

Contract for an Emotional Wellbeing/Mental Health Service for Children & Young People in Peterborough & Cambridgeshire
Councillor Sam Smith, Cabinet Member for Children's Services
July 2017
Deadline date: 4 August 2017

Cabinet portfolio holder:	Councillor Sam Smith Cabinet Member for Children's Services
Responsible Director:	Wendi Ogle-Welbourn – Corporate Director for People and Communities
Is this a Key Decision?	YES If yes has it been included on the Forward Plan : Yes Unique Key decision Reference from Forward Plan: KEY/01MAY17/08
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	Yes
Is this a project and if so has it been registered on Verto?	NO

RECOMENDATIONS

The Cabinet Member is recommended to:

1. Award a contract for the delivery of Emotional Wellbeing/Mental Health Services for Children & Young People in Peterborough & Cambridgeshire for a total value of £2,221,956 from 1 January 2018 until 1 January 2021 and a further option for the Council to extend for two 12 month periods.
2. Authorise the Corporate Director of People & Communities to extend the contract for a further two 12 month periods at a cost of up to £740,652 per annum, should the Council exercise the option to extend.

1. SUMMARY OF MAIN ISSUES

- 1.1 This report seeks approval of the Cabinet Member to award a contract to CHUMS from 1 January 2018 to 1 January 2021 with the option to extend for two periods of 12 months, in accordance with the Council's Contract Rules.

2. PURPOSE OF THIS REPORT

- 2.1 This report is for the Cabinet Member for Children's Services to consider exercising delegated authority under paragraph 3.4.8 (a) of Part 3 of the Constitution in accordance with the terms of their portfolio at paragraph (c).

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	N/A
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4. DETAILS OF DECISION REQUIRED

- 4.1 The new service will deliver brief, evidence-based talking therapies, providing the bulk of interventions in the 'Getting Help' grouping. It will also deliver some training around mental health literacy to wider professionals and school staff.
- 4.2 The intended service users will be aged between 4 and 18 (extending to 25 in Cambridgeshire) and experiencing mild-moderate mental health issues or significant emotional wellbeing issues which are affecting behaviour, functioning or relationships.
- 4.3 To encourage maximum innovation amongst the market the service specification is outcomes based and does not specify service model or design. The key service outcomes are set out below:
- Children and young people report improved mental health and emotional wellbeing and greater ability to self-manage difficult emotions and cope with adversity
 - More children and young people access evidence based therapies to improve their mental health
 - More children and young people with mental health/emotional wellbeing issues receive the right level of intervention at the right time
 - More children, young people, families and professionals know how to promote and sustain good mental health and emotional wellbeing

5. CONSULTATION

- 5.1 Consultation is key to the continued successful commissioning of services. Consultation with current providers and key partners has taken place, alongside additional parental consultation. A needs summary for Peterborough has also been completed. These findings were key to shaping a specification congruent with the needs of services users across both Peterborough and Cambridgeshire.

6. ANTICIPATED OUTCOMES

- 6.1 Approve the award of the contract for the delivery of Emotional Wellbeing/Mental Health Services for Children & Young People in Peterborough & Cambridgeshire.

7. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION

- 7.1 The Emotional Wellbeing and Mental Health Service, as set out within the specification fits into the 'Getting Help' quadrant of the iThrive model. This was previously known as Tier 2 provision and has

historically been underfunded and characterised by high demand, limited capacity and gaps in provision. This has also contributed to high demand for specialist CAMH interventions at Tier 3.

7.2 To date, PCC and CCC have commissioned Tier 2 provision separately resulting in a range of services with slightly differing models and age ranges. We consider there to be gaps in provision for primary school age children and Peterborough currently has no commissioned bereavement counselling. Upper age range differs between 25 in Cambridgeshire and 17 in Peterborough. At present we collectively have contracts in place with 5 suppliers in total and there is a high demand for the provision with some services operating a waiting list. Support for personal, social and health education (PSHE) in schools is included in the list below but is provided in-house by Cambridgeshire County Council at the moment.

7.3 The contract will be tri-funded following joint procurement between Peterborough City Council (PCC), Cambridgeshire County Council (CCC) and Cambridgeshire & Peterborough Clinical Commissioning Group (CCG). The Cambridgeshire and Peterborough CCG will contribute £240,000 per annum (75% allocated to Cambridgeshire and 25% allocated to Peterborough). CCC will contribute £280,652 per annum and PCC will contribute £220,000 per annum. Therefore the total budget is split on a c.60-40 basis across Cambridgeshire and Peterborough:

Cambridgeshire	£460,652	Comprised of £240,652 Local Authority funding (all ages), £40,000 LA funding for mental health literacy workforce development and training and £180,000 CCG funding
Peterborough	£280,000	Comprised £220,000 Local Authority funding and £60,000 CCG funding

The proposed tender has also been to the Commissioning Board at PCC and through the necessary governance at CCC. The agreement made is pursuant to Section 75 of the National Health Service Act 2006, Localism Act 2011 and other legislation, guidance and rules; this Section 75 has been signed by CCC and the CCG.

7.3 Procurement

7.3.1 The 3 organisations (PCC, CCC and the CCG) undertook a joint procurement led by Peterborough City Council (PCC). The contract will be awarded on behalf of the JCU by PCC to a single or lead organisation and overseen by the JCU after award. PCC, CCC and the CCG have jointly signed a memorandum of understanding (MOU) and later a Section 75 agreement. The signed Section 75 agreement reduced risk liability to PCC as lead organisation, reduced risks to the procurement as a whole, prevented reputational damage to PCC, supported the Sustainability and Transformation Plan (STP) and echo the union across Peterborough and Cambridgeshire

7.3.2 The contract was procured after the Public Contracts Regulations 2015 came into force in March 2015. Subsequently a Competitive Contract Notice was published through the Council's e-sourcing portal and an open procurement process was undertaken whereby bidders were invited to tender. The procurement process was comprised of the Standard Selection Questionnaire and the Invitation to Tender. The standard Selection Questionnaire gives potential suppliers the opportunity to demonstrate that they do not meet any of the grounds for exclusion; if there any grounds for exclusion suppliers can explain the background and any measures they have taken to rectify the situation. The questions within the Standard Selection Questionnaire are subject to a Pass, Fail or for Information Only criteria. The invitation to tender comprises of 3 word Documents:

- Document A – Invitation to Tender

- Document B – Tender Submission – STANDARD SELECTION QUESTIONNAIRE AND AWARD ELEMENT
- Document C – Tender Submission – PRICE AND PRICE ASSUMPTIONS

7.3.3 Tenderers were required to answer a series of Quality Questions in the form of method statements addressing between them all aspects of the required service. These questions are set out in detail within Invitation to Tender (ITT) Document B, together with a space for Tenderers to insert their responses. The questions are designed to explore the approach and methodology proposed by each tenderer concerning (amongst other things) how the new service will be implemented and delivered. Each method statement answer was scored against a quality scoring matrix with a scoring range of 0 to 10 points (10 being the highest).

7.3.4 The Evaluation Panel undertook a desktop evaluation of the ITT questionnaire responses, followed by a moderation process. The tenderers were then invited to present to the Evaluation Panel their proposed service's response to three case studies. A further moderation process followed this element. The tender submissions were also evaluated on price and pricing assumptions. Tenders were evaluated on a Quality:Cost ratio of 80:20.

7.3.5 Four organisations submitted tenders and were evaluated as follows:

	Winner	Bidder 1	Bidder 3	Bidder 4
	Weighted Score	Weighted Score	Weighted Score	Weighted Score
Quality (80%)	58.37%	35.23%	54.90%	43.39%
Price (10%)	9.74%	9.83%	9.75%	10.00%
Financial Assumptions (10%)	6%	3%	6%	5%
Total	74.11%	48.06%	70.65%	58.39%

7.3.6 From the evaluation, CHUMS emerged as the winning tender with a total score of 74.11%

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 The following options were considered and rejected:

8.2 Option 1 - Continuation of current services. This option was rejected for the following reasons:

- a) Operating six separate services for the delivery of Children and Young People's Emotional Wellbeing and Mental Health support in different locations does not provide a seamless and consistent service to service users. It reduces access to the services and limits opportunities to improve the Emotional Wellbeing and Mental Health of Children and Young People across Peterborough and Cambridgeshire.
- b) A retender exercise will generate competition within the market, potentially leading to innovation and better value for money for PCC, CCC and the CCG.

8.3 Option 2 - Do not provide a Children and Young People's Emotional Wellbeing and Mental Health service in Peterborough or Cambridgeshire. This option was rejected as PCC and CCC has a duty of care to commission Emotional Wellbeing and Mental Health services for Children and Young People. This option may also result in an increase of the numbers of children and young people experiencing emotional wellbeing or mental health problems. It would also have deleterious effects on those current receiving support from incumbent providers. This would likely increase demand on the Specialist CAMHS services and NHS Emergency Services. Other related services, for both children and

young people and adults may be affected, putting further financial pressures on PCC, CCC and the CCG.

9. IMPLICATIONS

9.1 Equalities Implications

There are no Equalities Implications to consider.

9.2 Financial Implications

The tender is for the award of £2,221,956 worth of services across the first 3 years of the contract with the option to extend the contract for an additional 2 years for up to a total of £1,481,304. This is within the budget set aside for Emotional Wellbeing & Mental Health Services for Children and young People across Peterborough and Cambridgeshire; it is anticipated that the budget will remain the same per annum during the life of the contract. Therefore a yearly ceiling price was set, giving the bidders the opportunity to plan their delivery with the budget constraints in mind. Consequently, CHUMS Initiatives submitted the following prices which show year on year savings for the council:

Year 1	Year 2	Year 3	Year 4	Year 5
£740,000	£740,000	£740,000	£740,000	£740,000

The winning bidder has self-certified their accounts and financial standing as part of the tender process. Finance are now reviewing the accounts of the winning bidder and any award is subject to finance corroborating the winning bidders self certification.

9.3 Legal and Procurement implications

These implications are set out in 7.3 and 8.3, above.

10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

None.

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

None.