

 <p>Brent</p>	<p align="center">Executive</p> <p align="center">13 January 2014</p> <p align="center">Report from the Acting Director of Children and Families</p>
<p align="right">Wards Affected: ALL</p>	
<p>Authority to award contracts for Speech, Language and Therapy services for Children’s Centres and Mainstream Education</p>	

Appendix 2a is not for publication

1.0 Summary

1.1 This report requests authority to award 2 individual contracts for the provision of Speech, Language and Therapy services (“SLT”) for children’s centres and mainstream education for the Council as required by Contract Standing Order No 88. This report summarises the process undertaken in tendering these contracts and, following the completion of the evaluation of the tenders, recommends to whom the contracts should be awarded.

2.0 Recommendations

2.1 That the Executive award contracts for the provision of Speech and Language Therapy services to

- Central and North West London Health Trust (CNWL) for Children’s Centres and to

- North West London Health Trust (NWLHT) for Mainstream Education

for an initial contract period of two (2) years from 1st April 2014 to 31st March 2016 with an option for the Council to extend for up to a further additional one (1) year. The price for the first two years of the Children's Centres contract is £589k The price for the first two years of the Mainstream Education contract is £656k.

3.0 Detail

Background

- 3.1 The Children's Centre service has a focus on improving outcomes for young children and their families, with a particular focus on the most disadvantaged. The aim of Children's Centres is to support children and ensure that they are equipped for life and ready for school. There is a particular emphasis on (a) child development and school readiness (b) improving parental aspirations, self esteem and parenting skills; and (c) improving child and family health and life chances. Pre-school children will not have a Special Educational Needs ("SEN") statement and the need for SLT services is identified through the Common Assessment Framework process in children's centres and multi – agency practitioners working with families with children aged 0-5.
- 3.1.1 The Mainstream Education contract provides Speech and Language Therapy for reception and Key Stage 1-4 pupils in mainstream Brent schools in the form of assessments and interventions, including both direct and indirect therapy.
- 3.2 These services are currently provided under contract to the Council by CNWL for children's centres. The mainstream education contract is split between Ealing Hospital Trust (Key stage 1&2) and NWLHT (Key Stage 3&4).
- 3.3 Following a report to the Executive on 20 May 2013 Officers were authorised to invite tenders for the Contracts and evaluate them in accordance with the approved evaluation criteria. In the May

Executive report officers also reported that they were exploring the option of establishing a WLA wide procurement. However, following detailed discussions within the WLA membership, it was agreed to pursue a wider procurement involving Health. This larger scale procurement will not be in place until May 2015 at the earliest. To enable Brent to join this arrangement officers have reduced the length of the original contract from three plus two years originally proposed, in the May report, to two (2) years with an option to extend for a further one (1) year.

- 3.4 As high value contracts, the contracts were tendered in accordance with Council Standing Orders 88 and 89.

The tender process

- 3.5 Separate contracts will be awarded as both services fulfil different requirements for the Local Authority. The Children's Centre service fulfils the LA's commitment towards early intervention and prevention, whilst the Mainstream Education service fulfils the statutory responsibility towards children with statements of Special Educational Needs. The new contracts will be let for an initial contract period of 24 months from 1st April 2014 to 31st March 2016.
- 3.6 A two stage, otherwise known as a restricted tender process under EU regulations was followed. Advertisements inviting initial expressions of interest were placed in the local press, trade journals and on the Council's E-procurement system, Due North. The organisations that responded were sent the Council's standard pre qualification questionnaire. 6 organisations completed pre qualification questionnaires for both tenders. Only four organisations were able to demonstrate that they were able to meet the Council's required standards in relation to business probity, economic and financial standing and technical capacity and were short listed to move forward to the tender stage. All four organisations were invited to tender. Only two organisations submitted a tender by the deadline for tender submissions on 25th of October 2013 for Children's centres and three organisations submitted tenders for schools (Mainstream Education). The names of the organisations are attached at Appendix 2.

3.7 The tendering instructions stated that tenders would be evaluated to identify the economically most advantageous tender having regard to price and quality. The following high level criteria were approved by the Executive:

3.8 Quality

The Quality criteria listed below formed 40% of the evaluation weightings for both contracts.

Proposed business model (to include consideration of):

- Meeting the requirements of the specifications
- Method of contribution to improving outcomes for children
- Meeting the requirements and standards as set out in the SEN Code of Practice, the Reform of provision for children and young people with Special Educational Needs, and any other legislation / guidance
- The Tenderer's proposals for the number, qualification, experience, training, supervision and retention of personnel to be engaged in relation to the performance of the Service

- Resource mobilisation and start-up commitment plans if awarded a contract/ including provision to ensure that there would be no discernible break in Service.

- Tenderer's proposed plans for ensuring effective quality management of the Services and maintenance of the Contract Standard, including self-monitoring and evaluation.

- the Tenderer's proposals for adhering to Child Protection requirements

- Tenderer's proposed approach for working in partnership with the Council, Health, Schools and any other relevant providers.

- Health and Safety

3.9 Price

Price evaluation for both contracts consisted of 60% of the evaluation weightings and was based on the service levels indicated in the service specifications.

Evaluation process

- 3.10 Qualitative evaluation of each tender was carried out by 2 panels consisting of three managers from each of the service areas. Officers from Procurement, Legal and Central Finance assisted the teams for each tender.
- 3.11 All panel members read through the tender areas allocated to them using evaluation sheets and noted down comments on how well each of the award criteria, as shown in the Evaluation Methodology at Appendix 1 was addressed by the tendering organisations.
- 3.12 The core panels then met to agree scoring for each tender.

Children's centres

- 3.13 Members will note in Appendix 2 that for the quality criteria the successful tenderer scored 29.44 out of a possible 40%, consisting of five scores of "satisfactory", 7 of "good" for the different elements of the tender. The tenderer as the lowest priced bid was allocated the highest score of 60% thus giving them a total weighted score of 89.44.
- 3.14 Officers evaluated the financial aspects of the proposals rigorously to ensure they represent value for money. Tenderers had been asked to submit fixed prices for each of the first two years of the contract. CNWL's total price for this period equals £589k. Based on the current spend of £307k per annum or £614k over 2 years, this equates to a saving of £25k on the current price paid.

Children's Centres SALT Contract	
2013-14 current contract value	£307k
2013-14 value for 2 years	£614k
Price for 2 years	£589k
Saving	£25k

Mainstream Education

- 3.15 Members will note from Appendix 2 that for the quality criteria the successful tender scored 38.16 out of a possible 40%, consisting of six scores of 'outstanding' and six of 'good' for the different elements of the tender. Although NWLHT submitted the highest

price, when their quality and prices scores are combined they emerge as the tender with the highest evaluated score of 95.33. (See Appendix 2.)

3.16 Officers evaluated the financial aspects of the proposals rigorously to ensure they represent value for money. Tenderers had been asked to submit fixed prices for each of the first two years of the contract. NWLHT total price for this period equals £656k. Based on the current spend of £361k per annum or £722k over 2 years, this equates to a saving of £66k on the current price paid.

Mainstream SALT Contract	
2013-14 Contract value	£361k
2013-14 value for 2 years	£722k
Price for 2 years	£656k
Saving	£66k

Evaluation Conclusions

3.17 Having evaluated and scored the tenders, officers would recommend that CNWL is awarded the contract for the provision of SALT services for Children’s Centres and NWLHT is awarded the contract for the provision of SALT services in schools (mainstream Education). Officers consider that the tenders from both bidders indicate that they will be able to provide the relevant services to a high standard and deliver savings to the Council.

4.0 Financial Implications

4.1 The Council’s Contract Standing Orders state that contracts for supplies and services exceeding £250k or works contracts exceeding £500k shall be referred to the Executive for approval of the award of the contract.

4.2 The tables below shows the total cost to the Council of both the contracts, the expected savings over the 2 year contract periods and the implications of extending both the contracts for a further year.

Savings over 2 Years	Children's Centres (CNWL)	Mainstream Education (NWLHT)
Current annual contract cost	£307k	£361k
Current cost for 2 year contract	£614k	£722k
New contract cost for 2 years	£589k	£656k
Saving to the council over 2 years	£25k	£66k

Savings over 3 Years	Children's Centres (CNWL)	Mainstream Education (NWLHT)
Cost for additional year (half of 2 year contract value)	£295k	£328k
Total cost for 3 years – new contracts	£885k	£984k
Total cost for 3 years (at existing yearly cost)	£921k	£1,083k
Saving to the council over 3 years	£36k	£99k

- 4.3 The above table assumes that the additional year will cost the Council £295k for the Children’s Centre Contract and £328k for the Mainstream Contract, i.e. half the cost of the new 2 year contracts.
- 4.4 The Mainstream education contract is funded from the Dedicated Schools Grant (DSG) and all savings will accrue to the DSG.
- 4.5 The Children’s Centre contract is fully funded from the General Fund and all savings will accrue to the General Fund.

5.0 Legal Implications

- 5.1 The Council has the necessary powers to enter into the proposed contracts. For the SEN services, Part IV of the Education Act 1996 (as amended by the Special Educational Needs and Disability Act 2001) provides the mandatory obligation on the Council, where a child/young person’s SEN statement specifies the provision of SLT services. For discretionary services, under the Children Act 1989 (specifically s.17), the Council has a duty to provide services for children who are in need.
- 5.2 The provision of Speech, Language and Therapy services are classified as Part B Services under the Public Contract Regulations 2006 (“the EU Procurement Regulations”) and as such are not

subject to the full application of the EU Procurement Regulations (save that there must be a technical specification contained in the contract documents and on award of contract the Council must issue a Contract Award Notice in the OJEU within 48 days of award). The Speech, Language and Therapy services are however, subject to the overriding EU Treaty principles of equal treatment, fairness and transparency in the award of contracts.

- 5.3 The values of the proposed contracts over the initial two year period is above the Council's Contract Standing Orders threshold for High Value Service Contracts (£250,000), and the award of the contracts is consequently subject to the Council's own Standing Orders and Financial Regulations in respect of High Value contracts. As a result, Executive approval is required for the award of the contracts stated in Para. 2.1.
- 5.4 As the recommendation by Officers is to award the contracts to the Council's current providers, there are no implications relating to the Transfer of Employment (Protection of Employment) Regulations 2006.
- 5.5 Officers must place a Contract Award Notice in the OJEU, no later than 48 days from formal award of these contracts, should Members approve the recommendation.

6.0 Diversity Implications

- 6.1 New Equalities Impact Assessments have been completed for both services and are attached.
- 6.2 Equalities issues are a core requirement for this contract and formed part of the evaluation of the tendering organisations' technical capacity through the assessment of the PQQ and in the assessment of the quality of service in the written tenders
- 6.3 This contract relates to the delivery of SLT services to those with an identified requirement in their Statement of Special Educational Need. The presence of speech and language difficulties can contribute to poor behaviour, low educational attainment and

difficulty communicating in both the classroom and in social situations.

- 6.4 The aim of this provision is to improve and raise awareness of the SLT needs of pupils attending mainstream schools in Brent. The therapists work with school based staff to identify pupils who are affected by speech, language and communication difficulties and offer appropriate support. The service aims to improve the educational attainment of these pupils and promote their participation in the curriculum.
- 6.5 The failure to approve the award of this contract could lead to the withdrawal of services from children with identified need. This could impact on educational attainment and the social wellbeing of these children.
- 6.6. Consultation for the provision of the mainstream service has been provided by officers in SENAS who have links with the schools and the service users.

7.0 Staffing/Accommodation Implications

- 7.1 These services are currently delivered by external providers.
- 7.2 There are no implications for Council staff arising from retendering the contracts and staff delivering the current contracts will continue their employment with the existing providers.

8.0 Background Papers

- 8.1 Executive Report of 20 May 2013: Authority to invite tenders for the provision of Speech and Language Therapy services to Brent.
- 8.2 EIA report.

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Appendix 1

Speech and Language Therapy

Children's Centres provision tender evaluation

Evaluation of bids

Bids will be evaluated in accordance with the methodology set out below.

Overall evaluation criteria

Tenders will be evaluated to identify the economically most advantageous tender having regard to price and quality elements.

Price will carry 60% of the evaluation weightings, quality 40%.

Evaluation of Price

Price will consist of 60% of the evaluation weightings. The bidder with the lowest evaluated price will receive the highest score; other bidders will receive a proportional score to the lowest evaluated price.

Evaluation of Quality

The overall Quality weighting is 40%.

The criteria and their relative weightings¹ used to evaluate Quality are detailed in the table below.

Bidders are required to complete Method Statements detailed in Appendix 1. The Method Statements and their relative weightings are detailed in the table below.

Criteria Number	Criteria	Weighting	Method Statement	Method Statement Weighting
EC1	Proposed business model	39%	MS 1	23%
			MS 2	5%
			MS 3	3%
			MS 4	5%
			MS 5	3%
EC2	Tenderer's proposed plans for ensuring effective quality management of the Services and maintenance of the Contract Standard, including self-monitoring and evaluation	27%	MS 6	15%
			MS 7	12%
EC3	Tenderer's proposed approach for working in partnership with the Council, Health, Children's Centres and any other relevant	25%	MS 8	15%
			MS 9	6%
			MS 10	4%

¹ Weightings detailed are a percentage of the Quality criterion

	providers			
EC4	Health and Safety	2%	MS 11	2%
EC5	Tenderer's proposals for adhering to Child Protection requirements	7%	MS 12	7%

Appendix 1

PPP Speech and Language Therapy

Mainstream schools provision tender evaluation

Evaluation of bids

Bids will be evaluated in accordance with the methodology set out below.

Overall evaluation criteria

Tenders will be evaluated to identify the economically most advantageous tender having regard to price and quality elements.

Price will carry 60% of the evaluation weightings, quality 40%.

Evaluation of Price

Price will consist of 60% of the evaluation weightings. The bidder with the lowest evaluated price will receive the highest score; other bidders will receive a proportional score to the lowest evaluated price.

Evaluation of Quality

The overall Quality weighting is 40%.

The criteria and their relative weightings² used to evaluate Quality are detailed in the table below.

Bidders are required to complete Method Statements detailed in Appendix 1. The Method Statements and their relative weightings are detailed in the table below.

Criteria Number	Criteria	Weighting	Method Statement	Method Statement Weighting
EC1	Proposed business model	39%	MS 1	23%
			MS 2	5%
			MS 3	3%
			MS 4	5%
			MS 5	3%

² Weightings detailed are a percentage of the Quality criterion

EC2	Tenderer's proposed plans for ensuring effective quality management of the Services and maintenance of the Contract Standard, including self-monitoring and evaluation	27%	MS 6	15%
			MS 7	12%
EC3	Tenderer's proposed approach for working in partnership with the Council, Health, Schools and any other relevant providers	25%	MS 8	15%
			MS 9	6%
			MS 10	4%
EC4	Health and Safety	2%	MS 11	2%
EC5	Tenderer's proposals for adhering to Child Protection requirements	7%	MS 12	7%

Appendix 2

Children's Centre final scores

Criteria Ref	Criteria	Aspect	Weighting (%)	Sub-Weighting (%)	Bidder 1 Score (0-5)	Bidder 1	Bidder 2	
						Total Weighted Score	Total Weighted Score	
EC1	Proposed business model	39%	MS 1	23%	4	0.92	3	0.69
			MS 2	5%	3	0.15	3	0.15
			MS 3	3%	3	0.09	3	0.09
			MS 4	5%	4	0.20	4	0.20
			MS 5	3%	3	0.09	3	0.09
EC2	Tenderer's proposed plans for ensuring effective quality management of the Services and maintenance of the Contract Standard, including self-monitoring and evaluation	27%	MS 6	15%	4	0.60	4	0.60
			MS 7	12%	4	0.48	3	0.36
EC3	Tenderer's proposed approach for working in partnership with the Council, Health, Schools and any other relevant providers	25%	MS 8	15%	3	0.45	4	0.60
			MS 9	6%	3	0.18	3	0.18
			MS 10	4%	4	0.16	4	0.16
EC4	Health and Safety	2%	MS 11	2%	4	0.08	4	0.08
EC5	Tenderer's proposals for adhering to Child Protection requirements	7%	MS 12	7%	4	0.28	4	0.28
Total Quality		100%	100%		3.68		3.48	
Pricing costs (Yr1 + Yr2)						589060		xxxxx

Quality scores (out of 40%)					29.44		27.84
Price Score (out of 60%)	least score gets 60%				60.00		58.91
Total score					89.44		86.75

Mainstream Education final scores

Criteria Ref	Criteria	Aspect	Weighting (%)	Sub-Weighting (%)	Bidder 1 Score (0-5)	Bidder 1	Bidder 2	Bidder 3	Bidder 3 Total Weighted Score	
						Total Weighted Score	Total Weighted Score	Total Weighted Score		
EC1	Proposed business model	39%	MS 1	23%	4	0.92	4	0.92	5	1.15
			MS 2	5%	4	0.20	3	0.15	5	0.25
			MS 3	3%	4	0.12	3	0.09	4	0.12
			MS 4	5%	4	0.20	3	0.15	4	0.20
			MS 5	3%	4	0.12	4	0.12	4	0.12
EC2	Tenderer's proposed plans for ensuring effective quality management of the Services and maintenance of the Contract Standard, including self-monitoring and evaluation	27%	MS 6	15%	4	0.60	3	0.45	5	0.75
			MS 7	12%	4	0.48	4	0.48	5	0.60
EC3	Tenderer's proposed approach for working in partnership with the Council, Health, Schools and any other relevant providers	25%	MS 8	15%	4	0.60	3	0.45	5	0.75
			MS 9	6%	3	0.18	2	0.12	4	0.24
			MS 10	4%	4	0.16	3	0.12	4	0.16

EC4	Health and Safety	2%	MS 11	2%	4	0.08	5	0.10	4	0.08
EC5	Tenderer's proposals for adhering to Child Protection requirements	7%	MS 12	7%	5	0.35	4	0.28	5	0.35
Total Quality		100%		100%		4.01		3.43		4.77

Pricing costs (Yr1 + Yr2)					xxxxxx		xxxxxx		656124
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Quality scores (out of 40%)					32.08		27.44		38.16
Price Score (out of 60%)	least score gets 60%				60.00		58.96		57.17

Total score					92.08		86.40		95.33
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