

Finance and Resources Committee

10am, Thursday, 17 March 2016

Interpretation and Translation Service - Waiver Request

Item number	7.21
Report number	
Executive/routine	
Wards	All

Executive Summary

The Council Interpretation and Translation Service relies upon the use of external agency staff to satisfy requests for interpretation and translation which they are unable to supply from their own bank of 150 sessional staff.

This report seeks the approval of the Finance and Resources Committee to allow the continuing use of external agency interpreters and translators by the Council Interpretation and Translation Service (ITS), pending the conclusion of a procurement process to tender for all external agency interpreting and translation in December 2016.

Links

Coalition pledges	CP1 , CP27
Council priorities	CO23-CO6
Single Outcome Agreement	SO2 , SO3

Interpretation and Translation Service - Waiver Request

1. Recommendations

- 1.1 Approves the continued use of external agency interpreters and translators by the Council Interpretation and Translation Service (ITS), pending the conclusion of a procurement process to tender for all external agency interpreting and translation in December 2016.

2. Background

- 2.1 The Council provides interpretation and translation services to achieve its goal of strengthening community cohesion by supporting communities and reducing inequality. The largest user of the service is NHS Lothian (spend circa £1.2m per annum from a total ITS business turnover of £1.6m). Other users are Council services such as Health and Social Care, Communities and Families and some third sector agencies. Service demand continues to grow by approx 12% per annum.
- 2.2 The Interpretation and Translation Service (ITS) has its own recruited team of 150 sessional staff who provide interpretation and translation as required. Some of these staff are also registered for work with external interpretation and translation agencies. While ITS recruits additional interpreters on an ongoing basis, there are not enough sessional staff to meet the demand for appointments. Using agency staff for interpreting and translation is therefore inevitable. The current spend for agency work is approximately £450,000.00 per annum from a total turnover of £1.6m.
- 2.3 There is no contract in place with the agencies and historically this has been an informal business arrangement. The ITS team is working with the Procurement team to put out to competitive tender all external interpretation and translation requirements. A list of the agencies currently used by ITS is detailed in Appendix 1.
- 2.4 Pending the outcome of the tendering process, ITS and Procurement staff have investigated potential use of alternative sources for interpreting such as the NHS Shared Business Services (NHS SBS) and Crown Commercial (CCS) framework agreements. Having benchmarked the current agencies charges against these alternatives, the Procurement Team, together with ITS, have concluded that the current arrangements deliver the service at a lower cost.

- 2.5 The proposal is therefore that the service continues to make use of agencies until the conclusion of the tendering process (December 2016).

3. Main report

- 3.1 The business justification for the waiver is that this will deliver best value for the Council. Other options have been investigated such as using existing framework agreements. However when the cost of using these framework agreements is benchmarked against the cost of using the current agencies, the framework agreements costs are higher. Although all ITS costs are fully recovered in charges to customers, it would not deliver best value to the Council and its customers to increase the costs of delivering the service where a cheaper alternative exists, albeit carried out without formal contracts in place.
- 3.2 The Council's Commercial & Procurement Services, in conjunction with ITS, are undertaking a procurement process to appoint a new provider/framework agreement. They have contacted neighbouring local authorities who may want to be named in the contract.
- 3.3 The outcome of the tendering process is likely to result in a reduction of costs to ITS of approximately 3.5%. Due to the high contract value of the tender, circa £2m over four years, the tendering process will be advertised on Public Contracts Scotland (PCS) using European Journal (OJEU) route. Currently the tendering process is at the Procurement Plan approval stage.
- 3.4 If ITS cease to use the agencies there is a significant risk that they will be unable to deliver interpretation and translation services as there is insufficient capacity to meet service demand from the bank of ITS sessional interpreters.
- 3.5 The Contract Standing Orders (CSOs) state that for services in excess of £25,000 a public advertisement followed by an invitation to tender should be carried out before the award of contract. However, standing orders provide for a waiver. Under Paragraph 9, the CSOs can be waived if justified as a legislative exemption or in the Council's best interests. It is considered that in these circumstances a waiver is justified in the Council's best interests in the short term pending a tendering exercise.
- 3.6 It is recognised that using agencies without contracts in place does not comply with Council standing orders. However this seems a pragmatic and cost effective short term option, pending the conclusion of the tendering process in December 2016.

4. Measures of success

- 4.1 The measure of success for the continued use of external agency personnel is business continuity for all ITS business and the successful fulfilment of all bookings made by both Council and external organisations including NHS Lothian, the largest user of the service.

5. Financial impact

- 5.1 The current spend on external agency interpretation and translation is circa £450,000.00 per annum, based on expenditure to date in 2015-2016. This expenditure is fully recovered in charges to customers.
- 5.2 There is no contract in place with the agencies and it is proposed to continue with this arrangement until the conclusion of a tendering process (December 2016).
- 5.3 ITS and the Procurement Team have investigated alternatives to the present arrangements, such as utilising NHS Shared Business Services (NHS SBS) and Crown Commercial (CCS) Framework Agreements, but have concluded that the present use of agency is more cost effective and delivers better value.

6. Risk, policy, compliance and governance impact

- 6.1 If this waiver is not approved, there is a high risk of business failure as ITS would be unable to fulfil all appointments. This would impact adversely on customer care, resulting in reputational damage to the Council due to non fulfilment of its duties and partnership arrangements with NHS Lothian. It would impact on the Council's commitment to strategic priorities such as improving community cohesion and participation and that citizens experience improved health and well being.
- 6.2 There is a risk that best value is not being demonstrated in line with CSO's that require all services valued above £25,000 to be competitively tendered.
- 6.3 There is a risk in approving the waiver as the aggregate value of contracts are in the scope of European Regulations (by virtue of being worth in excess of the threshold) and therefore would be a breach of the conditions.
- 6.4 The risk of challenge by an alternative provider is low given the short length of the direct contract and the intention to tender future delivery.

7. Equalities impact

- 7.1 The provision of interpretation and translation directly supports public sector equality duties, in particular the elimination of discrimination, the advancement of opportunity and the fostering of good community relations.

8. Sustainability impact

- 8.1 There are no impacts on carbon, adaptation to climate change and sustainable development arising directly from this report.

9. Consultation and engagement

- 9.1 It is felt that there is no requirement for direct consultation or engagement on the current proposal to continue using external Agencies for ITS. However all agencies used by ITS will be notified of the intention to tender for external interpretation and translation. Larger ITS customers, such as NHS Lothian, will be involved in the tendering process to award a contract for all externally provided interpretation and translation.

10. Background reading/external references

External agencies currently used by the Council Interpretation and Translation Service

- Alpha Interpretation & Translation Service, 18 Haddington Place, Edinburgh EH7 4AF. Tel: 0131 558 9003
- Deaf Action, C49 Albany Street, Edinburgh EH1 3QY. Tel: 0131 556 3128
- Deaf Connections, 100 Norfolk Street, Glasgow. G5 9EJ. Tel: 0141 420 1759
- Elite Linguistics, C.I.C. East of Scotland, 10 York Place, Edinburgh EH1 3EP. Tel: 0131 516 3937
- Fife Community Interpreting Service, Fife Community Interpreting Service, 8 Mitchell Street, Kirkcaldy, KY1 1BD. Tel: 01592 261900
- Forth Valley Language Support, Forth Valley Language Support C.I.C., Community Education Centre, Park Street, Falkirk, FK1 1RE. Tel: 01324 618937
- Global Connects, Third Floor, 180 Hope Street, Glasgow, G2 2UE, Scotland, UK. Tel: 0141 332 8889 (Glasgow) or 0131 281 2735 (Edinburgh)
- Global Language Services, Belgrave Business Centre, 45 Frederick Street, Edinburgh EH2 1EP. Tel/Fax: 0131 220 0115.
- Integrated Language Services, Heriot-Watt University, Edinburgh Campus, Edinburgh EH14 4AS. Tel 0131 451 3159
- Royal Blind School, 43 Canaan Lane, Edinburgh. EH10 4SG. Tel: 0131 446 3120
- Sign Language Interactions Ltd (SLI) 112 Cornwall St S, Glasgow G41 1AA. Tel: 01324 679579

Alistair Gaw

Acting Executive Director of Communities and Families

Contact: Paul McCloskey, Development & Quality Manager, Schools and Lifelong Learning

E-mail: paul.mccloskey@edinburgh.gov.uk | Tel: 0131 529 6156

Links

Coalition pledges	CP1 - Increase support for vulnerable children, including help for families so that fewer go into care CP27 - Seek to work in full partnership with Council staff and their representatives
Council outcomes	CO23 - Well engaged and well informed – Communities and individuals are empowered and supported to improve local outcomes and foster a sense of community CO24 - The Council communicates effectively internally and externally and has an excellent reputation for customer care CO25 - The Council has efficient and effective services that deliver on objectives CO26 - The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives
Single Outcome Agreement	SO2 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health SO4 - Edinburgh's communities are safer and have improved physical and social fabric
Appendices	