

**DELEGATED POWERS REPORT NO.****1747**

**SUBJECT:** The award of contracts to Barnet and Southgate College (2) and to Middlesex University (1) as part of the package of support for young people who are Not in Education, Employment or Training (NEET)

**Control sheet**

**All of the following actions MUST be completed at each stage of the process and the signed and dated report MUST be passed to the Governance Service for publishing**

<b>All reports</b>		
1. Governance Service receive draft report	Name of GSO Date	DPR 19/07/12
2. Governance Service cleared draft report as being constitutionally appropriate	Name of GSO Date	Maria Lugangira 24/07/12
3. Finance clearance obtained ( <i>report author to complete</i> )	Name of Finance officer Date	Alex Altman 24/07/12
4. Staff and other resources issues clearance obtained ( <i>report author to complete</i> )	Name of Resource officer Date	Manjitt Lall 23/07/12
5. Strategic Procurement clearance obtained ( <i>report author to complete</i> )	Name of SPO Date	Nanette Young 24/07/12
6. Legal clearance obtained from ( <i>report author to complete</i> )	Name of Legal officer Date	John O'Hara 27/07/12
7. Policy & Partnerships clearance obtained ( <i>report author to complete</i> )	Name of P&P officer Date	Julie Pal 19/07/12
8. Equalities & Diversity clearance obtained ( <i>report author to complete</i> )	Name of officer Date	Julie Pal 19/07/12
9. The above process has been checked and verified by Director, Head of Service or Deputy	Name Date	Jay Mercer 27/07/12
10. Signed & dated report, <u>scanned or hard copy</u> received by Governance Service for publishing	Name of GSO Date	Maria Lugangira 27/07/12
11. Report published by Governance Service to website	Name of GSO Date	Maria Lugangira 30/07/12
12. Head of Service informed report is published	Name of GSO Date	Maria Lugangira 30/07/12
<b>Key decisions only:</b>		
13. Expiry of call-in period	Date	<b>N/A</b>
14. Report circulated for call-in purposes to Business Management OSC members & copied to Cabinet Members & Head of Service	Name of GSO Date	



## **1. RELEVANT PREVIOUS DECISIONS**

- 1.1 Cabinet, 20<sup>th</sup> June 2012 (item 6) – authorisation of the Barnet Skills, Employment and Enterprise Action Plan and a package of targeted support to help young people into employment, including support to local businesses. Cabinet approved the recommendation that the Leader of the Council be authorised to agree any minor changes to the Skills, Employment and Enterprise Action Plan and proposed support package in order to ensure effective delivery.

## **2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 2.1 The Skills, Employment and Enterprise Action Plan for the period 2012-15 sits beneath the council's Regeneration Strategy. It supports the council's Corporate Plan and the Sustainable Community Strategy by seeking to create the right environment in which business and enterprise can prosper, despite the challenging economic climate.
- 2.2 The proposed package to support young people into employment is aligned with the council's commitment within the Corporate Plan to 'invest additional resources to develop skills and employment programmes for young people, support enterprise and provide opportunities for residents to acquire skills'.

## **3. RISK MANAGEMENT ISSUES**

- 3.1 An area of immediate concern are the number of 16 to 24 year olds in Barnet who are Not in Education, Employment or Training (NEET) as a consequence of the current economic climate. By working with local partners to deliver a targeted, time-limited package of support for young people, the council can channel limited resources to good effect
- 3.2 As part of the tender evaluation, potential delivery partners were assessed on their ability to highlight risks and identify actions to mitigate any risks forecast. Both successful bidders submitted satisfactory risk registers for the 3 contracts.

## **4. EQUALITIES AND DIVERSITY ISSUES**

- 4.1 Pursuant to the Equality Act 2010, the council and all other organisations exercising public functions on its behalf must have due regard to the need to: eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with protected characteristic and those without. The relevant protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; Sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.
- 4.2 Any organisation providing public sector services will be under scrutiny of the council to ensure that the delivery of services complies with the council's public sector equalities duties.

- 4.3 All successful delivery partners have issued statements to confirm that they will commit to the equalities and diversity monitoring as set out by the council for these contracts. Both bidders have evidenced a strong track record in equality and diversity monitoring and quality management.

## **5. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

- 5.1 The criteria used to evaluate the proposals were in line with the Council's Contract Procedure Rules. All bids were assessed on the following criteria:
- capacity and resources to support the contract
  - technical expertise
  - quality management
  - experience of providing similar work
  - experience of successful partnership working
  - cost

The evaluation ratio for Quality/Price was 70/30.

- 5.2 The contracts will be funded from the £1m programme approved by Cabinet to support young people into employment. This programme is funded from the £5m 'Service Priorities Fund' which was agreed as part of the council's budget for 2012-13.
- 5.3 The total budget for the three contracts is £100,000. The total quoted cost of the three contracts is **£97,832.80**
- 5.4 There are no IT, staffing, property or sustainability issues.

## **6. LEGAL ISSUES**

- 6.1 Each of the contract values are below the relevant European thresholds for public services so there is no the need, in theses instances, for tendering within the EU.
- 6.2 Prior to commencement formal written contracts will have to be entered between the Council and the respective providers, setting out and agreeing the terms reached between the parties for providing the respective services.

## **7. CONSTITUTIONAL POWERS**

- 7.1 Table 5-1 of the Contract Procedure Rules sets out Authorisation and Acceptance thresholds and provides that Directors/Heads of Service can accept quotations or tenders for works, supplies and services contracts with estimated values up to £173,934 where the tender is the lowest or where the tender represents value for money and is the best available option for the Council.

7.2 Table 6.1 of the Contract Procedure Rules sets out the thresholds for tendering of works, services and supplies not subject to statutory requirements, i.e. two or more competitive quotations must be requested.

## 8. BACKGROUND INFORMATION

8.1 The Barnet Skills, Employment and Enterprise Action Plan and package of support to NEET young people was approved by Cabinet on June 20<sup>th</sup> 2012. The Plan focuses on the need to understand local businesses and our economy, and ensure we have an adequate supply of employment opportunities for residents.

8.2 The package of support to NEET young people consists of a number of projects to address the issue of youth unemployment in Barnet. The contracts being awarded are part of this package. Details of these projects are as below:

8.2.1 **Employment support to NEET graduates:** The goal was to commission a third party to deliver employability support specifically targeted at NEET university graduates, who are resident in the borough, no older than the age of 24 and not accessing employment support through existing schemes. Support will be provided through activities including, but not limited to themed workshops, interview training, access to a careers library, 1-1 coaching, mentoring and the option to join a work club. The main aim of this project is to provide employability support which brings the individual closer to the labour market and ultimately into employment.

8.2.2 **Enterprise support to NEET 16-24 year olds:** The goal was to commission a third party provider to deliver enterprise training and support to NEET 16-24 year olds. The provider will ensure their services do not overlap with, and instead complement, existing provision in Barnet. The project will target young people who already have a business idea to ensure support is effective and achieves successful results. The service will:

- Equip young people with the appropriate skills to turn a business idea into a successful and sustainable enterprise
- Offer financial advice and business planning skills
- Offer advice on marketing, promotion and the development of a product or service
- Tap into existing local or national initiatives offering advice or support
- Offer ongoing support to young people when they embark on setting up a business

8.2.3 **Employment support to NEET 16-24 year olds:** The goal was to commission a third party to deliver employability support specifically targeted at young people aged 16-24 who are NEET and not already accessing any existing employability support. This support will exclude provision extending to university graduates, as there is a separate project in place for this skill group. Support will be provided through activities including, but not limited to, themed employability workshops, interview training, access to careers resources, one to one coaching, mentoring and the option to join a work club. The main aim of this project is to provide employability support which brings the individual closer to the labour market and ultimately into employment.

8.3 In accordance with the Council's Contract Procedure Rules (CPR's), competitive quotations were requested from experienced and suitable suppliers and the opportunities were advertised publicly on Procure4London. The CPR's require that a minimum of two quotations are returned for each specification. For two of the projects this threshold was met. However, for the project to deliver enterprise training to 16-24 year olds, only one bid was received despite 8 suppliers expressing an interest in the enterprise training contract.

8.4 The tender submissions for each of the projects were assessed for quality and price. The result of the evaluation for each project was as below:

Project	Organisation		
<b>Employment support to NEET graduates</b>	Supplier 1	Middlesex University	Supplier 3
Cost score	30	26.44	26.44
Quality score	47	65	37
<b>Total Score:</b>	<b>77</b>	<b>91.44</b>	<b>64.26</b>
Project	Organisation		
<b>Enterprise support for 16-24</b>	Barnet and Southgate College		
Cost score	30		
Quality score	58		
<b>Total Score:</b>	<b>88</b>		
Project	Organisation		
<b>Employment support for 16-24</b>	Barnet and Southgate College	Supplier 2	
Cost score	30	28.94	
Quality score	61	46	
<b>Total Score:</b>	<b>91</b>	<b>74.94</b>	

8.5 Details of bidder 'A' and 'B' are shown in the accompanying exempt report. For the project to deliver enterprise training to 16-24 year olds which only received one tender submission, the evaluation panel decided that after fully testing the market the scores given to Barnet and Southgate College were high enough to validate awarding them the contract. The quote for cost submitted is within budget and the bid demonstrates a clear ability to meet the requirements of the specification. The ability to assure quality of delivery is also strongly evidenced.

8.6 The successful delivery partners are therefore:

- Middlesex University - to deliver employment support to NEET graduates up to the age of 24
- Barnet and Southgate College - to deliver enterprise support to NEET 16-24 year olds
- Barnet and Southgate College - to deliver employment support to NEET 16-24 year olds

8.7 A working group will be established to ensure effective delivery and monitoring of these projects as part of the package of support to NEET young people. This working group will report progress to the Regeneration Programme Board.

## 9. LIST OF BACKGROUND PAPERS

9.1 Cabinet, 20<sup>th</sup> June 2012 – Barnet Skills, Employment and Enterprise Action Plan and package of targeted support to help young people into employment, including support to local businesses. This paper can be accessed via the link below  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=119&MId=6575&Ver=4>

## 10. OFFICER'S DECISION

**I authorise the Council to enter the following contracts:**

10.1 (i) **Two separate contracts with Barnet and Southgate College for delivering respectively employment support to NEET 16-24 year olds and enterprise support to NEET 16-24 year olds and,**

**(ii) A contract with Middlesex University for delivering employment support to NEET graduates up to the age of 24**

**The Council will pay in total the sum of £97,832.80 for the above contracts, the cost of each contract being set out in the exempt report**

**Signed**                      Jay Mercer

Deputy Director for Children's Services,  
Safeguarding, Prevention & Partnership

**Date**                         27/07/12