

Agenda item:

[No.]

Cabinet Procurement Committee

On 22nd July 2010

Report Title. Education: post -16 year-old place funding

Report of: Peter Lewis, **Director of Children and Young People's Service**

Signed :

Contact Officer : Sean May, School Improvement Manager 14-19
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Wards(s) affected: **All**

Report for: **Key decision**

1. Purpose of the report

1.1. For information and agreement on forward plan.

2. Introduction by Cabinet Member

- 2.1 This report notes the arrangements that were made by Government for this financial year, following the transfer of responsibilities.
- 2.2 It will be important that early preparation is made to ensure procurement arrangements are in place for when the current arrangement ceases in August 2011.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1. The transfer of post 16 funding to the local authority brings together the overall responsibility for commissioning and quality assurance for all 14-19 provision and key objectives in the Children and Young Peoples plan to reduce NEET (Not in education employment and training) young people and to raise attainment at 19 years of age.

4. Recommendations

4.1 The cabinet procurement committee is asked to note the establishment of contracts (a service level agreement with HALS) and payment procedures with the following providers for 2010-11.

- The College of Haringey Enfield and North East London.
- Keep It Simple Training
- The Harrington Scheme Limited
- Haringey Adult Learning Service

4.2 To note that an appropriate procurement process will be managed for 2011-12 allocations to independent providers.

5. Reason for recommendation(s)

5.1. The local authority has a statutory responsibility to make the agreed Post 16 payments for 2010-11. Funding Agreements for 2010-11 were agreed by the former LSC with providers and transferred to the local authority. Agreements with independent providers for 2011-12 will need to go through an appropriate procurement process.

6. Other options considered

6.1. N/A

7. Summary

- Following Royal Assent of the Apprenticeship, Skills, Children and Learning Act 2009 (the Act) the Learning and Skills Council (LSC) was abolished from 1 April 2010 and its duties in relation to 16-18 year olds commissioning for all education were transferred to local authorities.
- In March 2010 funding allocations for the academic year 2010/2011 for all education provision in 16-18 learning providers (schools, not including academies or private schools, colleges and independent private providers) were finalised and approved by the former LSC.
- Under a Property Transfer Scheme made by the Secretary of State the rights and liabilities of the LSC under its Funding Agreements with learning providers of learning programmes for 16-18 year olds (excluding apprenticeships and young people in custody) were transferred to the relevant local authority.

- The attached **Annex 1** provides details of the learning providers delivering programmes for 16-18 year olds hosted by the London Borough of Haringey and the payment that local authorities are instructed to make under the transfer of duties.

8. Chief Financial Officer Comments

- 8.1. The Chief Finance Officer was consulted in the preparation of this report and comments that the financial settlement with the providers set out in 4.1 has been agreed with the YPLA for the 2010-11 academic year. The details of the payment arrangements are set out in Section 13.
- 8.2. The current arrangement ceases at the end of July 2011, part way through the 2011/12 financial year. It is essential that procurement arrangements for August 2011 are in place well in advance of that date.

9. Head of Legal Services Comments

- 9.1. Following the abolition of the LSC and the transfer of the rights and liabilities under the Funding Agreements the Council is required to enter into direct contractual relationships with the providers set out in paragraph 4 above.
- 9.2. The Council has a statutory obligation to make the payments to the providers for the period covering 2010/11.
- 9.3. A procurement process will need to be undertaken for the provision of these services after 2010/11. These services are Part B services for the purposes of the Public Contract Regulations 2006 ("the Regulations") therefore it will not be necessary to advertise the procurement in the Official Journal of the European Union (OJEU). However it will be necessary to comply with the Council's CSOs.
- 9.4. The Head of Legal Services sees no legal reasons to prevent Members from approving the recommendations set out in paragraph 4.

10. Head of Procurement Comments

- 10.1. The "award of contract" for 2010/11 is a matter outside the immediate control of the Council since Government have stipulated amounts to be paid and to which service providers. This stipulation is intended to ensure a steady state of service delivery whilst plans are put in place for 2011/12 onwards.
- 10.2. The related services are regarded as Part B services under the Regulations; and thus not subjected to full OJEU regime. However, appropriate procurement procedures need to be agreed and then implemented in sufficient time to enable any alternative service contracts / specifications to be put in place.

10.3. The Head of Procurement therefore notes that there is no procurement activity needed for the current year (2010/11) but recommends that officers begin the process of drafting specifications as soon as possible ahead of the anticipated procurement process in regards to 2011/12.
11. Equalities & Community Cohesion Comments 11.1. The former LSC agreed allocations to educational institutions based on previous and current performance and in accordance with its statutory duty.
12. Consultation 12.1. No consultation has taken place for 2010-11 funding allocations. The former LSC agreed allocations to educational institutions based on previous and current performance and in accordance with its statutory duty.
13. Service Financial Comments 13.1. Arrangements are in place to pay providers the amounts agreed with the YPLA within six days of Haringey Council receiving the funds. The Authority simply acts as a clearing house in this respect and no additional costs are incurred.
14. Use of appendices /Tables and photographs 14.1. Please see appendix 1 - local authority summary of 16-18 funding of education 2010-11.
15. Local Government (Access to Information) Act 1985