

REPORT TO: Executive Board Sub Committee
DATE: 20th March 2008
REPORTING OFFICER: Strategic Director Health and Community
SUBJECT: Voluntary Sector Contracts
WARD(S) Borough-Wide

1.0 PURPOSE OF REPORT

1.1 To request the waiving of procurement standing orders 4.1 and 4.3 and 3.1 to 3.7 which places a requirement on the Council to tender or obtain quotes for contracts set up with external providers in the voluntary and independent sector.

2.0 RECOMMENDATION THAT:

- (1) In the exceptional circumstances detailed below, for the purpose of standing order 1.6, procurement orders 4.1 and 4.3 be waived in respect of contracts listed in Appendix 1 whose value is less than £50,000 and that contracts and specifications are improved and linked to a standard process;**
- (2) In the exceptional circumstances detailed below, for the purpose of standing order 1.6, procurement orders 3.1 to 3.7 be waived in respect of contracts listed in Appendix 2 whose value is in excess of £50,000 but not exceeding £1,000,000 and that contracts and specifications are improved and linked to a standard process; and**
- (3) Re-tendering takes place on each of the contracts listed in Appendix 3**

3.0 SUPPORTING INFORMATION

3.1 Since the report to this committee on 2nd November 2006, work has been ongoing to improve the performance management of voluntary sector contracts. Improvements include the development of a template for service specifications, outcome frameworks and a robust contract-monitoring framework. As a result of this work, there has been an improvement in the quality and efficiency of the voluntary sector contracts listed in this report.

3.2 The following contracts are also currently subject to scrutiny through the Healthy Halton PPB:

- Deafness Support Network
- Vision Support
- Halton Disability Service

The scrutiny panel, which includes 5 elected members, has agreed a terms of reference and project plan for the scrutiny topic. A key element of the project

is the completion of comprehensive reviews on the above contracts. Findings from the reviews will form part of the final report submitted to the Health Policy and Performance Board in June 2008.

- 3.3 In addition to improving the performance of services delivered via the voluntary sector, work is ongoing to achieve a 5% savings target in 2008/9. Ongoing work to achieve these savings includes redesigning services to reduce duplication and the re-tender of the services listed in Appendix 3.
- 3.4 The services referenced in this report underpin the delivery of the Social Care preventative agenda by providing low levels of support to vulnerable members of our community. Advantages of retaining delivery of these services through the local voluntary sector organisations include:
- Efficiencies gained through the use of local volunteers
 - The organisations are well established and widely publicised locally increasing capacity for take up of services
 - Demonstrates the Council's support for the continued development of the local voluntary sector market
- 3.5 This report seeks approval to extend the contracts listed in Appendices 1 and 2 for a period of twelve months and approval to extend the contracts listed in appendix 3 for a period of up to twelve months on the understanding that those services will be subject to tender within the financial year 2008/9.
- 3.6 Suspension of standing orders is therefore requested due to the particular circumstances set out in sections 3.1-3.4 of this report, in that undertaking tender exercises could disadvantage small local voluntary sector organisations that do not have the administrative capacity to complete tender documentation and in that a mass tender exercise could destabilise the local voluntary sector market.

4.0 **FINANCIAL IMPLICATIONS**

- 4.1 Financial implications of contracts listed in Appendix 1 are **£ 97,396**
- 4.2 Financial implications of contracts listed in Appendix 2 are **£ 176,434**
- 4.3 Financial implications of contracts listed in Appendix 3 are **£ 93,375**

5.0 **POLICY IMPLICATIONS**

- 5.1 None at present.

6.0 **RISK ANALYSIS**

- 6.1 The requirement to submit additional data to evidence outcomes may lead to some voluntary sector organisations requesting additional resources. However this should only apply to smaller organisations where the contract is relatively low. In these cases we should offer support to ensure they can fulfil their monitoring requirements.

6.2 TUPE implications to be considered on re-tendering services.

7.0 **EQUALITY AND DIVERSITY ISSUES**

7.1 No specific issues – reference to equality and diversity issues will be detailed in any contracts awarded to voluntary agencies.

8.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
Minutes of meetings (including details of site visits)	Healthy Halton PPB scrutiny panel 12 th January 2008	Divisional Manager– Integrated Care

Appendix 1

Proposed 12-month extension of contracts whose value is less than £50,000.

Name of provider & details of service	Lead Officer	Contract start date	Contract end date	Estimated Contract Amount	Comments	Funding source
Sahir House	Angela McNamara	01/04/08	31/03/09	£3,190	Small contribution to Halton & St Helens PCT who are the lead on the contract	Aids Support Grant
Body positive	Angela McNamara	01/04/08	31/03/09	£3,190	Small contribution to Halton & St Helens PCT who are the lead on the contract	Aids Support Grant
Halton Speak Out	Liz Gladwyn	01/04/08	31/03/09	£40,000	Continuing to deliver on contract and service specifications	Learning Disabilities Development Fund
Making Space	Erica Crisp	01/04/08	31/03/09	£14,928	Service specification was redeveloped in 2007	Base budget
Disability Information Service	Liz Gladwyn	01/04/08	31/03/09	£9,608	Currently subject of scrutiny group, decision pending.	Contingency Funding via Halton Health Partnership

Vision Support	Liz Gladwyn	01/04/08	31/03/09	£ 26,480	Currently subject of scrutiny group, decision pending.	Base budget
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Appendix 2

Proposed 12-month extension for contracts whose value is more than £50,000 but less than £1,000,000.

Name of provider & details of service	Lead Officer	Contract start date	Contract end date	Estimated Contract Amount	Comments	Funding source
Crossroads – Support Service for Carers (Adults)	Mark Holt	01/04/08	31/03/09	£61,466	Service has exceeded targets this year, planning to go to tender for 2009/10	Base Budget
Deafness Support Network	Liz Gladwyn	01/04/08	31/03/09	£66,728	Currently subject of scrutiny group, decision pending.	Base budget
MIND	Erica Crisp	01/04/08	31/03/09	£48,240	Contract reduced from £98,240 by £50,000 for 2008/09	Base budget

Appendix 3

Services which require re-tendering in 2008

Name of provider & details of service	Lead Officer	Contract start date	Contract end date	Estimated Contract Amount	Comments	Funding source
Mencap	Liz Gladwyn	TBC	TBC	£30,000	Due to go out to tender	Learning disabilities development fund
Advocate – Advocacy service	Mark Holt	01/04/06	31/06/08	£ £63,375	Planning to re-tender once funding agreed	Currently Neighbourhood Renewal Fund