

Report of Chief Officer (Partnership, Development & Business Support) Children's Services

Report to Deputy Director, Safeguarding, specialist & Targeted Services



Date: 09.07. 2014

Subject: To waive the requirement of the Contracts Procedure Rule(s) in order to enter into a new contract with Home-Start.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

The report seeks the approval of the Deputy Director of Children's Services in waiving the requirements of the Council's Contracts Procedure Rules (CPR's) in respect of entering into a new contract with Home-Start.

It is recommended, at least for the forthcoming financial year, that a new contract be issued to Home-Start. It is recognised that Home-Start provides a valuable service, in support of the family support arrangements. It was also felt that in order to better support vulnerable children, young people and families the current Home-Start specification should be reviewed and re-designed in order to facilitate better outcomes for vulnerable children, young people and families.

There is a need to ensure that the new arrangements are put in place. Home-Start will submit a service delivery model, in line with the service specification, which will be evaluated by the relevant project team before the contract award is confirmed.

In allowing the current provider to deliver services, Children Services will benefit in the following ways:

- The continuation of the current provider will ensure continuity in service delivery and will reduce the need for the transfer or redundancy of staff. Contract monitoring

arrangements indicate that the current provider is meeting performance objectives as they currently stand.

- The current provider would offer the best value for money option to LCC, as an open market competition leading to a change of provider would not be possible in the timeframe available and would incur disproportionate transition costs.

Recommendations

The Deputy Director, Safeguarding, Specialist & Targeted Services are recommended to approve the waiver of CPR's 9.1 & 9.2, in order to enter into a new contract with the Home-Start organisation to deliver services on behalf of LCC, Children Services. That the proposed contract for Home-Start is awarded up to 31.03.15 in the first instance, with the option to extend for two further periods of 6 months, without recourse to competition.

1 Purpose of this report

- 1.1 The report seeks a waiver to CPR's 9.1 and 9.2 in respect of services for children, young people and families to be delivered by Home-Start. The proposed Home-Start contract is valued at £ 233, 910 pro-rata, up to October 2014, and thereafter £210,000 pro-rata from October 2014 to 31.03.15.
- 1.2 The determination of funding arrangements has been the subject of extensive discussion, and the final determination has been made following detailed consultations within the Directorate.
- 1.3 CPR 9 states that;

Where no appropriate internal supplier, exclusive supplier, council contract or framework agreement exists, competition is required for procurements valued over £100k.

Where there are sufficient numbers of contractors at least four written tenders shall be invited.

Where the estimated contract value reaches the relevant EU threshold set out in the Regulations CPR 10 shall also apply.

Any decision to waive this rule by a Chief Officer shall be in accordance with CPR27. Rule 9.3 cannot be waived.

2 Background information

- 2.1 Home-Start offers a unique 'volunteer home visiting family support service'. Volunteers who are usually parents themselves are well trained, supported and supervised by highly skilled paid co-ordinators, provide a home visiting family support service for young families facing difficulties and struggling to cope with the demands of family life.
- 2.2 Providing a 'whole family' approach, the service supports parents from amongst some of the most marginalised and disadvantaged communities, coping on a daily basis with issues such as poverty, isolation, poor health, disability and abuse.
- 2.3 Referrals to the service are made with the family's consent. Referrals are made where there are concerns in relation of a child or children and at least one child is subject to a plan such as an EHA (Early Help Assessment), a child protection plan, or have been the subject of support from FIS (family intensive support) and require further support following a 6 to 12 month period of support via FIS, a plan arising as a result of family group conferencing (FGC).
- 2.4 Family issues that may result in concern would include:
 - Mental illness,
 - Disability,
 - Domestic abuse

- Substance/alcohol misuse
- Learning difficulties
- Very young parents/ lone parenting/social isolation
- Poverty

2.5 The service provider will:

- Submit a service delivery model, in line with the service specification, which will be evaluated by a project team before contract award is confirmed.

3 Main issues

Reason for Contracts Procedure Rules Waiver / Invocation

- 3.1 LCC, Directorate of Children Services wishes to enter into a new contract with the provider. This will ensure continuity of service and allow for appropriate planning of service delivery to take place following a reasonable timescale. This will provide coherence and a consolidated approach.
- 3.2 Re-commissioning this service through competitive tender is not possible in order to enable delivery to continue with no disruption to the existing levels of service. This ensures that the provider delivering essential services that meet our outcomes, priorities and the three obsessions, will continue to be focused on high quality delivery rather than focusing on whether or not the service will be funded.
- 3.3 In allowing the current provider of services to continue to deliver services from, LCC will benefit in the following ways:
- Continuation of the current provider ensures continuity in service delivery and would reduce the need for the transfer or redundancy of staff. Contract monitoring arrangements indicate that the current provider is meeting the relevant performance objectives.
 - The current provider would offer the best value for money option to LCC, as an open market competition leading to a potential change of provider would not be possible in the timeframe available and would incur disproportionate transition costs.
- 3.4 There are no internal HR implications but a failure to act promptly will affect the capacity of contracted organisations to deliver against our priorities.
- 3.5 The overall benefits of the contract are:
- The existing review and reshaping of service delivery ensures LCC is meeting its duties within the reduced budget that is available for Children's Services.
 - Continuation of contract for delivery of services to meet identified needs will ensure that LCC is meeting its duties for the delivery of services to children and young people.

Consequences if the proposed action is not approved

3.6 Risks have been identified if a decision is not taken in relation to the continuation of this arrangement.

- The LA would not have a service delivery model in place which ensures that the need for this type of family support model is met.
- Delay or difficulties in agreeing contract changes / variations with this continuing contract will impact on our ability to implement the chosen option for delivery

Advertising

3.7 The contract has not been advertised through the OJEU open market process for the reasons outlined in section 3.2. It should be noted that this service falls under Part B of the European Regulations, therefore is not subject to the full regime. Where the value of the contracts is over the current OJEU threshold, set in January 2014 of £172, 514 then a voluntary transparency notice will be issued.

4 Corporate Considerations

Consultation and Engagement

4.1 The current service provider has been informed of the intention to award a future contract.

4.2.1 Discussions have taken place involving senior officers of the Directorate, the provider themselves and at least one of the FIS service providers to confirm the proposed specification and contract arrangement for service delivery.

Equality and Diversity / Cohesion and Integration

4.3 The award of a new contract to the current service provider means that the current service delivery model will continue. The service will be to the same client group. The decision to continue the delivery of current service arrangements will not have any adverse impact on any equality group. Screening form attached.

Council Policies and City Priorities

4.4 The contract will deliver against the priorities set out in the Children and Young People's Plan:

- Help children to live in safe and supportive families
- Ensure that the most vulnerable are protected
- Improve behaviour, attendance and achievement
- Increase numbers in employment, education or training

- Support children to be ready for learning
- Improve support where there are additional health needs
- Encourage activity and healthy eating
- Promote sexual health
- Provide play, leisure, culture and sporting opportunities
- Reduce crime and anti-social behaviour
- Increase participation, voice and influence
- Support families so that they are better able to support their children.
- Actively promote the health and well-being of children, young people and their parents

Resources and Value for Money

4.5 The contract represents value for money by:

- Reducing disruption to the existing service by ensuring continuity from April 2014.
- Ensure performance measures and contract monitoring for the current provider to ensure good quality delivery ahead of any new service delivery arrangements. The provider will be asked to submit a delivery plan and financial profile, which will be reviewed and negotiated to ensure value for money in service delivery and appropriate performance measures are in place to evaluate delivery.

4.6 The proposed Home-Start contract is valued at £ 233, 910 pro-rata, up to October 2014, and thereafter £210,000 pro-rata from October 2014 to 31.03.15, with an option to extend the contract for up to two further periods of 6 months.

Legal Implications, Access to Information and Call In

4.7 The decision to waive CPRs is a significant operational decision under CPR 27.2 and so this report will be published but is not subject to call-in.

4.8 Giving the work to this provider without competition could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent. In terms of transparency it should be noted that Contracts Procedure Rules suggests that contracts of this value should be subject to a degree of advertising. It is up to the Council to decide what degree of advertising is appropriate. In giving the work to this provider without competition there is a potential risk of challenge from other providers who have not been given the chance to tender for this opportunity.

4.9 Whilst there is no legal obstacle preventing the waiver of CPR 9.1 and 9.2, the above comments should be noted when making the final decision, the Deputy Director of Children's Services should be satisfied that the course of action chosen represents Best Value for the Council.

Risk Management

- 4.10 The project team has identified any risks and actions to mitigate these as part of the commissioning programme plan for the service.
- 4.11 Risk of challenge from other providers due to the lack of opportunity to tender for this service. In order to mitigate this risk, providers will be made aware of the future plans for tendering services and the opportunities this will present as well as their opportunities to contribute to the shaping of the services during consultations.
- 4.12 In the event this waiver to award the new contract is not approved, LCC duties will remain and therefore alternative delivery arrangements will need to be put in place. This would prove very difficult given constraints of time.

5 Conclusions

- 5.1 The Deputy Director, Safeguarding, Specialist & Targeted Services is requested to note the contents of this report and approve the waiver of contracts procedure rules 9.1 and 9.2 to enter into a new contract with Home-start.

6 Recommendations

- 6.1 The Deputy Director, Safeguarding, Specialist & Targeted Services is recommended to approve the waiver of CPR's 9.1 & 9.2, in order to enter into a new contract with the Home-Start organisation to deliver services on behalf of LCC, Children Services. That the contract, in favour of Home-Start, is awarded up to 31.03.14, with the option to extend for two further periods of 6 months, without recourse to competition.

7 Background documents¹

- 7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.