

## SCRUTINY BOARD (CHILDREN'S SERVICES)

MONDAY, 12TH OCTOBER, 2009

**PRESENT:** Councillor W Hyde in the Chair

Councillors J Chapman, B Cleasby, J Dowson, G Driver,  
R D Feldman, G Kirkland, J Lewis, B Selby and E Taylor

### CO-OPTED MEMBERS (VOTING):

Prof P H J H Gosden - Church Representative  
(Church of England)  
Mrs S Knights - Parent Governor  
Representative (Primary)

### CO-OPTED MEMBERS (NON-VOTING):

Ms C Foote - Teacher Representative  
Mrs S Hutchinson - Early Years Development &  
Childcare Partnership  
Representative  
Ms J Morris-Boam - Leeds Voice Children and  
Young People Services Forum  
Representative

### 38 Chair's Opening Remarks

The Chair welcomed all in attendance to the Call-In meeting.

### 39 Exempt Information - Possible Exclusion of the Press and Public

**RESOLVED** – That the public be excluded from the meeting during consideration of the following parts of the agenda designated exempt on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information so designated as follows:

The Joint Preventative Commissioning Panel (JPCP) report and appendices referred to in Minute No. 43 under the terms of Access to Information Procedure Rule 10.4 (3) (information relating to the financial or business affairs of any particular person, including the authority holding that information), and on the grounds that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### 40 Declaration of Interests

Councillor Selby declared a personal interest in relation to agenda item 7, Call-In – Review of Delegated Decision D35924 – To Award a Contract for the Delivery of Connexions Intensive Support Services – Wedge Based Services,

due to Archway (which was one of the current providers) undertaking work in his Ward (Minute No. 43 refers).

Councillor Driver declared a personal interest in relation to agenda item 7, Call-In – Review of Delegated Decision D35924 – To Award a Contract for the Delivery of Connexions Intensive Support Services – Wedge Based Services, due to St Luke’s Cares (which was one of the current providers) undertaking work in his Ward (Minute No. 43 refers).

Councillor Dowson declared a personal interest in relation to agenda item 7, Call-In – Review of Delegated Decision D35924 – To Award a Contract for the Delivery of Connexions Intensive Support Services – Wedge Based Services, in her capacity as a Member of Leeds Groundwork, which had been involved in bidding for connexions services (Minute No. 43 refers).

#### **41 Apologies for Absence and Notification of Substitutes**

Apologies for absence were submitted by Councillor Gettings and Co-opted Members; Mr Britten and Ms Johnson. The Board was informed that Councillor Chapman was to substitute for Councillor Lancaster, Councillor Dowson for Councillor Coupar and Councillor J Lewis for Councillor Renshaw.

#### **42 Call In of Decision - Briefing Paper**

The Head of Scrutiny and Member Development submitted a report regarding the procedural aspects of the call-in process.

Members were advised that the options available to the Scrutiny Board in respect of this particular called-in decision were:

Option 1 – **Release the decision for implementation.** Having reviewed the decision, the Scrutiny Board (Children’s Services) could decide to release it for implementation. If this option was chosen, the decision would be released for immediate implementation and the decision could not be called-in again.

Option 2 – **Recommend that the decision be reconsidered.** Having reviewed the decision, the Scrutiny Board (Children’s Services) could recommend to the Chief Officer for Early Years and Integrated Youth Support Services, that the decision be reconsidered. If the Scrutiny Board (Children’s Services) chose this option, a report would be submitted to the Chief Officer for Early Years and Integrated Youth Support Services within three working days of this meeting. The officer would reconsider the decision and would publish the outcome of their deliberations on the delegated decision system. The decision could not be called-in again whether or not it was varied.

**RESOLVED** – That the report outlining the call-in procedures be noted.

#### **43 Call In - Review of Delegated Decision D35924 - To award a contract for the delivery of Connexions Intensive Support Services - Wedge Based Services**

The Head of Scrutiny and Member Development submitted a report, together with relevant background papers, relating to an Officer Delegated Decision D35924 of the Chief Officer for Early Years and Integrated Youth Support Services as follows:

**To award a contract for the delivery of Connexions Intensive Support Services – Wedge Based Services**

‘The Chief Officer for Early Years and Integrated Youth Support Services approved the recommendation to award the Connexions Intensive Support Services to Igen Ltd for wedge based services’.

The decision had been called-in for review by Councillors Ogilvie, Lowe, Coulson and D Blackburn on the following grounds:

‘We the undersigned members would like greater clarification regarding options considered during the awarding of the Connexions Intensive Support Services – Wedge Based Services Contract. Further information is also needed with regard to the various options considered and the reasons the final recommendation was agreed.’

The Scrutiny Board considered the following written evidence:

- Delegated Decision Notification form – D35924
- Report of the Youth Strategy Implementation Manager to the Chief Officer for Early Years and Integrated Youth Support Services – 9 September 2009 – Connexions Phase Two Tender Evaluation Outcome Recommendations.

The Scrutiny Board also considered the following written evidence which was confirmed as exempt under Access to Information Procedure Rule 10.4 (3):

- Report of the Youth Strategy Implementation Manager to the Joint Preventative Commissioning Panel 27<sup>th</sup> August 2009 – Recommendation relating to the IYSS Wedge Tender Evaluation Outcome – Report and appendices.

(Consideration of the JPCP report and appendices designated as exempt under Access to Information Procedure Rule 10.4(3) were considered in private at the conclusion of the meeting.)

The following signatories of the call-in attended to present the reasons for the call-in;

- Councillors Ogilvie;
- Councillor D Blackburn; and
- Councillor Lowe.

The following witnesses were called in by the signatories of the call-in to support the original justification for the decision having being called-in;

- Lynne McLaughlin of Archway; and
- Louise Megson of St Luke's Cares.

The following officers were in attendance to explain the reasons for making the decision;

- Sally Threlfall, Chief Officer for Early Years and Integrated Youth Support Services;
- Barbara Newton, Chair of the Joint Preventative Commissioning Panel;
- Gerry Hudson, Integrated Youth Support Services Manager;
- Maz Asghar, Youth Strategy Implementation Manager;
- Iain Dunn, Principal Procurement Manager;
- Neil Warren, Head of Finance Children's Services; and
- Andy Palin, Principal Finance Manager.

In explaining the reasons for calling-in the decision, the following comments were made:

- Concern about the lack of engagement with existing providers, locality enablers and children's champions, particularly that their depth of skills, local knowledge and experience had not been utilised.
- Concern about the robustness relating to some of the questions raised as part of the tender process.
- Concern about how the tender scoring process took account of experience in delivering wedge based provision.
- Concern about risks associated with the proposed sub-contracting model.
- Concern that igen might not be able to meet their financial obligations and the effect this might have on young people, particularly those that were NEET.
- Concern about the impact on existing wedge based providers.
- Concern about the make-up of the tender evaluation panel and perceived conflicts of interest.
- Concern about the lack of rigour and transparency in the process.

In explaining the reasons for making the decision, officers made the following comments:

- There had been great enthusiasm from partners about the commissioning process.
- There was a need to reconfigure the model of delivery, linked to reducing NEET figures.
- The tender process was robust and undertaken without prejudice.
- Commissioning consultation events had taken place to help inform the tender specification.
- The tender process was undertaken in accordance with the Council's procedure rules.

- Members of the tender evaluation panel had been selected on the basis of their professional capacity and their understanding and knowledge of the service.
- The panel included representatives from Adult Social Care, Performance and Commissioning and Leeds VOICE.
- The scores that had been allocated by individual panel members were consistent with one another.

The Chair then invited questions and comments and the main areas of discussion were:

- Concern about how the scoring was weighted, particularly in terms of comparing local wedge based and integrated based providers.
- Concern that there had been insufficient time to consult with providers. *The officer responded that that the original target date had been delayed to ensure that all groups had been consulted.*
- The need for further background information, particularly financial information and clarification about TUPE arrangements.
- Confirmation that at least 2 locality enablers had attended the commissioning consultation events.
- The need to ensure that all shortlisted bidders were financially sound. *The officer reported that all bidders had met the minimum quality threshold.*
- Concern that the need to reconfigure the model of delivery had not been adequately outlined in the tender specification.

In summary, the Chief Officer for Early Years and Integrated Youth Support Services made the following comments:

- There had been widespread enthusiasm about the commissioning process.
- The contract was focussed on achieving clear outcomes for young people.
- Igen had made clear their intention to work in partnership with existing providers.
- The tender process was undertaken in accordance with the Council's procedure rules.

In summary, Councillor Ogilvie made the following comments:

- Concern about the lack of background information, particularly financial information and details of TUPE arrangements.
- Concern about the composition of the tender evaluation panel.
- Concern about how the scoring had been weighted.
- Concern about igen's performance generally, particularly around NEET figures.

The Chair thanked Councillors, officers and representatives for their attendance.

**RESOLVED** – That the report and information provided be noted.

#### 44 Outcome of Call-In

Following consideration of the evidence presented and the options available to them, as outlined in Minute No. 43, the Board resolved that 'Option 2 – Recommend that the decision be reconsidered' was the most appropriate action.

**RESOLVED (UNANIMOUSLY)** – That the Scrutiny Board recommends that the Officer Delegated Decision D35924 be reconsidered on the following grounds:

- Whether sufficient consideration had been given to the financial status of each of the bidders, and their track record in reducing the number of young people not in education, employment and training (NEET), and the consequent risk assessment regarding the delivery of the contracted service to the young people of Leeds.
- Whether the specification and tender questionnaire contained sufficient input and emphasis on local wedge needs for the bids to be appropriately quality assessed on this acknowledged important aspect of the proposed service.
- Whether the proposed sub-contracting model was desirable as opposed to a direct relationship between the council as contractor and the provider.
- Concerns regarding public perception of the appropriateness of the composition of the evaluation panel.
- Clarification regarding the suggestion that TUPE regulations could rule out the proposed sub-contracting model, and consideration of any implications arising.

(The meeting concluded at 1.47 pm).