

## MUNICIPAL YEAR 2016/2017 - REPORT NO.

**MEETING TITLE AND DATE /  
ACTION TO BE TAKEN UNDER  
DELEGATED AUTHORITY**  
*(delete as appropriate)*

**PORTFOLIO DECISION OF**  
*Cllr Ayfer Orhan*

**REPORT OF:**  
Director of Children Services  
Contact officer and telephone number:  
E mail:  
**tony.theodoulou@enfield.gov.uk**

<b>Agenda - Part:</b>	<b>Item:</b>
<b>Subject: To tender for a Select-List for Provision of Semi-Independent Accommodation for vulnerable young people 16+</b>	

<b>Wards: All</b> <b>Key Decision No: (if applicable)</b>
--

<b>Cabinet Member consulted:</b>
----------------------------------

**1. EXECUTIVE SUMMARY**

1. Approval is sought to undertake an exercise to appoint providers for a range of Semi-Independent Accommodation with Support for Enfield Looked After Children and/or Adolescent & Leaving Care Service Clients aged 16+.
2. The existing framework agreement will be coming to an end on 31<sup>st</sup> March 2016. The new framework will be for a further 3 years until 31<sup>st</sup> March 2019.
3. Expressions of interest will be sought from potential providers that meet a set of pre-determined criteria. Potential providers will then have to go through an interview process to allow more detailed discussion. This will allow the Council to access a number of providers, thus ensuring a broad base of accommodation options to best meet the needs of individual young people.

**2. RECOMMENDATIONS**

1. Potential providers to be invited to deliver the services under a contract for Semi-Independent Living on the basis of the pre-

determined criteria.

2. Officers be authorised to evaluate the tenders on the basis of the evaluation criteria.
3. Authority be given to award the contract for Semi-Independent living to a set number of providers.

### **3. BACKGROUND**

- 3.1 Providing quality Semi-Independent Accommodation for young people 16+ is vital in ensuring that the needs of some of Enfield's most vulnerable Young People are catered for.
- 3.2 Provision of this service supports the Council in meeting its statutory sufficiency duty obligations under the Children Act 1989.
- 3.3 The Council commenced the current select list framework in April 2013 for a period of 3 years. The current tender expired on 31<sup>st</sup> March 2016 and there are ongoing and increasing demands for this service provision. There are currently 45 young people aged between 16-18 accessing this service and 52 care leavers aged 18 - 21.
- 3.4 Semi-Independent accommodation for Looked After Children remains an area largely unregulated, with no statutory inspections from bodies such as Ofsted.
- 3.5 To address this, Enfield has developed a Quality Assurance process undertaken by the Placement and Assessment Officer who is part of the Access to Resources Team, to ensure that providers meet at least a minimum expected standard.
- 3.6 A service specification has been prepared to describe in detail the expectations of the service provision and monitoring requirements.
- 3.7 The service will provide a range of semi-independent accommodation from different providers from 24 hour staffed units, shared housing to stand alone flats. It will also provide the service users with a range of support levels appropriate of the needs of each individual.

- 3.8 Services are currently procured on a spot purchase basis and this will continue to be the purchasing arrangement under the Select List.
- 3.9 At present Enfield uses approximately twelve separate providers for Semi-Independent provision and it is envisaged that the Select list will initially contain a similar number of providers.
- 3.10 Establishing a Select List will enable the Council to choose the best supplier to meet the needs of the child/young person, giving the Council flexibility and control over the placement. The Council will have sole discretion as to which supplier is chosen via a spot purchasing arrangement. A finance agreement in conjunction with a purchase order will form the contractual agreement with a clear specification of the requirement included. This requirement will be reviewed on a regular basis and any variation agreed with the supplier.
- 3.11 There will be no geographical limitation for organisations wishing to tender, however, Enfield will always try to place children and young people within its own or neighbouring areas so that local services can be accessed unless the needs of the individual child or young person dictate otherwise.
- 3.12 An advertisement seeking expressions of interest from suppliers wishing to be included in the Select list will be placed on the LBE website and the, [www.londontenders.org](http://www.londontenders.org) website.
- 3.13 Providers will be required to submit information about their company, including evidence of staff training and qualifications, child protection and safeguarding procedures, staff supervision and support, data protection and equal opportunities, and capacity to deliver a quality service. Providers will also be required to send 2 references and company accounts for the last 24 months.
- 3.14 The performance of all suppliers will be monitored and assessed on a continuous basis. Those that do not perform to the required standards will be suspended from the Select List. Should it become necessary to replace or add providers to the list, the same data provided and scored as part of this assessment process will be used, to ensure parity and a DAR will be produced for approval to add a supplier onto the list.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 There are no alternative options to tendering externally, as the Council is unable to provide such an extensive specialist service.

- 4.2 Providing semi-independent accommodation and support is an obligation under the Children & Leaving Care Act 2000 for those 16-17 year olds, leaving or preparing to leave care and also for those 16 and 17 year olds who are 'looked after children' under section 20 or section 31 Children Act 1989, it is therefore not viable to have no service at all.

## 5. REASONS FOR RECOMMENDATIONS

The current framework has proved to be successful in securing good quality independent supported accommodation services your Young People aged 16 and 17. The Select List will enable us to continue the work already undertaken through the current framework while allowing us the flexibility to procure from new or specialised providers during the term of the new Select List.

## 6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

### 6.1 Financial Implications

- 6.11 Annual total spend on all Semi Independent Accommodation and Support placements for young people, over the financial years 2013/14, 2014/15 and 2015/16 (to date) is circa £7million in total.

- 6.12 These placements are currently funded through the following budgets:

16 year olds and up to their 17 <sup>th</sup> birthday	Accommodation costs	External placements budget
17 year olds and above	Accommodation costs	Leaving Care budget
16 year olds and up to their 17 <sup>th</sup> birthday	Support costs	Section 20 budget
17 year olds and above	Support costs	Leaving Care budget
16 year olds and above all UASC	Accommodation and support costs	Asylum budget

- 6.13 The contact is estimated to be approximately the same cost as has been occurred under the previous contract: £7 million over the three years. This would be funded by the same budgets as is listed above.

6.14 There is a designated role internally within the council structure to monitor the performance of the providers. This is a cost that is already incurred under the original contract and therefore is budgeted for already within the service. There would be no additional cost.

6.15 That specified role discussed in 6.14 is a combined role and so if the contract was to terminate after this period it is not expected that any redundancy costs would be incurred.

## **6.2 Legal Implications**

6.2.1 The Council is seeking to compile what is described as a Select List. In procurement terms, this is more properly known as a Framework Agreement ("the framework agreement"). If the value of the framework agreement (over its term) exceeds the appropriate EU threshold, it will be regulated in both its compilation, and its operation, by Regulation 33 of the Public Contracts Regulations 2015 ("the Regulations"), and must be advertised via an OJEU notice. The appropriate EU threshold to be applied here is £589,148 because Childrens' Services falls under the 'Light Touch Regime' of the Regulations. If the value of the framework falls below this threshold, the Council then has the freedom to advertise in the domestic and local press/media only, and award in accordance with its Standing Orders and SFIs.

6.2.2 The main impact of the Regulations (Reg. 33) are : the term of the framework agreement must not be longer than 4 years; once compiled, only those providers who have been placed on the framework agreement at the time it was compiled, can be awarded call-off contracts from the framework agreement; call-off contracts must be awarded in accordance with the procedures laid down in the framework agreement ; if the framework provides for further competition (to award call-off contracts) in the form of mini-competitions, all those providers who are eligible to provide the service under the call-off contract must be written to, and invited to submit tenders, at the time of the mini-competition, and (mini- tender) submissions must be evaluated and awarded in accordance with the evaluation and award criteria as originally laid down in the framework agreement.

### **6.3 Property Implications**

It may be an option for the Council to acquire some larger domestic local properties via the Housing Gateway Limited commercial vehicle for use for semi-independent accommodation. The potential for such acquisitions would depend upon; market availability, location, suitability and price of properties, access to funding and evidence that this approach would make on overall cost saving.

## **7. KEY RISKS**

Key suppliers fail to engage, including those where children are currently placed. In order to mitigate this the project team will develop effective communications and market engagement strategy and ensure Providers are fully briefed about timescales.

## **8. IMPACT ON COUNCIL PRIORITIES**

### **8.1 Fairness for All**

Commissioned services will be Looked After Children 16 -18 and 18+ care leavers. Within this group, all young people will have a Care Plan which will be reviewed at Placement Panel (up to 18). Services will be commissioned on a needs led basis for each individual, to ensure that each young person has access to appropriate resources.

### **8.2 Growth and Sustainability**

Where possible, young people who will receive these services will be placed within Enfield. The support they will be given will enable them to contribute to the local community and workforce. By being placed locally, they will also be supporting local businesses through shopping, entertainment and other activities.

### **8.3 Strong Communities**

**Encourage active citizenship:** ensuring young people participation by regular consultation on all aspects of the service and by promoting access to other available activities within the borough;

**Listen to the needs of local people and be open and accountable** by engagement with young people and the development of targeted services responsive to need;

**Provide strong leadership to champion the needs of Enfield** through representation on key local partnership boards i.e. the Children in Care Council;

**Work in partnership with others to ensure Enfield is a safe and healthy place to live** by promoting joined up working between the Community Safety team, HEART and children's sectors.

## **9. EQUALITIES IMPACT IMPLICATIONS**

Corporate advice has been sought in regard to equalities and an agreement has been reached that an equalities impact assessment is neither relevant nor proportionate for the approval of this report to re-tender for services. However, once embedded the contract and the service will be subject to the Council's programme of Equalities Impact Assessments.

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

Tendering of this service will assist in the attaining of a number of indicators such as:

- Stability of placements of Looked After Children: number of moves
- Stability of placement of Looked After Children: length of placement
- The percentage of 16 to 18 year olds who are not in education, employment or training (NEET).
- Care Leavers in suitable education
- Care Leavers in education, employment or training.
- Average cost per placement

## **11. PUBLIC HEALTH IMPLICATIONS**

Early experiences can have long-term consequences for the health and wellbeing of children and young people. Around half of looked-after children in England are reported to have emotional and behavioural difficulties and looked after children are also more likely to have poorer educational outcomes than children who are not looked after. Stability and permanence are important for looked after children and young people.

The corporate parenting responsibilities of local authorities include having a duty under section 22(3)(a) of the Children Act 1989 to safeguard and promote the welfare of the

children they look after. This includes the promotion of the child's physical, emotional and mental health and acting on any early signs of health issues.

The health needs of looked-after children should be taken into account in developing the local Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) and the JSNA should be used to inform commissioning of services for these children and young people.

Older looked after children and care-leavers are expected to take responsibility for their health and lifestyle, including diet, physical activity, oral health and immunisations. They also need support to form healthy relationships and need advice on contraception, sexual health and substance abuse.

As children become looked after for a variety of reasons and come from many backgrounds, it would be good public health practice to ensure that there are different types of accommodation available to this cohort that can provide appropriate living conditions and support for their health and wellbeing needs.

### **Background Papers**

There are no other background papers



## MUNICIPAL YEAR 2015/2016 REPORT NO.

**Action taken under delegated authority**

**REPORT OF:**

Director of Finance,  
Resources and Customer  
Services

**Agenda – Part: 1**

**Item:**

**Subject:**

**Procurement of a Housing Management IT Solution**

**Key Decision Number: KD4185**

**Cabinet Member consulted: N/A**

**Contact officer and telephone number:**

Stephen Addison 020 8379 4097

E mail: [Stephen.Addison@enfield.gov.uk](mailto:Stephen.Addison@enfield.gov.uk)

### **1. EXECUTIVE SUMMARY**

- 1.1 The Council currently uses Northgate as its primary housing line of business application. The application is used for rents, repairs, service charges, voids, allocations, right to buy, estates (people & property management), private sector leasing and rent arrears. In addition to the above, two hosted and integrated systems are utilised for choice based lettings (Home Connections) and Diagnostic repairs tool (Repair Finder).
- 1.2 The application is currently hosted by the Council, however the system utilises Oracle technology that is incompatible with the Council's IT strategy of moving its hosted applications to the Azure Cloud. For this reason the opportunity has been taken to evaluate the market for housing management IT solutions capable of meeting the business needs of the Council.
- 1.3 A review of the options available to the Council has been undertaken and the analysis of the systems considered is detailed in paragraph 4 of the report.
- 1.4 The Council proposes to directly award a contract to Civica UK Limited ("Civica") in accordance with Lot 5 of the Crown Commercial Service Local Authority Software Applications Framework ("LASA Framework").

## **2. RECOMMENDATIONS**

- 2.1. To approve the proposed direct award of the contract to Civica UK Limited in accordance with the LASA Framework (RM1059), to provide a fully hosted Housing IT system for a term of 4 years 4 months (see part 2 for further information).
- 2.2. To establish and approve the budget for the hosted Civica CX Housing IT system over the 4 year 4 month term (as detailed in the Part 2 report).
- 2.3. To establish and approve the budget for Enfield and 3rd party implementation costs (as detailed in the Part 2 report), to support the delivery of the project.
- 2.4. That in lieu of the unlimited liability, normally sought from suppliers, the liability cap of 125% of the License Fees actually paid in the previous twelve months set within the framework is approved.
- 2.5. To note that in accordance with the Council's Contract Procedure Rules, a parent company guarantee shall be provided by Civica's parent company, Civica Holdings Limited.

## **3. BACKGROUND**

- 3.1 The Council's support contract with the existing supplier Northgate is due for renewal on 31 March 2016. Negotiations with Northgate to seek a new software delivery and pricing model (hosted managed service / SaaS) have not delivered the expected cost efficiencies and it has not been possible to build a robust business case to take this forward. It was therefore decided that the Council test the market to seek a solution that can deliver the Council's functional and technical requirements.
- 3.2 A thorough exercise to consult the business and agree updated functional and technical requirements has been completed. Any chosen solution will support the delivery of principles that underpin the Enfield 2017 Programme. It will also need to interface with the Council's new digital platform as part of a holistic online experience for the customer. Electronic systems will fully utilising the Council's website to deliver online transaction capability to minimise the use of paper.
- 3.3 A thorough exercise to consult the business and agree to update functional and technical requirements was completed and signed off. The requirements of the Enfield 2017 Programme were also discussed and incorporated.
- 3.4 An evaluation of the leading systems in the market place was undertaken with the key players being Northgate, Civica and Orchard Housing. An initial evaluation of each of the systems is set out in paragraph 4 of the Part 2 report.

- 3.5 This report seeks approval to award a contract to Civica to provide a fully hosted Housing IT system, for a term of 4 years 4 months.

#### **4. ANALYSIS OF THE SOFTWARE OPTIONS AVAILABLE**

See Part 2 report.

#### **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.3 Do nothing stay on the existing Northgate on premise solution and purchase / develop the additional functionality required.
- 5.4 Move to a hosted / managed service provided by Northgate and purchase / develop the additional functionality required.
- 5.5 Undertake a further competition utilising an appropriate framework to test the market to identify a new hosted Housing IT system
- 5.6 An analysis of the above options is detailed in the part 2 report.

#### **6. REASONS FOR RECOMMENDATIONS**

See Part 2 report.

#### **7. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES**

##### **7.1 Financial Implications**

- 7.1.1 The costs of implementation and annual support and maintenance are set out in Part 2 of this report.
- 7.1.2 The costs of running the new system will be apportioned between the HRA, the General Fund and Housing Gateway Ltd on the basis of the number of properties held by each. This would give an 84%/15%/1% apportionment.

##### **7.2 Legal Implications**

- 7.2.1 Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The services from the IT companies/ contractors detailed and implementation of the project as proposed within this Report are incidental to the functions of the Council's departments and are intended to help ensure an effective IT support to the Council.

- 7.2.2 The Council also has a general power of competence in section 1(1) of the Localism Act 2011. This states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation.
- 7.2.3 The Council proposes to directly award the contract to Civica in accordance with the Local Authority Software Applications Framework ("LASA Framework") under Lot 5. The Framework permits direct award and the Council must ensure it complies with the "direct award rules" of the Framework.
- 7.2.4 The Council's Constitution, in particular the Contract Procedure Rules ("CPR's") permit the Council to call-off from an existing framework as long as the framework terms permit such. The Council's Corporate Procurement Service has conducted due diligence on the use of the LASA Framework, and is satisfied that the Council may procure such services, in accordance with the Framework.
- 7.2.5 The Council must comply with its Constitution, CPRs and as the contract value exceeds the EU threshold, it must also comply with the Public Contracts Regulations 2015.
- 7.2.6 The Council must comply with its obligations relating to obtaining best value under the Local Government (Best Value Principles) Act 1999.
- 7.2.7 Pursuant to CPR 21, for every contract exceeding £250,000 the Council is required to obtain a performance bond or a parent company guarantee.
- 7.2.8 As the contract value exceeds £250,000 this is a Key Decision and the Council must comply with the Key Decision procedure. It has been confirmed that approval from the Strategic Procurement Board has been obtained as has ICT project approval.
- 7.2.9 All legal agreements arising from the matters described in this report must be approved in advance of contract commencement by the Assistant Director of Legal Services and Governance.

### **7.3 Property Implications**

N/A

### **7.4 Procurement Implications**

- 7.4.1 The risk of direct award is that by not competing the requirement it is difficult to demonstrate that the price is competitive and also that the product is the best solution.
- 7.4.2 That in all cases procurement must follow contract procedure rules and EU regulations.

7.4.4 Any call off from a framework must be in line with the framework terms and conditions and that the framework must be legally compliant and be accessible by Enfield Council.

## **8 KEY RISKS**

Any system risks identified during the project implementation will be recorded, mitigated and reviewed on an ongoing basis.

## **9 IMPACT ON COUNCIL PRIORITIES**

### **9.1 Fairness for All**

N/A.

### **9.2 Growth and Sustainability**

N/A.

### **9.3 Strong Communities**

N/A.

## **10 PERFORMANCE MANAGEMENT IMPLICATIONS**

The availability of a market leading housing case management system will support the delivery effective services to the residents of the borough.

## **11 HEALTH AND SAFETY IMPLICATIONS**

N/A

## **12 PUBLIC HEALTH IMPLICATIONS**

N/A

## **Background Papers**

None