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|                                | <h2>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER</h2>  |
| <b>Title</b>                   | <b>Voluntary and Community Sector Development Partner: Tender Award</b>  |
| <b>Report of</b>               | Karen Ahmed, Later Life Lead Commissioner  |
| <b>Wards</b>                   | All  |
| <b>Status</b>                  | Public   |
| <b>Enclosures</b>              | Appendix A   |
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### Summary

Cabinet Resources Committee agreed on 24 February 2014 to authorise procurement of a local voluntary and community sector development partner, up to a maximum of 4 years (2 years plus the option to extend by 2 years) with an annual contract value of £225,000 and a total contract value of £900,000 over the 4 years, to commence no later than 1 April 2015.

Consultation was undertaken with voluntary sector organisations in order to design the content and the allocation of activity areas into lots as follows:

- Lot1: Empowering Local Communities and Volunteering: £80,000 p/a (total contract value over 4 years of £320,000)
- Lot 2: Voluntary Sector Support and Representation and Communication: £60,000 p/a (total contract value over 4 years of £240,000) plus a one-off incentive of £10,000 on development of a Barnet Community Fund
- Lot 3: Safeguarding Children and Young People: £35,000 p/a (Total contract value of £140,000 over 4 years)

- Lot 4: Insight and Database: £20,000 p/a, (total contract value over 4 years of £80,000) plus £25,000 one-off investment for development of database.

Applicants could apply for any number of lots. Applications were scored on 70% quality, 30% price leading to the identification of two suppliers to begin the new service from 5<sup>th</sup> January 2015.

## Decisions

**That the Officer in consultation with the Chairman of the Community Leadership Committee appoint the suppliers listed in Appendix A as the Voluntary and Community Sector Development Partners for the London Borough of Barnet.**

### 1. WHY THIS REPORT IS NEEDED

- 1.1 Cabinet Resources Committee agreed on 24 February 2014 to authorise procurement of a local voluntary and community sector development partner, up to a maximum of 4 years (2 years plus the option to extend by 2 years) with a maximum contract value of £900,000, to commence no later than 1 April 2015.
- 1.2 A procurement exercise has been undertaken to award new contracts for these services. This report seeks approval to award the voluntary and community sector development partner to the suppliers listed in Appendix A to start service delivery from 5<sup>th</sup>. January 2015.

### 2. REASONS FOR DECISIONS

- 2.1 Organisations were invited to submit tenders for the 4 lots within the service identifying their organisational experience and how they would meet the requirements of the specification, including the outcomes they expected to achieve if awarded the contract and how they would work in partnership with any other successful bidders.
- 2.2 A panel comprising representatives from the Commissioning Group, Children and Families Delivery Unit, Adults and Communities Delivery Unit and Capita evaluated the submissions to ensure that the full range of Council priorities were taken into account by the bidders, as required in the specification. Procurement guided and supervised the evaluation but did not score the bids.
- 2.3 A Lots approach was utilised to ensure that the organisation with the best skill set would be appointed to deliver the service. The evaluation demonstrated that two organisations were best placed to deliver different lots and that both organisations had a commitment to partnership working.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

- 3.1 One option would have been to retender the existing service rather than a redesigned service. However, it was recognised that a new specification was required which delivered on the Council's priorities in particular, supporting individuals and communities to live independently and take responsibility for tackling issues which are important to them. This requirement goes beyond supporting traditional volunteering, and involves building capacity in the local community and encouraging everyone who lives, works or studies in Barnet to play their part and take responsibility for ensuring that the borough continues to be a success.
- 3.2 A further option was to retender the service as one contract. This was discounted as it was felt that this approach may discriminate against organisations that did not have the full range of experience necessary but did have some key areas of expertise. Dividing the works into lots and allowing multi bids allows for the identification of a supplier which best fits Council requirements

### **4. POST DECISION IMPLEMENTATION**

- 4.1 The initial contract requirements will be for a mobilisation phase by which our new suppliers will undertake their setting up operations in readiness to take over from the existing contractors. As from 5<sup>th</sup> January 2015, the new suppliers will be undertaking their full functions as detailed within the contract requirements. The contract is for a two year period with the option to extend for a further two years.

### **5. IMPLICATIONS OF DECISION**

#### **5.1 Corporate Priorities and Performance**

- 5.1.1 The appointment of Voluntary and Community Sector Development Partners will ensure the following:
- Promotion and continuous support of community participation and development opportunities in line with the Council's strategic objectives for community participation and involvement.
  - To understand the opportunities available to the community to participate and to help identify where more support is needed in particular areas. In addition to this the successful organisation will help to identify where communities have developed self-sustaining supports for the council to support the set up in other areas.

- To help Voluntary and Community Sector (VCS) organisations to increase their support to local residents through attracting additional resources into the borough, and to help deliver Barnet services and outcomes differently.
- In line with the Council’s strategic priorities, will improve the safeguarding capacity of the voluntary and community sector in Barnet.
- To work with the sector to understand the council’s strategies in relation to the delivery of core services.
- To work towards the Corporate Priority of making Barnet an attractive place to live.

**5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 The total contract value for the tender award is £225,000 per annum for a two year period; there is a possibility of this contract being delivered for an extra 2 years thereafter. This money has been divided into 4 lots, which organisations could bid for individually or collectively. The lots have been divided as follows:

- Empowering Local Communities and Volunteering: £80,000
- Voluntary Sector Support and Representation and Communication: £60,000, plus an incentive of £10,000 on development of a Barnet Community Fund
- Safeguarding Children and Young People: £35,000
- Insight and Database: £20,000, plus £25,000 one-off investment for development of database. This lot and the one-off investment will be funded by Capita.

Organisations were asked to submit bids which evidenced the best use of the total budget for the lots they were applying for. The evaluation shows that the most cost effective bid was chosen in all 4 lots.

5.2.2 12 organisations expressed an interest in the contract and 4 organisations submitted a bid.

5.2.3 Organisations were scored using according to 70% quality, 30% price. Quality was evaluated using the following criteria:

|  |  |
|--|--|
| <b>Empowering Local Communities and Volunteering</b> | <ul style="list-style-type: none"> <li>• Ability to increase community participation and resilience</li> <li>• Ability to increase use of community assets</li> <li>• Ability to increase and diversify to number</li> </ul> |
|--|--|

|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>of volunteers to address Council priorities</li> <li>• Identification of outcomes to be delivered</li> </ul>  |
| <b>Voluntary Sector Support and Representation and Communication</b> | <ul style="list-style-type: none"> <li>• Ability to deliver a vibrant and sustainable voluntary sector</li> <li>• Ability to deliver a Barnet Community Fund</li> <li>• Ability to deliver effective consultation and representation</li> <li>• Identification of measures of success</li> </ul> |
| <b>Safeguarding Children and Young People</b>                        | <ul style="list-style-type: none"> <li>• Evidence of capabilities and expertise in supporting voluntary sector to delivery on early identification, supporting and safeguarding</li> <li>• Ability to demonstrate outcomes and impact</li> </ul>   |
| <b>Insight and Database</b>  | <ul style="list-style-type: none"> <li>• Expertise in developing voluntary and community sector database</li> <li>• Expertise in utilising insight to produce reports etc</li> <li>• Ability to demonstrate outcomes and impact</li> </ul>   |
| <b>Social Value</b>  | <ul style="list-style-type: none"> <li>• Ability to demonstrated added social value</li> </ul>   |
| <b>General</b>   | <ul style="list-style-type: none"> <li>• Ability to deliver contract on time (mobilisation plans)</li> <li>• Ability to work in partnership with other organisations</li> </ul>  |

5.2.4 There were 3 bids for all of the lots with the exception of Lot 3. The resulting evaluation of the offer was found to be acceptable. The evaluation identified two successful bidders overall.

5.2.5 Contract monitoring will take place on a quarterly basis. Payment will only be made on successful demonstration of achievement of agreed outcomes and indicators.

5.2.6 There are no staffing or IT implications for the Council

### 5.3 Legal and Constitutional References

5.3.1 The contract opportunity was advertised in OJEU in compliance with the Public Contracts Regulations 2006 and the council's Contract Procedure Rules

5.3.2 HB Public Law will be instructed to complete the contracts with the successful tenderers.

5.3.3 The Council's Constitution, Contract Procedure Rules, section 17 set out authorisation and acceptance thresholds for works, supplies and services. Provided the tender is within budget the Officer in consultation with the Chairman of the relevant themed committee is authorised to accept tenders with a value of £172,514 and above.

## **5.4 Risk Management**

- 5.4.1 The tenderer addressed the risks that the necessary mechanisms are not in place to realise the council's objectives to promote independence.
- 5.4.2 Risks associated with the proposed procurement will be mitigated ensuring that provision to be procured is consistent with budget resources and savings targets; carrying out advance market-testing with potential providers; and requiring production of detailed service mobilisation and transition plans.
- 5.4.3 The risk that the new contract will not achieve value for money has been mitigated by designing service specifications which reflect best practice and experience and ensuring contracts are outcomes focused and related to Barnet's key indicators and objectives.
- 5.4.4 Risks of non-delivery will be managed by developing a strategic relationship with the new providers and robust contract monitoring which is linked to payment.
- 5.4.5 The risks of the two new providers not working closely together will be addressed through the contract award being dependent upon signing up to a partnership agreement with clear outcomes which will also be monitored.

## **5.5 Equalities and Diversity**

- 5.5.1 The core provisions of the Equality Act 2010 came into force on 1 October 2010 and the public sector equality duty (section 149 of the Act) came into force on 5 April 2011. Under section 149, the council must have due regard to the need to eliminate discrimination, harassment and victimisation prohibited under the Act and to advance equality of opportunity and foster good relations between those with protected characteristics and those without.
- 5.5.2 The protected characteristics are age; disability; race; gender reassignment; pregnancy and maternity; religion or belief; sex; and sexual orientation. They also cover marriage and civil partnership with regard to eliminating discrimination.
- 5.5.3 Any organisation providing public sector services is subject to scrutiny by the council to ensure that delivery complies with the public sector equality duty.
- 5.5.4 The council's local VCS development partners will play an important role in helping engage and consult with protected characteristic groups including carers, people with disabilities and local faith and ethnic groups and as part of the tender process, suppliers were asked to demonstrate their experience and aspirations in engaging with the community as a whole and hard to reach groups in particular.

- 5.5.5 .An initial equality impact assessment of the change in service provision was carried out as part of the tender process. Positive impacts on the following characteristics were identified - age; disability; race; pregnancy and maternity; religion or belief; sex. No impact was identified for sexual orientation or marriage and civil partnership. However these characteristics will also be monitored through the life of the contract to ensure no negative unintended consequences.
- 5.5.6 The service specification requires involvement and inclusion of the wider community and their organisations in all areas of work. The success of engagement with the wider community and hard to reach groups will be monitored through the contract monitoring processes and the successful bidders will be required to address any anomalies where potential under-representation can be rectified or where an action has unintended consequences.
- 5.5.7 Further equality specific measures may be developed with reference to particular projects as the contract progresses to ensure that the organisations act in keeping with the Council's public sector equality duty.
- 5.5.8 As part of the tender process bidders have been required to complete a section on Equalities. This section has ensured that the successful organisation has an equalities policy that does not treat any one group of people less favourably than others because of their age, disability, gender, race, religion/belief or sexual orientation.

## **5.6 Consultation and Engagement**

- 5.6.1 As part of this process, two events were held to consult and engage prospective bidders. In March 2014 a 'Market Day' was held in Hendon Town Hall, where several VCS organisations were welcome to attend, hear more about the tender opportunities and ask questions about the next stage in the process.
- 5.6.2 Following this event, a workshop with interested bidders was held in Hendon Town Hall in May 2014. Here, prospective bidders had the opportunity to comment on a draft specification and have an input about what they thought the VCS in Barnet could realistically deliver. Bidders were thereafter given the opportunity to ask questions about timescales and the specification in general.

## **6. BACKGROUND PAPERS**

- 6.1 CRC, February 2013, approval of a 1 year extension to the contract with CommUNITY Barnet for children's services.

- 6.2 CRC, March 2011: approval of two 3 year funding agreements with CommUNITY Barnet to cover the period from March 2011 until March 2014.
- 6.3 CRC, July 2008: approval of a Third Sector Commissioning Framework
- 6.4 CRC, February 2014: tendering for a local voluntary and community sector development partner

## 7. DECISION TAKER'S STATEMENT

- 7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.*

## 8. OFFICER'S DECISION

**I authorise the following action**

- 8.1 Karen Ahmed, Later Life Lead Commissioner

Signed



Date

24<sup>th</sup> September 2014

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## REPORT CLEARANCE CHECKLIST

*(Removed prior to publication and retained by Governance Service)*

Report authors should engage with their Governance Champion early in the report writing process and record the date below. If the decision/report has been reviewed at an internal board please record the date and name of the meeting (e.g. SCB). Otherwise enter N/A. All reports must be cleared by the appropriate Director/AD, Legal, Finance and Governance as a minimum. **Legal, Finance and Governance require a minimum of 5 working days to provide report clearance. Clearance cannot be guaranteed for reports submitted outside of this time.**



All financial costs are priced at the cost of delivering the service over 2 years, reflecting the length of the contract which is 2years plus 2 years.

### LOT 1 Final Weighted Overall Scores

|  | Tender Name    | Price      | Weighted Price Score | Weighted Quality Score | Overall      |
|--|----------------|------------|----------------------|------------------------|--------------|
|  | Organisation A | 163,192.72 | 16.87                | 35.875                 | <b>52.75</b> |
|  | Organisation B | 200,000.00 | 10.53                | 41.825                 | <b>52.35</b> |
|  | Groundworks    | 158,940.68 | 17.60                | 65.975                 | <b>83.58</b> |
|  |                |            |                      |                        | <b>0.00</b>  |
|  |                |            |                      |                        |              |
|  |                |            |                      |                        |              |
|  |                |            |                      |                        |              |

### LOT 2 Final Weighted Overall Scores

|  | Tender Name      | Price      | Weighted Price Score | Weighted Quality Score | Overall      |
|--|------------------|------------|----------------------|------------------------|--------------|
|  | Organisation A   | 138,858.72 | 11.96                | 32.375                 | <b>44.34</b> |
|  | Community Barnet | 120,000.00 | 16.45                | 43.575                 | <b>60.02</b> |
|  | Organisation C   | 119,409.10 | 16.59                | 31.85                  | <b>48.44</b> |
|  |                  |            |                      |                        | <b>0.00</b>  |
|  |                  |            |                      |                        |              |
|  |                  |            |                      |                        |              |

**LOT 3 Final Weighted Overall Scores**

|  | <b>Tender Name</b> |           | <b>Weighted Price Score</b> | <b>Weighted Quality Score</b> | <b>Overall</b> |
|--|--------------------|-----------|-----------------------------|-------------------------------|----------------|
|  |                    |           |                             |                               |                |
|  | Community Barnet   | 70,000.00 | 15.00                       | 50.575                        | <b>65.58</b>   |
|  |                    |           |                             |                               |                |
|  |                    |           |                             |                               | <b>0.00</b>    |

**LOT 4 Final Weighted Overall Scores**

|  | <b>Tender Name</b> |           | <b>Weighted Price Score</b> | <b>Weighted Quality Score</b> | <b>Overall</b> |
|--|--------------------|-----------|-----------------------------|-------------------------------|----------------|
|  | Organisation A     | 69,446.82 | 2.97                        | 40.95                         | <b>43.92</b>   |
|  | Organisation B     | 40,000.00 | 20.79                       | 39.9                          | <b>60.69</b>   |
|  | Groundworks        | 39,250.00 | 21.24                       | 64.8375                       | <b>86.08</b>   |
|  |                    |           |                             |                               | <b>0.00</b>    |
|  |                    |           |                             |                               |                |