

Portfolio Holder Decision Meeting

AGENDA

DATE: Monday 28 March 2011

TIME: 12.00 pm

VENUE: Committee Room 5,
Harrow Civic Centre

MEMBERSHIP

Portfolio Holder for Children's Services

Contact: Miriam Wearing, Senior Democratic Services Officer
Tel: 020 8424 1542 miriam.wearing@harrow.gov.uk

AGENDA - PART I

PROCEDURAL

1. DECLARATIONS OF INTEREST AND DECLARATIONS OF ANY DISPENSATIONS GRANTED BY THE STANDARDS COMMITTEE

To receive declarations of personal or prejudicial interests, arising from business to be transacted.

2. MINUTES

The minutes of the meeting held at 10am on 28 March 2011 will be deferred to the next meeting

3. PETITIONS

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Executive Procedure Rule 15 (Part 4D of the Constitution).

4. PUBLIC QUESTIONS

To receive questions (if any) from local residents or organisations under the provisions of Executive Procedure Rule 16 (Part 4D of the Constitution).

5. MATTERS REFERRED TO THE EXECUTIVE MEMBER

In accordance with the provisions contained in Executive Procedure Rule 25 (Part 4D of the Constitution).

6. REPORTS FROM THE OVERVIEW AND SCRUTINY COMMITTEE OR SUB-COMMITTEES (IF ANY)

In accordance with the provisions contained in Executive Procedure Rule 25 (Part 4D) of the Constitution.

GENERAL

7. THE PROVISION OF A PARENT PARTNERSHIP SERVICE (Pages 1 - 6)

Report of the Corporate Director, Children's Services.

8. ANY OTHER URGENT BUSINESS

Which cannot otherwise be dealt with.

9. EXCLUSION OF THE PRESS AND PUBLIC

To resolve that the press and public be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of confidential information in breach of an obligation of confidence, or of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972:

<u>Agenda Item No</u>	<u>Title</u>	<u>Description of Exempt Information</u>
6.	Enclosure to report on the Provision of a Parent Partnership Service	Information under paragraph 3 (contains information relating to the financial or business affairs of any particular person (including the authority holding that information)).

AGENDA - PART II

10. THE PROVISION OF A PARENT PARTNERSHIP SERVICE (Pages 7 - 10)

Appendix to the Report of the Corporate Director, Children's Services.

Local Government (Access to Information) Act 1985

In accordance with the Local Government (Access to Information) Act 1985, this meeting is being call with less than 5 clear working days' notice by virtue of the special circumstances and grounds for urgency stated below:

Special Circumstances/Grounds for Urgency

It would be prejudicial to the best interest if the Council to delay a decision as the officer recommendation is to make an appointment for the management of the service as soon as possible.

Publication of decisions	28 March 2011
Deadline for Call in	5.00 pm on 4 April 2011
Decisions implemented if not Called in	5 April 2011

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Ref PHD 045-10

**SUBJECT: The Provision of a Parent
Partnership Service**

Responsible Officer: Catherine Doran, Corporate Director,
Children's Services

Portfolio Holder: Councillor Mitzi Green, Portfolio Holder for
Children's Services

Key Decision: Yes

Urgent/Non Urgent: No

Power to be exercised: Executive procedure rule 11.2

Exempt: Yes, the enclosure is exempt from publication under paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

Decision subject to Call-in: Yes

Enclosures: Tender evaluation report

Section 1 – Summary and Recommendations

This report sets out the outcomes of the tender evaluation for the provision of a parent partnership service.

Recommendation: ContinYou is appointed to manage a Parent Partnership Service from 1st April 2011.

Reason: (For recommendation)
Most economically advantageous tender.

Section 2 – Report

Introduction

A report was presented to Cabinet on 10th February 2011, proposing the alternative provision of a parent partnership service. There is a need to reduce the cost base of the service. It is not considered operating within a reduced cost base can be achieved by simply reducing the staffing level of the service without adversely affecting the quality and standard of service provided. It was considered that the provision of the service by an external provider would have the advantage of making the service more fully independent than it is currently. It was resolved to delegate to the portfolio holder the decision to award a contract that is the most advantageous in accordance with the tender evaluation criteria.

A project board was set up that included officers from Children's Services, Legal, Procurement and Human Resources. The board agreed a tender evaluation panel consisting of officers from Children's Services and Procurement, a headteacher and a service user.

Tender evaluation

Tender evaluation criteria were set out clearly at the outset and were based on 60% for quality of service delivery (including presentations made to the full panel) and 40% for pricing. Bidders were asked to provide two pricing schedules, one of which allowed for TUPE costs for up to three members of staff. TUPE prices were set out for each member of staff, allowing for the potential for a smaller number of staff transferring. Following applications to the council's voluntary severance scheme (VSS) only two staff remained in post at the date of the tender evaluation and therefore tenders were evaluated on this basis. The results of the evaluation are set out in the attached report from the procurement team.

The recommendation of this report is to award the contract to ContinYou based on overall most economic advantageous tender reflecting quality and price scores added together. ContinYou demonstrated good knowledge and experience that includes the management of the equivalent service in the neighbouring borough of Ealing.

The project board met on 17 February 2011 to consider the evaluation report and the alternative of an in-house provided service. The board noted that although the tender price meant that only part of the budgeted saving would be achieved, the price was lower than the historic cost of the in-house provided service and the full budget if support service overheads were included. The price was also lower than the estimated cost of providing an equivalent service in-house.

The board agreed to recommend to the Portfolio Holder to proceed to appoint ContinYou based on quality, independence and price. In particular it was noted that a voluntary sector provider would bring an innovative approach, experience of service delivery elsewhere and could maximise the potential input from volunteers.

Financial Implications

The Medium Term Financial Strategy included a budget saving of £30k in respect of the parent partnership service which reduced the annual budget from £95k to £65k. The price of ContinYou's tender over an expected five year contract is £397,652. This compares to an available budget of £325,000. The table below shows the budget gap in each year of the proposed contract.

	2011-12	2012-13	2013-14	2014-15	2015-16
Budget	65,000	65,000	65,000	65,000	65,000
Price	87,744	77,477	77,477	77,477	77,477
Difference	22,744	12,477	12,477	12,477	12,477

Compared to the cost of the current in house service the new provider generates an annual saving of £7k in 2011/12 rising to £18k per annum from 2012/13 onwards. This is short of the £30k saving assumed in the MTFs and a compensatory budget saving has been identified from within the special needs service to ensure adequate budget to fund the new service going forward.

Staffing and Resources

Two current members of staff are due to be transferred to the new service provider. As this represents a relevant transfer of service TUPE regulations apply. The provisions of the Pensions Act 2004 sections 257 and 258 also apply. In effect, this means that provisions equivalent to the TUPE regulations apply to pension rights. The new employer will be required to provide a form of pension arrangement for employees who were eligible for, or members of, the old employer's scheme. It will not have to be the same as the arrangement provided by the previous employer but will have to be of a certain minimum standard specified under the Pensions Act.

The tender from ContinYou was based on the delivery of the service from a location within the borough of Harrow, preferably centrally located. The actual location is yet to be identified. The council has indicated that it may assist with the identification of suitable premises including using the good relationships with other voluntary sector providers. The council will not meet the cost of such premises.

Performance Issues

No specific issues identified.

Environmental Impact

There are no environmental impacts arising from this proposal.

Risk Implications

A separate risk register has been in place for this project. The key risk identified was the risk of not receiving a viable tender that met the service specification and would achieve the required budget saving.

The residual risks relate to the handover from the current service and a timely start to the new contract and the achievement of targeted performance levels and quality standards.

Actions have been introduced to mitigate risks wherever possible.

Equalities Implications

The proposal aims to maintain and improve services to parents of children with special educational needs. An equality impact assessment was carried out and reported to Cabinet. It was concluded that awarding the contract will not adversely impact on any particular group.

Corporate Priorities

The proposal incorporates the corporate priority of improving support for vulnerable people.

Section 3 - Statutory Officer Clearance

Name: Emma Stabler



on behalf of the
Chief Financial Officer

Date: 24.3.11

Name: Matthew Adams



on behalf of the
Monitoring Officer

Date: 22.3.11

Section 4 – Performance Officer Clearance

Name: Liz Defries.....



on behalf of the
Divisional Director
Partnership,
Development and
Performance

Date: 21.3.11

Section 5 – Environmental Impact Officer Clearance

Name: John Edwards



Divisional Director
(Environmental
Services)

Date: 16.3.11

Section 6 - Contact Details and Background Papers

Contact: Roger Rickman, Divisional Director, Special Needs Services.

Background Papers: none

Signature:

Position *Corporate Director, Children's Services*

Name (print) Catherine Doran

Date: 24 March 2011

For Portfolio Holder/Leader

* I do agree to the decision proposed

* I do not agree to the decision proposed

* Please delete as appropriate

Notification of personal interests (if any):

(Note: if you have a prejudicial interest you should not take this decision)

Additional comments made by and/or options considered by the Portfolio Holder

Signature:

Portfolio Holder

Date:

**Call-In Waived by the
Chairman of Overview
and Scrutiny
Committee**

NO

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