, Measurable, Achievable, Realistic, Timely
TECKAL	The term "TECKAL" refers to a specific exemption under EU public procurement law that allows public authorities to award contracts directly to entities they control without going through the usual competitive tendering process.
COB	Commissioning Oversight Board
NCCIS	Client Caseload Information System
EIA	Equalities Impact Assessment

screentip-sectionB

2. Assessment

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1. Brief description of proposal / policy / service being assessed

This decision relates to the proposed joint contracting with Nottinghamshire County Council for a NEET Reduction Service to be delivered by Nottingham and Nottinghamshire Youth Support Ltd (a subsidiary of Nottingham Futures) for the period 2024/25, with 1 year extension option under TECKAL arrangements, set out in Regulation 12 of the Public Contracts Regulations 2015, in accordance with the Council's Contract Procedure Rules, Article 18.31

On receipt of COB approval, the intent is to re-contract with the incumbent provider.

In execution of the Councils statutory duty, Funding provided by Nottingham City Council to NNYS as part of the agreement with Nottingham City Council will be for the exclusive delivery of services for YP in Nottingham City or others where NCC hold the responsibility to provide the service (i.e. for YP's from other areas residing in Nottingham City).

Section 68 of the <u>Education and Skills Act 2008</u>, places a duty on local authorities to make available to all 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 or assist them to participate in education or training. To fulfil this duty, Nottingham City Council is required to:

- 1. 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
- 2. Provide strategic leadership in their areas to support participation in education, training and employment including by working with partner agencies and neighbouring authorities
- 3. Submit Client Caseload Information System (CCIS) returns to the Department for Education covering NEET and key stages four & five progression measures
- 4. Track and support vulnerable young people at risk of becoming NEET,, through the tracking, Identification and engagement of young people, followed by provision of Information, Advice and Guidance interventions
- 5. Work with Job Centres to assist young people known to them that are NEET
- 6. Provide support to young people up to age 19, and young adults with SEND and those with an Education, Health and Care Plan (EHCP) up to age 25
- 7. Lead on the implementation of the September Guarantee and the Raising of the Participation Age Strategy
- 8. Where children and young people have an education, health and care plan (EHCP), local authorities have a duty to ensure that the annual review of the EHCP from Year nine onwards includes a focus on preparing for adult life, including employment

The Delegate decision is seeing to;

1. To approve delegation of authority for the Corporate Director, Growth and City Development for Nottingham City Council to enter into a joint contract with Nottingham County Council for the delivery of NEET reduction activity,

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- delivered by NNYS under TECKAL arrangements within Nottingham City for the period 2024/2025, with the value not exceeding £941,300.00.
- 2. To approve delegation of authority to the Corporate Director, Growth and City Development to to sign the contract and any subsequent extensions or amendments on behalf of Nottingham City Council, subject to compliance with the applicable Public Procurement regime.

screentip-sectionC

2. Information used to analyse the effects on equality:

The Not in Employment, Education of Training (NEET) reduction service is designed to target engage and support all young people in Nottingham at risk of NEET, irrespective of any other protected group they may be considered to belong to.

The NEET reduction service will focus and target young people most at risk of NEET against the following indicators:

- A. Has Education, Health and Care Plan
- B. Educated via alternative provision
- C. Has been permanently excluded
- D. Refugees & Asylum Seekers
- E. Special Education Needs and Disability with high level needs
- F. Subject to a child protection plan
- G. On a learning centre roll
- H. Youth Offending Team order
- I. Child looked after, including Out of Area
- J. Not on a school roll

Council officers have prevented any potential negative impacts that NEET reduction activity might have on protected groups by doing the following:

- Ensuring the needs and requirements of all protected groups are considered when developing NEET reduction activity working with specialists for example the City Council Staff Networks
- Officers have achieved this through taking the following steps:
 - Ensuring NEET Reduction activity is delivered in line with the Nottingham City Council corporate equality and diversity policies
- Using extensive service delivery knowledge and departmental experience of delivering projects to priority groups to inform the development of NEET reduction activity
- Exploring the potential impacts the NEET Reduction Service may have on protected groups
 - Again, using the extensive departmental experience, officers have a solid understanding of what impact support can have on protected groups
 - Based on performance data on a portfolio of economic growth provision, we know that this type of intervention supports priority groups into employment, helps businesses grow and more broadly benefits communities
 - If any equality impacts arise this EIA will be updated to reflect those impacts along with mitigation. This will be led by the Project Manager and wider steering group
- Where needed, individuals or organisations with additional support needs will be signposted to other programmes to receive additional support

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3. Impacts and Actions:

screentip-sectionD	Could particularly benefit X	May adversely impact X
People from different ethnic groups.		
Men		
Women		
Trans		
Disabled people or carers.		

Pregnancy/ Maternity		
People of different faiths/ beliefs and those with none.		
Lesbian, gay or bisexual people.		
Older		
Younger	\boxtimes	
Other (e.g. marriage/ civil partnership, looked after children, cohesion/ good relations, vulnerable children/ adults).		
Please underline the group(s) /issue more adversely affected or which benefits.		

Screentip-sectionE How different groups could be affected (Summary of impacts)	screentip-sectionF Details of actions to reduce negative or increase positive impact (or why action isn't possible)
Provide details for impacts / benefits on people in different protected groups. The service will not focus on particular protected groups, but individuals classified within protected group classification will receive support as a result of also high representation on Risk of NEET Indicators. It is not anticipated that individual groups will be adversely affected as no changes delivery are proposed.	1 Actions will need to be uploaded on Pentana. N/A

Nottingham City Council

	This will be monitored as the process progresses and the EIA updated if any potential threats become known.	
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4. Have you considered the impact of any change on the Citizen's experience? Work through the flowchart attached.



5. Outcome(s) of equality impact assessment:

No major change needed	Adjust the policy/proposal
Adverse impact but continue	Stop and remove the policy/proposal

6. Arrangements for future monitoring of equality impact of this proposal / policy / service:

Nottingham City Council

The Council will continue to review annually and manage the NEET reduction Service in a way that prevents any potential negative impacts the project might have on protected groups through regular monitoring and consultation with service users.

If any negative equality impacts arise will this EIA be reviewed and updated to reflect those impacts along with mitigations

7. Approved by (manager signature) and Date sent to equality team for publishing:

Approving Manager: The assessment must be approved by the manager responsible for the service/proposal. Include a contact tel & email to allow citizen/stakeholder feedback on proposals.	Date sent for scrutiny: 26/07/2024 Date sent for advice: Send document or Link to: equalities@nottinghamcity.gov.uk
Approving Manager Signature:	Date of final approval: 07/08/2024

Before you send your EIA to the Equality and Community Relations Team for scrutiny, have you:

- 1. Read the guidance and good practice EIA's http://intranet.nottinghamcity.gov.uk/media/1924/simple-guide-to-eia.doc
- 2. Clearly summarised your proposal/ policy/ service to be assessed.
- 3. Hyperlinked to the appropriate documents.
- 4. Written in clear user-friendly language, free from all jargon (spelling out acronyms).
- 5. Included appropriate data.
- 6. Consulted the relevant groups or citizens or stated clearly, when this is going to happen.
- 7. Clearly cross-referenced your impacts with SMART actions.