



**Officer Key Decision  
8<sup>th</sup> January 2019**

**Report to the Strategic Director of  
Children and Young People**

**Authority to Award a Contract for a Speech and Language Therapy Service to Support Children and Young People in Mainstream Schools, Children’s Centres and Linked Early Years Settings**

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key Decision
<b>Open or Part/Fully Exempt:</b> (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”
<b>No. of Appendices:</b>	Three <ul style="list-style-type: none"> <li>• Appendix 1 Names of the tenderers (exempt)</li> <li>• Appendix 2 Scores received by the tenderers</li> <li>• Appendix 3 Equalities Impact Assessment</li> </ul>
<b>Background Papers:</b>	One: <ul style="list-style-type: none"> <li>• Cabinet Report dated 15<sup>th</sup> October 2018</li> </ul>
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**1.0 Purpose of the Report**

1.1 This report concerns the tender of a Speech and Language Therapy Service to support children and young people in mainstream schools, Children’s Centres and linked early years settings. This report requests authority to award a contract as required by Contract Standing Order 88. It summarises the process undertaken in tendering this contract

and, following the completion of the evaluation of tenders received, the report recommends contract award.

## 2.0 Recommendation

That the Strategic Director of Children and Young People in consultation with the Lead Member for Children's Safeguarding, Early Help and Social Care:

Approves the award of a contract for the provision of a Speech and Language Therapy Service for pupils in mainstream schools and families accessing Children's Centres and linked early years settings to London North West University Healthcare NHS Trust for a period of two (2) years with the option to extend for up to a further three (3) years.

## 3.0 Detail

3.1 Under the Children and Families Act 2014, local authorities have a responsibility to meet the educational needs of children and young people as stated in a child or young person's Education, Health and Care Plan (EHCP).

3.2 The contract will deliver an equitable and inclusive Speech and Language Therapy Service (SLT) to young people aged from 0 to 25 years attending Children's Centres, linked early years settings, mainstream schools within Brent and out-of-borough and where applicable some young people attending further educational facilities including colleges. The service will include support for:

- children aged 0 to 5 and their parents attending Brent Children's Centres and linked early years settings identified with an SLT need through the Early Help Assessment Process and
- children and young people with Special Educational Need and Disabilities (SEND) with an Education, Health and Care Plan (EHCP), where SLT is identified in the education section of their EHCP.

3.3 The contract will be made up of three parts:

- **Core service** (block contract): The Core Service provides SLT to Children and Young People in mainstream schools within a 12 mile radius of Brent Civic Centre (up to 2,800 sessions per annum) and SLT support services to children and families attending Brent's Children's Centres. Sessions not utilised will roll over to the following financial year.
- **Session Rate A:** Sessions in excess of the agreed block will be purchased on a per session arrangement using Session Rate A (to a maximum of 1000 sessions per annum).

- **Session Rate B:** The service is also expected to facilitate SLT for children and young people in schools outside the 12 mile radius from Brent Civic Centre on a per session price arrangement using Session Rate B (to a maximum of 100 sessions per annum).
- 3.4 The new contract will be for two (2) years with options to extend for up to a maximum of three (3) years.

### **The Tender Process**

- 3.5 A Prior Information Notice and Contracts Finder Notice were issued on 23 August 2018 followed by a market warming event on 19 September 2018.
- 3.6 Advertisements were placed in the Official Journal of the European Union (OJEU), the London Tenders Portal and Contracts Finder on 24 October 2018 to seek initial expressions of interest, which elicited 16 initial enquires. Contractors were provided with an outline specification and details of the tender approach and were invited to complete a selection questionnaire using the Council's Electronic Tendering Facility. Two (2) contractors subsequently completed the questionnaire.
- 3.7 Shortlisting was carried out on the basis of the contractors' financial viability and technical ability. Tenderers were also asked a number of service specific questions covering; equalities, health and safety, safeguarding, whistleblowing, DBS checks, the complaints and compliments procedure, business continuity, data protection and human rights.
- 3.8 The tendering instructions stated that the contract would be awarded on the basis of the most economically advantageous offer based on: 45% of the points being awarded for Quality, 45% of the points being awarded for Price and 10% for Social Value.
- 3.9 At tender evaluation stage, the panel evaluated the tenders against the following quality and social value criteria:
- The Tenderer's proposal to meet the requirements and outcomes as stated in the service specification
  - The 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 proposed approach to contract mobilisation including TUPE
  - The Tenderer's proposal for stakeholder engagement/partnership working
  - The Tenderer's proposal on how their safeguarding policies will be applied to this contract
  - The Tenderer's proposed approach to Social Value delivered through this contract

## **Evaluation process**

- 3.10 The tender evaluation was carried out by a panel of Council officers from Children and Young People, Procurement and Finance services.
- 3.11 All tenders had to be submitted electronically no later than 12:00 noon on 23 November 2018. Tenders were opened on 23 November 2018 and two (2) valid tenders were received. Each member of the evaluation panel read the tenders and carried out an initial evaluation of each tender against the award criteria.
- 3.12 The panel met on 6 December 2018 and each submission was marked by the whole panel against the award criteria.
- 3.13 The names of the tenderers are contained in Appendix 1. The scores received by the tenderers are included in Appendix 2. Tenderer B was the highest scoring tenderer. Officers therefore recommend the award of the contract to Tenderer B, namely London North West University Healthcare NHS Trust.
- 3.14 The contract will commence on 1 April 2019 subject to the Council's observation of the requirements of the mandatory standstill period noted in paragraph 5.3 below.

## **4.0 Financial Implications**

- 4.1 The estimated value of this contract is £3,835,707 over 5 years (for a 2 year contract with the option to extend by up to 3 years). The value of the core service is: £3,194,396.32 and the session rates are: Session Rate A: £98.59 per session and Session Rate B: £296.72 per session.
- 4.2 The demand led aspect of Speech and Language Therapy (SLT) has meant that the Council overspent on SLT against the budget in the last financial year. This has mainly been due to the need to spot purchase for additional services outside of the existing contract for individual children. This new contract adds more control to management of the cost of this demand by bringing all elements of the spend into one contract.
- 4.3 The current budget available for the contract is £700k (£294k General Fund and £406k Dedicated Schools Grant). The value of the contract, however, based on demand analysis is anticipated to be £639k per annum for core services and up to a maximum of £128k per annum for the demand-led additional services – a total of £767k per annum. The reduced cost of the core service will mitigate some of the projected overspend of the full contract. The 2019/20 budget for this contract will, therefore, be set at a level noting that £767k is a maximum level of spend.

- 4.4 The 2017/18 financial accounts for the London North West Hospitals NHS Trust are qualified by their auditors. They state that “The Trust did not achieve its breakeven duty in 2017/18, is forecasting financial deficits for 2018/19 and 2019/20, and does not have a clear financial recovery plan in place” and “This matter identifies weaknesses in the Trust’s arrangements for setting a sustainable budget with sufficient capacity to absorb emerging cost pressures. This matter is evidence of weaknesses in proper arrangements for sustainable resource deployment in planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.”
- 4.5 The risk to the Council is that this provider will not be able to supply the therapy determined in the proposed contract for the young people identified as in need of SLT. This risk is mitigated by the fact the proposal is to award the contract for an initial 2 year period only with an extension for 3 years available. The contract will be monitored carefully to ensure that service delivery is met by the supplier given their financial position.

## **5.0 Legal Implications**

- 5.1 The estimated value of this contract over its lifetime is in excess of the EU threshold for Schedule 3 Services and the award of the contract is therefore governed by the Public Contracts Regulations 2015 (the “EU Regulations”).
- 5.2 The award is subject to the Council’s own Standing Orders in respect of High Value Contracts and Financial Regulations. High Value contracts require Cabinet approval to award, but on the 15 October 2018, Cabinet delegated authority to award the contracts to the Strategic Director of Children and Young People in consultation with the Lead Member for Children’s Safeguarding, Early Help and Social Care.
- 5.3 As the services are subject to EU Regulations, the Council must observe the mandatory minimum 10 calendar day standstill period before the contract can be awarded, such period running concurrently with the Council’s call-in period. Therefore, once the Strategic Director has determined which tenderer should be awarded the contract, all tenderers will be issued with written notification of the contract award decision. A minimum 10 calendar day standstill period will then be observed before the contract is concluded – this period will begin the day after all Tenderers are sent notification of the award decision – and additional debrief information will be provided to unsuccessful tenderers in accordance with the EU Regulations. As soon as possible after the standstill period ends and subject to there being no call-in of the decision to award, the successful tenderer will be issued with a letter of acceptance and the contract can commence.

5.4 The provider recommended for this award is one of the providers currently delivering the services included in this contract. As a result, employees working for the other providers who are assigned to delivery of these services covered by this contract will be subject to transfer to the recommended provider pursuant to the Transfer of Employment (Protection of Employment) Regulations 2006 ("TUPE"). The TUPE process and any issues that may arise from it will be managed during the mobilisation phase, which will be at least two months between contract award and commencement.

## **6.0 Equality Implications**

6.1 An equality impact assessment (EIA) was undertaken on the proposal to re-procure this service and a copy of this is attached at Appendix 3. No adverse impacts were identified for any groups on the basis of protected characteristics. The proposal to award to London North West University Healthcare NHS Trust has been subject to screening and officers believe that there are no equality implications.

## **7.0 Consultation with Ward Members and Stakeholders**

7.1 The Strategic Director of Children and Young People is required to consult with the Lead Member for Children and Young People as part of the award process.

7.2 A co-production approach has been adopted with parents and carers to ensure that commissioned services meet the needs of children and families. Parent/carers have been involved in developing the specification of the SLT service being commissioned and arrangements for ensuring service alignment with the therapy services commissioned by the CCG. This has been through parent/carer representation on a joint commissioning therapy workstream alongside special school representation, through the Brent Parent/Carer Forum and Brent Health Partners Forum. A programme of Special Educational Needs and Disabilities engagement workshops has taken place with parents and carers to capture their views in the development of services. The involvement of parents/carers in contract monitoring will be put in place through the Joint Commissioning workstream.

7.3 The Brent Local Offer continues to be updated to ensure that families can access the right information in the right way to support access to the appropriate services they need in Brent. This will include information about the therapy services commissioned by the LA and the CCG.

## **8.0 Human Resources/Property Implications (if appropriate)**

8.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract.

## **9.0 Public Services (Social Value) Act 2012**

- 9.1 The Council is under a duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how 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. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.
- 9.2 Social Value was 10% of the total evaluation score available in line with the Councils social value guidance.

**Report sign off:**

**BRIAN GRADY**

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Strategy.