

# Finance and Resources Committee

10.00am, Tuesday, 7 October 2021

## Award of Contracts for Community Mental Health

Routine Executive  
Wards  
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### 1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee:
- 1.2 Notes the seven contracts awarded as an urgent decision in accordance with section 4.1 of the Council's Committee Terms of Reference and Delegated Functions by the Interim Director of Education and Children's Services, in consultation with the Convenor and Vice Convenor of Finance and Resources;
  - 1.2.1 Contracts for the delivery of Community Mental Health Provision for Children and Young People (Lot 1, Locality provision) to Collaborations led by:
    - 1.2.1.1 Home Link Family Support ("Back on Track") for South East (1) at a total value of £573,305;
    - 1.2.1.2 Canongate Youth for South East (2) at a total value of £575,000;
    - 1.2.1.3 The Broomhouse Centre for South West (1&2) at a total value of £1,171,406;
    - 1.2.1.4 The Junction Young People Health and Wellbeing for North East (2) at a total value of £575,000;
    - 1.2.1.5 Circle for North West (1,2 & 3) at a total value of £1,480,507; and
  - 1.2.2 Contracts for the Community Mental Health Provision for Children and Young People (Lot 2, City-wide speciality provision) to Collaborations led by:
    - 1.2.2.1 Barnardo's for Family and Social Adversity (Lot 2a & b) at a total value of £796,780;
    - 1.2.2.2 Tailor Ed Foundation for Neuro-developmental Diversity (Lot 2c) at a total value of £503,127;
- 1.3 Notes that the Interim Director of Education and Children's Services may award a Contract up to the value of £575,000 within the Scheme of Delegation to Officers should negotiations for Lot 1e be successful.

**Julien Kramer**

Interim Director of Communities & Families

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## Award of Contracts for Community Mental Health Fund

### 2. Executive Summary

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- 2.1 The Education, Children and Families Committee approved an accelerated procurement procedure in March 2021 for the Distribution of Scottish Government Community Mental Health Funds. However, to ensure that the service specification considered feedback from stakeholders the timeline for award of this service fell between committee cycles.
- 2.2 Given the need to provide immediate benefit to the wellbeing of young people in the City urgent approval was granted by the Interim Director of Education and Children's Services, in consultation with the Convenor and Vice Convenor of Finance and Resources.
- 2.3 The award of five contracts for locality services and two contracts for city wide provision has been made to the organisations below for a period of three years and up to two years extension at sole discretion of the Council:
- 2.3.1 The provision of locality based mental health support for all children and young people aged 5-24 (26 if care experienced), to collaborations led by the organisations listed below:

Contract	Lead Organisation	Total Value
Lot 1a (South East 1)	Home Link Family Support	£573,305
Lot 1b (South East 2)	Canongate Youth	£575,000
Lot 1c & d (South West 1 & 2)	The Broomhouse Centre (trading as Space)	£1,171,406
Lot 1f (North East 2)	The Junction Young People Health and Wellbeing	£575,000
Lot 1g, h & i (North West 1, 2 & 3)	Circle	£1,480,507

- 2.3.2 The provision of city-wide mental health support for targeted groups of children and young people aged 5-24 (26 if care experienced) to collaborations led by the organisations listed below:

Contract	Lead Organisation	Total Value
Lot 2a & b (Family and Social Adversity)	Barnardo's	£796,780
Lot 2c (Neuro-developmental Diversity)	Tailor Ed Foundation	£503,127

### 3. Background

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- 3.1 The Scottish Government has identified that the mental health and wellbeing of children and young people is an area that requires strategic local approaches to ensure needs are identified and supported appropriately at the earliest opportunity.
- 3.2 To enable the commissioning and the provision of such services, the Scottish Government is providing funds to every local authority to be directed towards community mental health for 5 to 24-year olds (26 if care experienced).
- 3.3 The funds were distributed to the Council in two stages. Funds for January to March 2021 of £335,000 and subsequent funds for the financial year 2021 to 2022 estimated at £1,343,000. The Scottish Government has committed to sustaining funding year on year. Early indications are that this will be at the same level.
- 3.4 Phase one was focused on 'Enhancing and Extending' provision to implement immediate changes and provide more of what we already do well. Organisations were invited to submit proposals to extend what they do, based on what they already deliver, the impact and the evidence of demand of services, between March and August 2021. Grants were managed by Edinburgh Voluntary Organisations Council (EVOC), and the process approved by the Education, [Children and Families Committee on 2<sup>nd</sup> March](#)
- 3.5 The results of the Phase one grants process was announced on 1<sup>st</sup> April, with 24 grants awarded (36% of applications received).
- 3.6 Phase two would focus on 'Collaborating and Connecting' with a focus on the Scottish Government aim to provide 'Seamless pathways of support'. Proposals were sought that would join up and connect supports available at a locality and city-wide level that would allow stakeholders, children, young people and their families to identify and access appropriate supports quickly, building on our established Getting It Right For Every Child (GIRFEC) framework.
- 3.7 Procurement support was requested to deliver Phase 2.

## 4. Main report

- 4.1 Commercial and Procurement Services (CPS) published a Prior Information Notice (PIN) in Public Contracts Scotland (PCS) on 16 April 2021 to determine interest from potential providers and inform the market of the tender opportunity. The PIN indicated that 92 organisations expressed interest to deliver this contract.
- 4.2 The PIN sought feedback on the proposed specification. In total, 62 clarification requests/points of feedback from 24 organisations were received.
- 4.3 In addition, potential providers were invited to attend a virtual Event, held on 4 May 2021. In total 35 representatives attended the event from 29 separate organisations.
- 4.4 Following feedback, the specification was amended – notably, the localities and processes for Lot 1 were clarified, creating smaller geographical sub-lots based around high-school catchment areas. The geographical breakdown of Lot 1 is shown in the table below and in Appendix 1:

<b>Lot 1 – Localities</b>	<b>Area Covered</b>	<b>Value of Contract</b>
a) South East 1	Liberton & Gracemount	£115k p/a
b) South East 2	James Gillespie & Boroughmuir	£115k p/a
c) South West 1	Balerno, Currie & Firrhill	£115k p/a
d) South West 2	WHEC, Tynecastle	£115k p/a
e) North East 1	Castlebrae & Portobello	£115k p/a
f) North East 2	Trinity, Drummond & Leith	£115k p/a
g) North West 1	South Queensferry, Royal High School	£100k p/a
h) North West 2	Craigmount, Forresters	£100k p/a
i) North West 3	Craigroyston, Broughton	£100k p/a
<b>Total – 9 contracts</b>		<b>£990k p/a</b>

- 4.5 Additionally, the requirement for collaboration was strengthened and definitions of Lot 2 amended, as follows: 2a – Family Adversity, Lot 2b – Social Adversity, Lot 2c – Neuro-Developmental Diversity
- 4.6 On 28 May 2021, CPS published a Contract Notice, under Social and Specific Services “Light Touch Regime” Procedure involving negotiations, on PCS as set out in the Public Contracts (Scotland) Regulations 2015, with a tender submission deadline of 5 July 2021.
- 4.7 In addition to the Contract Notice, potential providers were invited to attend a virtual event, held on 10 June 2021, to explain the specification and tender process and allow bidders to seek clarification. In total 25 representatives attended the event.

- 4.8 The Council sought collaborative bids for the requirement, which was a Scottish Government priority. This was encouraged as a part of the specification.
- 4.9 Tenderers were limited to winning a maximum of five sub-lots across Lot 1, to ensure no single bidder could win more than 50% of the city localities. This was also to encourage small organisations to bid.
- 4.10 Tenderers were also invited to apply for the entirety of Lot 2, if they felt there was a holistic case for the delivery of all three sub-lots.
- 4.11 Tender responses were received from 11 providers/collaborations, with thirteen tenders for the sub-lots offered in Lot 1 Locality and nine for the sub-lots offered in Lot 2 City Wide.
- 4.12 To identify tenders offering Best Value the tender evaluations were assessed on the basis of the most economically advantageous tender. For both Lot 1 and 2, a cost/quality ratio of 20/80 was applied to ensure that quality was of a high standard and encourage competitive submissions. To further protect the quality element a minimum quality threshold of 50 marks out of 100 was included, with the Council having discretion to disqualify tenders which did not achieve this threshold.
- 4.13 One tenderer did not meet the required quality threshold however as they were the sole bidder for Lot 1e, CPS and the Service Area entered into negotiation with the bidder. Negotiations consisted of a meeting to explain where the bid did not meet the required standard and an invite to amend and re-submit a proposal which better meets the specification by the end of September.
- 4.14 This will be evaluated in line with the published evaluation methodology and minimum quality standards published within the Invitation to Tender.
- 4.15 A summary of the tender process is attached at Appendix 1 and the recommendation for award of contracts is based upon the completed evaluation scored for the tenders as detailed below. The table shows the weighted scores for price (out of 20) and Quality (out of 80).

#### **Lot 1a South East 1 - Liberton & Gracemount**

<b>Bidder</b>	<b>Price</b>	<b>Quality</b>	<b>Total</b>
Home Link Family Support	19.98	58	77.98
<i>Bidder A</i>	20	45	65
<i>Bidder B</i>	Failed to meet Quality Threshold		

**Lot 1b South East 2 - James Gillespie & Boroughmuir**

<b>Bidder</b>	<b>Price</b>	<b>Quality</b>	<b>Total</b>
Canongate Youth	19.92	60	79.92
<i>Bidder A</i>	20	45	65

**Lot 1c South West 1 - Balerno, Currie & Firrhill**

<b>Bidder</b>	<b>Price</b>	<b>Quality</b>	<b>Total</b>
The Broomhouse Centre	20	61	81

**Lot 1d South West 2 - WHEC, Tynecastle**

<b>Bidder</b>	<b>Price</b>	<b>Quality</b>	<b>Total</b>
The Broomhouse Centre	19.63	61	80.63
<i>Bidder A</i>	20	44	64

**Lot 1e North East 1 - Castlebrae & Portobello**

<b>Bidder</b>	<b>Price</b>	<b>Quality</b>	<b>Total</b>
Bidder B	Not awarded – in negotiation		

**Lot 1f North East 2 - Trinity, Drummond & Leith**

<b>Bidder</b>	<b>Price</b>	<b>Quality</b>	<b>Total</b>
The Junction	20	79	99

**Lot 1g, h & i North West**

<b>Bidder</b>	<b>Price</b>	<b>Quality</b>	<b>Total</b>
Circle	20	72	92

### Lot 2a Family Adversity

Bidder	Price	Quality	Total
Barnardo's	10.03	80	90.03
<i>Bidder C</i>	10.01	65	75.01
<i>Bidder D</i>	20	48	68
<i>Bidder B</i>	Failed to meet Quality Threshold		

### Lot 2b Social Adversity

Bidder	Price	Quality	Total
Barnardo's	10.03	80	90.03
<i>Bidder A</i>	9.99	64	73.99
<i>Bidder C</i>	10.01	61	71.01
<i>Bidder D</i>	20	48	68

### Lot 2c Neuro-developmental Diversity

Bidder	Price	Quality	Total
Tailor Ed Foundation	20	59	79

- 4.16 The seven collaborations are made up of a total 28 different charitable organisations across the city. A full list of those organisations, and the value of their individual elements of the bidding process, can be found in Appendix 2.

## 5. Next Steps

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- 5.1 Due to the urgency of the requirement, urgent approval was sought for these contract awards prior to this report being considered by committee.
- 5.2 The contracts commenced in September 2021 for an initial period of three years with two optional extensions of one year (3 + 1 + 1). The contracts will be due for review in March 2022 and every 6 months thereafter, with the Council able to amend according to funding outcomes from Scottish Government.
- 5.3 The Competitive Procedure with Negotiation process will continue to be followed for Lot 1e (North East 1), with a response evaluated by the end of September.
- 5.4 Contract Management and Implementation will be managed by Education and Children's Services.

## 6. Financial impact

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- 6.1 The funds from Scottish Government for the financial year 2021 to 2022 are estimated at £1,343,000. The Scottish Government is committed to sustaining this funding year on year. Values are still to be confirmed.

Therefore, a first review in March 2022 and six-monthly reviews thereafter will be required to ensure any alterations to central funding are negotiated with the providers in good time.

- 6.2 Lot 1 had an initial allocated budget of £990,000 p/a, with sub-lots 1a-1f allocated £115,000 p/a, and sub-lots 1g, h & i allocated £100,000 p/a. This was based on calculations considering population density for each area, and geographical size of the sub-lot.
- 6.3 The prices quoted by the successful providers will be fixed and applied for the first three years of the contract, however the Council has reserved the right to negotiate with the providers at the beginning of each financial year subject to benchmarking and current market conditions.
- 6.4 Financial assessments have been carried out, and all providers have demonstrated acceptable financial status and considered limited risk to the council.
- 6.5 The costs associated with procuring this contract are estimated to be from £20,000 to £35,000.

## 7. Stakeholder/Community Impact

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- 7.1 Psychological Services within Education, Children and Families have led the collaborative implementation group looking at how to effectively distribute the funds allocated to Edinburgh for the purposes set out in the [Scottish Government Framework](#). The group includes EVOC, Lothian Association of Youth Clubs (LAYC), Psychological Services, the Health and Wellbeing Team, and Child and Adolescent Mental Health Services (CAMHS).
- 7.2 Initial consultation and engagement was undertaken with the provider market during the Phase 1 funding process, in the form of a virtual awareness events. Further market consultation on the proposed specification was made in April via the PIN, along with an online supplier engagement event in May. Members of the Implementation group (EVOC & LAYC) held separate supplier engagement events among their members and fed back to the implementation group. During the procurement further opportunities were advertised for potential providers to engage with Council staff (Supplier Development Programme Meet the Buyer 8 June 2021; Online Supplier Event 10 June 2021). Extensive stakeholder engagement has been carried out and is fully detailed within Appendix 3 of this report.
- 7.3 The engagement of EVOC and LAYC and their feedback on the specification led to the specification being altered to use secondary school catchment areas rather than just city localities, as this better represented communities of the city and allowed

smaller, more locally focused charities the opportunity to collaborate and bid owing to the now smaller financial size of the contract opportunities.

- 7.4 All recommended organisations submitted high quality bids with gaps in current service provision being identified and addressed.
- 7.5 Community Benefits – each provider has committed to an individual community benefits action plan, as required in each tender response. Some of the Community Benefits include: Volunteer/Job opportunities - committing to creating and offering volunteering opportunities to young people accessing the service; supporting local organisations with training and upskilling, areas including Substance-use, Trauma-informed practice, community supports; and environment improvements – delivering local area tidy-up campaigns.
- 7.6 Fair Work – All lead organisations have committed to pay workers (including any agency or sub-contractor workers) the real Living Wage, and 5 of the 7 are either already, or are intending to become, an accredited living wage employer. All organisations have committed to progressing towards adopting the five Fair Work First criteria for workers in the delivery of this contract.

## **8. Background reading/external references**

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- 8.1 [Distribution of Scottish Government Community Mental Health funds - Education, Children and Families Committee Report March 2021](#)
- 8.2 [EVOC Mental Health and Wellbeing Funding Report 2021 \(Phase 1 spend\)](#)

## **9. Appendices**

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- 9.1 Appendix 1 - Summary of Tendering and Tender Evaluation Processes
- 9.2 Appendix 2 – List of all Successful organisations
- 9.3 Appendix 3 - Engagement with Stakeholders

## Appendix 1 - Summary of Tendering and Tender Evaluation Processes

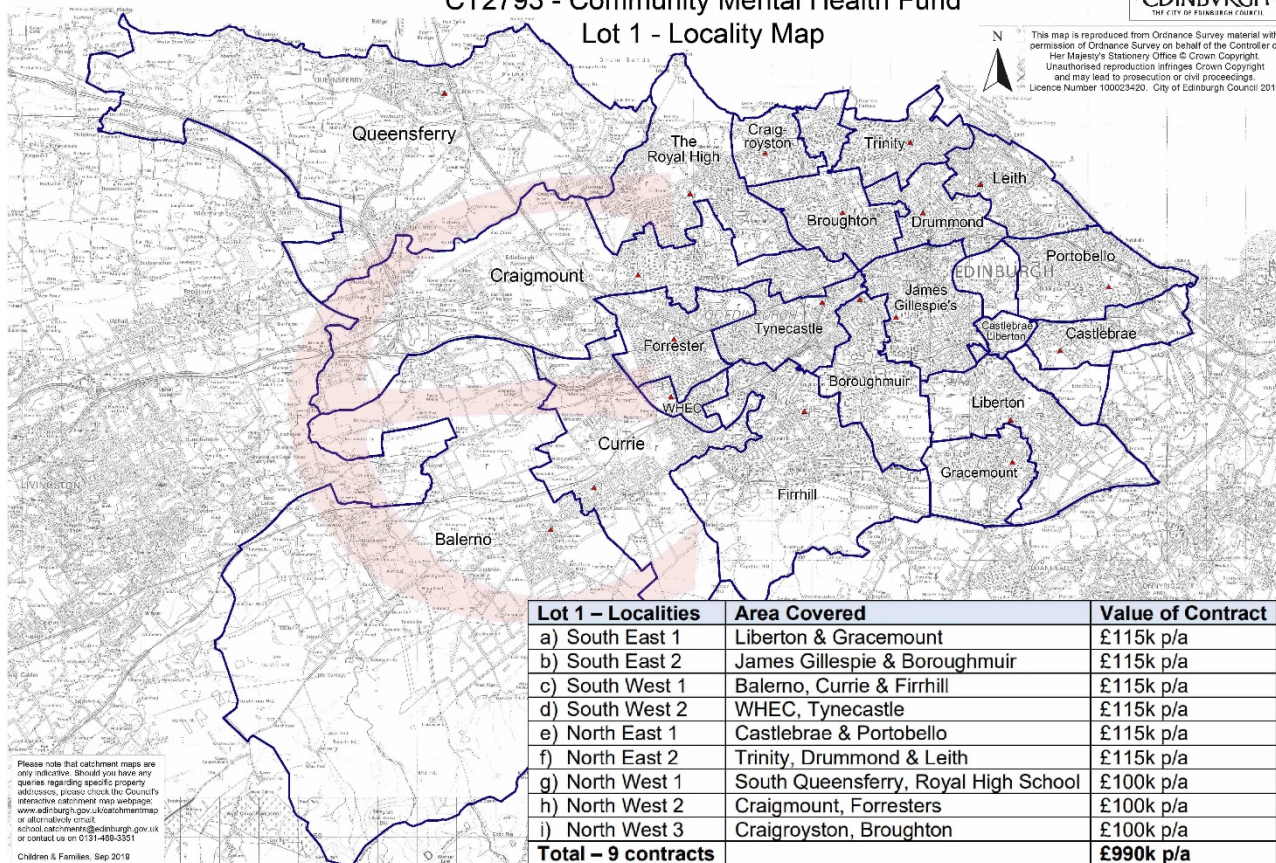
<b>Contract</b>	<b>Community Mental Health Fund Lots 1 &amp; 2</b>	
Contract period (including any extensions)	3 years with the option to extend for up to a further 24 months, undertaken at the sole discretion of the Council.	
Estimated Contract Value (including extensions)	Lots 1a-1f - £115,000 p/a, potential maximum value of £575,000. Lots 1g, h & i - £100,000 p/a, potential maximum value of £500,000 Lots 2a&b - £80,000 p/a, potential maximum value of £400,000. Lots 2c - £100,000 p/a, potential maximum value of £500,000	
Procurement Route Chosen	Competitive Procedure with Negotiation.	
Tenders Returned	11 submissions containing 22 Tenders.	
Name of Recommended Supplier(s)	Home Link Family Support (1a), Canongate Youth (1b), The Broomhouse Centre (1c & d), The Junction (1f), Circle (1g, h & i) Barnardo's (lot 2a & b), Tailor Ed Foundation (lot 2c)	
Price / Quality Split	<b>Price 20%</b>	<b>Quality 80%</b>
	<b>Quality</b> Proposal of Services 25% Collaboration & Partnership 20% Management & Staffing 10% Co-Design and Continuous Improvement 15% Implementation Plan 10% Business Continuity 5% Community Benefits 5% The Environment 5% Fair Work Practices 5%	
Evaluation Team	Each sub-lot had a panel of 3 evaluators, comprised from: Community and Families Principal or Depute Principal Psychologists, Council Educational Psychologists, Locality Team Leaders, and representatives from third-sector members of the projects implementation group from EVOC, LAYC and NHS.	

# CT2793 - Community Mental Health Fund Lot 1 - Locality Map

• EDINBURGH •  
THE CITY OF EDINBURGH COUNCIL



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## Appendix 2 – List of successful organisations

1. This Appendix contains a list of all organisations who are part of a collaborative bid recommended for award within this report. It also includes the contract description, and the value of their first year of funding through the collaboration.

Contract Description	Organisation	Total Annual Value (Year 1)
Lot 1a South East 1	Home Link Family Support (Lead)	£53,671.00
Lot 1a South East 1	Cross-Reach	£60,990.00

Contract Description	Organisation	Total Annual Value (Year 1)
Lot 1b South East 2	Canongate Youth (Lead)	£37,489.00
Lot 1b South East 2	Edinburgh & Lothians Greenspace Trust	£25,697.00
Lot 1b South East 2	U-Evolve	£25,841.00
Lot 1b South East 2	Edinburgh Old Town Trust	£25,973.00

Contract Description	Organisation	Total Annual Value (Year 1)
Lot 1c & d South West	The Broomhouse Centre (trading as Space) (Lead)	£77,032.00
Lot 1c & d South West	Scottish Association for Mental Health (SAMH)	£51,568.00
Lot 1c & d South West	Big Hearts Community Trust	£49,246.00
Lot 1c & d South West	With Kids	£52,004.00

Contract Description	Organisation	Total Annual Value (Year 1)
Lot 1f North East	The Junction Young People Health and Wellbeing (Lead)	£30,000.00
Lot 1f North East	Citadel Youth Centre	£28,000.00
Lot 1f North East	Multi-Cultural Family Base	£13,000.00
Lot 1f North East	Miricyl	£5,000.00
Lot 1f North East	Pilmeny Development Project	£13,000.00
Lot 1f North East	The Ripple Project	£13,000.00
Lot 1f North East	YMCA Edinburgh	£13,000.00

Contract Description	Organisation	Total Annual Value (Year 1)
Lot 1g, h & i North West	Circle (Lead)	£71,262.00
Lot 1g, h & i North West	Granton Youth Ltd	£28,800.00
Lot 1g, h & i North West	Intercultural Youth Scotland	£54,900.00
Lot 1g, h & i North West	Muirhouse Youth Development Group (MYDG)	£24,095.00
Lot 1g, h & i North West	Stepping Stones North Edinburgh	£69,213.00
Lot 1g, h & i North West	Youth Agency (WHYA)	£24,773.00

Lot 1g, h & i North West	Pilton Youth and Children's Project (PCYP)	£24,787.00
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<b>Contract Description</b>	<b>Organisation</b>	<b>Total Annual Value (Year 1)</b>
Lot 2a & b Family Adversity	Barnardo's <sup>1</sup> (Lead)	£128,134.00
Lot 2a & b Social Adversity	Families Outside	£60,000.00

<b>Contract Description</b>	<b>Organisation</b>	<b>Total Annual Value (Year 1)</b>
Lot 2c Diversity	Tailor Ed Foundation (Lead)	£31,856.00
Lot 2c Diversity	Autism Initiatives	£37,797.00

<b>Total</b>	<b>28 Organisations</b>	<b>£1,130,128.00</b>
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<sup>1</sup> Barnardo's contract value includes £30,310 p/a for their work in the collaboration for Lot 2c, led by Tailor Ed Foundation. They are the only organisation involved with more than one collaborative bid.  
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## Appendix 3 - Engagement with Stakeholders

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Stakeholder	Communication
Implementation Group (Key external partners)	<p>Psychological Services have led the collaborative implementation group; the group includes EVOC, LAYC, Psychological Services, the Health and Wellbeing Team and CAMHS.</p> <p>They have met approximately monthly to discuss the Tender. During the pre-advertisement stage, implementation group were fully engaged in the specification design.</p> <p>Members of the implementation group were on evaluation panels, and so have seen the processes used and are content with the robustness of the procedure.</p> <p>At all stages, the implementation group were given prior notice of any publications and releases, so that communications to their members could be sent out in a prompt and timely manner.</p>
Third Sector Charities	<p>Initial consultation and engagement undertaken with the supply market during the Phase 1 funding process, in the form of a virtual awareness events in December 2020. Further market consultation on the proposed specification was made in April via the PIN, along with an online supplier engagement event in May.</p> <p>During the procurement further opportunities were advertised for providers to engage with CEC staff (SDP Meet the Buyer 8th June; Online Supplier Event 10th June).</p>