



Opportunity Areas: decision making for Opportunity Area grants, procurement and contracts

SUMMARY

- 1.1 The Department for Education (DfE) announced the Opportunity Areas (OA) programme on 4 October 2016. Initially six areas were announced, namely: Derby, Scarborough, Blackpool, Norwich, West Somerset and Oldham. These have now been extended to twelve areas. The areas have been highlighted due to their relatively low levels of social mobility as described in the Social Mobility Index published in January 2016. Within this index, Derby was placed 22nd from the bottom out of 324 areas nationally. In total, Derby will receive up to £6 million of funding over three years. In addition to this, the Department for Education (DfE) is also supporting the work in Opportunity Areas by awarding an 'Essential Life Skills' grant over two years to enable children and young people aged 5 -18 years old to participate in regular extra-curricular activities; this grant totals approximately £2.4 million.
- 1.2 The Opportunity Area Board operates as an advisory board to the DfE, and Derby City Council is holding this DfE grant on behalf of the local area and is expected to award it to providers in line with recommendations from the local Opportunity Area Board and DfE, and in line with public sector procurement rules. This was agreed by Cabinet on 4 October 2017.
- 1.3 The Opportunity Area programme is now half-way through its programme and formally finishes in March 2020, although Derby Opportunity Area Board has an agreement to extend its programme to August 2020. Proposals are made to the Opportunity area Board via its subgroups, and if they secure the agreement of the Opportunity Area Board and the DfE, then, as the accountable body for the funding, the Council commences the formal process of obtaining the necessary Council approvals to award grants or procure and award contacts. If the value of the proposed award exceeds £100,000, then this process includes obtaining Cabinet approval to commence procurement/award. Where Cabinet approval is required, the timeframe from a proposal being initially discussed to the end of the procurement cycle often takes 21 weeks or more depending upon timing of Opportunity Area Board meetings and Cabinet meetings.
- 1.4 This paper asks Cabinet to note the rigorous process under which funding proposals are formulated, scrutinised and agreed to prior to requesting Cabinet approval. It is seeking agreement for a timely decision making process within the constraints of the short lifespan of the Opportunity Area programme, by delegating decision making to the Strategic Director of People Services in respect of commencing procurement processes and the award of both grants and contracts. Notwithstanding this delegation, Officers would ensure full compliance with Contract and Financial

RECOMMENDATION

- 2.1 Where the Opportunity Areas Board and the DfE have recommended that a contract award process should be commenced in respect of a specified contract, to delegate authority to commence such tendering process to the Strategic Director for People Services in consultation with the Cabinet Member for Children and Young People.
- 2.2 To delegate authority to award contracts for all Opportunity Area work to the Strategic Director for People Services in consultation with the Cabinet Member for Children and Young People. .
- 2.3 Where the Opportunity Areas Board and the DfE have recommended that a grant award process should be commenced, to delegate authority to commence such award process to the Strategic Director for People Services in consultation with the Cabinet Member for Children and Young People. .
- 2.4 To delegate authority for awarding any Opportunity Area grants to the Strategic Director for People Services in consultation with the Cabinet Member for Children and Young People. .
- 2.5 To note that the Opportunity Areas programme will remain on Children and Young People's Scrutiny Board work programme to ensure continued scrutiny of the programme including the effectiveness of the contracts and grants awarded.

REASONS FOR RECOMMENDATION

- 3.1 To meet funding and delivery timescales for the remaining period of the Opportunity Area programme in Derby, noting the programme end date of August 2020.
- 3.2 To comply with the Council's Contract and Financial Procedure rules.

SUPPORTING INFORMATION

- 4.1 The Opportunity Area Board operates as an advisory board to the DfE. Derby City Council is holding this DfE grant on behalf of the local area and then awards it to providers in line with recommendations from the local Opportunity Area Board and DfE, and in line with public sector procurement rules. It is expected that all of the funding Derby City Council receives from the DfE through this grant is awarded to the Opportunity Area programme.

By working together with the DfE, the local OA Board has identified three principal priorities as being drivers for change to improve social mobility within the city. These are:

- increasing the number of children achieving a good level of development in the early years.
- Raising attainment in primary and secondary schools.
- Ensuring that children and young people benefit from a broad range of experiences throughout their schools lives.

There are also two cross cutting themes of improving the mental health for children and young people and helping to improve transitions.

Four sub groups of the local OA Board have been formed to help deliver its aims and develop work in addressing social mobility, namely:

- early years, primary and home learning environment (Primary Strategy Group or PSG).
- Secondary Strategy Group.
- Post 16 Strategy Group.
- Broader Horizons.

Each sub group reports back to the local OA Board and makes proposals about work that they wish to see commissioned. So far, approximately £4.5m has either been awarded or committed via contracts or grants and with the Opportunity Area Board currently considering how best to allocate the remaining funds against its priorities.

- 4.2 The decision making route to allocating resources is robust. Namely,
- i. initially proposals are worked up by the Opportunity Area sub groups against the local priorities.
 - ii. Early proposals are scrutinised by the Department for Education's Opportunity Area team. Feedback is provided whether these are in line with the priorities or not.
 - iii. Proposals are presented to the Opportunity Area Board for discussion and examination. Over 50% of proposals are agreed subject to amendments or recommendations. At least eight proposals have either been refused or subject to re-examination by the Opportunity Area Board before they can be recommended for progression.
 - iv. The Opportunity Area Board makes recommendations to the Department for Education to consider. The Department for Education has recommended at least one proposal to be reworked to go back to the Opportunity Area Board.
 - v. Any successful proposals are then routed to Derby City Council to start the procurement or grant award phase subject to procurement and grant rules and any necessary Cabinet agreement.
- 4.3 Section 4.2 above outlines a rigorous process for progressing OA proposals. The recommendations in section two are designed to achieve a timely and smooth decision making process within a time limited programme. Decisions would be recorded in the weekly People Services' Directorate Management Meeting. In addition, contracts would continue to be recorded on the council's contract management register and the whole programme would continue to be subject to scrutiny by the Children and Young People's Scrutiny Board.

OTHER OPTIONS CONSIDERED

- 5.1 Adhere to the existing decision making route. However this can cause some delays in decision making within a time limited programme.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Emily Feenan, Principal Lawyer Alison Parkin, Head of Finance (People Services)
For more information contact: Background papers: List of appendices:	Iain Peel 01332 642663 Iain.Peel@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 None directly arising from the report, all grant awards and procurement activity will be funded from within Opportunity Areas grant allocation.

Legal

- 2.1 None directly arising from the Report. All contract and grant award processes will be undertaken in accordance with the Council's Contract and Financial Procedure Rules, with support from Legal and Procurement Services.

Personnel

- 3.1 There are no IT implications arising from this report

IT

- 4.1 There are no IT implications arising from this report.

Equalities Impact

- 5.1 There are no implications arising from this report.

Health and Safety

- 6.1 No implications arising from this report

Environmental Sustainability

- 7.1 No implications arising from this report

Property and Asset Management

- 8.1 No implications arising from this report

Risk Management and Safeguarding

- 9.1

No implications arising from this report

Corporate objectives and priorities for change

10.1 This meets the council's priorities of:

- Ambitious - a place where we support our children and young people to achieve their full potential.
- Strong - a place where people work together, can enjoy good health and wellbeing throughout their life and feel that they belong to a thriving community