

Report of Head of Commissioning and Market Management

Report to Director of Children's Services

Date: 09/12/2014

Subject: Waiver to extend or establish contracts



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. Consultation with strategic service leads and heads of service has identified recommended decisions for contracts held by Children's Services for 2015/16.
2. The report seeks the approval of the Director of Children's services in waiving the requirements of the Council's Contracts Procedure Rules in respect of a range of existing contractual arrangements held in targeted, specialist and safeguarding directorates.
3. There is a need to ensure contracts are put in place for April 2015. Each individual contract will be subject to individual decision making as the service provider will either:
 - submit a service delivery model, in line with the service specification, which will be evaluated by the relevant project team before contract award is confirmed
 - Or commit to maintain their existing service provision, and existing terms and conditions of contract.
4. In allowing the current providers of services to continue to deliver services with new contracts from April 2015, LCC will benefit from the following:

- Continuation of current provider base ensures continuity in service delivery and would reduce the need for transfer or redundancy of staff. Contract monitoring arrangements indicate that current providers are meeting their performance objectives.
- Current providers would offer the best value for money option to LCC, as an open market competition leading to changes of providers would not be possible in the timeframe available and would incur disproportionate transition costs

Recommendations

4. The deputy director for targeted, specialist and safeguarding to confirm and agree the recommendations for decisions in the issuing of new contracts contained in the report.

1 Purpose of this report

- 1.1 To give an overview of the commissioning recommendations for Targeted, Specialist and Safeguarding services and to gain agreement for the recommendations for establishing new contracts.
- 1.2 Based on the agreement on the included recommendations formal decisions will be brought forward from this report.
- 1.2 Service providers will be informed of the decisions taken.

2 Background information

- 2.1 Individual meetings were held with Heads of Service in the Autumn of 2014 to ascertain their plans for service provision in their service areas. Recommendations for future contract arrangement were agreed as part of these meetings. Review meeting considered performance of current services from information provided by the contract management team.
- 2.2 There are two main areas where decisions need to be taken these are
 - Adoption
 - Safeguarding

Contract recommendations will be under these headings in the report.

3 Main issues

Reason for Contracts Procedure Rules Waiver

3.1 Adoption

There are two adoption contracts that need approval of a waiver to establish new contracts.

- 3.2 The first is the medium value contract for independent adoption support for people considering adoption and for post adoption support. The annual cost for this service is £90,000 it is a call off contract so spend is not always at the higher amount. The provider After Adoption Yorkshire has recently merged with the Post Adoption Support Centre UK (PAC UK). The Post Adoption Support Centre has a national role and this experience is seen to be of benefit to the delivery of the contract. The market for providers in this area is small and therefore a full procurement exercise would not necessarily identify new providers. It is recommended that a new contract is awarded to the existing supplier for 1 year with two possible 1 year extensions. The service specification will be reviewed and refreshed as part of this process.

- 3.3 The second is the buddying support contract for adoptive parents and consultation this contract is held by Adoption UK with a contract value of £11,939. This a low value contract in terms of cost and again is a call off contract so £11,939 reflects a ceiling of spend. The recommendation is that a new contract is created for 1 year with a possible 1 year extension.
In the interim time period the possibility for regional commissioning of this service provision will be scoped.

3.4 Safeguarding

There is one new contract needed in this area. They are all to continue current provision and ensure continuity of provision while public health who is the co-funder in respect of one of these providers and who fund other service provision with the same provider in other parts of the service.

- 3.5 The contract is with the ISIS project this is part of the Genesis service. The Genesis service is co-funded by adults and public health. The ISIS service is specific provision for young women and children experiencing or at risk of CSE. The contract will be a new contract for 1 year with a possible 1 year extension. The service specification will be refreshed and linked to the outcomes of the planned multiagency pilot in this area. The contract value for this service will continue at £28,000.

Consequences if the proposed action is not approved

- 3.8 Risks have been identified if a decision is not taken on arrangements for April 2015
- The LA would not have service delivery models in place from April 2015 which ensures it is meeting its statutory duties
 - Delays or difficulties in agreeing contract changes / variations with continuing contracts impacts on the ability to implement chosen options for delivery.
- 3.9 The risks during this medium term planning process is that highly valued services become de-stabilised if we are not clear about how we will assure continuity. In previous years the delay in reaching final budget positions has led to contracts not being put in place by 1st April for priority services.

Advertising

- 3.10 These contracts have 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 of £173,934 then a voluntary transparency notice will be issued.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1 Heads of service were consulted through a series of thematic meetings in October and November. CSLT have signed off on a budget for third sector and the elected member for children's services has been briefed.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 The award of new contract to current service providers, and the extension of current contract where contractual arrangements allow, means that the current service delivery model will continue. The service will be to the same client group at the same value. The

decision to continue delivery of current service arrangements will not have any adverse impact on any equality group.

4.3 Council Policies and City Priorities

4.3.1 These contracts 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

4.4 Resources and Value for Money

4.4.1 The contracts represent Value for Money by:

- Reducing disruption to existing services by ensuring continuity of current providers from April 2015.
- Ensuring performance measures and contract monitoring for current providers to ensure good quality delivery ahead of new service delivery arrangements. Each provider will be asked to submit a delivery plan and financial profile, which will be reviewed and negotiated with the provider to ensure value for money in service delivery and appropriate performance measures are in place to evaluate delivery.

4.5 Legal Implications, Access to Information and Call In

4.5.1 All contracts are under £100k so creating new contracts will involve waiving CPR 8.1 and 8.2 that waives intermediate value procurements..

4.6 Risk Management

4.6.1 There is a risk of challenge from other providers due to the lack of opportunity to tender for this service. In order to mitigate this risk, provider 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.

4.6.2 In the event this waiver to award these new contracts is not approved, LCC duties will remain and therefore alternative delivery arrangements will need to be put in place for April 2015.

4.6.3 In order to ensure good quality delivery and value for money the selected organisations will either:

- be required to submit a full service delivery model including pricing schedule. This information will be scrutinised prior to the contract being issued.
- or commit to maintain their existing service provision, and existing terms and conditions of contract.

4.6.4 Proposals contained in this report will manage the risk of the market place becoming destabilised by future commissioning plans, as service providers are aware of the plans to re-commission services over the coming years.

5 Conclusions

5.1 The Director of Children's Services is recommended to note the contents of this report and approve the waiver of the contracts procedure rules as detailed in in section 4.

6 Recommendations

6.1 The deputy director for targeted, specialist and safeguarding to confirm and agree the recommendations for decisions in the issuing of new contracts contained in the report.

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.