

## CABINET

20 April 2021

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| <b>Title:</b> Contracts for Provision of Bespoke Packages for Children's Care Services  |  |
| <b>Report of the Cabinet Member for Social Care and Health Integration</b>  |  |
| <b>Open Report</b>  | <b>For Decision</b>  |
| <b>Wards Affected:</b> All  | <b>Key Decision:</b> Yes   |
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| <b>Accountable Director:</b> April Bald, Operational Director Children's Care and Support   |  |
| <b>Accountable Strategic Leadership Director:</b> Elaine Allegretti, Strategic Director, Children and Adults  |  |
| <b>Summary:</b><br><p>This report provides an update on proposals to procure a four-year Framework Agreement for the provision of Bespoke Packages of Care Service for Children in Need, Children in Care and Children subject to a Child Protection Plan.</p> <p>By Minute 53 (13 November 2018), the Cabinet approved original proposals to procure a four-year framework contract. However, a new Target Operating Model was developed within Children's Care and Support which impacted on those original proposals and Cabinet subsequently agreed proposals to procure a two-year framework agreement (Minute 134, 21 April 2020).</p> <p>Further work between operational colleagues and commissioning has taken place and agreement has been reached that the Bespoke Family Intervention Service should also reflect services for children with disabilities. Due to the proposed changes and a reassessment of the market, interim arrangements were put in place which expire on 30 September 2021 and approval is now being sought to procure a four-year framework contract.</p> |  |
| <b>Recommendation(s)</b><br><p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"><li>(i) Agree the procurement of a four-year framework contract for the provision of a Bespoke Packages of Care Service for Children in Need, Children in Care and Children subject to a Child Protection Plan, in accordance with the Council's Contract Rules and the strategy set out in the report; and</li><li>(ii) Delegate authority to the Director of People and Resilience, in consultation with the Cabinet Member for Social Care and Health Integration, the Chief Operating Officer and the Director of Law and Governance, to award and enter into the</li></ul>   |  |

framework agreements and all other necessary or ancillary agreements with the successful bidders.

**Reason(s)**

- To enable the Council to fulfil its statutory duties as prescribed in accordance with the Council's Contract Rules for 'light touch regime' contracts.
- To support the Council's vision to "protect the most vulnerable, keeping adults and children healthy and safe".
- To provide an appropriate, best-value service that delivers excellent outcomes for children and young people.

## **1. Introduction and Background**

- 1.1 The Access to Resource Team (ART) was originally established as a special intervention service focused on preventing the breakdown of fragile placements of children in care. The role of ART has since been expanded and refined to cover a number of areas. The Team has so far spent time working with a small group of providers on the development and co-ordination of bespoke targeted and time – limited intervention packages, enabling existing placements to be maintained and avoiding the potentially costly move of children/young people into more expensive settings, such as residential care.
- 1.2 A full tender of this service took place in 2015, but only three providers were eventually awarded contracts. This evidenced that the service is of a specialist nature requiring a combination of specialist knowledge coupled with significant operational experience. Two of the original companies no longer provide this service while the third no longer provides services in this locality, although Kelwel Care Ltd, the current provider, is a company run and managed by previous employees of Potten Kare Services, a former provider.
- 1.3 This original framework contract was due to expire on 31 March 2019 with an option to extend for a further twelve (12) months. Interim contracts have been awarded until 30 September 2021 with Kelwel Care Ltd. Due to the specialist nature of this provision, work has been undertaken to identify the best possible way to deliver the services whilst ensuring quality for the service users.
- 1.4 A number of providers have previously expressed an interest in delivering this type of service but due to the high intensity of the work involved and the need to deliver good outcomes for the family it is vitally important to ensure that any providers are able to deliver what is required. All of the current matches are currently delivered by Kelwel Care Ltd but Commissioners are concerned that alternative providers need to be available in the event that Kelwel do not have the resources to take on additional cases.
- 1.5 Following discussions between commissioners and the Care Management team it was agreed that the best way forward is to put in place a Framework Agreement. A Framework Agreement will enable the Council to have an agreement with several providers to ensure that demand is managed appropriately and avoid situations where a single provider is unable to meet demand.
- 1.6 Advantages of a Framework Agreement are listed below:

- Quality assurance monitoring can take place across the service both with regards to statistical returns, as well as regular meetings with providers;
- A pre-agreed pricing structure that commits the providers to maintain their prices across the term of the contract;
- Guaranteed pricing structure to enable LBBD in our financial planning and forecasting for budget setting and monitoring purposes.

1.7 The framework contracts will have no minimum value as services will only be sought when required. The final value of the contracts will depend on the number of referrals made to the providers, if any. However, it is estimated that the value of this contract will be no more than £510k per annum. (£390k for the Specialist Intervention Service and £120k for the Disability Service).

1.8 It is envisaged that the tender process be completed by September 2021 as tender documents have already been drawn up and engagement with key stakeholders has taken place. The procurement timetable is as follows:

| Activity   | Completion Date       |
|--|-----------------------|
| Procurement strategy submitted considered at Pre-Procurement Board | 1 March 2021          |
| Procurement strategy report considered at Procurement Board        | 15 March 2021         |
| Cabinet  | 20 April 2021         |
| Procurement/tender exercise  | 20 May – 20 July 2021 |
| Contract begins  | 1 October 2021        |

## 2. Proposed Procurement Strategy

### 2.1 Outline specification of the works, goods or services being procured.

2.1.1 The new framework will allow the Council to deliver bespoke early intervention support of Care Service for Children in Need, Children in Care and Children subject to a Child Protection Plan. The intervention will be targeted and will cover:

- Edge of care:** intervention is targeted at families who are in crisis and on the brink of having their child placed into care. Bespoke packages will be specifically focused on ameliorating familial issues, dispelling the need of children and/or young people into the care system.
- Rehabilitation:** intervention is targeted at families who have children and/or young people that are already in the care system. Bespoke packages will be specifically focused on preparing the children/young people and their families for reunification, and thus exit from the care system.
- Fragile Placement/Outreach Packages:** intervention is targeted at children and/or young people who are already in the care system with a placement that is on the verge of breakdown. Bespoke packages will be specifically focused on preventing placement breakdown.

2.1.2 Support packages could be put in place for hours, days, weeks or months. The type of support required will vary from case to case. Support packages will be tailored

specifically to meet the needs of the child/young person and/or their families and will be delivered by a range of specialist external providers, under the co-ordination of the Access to Resources Team.

2.1.3 To establish the new Framework; the Council will invite responses from suitably qualified and experienced private and voluntary providers interested in joining a Framework Agreement to deliver bespoke early intervention support of Care Services.

2.1.4 There are a number of accepted advantages to agreeing a contractual framework over spot-purchasing:

- Quality assurance monitoring can take place across the service both with regard to statistical returns, as well as regular meetings with providers;
- Good practice and training opportunities can be shared amongst providers through forums and bulletins;
- Good quality services lead to more consistent, needs-focused intervention.

2.1.5 The contractual method recommended to Cabinet, that is a Framework Agreement, would have additional advantages as it would not oblige the local authority to purchase any volume from any provider.

## **2.2 Estimated Contract Value, including the value of any uplift or extension period.**

2.2.1 The new Framework Contract will have no minimum value, nor will any commitment to expenditure by the Council be stipulated within the contract itself. Expenditure will only be incurred when referrals are made. The current expenditure for the Council is circa. £390,000 per annum for the Specialist Intervention Service and £120,000 for the Disability Service.

2.2.2 The total value of the Framework Contract would, therefore, be circa. £2,040,000.

## **2.3 Duration of the contract, including any options for extension**

2.3.1 The framework contract will be for 4 years (2 years +1 +1) with a three-month no-fault termination clause to allow the Council to exit the framework for any reason.

## **2.4 Is the contract subject to (a) the (EU) Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?**

2.4.1 Yes - The contracts with each provider fall under the 'light touch regime.

## **2.5 Recommended procurement procedure and reasons for the recommendation**

2.5.1 There is clear evidence that the service required is of a specialist nature. The nature of the requirements – seeking a combination of specialist knowledge in an area where this is scarce, coupled with significant operational experience, has resulted in a very limited pool of providers.

2.5.2 Approval has been given previously to establish another four (4) year Framework Contract and commence a procurement exercise to ensure a new framework of providers is in place. This report is seeking approval to commence a tender exercise to enable a framework of providers to be established in order to provide services for the Specialist Intervention and Disability Service.

2.5.3 This will be a single stage tender using the Open Process. The tendering of this service will be advertised on the Council's website and on Contract Finder Contracts as well as in the Official Journal of the European Union.

## 2.6 **The contract delivery methodology and documentation to be adopted**

2.6.1 The Service will be provided by external providers.

## 2.7 **Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract**

### 2.7.1 **Outcomes**

- a) Reduced levels of placement disruption for those children already in care.
- b) A reduction in the number of children going into care.
- c) An increase in children, who are in care being reunified with their families/carers.

### 2.7.2 **Savings**

Since ART began in 2012, when a case closes and has been successful, the ART Team continue to track the family for a year on the finance spreadsheet, so future potential costs had the service not supported the family are measured.

Cost savings for the period 2018/2019 was £1,656,542.

It should be noted that absolute forecasting is difficult with this cohort, due to it not being possible to prove absolutely what the outcome would have been were an intervention not to be made. For this reason, forecast financial impact has been confined to the short-term returns and do not include the potential savings over the life of the child or young person were they to remain out of the care system for the remainder of their childhood. This would, clearly, only serve to increase potential savings forecast and serves as an indication of the potential.

## 2.8 **Criteria against which the tenderers are to be selected and contract is to be awarded**

2.8.1 The price/quality ratio upon which contracts will be awarded will be 30% price, 60% quality, 10% Social Value. Providers will be ranked based on their tender submission.

2.8.2 The Council will select suppliers to provide services via a "direct call-off". If a direct "call off" is not feasible then a mini competition will be held with the providers within the specific category to ensure that the most suitable provider is selected, the selection will be based on price, quality, and the needs of service users.

2.8.3 The particular contractual method recommended to Cabinet, that is a Framework Agreement, would have additional advantages. It would not oblige the local authority to purchase any particular volume from a provider. The 'call off' contract would be for a term that can range for a couple of weeks, months or years based on the needs of service users. Each Call-Off Contract to be awarded pursuant to the Contract shall be awarded on the following basis:

- The Call-Off Contract shall be awarded to the Provider with the lowest total cost for that Care Package.
- In cases where the Service User or their parents / carers have expressed a choice of Provider or where particular specialist input is required, the Authorised Officer may at his / her discretion award the Call-Off Contract for that Care Package to a particular Provider irrespective of whether that Provider offers the lowest price for that Care Package. Additionally, where there is a need for a complex Care Package requiring extensive input, the Authorised Officer may select three or more suitably qualified Providers from the Framework to quote an inclusive price for the Care Package. In these cases, the Authorised Officer shall record his / her reasons for doing so. Where the Authorised Officer has invited a select number of Providers to quote for a complex Care Package, that Care Package shall be awarded to the Provider who has submitted the most economically advantageous quotation for the specific Care Package.

2.8.4 For each individual Package purchased, the Council shall issue to the selected Provider an Individual Service User Agreement letter This Agreement together with the previously executed Contract shall form the Call-Off Contract

## 2.9 **How the procurement will address and implement the Council's Social Value policies.**

2.9.1 The Council continues to be committed to promoting the welfare of and protecting the most vulnerable children and young people in Barking and Dagenham. The underlying foundation of this service/intervention lies in its commitment to ensuring that children and young people remain within their families wherever possible or if already in the care system in a stable placement. The Council wants to ensure that all children and young people enjoy their childhood, transition smoothly into and succeed in adult life.

2.9.2 Providers will be encouraged to recruit locally where required.

2.9.3 The Council's Social Value policies and the Social Value Act 2012 are broadly aligned, and thus, these contracts will help address and implement the aims by:

- **Promoting employment and economic sustainability:** tackle unemployment and facilitate the development of skills;
- **Building the capacity and sustainability of the voluntary and community sector:** enabling groups to provide the service and encourage volunteering and employment of local residents;
- **Creating opportunities for SME's and social enterprises:** enabling the development of local businesses in the provision of this service.

### **3. Options Appraisal**

- 3.1 **Option 1: Do nothing** - The Council may choose to 'do nothing'. This is not the recommended option because this would result in the Council not having any formal contracts in place for this service.

Furthermore, not having contracts in place impacts on the Council's ability to effectively monitor the quality of the service.

- 3.2 **Option 2: Join an existing Framework Agreement** - There are no suitable existing frameworks in place that the LBBB can call-off.

- 3.3 **Option 3: Create a dynamic purchasing system (DPS).**

Although a DPS will allow new providers to join the system throughout the life of the agreement; the requirement to allow 10 days for providers to respond at each call-off does not make this an option as often the service is needed quickly and many times on the same day that the request is received.

- 3.4 **Option 4: Cease to provide** - If this service ceases to be provided, then there is a risk that a higher number of children who are on the edge of care would need to be accommodated by the Local Authority.

### **4 Equalities and other Customer Impact**

- 4.1 The service will impact on Children in Need, Children in Care and Children subject to a Child Protection Plan. The service will ensure reduced levels of placement disruption for those children already in care, a reduction in the number of children going into care and an increase in children, who are in care being reunified with their families/carers.

### **5. Other Considerations and Implications**

- 5.1 **Safeguarding Children** - Referrals will be made by the Access to Resource Team. The Team manager will work closely with the allocated workers throughout the intervention period to ensure close communications and sharing of relevant information.

As this is a service for one of our most vulnerable groups the chosen providers will be required to conform to all our local and national safeguarding procedures. This will be checked at the tender stage and post-appointment by regular meetings and unannounced monitoring meetings where required.

- 5.2 **Health Issues** - The wellbeing of children in the borough is a fundamental responsibility of the council which will result in positive health outcomes for the children and young people.

### **6. Consultation**

- 6.1 Consultation has taken place with key stakeholders and has formed part of the commissioning process.

- 6.2 The procurement arrangements were considered and endorsed by the Procurement Board on 15 March 2021.

## **7. Corporate Procurement**

Implications completed by: Francis Parker, Senior Procurement Manager

- 7.1 The proposed procurement strategy is compliant with the Council's contract rules and the PCR2015. It is subject to the light touch regime and will need to be advertised accordingly.
- 7.2 An Open tender process is likely to yield the best value for money for this service.
- 7.3 The proposed procurement timetable is realistic.

## **8. Financial Implications**

Implications completed by Florence Fadahunsi, Finance Business Partner

- 8.1 This report seeks authorisation for the Council to go out to tender for a 4- year contract for a provider(s) to deliver bespoke targeted and time limited intervention packages to Children in Need, Children in Care and Children subject to a Child Protection Plan.
- 8.2 The scope of this has been extended to include the Specialist Intervention Service and the Disability Service. There is historic evidence to suggest that this type of intervention work achieves tangible cost savings due to their effectiveness which would have a long-term benefit against the Children's placement budgets.
- 8.3 The annual contract value is expected to be £510,000 (£390,000 for the Specialist Intervention Service and £120,000 for the Disability Service). There will be no minimum value and the overall amount over the 4-year period would be £2.040m. Due to the nature of the contract, costs would only be incurred when cases are referred. There is an existing budget within the Specialist intervention service and within Disability Service available to fund the contract. The services would need to ensure that cases referred are contained within the funding available.

## **9. Legal Implications**

Implications completed by: Jean Nweke, Contracts & Procurement Lawyer

- 9.1 This report is seeking approval for the Council to procure a 4-year framework contract for the provision of Bespoke Packages for Children's Care Services in accordance with the strategy set out herein.
- 9.2 The Council shall conduct an open tender exercise following an advertisement on Contracts Finder, OJEU and on the Council's e-tendering portal, in accordance with the normal tendering requirements set out in Part C of the Contract Rules. The contract shall be considered as part of the Light Touch Regime and will therefore also comply with the European Treaty principles. The weighting criteria against which the framework contract will be awarded will be 35% price and 65% quality.



- 9.3 The framework contract shall be set up, in accordance with Rule 34 of the Contract Rules, with an estimated value of £2,040,000.00 over the full term of the contract. The framework contract will be based on the Council's standard terms and conditions and the contract term will be 4 years (2 years +1 +1).
- 9.4 The Council intend to select suppliers under the framework contract to provide services via a "direct call-off" mechanism. If this is not feasible then a mini competition will be held instead. The "call-off" selection will be based on price, quality and the needs of service users.
- 9.5 The proposals set out in this report would appear to be legally permissible and compliant with the Council Contract rules.

**Public Background Papers Used in the Preparation of the Report:** None

**List of appendices:** None