



Haringey Council

Agenda item:

[No.]

Procurement Committee

On 22nd December 2009

Report Title. Provision of Intensive Supervision and Surveillance – award of contract

Report of Wayne Longshaw, Assistant Chief Executive, PPP&C

Signed :

Contact Officer : Linda James, Youth Offending Service Strategic Manager

Wards(s) affected: All

Report for: Non-Key Decision

1. Purpose of the report (That is, the decision required)

1.1. This report seeks Member approval for the award of the provision of Intensive Supervision and Surveillance to the preferred suppliers, as detailed in appendix A to this report.

2. Introduction by Cabinet Member (if necessary)

2.1 The current provider for this service in Haringey was the only organisation to send in a tender for the new contracting period. We have been satisfied with the services provided by this provider over the previous 2 years and the tendering process was fully followed.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1. Children and Young People's plan; Local Area Agreement indicators; Sustainable Community Strategy; Comprehensive Area Assessment.

4. Recommendations

- 4.1. That Members agree to the award of the provision of Intensive Supervision and Surveillance to the preferred suppliers, as detailed in appendix A to this report.
- 4.2. The contract will be awarded for 12 months in the first instance (as the funding from the YJB may not be ring fenced after 2011) with a view to extending the contract annually for a total of 3 years should funding be secured thereafter.

5. Reason for recommendation(s)

- 5.1. The ISS is an essential service in relation to diverting young offenders from custody. The current contract expires at the end of March 2010 and a re-tendering exercise has taken place. The tender was advertised on the Haringey website and is a collaborative procurement on behalf of Haringey, Enfield and Barnet. The tender received was evaluated by the relevant YOS managers from Haringey and Barnet.
- 5.2. The award of the contract to the existing providers would mean there is no disruption in terms of service delivery, particularly in relation to staff (as there are no TUPE arrangements involved) and young people (who will continue to work with current staff members). The current contract has been monitored annually by the local authority and once by the Youth Justice Board. The contract is achieving the contract objectives. Annual monitoring will continue and the ISS steering group will continue to meet quarterly.
- 5.3. Costs of setting up a new scheme will not apply which represents value for money, as additional costs will not be incurred.
- 5.4. NACRO is a national organisation and is the only other supplier of ISS within London. It is, therefore, able to draw on other resources from other schemes and projects to add value to this scheme.

6. Other options considered

- 6.1. The contract price is for staffing and delivery costs and there are no additional costs for accommodation or assets. This service delivery model represents value for money to the Council and is in line with the funding level for the current scheme.
- 6.2 At the tendering stage, the option of taking the service in-house was explored by the Consortium but was not feasible, principally for financial reasons. Each

Borough is allocated a specific amount of money for ISS which would be insufficient to run separate schemes. Additionally, resources for set up and ongoing management could not be absorbed by the three YOS's.

7. Summary

7.1. The consortium considered the possibility of bringing the ISS 'in-house' but this was not feasible, principally due to costs and financial constraints.

7.2. Following an open tender process for the new contract, one tender was received and this was evaluated in line with the criteria set. The previous market testing exercise had indicated that, within London, NACRO was the only external provider of ISS. The evaluation concluded on 17th November and the final scores are outlined below.

Cost – weighting 40%	Quality – weighting 60% - consisting of: governance, service delivery, workforce development; capacity, collaborative working and service user involvement, technical and information requirements
Score – 40%	Score – 42%

7.3. The recommendation is that the contract be awarded to the preferred supplier.

7.4. The contract will be monitored through the Council's contract management system and contract reviews will be carried out annually.

8. Chief Financial Officer Comments

8.1. The Chief Financial Officer confirms the current year's budget allocated to this service and the funding to support it.

8.2. Given uncertainty over levels of central government grant funding beyond 2010/11, support is given to awarding the contract for one year with provision to extend once funding is confirmed.

9. Head of Legal Services Comments

9.1. The contract which this report relates to is for Part B services under the Public Contract Regulations 2006. Therefore it has not been necessary to advertise in the Official Journal of the European Union (OJEU).

9.2. In accordance with CSO 6.05 as the value of the contract is above £25,000 a competitive tendering process has been followed.

9.3. As the value of the contract is over £250,000 under CSO 11.03 it can only be

awarded by Members.

9.4. Under CSO 11.01 b) contracts can be let on the basis of the most economically advantageous tender (i.e. the tender providing the most benefit to the Council).

9.5. The Head of Legal Services confirms there are no legal reasons preventing Members from approving the recommendation in paragraph 4.1.

10. Head of Procurement Comments –[Required for Procurement Committee]

10.1. The recommendation is in line with the Procurement Code of Practise.

10.2. The single bid represents a VFM outcomes as shown by the Meat evaluation process, and the 82% score achieved by the single bid. Before any future tenders there needs to be some market development work to encourage other providers to set up in London.

10.3. The contract structure allows for Haringey to extend on a yearly basis to ensure that we are not open to any financial risk should the grant allocation be changed.

10.4. A contract monitoring process is in place to ensure contract compliance, to identify any performance issues and put in place actions to rectify them.

11. Equalities &Community Cohesion Comments

11.1. The ISSP is targeted at high risk offenders who are at risk of custody and provides programmes to divert young people from custody. Given the over-representation of black and minority ethnic offenders in the criminal justice system, this programme is vital in addressing the need to reduce levels of disproportionality. Ethnicity monitoring of referrals to ISSP is required and is presented quarterly to the Steering group, which consists of NACRO representatives and the YOS managers of Haringey, Barnet and Enfield, plus an operational manager from one YOS

12. Consultation

12.1. All members of the Haringey, Barnet and Enfield Consortium were consulted on the proposal.

13. Service Financial Comments

13.1. The funding for ISS is provided by the Youth Justice Board and is ring-fenced for ISS provision in 2010-2011. This may alter in 2011 -2012 which is why the contract is for one year initially, with the provision to extend to a total of three years.

14. Use of appendices /Tables and photographs

14.1. Appendix A: Exempt information.

15. Local Government (Access to Information) Act 1985

This report contains exempt and non-exempt information. Exempt information is contained in Appendix A and is not for publication. The exempt information is under the following category (identified in the amended schedule 12A of the Local Government Act 1972):

(3) Information relating to the financial or business affairs of any particular person (including the authority holding that information).