

HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel:	Executive Lead Member for Children's Services
Date:	18 January 2017
Title:	Procurement Activity Report 2017/18
Reference:	7966
Report From:	Director of Children's Services

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1. Summary

1.1. The purpose of this paper is to seek approval to procure and spend in relation to contracts listed in Appendix C whose value will be over £1,000,000 in accordance with the Council's Contract Standing Orders and Constitution.

1.2. This paper seeks to

- Give relevant information on the planned procurement activities for 2017/18 of Children's Services valued at over £1,000,000;
- Give information on the value and Council spend of each mentioned procurement activity;
- Request approval to procure and spend as appropriate in line with the Council's Contract Standing Orders.

2. Contextual information

2.1. The County Council's Contract Standing Orders (CSO 3) requires that 'The procurement of a Contract (not including a Framework Agreement) is subject to the approval of the relevant decision maker who has the authority to give approval for the relevant expenditure under the Constitution.' This report requests approval to procure and spend for contracts which require approval by the Executive Lead Member as they have a value, or estimated value, in excess of £1 million.

2.2. Children's Services procure services where an in-house delivery is either not possible or not desirable. Commissioners and procurement officers establish in advance the best procurement route, what kind of contractual agreements

should be used and which activity needs to be undertaken to ensure a successful, competitive tender.

3. Finance

- 3.1. To ensure that savings identified in the Transformation to 2017 are achieved, each procurement activity is scrutinised to ensure it can contribute to the saving targets of the department and improve efficiency and efficacy.

4. Performance

- 4.1. The procurement activity looks at how the resulting contracts will be monitored to deliver value for money, innovation and deliver on estimated savings.

5. Other key issues

- 5.1. The Public Services (Social Value) Act 2012 requires the Council as public authority 'to have regard to economic, social and environmental well-being in connection with public services contracts'. The Social Value is either defined in the Service Specification for a contract, for example asking the provider to use apprentices or employ people from disadvantaged groups. Alternatively, during the tender process, the provider is asked how it adds Social Value to a service.
- 5.2. The Council, as contracting authority, has additionally the obligation to shape their tendering processes to allow small to medium businesses fair access to winning contracts.

6. Consultation and Equalities

- 6.1. Consultations would be undertaken for each specific procurement exercise and could involve service users, internal staff who place orders with the contract / framework like Social Workers, officers from other local authorities, the Police and Health.

7. Future direction

- 7.1. Future procurement activity is included at Appendix C which provides details of the contracts and frameworks with the procurement intentions and values.

8. Recommendation

- 8.1. It is recommended that the Executive Lead Member for Children's Services gives the approval to procure and spend as appropriate in relation to contracts listed in Appendix C whose value will be over £1,000,000.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	Yes
Corporate Improvement plan link number (if appropriate): N/A	
Maximising well-being:	Yes
Corporate Improvement plan link number (if appropriate): N/A	
Enhancing our quality of place:	Yes
Corporate Improvement plan link number (if appropriate): N/A	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u> Public Contracts Regulations 2015 Public Services (Social Value) Act 2012 Small Business, Enterprise and Employment Act 2015 (Part 3)	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equality Duty

- 1.1. The Corporate eligibility questionnaire asks basic questions around compliance with Equalities legislation. More detailed and in-depth questions around Equality relevant to the procurement would be asked for tender award. Contracts contain detailed clauses around Human Rights and Equality.

2. Impact on Crime and Disorder

- 2.1. The current Corporate Procurement Strategy recognises that community cohesion, safety and security is a key part of the Council's corporate priorities. The Strategy aims to continue to identify where procurement can ensure that appropriate contracts include provisions for crime and disorder reduction, the Prevent Duty and that procurement arrangements do not have an adverse impact on community safety issues.
- 2.2. The services commissioned through the procurement process assess their own impact on Crime and Disorder. The procurement mentioned in this report supports the services for Looked After Children and Young People which will support them to behave in ways which are socially acceptable and prevent children and young people from offending or re-offending.

3. Climate Change

- 3.1. The Council's Corporate Procurement Strategy details the approach and key objectives for developing Sustainable Procurement within the organisation to support the Council's Sustainable Community Strategy.

Project title	Contract / Framework term and start date	Anticipated County Council value over term ⁱ	Anticipated total value over term ⁱⁱ (Collaborative Spend)	Approval required
<u>Overnight Short Breaks</u> Provision of overnight short breaks in a residential setting to replace the current framework which is due to expire March 17.	2 year framework with block contracts options plus optional 1 + 1 year extensions	£6.2 million	£N/A	Authority to spend
<u>Homecare</u> Provision of Homecare for Children with Disabilities to replace the current framework which is due to expire June 2017. The service provides support with personal care in the home.	2 year framework with block contract options plus optional 1 + 1 year extensions	£5.6 million	£N/A	Authority to spend
<u>Residential Placements</u> Provision of Residential placements for Looked After Children and Young People. In scoping the tender consideration needs to be given to ways in which more local provision is encouraged to build sufficiency in Hampshire. One way in which this may be achieved is through block contracts which will provide Hampshire with the opportunity to manage vacancies more effectively and have greater input into placement planning with providers. There is interest from local authorities in the current collaboration to continue to work together to establish a new contract. Early indications are that the Isle of Wight, Portsmouth, Southampton and Surrey are interested in working with Hampshire in respect of the re-tender activity. Final decisions in respect of this are due by 23 December. Education provision through Independent and Non Maintained Special Schools will be tendered separately following the outcome of the service	2 year framework with block contract options plus optional 1 + 1 year extensions	£88 million	Intention to collaborate to be confirmed. Decision Jan 17	Authority to spend

review.				
<u>Residential to Fostering Step Down</u> Provision for commissioned services to support the transition of children and young people from Residential Accommodation to Fostering placements, with the purpose of ensuring long term placement stability and successful outcomes for the child or young person. Anticipated spend is based on the cost of the current residential provision.	Pilot project for 1 year with the option to extend for 1 year to allow for tendering once results have been evaluated	£4 million	£N/A	Authority to procure; Approval to seek providers to deliver a pilot to test savings and outcomes assumptions
<u>Trafficked and Unaccompanied Asylum Seeking Children (UASC)</u> Tender to commission a variety of services for unaccompanied and trafficked, asylum seeking children, including foster placements, independent living, services to scale up the provision in Hampshire and other innovative services to meet the needs of unaccompanied and trafficked, asylum seeking children. The Government are providing funding to deliver placements for UASC, the details of the total funding available cannot be confirmed at this time as the value will depend on the number of placements, the eligibility of the child and the age of the child or young person.	2 year framework with block contract options plus optional 1 + 1 year extensions	£20 million	£N/A	Authority to spend
Forthcoming Contracts for information				
<u>16+ Accommodation and Support</u> Provision of commissioned services for accommodation and support for young people aged 16 – 21. This contract will replace the current contract which is due to expire in March 18.	To be reported separately			

ⁱ Anticipated County Council spend is subject to the budgets available

ⁱⁱ Anticipated Collaborative spend is subject to the budgets available