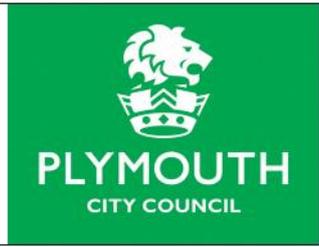


**PROCUREMENT GATEWAY 3 -  
CONTRACT AWARD REPORT - PART I**  
**EARLY HELP PARTNERSHIP (FAMILY HUBS)**  
PEO/21042



## I. INTRODUCTION

This contract award report is in relation to the procurement of Early Help Partnership (Family Hubs).

*“Providing Early Help is more effective in promoting the welfare of children than reacting later. Early Help means providing support as soon as a problem emerges, at any point in a child’s life, from the foundation years through to the teenage years. Early Help can also prevent further problems arising, for example, if it is provided as part of a support plan where a child has returned home to their family from care”.*

Working Together to Safeguard Children, HM Government, 2018

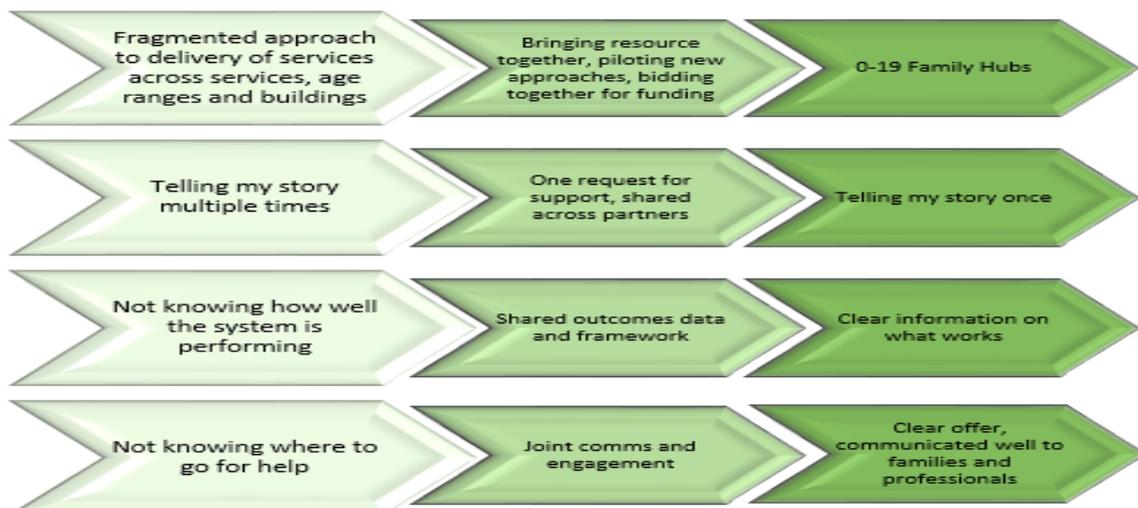
In March 2021 Plymouth City Council Cabinet approved a case for change which proposed the creation of an Early Help Partnership for the city, to drive forward a programme of delivering 0-19 Family Hubs. The report was titled “Case for change for Family Hubs: Our ten year plan to build Bright Futures for Plymouth children and young people”. The paper described how this would be achieved through the procurement of a collaborative partnership arrangement, for a period of ten years. Cabinet gave permission for the approach and for the contract award decision to be delegated to either the Strategic Director for People or the Director for Children’s Services.

The duration of the contract is for ten years.

## 2. BACKGROUND

The case for change was built upon consultation that was carried out with families and practitioners across Plymouth between 2018 and spring 2020. The recommendations also took into account the impact of COVID-19 on vulnerable families, in terms of their physical and emotional wellbeing, economic resilience and future aspirations.

The case for change recognised the following as high-level challenges for the current Early Help system in Plymouth, and set a series of ambitions to transform the system response using a service design approach, through the mechanism of an Early Help Partnership:



The services in scope of the approach and future service design are a mixture of in-house and commissioned services:

Service	In-house or commissioned
Children's Centres	Commissioned - Barnardo's, Action for Children and Lark
Young Carers	Commissioned -Barnardo's
Affected Others	Commissioned - Hamoaze House
Young Person's Substance Misuse	Commissioned - Harbour Centre
Family Intervention Project	In-house
EHASt (Early Help advice and support team)	In-house
Family and Community Solutions (Family Group Conferencing and Mediation)	In-house
Duty Intervention Team	In-house
Adolescent Support Team	In-house
Youth Offending Team	In-house
Families with a Future (Supporting Families programme)	In-house
Youth Service	In-house
Parent Information Advice and Support (PIAS) – Parenting Programme Function only	In-house

At the time of the case for change this represented a total budget of £7.5million and 203 staff, (including approx. 100 FTE Council staff) across a broad range of skills and experience, from Early Years practitioners to family support workers supporting complex adolescents. The table above includes the Families with a Future staff this programme has been extended for another 3 years although the local grant funding amount is not yet known. The DWP Reducing Parental Conflict funding has also been extended for another three years (local funding grant amount to be confirmed) and this will form part of the Family Hubs offer in the future.

The proposed contract has no monetary value, but the Early Help Partnership will lead on the redesign of early help services, including commissioned and in-house services, with the flexibility to be able to pilot new projects and evaluate impact. Any subsequent procurements recommended as part of service design will be carried out in accordance with relevant procurement law.

Since the case for change was approved, there has been greater national emphasis for local authorities to progress their Family Hub programmes. This includes the launch of the National Centre for Family Hubs (supported by the Anna Freud Centre) and the Family Hubs Transformation Fund. The timing of the procurement process has ensured that Plymouth is well placed to engage in these national initiatives and to benefit from the information sharing and developing networks.

### 3. PROCUREMENT PROCESS

The procurement opportunity was launched as a Restricted Procedure tender on 30<sup>th</sup> July 2021 via the [www.supplyingthesouthwest.org.uk](http://www.supplyingthesouthwest.org.uk) procurement portal under CV code categories 80000000-4 - Education and training services; 85000000-9 - Health and social work services and 98000000-3 - Other community, social and personal services

Prior to this, an online Microsoft Teams session was held for potential suppliers on 19<sup>th</sup> July, to explain the process and to provide training in how to complete the tender documents.

The Tender pack included documents that had been developed during the consultation process with partners, such as a draft outcomes framework, workforce development framework, service specification and a paper setting out ambitions for shared Behaviours and Values. The Selection Questionnaire (SQ) stage closed on 1<sup>st</sup> September with four suppliers submitting responses.

## 4. PRE TENDER SELECTION CRITERIA AND EVALUATION

The Council applied the following criteria which was published in the SQ documents:

### High-level SQ Criteria

The Council proposes to use the following criteria to evaluate SQ submissions:

Section 6: Technical and Professional Ability	30%
Section 8.2: Health and Safety	5%
Section 8.3: Equalities and Diversity	10%
Section 8.5: Quality Management	5%
Section 8.6: Business Capability	40%
Section 8.7: Social Value	10%
<b>TOTAL</b>	<b>100%</b>

An overall threshold of **62.0%** of the achievable marks was required to determine whether Suppliers met the minimum requirements. Only the top five scoring suppliers who passed the minimum threshold score would be invited to tender.

### SQ Evaluation Methodology

The SQ included questions that were evaluated on an information only, pass/fail or scored basis.

#### Information Only Schedules

- Section 1: Candidate Information
- Section 5: Parent Company

#### Pass/Fail Questions

- Section 2: Grounds for Mandatory Exclusion
- Section 3: Grounds for Discretionary Exclusion
- Section 4: Economic and Financial Standing\*
- Section 7: Modern Slavery Act 2015
- Section 8.1: Insurance
- Section 8.2: Health and Safety SA8.2.1 and SA8.2.3
- Section 8.3: Equalities and Diversity SA8.3.1
- Section 8.8: Safeguarding
- Section 8.9: Data Protection

## The financial viability of the Suppliers was assessed as follows:

### \* Economic and Financial Standing (EFS)

The Council reserves the right to use the services of an independent third party to assess your financial standing/appraisal.

The Council will undertake a credit check on your organisation and will use this, in conjunction with the financial information submitted by the Supplier, to verify the Supplier's economic and financial standing. The Council's preference would be to use audited accounts for this purpose, but understands that this will not be available to all Suppliers. Your credit score will be risk rated using the following definitions;

Overall Risk Level	Definition
High Risk	Score is 0 to 29 (high or very high risk)
Medium Risk	Score is 30 to 49 (moderate risk)
Low Risk	Score is 50 or above (low or very low risk)

Your Economic and financial standing will be assessed in accordance with the Assessing and Monitoring the Economic and Finance Standing of Suppliers Guidance Note published by the Government Commercial Function in December 2020. [Assessing and Monitoring the Economic and Financial Standing of Suppliers and Suppliers - Guidance Note](#).

### Economic and Financial Standing Metrics

This procurement has been assessed as 'Silver' using the 'Tiering Tool' recommended in the guidance. The following metrics will apply to this procurement.

Metric	Important (Silver) or Critical (Gold) procurements		
	Low risk	Medium risk	High risk
Metric 1 - Turnover Ratio	>2.0x <sub>1</sub>	1.5 - 2.0x	<1.5
Metric 2 - Operating Margin	>10%	5 - 10%	< 5%
Metric 3(A) - Free Cash Flow / Net Debt	> 15%	5 - 15%	< 5%
Metric 3(B) - Net Debt / EBITDA	< 2.5x	2.5 - 3.5x	> 3.5x
Metric 4 - Net Debt + Net Pension Deficit / EBITDA	< 4.0x	4.0 - 5.0x	>5.0x
Metric 5 - Net Interest Paid Cover	> 4.5x	3.0 - 4.5x	< 3.0x
Metric 6 - Acid Ratio	> 1.0x	0.8 - 1.0x	< 0.8x
Metric 7 - Net Assets	> Nil	> Nil	> Nil
Metric 8 - Group Exposure Ratio	<25%	25 - 50%	> 50%

These accounting ratios (metrics) will be used to determine the financial and economic standing of your organisation. No ratio / indicator will be looked at in isolation but a range of indicators will build an overall picture of the financial standing of the organisation. Therefore poor performance in one area will not necessarily result in a poor overall financial evaluation.

The FVRA tool (See SQ Appendices 1a & 1b) includes sections for Candidates to provide comment to give context to any ratios, mitigations or explanation of future activities which may have an impact on the ratio. Therefore Candidates should include any information that may enable a risk identified to be considered acceptable to the Council.

#### Economic and Financial Standing Overall Risk:

The following risk definitions will be used to define the overall financial standing status of your organisation.

Overall Risk Level	Definition	Score and Action
High Risk	Two or more Significant Risks (Red) identified OR A significant Risk identified plus two or more moderate risks (Amber) identified.	<b>Fail</b> – Disqualify Candidate  (May be allowed to proceed if acceptable mitigation has been provided)
Medium Risk	A Significant Risk identified OR A Significant Risk plus one moderate risk identified OR Two or more Moderate Risks identified (with no Significant Risks)	<b>Pass subject to</b> additional financial control measures in the Special Conditions of the Agreement or where relevant, receiving adequate assurance on Significant Risk rating following clarification process - proceed to next stage
Low Risk	No risks identified or One moderate risk identified	<b>Pass</b> – proceed to next stage

#### Economic and Financial Standing Mitigation:

The Council may allow suppliers to proceed despite being classified overall as medium or high risk subject to agreeing a set of risk mitigations acceptable to the Council. Such mitigations may include but are not limited to:

- Enhanced contract management and financial monitoring procedures, which may include additional obligations relating to Financial Distress Events;
- Restrictions on the bidder's business and/or its ability to make distributions or lend money to other group members if it wins the contract; or
- The provision of a collateralised cash deposit, guarantee or performance bond.

The [Assessing and Monitoring the Economic and Financial Standing of Suppliers and Suppliers - Guidance Note](#) provides a description of each metric and further information on potential mitigations.

Scored Questions

- Section 6: Technical and Professional Ability
- Section 8.2: Health and Safety SA8.2.2
- Section 8.3: Equalities and Diversity SA8.3.2 and SA8.3.3
- Section 8.5: Quality Management
- Section 8.6: Business Capability
- Section 8.7: Social Value

Scored questions were evaluated using the scoring systems below:

Response	Score	Definition
Unacceptable	0	Nil or inadequate response. Fails to demonstrate an ability to meet the requirement/deliver the required outcomes
Poor	2	Response is partially relevant and poor. The response addresses some elements of the requirements/outcomes but contains insufficient/limited detail and explanation to demonstrate how the requirements/outcomes will be fulfilled
Satisfactory	5	Response is relevant and acceptable. The response addresses a broad understanding of the requirements/outcomes but lacks details on how the requirement/outcomes will be fulfilled in certain areas.
Good	8	Response is relevant and good. The response is sufficiently detailed to demonstrate a good understanding and provides details on how the requirements/outcomes will be fulfilled.
Excellent	10	Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement/outcomes and provides details of how the requirement/outcomes will be met in full.

Scores were moderated to ensure that the evaluation outcome is fair, valid and reliable, that evaluation criteria have been applied consistently, and that any differences in scoring between individual evaluators can be acknowledged and addressed.

The Selection Questionnaire stage closed on 1<sup>st</sup> September 2021 with four suppliers submitting responses. These were evaluated using the evaluation methodology described above. Out of the four suppliers three passed the minimum requirements and satisfied all pass/fail criteria and one failed to reach the minimum threshold score.

Evaluation results including names of tenderers are detailed separately in the Part 2 report for reasons of commercial confidentiality.

## 5. TENDER EVALUATION CRITERIA

### Award Criteria (Invitation to Tender Stage)

Following evaluation of the SQ, three successful suppliers were invited to tender. The evaluation criteria applied at tender stage was 100% for Quality, as set out below, although the suppliers did also submit indicative costs in a pricing schedule (information only) for the infrastructure required to support the initiation of the Early Help Partnership.

**High-level Award Criteria**

The high-level award criteria for the project was as follows:

**Method Statements (Schedule 1)**

MS1: Collaboration	0%
MS2: Partnerships	20%
MS3: Meaningful Participation	20%
MS4: Key Priorities	20%
MS5: System efficiencies	20%
<b>TOTAL</b>	<b>80%</b>

**Pricing Schedule (Schedule 2)**

PI: Price	0%
<b>TOTAL</b>	<b>0%</b>

**Presentation (Schedule 3)**

PR I: Presentation	20%
<b>TOTAL</b>	<b>20%</b>
<b>GRAND TOTAL</b>	<b>100%</b>

Weighting %	Evaluation Criteria	Breakdown of criteria
<b>COMMERCIAL RESPONSE- PRICING SCHEDULE (SCHEDULE 2)</b>		
0%	Price	For Information only  What infrastructure would in your view need to be in place to be able to successfully deliver the Partnership? Please detail any roles proposed and their remit.  What suggestions do you have for how this could be jointly funded with the Council?

Pass/Fail Questions

The following Schedules and questions were evaluated on a pass or fail basis:

**Memorandum of Understanding (Schedule 4)**

**Form of Tender (Schedule 5)**

**Declaration of Direct or Indirect Interest (Schedule 6)**

**Certificate of Canvassing (Schedule 7)****Certificate of Confidentiality (Schedule 8)**Scored Questions

The following questions were scored:

<b>Weighting %</b>	<b>Evaluation Criteria</b>	<b>Breakdown of criteria</b>
<b>TECHNICAL RESPONSE – METHOD STATEMENTS (SCHEDULE 1) &amp; PRESENTATION (SCHEDULE 3)</b>		
<b>0%</b>	<b>Collaboration</b>	<p>For Information Only</p> <p>Where you are tendering in collaboration / partnership with others or as part of a consortium:</p> <p>Please identify the partner / members or proposed partners / members</p> <p>Who will be the lead organisation?</p> <p>Please detail the legal status (if any) of the collaboration / partnership / consortium</p>
<b>20%</b>	<b>Partnerships</b>	<p>How would you take the work already started and embed it?</p> <p>How would you ensure that working arrangements involve the wider partners working with children, young people and families?</p>
<b>20%</b>	<b>Meaningful Participation</b>	<p>How would you ensure that the voice of children, young people and families are at the heart of the partnership in a way that contributes to meaningful service design and understanding of impact?</p> <p>How will you ensure that practitioners have the opportunity to share their views and contribute to service design?</p>
<b>20%</b>	<b>Key Priorities</b>	<p>Based on the information contained in the documents, what would the top three priority areas be for the Partnership to focus on in the first year?</p>
<b>20%</b>	<b>System efficiencies</b>	<p>What methods would you propose for determining how efficiently the current system is operating, and for driving through system change at pace, with a focus on improving the experience of families?</p>
<b>20%</b>	<b>Presentation</b>	<p>What infrastructure would need to be in place to be able to successfully deliver the Partnership?</p> <p>Please detail any roles proposed and their remit.</p> <p>What suggestions do you have for how this could be jointly funded with the Council?</p> <p>Taking into account the Behaviours and Values document (Appendix 2), describe how your proposed Partnership will</p>

		<p>operate, with the involvement of the partners in your bid (if applicable).</p> <p>Give examples of how issues such as conflict resolution and conflicts of interest can be managed as part of the Partnership.</p> <p>Describe other mechanisms you propose deploying to ensure the Partnership is able to overcome challenges, drive financial and system efficiencies and maintain a good level of progress and innovation towards an integrated 0-19 Early Help offer for Plymouth.</p>
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The method statements and presentation were evaluated using the scoring systems below:

Response	Score	Definition
Unacceptable	0	Nil or inadequate response. Fails to demonstrate an ability to meet the requirement/deliver the required outcomes
Poor	2	Response is partially relevant and poor. The response addresses some elements of the requirements/outcomes but contains insufficient/limited detail and explanation to demonstrate how the requirements/outcomes will be fulfilled
Satisfactory	5	Response is relevant and acceptable. The response addresses a broad understanding of the requirements/outcomes but lacks details on how the requirement/outcomes will be fulfilled in certain areas.
Good	8	Response is relevant and good. The response is sufficiently detailed to demonstrate a good understanding and provides details on how the requirements/outcomes will be fulfilled.
Excellent	10	Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement/outcomes and provides details of how the requirement/outcomes will be met in full.

Scores were moderated to ensure that the evaluation outcome is fair, valid and reliable, that evaluation criteria have been applied consistently, and that any differences in scoring between individual evaluators can be acknowledged and addressed.

## 6. SUMMARY OF EVALUATION

The Invitation to Tender stage was issued to three tenderers on the 23<sup>rd</sup> September 2021. The tender return deadline was the 19<sup>th</sup> October. Two submissions were received.

Two tenderers were invited to attend the Presentations which were held on the 15<sup>th</sup> November. Further details of the evaluation panel and scores awarded are provided in the Part 2 report.

## **7. FINANCIAL IMPLICATIONS**

The current total annual spend on the services in scope of this approach, across in-house and commissioned services, is £7.5 million. However, the value of the Early Help Partnership contract itself is £0.

The intention in working collaboratively, across services, over a period of time, is to identify areas where resources could be invested to greater effect, and also areas of duplication and inefficiency. This will lead to sustainable efficiencies in the budget for the partnership; establishing targets for efficiencies can be included in the work programme.

It will also be the intention of the partnership to maximise joint bids for funding, to draw external resource into the city and directly into Early Help support for families. By working together, with a clear view of need and current resource, this will enable funding bids to be relevant, integrated and supported by evidence.

By supporting positive outcomes for families through an Early Help approach, and preventing escalation into higher cost statutory interventions, we anticipate reducing the levels of demand and spend on those interventions.

## **8. RECOMMENDATIONS**

It is recommended that a contract be awarded to the suppliers listed in the Part 2 report.

This award will be provisional and subject to the receipt from the highest scoring supplier of the satisfactory self-certification documents detailed in the suitability assessment questionnaire.

In the event the highest scoring supplier cannot provide the necessary documentation the Council reserves the right to award the contract to the second highest scoring supplier.

This award is also subject to the outcome of any challenge made during the call-in or mandatory standstill period.

The next steps after the award of the contract will be to convene a meeting of the Partnership, to begin discussions about setting up the governance and other structures needed to support transformation activity. This will include consideration of the resources proposed in the tender, to drive forward transformation activity. Critical to this will be the engagement of key leads of in-house services, to work alongside the commissioned Partnership.

**9. APPROVAL****Authorisation of Contract Award Report**

<b>Author (Responsible Officer / Project Lead)</b>			
<b>Name:</b>	Emma Crowther		
<b>Job Title:</b>	Strategic Commissioning Manager		
<b>Additional Comments (Optional):</b>			
<b>Signature:</b>		<b>Date:</b>	9.12.2021
<b>Director of Children's Services</b>			
<b>[Signature provides authorisation to this award report and award of Contract]</b>			
<b>Name:</b>	Alison Botham		
<b>Job Title:</b>	Director of Children's Services		
<b>Additional Comments (Optional):</b>			
<b>Signature:</b>		<b>Date:</b>	14/12/2021