

Agenda item:

Executive Procurement Committee On 28th February 2006

Report Title: Contracts for the Provision of Culturally Specific Day Care: Request for Extension and Variation of Contracts

Report of: The Director of Social Services

Wards(s) affected: [All] - this service is available to residents of all wards

Report for: Non-Key Decision

1. Purpose

- 1.1 To seek Member agreement to extend the six contracts for the provision of culturally specific day care in accordance with Contract Standing Orders (CSO 13.02).
- 1.2 To seek Member agreement to vary three of those contracts.

2. Introduction by Executive Member

- 2.1 This report seeks Members approval for the extension of contracts for:
ACLC
GRACE
Asian Centre
Chinese Community Centre
Cypriot Centre
Irish Centre

Variations to contracts for ACLC, GRACE and Asian Centre are being sought. Namely, that the contract price to reduce inline with current occupancy.

The extension will allow capacity building in the centres to occur in advance of any further options appraisal.

I will concur with recommendations in section three.

3. Recommendations

- 3.1 That Members agree to extend the six contracts listed at Appendix One for a period of up to nine months as allowable under Contract Standing Order 13.02.

3.2 That Members agree to vary the three contracts listed at Appendix One for the reasons set out therein.

Report Authorised by: Anne Bristow, Director of Social Services _____

Contact Officer: Mary Hennigan, Assistant Director, Older Peoples Service
Tel: 020 8489 2326

4. Executive Summary

- 4.1 Contracts were awarded to six providers for the provision of culturally specific day care services in 2003.
- 4.2 These contracts were subsequently extended by a period of twelve months and are due to expire on 31st March 2006. Contract Standing Orders do not allow for a further extension by the Director.
- 4.3 Members are therefore asked to extend the six contracts, varying three of them, as set out below.

5. Reasons for any change in policy or for new policy development (if applicable)

5.1 N/A

6. Local Government (Access to Information) Act 1985

6.1 Background papers

The background papers relating to this report cannot be listed, as they are exempt and not for publication.

6.2 EXEMPT

Appendices 1 & 2 are not for publication as they contain exempt information under the following category:

(vii) The report contains information relating to the financial or business affairs of a particular person (i.e.; companies) other than the Authority; and

(viii) The amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services.

6.3 The following background papers were consulted in the preparation of this report:

- | |
|---|
| <ul style="list-style-type: none">• Review of Day Care Provision• Report to Director of Social Services of 12th March 2005 – Provision of Culturally Specific Day Care Services – Implementation of Contract Standing Order 13.01 |
|---|

7. Background

7.1 Contracts were awarded to the following organisations in October 2003:

Organisation

Council of Asian People
Chinese Community Centre
Cypriot Elderly & Disabled Group
GRACE
African & Caribbean Leadership Council
The Irish Centre

These contracts were subsequently extended within the terms of the contract and are due to expire on 31st March 2006. Contract Standing Orders do not allow for a further extension by the Director.

8. Description

8.1 The services provided within these contracts are culturally specific and therefore specialised. The nature of the service provision requires appropriate accommodation.

8.2 A Review of the current Day Opportunities in Haringey is continuing and will make recommendations on future service requirements, including the ways in which services best meet the needs of various communities. Extension of these contracts is requested in order to progress this Review. Following on from this review it is intended to undertake an options appraisals to inform the Council of the methodology to implement those recommendations and to achieve best value.

8.3 The Voluntary Sector Development Team is working with HAVCO (Haringey Association of Voluntary and Community Organisations) and CEMVO (Community & Ethnic Minority Voluntary Organisations) to assist with capacity building within community centres.

8.4 Three of the contracts listed in Appendix One to this report are working to capacity and carry no vacancies. It is therefore considered unnecessary to vary these contracts.

8.5 The three remaining contracts listed in Appendix One are currently and have for some months worked under capacity and carry a considerable level of vacancies. It is therefore recommended that these contracts are varied as detailed in Appendix One.

8.6 The financial implications are set out at Appendix 2.

9. Contract Management

- 9.1 All contracts will continue to be subject to robust monitoring processes to ensure Contract compliance. Contract monitoring identified capacity issues in each contract and continuing monitoring of the contracts will ensure accountability.
- 9.2 To ensure performance targets are met in accordance with the contract and the service specification, they will be subject to monitoring visits and on-going spot-checks.

10. Summary and Conclusions

- 10.1 The purpose of this report is to give justification to extend and vary where necessary the Council's six contracts for the provision of culturally specific day care services.
- 10.2 The services provided within these contracts is specialised and it is therefore considered to be best value for the Council and the users of the centres in question to extend the current contracts.
- 10.3 The current providers have agreed to abide by the original terms and conditions and pricing structure and have agreed to accept the recommended variations to contracted volume where applicable.

11. Recommendations

- 11.1 That the Members approve an extension of up to nine months to the six contractors listed at Appendix 1.
- 11.2 That Members agree to vary the contracted volume within the three contracts listed at Appendix One for the reasons set out therein.

12. Comments of the Director of Finance

- 12.1 The council has a requirement to achieve value for money with external providers through its contracting arrangements. Members must be satisfied that these services provide good value for money through the contracting and monitoring arrangements being put in place.
- 12.2 The financial implications of the proposed extension shown in appendix 1 have been calculated on the current levels of service for each provider for 9 months inclusive of inflation at 2.5%.

13. Comments of the Head of Legal Services

- 13.1 The contracts are categorised as Part B services under the Public Contracts Regulations 2006 which means that there is no requirement to carry out a European tendering exercise.
- 13.2 Social Services Directorate wishes to extend the six contracts listed in Appendix One to this report.

- 13.3 Because a previous extension has been granted by the Director, it is a requirement of Contract Standing Orders (CSO 13.2) that a subsequent extension is granted by the Procurement Committee.
- 13.4 Social Services Directorate also wishes to vary three of the contracts for the reasons listed in Appendix One.
- 13.5 The Procurement Committee has power under CSO 13.2 to vary a contract.
- 13.6 The Head of Legal Services confirms that there are no reasons preventing Members from approving the recommendations in this report.

14. Comments of the Head of Corporate Procurement

- 14.1 The recommendations in this report are in line with the Procurement code of Practise.
- 14.2 The variations to contracts that have been recommended will bring in line the Councils contractual obligation and the organisations capacity to provide services. This will represent Value for Money for the Council.
- 14.3 The 9 month extension of the contracts will allow the review of Day Opportunities and facilitate the deliver of services that will best meet the needs of the community now and into the future. This will represent Best value to the Council.
- 14.4 The ongoing contract monitoring arrangement in place should ensure that the service providers meet their contractual obligations to the Council.

15. Equalities Implications

- 15.1 We have and will continue to consider all equalities implications in this process particularly in the Review. The provision of culturally appropriate food is an essential element of our service provision to help elderly and disabled people from black and minority ethnic groups to continue live at home and be part of the community. However we must look at needs and adjust our services to meet those needs and adjust contracts to reflect demand.

16. Use of Appendices / Tables / Photographs

- 16.1 Information regarding the Contractors referred to in para 8.4 who are working to capacity is at Appendix 1.
- 16.2 Financial information is attached at Appendix 2.