

# WIRRAL COUNCIL

## CABINET

19<sup>TH</sup> JULY 2012

<b>SUBJECT:</b>	<b>TACKLING WORKLESSNESS</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>KEVIN ADDERLEY DIRECTOR OF REGENERATION, HOUSING AND PLANNING</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR PAT HACKETT REGENERATION &amp; PLANNING STRATEGY</b>
<b>KEY DECISION?</b>	<b>YES</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 On 12<sup>th</sup> April Cabinet approved (Minute 387/1) continuation of a worklessness support programme and authorised the Director of Regeneration, Housing and Planning to commence a competitive tendering exercise. The Council commenced the procurement process via The Chest portal on 4<sup>th</sup> May 2012 under the title: Supply of the Working Wirral Programme. The current contract ends on 31<sup>st</sup> August 2012 and is delivered by a voluntary and community sector consortium called The ReachOut Partnership led by Involve Northwest.
- 1.2 In this report members are:
- Advised of the recommendations from the competitive procurement process to select a delivery partner for the worklessness support programme: Working Wirral;
  - Recommended to accept the most economically advantageous tender in terms of quality/price and appoint the supplier to deliver the service on behalf of the Council.
- 1.3 Appendix 1 of this report contains commercially sensitive information regarding a competitive tendering process, the disclosure of which is not considered to be appropriate. Accordingly, Appendix 1 is deemed to be exempt from disclosure under paragraph 3, Part 1 of schedule 12A of the local Government Act 1972 (as amended).

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 As part of a complementary suite of budget policy options for the economy, Members approved the continuation of a worklessness support programme and authorised the Director of Regeneration, Housing and Planning to commence a competitive exercise to tender this contract (Report to Cabinet 12<sup>th</sup> April, Minute 387/1). The current contract ends on 31<sup>st</sup> August 2012 and is delivered by a voluntary and community sector consortium called The ReachOut Partnership led by Involve Northwest.

## 2.2 Procurement Process

- 2.2.1 To ensure compliance with Wirral Council's Contract Procedure Rules, a Departmental Governance Procedure for the procurement was drawn up internally and agreed by legal, finance and procurement teams. This set out, time-lined and assigned departmental roles and responsibilities for:
- Designation of Responsible Chief Officer and Supervising Officer;
  - Developing, preparing and sign off of the appropriate tender documentation (designated to cross departmental group involving legal, finance and procurement);
  - Evaluation of tender documents;
  - Reporting to Cabinet;
  - Contracting.
- 2.2.2 A Pre-Qualification Questionnaire (PQQ) was posted on the Chest portal on the 4<sup>th</sup> May 2012 for the supply of the Working Wirral Programme.
- 2.2.3 121 suppliers expressed an interest in the tender. 22 suppliers submitted a PQQ, 16 suppliers opted out, and 83 did not respond by the deadline of 25<sup>th</sup> May 2012.
- 2.2.4 The evaluation panel assessed PQQ's based on a range of trading and technical criteria including organisational capacity, skills and experience of similar contracts plus a range of information regarding the status of company. The evaluation panel selected 7 suppliers to progress to Invitation to Tender stage.
- 2.2.5 The Invitation to Tender was posted on the Chest portal on 1<sup>st</sup> June 2012. 4 suppliers submitted a tender, 1 supplier opted out, and 2 did not respond by the deadline of 21<sup>st</sup> June 2012.
- 2.2.6 Tenders were assessed on the basis of the most economically advantageous tender with a quality and price ratio set at 70:30. Part of the assessment process included presentations from suppliers conducted over two days on 27<sup>th</sup> and 28<sup>th</sup> June 2012.
- 2.2.7 The model used for assessing the tenders is one that has been approved by the Chartered Institute of Public Finance and Accountancy (CIPFA) as advised by the Council's Procurement section. Procurement attended as technical observers and advisers throughout the process.
- 2.2.8 Tenders achieved an overall quality score assessed against eight weighted specific requirements set out in the ITT, together with the presentation.
- 2.2.9 The tenders achieved an overall price score assessed against three weighted criteria:  
Criteria 1: Total tender price  
Criteria 2: Unit cost per employment outcome  
Criteria 3: Balance of costs (frontline/management staff, participant and delivery)

### 3. TENDER EVALUATION RESULTS

- 3.1 A Wirral based voluntary and community sector consortium submission, lead by Involve Northwest and titled: The ReachOut Partnership, ranked highest in the overall assessment of returned tenders. Table 1 presents the evaluation results.

Table 1: Tender Evaluation Results

<b>Tenderer</b>	<b>Quality Score (/100)</b>	<b>Price Criteria 1 (Total Price)</b>	<b>Price Criteria 2 (Unit Cost)</b>	<b>Price Criteria 3 (Balance of costs) (out of 5)</b>	<b>Price Score (/100)</b>	<b>Overall Rank</b>
Involve Northwest	79.44	£960,000	£1,514	4	96.39	<b>1</b>
B	47.51	£919,893	£1,597	2.75	90.60	<b>2</b>
C	46.43	£890,597	£1,546	2.50	91.88	<b>3</b>
D	46.62	£960,000	£1,667	2	83.64	<b>4</b>

- 3.2 Members of the ReachOut Partnership consortium are:

- Involve Northwest (lead body)
- Advocacy in Wirral
- Inclusive Access
- Remploy
- The Social Partnership
- Wirral Change

- 3.3 The submission from Involve Northwest was comprehensive and thorough. It demonstrated a clear understanding of the issues and needs of the targets groups and was able to clearly demonstrate how it would implement and manage the contract to deliver the stipulated outputs. The tender delivers 10% uplift on the minimum output specification requirement.

Table 2: Tender Specification and Involve Northwest Outputs

<b>Output</b>	<b>Minimum Requirement</b>	<b>Involve Northwest</b>	<b>% Uplift</b>
Participants Engaged	1152	1267	10%
Into Employment	576	634	10%
Sustained Employment (26wks)	374	411	10%

### 4.0 RELEVANT RISKS

- 4.1 The Council will manage the contract delivery performance through existing staff in Regeneration, Housing and Planning who have the expertise and proven track record in managing such programmes.
- 4.2 The Council will manage the contract financial performance through the Group Accountant in the Finance Department.
- 4.3 The Council will scrutinise performance/financial delivery through regular meetings of an officer led group to examine performance; review by internal audit and reporting to Economy & Regeneration Overview and Scrutiny Committee.

- 4.4 The Council will pay the Contractor 12 monthly instalments in arrears, subject to retention of 5% to be withheld from each instalment. This retention will only be released if the Council is satisfied that targets have been met or all reasonable endeavours have been used to achieve them.

## **5.0 OTHER OPTIONS CONSIDERED**

- 5.1 All suppliers that submitted a Pre-Qualification Questionnaire or Tender within the required timescale were duly considered.

## **6.0 CONSULTATION**

- 6.1 The Working Wirral Programme supports Wirral's Investment Strategy priorities developed through extensive consultation with Wirral residents and external partners during the Strategy Refresh in 2011. The Council reviewed economic priorities with local residents through Wirral's Future (2010) and Neighbourhood Planning (2011) consultations; and with strategic partners, including Wirral Economic Development & Skills (WEDS) Partnership; the Investment Board; and Wirral's Business Forum.

## **7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 7.1 The tendering process allowed for consortia applications. This principle enables smaller organisations, including voluntary, community and faith groups to use their combined expertise to bid to deliver the contract. The tender specification required potential contractors to set out how they would link with Wirral's voluntary, community and faith sector.

- 7.2 A Wirral based voluntary and community sector consortium submission, lead by Involve Northwest and titled: The ReachOut Partnership, ranked highest in the overall assessment of returned tenders.

## **8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

### **9.1 Financial**

An allocation of £960,000 was agreed for procurement of a worklessness support contract to be met from the budget policy option for the economy as detailed in Report to Cabinet 12<sup>th</sup> April, (Minute 387/1). The total contract price submitted by the recommended supplier Involve Northwest is £960,000.

### **9.2 Staffing**

All contract management costs relating to the Working Wirral contract will be met from existing staff resource from Regeneration, Housing and Planning.

## **10.0 LEGAL IMPLICATIONS**

- 10.1 Given the value of the Working Wirral contract the Council is obliged to follow the requirements of the Public Contracts Regulations 2006. All necessary terms relating to obligations, indemnities and liabilities will also be agreed between the Council and the appointed suppliers.

- 10.2 Subject to award of the contract to Involve Northwest, there will be no TUPE implications. Involve North West are suppliers of the existing Working Wirral contract due to cease on 31<sup>st</sup> August 2012.

## 11.0 EQUALITIES IMPLICATIONS

- 11.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?  
(a) Yes and impact review is attached  
<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/regeneration-housing-planning>

## 12.0 CARBON REDUCTION IMPLICATIONS

- 12.1 There are no direct carbon reduction implications arising from this report.

## 13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 13.1 There are no direct planning or community safety implications arising from this report.

## 14.0 RECOMMENDATION/S

- 14.1 Cabinet are requested to:

- accept the most economically advantageous tender in terms of quality/price and appoint a consortium led by Involve Northwest to supply the Working Wirral Programme on behalf of the Council to the value of £960,000.

## 15.0 REASON/S FOR RECOMMENDATION/S

- 15.1 These recommendations are proposed to Members to support continuous delivery of worklessness support beyond the current contract end date of 31<sup>st</sup> August 2012. This contract forms part of a complementary suite of activities to reduce worklessness approved by Members as part of budget policy options for the economy.

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### SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Tackling Worklessness/Supporting Apprentices In Wirral	12 <sup>th</sup> April 2012