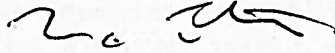




Haringey Council

Report for:	Leader, 14 January 2014	Item Number:	
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Title:	Haringey 54,000 Programme – Award of Strategic Partner Contract
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Report Authorised by:	Zina Etheridge, Deputy Chief Executive (Acting) 
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Ward(s) affected:	Report for Key/Non Key Decisions:
All	Key

1. Describe the issue under consideration

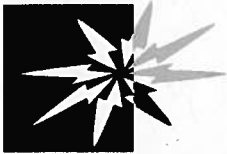
1.1 This paper outlines the procurement process undertaken to identify a strategic partner to deliver the Haringey 54,000 programme and requests that the Leader approves the recommendation to award the contract to the winning bidder.

2. Cabinet Member introduction

2.1 Delivering our vision of 'Haringey being a place where children and young people thrive and achieve' and our aspirations to become an 'excellent' service means we need to achieve sustainable improvement in outcomes for children, young people and families.

2.2 Building on improvements over the last four years, Haringey's Children and Young People's Service (CYPS) has made considerable progress in recent months, particularly in:

- Achieving educational excellence
- Strengthened safeguarding
- Improving support to the most vulnerable children and young people
- Improved leadership and partnership working



- 2.3 Whilst this progress is positive, the affordability of the current model is unsustainable and the need for transformation is essential. A number of national and local drivers have been identified which support the need for transformation and together these drivers provide a key opportunity to build a new operating model which is both sustainable and delivers better outcomes for children and young people in Haringey.
- 2.4 The programme has been consolidated to work in phases to ensure a strong focus on rapid delivery, whilst ensuring lessons are learnt and built on the programme as it progresses through each phase.
- 2.5 As the preferred bidder, iMPower has demonstrated both the values of the partnership approach that the Council needs and a proven track record of delivering similar success in other councils. I am confident that awarding the contract to iMPower will deliver a better quality service for children and families in the borough.
- 3. Recommendation**
- 3.1 That the Leader approves the award of a contract to the preferred bidder iMPower for the sum of £2,000,000 to deliver phases 3-5 of the Haringey 54,000 programme.
- 4. Alternative options considered**
- 4.1 Two further suppliers were considered as part of the procurement process. The scores for both of these bidders are presented in Table 3 of this report.
- 4.2 The option to 'do nothing' was explored and evaluated as not viable. This option would not have provided a suitable or safe enough platform which will continue to deliver children and young people's services for the foreseeable future.
- 5. Background information**
- 5.1 The Haringey 54,000 programme was established in August 2012. It aims to enable Haringey to be a borough where children and young people thrive and achieve, through a service delivery model based on early help and intervention.
- 5.2 The programme is split into five phases – outlined in the table 1 below. The Cabinet paper of 12 November 2013 provides a detailed description of the key phases and elements of the Haringey 54,000 programme.

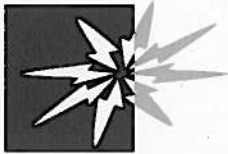


Table 1 – Haringey 54,000 programme delivery phases

Phase	Description	Timescale
1. Defining the need	Analysis of the existing delivery model against current and future need.	August 2012 – January 2013
2. Preparing for transformation	Identifying models to rebalance CYPS to 'upstream' early help and intervention from 'downstream' reactive service delivery	February 2013 – January 2014
3. Transformation through commissioning	Creating a strong commissioning framework based on early help and realising £4.712m of savings (updated at Cabinet on 17 December 2013).	February 2014 – March 2015
4. Implementation of new operating model	Full delivery of new model	April 2015 – March 2016
5. Embedding transformation	Ensuring new model works effectively, evaluating outcomes for residents and refining approach	April 2016 – March 2017

5.3 Haringey has been working with a range of consultancies to deliver the early stages of this programme and phases one and two are now complete. The requirement is to have a strategic partner to help deliver phases three to five.

5.4 On 12 November 2013, Cabinet approved the recommendation to run a procurement process for the appointment of a strategic partner to deliver phases three to five of the Haringey 54,000 programme.

Procurement process

5.5 The Council invited all 20 consultants from Lot 2.2 of the Government Procurement Service ConsultancyONE framework to tender for phases three to five of the Haringey 54,000 programme. Lot 2.2 provides strategic, broad-based advice across a wide range of disciplines and functions to support, guide and provide innovative solutions to public sector customers.

5.6 Table 2 outlines the timetable for procuring the strategic partner.

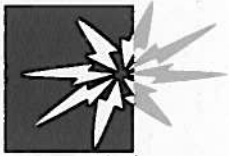


Table 2 – Procurement timeline

DATE	STAGE
16 th October 2013	Invitation to pre-procurement briefings
25 th October 2013	Pre-procurement briefings with suppliers
12 th November 2013	Cabinet decision to procure
20 th November 2013	Call-in period on Cabinet decision ends
22 nd November 2013	Invitation to Tender issued
29 th November 2013	14:00 GMT deadline for bidders' clarification questions
4 th December 2013	Response to clarification questions published
5 th December 2013	Open clarification session
13 th December 2013	14:00 GMT deadline for submission of bids
17 th December 2013	Bid evaluation panel
20 th December 2013	Finalists presentation & clarification session
3 rd January 2014	Award recommendation report (draft)
14 th January 2014	Award report signed
20 th January 2014	Call-in period on Cabinet decision ends
31 st January 2014	Strategic partnership in place

5.7 Bids were received from three organisations.

Evaluation of bids

5.8 In order to be considered for appointment, bidders were required to respond to criteria set out in the tender documentation. All tenders were assessed based on a balance of price and quality as below:

Price of tender	60%
Quality of tender	40%

5.9 An evaluation panel was established to assess the three bids submitted and consisted of:

- Deputy Chief Executive (Acting) – Chair
- Director of Children's Services (Acting)
- Assistant Director of Human Resources (Interim)
- Assistant Director of Finance and Chief Finance Officer
- Haringey 54,000 procurement lead
- Independent Children and Young People's Service expert



5.10 On 17 December 2013, each bid submitted underwent a quality assessment by the panel using the criteria set out in Appendix 1. Bidders who scored 70% or more on quality were invited to a detailed clarification session with the panel on 20 December 2013.

5.11 IMPOWER and one other bidder scored 70% or more in the quality assessment. Both attended the clarification session and were asked to deliver a 10-minute presentation on the following:

Haringey's Children and Young People's Service has undergone a series of change initiatives in the last few years, all of which have delivered some level of improvement. How would you use the strategic partnership to ensure a sustainable whole-service improvement?

The panel then asked a series of detailed follow-up clarification questions, a copy which are in Appendix 2.

Final scoring

5.12 The final scores for bidders are as follows:

Table 3 – Final scores

Company	Price score	Quality score (weighted)	Total score
iMPower	40%	46%	86%
Bidder B	40%	35%	75%
Bidder C	40%	17%	57%

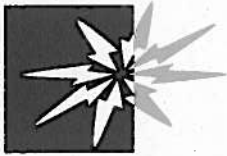
5.13 Each bidder submitted similar pricing schedules that were within the £2m cost envelope. Therefore each scored 40% on price.

Preferred bidder

5.14 The panel recommended that iMPower be appointed as the strategic partner.

5.15 In the quality assessment, iMPower were able to provide strong evidence of how they would be able to work in partnership with the Council to deliver phases three to five of the 54,000 programme. Some key elements included:

- An experienced team with proven skills and ability to deliver sustained change in children's services
- A track record of delivering successful change for children's services in different councils across the country, including both a financial and quality-focused return on investment



- Placing the development of Haringey staff at the heart of their approach, through formal skills and capability training, as well as supporting Haringey staff to lead specific work packages

5.16 Although each bidder scored 40% on price, IMPOWER were able to offer 36% more consultancy days over the period of the contract compared to the closest competitor (i.e. Bidder B, who scored more than 70% in the quality assessment). This demonstrated excellent value for money.

5.17 Given the strong progress that has been made in the early phases of the programme, it is crucial that continuity of delivery is maintained between phases two and three. To achieve this, the preferred bidder must be in place by 31st January 2014. Therefore the decision to appoint cannot wait until the next scheduled Cabinet meeting which is due to take place on the 11th February 2014.

6. Comments of the Chief Finance Officer and financial implications

6.1 Transformation of CYPS will be key to managing service demand at the same time that available funding is reducing and significant savings are required annually to balance the Medium Term Financial Plan (MTFP). The Strategic Partner will be required to work with CYPS to deliver savings that enable transformation from reactive service delivery towards a model of early help and intervention, as well as contributing to challenging annual savings targets until at least 2017-18.

6.2 On 12 November 2013, Cabinet approved a budget (£2.998m) for the phase 2 extension (from November 2013) to the end of phase 5 (March 2017). The budget included provision for the cost of a Strategic Implementation Partner up to a total of £2m. The successful bid can be contained within the available funding envelope.

7. Head of Legal Services and legal implications

7.1 The Head of Legal Services has been consulted with the preparation of this report, and makes the following comments.

7.2 This report is seeking approval to award a call-off contract for the appointment of a Strategic Partner for the Haringey 54,000 programme for the delivery of phases three to five (details of which are set out in paragraph 5.2 of this report) to the consultant named in paragraph 5.14 of this report.

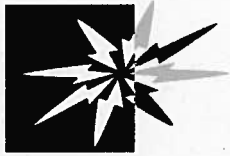
7.3 The Government Procurement Service has established a number of Framework Agreements including the ConsultancyONE Framework in accordance with EU Procurement legislation and is compliant with the Public Contract Regulations 2006. This framework is available for use by all public sector bodies which have been defined in the OJEU notice and is therefore available for use by Haringey.



- 7.4 The Consultants on the Framework within Lot 2.2 (including the Consultants named in paragraph 5.14 of this report) were invited to submit tenders under a mini competition procedure, a process which complies with the Public Contract Regulations 2006.
- 7.5 The Consultant named in paragraph 5.14 of this report was the successful tender in respect of this award.
- 7.6 The value of the proposed contract exceeds £250,000 and therefore the decision to award requires the approval of the Cabinet in accordance with CSO 9.07(d) and is a key decision, which has been included in the Forward Plan.
- 7.7 Under Part 2 Article 7.03 the normal practice is for the Cabinet to carry out all 'executive' functions however, in accordance with Part 4 Section F rule 1.2 the Leader has power to take all 'executive' decisions. Officers have set out at paragraph 5.17 of the report why this decision cannot wait until the next cabinet meeting.
- 7.8 The Head of Legal Services confirms that there are no legal reasons preventing the Leader from approving the recommendations in this report.

8. Equalities and Community Cohesion Comments

- 8.1 In all its functions, including procurement, the Council must take steps to ensure that it complies with its public sector equality duty. The procurement process described in this report and used to select the preferred bidder is in line with the Council's procurement strategy and procurement policy, all of which have equality considerations at the key stages of the procurement process. It is also consistent with the Council's Guide to Equality in Commissioning and Procurement which is designed to help officers identify and take account of the relevant equality issues in order to ensure that the Council's public sector equality duty is satisfied in regard to any particular procurement or commissioning.
- 8.2 Children, young people and their families possess several of the characteristics protected by section 4 of the Equality Act 2010 and are owed a public sector equality duty by the Council. At the heart of the strategic partnership is the need to build on and sustain improvements over the last four years in order to better meet the needs of Haringey's children, young people and their families.
- 8.3 As such, an equality impact assessment will be carried out once the strategic partner is in place, to test the impact of phases three to five on staff as well as children and families in the borough. This will be a living document that is monitored throughout the duration of the contract, with regular reporting to the programme's governance.



9. Head of Procurement Comments

- 9.1 Consultancy Services is classified as a Part A service and is subject to the full EU Procurement regulations. The Government Procurement Service ConsultancyOne (RM1502) framework lot2.2 was selected as the organisations on this framework are experienced in delivering large scale organisational change in the public sector. The shorter procurement process also enabled time and resource savings from within the Council compared to carrying out a full OJEU tender.
- 9.2 The framework provides high-level business strategy and consultancy advice tailored for the local government. Lot 2.2 is specific to providing consultancy advice on the organisational strategy and design of structural and/or operational changes within an organisation in delivering its policies, strategies, purposes and objectives.
- 9.3 The framework offered the opportunity for 20 suppliers to bid. Corporate Procurement supported the mini tender competition process where all applicants on the framework were invited to obtain and submit the procurement documentation on the Delta e-sourcing portal.
- 9.4 To ensure transparency and a high level of understanding of the tender requirements, all bidders were invited to attend a 'meet the buyer day' before the tender was published as well as a clarification session a week before the submission deadline.
- 9.5 Three suppliers submitted tenders. The framework allows competitive maximum rates to be submitted but by using further competition, bidders reduced their prices and the tender allowed alternative pricing models such as shared risks.
- 9.6 The recommended supplier demonstrated overall best value by obtaining the highest total score.

10. Policy Implication

- 10.1 Approval of this report has no direct impact on council policy.

11. Reasons for Decision

- 11.1 The Haringey 54,000 programme is underway and this decision is critical to ensuring continuity of delivery.

12. Use of Appendices

APPENDIX 1 – Contract Award Criteria

APPENDIX 2 – Specific questions from evaluation panel on 20 December 2013

APPENDIX 3 – This appendix is exempt from publication



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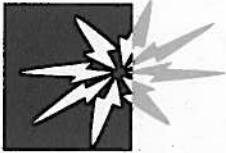
13. Local Government (Access to Information) Act 1985

13.1 This report contains exempt and non-exempt information. Exempt information is under the following category (identified in amended Schedule 12A of the Local Government Act 1972).
S (3) Information relating to financial or business affairs of any particular person (including the authority holding that information).



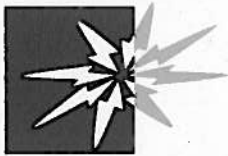
APPENDIX 1 – Contract Award Criteria

Criterion 1: Delivery approach & method Word limit: 5000 words	Maximum weighted points: 250	
For each phase of the change programme, please describe how you would intend to deliver the core and provisional work packages, making clear how you will do this through a partnership approach. Your proposal should include, but not be limited to, the following points:	Weighting x Maximum score	Max Points
<ul style="list-style-type: none"> • Your proposed team’s track record that demonstrates capability in the following areas: 		
<ul style="list-style-type: none"> a) Quality and track record of the individuals/team who will be involved in the project; b) Their ability to begin delivering quickly, with a clear set of delivery plans, qualified personnel that are available quickly and a clear resourcing plan c) Their experience of delivering similar projects using a partnership approach; d) Evidence of demonstrating a return on investment for the client; e) Evidence of how their experience of delivering similar projects has been sustained after the contract has ended; 	20 x 5 =	100
<ul style="list-style-type: none"> • The type of products and delivery methods you would deploy to deliver this programme and clearly state how you have used these successfully in the past and the outcomes they have achieved, 	20 x 5 =	100
<ul style="list-style-type: none"> • The personnel you will require from Haringey Council and explain clearly what role the required resource will have and the outcomes they will deliver; 	4 x 5 =	20
<ul style="list-style-type: none"> • The benefits of your approach and any risks and issues that you foresee, as well as providing details of how you would mitigate the issues/risks; 	3 x 5 =	15
<ul style="list-style-type: none"> • The practical ways in which you propose to organise these activities, including governance and performance management routines; 	2 x 5 =	10
<ul style="list-style-type: none"> • Your project timetable and delivery plan. 	1 x 5 =	5



Criterion 2: Added value Word limit: 2000 words	Maximum weighted points: 100	
Please tell us what added value your organisation has to contribute to the identified areas of work. This will be assessed on the following basis: <ul style="list-style-type: none"> • Demonstrable knowledge of significant developments in government thinking and policy for services to children, young people and families and relevant legislative frameworks; • The insight and suitability of your proposed approach into Haringey's geographical, political and organisational circumstances. 	Weighting X Maximum score	Max Points
	10 x 5 =	50
	10 x 5 =	50

Criterion 3: Shared risk/reward model Word limit: 2000 words	Maximum weighted points:250	
Please demonstrate how you will share the risk and reward for delivering the contract. You should demonstrate: <ul style="list-style-type: none"> • How, through your partnership approach and the models you deploy, you will be able to achieve the KPIs set out in schedule 1: <ul style="list-style-type: none"> - KPI 1: Financial management - KPI 2: Improving the quality of services - KPI 3: Improving organisational effectiveness 	Weighting X Maximum score	Max Points
	10 x 5 =	50
	20 x 5 =	100
	20 x 5 =	100



Haringey Council

APPENDIX 2 – Specific questions from evaluation panel on 20 December 2013

Your team

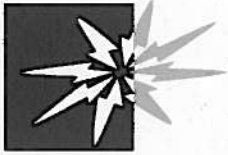
1. In your bid you have outlined the range of consultants and technical skills that your team will bring to the Strategic Partnership. Can you clarify who will form the core team and the roles they will play? Follow ups:
 - How will you ensure consistency of approach across your team even if, for example, members of staff leave your organisation?
 - How will you ensure you work well with existing Haringey staff?

Haringey staff

2. There is a need to change the culture and mindset of Haringey and good visible leadership is critical to the success of this programme. The organisation is investing in culture change - how would you ensure this money is spent wisely?
3. You will be working with a range of managers and staff in CYPS. How will you build strong relationships?
 - Would you adapt your approach when working with key stakeholders and partner agencies?
4. Given the DCS's professional accountabilities for ensuring that the Council discharges its statutory responsibilities for the education, social care and safeguarding of Haringey's children and young people, what type of working relationship do you consider needs to be established within the governance arrangements of the Strategic Partnership?
5. For the first 90 days of the programme, how much time and resource will you require from CYPS staff?

Programme delivery

6. Given the current performance levels and priorities across CYPS, what do you see as the main priority to focus on within this transformation programme?
7. We have begun developing an Early Help offer for Haringey. Tell us what steps you will take to deliver an outstanding Early Help framework for the borough.
8. There are a range of upcoming national policy developments that will impact on children's services in the future. Which initiatives do you see as being the most challenging and how would you work with us to manage those challenges and exploit opportunities?
9. How would you accommodate a significant event during programme delivery, for example an Ofsted inspection?



Haringey Council

10. What is your exit strategy at the end of the contract period? Can you give an example of how you have successfully exited from another organisation?

Finance

11. Can you give us an example of where you have delivered a ROI in other Children's Services you have worked with? What were the outcomes for children, young people and their families?

12. One of the main priorities is to ensure there is a CYPS savings and investment plan in place before February. In your experience what would be the key areas where savings will be made and where investments are needed?

- What actions can you take to ensure savings start happening in the short term?



Haringey Council