

<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">2 SEPTEMBER 2019</p>		
<p align="center">BUSINESS CASE & PROCUREMENT STRATEGY IN RELATION TO THE AWARD OF CONTRACTS TO DELIVER IMPACT PROJECT INDEPENDENT DOMESTIC VIOLENCE ADVOCACY AND CASE PROGRESSION SERVICES</p>		
<p>Report of the Deputy Leader – Councillor Sue Fennimore</p>		
<p>Open Report</p>		
<p>Classification: For decision Key Decision: Yes</p>		
<p>Consultation: H& Fulham Police, The Mayor’s Office of Policing and Crime</p>		
<p>Wards Affected: ALL</p>		
<p>Accountable Director: Sharon Lea, Strategic Director of Environment</p>		
<p>Report Author: Pat Cosgrave, Community safety commissioning & performance officer</p>	<p>Contact Details: Tel: 020 8753 2810 Email: pat.cosgrave@lbhf.gov.uk</p>	

1. EXECUTIVE SUMMARY

- 1.1. The Council’s current contracts with Advance Advocacy Services (Advance) and Standing Together Against Domestic Violence (STADV) to deliver Independent Domestic Violence Advocacy Services and Case Progression Services respectively are due to expire on 31st March 2020.
- 1.2. These services form part of the Impact project, which is designed to support victims of domestic violence and domestic abuse (DVA) that reside in Hammersmith & Fulham through the court system. Its key priorities are to:
- Reduce the risk posed by perpetrators of domestic abuse/violence.
 - Increase victims’ confidence in the criminal justice response to DVA; and
 - Hold perpetrators to account and reduce/cease further violence.

- 1.3. The Independent Domestic Violence Advocate (IDVA) service provides service users with:
- Advice on police procedures and the court process;
 - Legal and civil protection advice on injunctions;
 - Rehousing and emergency accommodation advice; and
 - Safety planning, including referrals to the Sanctuary scheme to improve home safety.
- 1.4. The Case Progression service tracks cases through the criminal justice system from the point of arrest to case disposal. Officers work with the police to ensure that all relevant information is presented to the Crown Prosecution Service for DVA court cases. The service pre-empts any Criminal Justice System blockages at the Specialist Domestic Violence Court to ensure that DVA cases are held promptly, minimising the negative impact of the court process on victims, and reducing the risk of cases failing at court.
- 1.5. The Independent Domestic Violence Advocacy Services and Case Progression Services are informed by the Council's wider Violence Against Women and Girls Strategy (VAWG) Strategy and Action Plan, addressing key priorities as set out in the Strategy.
- 1.6. This report asks Cabinet approval to retender these contracts from April 2020 onwards.
- 1.7. The strategy for the procurement of these services is set out in appendix 1 of this report.

2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1. Approves the Business Case & Procurement Strategy for the procurement of Impact Independent Domestic Violence Advocacy, and Case Progression services, as set out in Appendix 1.
- 2.2. Approves a delegation of the decision to award the contracts to the Strategic Director of Environment, in consultation with the Deputy Leader.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To comply with the requirements contained in Contract Standing Orders to seek Cabinet approval before a regulated procurement exercise is commenced.

4. PROPOSAL AND ISSUES

- 4.1. The proposal is for the Council to award a contract for services for a period of three years (one year with an option to extend for a further two). The

services are funded from the Council's London Crime Prevention Fund (LCPF) settlement from the Mayor's Office for Policing & Crime (MOPAC). This funding is allocated every two years. Whilst councils have been advised of their funding levels from LCPF for 2021/22, we will not find out how much will be allocated for the following two years until late 2020.

- 4.2. The details of the services are set out in the Executive Summary and in the Business Case and Procurement Strategy in Appendix 1. The budgeted costs for the services are £25,000 per annum for Case Progression, and £75,000 per annum for IDVA services.
- 4.3. Considering the Public Contracts Regulations 2015 requirement for Councils to consider sub-dividing contracts into a number of "lots" to enable and encourage Small and Medium-Sized Enterprises (SMEs) to bid, the services will be tendered as two separate lots. This marketplace for the delivery of the services is likely to be the third sector, where there is a proliferation of SMEs.

5. OPTIONS AND ANALYSIS OF OPTIONS

- 5.1. Option 1 – To not continue with the services. This is not the recommended option. The services enable Hammersmith & Fulham to comprehensively outperform the London average in DVA Convictions, Guilty Pleas and Sanctioned Detections, as well as increasing the rate of engagement with survivors of DVA. A performance summary for the current services is detailed in Appendix 1. The services also make a strong contribution to the Council's Business Plan 2018-2022 objective to support the victims of crime.
- 5.2. Option 2 – To continue the current services by directly awarding them to the current service providers. This is not the recommended option. The current providers have had their contracts extended to March 2020 via a waiver of Contract Standing Orders (due to LCPF funding not being confirmed until January 2019, meaning there was limited time to competitively tender the services). Whilst officers and MOPAC consider the incumbent service providers to be high performing, in the interests of transparency, and fairness to other providers in the marketplace, the Council should hold a competitive tendering exercise.
- 5.3. Option 3 – To competitively tender the services. This is the recommended option as it will allow all providers in the marketplace to bid to provide the services and allow officers to ensure they can achieve the highest quality service for survivors of DVA in Hammersmith & Fulham.
- 5.4. Appendix 1 sets out the commercial and procurement options, together with an analysis of these options.

6. CONSULTATION

- 6.1. Details of consultation undertaken by the Service Review Team (SRT) are given in Appendix 1 (see Paragraph 8).

- 6.2. Any extension will subject to agreement by the executive director in discussion with the Deputy Leader

7. EQUALITY IMPLICATIONS

- 7.1. It is not anticipated that there will be any direct negative impact on groups with protected characteristics, as defined by the Equality Act 2010, from these Business Case and Procurement Strategy proposals set out in the Recommendations.

- 7.2. *Implications completed by: Fawad Bhatti, Social Inclusion Policy Manager, tel. 07500 103617.*

8. LEGAL IMPLICATIONS

- 8.1. This report seeks the approval of the Business Case & Procurement Strategy for the procurement of Impact Independent Domestic Violence Advocacy, and Case Progression services, as set out in Appendix 1 in accordance with Contract Standing Order (CSO) 8.12.

- 8.2. The budget for the services is £100,000 per annum, £75,000 for IDVA provision and £25,000 for Case Progression. Over the proposed three-year full term of the contract the budget will be £300,000. Therefore, the lifetime value of the proposed contract exceeds the current EU threshold of £181,302 for Services set out in the Public Contracts Regulations (`PCR`). Therefore, the PCR applies in full.

- 8.3. As per PCR reg 26, when awarding public contracts, the Council has to use one of the following procedures: open, restricted, competitive procedure with negotiation, competitive dialogue, innovation partnerships or frameworks. In this report, the proposal is to use an open procedure.

- 8.4. In using an open procedure for running a tender competition, PCR reg 27 must be met. PCR reg 27 states that an open procedure has to be subject to:

8.4.1. minimum time limits for running a tender competition;

8.4.2. a published selection criteria; and

8.4.3. the publishing of a notice.

Officers conducting the procurement will need to ensure that these requirements are met.

- 8.5. The position under Contract Standing Orders is that for contracts of this value, CSO 10.2 requires the use of an existing framework or placing an OJEU Contract Notice. The proposed Procurement Strategy is compliant with that requirement.

- 8.6. This report also seeks to delegate the approval to award the contracts to the Strategic Director of Environment, in consultation with the Deputy Leader. Under CSO 17.3.1, in normal circumstances for contracts up to £5m in value, the decision to award the contracts rests with the appropriate Cabinet members Provided that the recommended award falls within or is within a 10% tolerance of the estimated value set out in the Procurement Strategy & Business Case. Here the recommendation is for the award decision to be delegated to the appropriate Director instead, which is a decision that it is open to the Cabinet to make it if it chooses as an alternative to the Cabinet Member.
- 8.7. *Implications provided by: Hannah Ismail, Solicitor, Sharpe Pritchard LLP, external legal advisers seconded to the Council tel 0207 405 4600*

9. FINANCIAL IMPLICATIONS

- 9.1. The Council receives an annual grant from the MOPAC London Crime Prevention Fund (LCPF) of which an amount is currently allocated to this contract as outlined in Appendix 1, section 2. It is anticipated that the tender exercise will result in a successful bid that does not exceed the current contract value but there is flexibility and capacity within the Community Safety revenue budget to re-direct some funding towards the Impact Project if necessary.
- 9.2. LCPF funding is confirmed for the first year of the new contract only (2020/21) and the proposal to award the contract for one year plus an option for a two-year extension is a prudent one, safeguarding the Council from being tied into a lengthy contract which exceeds the period of confirmed funding.
- 9.3. In all procurement award reports to Cabinet/Cabinet Members, to undertake the financial assessment of a supplier a Credit Check Request Form should be completed and submitted to Corporate Finance creditcheck@lbhf.gov.uk . This has been loaded on the Supplier Resilience site for your convenience. <https://officesharedservice.sharepoint.com/sites/intranet/hf-financialcorporateservices/Intranet%20Documents/Credit%20Check%20Request%20Form.xls>. A copy of the results must be kept on the Council's e-tendering system, capitalEsourcing and the results detailed in any Cabinet Member or Cabinet award report under this "Finance Implications" section.
- 9.4. *Implications verified/completed by Lucy Varenne, Finance Manager, tel 020 7341 5777 and Emily Hill – Assistant Director (Corporate Finance), tel 020 8753 3145*

10. IMPLICATIONS FOR BUSINESS

- 10.1. The design of the service should encourage small and medium enterprises to bid for the contract.
- 10.2. *Implications verified/completed by: Albena Karameros, Programme Manager, tel. 020 7938 8583.*

11. COMMERCIAL IMPLICATIONS

- 11.1. The procurement strategy makes reference to a contract with a total value of £300,000 for both lots. The services to be provided under the proposed contract falls under the category of Social and other specific services as defined by Chapter 3 Section 7 and listed in Schedule 3 of the Public Contracts Regulations (PCR) 2015 (“the Regulations”). The statutory threshold for Schedule 3 services is £615,278. The proposed contract is under the statutory threshold so full PCR 2015 do not apply.
- 11.2. It is recommended that both services are tendered for a period of one year with an option to extend for a further two. This contract term will allow the council to confirm that they have sufficient funds prior to any proposed extension and if not terminate the contract. Any proposed extension will need to be approved by the Cabinet Member.
- 11.3. The recommendation is in line with the Council’s CSOs that classify a contract of this value as “Medium Value” (£25,000 to below £615,278). It is required that competitive tenders are sought through an open process if “calling off” from an existing framework agreement is not possible. No suitable framework agreements for the provision of this service were identified. As a result, the recommendation is compliant with the CSOs. A full tender opportunity will be published in Contracts Finder and capitalEsourcing.
- 11.4. *Implications verified by Joanna Angelides, Procurement Consultant, Public Services Reform, tel. 020 8753 2586.*
- 11.5. Details of the commercial implications identified by the SRT are given in Appendix 1 (see Paragraph 2).
- 11.6. Details of the procurement implications identified by the SRT are given in Appendix 1 (see Paragraphs 5 - 12).

12. SOCIAL VALUE CONSIDERATIONS

- 12.1. Details of the Social Value considerations identified by the SRT under the requirements of the Public Services (Social Value) Act 2012 are given in Appendix 1 (see Paragraph 6).

13. IT IMPLICATIONS

- 13.1. IT Implications: There are no IT implications resulting from the proposal in this report.
- 13.2. IM Implications: All service providers will be expected to have a GDPR policy in place and all staff will be expected to have received GDPR training.

- 13.3. As the service providers will be processing sensitive data, Privacy Impact Assessments will need to be completed and kept up to date, to ensure all potential data protection risks are properly assessed with mitigating actions agreed and implemented.
- 13.4. All contracts will need to include H&F's data protection and processing schedule. This is compliant with the General Data Protection Regulation (GDPR).
- 13.5. Given that information about the Council's service users will be held separately by the new providers, the tender should reference H&F's data intelligence requirements. For example, capability to interface into our BI platform, or the ability to exchange anonymised data to allow the service to assess delivery and possibly redesign the service in the future informed by the information gathered by the providers. Implications completed by: Karen Barry, Strategic Relationship Manager, tel 020 8753 3481.
- 13.6. *Implications verified by: Veronica Barella, Chief Information Officer, tel 020 8753 2927.*

14. RISK MANAGEMENT IMPLICATIONS

- 14.1. The report proposals are consistent with the delivery of council's priorities specifically creating a compassionate council and by proposing a tender process also meeting our obligations under the Ruthlessly Financially Efficient Priority. Need has clearly been established and a budget source identified, funding has been identified from the Council's London Crime Prevention Fund (LCPF) settlement from the Mayor's Office for Policing & Crime (MOPAC). Ongoing performance management and contract management details have been outlined in the Appendix (Procurement Strategy) that accompanies the report. Details of the risks and issues implications identified by the Service Review Team are given in Appendix 1 (see Paragraph 3).
- 14.2. *Implications verified by: Michael Sloniowski Risk Manager tel. 020 8753 2587.*

15. SOCIAL VALUE CONSIDERATIONS

- 15.1. Details of the Social Value considerations identified by the SRT under the requirements of the Public Services (Social Value) Act 2012 are given in Appendix 1 (see Paragraph 6).

16. BACKGROUND PAPERS USED IN PREPARING THIS REPORT

- 16.1 None

LIST OF APPENDICES

Appendix 1 – Business Case & Procurement Strategy

**APPENDIX 1:
 BUSINESS CASE & PROCUREMENT STRATEGY; and
 PROJECT MANAGEMENT AND GOVERNANCE
 FOR IMPACT PROJECT CASE PROGRESSION AND INDEPENDENT
 DOMESTIC VIOLENCE ADVOCACY SERVICES**

BUSINESS CASE

1. BUSINESS CASE – WHY THE PROCUREMENT IS NEEDED

The services being procured provide support to survivors of domestic violence and domestic abuse in Hammersmith & Fulham through the Criminal Justice System. They are intended to reduce the risk posed by perpetrators of domestic abuse/violence, increase victims’ confidence in the criminal justice response to DVA, and hold perpetrators to account and reduce/cease further violence.

The services were historically jointly funded and provided by Shepherds Bush Housing Group (SBHG). However, when SBHG were no longer in a position to jointly fund the service, the council continued to fund the IDVA and Case Progression services and took the project management of the services in house. Therefore, this is the first time that Community Safety has tendered the contract.

The service is a specialist provision. It provides 0.5 FTE post for case progression, and 1.5 FTE posts for IDVA support.

The current contract provides excellent outcomes for survivors. Table 1 shows the outcomes for the case progression services from April 2018 to March 2019. Table 2 details the increase in service demand and engagement rates from the IDVA service.

100% of services users engaged with the IDVA service have reported a reduction in risk and an increase in feelings of safety.

Table 1

	LBHF	London average
Convictions	73.1%	67.4%
Guilty Pleas	59%	57.1%
Sanctioned detection rate	20%	18%

Table 2

	Specialist impact CJ IDVA 2017/18	Specialist impact CJ IDVA 2018/19
Referrals	151	168
Engagement rate	95%	95%

2. FINANCIAL INFORMATION

The budget for the services is £100,000 per annum, £75,000 for IDVA provision and £25,000 for Case Progression. Over the proposed three-year full term of the contract the budget will be £300,000.

The funding used for the services comes from the council's settlement from the MOPAC London Crime Prevention Fund. This fund is administered in two-year tranches, the current one of which runs to March 2021. Therefore, we propose to tender the contract for one year plus an option for a two-year extension. This will allow us the flexibility to adapt the services funded from this source should there be a significant decrease in the borough's LCPF settlement for April 2021 to March 2023.

This service does not accrue any income. By seeking to commission the service for less money there is a significant risk that we would not be providing as good a service or as many staffing hours as possible, which could significantly impact on the risks to survivors of domestic violence and abuse. However, the value of ensuring that DVA cases achieve the best possible outcomes at court, and that perpetrators are held to account, is incalculable.

3. OPTIONS APPRAISAL AND RISK ASSESSMENT

The provision of a Criminal Justice IDVA and a DVA case progression officer is not a statutory obligation. However, the council have a long-standing commitment to support the victims of DVA and provide the best possible services to them within our budgetary constraints and preventing Violence Against Women & Girls is a council strategic priority.

As stated in the main body of the report, officers do not consider discontinuing the service as a viable option. Whilst it would free up £100,000 of LCPF monies that could be used for other crime and disorder related projects, it would remove a high-quality service for survivors of DVA that improves their outcomes in the criminal justice system and reduces their risk of repeat victimisation.

As the current providers have expertise in the field and a track record of excellent service delivery, there may be a case to be made for inviting them to provide sole tenders for the services. As established providers within the marketplace it is likely that they would provide strong bids for the services in a competitive tender in any case. However, we also accept that there may be other service providers in the marketplace, and in the interests of transparency and fairness, they should be allowed to bid to provide the services in a competitive exercise.

The existing providers have the advantage of having built the functional links with the partners they need to collaborate with to provide the services. These include one another, the police, the Crown Prosecution Service and the Specialist Domestic Violence Court Coordinator.

4. THE MARKET

The incumbent providers for both the Case Progression Services and IDVA services are the two main local specialist providers. There are other organisations who could potentially tender for the services, including Victim Support, although they are a more generic than specialist service provider, and other SME 3rd sector providers based elsewhere in London.

Due to the specialist nature of the service area and the services themselves officers would not expect to receive a large number of tenders for either of the services.

PROCUREMENT STRATEGY

5. CONTRACT PACKAGE, LENGTH AND SPECIFICATION

The contract for the Services will be tendered in two separate lots using the open tender competitions.

The contract term will be up to three years, with the contract award being for one year with an option to extend for a further two years for the reasons set out in Section 2 of the Business Case. A notice period will be built into the contract on the side of both parties, separately from termination rights in the event of a material breach of contract.

The Key Performance Indicators that will be measured within the contract are based on three workstream areas:

1. Reduce risk posed by perpetrators

- Increase the number of DV offences recorded by Police that result in a sanction detection
- Increase the number of DV offences recorded by Police that result in a charge
- Increase the number of defendants prosecuted at court
- Increase the percentage of DV cases dealt with by CPS that result in a conviction

2. Increase victim confidence

- Increase the percentage of convictions where no victim evidence is given on the day
- Reduce the percentage of unsuccessful DV cases between police and charge
- Reduce the percentage of unsuccessful DV cases between charge and Court
- Increase the percentage of victims who engage with the CJS IDVA, where the case has proceeded to court

3. Perpetrators held to account

- Increase the number of offenders charged with a DV related offence
- Increase the percentage of victims who following engagement with the CJS IDVA report feeling safer
- Increase the number of victims engaged with the CJS IDVA at reduced risk of further harm

KPIs will not be linked to payments. Where performance is lower than expected the council, the providers and other parties will be expected to collaborate in order to achieve optimal performance. Reducing payments to providers of such services would have a potentially significant negative impact on their ability to provide the maximum benefit of the services.

6. SOCIAL VALUE, LOCAL ECONOMIC AND COMMUNITY BENEFITS

The successful contractor will be asked to provide a statement identifying the social value they can provide related to the contract as part of the tendering process.

7. OTHER STRATEGIC POLICY OBJECTIVES

The services contribute to the council's commitment to reducing Violence Against Women and Girls.

The successful service provider will be asked to confirm that the staff involved in delivering the services will not be subject to zero-hour contracts, and will have suitable employment terms and conditions, including the payment of the London Living Wage.

8. STAKEHOLDER CONSULTATION

Key stakeholders involved in the collaborative delivery of the services that have been consulted include the Police community safety unit, the Crown Prosecution Service and the Specialist Domestic Violence Court Coordinator. All support the continuation of the services.

9. PROCUREMENT PROCEDURE

The intention is to tender the contract under an Open procedure. Officers believe that there are a limited number of providers in the market place capable of providing the specialist services.

Officers will detail the Council's minimum selection requirements in the tender documentation.

10. CONTRACT AWARD CRITERIA

The contract will be let on the basis of a ratio of 80:20, Quality:Price. Officers consider that although the council is committed to ruthless financial efficiency, the service users of the services being tendered are in such a position of potential vulnerability to serious violence that an additional emphasis on the quality of services being provided is justified.

The prices will be scored using the following formula to give a score out of 100:

Bid's Score = $100 \times (\text{lowest total cost} / \text{bid cost})$.

The total will then be divided by 5 to give a score out of 20 (the price score out of 100 total)

Example:

Bid A price - £100,000

Bid B price - £110,000

Bid C price - £120,000

Score

Bid A – $100 \times (100/100) = 100 - 20/20$ for price

Bid B – $100 \times (100/110) = 90.9 - 18.2/20$ for price

Bid C – $100 \times (100/120) = 83.33 - 16.7/20$ for price

The Quality criteria will be scored on questions based on the KPIs detailed in section 5 of this procurement strategy. The questions and weighting will be developed by the project management team detailed in section 11 (below)

PROJECT MANAGEMENT AND GOVERNANCE

11. PROJECT MANAGEMENT

The procurement will be taken forward by a project team from the council's community safety unit, with advice from the council's corporate procurement team.

A tender assessment panel (TAP) will be made up of the community safety Victims Programme Coordinator, Policy and Service Development Officer, and Commissioning and Performance Officer. They will make the recommendation to award to the Strategic Director

of Environment, in consultation with the Deputy Leader, after shortlisting and scoring tenders based on the criteria set out in the tender documents.

12. INDICATIVE TIMETABLE

Activity/Milestone	Date
Cabinet approve strategy	2 nd September 2019
Launch ITT on Capital e sourcing	By 9 th September
Tender period	36 days
Draft CMD	During tender period
Deadline for receipt of tenders	15 th October
Hold TAP	By 22 nd October
CMD sent for comment	25 th October
Deadline for comment	5 th November
Director sign off	8 th November
CMD approved	By 15 th November
Inform tenderers	18 th November
Mobilisation period	November 2019 - March 2020
Prepare contract documentation	November 2019 - March 2020
New contract commences	1 st April 2020

13. CONTRACT MANAGEMENT

Following the award of the contract, the service provider performance will be managed by the community safety Victims Programme Coordinator.

Quarterly returns and an annual report will be produced which will be shared with MOPAC as a condition of funding and be made available to senior officers and interested councillors.
