

LONDON BOROUGH OF CROYDON

To: Croydon Council website
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STATEMENT OF EXECUTIVE DECISIONS MADE BY THE CABINET MEMBER FOR CHILDREN, FAMILIES AND LEARNING, COUNCILLOR ALISA FLEMMING, ON 20 OCTOBER 2015

This statement is produced in accordance with Regulation 12 of the Local Authorities (Executive Arrangements) Meetings and Access to Information) (England) Regulations 2012.

The following apply to the decisions listed below:

Reasons for these decisions: are contained in the attached Part A report.

Other options considered and rejected: are contained in the attached Part A report.

Details of conflicts of Interest declared by the Cabinet Member: none

Note of dispensation granted by the head of paid service in relation to a declared conflict of interest by that Member: none

The Leader of the Council has delegated to the Cabinet Member the power to make the executive decisions set out below:

CABINET MEMBER'S DECISION REFERENCE NO. 60/15/CYPL

Decision title: 15 hours early education provision for children with complex needs

Having carefully read and considered the Part A & B reports and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the reports, the Cabinet Member for Children, Families and Learning, in consultation with the Cabinet Member for Finance and Treasury has agreed to:

1. approve a contract or service level agreement for the provision of Early Years Education for Children with Special Educational Needs and/or Disabilities with Crosfield Nursery School for a term of two years and six months with the option to extend for a further year subject to satisfactory performance at a cost of £906,500.
2. Note that the Council's PSED and that the equalities impact assessment will be completed, and any mitigating actions identified therein will be built into the contract requirements.
3. Note that the name of the successful provider and price will be released once the contract award is agreed and implemented.

Date: 22 October 2015

For General Release

REPORT TO:	Cabinet Member for Children, Young People and Learning 20 October 2015
AGENDA ITEM:	Part A Background document to item 13.1 – Cabinet 20.10.15
SUBJECT:	15 hours early education provision for children with complex needs
LEAD OFFICER:	Paul Greenhalgh Executive Director of People
CABINET MEMBER:	Cllr Flemming: Children, Young People and Learning Cllr Hall: Finance and Treasury
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT

The recommendations below address the Council's vision to develop a 'learning city' which has been outlined in Croydon Council's corporate plan and vision document. As stated in Croydon Council's vision this service will contribute in the following manner:

"Children will be given the best possible start in life because early intervention and investment in education is critical in ensuring their overall development and wellbeing.

Professionals will work together with parents, families and communities to provide the help and support needed so that young children – particularly those that are vulnerable – do not fall behind before they even reach school. In these early years, a focus on wellbeing, including physical, social and emotional development will be made a priority".

AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS:

The proposed service is specifically designed to deliver 27 statutory early years placements of 15 hours per week for children with special educational needs and disabilities whose needs cannot be met through existing universal services (the Service). This provision meets the Ambitious for Croydon aim of improving the availability of education in Croydon, from pre-school to college, for our young and adult learners. It will also work with the parents of children with special educational needs to identify what extra help will best meet their children's needs and provide support to enable children and their families the choice of inclusive education.

FINANCIAL IMPACT:

The recommendation is to award a contract to one provider (who submitted the most economically advantageous tender).

By re-commissioning this service it is anticipated that it will result in improved outcomes which are reflected in the service specification. This service will be funded by the Dedicated Schools Grant.

This funding is intended to support the education of children in early years provision. No additional funding will be required to ensure that the statutory duties listed within the 2006 Childcare Act, Section 7 and Children and Families Act 2014.

The contract is aligned to academic termly contract monitoring to ensure the service is delivered to the standards stated within the contract.

Further information contained within Part B.

KEY DECISION REFERENCE NO.: *Not applicable*

The Leader of the Council has delegated to the nominated Cabinet Member the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- 1.1 The Cabinet Member for Children, Young People and Learning in consultation with the Cabinet Member for Finance and Treasury is recommended to approve a contract for the provision of 15 hours early education provision for children with complex needs to the recommended provider for a term of two years and six months with the option to extend for a further year subject to satisfactory performance, and upon the terms detailed in the associated Part B report.
- 1.2 Note that the Council's PSED and that the equalities impact assessment will be completed, and any mitigating actions identified therein will be built into the contract requirements.
- 1.3 Note that the name of the successful provider and price will be released once the contract award is agreed and implemented.

2. EXECUTIVE SUMMARY

- 2.1 The purpose of this report is to advise the Cabinet Member for Children, Young People and Learners in consultation with the Cabinet Member for Finance and Treasury of the tenders received and the evaluation undertaken to select the recommended provider for the early years' provision for children with Special Educational Needs and Disabilities (the service). The Part B report contains commercially confidential information regarding the recommended tenderer.
- 2.2 The proposed contract to be awarded is for the provision of 15 hours early education provision for children with complex needs to the recommended provider for a term of two years and six months with the option to extend for a further year subject to satisfactory performance, and upon the terms detailed in the associated Part B report.

- 2.3 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
8 October 2015	CCB1051/15-16

3. DETAIL

- 3.1 The procurement strategy as approved through CCB on 11th June 2015 [CCB1020/15-16] has been implemented by running an open OJEU tender process.
- 3.2 An advert was also placed via the London Tenders Portal on 11th August 2015 requesting expressions of interest and tender responses from potential suppliers by noon on 14th September 2015. A market event was held for interested providers on 2nd September, at which 6 providers expressed an interest. The event included a tour of the premises and opportunities for interested providers to ask questions. For market research purposes Croydon Council will contact these providers and investigate their reasons for not tendering.
- 3.3 Two tender applications were received, both of which were evaluated for compliance. Both tenderers passed the financial assessment achieving a 'good' financial health score. However, both tenderers also received a maximum transaction value below that of the total lifetime contract value. Mitigating action in the circumstances to reduce financial risks associated with the provider has been agreed with the Section 151 Officer. This will include financial assessments of the provider in each academic term (three times per year) for the lifetime of the contract alongside the performance monitoring arrangements which will be used to review the success of the contract. Any concerns or risks to the delivery of the service which cannot be addressed will be resolved using the mechanisms in the contract.
- 3.4 Both tenderers passed at stage 1 (compliance) and then went onto be evaluated for quality at stage 2 by the Early Years Special Educational Needs Manager, Best Start Transformation Manager, Family Engagement Portage Officer and Family Engagement Key Worker. At stage 2 the tenders were evaluated by applying weightings of 40% quality and 60% price. Some market research was completed on price in order to benchmark value for money and although this provision is not common in other boroughs, the costs detailed in part B of this report are in line with the funding offered to Croydon's two maintained specialist nurseries. The cost of this contract is also significantly lower than supplying the same provision via independent non-maintained provision.

3.5 The quality method statements covered the following areas:

- Start Up
- Service Delivery
- Outcomes
- Partnership
- Assessment for transition
- Staffing
- Quality assurance
- Safeguarding
- Social value
- Premier Supplier Programme – Early Payment Rebate

3.6 The evaluation panel scored each method statement using a 1-5 scale. Anonymity was not used for this process as it was clear from the tenderers responses which organisations had tendered. This process was completed independently initially and then during a moderation process each score was discussed and one score agreed for each method statement submitted by each tenderer. Tenderers were required to achieve a minimum threshold score of either a 2 or 3 for each method statement depending on the question (see the scoring criteria were as detailed below):

Score	Acceptability	Description
0	Unacceptable	The information is omitted/no details provided
1	Poor	The response does not address the criterion, or the Evaluator is not confident that the bidder understands the contract requirements covered by this criterion and/or will be able to satisfactorily meet the criterion requirements.
2	Fair	The Evaluator has some reservations that the bidder understands the contract requirements covered by this criterion and/or will be able to satisfactorily meet the criterion requirements.
3	Satisfactory	The Evaluator is reasonably confident that the bidder understands the contract requirements covered by this criterion and/or will be able to satisfactorily complete the contract requirements covered by this criterion to a reasonable standard.
4	Good	The Evaluator is confident that the bidder understands the contract requirements covered by this criterion and/or will be able to satisfactorily complete the contract requirements covered by this criterion to a high standard.
5	Excellent	The Evaluator is completely confident that the bidder understands the contract requirements covered by this criterion and or will be able to satisfactorily complete the contract requirements covered by this criterion to a very high standard.

- 3.7 One tenderer did not obtain the minimum threshold mark in one of the method statements and therefore failed at the quality stage, and one passed all the required minimum thresholds. The recommended provider passed all the minimum threshold requirements and achieved a total quality and price score of 91.87%. It should be also be noted that the tenderer that did not pass the minimum threshold for all method statements would have in other respects achieved a total quality and price score of 84.6% demonstrating that based upon the recommended provider's quality and price score they would still have been selected.

4. CONSULTATION

- 4.1 A consultation event was organised and attended by parents of children who receive the service in July 2015 prior to the running of the tender. Feedback received from parents regarding the existing service has been incorporated into the tender application and specification.
- 4.2 A prospective tenderers event was held at the early years' provision premises at Malling Close Children's Centre to enable potential bidders to visit the site and ask questions, as it is a requirement that they deliver the service from this site. Clarification questions received were responded to via the London Tenders Portal.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 The preferred bidder was selected by a competitive tendering exercise and is considered to offer best value to the Council.
- 5.2 Further details are contained within Part B.

5.3 Options

There are no alternative options under consideration at this stage. Options were considered and agreed within the Strategy Report.

Approved by: Lisa Taylor – Head of Finance and Deputy S151 Officer

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Council Solicitor comments that the procurement process as detailed in this report meets the requirements of the Council's Tender and Contracts Regulations 2015 and the statutory duty to demonstrate best value under the Local Government Act 1999.

Approved by Gabriel MacGregor, Head of Corporate Law on behalf of the Council Solicitor & Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1 This paper makes recommendations involving changing service providers which may invoke the effects of the Transfer of Undertakings (Protection of Employment) 2006 Legislation. However, where the activities of the new service are “fundamentally not the same”, TUPE may not apply, as provided for by the 2014 amendments to the Transfer of Undertakings (Protection of Employment) 2006 Legislation. The application of TUPE or otherwise would be determined between the service providers.

Approved by Debbie Calliste on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 A further full equality analysis is required as the change is likely to have an impact on some protected groups i.e. age and disability compared to non-protected group. The analysis will examine any equality and/or social inclusion implications and take actions to address these.

This is due to be completed by 1st February 2016 and will be published on the Council’s website; any mitigating actions identified in the EIA will be built into the contract requirements.

Approved by Yvonne Okiyo on behalf of the Equalities Team

9. ENVIRONMENTAL IMPACT

- 9.1 There are no direct environmental impacts. However, the successful contractor will be obliged to adhere to the terms and conditions of contract which includes the obligation to comply with sustainability and environmental regulations.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no crime and disorder reduction implications associated with this procurement activity and any subsequent services.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 The tenderer recommended for award met all of the evaluation criteria and submitted the most economically advantageous tender.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 No other options are being considered at this stage.

CONTACT OFFICER:

Name:	Debbie Degnan
Post title:	Early Years SEND Manager
Telephone number:	x 47319

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972