


London Borough of Hammersmith & Fulham CABINET 5 December 2016		
COMMISSIONING AND PROCUREMENT STRATEGY FOR THE TRANSLATION AND INTERPRETING SERVICE		
Report of the Cabinet Member for Children and Education – Councillor Sue Macmillan		
Open Report A separate report on the exempt part of the Cabinet agenda provides exempt financial information.		
Classification: For Decision Key Decision: Yes		
Wards Affected: All		
Accountable Director: Rachael Wright-Turner, Director for Commissioning – Children’s Services		
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1. EXECUTIVE SUMMARY

- 1.1. This report sets out the commissioning and procurement strategies for the Translation and Interpreting service (T&I) for London Borough of Hammersmith and Fulham (LBHF) based on a call off from the Crown Commercial Service (CCS) Language Services Framework Agreement (RM1092). This paper recommends a commissioning strategy to implement a managed service contract; to formally procure services to award a contract to a single supplier for the delivery of all elements of the service as contained in the report. This commissioning strategy is aiming to achieve greater efficiencies of between 25-39%¹ through the move from the current spot purchasing arrangements to a managed service from the framework Lot 1 and channel shifting to use of more technology such as telephone and video conferencing facilities.
- 1.2. The aim of commissioning a new service is to develop a translation and interpreting service that provides improved quality language services which helps protect vulnerable adults, children and families across the council and promotes accessibility; is cost effective and delivered to a consistent set of standards and performance

¹ This figure is based on a comparison of known spend between CITAS on a spot purchase rate for face to face interpreting compared to known CCS spend prices.

indicators. The Council currently spend approximately £170k per annum on these services on a spot purchasing arrangement with a number of suppliers.

- 1.3. Previously a strategy paper for LBHF Translation and Interpreting service was taken to Children's CoCo on the 15 and 29 June 2016 and Adult's CoCo on the 19 July 2016. The strategy was to set up an LBHF specific Framework Agreement to support SMEs. The main local provider in LBHF was Community Interpreting Translation and Access Services (CITAS).
- 1.4. However, on the 8 September 2016, CITAS notified the council that they would cease trading on Friday, 30 September 2016. This has prompted the need to develop a new commissioning and procurement strategy for LBHF.
- 1.5. The reason for this approach is because the SME market has become less established since the recent closure of CITAS in September 2016.
- 1.6. The local T&I market in H&F no longer exists since the closure of CITAS in September 2016, save for freelance translators and interpreters. The proposed strategy will nevertheless help to support local freelance translators through the use of an evaluation criteria being developed for this purpose, by ensuring potential suppliers commit to engaging with, and using local interpreters, where possible. Local interpreters currently registered with CITAS have been guided to register with suppliers listed on the CCS Language Services Framework, as well as those suppliers currently being used by LBHF, WCC and RBKC. All of these opportunities will be provided, to a greater degree, through pursuing/adopting the procurement strategy that is proposed in this report. This is in line with Council priorities
- 1.7. A number of services within LBHF purchase T&I services for a range of service users across the council. This includes service users in Children's Services, Adult's Services, Housing and Customer Services. Whilst the greatest demand for translation and interpreting service is from Children's Services, accounting for 74% of the total usage, the proposed approach will be accessible council wide to all departments and teams.

2. RECOMMENDATIONS

- a) That authority be given to run a competitive call off from the Crown Commercial Service (CCS) Language Services Framework Agreement (RM1092) Lot 1, with a view to awarding a contract to one provider for a period of three (3) years and 6 month, with an option to extend for a further two (2) years (a maximum of five years (5) 6 months). The anticipated total lifetime contract value, depending on usage and demand, is approximately £962,000 with a tolerance of +/- 20% dependent on procurement prices and usage (based on known 2015/16 actual usages);
- b) That the contract award decision be delegated to the Cabinet Member for Children and Education and/or the Cabinet Member for Social Inclusion.

3. REASON FOR DECISION

3.1 The key reasons for this decision are:

- i. There is a statutory duty on Local Authorities to make services accessible to all, regardless of the language or communication needs of the service user.
- ii. The new contract offers opportunity to improve service quality by putting in place a clear specification and robust KPIs through a new contract and coherent contract monitoring arrangements.

- iii. With the CCS Framework there is scope to specify 'bespoke' quality requirements in line with the Boroughs' specific requirements, for example, consideration of 'community issues' such as; community knowledge, understanding particular aspects of the interpreting, specialist knowledge of an area etc.
- iv. Gives opportunity to make financial savings

4. BACKGROUND

Current Service Delivery Model in LBHF

- 4.1 LBHF purchase T&I services for a range of service users across the organisation. This includes service users in Children's Services, Adult's Services, Housing and Customer Services.
- 4.2 The spend data analysis form 2015/16 shows that services are spot purchased from a range of translation and interpreting providers including Shahbana Aslam, Awaaz Language Link Ltd and 'Western District Coroner's Service and CITAS.
- 4.3 At present there is no definitive or straightforward way to determine if LBHF is receiving good quality, efficient and effective Translation and Interpreting service, because there is no single contract, specification or clear model of service delivery in LBHF, against which these can be measured.
- 4.4 Appendix 1 sets out the Business Case and Procurement Strategy for this project. The appendix provides detailed information about the service, who provides it and who uses it and how it will be re procured. Section 2: Financial Information provides detailed information on the spend profile for the service.
- 4.5 Early engagement was undertaken with both suppliers and users of the service. A variety of different approaches were used including desk research, telephone interviews and a formal stakeholder engagement event for departments and teams.

5. OPTIONS

- 5.1 A number of options were considered which are set out in detail in Appendix 1 – Section 3: Options Appraisal and Risk Management. A summary of key options and considerations is provided below:
 - **Option 1** – Do nothing: adopting this option would not maximise potential efficiencies and would breach EU procurement rules
 - **Option 2** – Procure a new shared service across the three boroughs: whilst this option would potentially offer greater efficiencies, it may limit access to SMEs. Also, Westminster City Council and the Royal Borough of Kensington and Chelsea have already gone out to tender.
 - **Option 3** - Call-off from an existing national framework e.g. CCS or ESPO Framework: this option will shorten the route to market by running a mini-competition between pre-qualified providers, on a framework which has been proven to deliver value for money.
- 5.2 There are advantages to calling off the CCS Language Services Framework Agreement (RM1092); these are:
 - Secure a reduction in unit cost process for LBHF (in the region of 25-39%), given the known CCS Framework price compared with current spot purchasing

costs (for face to face translation only, given the availability of current spot purchase finance data);

- Realising savings earlier (c. 3-6 months) because of the ease of access to the CCS Framework;

5.3 The proposed call-off from the CCS Framework Agreement would be in place for a maximum period of 5.5 years (three years 6 month plus up to a further two years). The proposed Lot (Lot 1 - Managed Service), contains a number of services (these include; face to face provision, telephone translation, transcript translation and British Sign Language). The managed service means a contract with one supplier will be established for the delivery of all elements of the service.

6. CONSULTATION

6.1 Service user feedback indicates that the majority are not particular about specific providers as long as they are able to receive the required service at the required time and that interpreters are sensitive to specific cultural contexts. Stakeholders have highlighted that many of the translators are by definition, directly involved in sensitive and complex issues, so any new providers need to understand/prepare for this extra level of complexity. If this procurement were to result in the award to a different provider to any of the ones currently being used by LBHF, this is not anticipated to be problematic for existing service users, as long as key service levels are being met.

6.2 *Appendix 1, Section 8* provides further information on Stakeholder Consultation.

7. EQUALITY

7.1 The service supports the Authority's responsibility of complying with Equality and Diversity and to ensure that we take account of the needs of the diverse groups in the community.

7.2 An initial Equality Impact Assessment (EQIA) has been completed for this service and we do not anticipate any adverse impact on any groups with protected characteristics as no change to current service is being recommended and the service standard already supports equality principles. The commissioning and procurement options will not impact on access by users.

8. LEGAL IMPLICATIONS

8.1 The translation and interpretation services are above the threshold (currently £164,176.00) where a European procurement exercise is required under the Public Contracts Regulations 2015 (the Regulations) in accordance one of the procedures set out therein.

8.2 Subject to approval of the Procurement Strategy outlined in this report, the proposal is to undertake a mini-competition under the CCS Framework Agreement Lot 1 and to appoint a single supplier.

8.3 This approach is compliant with the Regulations as Framework Agreements are one of the procurement procedures provided for under Part 2 of the Regulations.

8.4 In accordance with CSO 8.12.1 Cabinet approval is required for procurement strategies where the estimated value is £100,000 or more.

- 8.5 CSO 17.3.1 allows for the Cabinet Member to award contracts valued between £100,000 and £5,000,000, providing that the value falls within a 10% tolerance of the estimated value set out in the Procurement Strategy and Business Case.
- 8.6 Implications verified by: Margaret O'Connor: Solicitor (Contracts), Legal Services - Tel: 0207 641 2782

9. PROCUREMENT AND GOVERNANCE

- 9.1 The success of translation and interpreting services relies heavily on the ability of the suppliers and translators to deliver the required services. This can be achieved through increased competition and better value for money provided through procurement
- 9.2 A mini competition process will be run amongst suppliers on Lot 1. During the process we will:
- develop a Statement of Requirements setting out the H&F requirements for the T&I Services and identify the Framework Suppliers capable of supplying the Services within the relevant Lot 1;
 - amend or refine the terms of the call-off agreement to reflect our requirements (to the extent permitted by and in accordance with procurement law and guidance).
 - invite suppliers to develop proposals to meet our specific requirements (for example, service levels, minimum qualifications, etc.); and
 - apply the Further Competition Award Criteria, as per CCS, as the basis for contract award.
 - Subject to the relevant authority being given, contract will be award to the successful supplier.
- 9.3 Appendix 1 details the Evaluation Methodology and Criteria.
- 9.4 Implications verified by: Kemi Ore, Interim Procurement Consultant - Tel: 07739 316952 and Kevin Churchill, Interim Procurement Consultant for LBHF - Tel: 0208 753 4519

10. RISK MANAGEMENT

- 10.1 The council's service resilience group was activated as the previous provider served notice that they were ceasing trading, risk number 6. Temporary mitigations were put into place to ensure that no client services were affected. Market Testing of the service is being undertaken in accordance with risk number 4, delivering the best possible services at lowest cost to the local taxpayer.

Implications verified by: Michael Sloniowski, Risk Manager - Tel: 020 8753 2587

11. SOCIAL VALUE AND BUSINESS IMPLICATIONS

- 11.1 LBHF has chosen to access the CCS framework agreement for translation and interpretation services with the intention of contributing to the social, economic and community development in the Borough. In accessing the framework agreement

supplier will be asked to answer a question about local economic value and how they will contribute to it.

11.2 Suppliers will meet the social value criteria by making use of local linguists, which ensures speed of delivery, community knowledge and keeps travel costs down.

11.3 Translators and interpreters are self-employed and therefore set their own rates of pay. London Living wage is therefore not practical in this instance and is not included in the CCS Framework for this reason. However, LBHF Council is an accredited Living Wage employer, and is committed to paying workers London Living Wage, therefore the successful supplier will commit to paying the London Living Wage to those employees that are employed, on their payroll.

11.4 Officers will continue to work on how best the local, economic and community benefits can be achieved from the design of the service. Officers will request and incorporate appropriate social value requirements, such as training opportunities and apprenticeships, into the call-off documents. Other work will include developing meaningful indicators to measure the local social value measures that are incorporated

Implications completed by: Kevin Churchill Interim Procurement Consultant for LBHF - Tel: 0208 753 4519

**LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

None.