

REPORT TO: Executive Board

DATE: 18th December 2008

REPORTING OFFICER: Strategic Director, Children & Young People's Directorate

SUBJECT: Connexions Transition

WARDS: Boroughwide

1.0 PURPOSE OF REPORT

- 1.1 To provide Executive Board with information on the arrangements for the future commissioning of 'connexions services'.

2.0 RECOMMENDED that:

- 2.1 The existing contract with Greater Merseyside Connexions Partnership is amended to cover the period to 30th September 2009, pending the completion of procurement processes;
- 2.2 The new contract for 'connexions services' should cover the period 30th September 2009 to 31st March 2012 with an option of an extension to the contract for a further period of up to 3 years, but for the contract to accommodate an appropriate break clause in the event of poor performance or reduced financial capacity to commission the service to the level previously agreed;
- 2.3 Halton Borough Council is the lead Authority for procurement of the new arrangements on behalf of the 6 participating Local Authorities; and
- 2.4 Halton Borough Council becomes the contract holding Authority on behalf of the 6 participating Local Authorities from the City Region for the new contract when awarded with the appropriate cross Authority commitments.

3.0 SUPPORTING INFORMATION

3.1 Youth Matters

- 3.1.1 "Youth Matters" required that by April 2008, responsibility for Commissioning Information, Advice and Guidance (IAG) and the funding that goes with it to be devolved to Local Authorities working through children's trusts, schools and colleges. Local Authorities are

expected to lead a genuinely collaborative approach and develop new arrangements for delivering IAG that clearly meet the needs of Young People in the area. These arrangements will be planned and implemented in a way that not only supports the delivery of the 14 - 19 learning entitlement but are integrated into a wider set of youth support services for teenagers and their parents.

- 3.1.2 Local Authorities are responsible and accountable for youth policy in their area and are taking responsibility for integrated planning and commissioning of the full range of services for teenagers from universal activities through to more specialist and targeted support. This will enable, over time, universal and targeted services to work closely together to provide integrated support for Young People and to improve outcomes for them.
- 3.1.3 “Youth Matters” also made it clear that the support and guidance services provided by Connexions should now ‘go local’ so that they can be more fully included and integrated with the whole range of services for young people and their parents and carers. It is intended that the ‘localisation’ of Connexions services will be achieved through the development of an Integrated Youth Support Strategy at the local level; this will enable a greater coherence of service to young people and their parents / carers and provide greater efficiency in the way services are procured and delivered locally.
- 3.1.4 More recently the publication of PSA Delivery Agreements and in particular PSA 14 focuses upon the objective to ‘increase the number of children and young people on the path to success’ and has at its heart the drivers to secure ‘**increased participation and resilience**’ by young people measured by their engagement in education, employment and training (EET) and more participation in positive activities. Additionally, it seeks to ‘**tackle negative outcomes**’ as measured by indicators of substance misuse, reduction in the under 18 conception rate, and the reduction in the number of first-time entrants to the criminal Justice System aged 10 - 17.

3.2 Connexions Services

- 3.2.1 On 25th March 2008 the Secretary of State for Children, Schools and Families wrote to Local Authorities notifying them of interim arrangements for the delivery of ‘connexions services’ and assessments for young people with learning difficulties from 1st April 2008. The Education and Skills Bill, currently before Parliament, proposes that legal responsibilities be brought into line by effecting the transfer to Local Authorities of the statutory responsibility of ‘connexions services’. Specifically these include:

- ❖ The provision of ‘connexions services’ under Section 114 of the Learning and Skills Act;

- ❖ The conducting of assessments relating to learning difficulties under Section 140 of the Act; and
- ❖ The provision of careers services under Sections 8 and 9 of the Employment and Training Act 1973.

3.2.2 In preparing for implementation of these arrangements in November 2007 the Executive Board agreed the following:

- (1) To commission Greater Merseyside Connexions Partnership, as a strategic and delivery partner in the Children and Young People's Partnership, to deliver 'connexions services' to all 13 – 19 year olds for the period from April 2008 to March 2011, initially;
- (2) To collaborate with partner Local Authorities in the City Region to jointly commission shared services that underpin and provide additional value to local Connexions Services for the same period, initially;
- (3) To review the Local Authority's position as a member of Greater Merseyside Connexions Partnership Limited to ensure that accountability to the Local Authority is maintained avoiding conflicts of interest. (Greater Merseyside Connexions Partnership Board is reviewing its structure and Governance in view of the impending changes):
- (4) To consider, where appropriate, commissioning other services from Greater Merseyside Connexions Partnership or other providers to meet the needs of young people as identified in local plans;
- (5) To confirm that the indicative grant allocation, (and when known the actual grant allocation), for Connexions is passported to Greater Merseyside Connexions Partnership for the period 2008 - 2011 in line with a specified service requirement, and that the Local Authority will seek agreement from it's Strategic Partnership to this undertaking; and
- (6) To act as Guarantor to the Merseyside Pension Fund in respect of a share, based on population, of the Greater Merseyside Connexions Partnership Limited.

3.2.3 Progress towards these arrangements has been overseen by a Transition Steering Group which comprises:

Chief Executives – Halton, Liverpool, St Helens
 Directors of Children's Services – Knowsley, Sefton, Wirral
 Chair – Chief Executive of Halton Borough Council

The work of the Transition Group receives the support of the Liverpool City Leaders Group.

3.2.4 In 2008 legal advice received by the participating Local Authorities indicated that the commissioning of Greater Merseyside Connexions Partnership could only occur for 2008 / 2009 and that EU procurement regulations would need to be followed from 2009 onwards. As a consequence work has been underway to secure the commissioning of 'connexions services' from 2009 - 2011.

3.2.5 To assist in this work support has been secured from the Merseyside Improvement Partnership (MEIP) which is funding consultants to advise on the details of the specification and procurement process. That work is nearing completion and the next stage will lead into procurement through a process of open competitive dialogue. Additional resources are being sought from the Merseyside Efficiency and Improvement Partnership to fund the project management costs associated with this work.

3.3 Contractual Arrangements

3.3.1 For the period 1st April 2008 until 31st March 2009 arrangements have been in place for Wirral Metropolitan Borough Council to be the contract holding Authority (on behalf of the 6 Merseyside Local Authorities) with Greater Merseyside Connexions Partnership Ltd.

3.3.2 From the period of the new contract it is proposed that Halton Borough Council becomes the contract holding Authority on behalf of the 6 Merseyside Local Authorities. Contracts will be held with the respective 5 Local Authorities to ensure prompt payment on a monthly basis to Halton BC for their share of the contractual commitments with the provider of 'connexions services'. A model for this arrangement is already in place with Wirral MBC.

3.3.3 Halton's role in becoming the contract holding Authority on behalf of the 6 participating Local Authorities will be undertaken on a 'cost neutral' basis ie. No additional costs will be incurred by HBC in undertaking this role. Any costs incurred will be re-charged to the participating 6 Local Authorities.

3.3.4 The current contract is worth approximately £17.5m, and is funded from the LAA 'single pot', allocations of which have been confirmed until 30th March 2011.

3.3.5 Consideration has been given to the length of any new proposed contract and whether it should be limited by the period of the current funding round. It is proposed, that due to the scale of the contract, and the extensive preparations undertaken across the 6 Local Authorities that letting the new contract for the remaining period of ABG would represent poor value for money. It is therefore proposed that the new

contract to be let should run for the period from 30th September 2009 until 31st March 2012 with a further proposed option of extension for up to 3 years. Contractually, an appropriate break clause would be included in the contract enabling it to be reduced or ceased subject to appropriate consideration of factors relating to performance or financial sustainability.

- 3.3.6 No changes in status will occur to the pension arrangements for staff as a result of Halton BC becoming the contracting Authority with the Provider. Wirral MBC will remain as the administering body for the Merseyside Pension Fund to which current employees of Greater Merseyside Connexions Partnership Ltd contribute.

4.0 POLICY IMPLICATIONS

- 4.1 Since the 1st April 2008 funding for 'connexions services' has been directed to Local Authorities through the LAA 'single pot'. Agreement had previously been secured to passport the indicative allocation to enable the commissioning of 'connexions services' collaboratively with the 6 Merseyside Authorities. It was anticipated that the commissioning arrangements would be for 3 years from 1st April 2008 to 31st March 2011. More recent legal advice has confirmed that the current arrangement for commissioning Greater Merseyside Connexions Partnership could only be secured for 1 year, and that EU Procurement Regulations would need to be followed thereafter.

- 4.2.1 Funding would be committed for a period beyond the existing funding period covering the period up to 31st March 2012. Notwithstanding this Local Authorities will continue to have statutory duties for the delivery of 'connexions services'.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children and Young People in Halton

- 5.1.1 The success of the Connexions Service is crucial to the delivery of the Every Child Matters Outcomes. One of the key Connexions outcomes is to reduce the number of 16 - 18 year olds in Halton who are not in employment, education or training. This target is currently within the suite of LAA targets and has recently been announced as part of PSA Delivery Agreement 14 – 19 - to increase the number of children and young people on the pathway to success.

5.2 Employment, Learning and Skills in Halton

- 5.2.1 The work Connexions Personal Advisers undertake is crucial to the future prosperity of young people in Halton. Impartial information and advice coupled with raising aspirations to improve enterprise are important skills young people in Halton will need to access future employment and learning opportunities.

5.3 A Healthy Halton

5.3.1 High quality information, advice and guidance will inform young people on the benefits and options in adopting healthy lifestyles.

5.4 A Safer Halton

5.4.1 Connexions working within the Integrated Youth Service Agenda in Halton works closely with young people to both equip them to be safe but also to challenge young people's actions and behaviours in order for Halton to be a safer place to live.

5.5 Halton's Urban Renewal

5.5.1 Connexions work with a range of partners and are committed to the urban renewal agenda currently taking place in Halton.

6.0 RISK ANALYSIS

A strategic risk assessment has been undertaken.

7.0 EQUALITY AND DIVERSITY ISSUES

Equality and Diversity issues will be at the forefront of developments and will be addressed as part of the service specification developments.

8.0 REASON(S) FOR DECISION

Arrangements for the future delivery of services to young people will affect all young people aged 13 to 19 in the Borough. It will also include the targeting of specialist services to vulnerable young people to enable them to access their universal entitlement.

9.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

None.

10.0 IMPLEMENTATION DATE

It is intended that the new contractual arrangements will take effect from 1st October 2009.

11.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Education and Inspections Act 2006	Grosvenor House	Lorraine Butcher
Youth Matters	Grosvenor House	Lorraine Butcher
Aiming High for Young People: A Ten Year Strategy for Positive Activities (DCSF – 2007)	Grosvenor House	Lorraine Butcher
Education and Skills Bill	Grosvenor House	Lorraine Butcher