

<p><b>Cabinet</b></p> <p>24 April 2024</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Denise Radley, Corporate Director, Health and Social Care</p>	<p><b>Classification:</b> Open (Unrestricted)</p>
<p><b>Contract extension for (1) School Health and Wellbeing Service and (2) Integrated Young People's Health and Wellbeing Service (Safe East)</b></p>	

<b>Lead Member</b>	<b>Councillor Gulam Kibria Choudhury, Cabinet Member for Health, Wellbeing and Social Care</b>
<b>Originating Officer(s)</b>	Dr Somen Banerjee, (Director of Public Health)
<b>Wards affected</b>	(All Wards);
<b>Key Decision?</b>	Yes
<b>Reason for Key Decision</b>	(b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards.
<b>Forward Plan Notice Published</b>	22/03/2024
<b>Exempt information</b>	<p>This report and/or its appendices include information that has been exempted from publication as the Monitoring Officer:</p> <ul style="list-style-type: none"> <li>• has deemed that the information meets the definition of a category of exempt information as set out in the Council's Access to Information Rules; and</li> <li>• has deemed that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</li> </ul> <p>The exempt information is contained in</p> <ul style="list-style-type: none"> <li>• <b>Appendix 2</b></li> </ul> <p>The exempt information falls into this category:</p> <p>Category 3: Information relating to the financial or business affairs of any particular person (including the authority handling the information)</p>
<b>Strategic Plan Priority / Outcome</b>	<ol style="list-style-type: none"> <li>1. Accelerate Education</li> <li>2. Invest in public services</li> <li>3. A council that works for you and listens to you</li> </ol>

## **Executive Summary**

The Children and Young People's Health and Wellbeing Service (CYPHWS) is the new service model which brings together two statutory services 1) School Health and Wellbeing Service and 2) Integrated Young People's Health and Wellbeing Service (Safe East). The robust and rigorous evaluation of the CYPHWS procurement concluded the bid did not deliver best value for the requirements as set out in the service specification.

Two contract extensions are required to support the continued delivery of the two statutory services whilst re-tendering is completed. We propose a four-month period from August – November 2024 to award the contract following retendering which will take place between May-October 2024. Following the contract award, the new service will require a four-month mobilisation period.

## **Recommendations:**

The Mayor in Cabinet is recommended to

1. Approve the extension of the contracts for the two services for a period of 8 months to allow for the continuation of the procurement process and mobilisation of the new contract during term time.

## **1 REASONS FOR THE DECISIONS**

- 1.1 The contract extension will comprise of two phases: four months to contract award, including market engagement, tendering, evaluation and contract award processes.
- 1.2 The second phase is a four-month mobilisation period. This is necessary because there are significant risks to changing provider when term-based programmes are underway. It is safer to change providers (if required) at the start of terms (in the Summer holidays as originally planned, in January (insufficient time to retender and mobilise) or in April (as proposed).
- 1.3 Most staff work on term-time only contracts and may need to be TUPE'd so the mobilisation stage requires a longer period to maximise engagement and retention of hard-to-recruit staff.

## **2 ALTERNATIVE OPTIONS**

- 2.1 A shorter contract extension period.
- 2.2 Do not agree to an extension; these two core universal services will be suspended from 1st August until retendering is complete.

## **3 DETAILS OF THE REPORT**

- 3.1 See accompanying report at Appendix 1.

## **4 EQUALITIES IMPLICATIONS**

- 4.1 The new CYPHWS service model has been designed to better reduce inequalities than the existing model by increasing capacity for co-production and culturally sensitive health communications. The contract extension aims to increase the success of a future tender, to introduce the new model as effectively as possible.

## **5 OTHER STATUTORY IMPLICATIONS**

- 5.1 The Council has a statutory duty to commission 5-19 public health services, sexual health and substance misuse services as a condition of the Public Health Grant.

## **6 COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 Further to an unsuccessful tender exercise for the new Children and Young People's Health and Wellbeing Service, on the grounds of delivery of best value, the existing statutory contract provision for the 2 service areas will require an extension for a period of 8 months.
- 6.2 The total contract value per annum for both contracts combined is £2.4m and is funded within the statutory element of the Public Health Grant. The cost of the extension of the existing contracts will be funded via the Public Health Grant and therefore there are no additional financial implications associated with this proposal.

## **7 COMMENTS OF LEGAL SERVICES**

- 7.1 The Invitation to tender reserves the right for the Council not to award a contract to any bidder. However, procurement law requires the Council to have good grounds for abandoning a tender. The fact that no bids were received that the Council reasonably believed would not deliver an appropriate level of quality (in terms of efficiency and effectiveness) would be an appropriate ground.
- 7.2 The Council is required to ensure statutory Best Value in the delivery of its functions in terms of economy efficiency and effectiveness. The award of a contract which the Council does not consider to be efficient or effective in terms of meeting the needs of the children would not meet this legal duty
- 7.3 It is clear that the reason why the Council needs to extend the existing contracts is the result of a failed tender. Regulation 32 of the Public Contracts Regulations allows the Council to agree a new contract for the interim period with each of the existing suppliers without further competition. Also the Council is ensuring that the interim contracts are proportionate to the time required to revise the specification and rerun the procurement and is therefore not extending the contracts anti-competitively
- 7.4 It is noted that one of the alternative options is to award a shorter extension than that which is requested. However, given the fact that any tender must be

undertaken in timescales that are at least reasonable, legal advice is that a shorter time period may not be practically possible.

- 7.5 Appendix 2 to this report contains detail as to the tender evaluation. This information is exempt information for the purposes of the Local Government Act 1972 (Schedule 12A) The publication of this detail would assist existing bidders who may make a submission in the new tender and affect the veracity and fairness of the new process as compared with other bidders taking part in that process only. Therefore, whilst the public interest in knowing the information is appreciable it is outweighed by the public information in maintaining the exemption.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- NONE.

### **Appendices**

- Appendix 1 – report details
- Appendix 2 – EXEMPT tender evaluation.

### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- NONE.

### **Officer contact details for documents:**

Dr Somen Banerjee, (Director of Public Health) or state N/A