



Decision Report of the Corporate Director for Children, Employment and Skills

Officer Decision	Date: 28 November 2017	Ward(s): All
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Delete as appropriate	Exempt	Non-exempt
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SUBJECT: Contract award to deliver and manage early education and childcare and host early childhood services for Lot 4, at Mayville Estate, London N16 8NP

1. Synopsis

1.1 This report summarises the outcome of the procurement process and seeks approval for the award of the following contract for the above service by the Corporate Director of Children's Services:

- Lot 4 The Factory Children's Centre (Mayville Estate, London N16 8NP) – contract award to Minik Kardes

Lot 2 and 3 have not been awarded. The Council is reviewing options.
Lot 1 will be covered in a separate report.

1.2 The Executive agreed the procurement strategy for this tender in July 2017. The service is to deliver and manage early education and childcare provision in children's centre buildings and to manage the building and be an active partner in the network of early childhood services organised through the Bright Start Islington areas.

2. Recommendations

2.1 To approve contract award to Minik Kardes to deliver early education and childcare provision and manage the children centre building for **Lot 4** following a successful competitive tendering exercise.

3. Date the decision is to be taken:

The decision date for this contract is 28 November 2017.

4. Background

4.1 A new integrated early childhood service model – Bright Start Islington - has been developed building on the excellent children’s centres model already within the London Borough of Islington. The new model is organised across three areas of the borough and led by three early childhood Bright Start Area teams. The teams work closely with children’s centres as well as other providers of early education and childcare in their area to plan and deliver services which meet the needs of local families.

4.2 Children’s centres are placed in areas of most need. The provision of early years and childcare on these sites is instrumental in meeting a range of outcomes for children and families. This includes meeting the early years outcomes duty so that children begin their school lives in good health and are able to do well at school. In addition, the outcomes are expected to reduce the inequalities gap between those children who do least well in their Early Years Foundation Stage Profile score in relation to the general population of children living in Islington.

4.3 The procurement of four voluntary children’s centres was approved by the Executive in March 2017:

- Lot 1: Conewood Children’s Centre (14 Conewood St, London N5 1DJ)
- Lot 2: Hornsey Road Children’s Centre (8 Tiltman Pl, Hornsey Rd, London N7 7EN)
- Lot 3: Paradise Park Children’s Centre (164 MacKenzie Rd, London N7 8SE)
- Lot 4: The Factory Children’s Centre (Mayville Estate, London N16 8NP)

The tendered service included delivery and management of early education and childcare provision and management of children’s centres buildings. The winning organisations are also expected to be an active partner in the network of early childhood services organised through the Bright Start areas. The council allowed for up to two contracts to be awarded per organisation.

4.4 The contract period is 36 months with an option to extend up for a further 24 months. The tender value is based on participation for early education and childcare places, funded through the Designated Schools Grant (DSG), and core Council childcare subsidy funding, and on a funding contribution towards managing and hosting Bright Start services in the the children’s centre building.

The total Council funding for four lots over the maximum 60 months term is £4,155,545. The total Council funding for Lot 4 over maximum 60 months term is £1,137,985.

4.5 The tender was conducted in two stages, known as the Restricted Procedure. The first stage was through a Selection Questionnaire (SQ) that established whether an organisation met the financial requirements, is competent and capable and has the necessary resources to carry out the contract.

4.6 The advert was published on the London Tenders Portal on 28 July 2017 for 30 calendar days with deadline for SQ submissions on 30 August 2017.

4.7 Four organisations met the requirements at the SQ stage. Three of those organisations indicated their intention to apply for more than one lot. These organisations were invited to tender (ITT) with a deadline for submissions on 10 October 2017. One organisation submitted a bid for Lot 4 at the ITT stage.

4.8 The tender evaluation was based on the Most Economically Advantageous Tender (MEAT) on the basis of 80% quality and 20% cost. Minimum requirements were set in order for the winning bidder to be awarded a contract. The table below shows the breakdown of the criteria with the relative weightings:

Tender award criteria	Total
Cost	20%
Quality– made up of	80%

Proposed approach to contract implementation, transition and mobilisation	10%
Proposed approach to achieving positive outcomes for children and families	15%
Proposed approach to service outputs	10%
Proposed approach to safeguarding and early help	10%
Proposed approach to ensuring continuous improvement and the methods used for this including self-evaluation and quality assurance	15%
Partnership working and approach to multi agency working within the scope of Bright Start Islington	10%
Proposed approach to sustainability within the context of Islington's Early Years admission and charging policies	10%
Total	100%

4.9 The tender evaluation panel consisted of London Borough of Islington representatives and a parent representative.

4.10 The final score of the winning bidder for Lot 4 is as follows:

Organisation	Cost (20% of the mark)	Quality (80% of the mark)	Total 100%
Minik Kardes	20%	59%	79%

4.11 TUPE applies to this contract.

5. Implications

5.1 Financial implications:

The contract falls within Finance's tender criteria.

The contract tender price of £593,715 per annum will be met within the existing budget the council has set aside for the lifetime of the contract taking into account core funding and DSG funding based on participation.

5.2 Legal Implications:

The Council has duties under sections 6, 7, 7A, 9A, 12 and 13 of the Childcare Act 2006 to provide early education and childcare. The council may enter into contracts for such services under section 1 of the Local Government (Contracts) Act 1997. The Executive may provide Corporate Directors with responsibility to award contracts with a value over £2 million using revenue money and over £5 million using capital money (council's Procurement Rule 16.2).

The services that have been procured are subject to the light touch regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light touch regime is currently £589,148.00. The value of this contract is above this threshold. It therefore needs to be advertised in the Official Journal of the European Union (OJEU). There are no prescribed procurement processes under the light touch regime, but there is a requirement for the procurement of such services to comply with the principles of equal treatment, non-discrimination and fair competition. The council's Procurement Rules require contracts over the value of £500,000 to be subject to competitive tender. In compliance with the requirements of the Regulations and the council's Procurement Rules a competitive tendering procedure with advertisement in OJEU has been used. A single bid was received from Minik Kardes. This bid was evaluated in accordance with the tender evaluation model. Minik Kardes was found to meet all the minimum requirements set out in the tender and may therefore be awarded the contract. In deciding whether to award the contract to the recommended service provider the Corporate Director for Children's Services should be satisfied as to the competence of the supplier to provide the services and that the tender price represents value for money for the Council. In considering the recommendations in this report the Corporate Director for Children's Services must take into account the information contained in the exempt appendix to the report.

4.3 Environmental Implications

An Environmental Impact Assessment for this tender was carried out in March 2017. The assessment identified environmental implications including the use of energy and water as a result of building occupation, as well as waste generation. The assessment identified mitigation measures to minimise the environmental impact, including ensuring an appropriate environmental management system is in place, providing the winning organisation with Islington Council's Environmental Policy and outlining expectations around energy and water efficiency, waste minimisation and encouraging walking as the primary means of reach the centres.

4.4 Resident Impact Assessment:

The Resident Impact Assessment was carried out in March 2017 and no negative impacts were identified.

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

5. Reasons for the decision: (summary)

5.1 The winning tender for Lot 4 was the Most Economically Advantageous Tender (MEAT). The winning tenderer demonstrated wealth of experience in delivering services to improve children's outcomes in a diverse community setting with a strong focus on engaging families. The tenderer demonstrated strong recognition of high quality provision in ensuring sustainability and demonstrated additionally in utilising wider services delivered by the organisation to achieve the required outcomes. The tenderer demonstrated understanding of the importance of successful partnership and multi-agency working on the impact on outcomes for children.

6. Record of the decision:

(to be completed after 5 days on the website and the signed report re-sent to Democratic Services)

6.1 I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

Signed by:



Carmel Littleton,
Corporate Director Children, Employment and
Skills

Date 28 November 2017

Appendices

- None.

Background papers:

- None.

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