



London Borough of Hackney – Decisions taken by the Cabinet Procurement and Insourcing Committee on Monday 17 April 2023

This document outlines the decisions taken by Cabinet Procurement and Insourcing Committee on Monday, 17 April 2023.

Decisions listed below that are Key Decisions will come into force and may then be implemented on the expiry of 5 clear working days after 25 April 2023 unless called-in by at least 5 non-executive members in writing and submitted to the Monitoring Officer.

Date of Publication: 18 April 2023

Last Date for Call-In: 25 April 2023

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Agenda Item No	Topic	Decision
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Part A – Items considered in public

1	APOLOGIES FOR ABSENCE	Deputy Mayor Bramble (joined virtually)
6	UNRESTRICTED MINUTES OF THE PREVIOUS MEETING OF CABINET PROCUREMENT AND INSOURCING COMMITTEE	That the minutes of the meeting on 13 March 2023 be agreed as a correct record.
7	AHI S150 ADULT SOCIAL CARE TRANSFORMATION - BUSINESS CASE	RESOLVED: To go out to tender for a delivery partner to support the design and implementation phases of the transformation programme using the Crown Commercial Service (CCS) Management Consultancy Framework 3, Lot 3 (Complex and Transformation). The contract will be for up to three years and the contract value will be capped at the price submitted by the winning bidder and released as savings are achieved.

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		<p>Related Decisions Following a competitive tender process (contract ref DN599239) in February – March 2022, the Council selected Newton Europe as a strategic partner to deliver the diagnostic assessment phase.</p> <p>Options Appraisal And Business Case (Reasons For Decision) The diagnostic identified a number of areas that would benefit from a redesign of how care is delivered to residents, helping people to stay independent, resilient and supported across long term care, learning disabilities and commissioning.</p> <p>The programme of work is expected to improve outcomes for a potential 4,000 Hackney residents. These opportunities represent an anticipated benefit to the council of up to £32m over the next 5 – 6 years.</p> <p>In early 2022, the Council ran a competitive tender to appoint a strategic partner to support the first phase of a transformation programme to undertake a diagnostic exercise to identify opportunities for delivering improved outcomes for residents of the Borough who access Adult Social Care.</p> <p>The Adults Health and Integration Directorate is now in a position to move into the design and implementation phase to deliver those benefits in partnership with a service provider who has sound experience and track record of delivering similar work in settings comparable to Hackney.</p> <p>We want to deliver these improvements to residents in the quickest and most efficient way. If we don't engage a delivery partner, improvements would happen at a much slower rate and at a lesser impact.</p> <p>If the Council attempted to undertake this work itself, we know from recent experience that the</p>

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		<p>skills and experience required to undertake such work are not readily available in the market and that there is currently a high premium on people with transformation skills in adult social care, due to imminent preparation for social care reforms. The average day cost of one individual with the relevant skills set is around £600. To undertake a programme of transformation work of the scale required a team of at least 5 officers would be required. Over 3 years this equates to £870,000 per year, or £2.6m over 3 yrs (based on 270 days a year at £660 per day for 5 people). It would not be possible to recruit people on permanent contracts at this time, as the permanent workforce market in this area does not currently exist. Additional management capacity would also be required.</p> <p>Through running a mini competition for this work, we intend to set out a number of criterias in the documentation so we anticipate receiving bids only from companies who can commit to our requirements. These will include a three year maximum timescale for the work to be delivered within and payments to the provider will be capped at the price included in the contract. An evaluation team will score bidders on both quality and price. If at the end of the 3 years it was considered appropriate to run a further separate procurement or vary the contract, this would be clearly redefined at that point and member sign off and engagement would be sought.</p> <p>The engagement of a delivery partner will enable a truly independent view of our current practice, and will further help us prepare ahead of the forthcoming CQC inspections by better understanding our areas for improvement that we can begin mitigating. The diagnostic work has demonstrated the effectiveness of this approach and in order to move onto the delivery phase, this approach will also be required to maintain the effectiveness and pace. The diagnostic work has also shown that it is easier to undertake critical challenges and be visionary if not so close to the embedded practice as Council officers are.</p> <p>There is a well developed market for these types of companies who routinely undertake similar work nationally, and consequently hold vast amounts of insight and information on areas of</p>

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		<p>best practice elsewhere that the Council does not. This provides further opportunity for Hackney to test and learn from alternative approaches that are proven to be effective elsewhere. We are also aware from the diagnostic tender that some companies have a track record of overachieving at no extra cost to the council and questions will be asked about this as part of the evaluation stage.</p> <p>This transformation programme is in the main about demand management and cost avoidance. There would not therefore be money to reinvest in public services but it will ensure more costs are avoided that would impact upon spend elsewhere in the council.</p> <p>The diagnostic has shown there is some poor practice embedded that requires culture change to improve. An external partner will be able to undertake this more efficiently and quicker than if Council officers attempt this. We anticipate the work to take 3 years for a delivery partner, but 5 years for the council to do this alone. It is further anticipated that savings / cost avoidance achieved would be significantly higher through the recruitment of a delivery partner. If the Council were to employ interim staff or staff on fixed term contracts, the work would have to be paid for regardless of outcomes achieved. Through recruitment of a delivery partner one of the stipulations in the contract will be that we are asking bidding providers to work on a risk reward basis, meaning if the agreed milestones are not achieved, there would be no cost to the council or the company would continue to work at no cost until such time as they are achieved.</p> <p>The milestone objectives and payment schedules will be agreed with the selected provider up front following contract award. This work will be overseen by a governance group whose membership will include senior officers from ASC transformation, operations, commissioning and finance and where required, legal. This group will also track progress of the delivery partner in achieving the outcomes sought.</p> <p>This joint cross departmental approach has been taken to develop the tender paperwork which is now at a point where all key officers are happy with it posing no risk to the council to go out</p>

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		to the market for this work.
8	GENERAL EXCEPTION AHI S192 CITY & HACKNEY ENHANCED HEALTH VISITING SERVICE - CONTRACT AWARD	<p>RESOLVED:</p> <p>To agree an award of the Enhanced Health Visiting Service contract to Provider A for a period of a maximum of five years (2+1+1+1) from the 1st of September 2023. The total value of the contract will be a maximum of £34,850,000 (An average of £6,970,000 per year).</p> <p>Related Decisions The Business Case Report for this procurement was approved by CPIC on 3 October 2022 (CE S123):</p> <ul style="list-style-type: none"> • 0-25 Recommissioning Programme - City & Hackney Enhanced Health Visiting Service CPIC Report Business Case (2022) <p>Reason(s) For Decision / Options Appraisal The ongoing provision of a universal health visiting service is essential to supporting the health and well-being of families and children at critical stages of development, to identify those families in need of additional support or with safeguarding concerns, and contribute to the wider benefit of society through enabling every child to have the best start in life. There is strong evidence in support of all aspects of the Healthy Child Programme.</p> <p>The Enhanced Health Visiting Service has been designed to build on the strengths of the existing service currently provided by Homerton Healthcare Trust. The new enhanced service has been modernised to reflect the most recently published evidence and guidelines for the Healthy Child Programme. The enhanced model was developed following consultation and engagement (see business case) and supported by the guidance and oversight of the Institute of Health Visiting (iHV).</p>

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		<p>The service model includes an additional fifth level over and above the four levels of service currently provided. This intensive fifth level (replacing the previously separate Family Nurse Partnership Service) will support vulnerable, complex families and will have a broader eligibility criteria so that families that require support are not restricted access due to the parent's age or if it is a second born child.</p> <p>The Family Nurse Partnership programme model has a number of limitations: It only works with first-time mothers under the age of 25. This does not align with the needs of the City & Hackney population, which has a reduced number of teenage parents, and an increasing number of older first-time parents. The programme only works with the first child up to 2 years. This excludes families with more than one child and communities in the borough where the birth rate is high.</p> <p>The programme does not address concealed pregnancies, as you cannot access the programme if you are more than 28 weeks pregnant. FNP is a licensed model and therefore does not allow for any flexibility with regards to its enrolment criteria and delivery model.</p> <p>The Enhanced service places an even greater emphasis on the autonomy of the specialist trained public health nursing workforce to provide services based on their clinical judgement and expertise. The new service model will enable the service to be more responsive to changing needs, stepping families up or down levels of intervention as circumstances change. This is not dissimilar to the current service offer except the new model offers a fifth level of service where the most experienced nurses are able to work more intensively with those families that require it and without restriction due to the age of the parent or number of children already within the family, thus widening the intensive level of service to more vulnerable families with a broader range of personal circumstances that would benefit from this level of</p>

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		<p>intervention.</p> <p>The new model of service, as described in detail in the business case, will also provide increased opportunities for the health visitors and the wider skills mix workforce to work alongside early years to improve learning, development and health outcomes and to undertake targeted work with families on areas considered by evidence to have a high impact on health such as substance misuse, or domestic violence.</p>
9	FCR S180 PROCUREMENT OF CORE INSURANCE PROVISION - CONTRACT AWARD (OFFICER KEY DECISION)	<p>RESOLVED:</p> <p>There are no official recommendations set out in this report. This report is for informative purposes only and CPIC should note the following;</p> <p>The various options considered in the procurement of the Council Insurance contracts and the reason for the deferment of Lot 1 - Property Risks.</p> <p>In accordance with Key Decision FCR S143 and as set out in the recommendations of the report approved by CPIC on 13th February 2023 this report notes that:-</p> <p>The Group Director, Finance and Corporate Resources, after consultation with the Chair of Cabinet Procurement and Insourcing Committee, authorised the award of contract for [lot 1 - Property] to Supplier F on 17th March 2023 and approved officers to proceed with the contracts to ensure that insurance cover was in place for 1st April 2023.</p>