

Report for: Cabinet – 15th December 2015

Item number: 18

Title: Strategic Partner for the Voluntary and Community Sector - contract award

Report authorised by : Zina Etheridge, Deputy Chief Executive

Lead Officers: Charlotte Pomery - Assistant Director, Commissioning
Sanjay Mackintosh – Head of Strategic Commissioning

Ward(s) affected: All

**Report for Key/
Non Key Decision:** Report for Key Decision

1. Describe the issue under consideration

- 1.1 This report details the outcome of an open tender process for the award of a contract to be the Council's Strategic Partner for the Voluntary and Community Sector (VCS).
- 1.2 This tender is a reflection both of the Borough's commitment to enabling and working alongside a vibrant, inclusive and self sufficient VCS and of its changing relationship with the sector in Haringey.
- 1.3 The Council has not commissioned a strategic partner before and the partnership between the Council and the successful bidder will have a strong role to play in delivering the Council's strategic priorities as set out in the Corporate Plan 2015-18 - *Building a Stronger Haringey Together*. It is also key to delivering the VCS commissioning framework, agreed by Cabinet in July 2015.
- 1.4 The outcomes associated with this service are intended to articulate the elements of a strong and constructive relationship between Haringey Council, the strategic partner and voluntary and community sector groups and organisations (that are both established and emerging) in Haringey.
- 1.5 It is anticipated that the new contract will commence in January 2016.

2. Cabinet Member Introduction

- 2.1 Working in partnership with the community and voluntary sector is vital to delivering our vision of 'Building a Stronger Haringey Together'.
- 2.2 As we see further reductions to local government funding, the VCS will play an even more important role in helping those who live, work and visit Haringey to access the best possible services and support to help them achieve their potential. Developing a role for a Strategic Partner will help ensure we have a strong and prosperous VCS, and a solid relationship between the council and organisations in the community that deliver such important services to our residents.
- 2.3 The Strategic Partner will be able to support established voluntary and community-based organisations already in Haringey, and begin to encourage new and emerging organisations to develop and thrive. This will not only maximise their reach to people in Haringey, but also to increase capacity within the sector to secure external funding and to share good practice.
- 2.4 As the preferred bidders, the Bridge Renewal Trust and Moracle Foundation have demonstrated it has the right values, skills and experience to be the council's Strategic Partner. I am confident that awarding them the contract will deliver a high-quality service that will help the voluntary and community sector in Haringey prosper.

3. Recommendations

- 3.1 That Cabinet, in accordance with CSO 9.06.1(d). approves the award of a contract for Strategic Partner services to the preferred bidder - The Bridge Renewal Trust and Moracle Foundation
- 3.2 That the contract is awarded for a period of three years for a value of £450,000 with the option to extend for a further one year for an additional value of £150,000.

4. Reasons for decision

- 4.1 This decision is important in terms of ensuring development and continuity of the VCS in Haringey.
- 4.2 The recommendations as outlined above in 3.1 and 3.2 are based on the provider who scored the highest on a most economically advantageous (MEAT) basis and therefore would offer the best value to the Council in terms of quality and price.

5. Alternative options considered

- 5.1 The option of extending the existing contract was not considered as there is a need for a new contract to reflect a changing relationship with the sector and not available as the contract has previously been extended.

- 5.2 Four further suppliers were considered as part of the procurement process. The scores for these bidders are presented later in this report (Section 6.6).
- 5.3 The option to 'do nothing' was explored and evaluated as not viable. This option would not have provided a suitable or sustainable platform which will continue to deliver the support needed by the VCS for the foreseeable future.
- 5.4 In addition to the above, failure to provide the interventions would have an adverse impact on delivery of the Corporate Plan and efficiency savings in the longer term.

6. Background information

- 6.1 Haringey Council's Corporate Plan 2015-18 - *Building A Stronger Haringey Together* sets out the Council's priorities and outcomes and highlights the role of effective partnerships in delivering the ambitious programme of change. The Council acknowledges the vital role which the VCS in the borough plays in delivering outcomes for local residents, intervening early and building individual, family and community capacity.
- 6.2 The Strategic Partner will work together with the Council to develop a strong and constructive relationship with both established and emerging VCS groups in Haringey. The outcomes for the commissioned strategic partner are:
- **Outcome 1:** A vibrant, inclusive, viable and self-sufficient voluntary and community sector in Haringey, that is resilient and sustainable
 - **Outcome 2:** A strong partnership between the Council and the sector, and between members within the sector, to deliver shared priorities
 - **Outcome 3:** The Council's positive reputation is enhanced and the priorities, principles and outcomes in the Corporate Plan 2015-18 – *Building a Stronger Haringey Together* – are embedded in the sector

Procurement Process

- 6.3 In July 2015, Haringey Council invited interested providers to tender for provision of the strategic partner service, following an initial market engagement event in April 2015.
- 6.4 The procurement process started with the placing of a contract notice in the Official Journal of the European Union (OJEU) on Haringey's website, CompeteFor portal. In addition the advert was circulated by Haringey Association of Voluntary and Community Organisations (HAVCO) by email to its membership, approximately 900 contacts representing voluntary and community groups in the Borough.
- 6.5 The Invitation to Tender (ITT) and supporting documents were placed on Delta (e-tendering portal) where following a registration process, the potential tenderers can access the tender documents and submit their proposals electronically. By the closing date of 25th September 2015, five tenders had been received.

6.6 The tenders were evaluated on a Most Economical Advantageous Tender (MEAT) basis with a split of 30% Price and 70% Quality as set out in the ITT documentation.

Tenderers	Quality Scores (out of 700 points)	Price/Cost scores (out of 300 points)	Total Score for quality and price (out of 1000 points)	Contract price over 3 years	Contract price for 4 years
Bridge Renewal Trust and Moracle Foundation	482	210	692	£450,000.00	£600,000.00
Company B	454	210	664	£450,000.00	£600,000.00
Company C	335	300	635	£315,159.00	£599,478.00
Company D	393	222	615	£426,000.00	£569,884.00
Company E	384	210	594	£450,000.00	£600,000.00

Transition and Contract Management

6.7 Key Performance Indicators and methods of measurement are integrated within the service specification and will be monitored through contract monitoring meetings and reports.

6.8 Contract monitoring meetings will be held monthly for the first six months and quarterly thereafter. The purpose of monthly monitoring meetings will be to examine the implementation of the service, monitor delivery of the service at an operational level and to foster partnership working to facilitate early resolution of problems and/or issues.

7. Contribution to strategic outcomes

7.1 This is a key strategic contract for the Council, which will help deliver the VCS commissioning framework, agreed by Cabinet in July 2015. As the Council transforms its services through its corporate plan – *Building a Stronger Haringey Together* – the VCS will become increasingly important as both a deliverer of particular services, but also as partner in understanding the needs

of communities, co-designing how to meet those needs and helping the Council to deliver services to meet those needs. For this, we need a strong, sustainable VCS and this new strategic partner is key to helping achieve that.

8. Statutory Officers comments

Chief Finance Officer

- 8.1 Funding for these contracts is available within the Voluntary Sector Commissioning budget. This commissioning budget is required to make substantial savings as part of the MTFs but the service has taken this requirement into account when allocating funding to these contracts. The procurement of a high quality strategic partner should in itself contribute to the mitigation of the impact of these savings.

Head of Procurement

- 8.2 The procurement process has been carried out in line with the Procurement Code of Practice. Central procurement has been involved in this process and supports the recommendation.
- 8.3 Contract management will be put in place to ensure contract compliance and ensure quality outcomes.
- 8.4 There is no inflationary provision within the terms of the contract and so the contract price is essentially fixed for the duration of the contract.

Assistant Director for Corporate Governance

- 8.5 This report relates to services which are subject to the new Light Touch Regime under the Public Contract Regulations 2015. As such they are required to be advertised in the Official Journal of the European Union (OJEU) although there is greater flexibility in the tender procedure followed than under the standard EU tender regime.
- 8.6 The Council's Contract Standing Orders (CSOs) also apply to the procurement and the services have been tendered in accordance with CSO requirements. The open procedure provided under CSO 9.01(a) was followed.
- 8.7 The services tendered are valued over £500,000. As result, the decision to award the contract for the services is a Key Decision that must be included in the Forward Plan, which has been done, and must be taken at Cabinet level in accordance with CSO 9.06.1(d).
- 8.8 It is noted that the recommendation is to award the contract to 2 organisations who will jointly provide the services. To minimise risk to the Council through a lack of clarity about which organisation would be liable in the event of a service delivery failure, it is advisable that the contract to be entered into should expressly provide for the organisations to be jointly and severally liable. The 2

organisations concerned have also confirmed their willingness to assume joint and several responsibility under the contract.

- 8.9 The Assistant Director of Corporate Governance confirms that there are no legal reasons preventing Cabinet from approving the recommendation in paragraph 3 of this report.

Equality

- 8.10 The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:

- a) tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- b) advance equality of opportunity between people who share those protected characteristics and people who do not;
- c) foster good relations between people who share those characteristics and people who do not.

- 8.11 An Equality Impact Assessment (EQIA) was prepared to inform the proposal, a copy of which can be found in Appendix 4.

- 8.12 The specification for the new strategic partner contract will require the provider to abide by the the Equality Act 2010.

- 8.13 The contract for the Strategic Partner will require the provider to offer the service to all Haringey based voluntary and community sector organisations (VCOs) who request advice and support. These are organisations which are working first hand to support different groups of service users and residents, including those people who are disadvantaged and vulnerable.

- 8.14 It has been estimated that there are approximately 900 voluntary and community based organisations in the Borough. The types of services they provided can be categorised into the Council's five priority area themes which are:

1. Enable every child and young person to have the best start in life, with high quality education
2. Enable all adults to live healthy, long and fulfilling lives
3. a clean and safe borough where people are proud to live, with stronger communities and partnerships
4. Drive growth and employment from which everyone can benefit
5. Create homes and communities where people choose to live and are able to thrive

- 8.15 The new provider will be expected to work with the range of voluntary and community based organisations in the Borough to differing degrees which range from one-to-one support to delivering training and development support to groups of different providers depending on the subject matter (E.g. managing finance, securing funding, putting together a management committee, supporting volunteers, devising objectives and outcomes to development of a constitution).
- 8.16 The new provider will also be undertaking a mapping exercise of the type and range of VCO's in Haringey. This will further inform our equalities assessment and mitigation plans will be developed and implemented in the case where any disadvantage to groups of people with protected characteristics have been identified."

9. Use of Appendices

9.1 N/A

10. Local Government (Access to Information) Act 1985

- 10.1 This report contains exempt and non exempt information. Exempt information is contained in the exempt report and is not for publication. The exempt information is under the following category: (identified in the amended schedule 12 A of the Local Government Act 1972 (3)) information in relation to financial or the business affairs of any particular person (including the authority holding that information).

