

# Cheshire East Council

## Cabinet

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<b>Date of Meeting:</b>	13 <sup>th</sup> June 2017
<b>Report of:</b>	Jan Willis – Director of Finance and Procurement
<b>Subject/Title:</b>	Translation and Interpretation Services - Procurement
<b>Portfolio Holder:</b>	Cllr Paul Findlow, Corporate Policy and Legal Services

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### 1. Report Summary

- 1.1. Cheshire East Council's (CEC) Translation and Interpretation Services are currently provided by three suppliers on a CEC framework in place since 2014. The Council have taken up the final year's option to extend which will extend the current framework agreement until May 2018.
- 1.2. The Council have utilised the opportunity to review these services in line with current requirements, with the objective of simplifying the framework agreement and capitalising on savings opportunities.
- 1.3. Meetings have been held with all the main stakeholders to ensure that all the key needs are met within a new agreement. Management information has been interrogated in order to shape the requirements for the next two years along with a market questionnaire to Translation and Interpretation Services suppliers registered on the Council's procurement system, the Chest.
- 1.4. Given that the average duration of face to face interpretations is 54 minutes, It is a procurement recommendation that the minimum chargeable hours be reduced from 2 hours to 1 hour for all face to face interpretations, which will provide overall better value for the Council.
- 1.5. The Council will be looking to a single supplier ('One Stop Shop') to supply Translation and Interpretation services in the form of: Face to Face Interpretations - verbal and non verbal, Telephone Interpretation services, Document Translation services and the less commonly used Video Interpretation services. The Council will secure the services of a second supplier to provide a back-up service, in the event that a booking request cannot be met by the primary supplier.
- 1.6. The Council are working on a new framework, which will include the Mid Cheshire NHS Hospital Trust as a named user as well as the potential to add two GP Alliances. The value of a new framework agreement over four

years (an initial 2 year contract plus two optional extensions of 12 months) is estimated to be £1.1 million; made up of £200k per year from Cheshire East Council and £80k per year from the Mid Cheshire Hospital Trust.

## **2. Recommendations**

- 2.1. That Cabinet approve the procurement of Translation and Interpretation Services via a framework agreement.
- 2.2. That Cabinet delegate authority to the Director of Finance and Procurement in consultation with the Portfolio Holder for Corporate Policy and Legal Services to:
  - 2.2.1 (following a legally compliant procurement exercise) approve the framework agreement and the supplier(s) admitted to the framework agreement;
  - 2.2.2 approve the subsequent award by the Council of the framework agreement(s) to the supplier(s); and
  - 2.2.3 approve the entering into all necessary framework agreement contractual documentation between the Council and the successful tenderer[s], and between the Council and the other contracting bodies.

## **3. Reasons for Recommendations**

- 3.1. The framework agreement for Translation and Interpretation Services requires cabinet approval as the value is anticipated to exceed £1 million. The framework is proposed to run over four years (including 2 x 12 months optional extensions) as this will yield the best choice of providers and the best rates for Cheshire East and others named on the agreement.
- 3.2. There are existing national frameworks that offer translation & interpretation services, however, the Council wanted to encourage Small and Medium sized Enterprises (SMEs) in the North West and specifically Cheshire to have the opportunity to tender for these services and to promote employment and economic sustainability across the borough.
- 3.3. Having a framework agreement in place for these services will remove the need to undertake a competitive process in relation to each individual translation/interpretation service required. A fast and efficient response can be provided as services can be called off from suppliers almost immediately.
- 3.4. A framework agreement will support the Council to maintain the quality of service provision through a sustainable supplier market. The suppliers will be signed up to the terms and conditions of the framework agreement and any provider who does not meet the required standards will be removed from the framework agreement.

- 3.5. The establishment of the framework agreements will ensure that the Council complies with the Public Contracts Regulations 2015 and the Council's Finance and Contract Procedure Rules.

#### **4. Background /Chronology**

- 4.1. Polish and Slovak continue to be the most popular languages requiring Translation and Interpretation services in Cheshire East, this is unchanged from the last procurement in 2014. These 2 languages alone represent 65% of all face to face interpretations and 78% of all document translations. The annual value for face to face interpretations in 2016/17 for Polish alone was £69k and there are discussions within some areas of the Council, into looking at a business case to justify an 'In House' Interpreter, which would be supplemented by the contractual arrangement
- 4.2. Children's Services are the largest user of Translation and Interpretation services with an annual spend of £169k, representing 86% of the total spend of the Council. The majority of this spend is by the team looking after Care Plans for some of the most vulnerable children in the borough

#### **5. Wards Affected and Local Ward Members**

- 5.1. All

#### **6. Implications of Recommendation**

##### **6.1. Policy Implications**

- 6.1.1. As part of Cheshire East's Social Value policy, all bidders in the procurement process will be measured on their ability to meet the Social Value objectives of the Council.

##### **6.2. Legal Implications**

- 6.2.1. The Public Contracts Regulations 2015 allow local authorities to enter into framework agreements with a number of service providers, following a competitive tendering process, and to thereafter select from those service providers to provide particular services, as and when required for a maximum period of four years.
- 6.2.2. A framework agreement therefore enables the need for a particular service to be met for a set period of time, obviating the need to undertake a wide competitive process in relation to each individual procurement, whilst still in compliance with EU requirements and the Council's rules. The suppliers on the framework agreement can be appointed directly based on the pricing and/or other information established in the original tender process.
- 6.2.3. The aggregate value of the requirement for the new proposed Translation and Interpretation Services Framework Agreement ("the

Framework Agreement”) is such that these services must be procured in accordance with EU and National Legislation (so as to comply with the Council’s Finance and Contract Procedure Rules) following an OJEU compliant procedure and competitive tender exercise.

- 6.2.4. It is noted that in addition to meeting the Council’s requirements, the Service intend to make the Framework Agreement available to other contracting bodies – namely Mid Cheshire NHS Trust and potentially the two local GP Alliances. In order to do so these organisations will need to be named in the notice published in the Official Journal of the European Union (OJEU Notice) and an estimate of the total value of the spend of all participating bodies will need to be provided. Only those bodies that are named in the OJEU Notice at the time of its publication will be able to use the Framework Agreement. The Council will need to monitor the spend of all those bodies using the Framework Agreement over its lifetime to ensure that the total value set out in the OJEU Notice is not exceeded.

It is noted that In accordance with the proposals set out in this report, the Council would enter into the new Framework Agreement for direct award of services to one preferred main supplier and with one chosen reserve supplier for a potential maximum duration of 4 years.

- 6.2.5. The other authorities (contracting bodies) wishing to use the Framework Agreement will need to enter into an Access Agreement with the Council and then enter into separate agreements with each supplier, for the services that they intend to use.
- 6.2.6. Consideration will need to be given to the management of the other authorities’ use of the Framework Agreement. This will involve monitoring and reporting requirements and consideration as to how the Council will deal with queries (about the use of the Framework Agreement) and possible complaints. Whilst the documents will be drafted to include indemnities and disclaimers to protect the Council, it is envisaged that there will be some initial demand on legal and procurement resources to set up the Framework Agreement.
- 6.2.7. The existing Translation and Interpretation Services Framework Agreements have been extended to May 2018, and therefore each of these shall require termination by the Council in due course in accordance with Clause 23.5 of each i.e. by three months’ written notice. Clause 25.2 of the existing framework agreements provides that termination or expiry of the Framework Agreement shall not cause any Call-Off Contracts to terminate automatically, and that, for the avoidance of doubt, all Call-Off Contracts shall remain in force unless and until they are terminated or expire in accordance with their own terms.

### 6.3. Financial Implications

- 6.3.1. The current spend during 2016/17 on Translation & Interpretation services by Cheshire East Council is £200k per year, a 52% increase on the previous year, with increases coming from various Children's Services. The estimated levels of activity are anticipated to continue at these levels in later years. The service area requiring translation and interpretation support, utilises their own budgets, with activity charged directly, with no central budget for these services. Increases in activity levels, predominately from Children's Services are funded from within the overall budget allocation for that service area.
- 6.3.2. Potential suppliers on the new framework will be measured on the hourly rates that they can provide across the mix of services and languages that we require. Consideration has been given to the standards upheld in the translation and interpretation industry with regards to minimum hours charged by interpreters and the quality standards that they adhere to.
- 6.3.3. There is a residual 'off Framework' spend of around £6k per year as a result of purchasing Court Transcriptions from the Court supplier.
- 6.3.4. There are measures both within the specification for this procurement and with good contract management that will ensure that Translation and Interpretation costs are well managed going forwards into the next contract period, delivering overall value for money, and balancing quality and price. In order to continue to deliver improved value for money the procurement will include challenging savings targets set to reflect this work of 15%.

### 6.4. Equality Implications

- 6.4.1. The Council provides a whole range of Public Services and needs to ensure equality of access to relevant Services for its residents and people who come to visit or work in the Borough. This includes Service users and Stakeholders for whom English is not their first language.

## 7. Contact Information

Contact details for this report are as follows:

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