



Notice of Non-key Executive Decision

Subject Heading:	Approval to direct award via a waiver an interim contract to Potton Kare Services (PKS) for 12 months
Cabinet Member:	Cllr Robert Benham
SLT Lead:	Tim Aldridge, Director of Children's Services
Report Author and contact details:	Megan Enevoldson, megan.enevoldson@havering.gov.uk
Policy context:	Safeguarding and promoting the welfare of vulnerable children, young people and adults, in line with relevant legislation
Financial summary:	To direct award an interim tariff based contract with Potton Kare Services (PKS) for 12 months from 1 st April 2019 ending on 31 st March 2020 with a projected spend of £151k
Relevant OSC:	<i>Children & Learning OSC</i>
Is this decision exempt from being called-in?	Yes, it is a non-key decision by a member of staff

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The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input checked="" type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This report seeks:

- 1) Contract Procedure Rule.9.9 be waived and
- 2) approval to award a 12 month interim contract to Potton Kare Services (PKS) with a projected spend of £151k

AUTHORITY UNDER WHICH DECISION IS MADE

CPR 14.3: "Exceptions to the competition requirements may be made only if all relevant law is complied with and one of the following circumstances applies:

The contract falls within one of the exceptions listed in this Rule; AND

1. The Competition Financial Thresholds Exceptions, is fully and properly completed and signed by the relevant Member of SLT; AND
2. The person awarding the contract can demonstrate that the contract represents the best value that can be obtained in the circumstances.

The Havering Constitution: Part 3: Responsibility for Functions

Powers of Second Tier Managers (directly reporting to a SLT Director); Contract powers

(a) To award all contracts below a total contract value of £500,000 but above the EU Threshold for Supplies and Services.

STATEMENT OF THE REASONS FOR THE DECISION

Background

Potton Kare Services Social Care Agency (PKS) was issued with an interim 18 month contract in 2016 to provide bespoke support packages for children in need (CIN), in care (LAC) or subject to a child protection plan (CP). Support packages provided by PKS are for supervised contact, welfare checks, family support and respite services. The original contract value for this contract was £135,402 and the actual spend for this contract ending in September 2017 was £155,458.22.

The intention contract was to determine whether services could be provided in-house by LBH social care staff or whether we would retender the service. Plans to bring services in-house did not happen due to there being no capacity within the operational teams and the contract expired in September 2017. During this period there has been an increase in referrals for longer running family support and respite packages from the Children with Disabilities (CAD) Service which has resulted in an increase in spend. This has been accompanied by a reduction in spend for LAC, CP, and CIN support services.

Children's social care has continued to spot purchase from PKS for the past 17 months out of contract. Commissioning has been working with operational services to understand the risks and demand for services spot purchased from PKS and there is still no capacity to bring services in-house. This is because often PKS are providing welfare check/family support services on an emergency basis and out of hours. Planned packages of support for supervised contact often take place on a weekend or out of borough which the internal supervised contact team cannot support and respite support referred by the

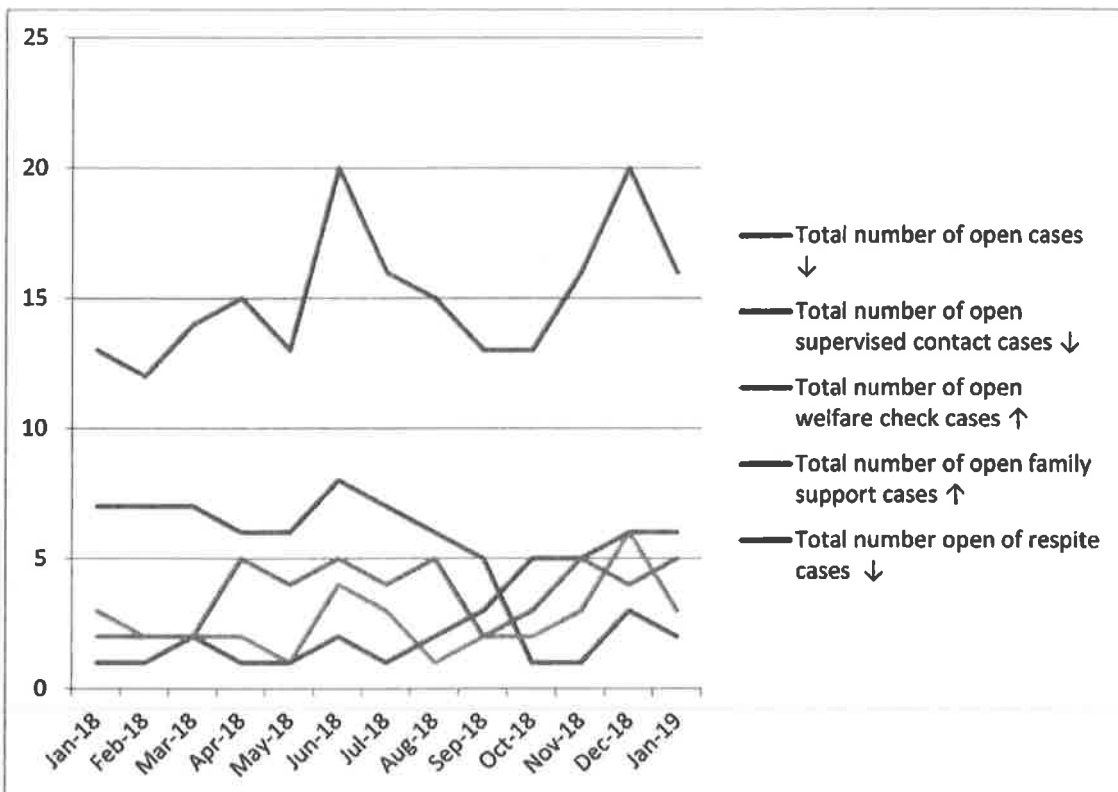
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CAD are often larger packages out in the community.

Demand

Average monthly demand January 2018 to January 2019

Average number of open cases	15.1
Average number of supervised contact cases	5.1
Average number of welfare check cases	2.6
Average number of family support cases	2.8
Average number of respite cases	3.7
Average number of befriending cases	0.8



Recommendation

The recommendation is to waive CPR9.9 and award a 12 month interim contract to PKS for 19/20 financial year with a projected value of £151k to deliver welfare check, supervised contact, respite and family support services to children and young people in need, in care or subject to a child protection plan. This option will ensure the Council will have a binding contract with PKS whilst a commissioning exercise to ensure best value for money is planned and completed with the new service mobilised by April 2020. In the meantime, Commissioning has negotiated a reduction in PKS' hourly rate from £24 per hour to £22 per hour. Statutory services are being provided in order to keep vulnerable children and young people safe and we are not in a position to meet needs in-house. This is because support packages provided by PKS are often referred on an emergency basis, required on a weekend, out of hours, or out in the community. This option will also ensure the continuity of care and support workers for vulnerable children and their families and mitigate the risk of a change in provider twice in one year dependent on the outcome of the commissioning exercise.

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OTHER OPTIONS CONSIDERED AND REJECTED

- **Do nothing** - to not issue the interim contract and continue to spot purchase from PKS as required until the commissioning exercise is complete. This option was rejected as the Council does not currently have a binding contract to protect its interests.
- **To use corporate contracts with Adecco or Bloom** to purchase services required. This option was rejected due to the risk of increased costs due to the management fee charged by Adecco and Bloom, and the impact this would have on the continuity of care for vulnerable children and families and the lack of suitability to respond to emergency weekend referrals.
- **To call-off from an established framework.** This option was rejected due to the fact that there are no suitable frameworks to call-off from. Other local authorities currently spot purchase from PKS or have a block contract with a single provider.

PRE-DECISION CONSULTATION

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Megan Enevoldson

Designation: Commissioner & Project Manager

Signature: Megan Enevoldson

Date: 21.05.19

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has statutory duties for the welfare of Children under the Children Act 1989. More specifically, in accordance with Section 17 the Council must provide services to children in need (as well as their families and others) and has a general duty in relation to children looked after by them under Section 22. Children's Services seek to provide these support services in compliance with such duties.

This Report seeks approval to directly award a contract to Potton Kare Services (PKS) without undertaking a competitive process as required by the Council's Contract Procedure Rules.

Therefore a waiver of CPR9.9 is required, which states that each procurement with an estimated value of £100,000 or above must be subject to a formal tender exercise in conjunction with the Strategic Procurement Unit.

CPR14.1 provides that a waiver of the Rules is permissible if approved by an individual Cabinet member using an Executive Decision, with a report setting out the background, the rule to be waived, the reasons why the waiver is required, how value for money will be demonstrated, any legal or financial risks or implications and with the approval of the Director of Law and Governance and the Chief Executive.

Furthermore, where an exception to competitive requirements is sought, CPR 14.3 and 14.6.2 provide that a waiver may be made where relevant law is complied with and officers can show that the services are specialist and only available from one supplier in the European Union.

As the value of the proposed contract is well below the threshold for Light Touch Services (as listed in Schedule 3 of the Public Contract Regulations 2015), the proposal in this report will comply with relevant law provided that the service area can show that the award is in accordance with the Council's statutory duty under section 3(1) of the Local Government Act 1999 to achieve best value through all contracts it procures.

Officers have satisfied themselves that the waiver requirements above have been met in this instance and that this proof of concept represents the best value for the Council overall.

FINANCIAL IMPLICATIONS AND RISKS

The Council has statutory duties for the welfare of Children under the Children Act 1989. More specifically, in accordance with Section 17 the Council must provide services to children in need (as well as their families and others) and has a general duty in relation to children looked after by them under Section 22. Children's Services seek to provide these support services in compliance with such duties.

The proposed contract is a tariff based contract and volumes of work will be variable according to the needs of service users/the service. Commissioning has negotiated a reduction in PKS' hourly rate from £24 per hour to £22 per hour.

Actual spend in 2017/18 and 2018/19 is shown in the table below. Expenditure in 2019/20 is expected to be in line with the £151,000 incurred in 2018/19, however, if demand remains constant, the lower hourly rate would result in a reduction of around £12,000.

Team	2017/18	2018/19
CAD (A38380) (A33900)	£54,476.96	£61,753.30

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CWD Placements		£36,925.99
CIN (A38410) (A38120)	£347.76	
CP (A38410) (A38120)	£29,525.10	
LAC (A38320)	£36,451.75	£25,184.68
S17 (A38120)		£25,846.68
S23 (A38420)	£1,070.25	£1,335
SGO (A38640)	£858.13	£36.00
Total	£122,729.95	£151,081.65

The re tendering exercise should be planned and monitored to ensure that a new contract is in place by April 2020, when the recommended contract with PKS will expire.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are no direct HR implications or risks to the Council or its workforce that can be identified from the recommendations made in this report.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

BACKGROUND PAPERS

NONE.

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed



Name: Tim Aldridge

Cabinet Portfolio held:

CMT Member title: Director of Children's Services

Head of Service title

Other manager title:

Date: 03/06/2019.

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 25/6/19

Signed A. H. Cum