

# **Committee: Chief Officer Decision**

**Date:** February 2023

**Wards:** All Wards

**Subject:** Residential Respite Services for adults with a Learning Disability

**Lead officer:** John Morgan, Executive Director for Adult Social Care, Integrated Care and Public Health

**Lead member:** Councillor Peter McCabe, Cabinet Member for Health and Social Care

**Contact officer:** Godfrey Luggya, Commissioning Manager, ASC

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## **Recommendation:**

- A. That a contract is awarded for the provision of a six-bed residential respite service regulated by the Care Quality Commission (CQC) at 138 All Saints Road to Vibrance for a period of 5 years to provide care and support services to customers with a Learning Disability at a cost of £1,622,885, which could increase to £1,797,623 including inflationary uplifts over the life term of the contract.
- B. That the Council delegates authority to the Executive Director for Adult Social Care, Integrated Care and Public Health, in consultation with the Cabinet Member for Social Care and Health to vary the contract during its term if need arises.

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## **1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to seek the approval of the Executive Director for Adult Social Care, Integrated Care and Public Health to award a new contract for the provision of residential respite care and support services for up to 6 adults with a Learning Disability at any one time at 138 All Saints Road to Vibrance.
- 1.2 In support of the recommendations, this report details the commissioning and procurement processes carried out and the decisions recommended by the evaluation panel.

## **2. DETAILS**

- 2.1.1 The existing contract for the provision of a 6-bed residential respite service for customers with a learning disability at 138 All Saints Road, London, SW19 1BZ was awarded on 21<sup>st</sup> April 2019, for an initial 2-year period with the option to extend by two, 12-month increments. Following expiry of the initial contract period, both 12-month increments have been exercised and the contract will expire on 20th April 2023 without any further options to extend.

- 2.1.2 The primary purpose of the service is to give carers a break from caring, reduce isolation and enhance the health and well-being and quality of life of carers and those cared for.
- 2.1.3 The service is provided to adults with a learning disability, including those with autism spectrum disorders and adults with physical disabilities. The service accommodates individuals with profound multiple disabilities, individuals with complex health needs and individuals with challenging behaviours.
- 2.1.4 The provider is required to deliver good-quality, safe and personalised support and care to individuals living in a 6-Unit respite service where their care is delivered as per each individual's assessed needs in line with their care and support plans. Respite may either be planned or unplanned.
- 2.1.5 Planned respite is provided for specific periods as agreed with provider, carer and the customer.
- 2.1.6 Unplanned respite is provided in times of crisis, for example, when carers are in urgent and immediate need of respite due to a family emergency, crisis or unforeseen event.

## **2.2 Procurement approach**

Following approval by the Council (Operation Procurement Group which is now known as Departmental Procurement Group) in September 2022 to go out to tender this service, bidders were advised that block contract arrangements will be established with the successful bidder for 4 out of 6 units. 2 out of 6 units will be spot purchased with additional individualised one-to-one care and support costed on an hourly basis and invoiced separately. All requests for additional one-to-one care and support will be presented by the assigned Social Worker to Outcomes Forum for agreement of the budget prior to commencement of the respite stay.

## **2.3 Description of the tender process**

The tender process was undertaken by Commissioning Team with assistance from Commercial Services and advice from the South London Legal Partnership in accordance with the Public Contracts Regulations 2015 (PCR 2015) and the Council's Contract Standing Orders.

The tender opportunity was advertised on Find a Tender, Contracts Finder and the Council's e-tendering system (London Tenders Portal) on 7<sup>th</sup> November 2021 under a restricted procedure, a two stage process.

The two stage process involved inviting providers to submit Selection Questionnaires (SQ) at Stage 1, which were evaluated in order to shortlist

organisations who met the Council's minimum quality requirements and invited to submit bids for evaluation at stage 2.

## **2.4 TUPE**

The Council informed bidders that the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") and/or property lease/rental agreement might apply to this contract. It was however made clear in the invitation to tender that it would be up to bidders to make their own judgement on the potential implications of TUPE and/or property lease rental agreement and factor it into their bid accordingly.

## **2.5 Tender evaluation**

The tender documents specified that the evaluation criteria was as follows:-

- 45% Technical /quality
- 5% Social Value
- 50% Price

### **Evaluation panel**

An Evaluation Panel was established consisting of:

- Lead Contract Monitoring Officer (ASC)
- Brokerage Officer (ASC)
- Commissioning Manager (ASC)
- Commissioning Officer (ASC)
- Moderator: Category Advisor (Commercial Services)

## **2.7 Quality evaluation (method statements)**

2.7.1 The evaluation panel assessed 6 Selection Questionnaires received against pre-set evaluation criteria and shortlisted 3 organisations, which were invited to submit bids (please refer to Appendix A for further details).

2.7.2 The evaluation panel assessed each bid of bidders shortlisted to participate at Stage 2 (Invitation to Tender) against pre-set evaluation criteria (please refer to Appendix A for further details).

2.7.3 The Evaluation Panel recommended award of the contract to the bidder whose tender was considered to be the Most Economically Advantageous Tender in accordance with the evaluation scoring methodology set out in the published tender documents. For details of the outcome of the evaluation, please refer to Exempt Appendix B of this report.

### 3. ALTERNATIVE OPTIONS

3.1 The following alternative sourcing options were considered:

Do not enter into a contract / withdraw service and spot purchase respite beds on an individual basis: - Although this arrangement would save time and reduce procurement costs, the Council would end up spot purchasing respite services at a very high cost putting into consideration increasing cost pressures at both local and national level. The absence of this service would also accelerate the need for customers to be moved into settings of residential care (which are far more expensive) as carers would struggle to cope without a break. Therefore, this is not a feasible option.

Make use of an approved framework agreement:- No suitable framework agreement was identified.

### 4. CONSULTATION UNDERTAKEN OR PROPOSED

4.1 The following key stakeholders were consulted/provided feedback:

- Adult Social Care Commissioning Team
- Learning Disability Team
- Departmental Finance
- Commercial Services
- Current Provider
- Residents representative group
- South West London Legal Partnership (SLLP)
- Operation Procurement Group (currently referred to as Departmental Procurement Group)

### 5. TIMETABLE

Milestone	Target Date
OPG Approval	7 <sup>th</sup> September 2022
Publication of SQ	7 <sup>th</sup> November 2022
Closing date for receipt of SQ	6 <sup>th</sup> December 2022
Publication of ITT	16 <sup>th</sup> December 2022
Closing date for receipt of ITT	27 <sup>th</sup> January 2023
DPG approval	1 <sup>st</sup> March 2023
Key Decision approval	8 <sup>th</sup> March 2023
Notice of Intention to Award	14 <sup>th</sup> March 2023
Standstill Period	24 <sup>th</sup> March 2023
Award of Contract	25 <sup>th</sup> March 2023
Contract mobilisation	26 <sup>th</sup> March 2023 – 20 <sup>th</sup> April 2023
Contract commencement date	21 <sup>st</sup> April 2023

## **6. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

- 6.1 A credit check was carried out by the Council's Finance Team on the successful bidder and considered a viable option for award of a contract of the stated value without any reservations.

## **7. LEGAL AND STATUTORY IMPLICATIONS**

- 7.1 The details of the procurement exercise set out in paragraph 2 of this report and Exempt Appendix evidence full compliance with the Council's Contract Standing Orders (CSOs) 19.4, 22 and 23 and Regulation 28 of the Public Contracts Regulations 2015. Consequently, it would be lawful to approve the contract award to the Preferred Bidder.
- 7.2 It is noted that the Transfer of Undertakings (Protection of Employment) Regulations 2006(TUPE) was indicated in the tender documents as likely to apply therefore the responsible officer should consult with the Council's Human Resources department and/or SLLP's Employment Team to ensure that the Council discharges any duty it may have towards transferring staff.
- 7.3 Following approval, a Contract Award Notice is required to be published and information about the award of the Contract must also be published on Contracts Finder. Once completed the contract must be entered onto the Council's contracts register.
- 7.4 Section 9E of the Local Government Act 2000 permits the recommended delegation. Responsible Officers must be able to demonstrate that a variation of a contract will offer Value for Money to the Council and that the contract will continue to meet the Council's requirements

## **8. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

- 8.1 Within the tender, bidders were required to propose social value offers via the Council's Social Value charter, under 5 specific theme areas: Jobs, Growth, Social, Environmental and Innovation. The social value offers submitted via the successful bidders will potentially generate social value to the London Borough of Merton. The value of which can be found within Appendix B.
- 8.2 The social value offers committed within the successful bid include: Apprenticeship opportunities; Training opportunities; initiatives to build stronger community networks, and; Initiatives to reduce carbon emissions. .
- 8.3 These items will form part of the contract.

## **9. CRIME AND DISORDER IMPLICATIONS**

9.1 There are no specific implications affecting this tender.

## **10. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATONS**

10.1 All organisations that are awarded contracts must have a health and safety policy that compliments the Council's corporate procedures for effective health and safety and risk management. Tender documentation submitted by all bidders was assessed against criteria developed by the Council's health and safety and emergency planning manager to ensure that any bidder who is awarded a contract complies with all statutory regulations in all matters related to the service.

10.2 The Council will ensure compliance to the contract specification and contract standards through the use of a robust monitoring procedure that will be developed for this service. This will use at least the following methods:

- The Provider will be responsible for managing its performance and for collating all performance data at the required level of frequency as set out in the service specification, which will form part of any monitoring requirements.
- The Provider must submit the required contract monitoring data (Key Performance Indicators) on a quarterly basis. The quarterly monitoring report will be followed up by a service review meeting, initially on a quarterly basis, but which may also be held at other times as appropriate and may be initiated by either the commissioners or the provider. If a provider is failing to deliver the service as set out in the contract, the Contract Monitoring Officer may choose to meet with the provider more frequently and the provider will be required to facilitate this.
- The Authority will carry out quarterly and annual contract management meetings. Contract monitoring may involve analysing Key Performance Indicators and documentation relating to customers and other stakeholders, staff files, insurance documents and any other relevant paperwork.
- The Provider is required to capture data that evidence that the service is delivered in a way that reflects the diversity of the London Borough of Merton's population, and the service is accessible to all who need it.
- The Provider shall inform the Authority when any serious service complaint arises or in the event of any serious incident which may impact on the service. Complaint investigation responses from the provider will be reviewed at contract monitoring meetings.
- The provider must ensure that the views of individuals and stakeholders are routinely sought, collated, evaluated and utilised to support service delivery /

development. The outcomes of such feedback must be routinely made available to the Authority.

- The Authority will work with the Provider to develop performance levels that challenge but are achievable and measurable from time to time as may be required to effectively manage performance.

## **11. ENVIRONMENTAL AND CLIMATE IMPLICATIONS**

11.1 There are no specific implications affecting this tender.

## **12. APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**

- Appendix A - Evaluation Process and Award Criteria
- Appendix B – Tender Evaluation Outcome (This is an exempt or confidential appendix)

## **13. BACKGROUND PAPERS**

The Council's Contract Standing Orders

The Council's Procurement Strategy

# Appendix A: Pre-set Evaluation Criteria

## 5. Evaluation Process and Award Criteria

Any Contract awarded as a result of this procurement process will be awarded on the basis of the offer that is the most economically advantageous to the Authority. The Award Criteria are:

- 45% Technical / quality
- 5% Social Value
- 50% Price.

### 1. ITT Evaluation and Scoring Methodology

#### 1. Stage 1 – Individual Evaluations

All responses will be issued to the evaluation panel for scoring. It is envisaged that the panel will consist of a minimum of 3 members.

Each member of the evaluation panel will independently score each response. The scored criteria will be assessed using the following scale of awarding marks between 0 and 4 as detailed below;

Score	Score Justification
0	<b>Completely unsatisfactory/unacceptable response</b> No response to the question or serious deficiencies in meeting the required standards set out in the contract documents.
1	<b>Poor response</b> The response significantly fails to meet the required standards set out in the contract documents, contains significant shortcomings.
2	<b>Partially Compliant response</b> The response is partially compliant with shortcomings in meeting the required standards set out in the contract documents.
3	<b>Average response</b> The response is compliant and meets the basic contract standards set out in the contract documents. Any concerns are only of a minor nature.
4	<b>Good response</b> The response is fully compliant and clearly indicates a full understanding of the contract documents so as to consistently deliver the service in line with all the required standards.

The formula used to calculate the weighted scores for each of the sub-criteria is the score given to each sub criteria multiplied by the weighting factor shown for that sub criteria i.e.

$$\text{Question Weighted Score (\%)} = (\text{Tenderer's score} / 4) \times \text{Question Weighting}$$



The Council may at this stage pose clarification questions to the Supplier, in order to assist the evaluation process. Any such clarifications will be sent via the Authority's e-procurement system, as such Suppliers are advised to monitor the system on a regular basis.

### **Interviews**

Following the evaluation of the written tenders, Tenderers may be invited to attend an interview with the evaluation panel (which may include making a short presentation). The purpose of the interview, should it take place, is to moderate the scores awarded to the written tender, and to clarify any outstanding issues. No additional points have been reserved for this stage. Details of the interview arrangements and format will be provided to Tenderers should the interviews take place.

### **2. Stage 2 – Moderation**

Following the panels independent evaluation, moderation will take place in which each evaluators score is compared with the scores of the other evaluators and a consensus view will be taken to agree the scores to be awarded.

Tenderer's responses to the method statements must at least meet the 'partially compliant' standard (scoring a minimum of 2 points – see scoring table above). Submissions failing to meet this threshold for more than 1 method statement may be rejected from the Tender process.

### **3. Stage 3 – Social Value Evaluation**

The Total Social Value Commitment submitted within the completed Social Value Charter will be the figure used to calculate the social value score. The bidder committing the highest social value will achieve the maximum score (weighting) for social value. Lower social value commitments will receive a proportional score based on the amount lower they are than the highest social value commitment, using the following formula:

$$\text{Social Value weighted score} = (\text{Tenderers total social value} \div \text{Highest Tenderer's social value}) \times \text{Social Value Weighting}$$

The Council may at this stage pose clarification questions to the Supplier, in order to assist the evaluation process. Any such clarifications will be sent via the Authority's e-procurement system, as such Suppliers are advised to monitor the system on a regular basis.

Any social value offers proposed which duplicate the outputs/deliverables of the contractual requirements will be disregarded, and a score of '0' awarded.

### **4. Stage 4 – Price Evaluation**

The returned ITT must include a duly completed Pricing Schedule in the format contained at section 6.4. Suppliers should provide an economically sound, innovative and commercially attractive proposal.

**Please note** ranges of rates will not be acceptable and submission of ranges of rates will result in the Quotation **being excluded**.

The bid that has the lowest overall price (including the cost to the Authority) will be awarded the maximum score/weighting available and the scores for the other bids will be pro-rated relative to the lowest price using the following formula:

$$\text{Price weighted score} = (\text{Lowest price} \div \text{other Tenderer's price}) \times \text{Price Weighting}$$

## 5. Stage 5 – Final selection

The highest scoring Supplier will be identified as the preferred bidder and all Suppliers invited to tender will be notified and debriefed regarding the outcome of the evaluation process.

### 5.1 Award Criteria

Criteria	Sub Criteria	Weighting	Sub Criteria Weighting
<b>Technical Quality &amp;</b>		<b>45%</b>	
<b>Experience</b>	1(a) Awareness of the client group		7%
<b>Service delivery</b>	2(a) Direct operation		8%
	2(b) Staffing		6%
<b>Performance and quality assurance</b>	3(a) Performance management		7%
	3(b) Quality assurance		7%
<b>Implementation and Contingency planning</b>	4. Implementation		10%
<b>Social Value</b>		<b>5%</b>	
	Social Value Charter completion		5%
<b>Price</b>		<b>50%</b>	
	Pricing Schedule		50%