# REPORT TEMPLATE: PROCUREMENT COMMITTEE



Agenda item:[NO.]

#### **Procurement Committee**

**On** 13 February 2007

Report Title: Mental Health Services for children in the care of Haringey Council (Part A): Award of contract	
Forward Plan reference number (if applicable): N/A	
Report of: The Executive Director of Children & Young People's Service	
Ward(s) affected: All	Report for: Non-Key Decision

## 1. Purpose

1.1 To seek Member agreement to award the contract for Mental Health Services for looked after children.

## 2. Introduction by Executive Member

2.1 The Executive Member for Children and Young People recommends the extension of this contract for one year.

#### 3. Recommendations

- 3.1 That Members agree to award the contract for the above project, as allowed under Contract Standing Order (CSO) 11, in accordance with the recommendations in paragraph 14 of this report.
- 3.2 That the contract be awarded for a period of 1 year on the basis detailed in the report.

Report Authorised by:

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## 4. Executive Summary

4.1 Award report for the provision of Mental Health Services for looked after children, recommendation to continue to contract with the current provider to enable stability and consistency for the current users of the service and stability of the service provision. A market testing exercise and tendering process will be undertaken within the next financial year 07/08.

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

5.1

## 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6.2 Part B of this report is not for publication as it contains exempt information under the following category: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 The contract for the provision of mental health services for looked after children in Haringey was first awarded to the Tavistock and Portman NHS trust in 2001 following agreement with the Primary Teaching Care Trust and local mental health services provider Barnet Enfield and Haringey Mental Health Trust. At this time the BEHMT were unable to provide a priority mental health service for all children in the care of the Council. The initial contract was for the provision of an agreed number of assessments and treatment interventions. This has developed year on year to now include a comprehensive range of assessment, treatment and support services together with staff development, carer support and research activities. The contract's current annual value is exempt information set out in Part B.
- 7.2 The provision of mental health services for looked after children are a high risk and high priority area. Overall the demand for mental health services from the general population in Haringey is high and resources are allocated on a basis of clinical need and priority. Children in the care of the local authority have additional needs and complexities in their lives and they and their carers often need to have access to assessment, treatment and support services for reasons that would not necessarily afford them priority if measured on a clinical need basis against the general population.
- 7.3 The current provider Tavistock and Portman Trust have since 2001 steadily developed and improved the service and it is essential that we manage the process of market testing and tendering for a longer term contract in a way which ensures

- continuity of provision both to those individual children receiving treatment currently and to the management of the mental health service provision as a whole.
- 7.4 The current service was amongst those provisions inspected in the recent Joint Area Review and was found to be a 'strength' by the inspection team. The current Tavistock team has maintained a good level of activity in terms of the management of new referrals, have managed to avoid any build up of a waiting list and have brought much needed additional value to the C&YP Service team with their access to a world renowned expertise and research knowledge within the wider Tavistock and Portman organisation.
- 7.5 Provision of mental health services to children in the care of Haringey Council and care leavers including clinical assessments and treatment, consultation, training and support of carers and staff, provision of a specialist post Adoption counselling service, research and activity aimed at securing greater stability of placements for looked after children
- 7.6 The Haringey PTCT also commissions a range of mental health services from the Tavistock. Through the work of the CYP strategic partnership board, a joint commissioning strategy for these services will be developed.
- 7.7 The benefits gained by the Council by the continued use of the current provider are as follows –
- 7.7.1 Continuity of clinical and therapeutic treatment plans for individual children
- 7.7.2 The current provider has extensive knowledge and networks within the council and the wider Haringey Child and Adolescent mental health network. This provides a context of stability for maintaining progress against national and local performance targets.
- 7.7.3 Changes to the CYP Service structure planned for early 2007 require flexibility in the ability of the provider to deliver services effectively in a changing environment. The current provider has been positive in response to this requirement to date.
- 7.7.4 The current service is working well and has capacity and willingness to develop the service to gain further improvements.

#### 8. Budget

8.1 The amount budgeted for this contract is exempt information and is set out in Part B.

#### 9. Description of Procurement Process

9.1 A waiver of the requirement to tender was sought from Procurement Committee on the basis that it was in the Council's best interest. The proposal for award of this contract is recommended on the basis that this is a service currently provisioned by Tavistock-Portman Trust and that stability and continuity of service provision is paramount to these vulnerable clients. The award of a short-term contract to the current organisation will enable adequate time for market testing and subsequent tendering of the service and a planned transition of clients under the new contract.

- 9.2 Market Testing will enable us to choose the type of tendering process, i.e. open tender or restricted tender.
- 9.3 The proposed timetable for tendering of the service is as follows:

Market Testing and Consultation in April 2007, Tender process commencing by Autumn 2007.

#### 10 Consultation

## 10.1 PTCT, BEHMT, Tavistock and Portman NHS Trust

#### 11 Key Benefits and Risks

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- 11.1.3 Changes to the CYP Service structure planned for early 2007 require flexibility in the ability of the provider to deliver services effectively in a changing environment. The current provider has been positive in response to this requirement to date.
- 11.1.4 The current service is working well and has capacity and willingness to develop the service to gain further improvements

#### 12 Contract and Performance Management

12.1 The contract will continue to be managed through a multi- agency steering group which monitors performance and service quality together with quarterly formal contract monitoring meetings which reviews reports on service quality and activity

#### 13 Summary and Conclusions

13.1 The Tavistock and Portman NHS trust have successfully provided high quality 'fast track' access mental health services to Looked after children on a developing basis since 2001. The contract for these services has been let on an annual basis since 2001 and in order to ensure future service continuity and stability the process of letting the contract on a longer term basis following an exercise of full market testing and tendering is now commencing. This work will be complex and lengthy and in order to maintain a continuity of provision to this highly vulnerable group of children in the interim we are requesting that there be agreement for an interim contracted period of 1 year, with the current provider to ensure that stability in this critical area of service provision is maintained during a possible transitional period.

#### 14 Recommendations

14.1 That Members agree to award the contract for Mental Health Services to children in care of Haringey Council to Tavistock and Portman Trust for a period of 1 year in the sum of set out in Part B.

## 15 Equalities Implications

15.1 The key equalities implication is for the council to ensure that the children in our care have a continuous and priority access to high quality clinical mental health services. In effect this requires that services available to these children takes 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 report is seeking an award of the contract. Once a request for a waiver in the accompanying report has been approved, Members have power to consider an award of the contracts under CSO 11.03.
- 20.2 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 award of contract is in line with the Procurement Code of Practise.
- 21.2 This contract is being awarded as a result of a request to waive contract standing orders being agreed by Procurement Committee. This is 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 full 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 Use of Appendices / Tables / Photographs

22.1 Part B of this report contains exempt information.