

Report Title: **Mental Health Services for children in the care of Haringey Council (Part A): Request for waiver of requirement to tender**

Forward Plan reference number (if applicable): **N/A**

Report of: **Director of the Children and Young People's Service**

Ward(s) affected: All

Report for: **Non-Key Decision**

1. Purpose

1.1. To seek Member agreement to waive the requirement to tender under Contract Standing Orders.

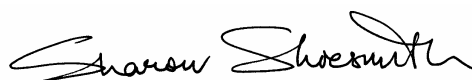
2. Introduction by Executive Member

2.1 The Executive Member for Children and Young People recommends a waiver of the requirement to tender.

3. Recommendations

3.1. That Members agree the waiver of Contract Standing Order (CSO) 6.04 (requirement to tender), as allowed under CSO 7, in accordance with waiver requirements noted under CSO 7.03.

Report Authorised by:



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Director
The Children and Young People's Service

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4. Executive Summary

4.1. Request to waive the requirement to tender, on the basis that there is a compelling need to maintain continuity of service to a high risk and high priority area of work whilst undertaking a full market testing and tendering exercise.

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

N/A

6. Local Government (Access to Information) Act 1985

6.1. List of background documents:

Progress Report for Tavistock-Haringey LACA – Clinical Activity April – November 2006 (available on request).

6.2. Part B of this report is not for publication as it contains exempt information under the following category:

Exempt information under 12A of the Local Government Act 1972, namely:

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

7. Background

7.1. Mental Health Services for Haringey's Looked After Children have since 2001 been provided by the Tavistock and Portman NHS Trust. This contract was initially let following agreement with the Primary Teaching Care Trust and the Barnet Enfield and Haringey Mental Health Trust that the BEHMT were unable to deliver the level of service required for Haringey Looked After Children. The contract has been let to Tavistock – Portman Trust in successive years on an annual basis. The Current contract expires in March 2007.

7.2. The service has developed year on year from a small 'emergency referral' contract to a full service providing a comprehensive range of clinical assessment and treatment services, support services, research services and staff skills development services.

7.3. The contract and service provision has been highly effective and we are now in a position of needing to consolidate and then further develop service quality and performance

8. Budget

8.1 The service is funded wholly through the CAMHS modernisation fund grant which is allocated on an annual basis to Children's Service authorities. The amount budgeted for this service provision is exempt information and is set out in Part B.

9. Description of Procurement Process

9.1. We seek authority to waive the requirement to tender as allowed under CSO 7.03(d) on the ground that this is in the Council's overall interest. There is a compelling need to maintain continuity of service to a high risk and high priority area of work whilst undertaking a full market testing and tendering exercise.

9.2. Reasons for Waiver

9.2.1. Changes to the Children and Young People's Service structure are being implemented and the Council will need time for the new structure to be embedded, before it can adequately reassess the requirements of this service for the purpose of putting it out to tender.

9.2.2. Given the sensitive nature of the service provided (Mental Health service to Children & Young People), continuity of service is a paramount consideration.

9.2.3. The current provider has extensive knowledge and networks within the Council and Haringey CAMHS. This provides consistency to clients and Council officers and enables the service to work effectively through joint working.

9.3 There is a potential competitive market for provision of these services and we are requesting a waiver in order to ensure a planned transition and a careful market testing and commissioning /tendering activity can be undertaken whilst we maintain service continuity and stability for this vulnerable group of children. This applies particularly to those children engaged in therapeutic treatment.

9.4 Award of contract will be by agreement of Procurement Committee. It is proposed to award a contract for 1 year.

10. Consultation

10.1. BEHMT, PTCT, Tavistock and Portman NHS Trust

11. Key Benefits and Risks

11.1 Benefits

- Stability and continuity of service to a vulnerable group of children
- Meets the Council requirement of providing a quality service to meet the Every Child Matters outcome of Being Healthy
- Enables a planned transition of service, minimising disruption of service to existing clients
- Facilitates a planned procurement exercise to be undertaken within appropriate timescales and enables better consultation with potential providers which will lead to a procurement process that achieves value for money for the Council.

12. Contract and Performance Management

12.1 The contract is managed through a multi- agency steering group which monitors performance and service quality together with quarterly formal contract monitoring meetings which review reports on service quality and activity.

13. Summary and Conclusions

13.1 The provision of mental health services to looked after children is a high risk and high priority area of provision. This report seeks authority to waive the requirements to tender in advance of an extended interim award of a contract to Tavistock – Portman Trust to ensure continuity of provision whilst work is undertaken to fully test the market for potential providers of this key service.

14. Recommendations

14.1 That Members approve the waiver of CSO 6.04 as allowed under CSO 7.03.

15. Equalities Implications

15.1 The key equalities implication is for the Council to ensure that the children in our care have continuous and priority access to high quality clinical mental health services. In effect this requires that services available to these children take into account their existing disadvantage which arises from their 'looked after' status in addition to considerations of clinical need and priority

16. Health and Safety Implications

16.1 Health and Safety legislation will be incorporated into the terms and conditions of contract and monitored throughout the life of the contract. It will also form part of the evaluation criteria in the subsequent tender process.

17. Sustainability Implications

17.1 Sustainability legislation will be incorporated into the terms and conditions of contract and monitored throughout the life of the contract. It will also form part of the evaluation criteria in the subsequent tender process.

18. Financial Implications

18.1 The provision of services is funded entirely from the annual Mental Health Services grant which is paid directly to the local authority. The conditions of the grant are set out in the government guidance concerning priorities for mental health services and the National Framework for mental health services, Looked after children and services for care leavers in particular are key priority areas for activity and it is this guidance which dictates the priority areas for the commissioning strategy.

19. Comments of the Director of Finance

19.1 The Director of Finance was consulted in the preparation of this paper and supports the comments made in respect of the budget and confirms this is fully funded by grant.

20. Comments of the Head of Legal Services

20.1 The services to be provided under this contract are “residual activities” for the purposes of the Public Contracts Regulations 2006. Therefore the full EU tender process does not apply. In particular it is not mandatory to put these contracts out to tender under the EU rules.

20.2 This report is seeking a waiver of CSO 6.04 (requirement to tender) on the ground in CSO 7.03(d) that it is in the Council’s overall interest.

20.3 Under CSO 7.01, any individual provision of the CSO other than CSO 8.01 may be waived by the appropriate person specified in CSO 7.02 on the grounds set out in CSO 7.03. CSO 8.01 relates to EU procedures which, as noted in paragraph 20.01 above, do not require EU tendering in this case.

20.4 As the value of this contract is over £250,000, under CSO 7.02(a) the appropriate body to approve a waiver of CSO provisions in relation to the contract is the Executive Procurement Committee.

20.5 Provided that Members are satisfied that the waiver sought is in the Council’s best interest, they have power to approve the waiver as recommended in paragraph 14 of this report.

20.6 The Head of Legal Services confirms that there is no legal reason preventing the Leader from approving the recommendations in paragraph 14 of this report.

21. Comments of the Head of Procurement

- 21.1 The request for a waiver is in line with the Procurement Code of Practise.
- 21.2 This contract is being waived in order to ensure that the Children's services structure has been firmly embedded and that the appropriate level of consultation and market research is undertaken before this service is let.
- 21.3 The expenditure incurred over a one year period on this service is shown in part B. To ensure Best Value for the Council Children's services must ensure that that the contract is subject to market testing within the next financial year.
- 21.4 Contract management arrangements are in place and will continue to ensure contract compliance within this contract.

22. List of Appendices / Tables / Photographs

- 22.1 Part B of this report contains exempt information.