

On behalf of Debbie Barnes, Assistant Director Children's Services

Report to: Executive Councillor

Date: 7 April 2011

Subject: Provision of support to enhance early learning within the home

Decision Reference: 01870

Key Decision? Yes No

Summary:

The Sure Start Grant that has supported Children's Centre commissioning comes to an end on the 31 March 2011. A new grant called the Early Intervention Grant offers the opportunity to support commissioning intentions for Children's Centres going forward. Children's Services were not made aware of the provisional grant settlement until late January 2011 and this budget was not formalised until February 2011.

Due to these exceptional circumstances it is not possible to put a contract of service in place for this new provision to start in April 2011 in line with the normal contract and procurement rules as set out within the council's constitution. Instead an exception to these rules is requested to negotiate an interim contract pending the award of a longer term contract via competitive tender. The competitive tender would seek to put in place a longer term contract starting 1 April 2012 to 31 March 2015 with the option of early termination should commissioning intentions change or funding be withdrawn.

The provision is classified as a Part B service therefore Public Contract Regulations do not apply. The interim contract will only run for a maximum of 12 months and is below the current EU procurement financial threshold.

Entering into an interim contract will enable outcomes for children to be improved prior to the award of a longer term contract through competitive process.

Recommendation(s):

The Executive Councillor is asked to consider the report and approve the recommendation to:

1. Enter into an interim contract with single provider at estimate annual value not exceeding £150,000
2. Authorise the Director of Children's Services to take all decisions necessary to implement the contract

Alternatives Considered:

The alternative option is to delay implementation of the provision until award of full tender. This would mean that improved outcomes for young children may be delayed until award of full contract. Grant may not be fully utilised to best effect. This is therefore not a recommended alternative solution.

Reasons for Recommendation:

It is the intention of the Director of Children's Services to expose this service competition in the future. The timescale for this will be determined to enable a new contract to be in place by April 2012.

In the meantime it is important that service delivery begins as soon as possible so that children and families in East Lindsey can benefit from the project.

Late confirmation of funding available for 2011/12 has been a major factor in this decision

1. Background

This service is new to the East Lindsey district. The need for this was identified via the Early Years Foundation Stage Profile and professionals within the locality team.

The target group will be those families where children are predicted to be within the lowest achieving within the profile, based on agreed indicators such as poor provision of a language rich environment in the home, and poor parental engagement in play activities.

Access to this service will be via CAF Framework and a Team Around Child (TAC) approach providing a holistic assessment of need, with strength and difficulty questionnaires being developed as part of this project, based upon six areas of early learning.

The expected outcomes from this service are:
Increased parental engagement in play and sustained involvement in their child's learning
Increase in the Early Years Foundation Stage profile scores, particularly in Personal, Social and Emotional Development and Communication and Literacy.
The outcomes will be measured via effective contract management on a quarterly basis, which will include data, evaluations and consented case studies.

The Council's Contract Regulations usually require some form of price competition where the anticipated cost of the service is above £10,000. The total value over the one year of the proposed contract is £150,000.

Under the Council's Contract Regulations approval can be given for direct negotiation of contracts with a value of more than £75,000 but not more than £250,000 by the relevant portfolio holder. Approval for direct negotiation of contracts over the value of £250,000 must be made by the Executive.

Under EU procurement rules, these services are classified as Part B services and the value is below the latest EU procurement threshold for the procurement of services (currently £156,442) so the Public Contracts Regulations which govern local authorities procurement do not require this service to be exposed to competition through a tender advertisement in the Official Journal of the European Union (OJEU). Contracting authorities are still bound to comply with the fundamental rules and principles of the EU Treaty which include obligations of transparency and non-discrimination. These obligations would normally require an advertisement and tender process unless a contract would be of no interest to organisations located in other Member States. Because of the specialist nature of the service and because the contracts will only be for one year's duration, requiring the contractor to have an existing organisational infrastructure in the local area, it has been considered, in this instance, that the contract will be of no interest to organisations located nationally or in other Member States.

2. Conclusion

There is an identified need established for this service, which will support the core offer for the Sure Start Children's Centres. Agreeing to this waiver will enable the local Head of Service supported by the commissioning Team to begin direct negotiation with the provider and enable the service to be in place as soon as possible.

3. Legal comments:

The Constitution sets out the process for entering into contracts. In exceptional circumstances contracts can be let by direct negotiation. The process is dependent on the value of the contract. Contracts with a value of £75,000 to £250,000 should be taken to the relevant Executive Councillor for formal approval prior to the contract being entered into.

Further, the Authority needs to take into account the Public Contract Regulations and the EU Treaty requirements. The report clarifies how these requirements have been met. It is a matter for the Executive Councillor to decide whether to approve the recommendations, however, they are lawful and within their remit.

4. Executive Director of Resource and Community Safety comments:

This proposal will provide an interim solution to allow for the completion of a competitive tender. It is therefore recommended that a procurement programme is produced demonstrating how any new Contract will be in place by 1 April 2012.

Contract costs will be met within the existing budget. Negotiation of the interim contract should seek to ensure value for money for the Council.

5. Consultation

a. Has a Local Member Been Consulted?

N/A

b. Has the Executive Councillor Been Consulted?

N/A

c. Scrutiny Comments:

N/A

d. Policy Proofing Actions Required:

N/A

6. Appendices

These are listed below and attached at the back of the report

7. Background papers

Document title	Where the document can be viewed
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