



Haringey Council

Agenda item:

[No 1]

Cabinet Procurement Committee

On

Report Title: **Waiver Report for the provision of services for Haringey Children & Young People in Need**

Forward Plan reference number (if applicable): [add reference]

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

Wards(s) affected: **All**

Report for: **Non-Key Decision**

1. Purpose

1.1 This report seeks Cabinet agreement to waive the requirement to tender under Contract Standing Orders (CSO) 7.02

2. Introduction by Cabinet Member

2.1 I endorse the recommendations of this report and ask the Cabinet to agree the waiver of Contract Standing Order

2.2 The continuation of these services will enable Children & Families to meet key objectives, as outlined in the 2007-08 priorities of the Children and Young People's Plan, with efficiency savings. This includes working with vulnerable children and their families, keeping them safe in the community and ensuring that their views are taken into account when planning and delivering services

3. Recommendations

3.1 That Cabinet agree the waiver of Contract Standing Orders (CSO) 6.04 (requirement to tender), as allowed under CSO 7.02, in accordance with waiver requirements noted under CSO 7.03 (a) and (d), as the nature of the market for the services has been investigated and demonstrated that a departure from the requirements of CSOs is justified and (d) it is in the Council's overall interest.

Report Authorised by: **Sharon Shoesmith**

Sharon Shoesmith
The Director of the Children and Young People's Service

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4. Director of Finance Comments

4.1 The amalgamation of the three services into one new service model will generate efficiency savings. The Acting Director of Finance supports the recommendation in this report.

5. Head of Legal Services Comments

5.1 The three services are categorised as Part B services under the Public Contracts Regulations 2006 so they are not subject to European tendering requirements.

5.2 Children and Young People's Directorate requests a waiver of CSO 6.5 (requirement to tender) on the basis of the grounds stated in CSO 7.03 (a) (the nature of the market for the services has been investigated and is shown to be such that a departure from CSOs is justifiable) and CSO 7.03 (d) (that it is in the Council's overall interest).

5.3 Because of the value of the contracts, a decision in respect of the waiver needs to be made by the Procurement Committee in accordance with CSO 7.02 (a),

5.4 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

6. Head of Procurement Comments

6.1 This recommendation is in line with the Procurement Code of Practice.

6.2 The market has been tested twice in the last 12 months and this has demonstrated that there are currently no other providers who are providing all aspects of the new service delivery model.

6.3 In order to ensure that the new service delivery model is fit for purpose and to develop a robust quality assurance methods, the request to waiver will minimise any risk of service failure.

7. Strategic Implications

7.1 Children & Families commissioning proposes to waiver the requirement to tender in order to facilitate a re-configuration of the service and then go out to tender in 2008 with a more concise commissioning strategy.

7.2 The Council will work in partnership with PCT to embed the re-configured service for young carers. Children & Families commissioning will also work with the provider to reconfigure the three services and to ensure that the services continue to meet the needs of service users.

7.3 The re-design of the service is in line with the Children and Young People's Plan and the Children & Families commissioning strategy. The new service model will enable these services to more effectively contribute to the 2007-08 priorities of the Children & Young People's Plan and will foster a more responsive service with the flexibility to meet users current and future needs.

8. Financial Implications

8.1 Contract Price of the services are as follows:

Project Name	Annual Contract Value (06/07)
Children's Rights Service	£120,000
Teenage Intervention Service	£220,000
Young Carers Project	£ 139,000
Total Annual Cost	£479,000

8.2 The Young Carers Project is jointly commissioned by Children & Families, Children's Fund and PCT.

9. Legal Implications

9.1 See Legal comments in Paragraph 5

10. Equalities Implications

10.1 The equalities monitoring are incorporated as a requirement of the contract and the contract also states that the access to service must be available to the diverse community of the borough and any imbalance must be addressed.

11. Health and Safety Implications

11.1 The contract terms will include requirements to comply with all relevant legislation

12. Consultation

12.1 As part of the re-commissioning strategy, consultation was carried out with Service users and their family and internally with Social workers and managers to ascertain their views on the current service provision and to determine how best their needs can be met in the future.

13. Background

13.1 Teenage Intervention Service, Children's Rights Service and Young Carers Project are currently contracted services provided by one organisation on behalf of the Council.

The above services were commissioned in 2002 and each service has separate management and three separate budgets.

- 13.2 These services are utilised by looked after children and children in need.
- 13.3 An options appraisal exercise was carried out in September 2006. The options appraisal exercise highlighted that these three services which are closely linked can be better delivered as one service and would provide efficiency savings and better value for money for the Council as well as a more streamlined way of working through a coordinated approach to the delivery of these services under one management structure.
- 13.4 A market testing exercise was carried out in September 2006 which revealed that there are no other providers in the market who have the experience to deliver all three services. Another market testing exercise was undertaken in August 2007 to investigate if the market had developed in the past year. See Appendix 2 for a comparison of the two market testing exercises. The results of the market testing exercise in August 2007 highlighted that there is still no other provider in the market who currently provides all three services.
- 13.5 Reasons for Waiver:
- CSO 7.02 (a) 'the nature of the market for the services has been investigated and demonstrated that a departure from the requirements of CSO is justified' The market testing exercise showed that there are no other providers in the market who currently have the experience of providing all three services.
 - The proposed service delivery model is innovative but has not been tested and therefore it is proposed to test the new model with the current provider for a year and the implementation and impact of the reconfigured service will be used to determine re-commissioning decisions for the tender exercise to begin in 2008.
 - CSO 7.02 (d) 'it is in the Council's overall interest' These services are either statutory requirements or support the Council's service provision strategies for Children & Families, continuity and stability of service provision is very important to this vulnerable client group. Therefore, a two year commissioning plan is proposed to minimise disruption of service to service users and to facilitate the embedding of the new service delivery model and quality assurance to ensure that the re-commissioning model accurately meets the needs of all stakeholders. See Appendix 2 – Commissioning Plan 07 -09
- 13.6 The Children's Rights Service provides advocacy service to vulnerable children & young people, and equip children & young people with the skills to participate and contribute to the decision making and development of policies within the Children & Families Service and the wider Children & Young People's Service. Children's Rights Service was awarded via a tendering process in 2002 for a period of three years 2002 – 2005 and the option to extend for two years was implemented for the period 2005 - 2007.

13.7 The Young Carers Project provides activities to children & young people classified as young carers to give them a break/ respite from their caring responsibilities and provide emotional support to enable them to better balance their personal lives and promote their educational achievement. The Young Carers Project was awarded via a Waiver and Award by the Director for the period 2002 – 2004. In 2004 it was tendered and a contract awarded for the period 2004 – 2006, with the option to extend implemented in 2007 to enable all three contracts to end at the same time.

13.8 The Teenage Intervention Service is a crisis intervention service for teenagers and their families to prevent young people coming into care through early intervention. The Teenage Intervention Service was awarded in 2002 via a Waiver and Award by Procurement Committee for the period 2002 – 2005 with the option to extend implemented for the period 2005 – 2007. Both Children's Rights Service and Teenage Intervention were new services that were implemented due to SSI recommendations.

13.9 Contract and Performance Management

- Key Performance Indicators will be developed in year 1 to ensure that the services contribute to the priorities of the Children and Young People's Plan and meet the needs of users.
- Contract management will be incorporated into the Contract and will be monitored through contract monitoring meetings and reports.

14. Conclusion

14.1 All three services were commissioned in 2002.

14.2 During the extension period in preparation for the re-commissioning of the service, market testing and options appraisal was undertaken. The results of the options appraisals highlighted that these three services which are closely linked can be better delivered as one service and would provide efficiency savings and better value for money for the Council. This model of service delivery is innovative but not tested either in the Council or in any other London borough. Therefore it is proposed to test the new model with the current provider who has the experience of providing all three services before going out to tender to re-commission the service.

14.3 Children & Families commissioning proposes that the requirement to tender is waived to enable the reconfiguring of the three services, embedding of the new service delivery model and quality assurance and then go out to tender in 2008.

15. Use of Appendices / Tables / Photographs

15.1 Appendix 1 – Comparison of market testing exercises

15.2 Appendix 2 – Commissioning Plan



Haringey Council

Appendix 1 – Comparison of market testing results

	No. of boroughs responded	Results Sep 06 – Contracted providers	No of boroughs responded	Results Aug 07 – Contracted providers
Children Rights Service	10	Barnados, NCH, VCC, Aidhour, Spurgeons, NYAS, Reconstruct	15	Alone In London, The Hackney Learning Trust, VCC, NSPCC, NCH, Jigsaw4u
Young Carers Project	Source of information: Internet	NCH, Barnados, NSPCC, The Princess Royal Trust, Children's Society	18	NCH, FWA, The Princess Royal Trust, Capital Carers, Barnados, local voluntary organisations
Teenage Intervention Service	10	NCH Most boroughs provide this service in-house	10	NCH, Connexions, West Meria, Corvedale Care

Source of information – telephone survey of London boroughs and extracted information from the Internet

Appendix 2 – Commissioning Plan Option 1 (two year plan)

		Comments
Contract Start Date	1 st October 2007	Implementation of the new service delivery model
Transition period	October – December 07	Organisational restructure of the three services and recruitment of staff. Promotion of the new service and embedding of the new service delivery model with the organisation's staff and Council staff.
Contract Monitoring	Monthly meetings for the first 6 months and quarterly meetings thereafter. Monthly Operational meetings will also continue during the life of the contract	Purpose of monthly monitoring meetings will be to examine the implementation of the new model, monitor delivery of the service at an operational level and to foster partnership working to facilitate early resolution. Outcomes of the service will be measured in line with Every Child Matters (ECM) Outcomes
Bi-Annual Review	March 08	To review the effectiveness of the new model. A development plan will be put in place as a product of this review and the implementation of this development plan will be reviewed at the next quarterly meeting in June 08.

Development Plan Review	June 08	
Analysis of the effectiveness of the new service delivery model. Consultation with commissioning teams, i.e. Social workers and managers and consultation with users and their families	June - August 08	A report will be produced which will examine the implementation of the new model and the impact on service users. The report will be used to determine commissioning decisions and the service specification for the re-tendering of the service
Tendering Exercise	September 08 – March 09	
Contract Award Date	April 09	
Transition period	June – September 09	
Set up Period	April 09 – September 09	TUPE applies to these three contracts therefore a longer transition period is required, to allow for the TUPE consultation period. Also, knowing that the other providers in the market currently provide the Young Carers Project and Children's Rights Service but not a Family Support Service for teenagers, a new provider will require a longer set up & implementation period and a learning period to understand the Council's way of working as well as the effective implementation of the proposed service delivery model.
Contract Start Date	October 09	