

For General Release

REPORT TO:	Cabinet Member for Children, Young People and Learning
AGENDA ITEM:	Background Item to Agenda Item 14.1 Cabinet 13 July 2015
SUBJECT:	Call-off Contract Award from the Alternative Education Provision for Unplaced Learners Approved Provider List
LEAD OFFICER:	Paul Greenhalgh, Executive Director of People
CABINET MEMBER:	Councillor Alisa Flemming, Children, Young People and Learning
WARDS:	ALL
CORPORATE PRIORITY/POLICY CONTEXT The recommendations below address the Council's Corporate Priorities as set out in the statutory Corporate Performance Plan and/or Community Strategy. These include: CYPL.EL.02 the number of children without the offer of a school admission within 4 weeks (secondary) and CYPL.DC.02 number of looked after children (LAC) and unaccompanied minors without placement in an educational establishment (secondary).	
AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS: Croydon Council has a statutory duty to ensure all young people of statutory school age have access to appropriate full time education provision. Meeting this challenge is a particular issue in Year 11. Most of the young people that will be placed under this contract are new arrivals to Croydon from abroad who are in Year 11. The majority of these are unaccompanied asylum seeking children (UASC). Most of the learners require additional support for ESOL. Learners arrive throughout the academic year, which provides an additional challenge. This contract provides access to a dedicated provision to meet the needs of this cohort of learners in a provision that has been judged 'Outstanding' by Ofsted for its Post-16 provision and has experience of meeting the educational needs of this cohort.	
FINANCIAL IMPACT: The Alternative Education Provision calls-off from the framework in academic year 15/16 are estimated to cost £1,097,000 based on previous demand. Lot one which is specifically related to this award report is expected to cost up to £600k in academic year 15/16, based on previous demand figures. All costs incurred will be met by the Dedicated Schools Grant (DSG).	

KEY DECISION REFERENCE NO.: *Not applicable.*

The Leader of the Council has delegated to the nominated Cabinet Member the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- 1.1. To recommend to the Cabinet Member for, Children, Young People and Learning, in consultation with the Cabinet Member for Finance and Treasury to approve the award of contract, valued at up to £600,000, to John Ruskin College for the provision of up to 90 Key Stage 4 in-year admission places, to include looked-after children and unaccompanied minors, for the academic year September 2015 to July 2016 under Lot 1 of the Alternative Education Provision Approved Provider Framework:

2. EXECUTIVE SUMMARY

- 2.1 This report seeks approval to award contracts for the provision of Key Stage 4 (National Curriculum school years 10 and 11) in-year admissions to John Ruskin College for September 2014-July 2015. The majority of the learners for whom this provision is required were not born in the United Kingdom, including unaccompanied minors and looked after children who are aged 14-16 years old, who require ESOL provision and who have applied for a school place.
- 2.2 The Local Authority is under a duty to ensure suitable education is available to all learners of statutory school age who reside in the borough. The present recommendation seeks to support the Local Authority's fulfilment of this function.
- 2.3 The funding for this provision comes from the Dedicated Schools Grant (DSG) and the agreement from the Schools Forum has been attained to spend this accordingly to cater for the young people who are unable to attend mainstream education.
- 2.4 The Council have previously established a Framework of approved education providers from which the Council may procure alternative education provision for compulsory age unplaced learners (CCB0539/12) (the Framework). The Framework is valid from September 2012-2015 with an option to extend for a further twelve months. In March 2015 CCB approved the extension of the framework for a further 12 months. This now runs until June 2016. The estimated value of the framework is approximately £3.785m over the whole term, although it does not provide any guarantee of volume and/or value.

CCB Approval Date	CCB ref. number
2/5/2012	CCB0539/12 : (Framework Award Report)
11/7/2012	CCB590/12: (1st Call Off : 2012/13 Award Report)

13/03/2013	CCB0714/13- (2 nd Call Off : 2013/14 Award Report)
14/11/2013	CCB0828/13-14: (2013/14 Delegated Authority Report – Variation of 2013/14 of 2 nd Call Off Contract)
26/3/2015	CCB0992/14-15: Extension of existing framework to June 2016)

2.5 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
11/06/2015	CCB1019/15-16

3. DETAIL

- 3.1 Local authorities have a duty to provide “suitable education at school, or otherwise, than at school, for those children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless such arrangements are made for them”. Suitable education is defined as “efficient education suitable to the age, ability, aptitude and to any special educational needs”, the child (or young person) may have. Local authorities must decide, in consultation with parents/carers, what is suitable education out of school for a particular child, whilst having regard to the efficient use of resources and DfE guidance.
- 3.2 The provision of up to 90 Key Stage 4, in-year admission, places contracts (called off for each place) are required to meet the fluctuating demand for educational provision from September 2015-July 2016 and to mitigate the likelihood of legal challenge and reputational damage for non-compliance with the Council’s statutory obligations, specifically with regards to provision of education for compulsory age children.
- 3.3 This is a reduction in the number of places and maximum contract value compared to 2014/15 and reflects the commencement of direct entry admission places funded by the Education Funding Agency (EFA) from September 2015. Direct entry will allow the provider to take additional students through without them being placed through the Alternative Education contract.

THE PROCUREMENT PROCESS

- 3.4 The existing Framework defines the service provision Lot One as per following:
- 3.5 **Lot One:** Where schools are unable to accommodate full time Key Stage 4 (KS4) learners applying in-year due to capacity. The learners accessing this service provision may be new to the UK and require English for Speakers of Other languages (ESOL) provision. Therefore the provision delivered in this Lot is divided into two groups: ESOL and non-ESOL. The curriculum for both groups includes English and maths and supports progression to positive post 16 destinations. These services are procured via a mini-competition. The Lot One providers are:
- CACFO
 - Education Excellence

- John Ruskin College
- Lifeline Community Projects
- RW Recher
- Street Vibes UK

3.6 The original ITT document stated that the Council reserves the right to ‘call off’ from the framework in accordance with Lot One through mini-competition, applying the same Price/Quality rating stated within the framework to the 2015/16 mini-competition.

3.7 For Lot One, the Council has undertaken a mini-competition among the six approved Providers in accordance with the existing framework for each of the academic years from 2012/13 through to 2014/15.

3.8 The proposed award for Lot One is based on the requirements for the academic year September 2015-July 2016. The original evaluation criteria implemented for the establishment of the Framework was applied to the 2015/16 mini-competition to ensure compliance with the terms and conditions of the Framework.

3.9 The tender evaluation was undertaken by each individual member of the evaluation team and then moderated collectively. The scoring matrix was approved by the evaluation panel and no tender clarification interviews were held as all clarifications were raised via the London Tender portal. This was incorporated as part of the completed tender evaluations.

3.10 The Council received one tender in respect of the 2015/16 provision requirement, this reflects the capacity of the current framework, which is being re-commissioned for 2016-17. Since the start of the framework several providers have closed, leaving only two with the ability to respond, only one of which chose to on this occasion. An overview of the completed final quality/price evaluation outcome is shown in Part B of this report, and reflects the recommended Tenderer to be awarded the call-off contract for 2015/16 in respect of Lot 1.

4. CONSULTATION

4.1 On-going feedback from families and professionals informed the development of the Specification with a focus on ensuring that contact and assessment services meet the needs of Croydon’s most vulnerable families and ensure the best possible outcomes

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 The funding for this project is broken down as follows:

	2015/16 £'000
Budget available	
DSG	600
Framework Spend	600

Balance

0

- 5.1.1 Based upon the current number of students in academic year 14/15 this leads to a predicted framework spend of £600k in academic year 15/16. 100 full time equivalent places are therefore planned on this framework for academic year 15/16 (39 weeks). Due to the requirement for school placement intakes to occur throughout the academic year and a number of placements which also cease during the academic year, the actual placement numbers at any given time vary but tend to increase as the year progresses. Monitoring of placement numbers and the financial implications on the framework are conducted robustly by the QA and Commissioning Officer on a quarterly basis.
- 5.1.2 We have looked at a number of other Local Authorities and similar providers in London and consider the price of £9,000 per placement to represent value for money in this instance.

5.2 The effect of the decision

5.2.1 The proposed contract for 2015/16 is based on the existing framework which contains the approved providers. This is fully funded by the Dedicated School Grant. The anticipated spend through the framework is detailed in Part B of this report.

5.3 Risks

The following risks have been identified and are being actively managed:

Risk	Mitigation
Risk of procurement challenge from the other providers on the framework	The original ITT and tender clarification responses were shared with the Tenderer (if deemed not commercially sensitive). The evaluation matrix was based on the original evaluation criteria determined for the implementation of the Framework agreement. Evaluation process has been overseen by Category manager and Procurement officer.
Risk that the demand will increase during 2015/16.	In line with the nature of a framework agreement, there is no guaranteed volume of work and the allocation of the Dedicated School Grant is agreed on an annual basis (during January each year) to support the projected level of demand. Due to the funding being awarded in financial years and the spend is based on the academic years, there is sometimes a need to carry forward some of the funding to the following year. This is permissible as the funding is Dedicated School Grant and therefore ring fenced to education provision. The spend profiles shown within the Financial Section below are estimates and may vary depending on the demand.

	<p>Due to the nature of provision required, this is service provided is determined by the needs of the individual learner. Therefore, there are external variables which may result in the actual cost of provision falling below or above the estimate shown within the Finance Section. Robust contract management will continue to be undertaken throughout the year to ensure that the budget is managed and where possible expenditure is contained within it. Any variances will be reported as part of the budget monitoring process and accordingly with the Tender and Contract regulations i.e. variation procedure.</p> <p>The recommended tenderer has developed a proposal for direct entry admission from September 2015. This will meet the educational requirements for some of the students placed under the contract and has enabled us to reduce the cost and number of places required under the tender for 2015/16 when compared to 2014/15. Should direct entry not proceed as planned there is a risk that the demand for places under the contract will be greater.</p>
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5.4 Options

5.4.1 There are no alternative options under consideration at this stage. Options were considered and agreed within the Strategy Report.

5.5 Future savings/efficiencies

5.5.1 There were no savings or efficiencies associated with the original strategy report however savings may be realised under the College's plans for direct entry admission from September 2015. These places are funded through the Education Funding Agency and depending on how these plans develop over the course of the academic year it may be possible for further savings to be identified for 2016/17 onwards.

5.5.2 Any savings would be re-allocated to schools funding as part of the DSG budgeting process.

Approved by: Lisa Taylor Head of Finance and Deputy Section 151 officer

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 The Council Solicitor comments that the procurement process as detailed in this report meets the requirements of the Council's Tenders and Contracts Regulations and the statutory duty to demonstrate best value under the Local Government Act 1999.

Approved by: Gabriel Macgregor, Head of Corporate Law on behalf of the Council Solicitor and Monitoring Office

7. HUMAN RESOURCES IMPACT

- 71.1 There are no immediate HR considerations that arise from the recommendations of this report.

(Approved by: Michael Pichamuthu on behalf of, Heather Daley Director of Human Resources)

8. EQUALITIES IMPACT

- 8.1 An initial Equality Impact Analysis has been completed for this project which seeks to support learners into suitable education provision. The largest cohort accessing the provision are attending ESOL courses and include a notable number of looked after children. The analysis of data for Croydon, indicates that the pupils most vulnerable to underachievement include those from minority ethnic groups (Black, Caribbean, Black African), and refugee and asylum seekers. Implementing the recommendations has reduced the risk of under achievement for these learners.
- 8.2 The equality considerations were taken into account as part of the requirements defined within the original Invitation to Tender (including terms and conditions of contract) whereby there is a need for the Tenderers to demonstrate compliance with the Equality Act.

9. ENVIRONMENTAL IMPACT

- 9.1 There are no direct environmental impacts. However, as part of the proposed Framework Agreement the recommended Providers have agreed to the Council's terms and conditions of contract which includes the obligation to comply with sustainability/environmental regulations

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 The correlation between being NEET, (Not in Education, Employment or Training) and the heightened risk of involvement in criminal, gang and anti-social activity is well evidenced and documented. The recommendations implemented increase engagement of local young people in education, which is proven to reduce youth crime and disorder.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 The Tenderer recommended for the award has met all of the evaluation criteria and is deemed as the most economically advantageous tender against the respective requirements for service provision Lot 1 and received a high quality/price score.
- 11.2 The recommended awarded provider, John Ruskin College, demonstrated their experience and ability to provide high quality services that would achieve the best outcomes for the children and young people. Also, it was able to demonstrate their ability to provide a fit for purpose venue that meets all the safeguarding

requirements and was conducive to providing an appropriate environment for learning.

12. OPTIONS CONSIDERED AND REJECTED

12.1 None. Only one provider on the framework tendered for the award and this provider met the requirements for service provision and price/quality

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BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972: none