REPORT:		CABINET MEMBER DELEGATED KEY DECISION
DATE OF DECISION		21 March 2004
REPORT TITLE:	Procurement Strategy for a Strategic Delivery Partner for Children, Young People and Education	
CORPORATE DIRECTOR:	Corpo	Debbie Jones rate Director Children, Young People and Education
LEAD OFFICER:		Simon Townend Head of Performance and Business Improvement Children, Young People and Education Simon.townend@croydon.gov.uk
LEAD MEMBER:		Councillor Maria Gatland Cabinet Member for Children and Young People
AUTHORITY TO TAKE DECISION:		legation to Cabinet Member for Children and Young via Annual Procurement Plan Q3 update at Cabinet on 6 th December 2023
KEY DECISION?	Yes	0124CYPL
CONTAINS EXEMPT INFORMATION?	No	
WARDS AFFECTED:		All

1 SUMMARY OF REPORT

- 1.1 This report sets out the purpose and need for the procurement of a contract for a Strategic Delivery Partner to support the Children, Young People and Education Directorate (CYPE) to deliver the service transformation and Medium Term Financial Strategy (MTFS) savings required over 2024 2027. The programme of work to be delivered will amplify and accelerate the pace of delivery across the existing CYPE transformation programme, identifying new opportunities to sustain service quality and reduce costs.
- 1.2 The CYPE Directorate has made net savings of £11m since 2021 to meet the requirements of the Medium Term Financial Strategy (MTFS) and address the council's financial challenge. To achieve the ambition for Croydon to be one of the most efficient and effective councils in London more radical change is

needed to reduce costs across CYPE whilst ensuring that risks to children are identified at the earliest point and reduced, demand for statutory intervention is managed, families are supported to raise their children safely and when children do need to come into care placements provide value for money and improve outcomes for children and young people.

- 1.3 The requested procurement of a Strategic Delivery Partner will accelerate the pace and deepen the impact of the existing CYPE transformation and identify new opportunities to increase effectiveness and reduce costs. They will provide essential, expert support and challenge for the directorate to identify and enable evidenced savings to be agreed and delivered as an integral component of the transformation of delivery models throughout the child's journey through children's services, including education.
- 1.4 In addition to the savings and cost avoidance already identified in the MTFS the Strategic Delivery Partner will identify additional cashable savings over 2024-27, ensuring that the Directorate is on track to achieve a balanced budget with no in year overspend by the end of 2025/26. An amplified analysis stage will test and forecast the anticipated savings to be achieved before Directorate sign off to proceed to the design and deliver stage. A third, final stage will focus on sustainability to ensure the long-term impact of the investment in a transformation partner and the resulting programme of work is embedded in business as usual.
- 1.5 The delivery partner will be contracted on a 'risk/gain share' agreement via Bloom Procurement Services Ltd. This means as well as delivering the agreed savings, they will also enhance the delivery and implementation of revised service models to ensure sustained change is embedded in the Directorate's business as usual working. This may include but not be limited to new policies, pathways and processes where needed; performance and financial metrics that align service quality and outcomes with costs; performance reporting to enable robust, real-time cost comparisons; detailed financial benchmarking with statistical neighbours to target areas for cost reductions; revised job roles and refreshed job descriptions where necessary.

2 RECOMMENDATIONS

For the reasons set out in the report and its appendices:

FOR CONTRACTS AND COMMISSIONING BOARD

2.1 The Contracts and Commissioning Board (CCB) is requested to approve the recommendations in this report to the Cabinet Member for Children and Young People and the Chair of CCB respectively:

The Chair of CCB is recommended under Regulation 19 of the Council's Tenders and Contracts Regulations, to waive regulation 13.1 of the Council's Tenders and Contracts Regulations, requiring London Living Wage to be included in the procurement, as London Living Wage is not included as a requirement of the NEPRO3 framework.

FOR CABINET MEMBER

- 2.2 The CCB with the approval of the Cabinet Member of Finance recommends to the Cabinet Member for Children and Young People:
- 2.2.1 To approve the procurement strategy detailed in this report which will lead to the direct award of a contract (called off from the NEPRO single supplier Framework) to Bloom Procurement Services Ltd to a maximum value of £1,000,000 to deliver the services of a Strategic Delivery Partner for CYPE over a period of up to two years.

3 REASONS FOR RECOMMENDATIONS

- 3.1 CYPE has made £11m net savings since 2021/22 through the Medium-Term Financial Strategy and has initiated a number of transformation projects that aim to safely reduce the demand for statutory services, for higher cost placements for children in care and provide better value for money for the council.
- 3.2 The proposed engagement of a Strategic Delivery Partner (procured as sub-contractor to Bloom following a mini competition run by the latter) will accelerate the pace and deepen the impact of the existing CYPE transformation programme and identify new opportunities to reduce costs and increase effectiveness. Working with service leads across the directorate, the wider council, with partners and the community, the Strategic Delivery Partner will bring additional capacity, skills, and knowledge to support and challenge CYPE to deliver efficient and effective services for children, young people and families within in the future funding envelope.
- 3.3 CYPE has sought feedback from 4 local authorities (Norfolk County Council, Northampton Children's Trust, Leicester County Council, Greenwich Council) who have engaged a Transformation/Improvement Partner in children's services to learn from their experiences and inform the proposed approach. Officers from all four councils were positive about their experiences and able to evidence cashable savings achieved alongside sustained improvements in systems and processes resulting in improved outcomes for children and families and positive impacts on the children's workforce as a result of the engagement.
- 3.4 There are clear advantages of contracting with Bloom Procurement Ltd through the NEPRO Framework. These include the pace at which the Strategic Delivery

partner can be on-boarded, competition within the Bloom framework to evaluate the potential market leaders and a robust opportunity to ensure value for money.

4 BACKGROUND AND DETAILS

4.1 CYPE has made £11m worth of net savings since 2021/22 through the Medium-Term Financial Strategy programme and has done a lot of work in creating a sustainable directorate going forward. To further this the directorate have begun a comprehensive transformation programme with four key aims –

Improve Practice – as part of our continuous improvement journey, we are focused on improving our practice ensuring children, young people, and families receive high quality services, support, and interventions based on evidence of impact.

Manage Demand – transformation of services and interventions needs to be designed to safely manage and limit demand, focusing on intervening/supporting at the point of greatest impact and lowest cost Increase.

Increase Effectiveness – using national and local evidence basis and developing outcome data we gain insights into increasing the effectiveness of our services, interventions, and support – focusing on creating long term sustainable impact for our children, young people and their communities.

Improve Efficiency – with the resources becoming increasingly limited we must do everything we can through the programme of transformation to generate efficiency, reduce business, and decrease work which has little impact.

4.2 The Strategic Delivery Partner will be asked to amplify and accelerate CYPE's transformation programme, bringing resource, expertise, experience, and capacity to design and deliver sustainable model(s) for Croydon's Children's Services going forward. The programme is expected to be delivered over 24 months and will be organised in 3 stages:

Amplified Analysis – CYPE needs to understand down to a granular level how it is spending money, how this compares to similar local authorities and how effective this spend is. This requires a forensic, evidenced analysis of costs and benefits, inputs and outputs and what is most proving effective, in Croydon on the demand for higher cost statutory interventions. This stage needs to consider the existing transformation programme however the Strategic Delivery Partner will be asked to identify additional quick win opportunities within this stage to implement immediately.

Design & Implementation - Using the findings from the amplified analysis to create a programme of transformation and change to deliver a sustainable model for CYPE going forward. It needs to be attentive to pace of change, workforce capacity, and sustaining good outcomes for children, young people, and families. The programme will be required to compliment and integrate with current transformation work and add value by identifying where this can safely go deeper, faster.

Sustainability - Ensuring the long-term impact of the work. An emphasis on knowledge transfer gained through stages one and two is important, but stage three will ensure that the workforce has the skills, knowledge and expertise to continue to deliver the model(s) developed and to maintain the trajectory of improvement.

4.3 The contract with the Strategic Delivery Partner will be structured to include clear milestones underpinned by a robust evidence base linked to the 'risk/gain share' agreement in order to move through the stages of the programme.

Market Engagement

4.4 A market engagement event was held on 31st January 2024 to engage with potential suppliers before launching any formal procurement. This provided an opportunity for potential suppliers to inform the route to market, for the Directorate to test the outline specification of the services, and for providers to get ready to meet the demand. Four potential providers with recent relevant experience of transformation and improvement in children's services attended the event and two requested follow-up individual meetings. The questions and answers raised were summarised and have been circulated to all who attended.

The procurement

- 4.5 The proposed procurement strategy is to direct award to Bloom Procurement Services Ltd via a PCR5 2015 compliant single supplier framework (NEPRO3). Bloom will then run a mini competition under the terms of the NEPRO3 framework for a strategic delivery partner to deliver the transformation project.
- 4.6 A three stage approach to service delivery will be required as set out in paragraph 4.2 above. Payment for milestones in each stage will be based on the successful completion and delivery of measurable benefits.
- 4.6 The North East Procurement Organisation ("NEPRO") Framework allows the Council to engage specialist resources quickly and flexibly through an award to Bloom Procurement Limited (Bloom). Bloom is the delivery partner of the neutral vendor framework for specialist professional services delivered through the NEPRO Framework which is fully OJEU Compliant.

- 4.7 Bloom focuses on "Outcomes" and driving value for money by giving contracting authorities the best choice of large and small suppliers in a quick, compliant and collaborative way.
- 4.8 Bloom's neutral vendor approach is a safe and viable alternative to traditional procurement methods. Bloom manage the complexities of supplier management, assisting the Council to select the best sub-contractor available based on the brief. Bloom also manage and assure delivery of the Outcomes to the Council's satisfaction.
- 4.9 Bloom Procurement Ltd is a delivery partner in the North East Procurement Organisation ("NEPRO") Framework who source, appoint and manage specialist professional services offering fast access to the most relevant suppliers, with transparent governance, robust reporting and efficient budget control.
- 4.10 There are different providers within the market that offer procurement solutions for acquiring specialist resources. However, Bloom is the exclusive provider of the "neutral vendor approach" which means they take full control of the process. Bloom act as the single point of contact between suppliers and the local authority, through the operation of a managed service, helping buyers select the most suitable supplier and achieve the best outcome.
- 4.11 The advantages of utilising the Bloom arrangement through the NEPRO Framework are:
 - a) This is the quickest option and would ensure value for money.
 - b) Competition within the Bloom framework to evaluate the potential market leaders and ensure Value for Money.
 - c) It is a transparent process which allows separate work packages based upon defined costs and agreed outcomes.
 - d) Weekly specialist reports are submitted to ensure progress is on track and deliverable outcomes are achieved. Payments are made in line with these agreed deliverables, reflecting the risk/gain approach required by the council.
- 4.12 The mini competition that Bloom will undertake via the NEPRO 3 framework will be based on a 60% quality, 10% social value and 30% price split. A mini competition rather than a direct award route has been chosen to ensure the strategic delivery partner provides values for money for the Council.
- 4.13 The Council will have input into the specification and project brief and the method statement questions that will be asked to ensure it aligns with our Tender and Contract Regulations.
- 4.14 Croydon Council staff will undertake the evaluation and moderation process, which mirrors our standard evaluation scoring system, and the highest scoring

provider based on the above price/quality split will be awarded the contract via Bloom.

Proposed contract period with reasons why

- 4.15 The proposed term for this contract is 24 months, segmented into three stages as set out in paragraph 4.2 above. The contract length reflects the challenge of securing additional savings whilst maintaining the quality of services and embedding sustainable models for the future.
- 4.16 Croydon will have full control of the evaluation process and our standard 0-5 scoring will be used.

Procurement Timetable

Activity	Dates
Pre Procurement Preparation (market engagement / Specification creation / Report Drafting)	31st Jan - 5th March
Strategy Report Approval Process	6th March - 21st March
Mini Competition & Evaluation	22nd March - 19th April
Award Report Approval Process	19th April - 13th May
Contract Signing & Award	13th May - 28th May
Go Live date	28th May

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 As noted above, CYPE has made significant net savings since 2022/22 and has initiated a number of transformation projects that aim to continue to transform services and reduce costs.
- To meet the requirements of the Council's Medium Term Financial Strategy for 2024-2027 both the pace and scale of transformation needs to be accelerated. To ensure staff continue to be engaged to deliver the changes further developments need to build on, enhance, compliment or deepen the existing programme. An external delivery partner with access to appropriately skilled staff will bring energy, challenge and targeted capacity to deliver the changes required. The following options were considered:

Option	Pros	Cons
Do Nothing	No additional resource required.	The CYPE Directorate would risk not achieving the Council's 24-27 Medium Term Financial Strategy.
		Improvements in services would not be realised at the pace required.
Procure a strategic partner via the NEPRO framework & Bloom Preferred option	Recognised procurement framework from similar tenders at other local authorities. Quick procurement opportunity enabling the delivery partner to be in place at pace. The CYPE Directorate would be able to support delivery of the Council's 24-27 Medium Term Financial Strategy. Commercial contract management expertise deployed to realise risk/gain share	Additional cost to the council for Bloom to run the procurement and contract management. Cross-council capacity required to address the complexity in governance
Procure a strategic partner via an Open Tender Process	Less cost to the council	Challenges to the pace of the procurement. Lack of commercial contract management expertise in the council

6 CONSULTATION

- 6.1 To date consultation on the strategic delivery partner proposal has been primarily an internal matter. It has been presented to the Directorate Management Team, the Transformation Internal Control Board (ICB), and the Transformation Corporate Management Team which has replaced the ICB. The proposed approach has been reviewed and endorsed at the Mayor's Advisory Board.
- 6.2 Placing children and young people's voices at the heart of service transformation and change is a key priority for the directorate. A review of participation, engagement, and consultation work has taken place across CYPE, to share practice and build on a strong foundation going forward. All local service plans are required to articulate how services will engage children and young people in proportionate and appropriate ways. This will be drawn on as the Strategic Delivery Partner develops the draft programme of work.

7 CONTRIBUTION TO COUNCIL PRIORITIES

- 7.1 Priority 1: The Council balances it's books, listens to residents and delivers good sustainable services the Strategic Delivery Partner contract will ensure value for money through the effective price capping controls that ensure the service operates with the budget available.
- 7.2 Priority 3: Children and young people in Croydon have the chance to thrive, learn and fulfil their potential by ensuring children and young people have opportunities to learn, develop and fulfil their potential; making Croydon safer for young people; working closely with health services, police and the VCFS to keep vulnerable children and young people safe from harm.

8 IMPLICATIONS

8.1 FINANCIAL IMPLICATIONS

- 8.1.1 The budget for the contract approved in the Annual Procurement Plan on 6th December 2023 is £1,000,000 over 2024-2026, to procure a Strategic Delivery Partner Engagement and meet the additional costs for procurement via a framework.
- 8.1.2 Transformation Corporate Management Team has approved up to £0.727m in 2024/25 for additional internal resource to ensure the work required across the CYPE Directorate and Council is sufficiently resourced and does not impact on the essential business as usual commitments.
- 8.1.3 In addition, £0.107m has been approved in 2024/25 to support the Directorate identifying, exploring and pursuing digital opportunities for transformation and improvement, with a particular focus on the use of Artificial Intelligence, Machine Learning, Data Mining and Pattern Recognition. This will align with the Council's ambitions for digital transformation and provide real-time opportunities to test and apply in a social care and education environment.

Comments approved by Maiyani Henry-Hercules, Acting Head of Finance on behalf of the Director of Finance on 11 March 2023

8.2 LEGAL IMPLICATIONS

The Council has the power to enter into contracts with third parties pursuant to its functions as provided for under section 1 of the Local Government (Contracts)

Act 1997. The Council also have the power to do anything that individuals generally may do pursuant to section 1 of the Localism Act 2011.

The Executive Mayor has the power to exercise executive functions pursuant to s9E of the Local Government Act 2000 and has the power to delegate those functions.

At present the delegations in the Council's Tenders and Contracts Regulations have been superseded by the Executive Mayor's Scheme of Delegation following the introduction of the Mayoral Model and the specific delegations in the annual procurement plan approved by the Executive Mayor in Cabinet

The Executive Mayor has delegated the decision to approve the report's recommendations to the Cabinet Member for Children and Young People pursuant to the annual procurement plan.

The Council is under a duty to comply with the Public Contracts Regulations 2015 (PCR). Regulation 33 permits contracts to be awarded via compliantly established frameworks.

The Council is also under a general Duty of Best Value to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007).

Approved by the Head of Commercial and Property Law on behalf of the Director of Legal Services and Monitoring Officer. (Date: 14/03/2024)

8.3 HR IMPLICATIONS

8.3.1 There are no direct Human Resources implications arising from this report itself. However, as stated above, the purpose of procuring a strategic delivery partner is to support the Children, Young People and Education Directorate to deliver its transformation and savings required over the next 2 years. This is likely to have implications on the workforce, and we will continue to engage with staff and the trade unions and manage this in line with our normal HR policies, procedures and practices.

Comments approved by: Debbie Calliste, Head of HR for Children, Young People and Education on behalf of the Chief People Officer of Human Resources) on 8th March 2024

8.4 EQUALITIES IMPLICATIONS

8.4.1 Under the Public Sector Equality Duty of the Equality Act 2010, decision makers must evidence consideration of any potential impacts of proposals on groups who share the protected characteristics, before decisions are taken. This includes any decisions relating to how authorities act as employers; how they

develop, evaluate and review policies; how they design, deliver and evaluate services, and also how they commission ad procure services from others.

- 8.4.2 Section 149 of the Act requires public bodies to have due regard to the need to:
 - Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
 - Foster good relations between people who share a protected characteristic and people who do not share it.
- 8.4.3 Appendix A is a strategic and overarching impact assessment. It sets out the principles and approach the CYPE Directorate will take in developing and implementing the core requirements of its 2024 2027 statutory delivery, transformation plans and Medium-Term Financial Strategy (MTFS).
- 8.4.4 It will be a living document. Updated at relevant points to ensure evidence and impact considerations are captured and inform decisions. Where there is substantial service or policy change identified through the amplified analysis, specific equality impact assessments will be initiated at the design stage. This will include an expectation of proportionate co-production/engagement with children and young people, parents and carers, staff and partners.
- 8.4.5 At present, the evidence has not identified specific potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review.
- 8.4.6 There is a firm commitment that all potential changes occurring as a result of the diagnostic and new operating model will require detailed equality impact assessments to support decision making / recommendations.
- 8.4.7 Note the governance mechanisms described in Appendix A and this report will be key for describing what evidence and decisions have been taken related to any proposed changes.

Comments approved by Helen Reeves, Head of Policy and Strategy on 8th March 2024

8.5 DATA PROTECTION IMPLICATIONS

- 8.5.1 The data processing requirements will be detailed in the contract documentation required for the Transformation Delivery Partner, appointed as a result of the minicompetition carried out by Bloom Procurement Services Ltd.
- 8.5.2 A full DPIA will be required to manage and control the proposed client data processing. This will be supported by a Data Sharing Agreement, that will form part of the contract with the appointed Transformation Delivery Partner.

8.5.3 This will require Children's Services to engage with the Council's Data Protection Officer, Digital and Information Management Services to obtain advice as to how the secure and appropriate processing of the client data can be achieved.

Comments Approved by: Howard Passman on behalf of the Data Protection Officer on 13th March 2024

8.6 PROCUREMENT IMPLICATIONS -

8.6.1 This procurement strategy is in line with Croydon's Tender and Contract Regulations and PCR 2015.

Comments approved by: Natalie White, Strategic Procurement Manager for Adults, Children and Health on behalf of Strategic Procurement and Governance on 8th March 2024.

8.7 RISK IMPLICATIONS

Risk	Impact	Mitigation
The Council is	The CYPE	The North East Procurement
unable to	Directorate would	Organisation ("NEPRO") Framework
procure a	be challenged in	allows the Council to engage specialist
suitably	its ability to	resources quickly and flexibly through
qualified	support delivery of	an award to Bloom Procurement Limited
strategic	the Council's 24-	(Bloom).
delivery	27 Medium Term	
partner.	Improvements in services would not be realised at the pace required.	Bloom is the delivery partner of the neutral vendor framework for specialist professional services delivered through the NEPRO Framework which is fully OJEU Compliant.
	pass requires.	Bloom focuses on "Outcomes" and driving value for money by giving contracting authorities the best choice of large and small suppliers in a quick, compliant and collaborative way.
		Bloom's neutral vendor approach is a safe and viable alternative to traditional procurement methods. Bloom will manage the complexities of supplier management, assisting the Council to select the best sub-contractor available based on the brief.
		Bloom also manage and assure delivery of the Outcomes to the Council's satisfaction.
		Bloom Procurement Ltd source, appoint and manage specialist professional services offering fast access to the most relevant suppliers, with transparent governance, robust reporting and efficient budget control.
The successful delivery partner is	The CYPE Directorate would be challenged in its ability to	The Service specification put quality as 70% of the overall score for each tender.
unable to deliver the transformation the Council requires.	support delivery of the Council's 24- 27 Medium Term Financial Strategy.	The tender question for the Quality element then specifically required responses on the areas below, to support evidencing the partner's ability to deliver the transformation:
	Improvements in services would not	

be realised at the pace required. Required MTFS savings are not achieved.	 Evidence of delivery of similar projects with cashable savings Understanding the tasks Ability to meet the requirements Delivery methodology Delivery Team Business Continuity
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9 APPENDICES

9.1 A Equality Impact Assessment

10 BACKGROUND DOCUMENTS

10.1 Not applicable

11 URGENCY

N/A

Appendix 1 - London Borough of Croydon

Executive (Key and Non-Key) Decision Record. Individual (Member / Officer) Decision.

REPORT TITLE:-	Procurement Strategy – Strategic Delivery Partner for Children, Young People and Education
Decision maker authority to take the Decision (If not Executive Mayor)	Councillor Maria Gatland Cabinet Member for Children and Young People
REFERENCE NO (If Key Decisions):-	
SUMMARY:-	The procurement of a Strategic Delivery Partner will accelerate the pace and deepen the impact of the existing CYPE transformation and identify new opportunities to increase effectiveness and reduce costs. They will provide essential, expert support and challenge for the directorate to identify and enable evidenced savings to be agreed and delivered as an integral component of the transformation of delivery models throughout the child's journey through children's services, including education.
OPTIONS CONSIDERED:-	
[Including any rejected]	
ANY CONFLICT OF INTEREST DECLARED BY ANY MEMBERS CONSULTED	None
ANY DISPENSATION GRANTED TO THE MEMBER CONSULTED BY THE CHIEF EXECUTIVE.	No
RECOMMENDATIONS:-	FOR CM
	a. For the reasons set out in the report, the CCB (with approval from the Cabinet Member for Finance) recommends to the Lead Cabinet Member for Children and Young People to:
	Approve the procurement strategy detailed in this report which will lead to the direct award of a contract

	(called off from the NEPRO single supplier Framework) to Bloom Procurement Services Ltd to a maximum value of £1,000,000 to deliver the services of a Strategic Delivery Partner for CYPE over a period of up to two years.
BACKGROUND PAPERS/APPENDICES	A Equality Impact Assessment

Decision maker:

Position: Cabinet Member for Children and Young	Signed:
People	Maria la Mard
	Mania falland
Name: Councillor Maria Gatland	
Agreed / Don't agree to report recommendations:	
	Date: 21st March, 2024
Comment: None	,

For Mayor Decisions, attending Officers:

Position:	Signed:
Name:	Date:
Position:	Signed:
Name:	Date:
Position:	Signed:
Name:	Date:

N.B. Key decisions cannot be implemented until 1pm on the 6th working day following the date of publication of the decision to allow members to consider whether or not to call in the decision.