

Report of Children’s Commissioning and Market Management

Report to Director of Children’s Services

Date: 26th September 2014

Subject: Re-tender of Individual Support Work contract for Disabled Children



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

1. Leeds Children’s Services currently commissions a framework contract to deliver Individual support work for disabled children and young people who require specialist services.
2. This contract started on 1st January 2014 and is for four years, one of those years being an optional extension.
3. There are four providers currently on the framework who are struggling to respond to all referrals and deliver some sessions of domiciliary care.
4. Following a targeted market test, we are now going to re-open the framework contract and add additional providers by way of competitive tender. This will be a secondary framework which will be utilised if the primary framework cannot meet the service user requirements.
5. This secondary framework will commence on 1st January 2015 for three years, one of those being an optional extension, so that the two contracts run concurrently. These contracts need to be identical in terms of the specification, framework mechanism and contract terms and conditions. To ensure that this happens we will use the previous tender documents which were produced before the TPP documents were launched.

Recommendations

1. The Deputy Director, Safeguarding, Specialist & Targeted Services is recommended to approve retrospectively the waiver of Contracts Procedure Rule No 3.1.15 – 'Requirement to use the Council's standard tender documentation', to allow the utilisation of the previous tender documentation for the individual support work framework contract. This will add additional providers from 1st January 2015 until the contract expires in December 2017 and ensure that the two contracts are managed in the same way.

1 Purpose of this report

- 1.1 To outline the reasons for using the previous tender documentation instead of the TPP documentation.

2 Background information

- 2.1 A new Framework Contract for Individual Support Work started on 1st January 2014. The total budget for this contract was £800k per annum, with providers paid on a 'pay as you go' basis.
- 2.2 The new framework has been largely successful. However, there are some difficulties in responding to all referrals, including where support is required at short notice and where domiciliary care is needed for one hour slots in the morning and evening. The lack of capacity is namely where this support is ongoing, where it is required for one hour slots in the morning and evening and where it is for families living in outlying areas of Leeds.
- 2.3 A delegated decision was taken and approved in August 2014 to issue a further tendering opportunity to increase the capacity within the framework.

3 Main issues

Reason for Contracts Procedure Rules Waiver

- 3.1 The tender documentation for the current framework was issued prior to the TPP documentation being launched. To ensure consistency across both contracts the recommendation is to use the previous tender documentation.

Consequences if the proposed action is not approved

- 3.2 If this is not approved it would make the management of the contract difficult since there will be two sets of documentation and consistency would not be achieved.

Advertising

- 3.3 This secondary framework opportunity will be advertised on YORtender.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 A project team has been established which include representatives from:

- Commissioning & Market Management
- Contracting & Strategic Investment
- Children's Complex Needs Service
- Corporate Procurement

4.1.2 A targeted soft market test was undertaken using a short questionnaire outlining our intentions to re-tender. This has demonstrated a market exists, which has the interest and capability to deliver this service. Three providers have stated they will tender. Should all three providers be successful in the tender process, this would represent an increase in capacity of 43%.

4.1.3 Current providers on the framework have been consulted and are aware of our intentions to re-tender.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An equality impact screening form was completed for the original tender. Please see attached as appendix 1.

4.3 Council Policies and City Priorities

4.3.1 This commissioning links to the legislative and policy framework of the Children and Young People's Plan, Childcare Act 2006, Every Child Matters Guidance and Leeds City Council's One Council Approach to Commissioning. The provision to be commissioned links with the following priorities:

- Children and young people are safe from harm- helping young people live in safe and supportive families
- Children and young people do well at all levels of learning and have skills for life-improving attendance

4.4 Resources and Value for Money

4.4.1 This re-tender will add new providers to the framework under the same contractual requirements, quality assurance and maximum prices of the current contract. The same tender evaluation criteria will be used.

4.4.2 The commission represents value for money as it aims to reduce the need for off contract spend, where there is limited control over quality and price.

4.4.3 The Complex Needs Service is continuing to improve assessment and decision making process to find better solutions for families and reduce demand on specialist provision. This will reduce costs overall in relation to specialist provision and is likely to reduce the budget required for this provision in the long-term.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The contract value of the ISW framework is £2 million. As this is a high value procurement, this decision was subject to call in.

4.5 Risk Management

4.6.1 A risk register is in place and will be maintained throughout the project.

4.6.2 It is vital that the procurement is completed as rapidly as possible to increase the capability and capacity of the framework contract. The project team will continue to pursue other solutions to improve the quality and effectiveness of provision.

5 Conclusions

5.1 The Director of Children's Services is recommended to note the content of this report and retrospectively provide permission to utilise the previous tender documentation for this re-tender.

6 Recommendations

6.1 The Deputy Director, Safeguarding, Specialist & Targeted Services is recommended to approve retrospectively the waiver of Contracts Procedure Rule No 3.1.15 – 'Requirement to use the Council's standard tender documentation', to allow the utilisation of the previous tender documentation for the individual support work framework contract. This will add additional providers from 1st January 2015 until the contract expires in December 2017 and ensure that the two contracts are managed in the same way.

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.