

	<p><b>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER 17.03.16</b></p>
<b>Title</b>	<b>Social Care Emergency Duty Team</b>
<b>Report of</b>	Family Services Director
<b>Wards</b>	All
<b>Status</b>	Public
<b>Enclosures</b>	None
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<b>Summary</b>
<p>This report seeks approval to award a single contract for the delivery of an Emergency Duty Team (out-of-hours social work) service to the London Borough of Harrow. This is a shared service between Family Services and Adults and Communities.</p>
<p>The contract is for 3 years, from 1 April 2016, with an option to extend for a further 1 year, commencing from 1 April 2016, to the total value of £639,296, with a total extension value of up to £852,394.</p>

<b>Decisions</b>
<p><b>1. That Committee authorise the award of an Emergency Duty Team (EDT) service contract to the London Borough of Harrow for 3 years, from 1 April 2016, with an option to extend for a further 1 year, up to a total contract value of £852,394.</b></p>

**1. WHY THIS REPORT IS NEEDED**

- 1.1 LB Barnet has a statutory duty to provide an out-of-hours Emergency Duty Service.
- 1.2 The Emergency Duty Service provides an emergency social care service outside of normal office hours.
- 1.3 This service deals with some of the highest risk clients in Barnet often in difficult circumstances. It is required to link seamlessly with mainstream social care services and work in partnership with a range of agencies to safeguard children and adults in Barnet.
- 1.4 The current commissioned Emergency Duty Team (EDT) contract comes to an end on 31 March 2016. A review of the current contract was completed in 2015 and a new service specification was developed.

## **2. REASONS FOR DECISIONS**

- 2.1 An options appraisal was undertaken to explore models for a new service and a shared service was identified as a preferred option, so as to deliver best value for money to the Council. Market engagement activities were undertaken with a range of other Councils to scope the level of interest for a shared service.
- 2.2 To comply with the Council's Contract Procedure Rules and to achieve value for money, an open procurement exercise was undertaken in November 2015. Despite three expressions of interest and an extension of the invitation to tender for an additional two weeks, no bids were received.
- 2.3 Reasons for non submission of bids included:
  - Market readiness- Boroughs undertaking a review of their current arrangements and not being in a position to bid;
  - Proximity to the borough- Boroughs that were not located close to Barnet did not feel they could meet the requirement for a visiting service; and
  - Lack of experience in delivering an EDT service- The invitation to tender evaluation required a minimum of 3 years experience of delivering an EDT service, which may have precluded some companies from bidding.
- 2.4 Following the failed procurement exercise, the service requirements were discussed with the current provider (the London Borough of Harrow). The London Borough of Harrow submitted a proposal to deliver this service from 2016 onwards as a direct contract. This proposal was reviewed in detail by Family Services and Adults and Communities and accepted following negotiations relating to price and delivery detail.

2.5 Section 1 of the Local Authorities (Goods and Services) Act 1970 allows public bodies to provide goods and services to one another, however this is still subject to compliance with the Public Contract Regulations 2015. The Council wishes to award the contract to Harrow Council and can do so pursuant to the Local Authorities (Goods and Services) Act 1970.

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

3.1 Delivering this service in house was considered as an option but employing staff to deliver this service for Barnet as opposed to purchasing a shared resource was not considered to deliver best value for money. In addition, time and resource requirements to plan and mobilise a new in house service would be challenging given the timescales for contract implementation.

3.2 Re-issuing the tender was not considered to be a good use of resources given the limited market for this type of service (evidenced by market engagement work undertaken). This is a high risk service and it is an untested market to deliver this type of service in the private sector.

3.3 It is a statutory function to deliver out of hours social services, therefore ceasing this service is not an option.

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

4.1 Following decision to award this contract, a legal contract will be issued by HB Public Law and the services will be mobilised ready for delivery on 1 April 2016.

4.2 An implementation plan has been developed for the contract. Protocols have been discussed and agreed for the new service.

4.3 Monthly inception meetings will be scheduled for the first quarter and thereafter, contract monitoring will be undertaken on a quarterly basis, including representation from the London Borough of Harrow; Family Services and Adults and Communities.

## 5. IMPLICATIONS OF DECISION

### 5.1 Corporate Priorities and Performance

5.1.1 The Council's Corporate Plan 2015-20 states that the council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life
- where people are helped to help themselves, recognising that prevention is better than cure
- where responsibility is shared, fairly
- where services are delivered efficiently to get value for money for the taxpayer

5.1.2 The award of the contracts set out in this report contributes to the Corporate Plan commitment to safeguard children and vulnerable adults.

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

5.2.1 The new contract represents value for money via a shared service. Costs of the service are largely driven by staffing costs to cover the out of hours delivery per week. If the Council were to provide this service in house, costs would be higher than the contract value.

5.2.2 Costs were negotiated with the London Borough of Harrow to ensure value for money. As the total costs for the service going forward would have exceeded the total contact value, the contract length for this award has been reduced. This ensures that spending is within the financial envelope available for this service and provides the opportunity for further market development work and joint commissioning opportunities to be scoped over a longer time period.

5.2.3 The table below highlights the annual contact value of the new service, contributions from Family Services and Adults and Communities and the total cost across the life of the contract.

Table 1 Contract costs

Price element	Annual contact value	Total cost of the service across the contract (3 years)	Total cost including extensions (3+1 years)
Fixed price	£206,099	£618,296	£824,394
Additional Costs*	£7,000	£21,000	£28,0000
Total contract value	£213,099	£639,296	£852,394

\*Additional costs are not expected to exceed £5,000 based on 2015-16 levels of need. £2,000 has been included as a contingency for additional visits for safeguarding purposes.

5.2.4 The contract is split into a fixed cost value to cover core service costs and additional costs to fund specific service costs which vary over the course of the contract. The latter includes costs to cover long term staff sickness

absence and backfill costs which are required to fund a back up duty social worker in the event of staff undertaking a visit to a child or vulnerable adult for the purpose of safeguarding in an emergency situation.

5.2.5 All costs that relate to unpredictable events (sickness absence and the need for emergency cover) will be agreed with an authorised officer within social care before being charged. This is covered by the agreed service specification and protocols.

5.2.6 £7,000 has been agreed as an upper limit for LB Barnet paying towards staffing cover for sickness and for costs to cover backfill for visits. It is not value for money for Barnet to agree to pay this as a matter of course for the contract price as the costs are unpredictable and therefore an upper limit has been set.

### 5.3 Legal and Constitutional References

5.3.1 The London Borough of Barnet has a duty to provide an out of hours service for social care. This is fulfilled through the use of an emergency duty team.

5.3.2 The out of hours service for social care is caught by regulations 74-76 and only needs to comply with a light touch regime which affords the LB Barnet greater flexibility in how it undertakes the procurement process and flexibility to change the parameters of the procedure even while it is underway, provided this is done in a way that does not contradict the principles of equal treatment and transparency.

5.3.3 In accordance with the Public Contracts Regulations 2015 and contract procedure rules the Council undertook a procurement exercise (as described in paragraph 2.2 above) which failed to attract any bids. Subsequent to the failed procurement the Council took the decision to award the out of hours service contract to Harrow Council. The Council was able to approach and negotiate a contract with Harrow Council directly on the basis of regulation 32(2)(a) namely; '*...the negotiated procedure without prior publication...where no tenders, no suitable tenders, no requests to participate or no suitable requests to participate have been submitted in response to an open procedure or a restricted procedure...*', provided that the initial conditions of the contract are not substantially altered.

5.3.4 Authorisation for this procurement was granted in the Procurement Forward Plan 2015-16, agreed by Policy and Resources Committee in January 2015.

5.3.5 In accordance with the contract procedure rules, as outlined in the council's constitution, acceptance of contracts that exceed the value of £164,176 must be recorded by means of an Officer Full DPR.

### 5.4 Risk Management

- 5.4.1 The specification sets out requirements for risk mitigation regarding policies, protocols and procedures including the Council's safeguarding policies and procedures, reporting and escalations to the service.
- 5.4.2 If the Council does not proceed with awarding the contracts, it will have a negative impact on service delivery to children and families and vulnerable adults. These contracts are the most viable long term option and would risk provision of a fragmented service mode between adults and family social care services. To mitigate these risks, it is recommended that the contracts are awarded to the organisations identified in this report.

To ensure monies are being spent effectively all new contracts will be performance managed throughout the term of the contract using a robust monitoring system. This system is in place for current contracts.

## **5.5 Equalities and Diversity**

- 5.5.1 The provider will have due regard for the Council's Equalities and Diversity requirements in the undertaking of their appointed duties. These duties are outlined in the service specification.
- 5.5.2 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
  - advance equality of opportunity between people from different groups
  - foster good relations between people from different groups

The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services

## **5.6 Consultation and Engagement**

- 5.6.1 Consultation and engagement with key stakeholders formed a part of the design of the service specifications. Feedback from users of the services and strategic partner agencies have been built into service review under the new contract period.

## **6. BACKGROUND PAPERS**

Policy and Resources Committee, January 13th 2015, Procurement Forward Plan 2015-16 Appendix A:

<https://barnet.moderngov.co.uk/documents/s20197/Appendix%201.pdf>

## **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

**Signed**            Nicola Francis

**Date**              23/03/2016