



Executive

22 April 2014

**Report from the Acting Director of
Children and Families**

Wards Affected:
[ALL]

**Authority to tender a contract for Child and Adolescent Mental Health
Services (CAMHS)**

1.0 Summary

1.1 This report is an update to the report to the Executive of 9th December 2013 and concerns the procurement of the revised Child and Adolescent Mental Health services (CAMHS). This report requests approval to invite tenders in respect of Child and Adolescent Mental Health services as required by Contract Standing Orders 88 and 89 and requests authority to delegate award of the contract to the Acting Director of Children and Families in consultation with the Director of Legal and Procurement and the Chief Finance Officer.

2.0 Recommendations

2.1 The Executive to approve inviting tenders for a Child and Adolescent Mental Health Service on the basis of those pre - tender considerations set out in paragraph 3.4 of the report criteria.

2.2 The Executive to give approval to officers to evaluate the tenders referred to in paragraph 2.1 above on the basis of the evaluation criteria set out in paragraph 3.4 (vi) of the report.

2.3 The Executive note the intention to tender for a contract for a term of two years with the option for the Council to extend for an additional year

2.4 The Executive to delegate authority to award the contract for a Child and Adolescent Mental Health Service to the Acting Director of Children and Families in consultation with the Director of Legal and Procurement and Chief Finance Officer for the reasons detailed in paragraph 3.3.

3.0 Detail

- 3.1 The report to the Executive of 9th December 2013 sets out the full background to the procurement of a Child and Adolescent Mental Health Service (“CAMHS”). In the report Officers indicated an intention to submit a further report setting out the pre-tender considerations detailed in Contract Standing Order 89 and these considerations are now detailed at paragraph 3.4 below. Since the Executive on 9th December, Officers have carried out additional research with the market and other authorities in order to confirm the best way to procure the revised CAMHS services. This work has identified that rather than procuring a contract for one year to be followed by a subsequent procurement of a longer term contract as set out in the previous report to the Executive, it is more beneficial to procure a longer term contract at the outset. For this reason Officers are now recommending that a two year contract with the option to extend for up to a further year is procured.
- 3.2 The estimated value of the new revised contract is £253,000 per annum and thus under the Council’s Standing Orders would be classed as a High Value contract which requires a tender exercise to be conducted. A tendering timetable is included at paragraph 3.4 (v) below. Members will note that the mobilisation period prior to contract commencement is shorter than normal and there may be a possibility that the service is not fully operational until mid July 2014. Officers are aware of this possibility and will develop measures with the new supplier to minimise disruption to service users and the Council.
- 3.3 The current extended contract arrangements between the Council and the current service provider, Central and Northwest London NHS Foundation Trust (CNWL), for CAMHS services in Brent expires on 30th June 2014. In order to enable Officers to meet the accelerated tendering timetable detailed at paragraph 3.4(v) below, Officers are seeking approval for delegated authority to be given to the Acting Director of Children’s service in consultation with the Director of Legal and Procurement and the Chief Finance Officer to award the contract. An accelerated tender process has been necessitated as the current supplier has indicated that it is unable to continue to deliver the service beyond June 30th despite Officer’s request to consider a further extension.

3.4 Pre-Tender Considerations

In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Executive.

Ref.	Requirement	Response	
(i)	The nature of the service.	The provision of Child and Adolescent Mental Health services on behalf of the Council in relation to children with mental health and learning disabilities, their families and a support consultation service for social workers working with the families.	
(ii)	The estimated value.	The future estimated value of the contract is £253K per annum, with a total value of £759k over the maximum three year term (including optional extension period of one year)	
(iii)	The contract term.	Two years plus an extension of a further 12 months at the option of the Council	
(iv)	The tender procedure to be adopted.	As this is a Part B service under the Public Contract Regulations 2006 (“the Regulations”), the Regulations apply only in part to the tender. An open or one stage tender procedure will be followed in procuring the contract.	
v)	The procurement timetable.	Indicative dates are:	
		Adverts placed and Invitation to Tender issued	29 April 2014
		Deadline for tender submissions	23 May 2014
		Panel evaluation	23 May -10 June 2014
		Contract Award decision	13 June 2014
		Contract Mobilisation	June 2014 – 30 June 2014
		Contract start date	1 July 14

Ref.	Requirement	Response
(vi)	The evaluation criteria and process.	<ol style="list-style-type: none"> 1. Although this is a one stage tender, bidders will be required to complete as part of the Invitation to Tender documentation a qualification questionnaire in order to demonstrate they can meet the Council's financial standing requirements, technical capacity and technical expertise. Tenders meeting the Council's relevant standards will then be fully evaluated by the evaluation panel. 2. At the tender evaluation stage, tenders will be evaluated to identify the most economically advantageous tender having regard to price and quality elements. The price/quality ratio will be a 60/40 split. Price will consist of 60 % of the evaluation weightings. 3. Quality will consist of 40% of the evaluation weightings. The quality assessment will be evaluated using the following criteria : <ol style="list-style-type: none"> (i) Tenderer's proposals for meeting the requirements of the Specification as set out in method statements. (ii) Tenderer's proposed business model. (iii) Tenderer's proposals for ensuring effective quality management of the service and maintenance of the quality standard including self monitoring and evaluation. (iv) Tenderer's proposed approach to working in partnership with all key stakeholders including the Council, CCG Tier three CAMH service multidisciplinary PR actioners, foster carers children /young people and parents. (v) Tenderer's proposals for adhering to child protection and safeguarding requirements. (vi) Tenderers proposals for compliance with specific health and safety matters relevant to the contract.
(vii)	Any business risks associated with entering the contract.	There is no specific business risks associated with this tender.
(viii)	The Council's Best Value duties.	The procurement process and on going contractual requirement will ensure the Council's Best Value obligations are met.
(ix)	Consideration of	See Section 8 below..

Ref.	Requirement	Response
	Public Services (Social Value) Act 2012	
(x)	Any staffing implications, including TUPE and pensions.	See section 7 below.
(xi)	The relevant financial, legal and other considerations.	See sections 4, 5 and 6 below.

3.5 The Executive is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

4.0 Financial Implications

4.1 In setting the budget for 2014/15 the council assumed that a saving of £280,000 could be achieved against this contract and designed the specification accordingly. The report shows that the pre-tender estimate for the contract is an annual cost of £253,000. As reported to the Executive in December 2013 the previous contract cost £533,000 per annum. Provided that the tender returns are consistent with the pre-tender estimate the proposals in this report are therefore consistent with the budget strategy.

5.0 Legal Implications

5.1 As detailed in the report to the Executive of 9th December 2013, the procurement of CAMHS is intended to supplement the main CCG commissioned healthcare contract for CAMHS services. CAMHS is a social care related service and is a Part B service under the Public Contract Regulations 2006 and therefore not subject to the full application of the Regulations (save that there must be a technical specification contained in the contract documents and a contract award notice must be published in the OJEU within 48 days after a decision to award a contract is made). The procurement of CAMHS is however subject to the overriding EU Treaty principles of equality of treatment, fairness and transparency in the award of contracts.

5.2 As the total estimated value of the contract is £759,000 (including potential extension period) it is classed as a High Value Contract and the Executive must approve the pre-tender considerations set out in paragraph 3.4 above (Standing Order 89) and the inviting of tenders (Standing Order 88).

- 5.3 Once the tendering process is undertaken Officers ordinarily report back to the Executive explaining the process in tendering the contract and recommending award as required by Contract Standing Orders for High Value contracts. However, for the reasons detailed in paragraph 3.3, this report seeks authority to delegate authority to award the contract to the Acting Director of Children and Families in consultation with the Director of Legal and Procurement and Chief Finance Officer. Members are able to agree such delegation if they consider this is justified.
- 5.4.1 The Children's Act 1989 places duties on the Council to ensure that there are services in place for children to safeguard and promote the welfare of children within their area who are in need. The proposed contract is intended to supplement the main or core CAMHS service contract commissioned by the CCG for children in the local area. The proposed contract will make available a support service in respect of children presenting as Tier 1 and 2 levels of needs as assessed by the CAMHS service provider; with the requirement for children presenting as Tier 3 level of need to receive GP referral for CAMHS service to be accessed via the CCG contract with service provider assistance as specified in the draft contract specification.
- 5.5 The current service has developed to cover a CAMHS service for children presenting as Tier 1, 2 and 3 and it will be necessary for consultation to take place with the existing cohort of service users, children and their families regarding cessation of part of the current service and the need for Tier 3 level cases to access the main CAMHS service via the CCG and GP referral.
- 5.6 In the present case if the contract is awarded to a new contractor, the Transfer of Undertaking (Protection of Employment) Regulations 2006 ("TUPE") is likely to apply in relation to that part of the Service which transfers to a new contractor as a minimum. Employees of the current contractor who spend all or most of their time on activities taken over by the new contractor would be transferred by operation of TUPE. Further information regarding the staffing is contained in section 6.2 below.

6.0 Diversity Implications

- 6.1 An Equalities Impact Assessment (EIA) is attached which sets out the diversity implications.

7.0 Staffing and Accommodation Issues

- 7.1 This service is currently provided by an external contractor (CNWL) and there are no implications for Council staff arising from re-tendering the contract. Where the award of the contract is made to a new provider other than the incumbent contractor, TUPE is likely to apply so as to transfer from the current provider to the new provider the employees of the incumbent working

wholly or mainly in the provision of services let under the new contract. TUPE implications will be considered by the Council Officers as part of the procurement exercise and TUPE information will be made available to bidders if appropriate to enable tender prices to be compiled.

8.0 Public Services (Social Value) Act 2012

- 8.1 Since 31 January 2013, the council, in common with all public authorities subject to the EU Regulations, has been under duty pursuant to the Public Services (Social Value) Act 2012 to consider how the services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the council might act with a view to securing that improvement; and whether the council should undertake consultation. This duty applies to the procurement of the proposed contract as Part B Services over the threshold for application of the EU Regulations are subject to the requirements of the Public Services (Social Value) Act 2012.
- 8.2 The services being procured have as their primary aim improving the social and economic well being of one of the most vulnerable groups in Brent. Regard will be had to the views of users of CAMHS and their families in procuring services.
- 8.3 There is a limited market for the delivery of these services; however, officers will endeavour to describe the scope of service in such a way as to further meet the requirements of the Act during the procurement process.

9.0 Background Papers

- 9.1 A copy of the report to the Executive of 9th December 2013.

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