

Committee: Cabinet

Date: 18th February 2019

Wards:

Subject: Award of two contracts for the provision of Extra Care Supported Housing Schemes at Pantiles House and Trellis House

Lead officer: Phil Howell, Interim Head of Adult Social Care – Operations & Commissioning

Lead member: Councillor Tobin Byers, Cabinet Member for Adult Social Care and Health

Contact officer: Godfrey Luggya, Commissioning Officer, Adult Social Care

Recommendations:

- A. The Council awards the contracts for the provision of Extra Care Services on the basis of three years with the option to extend for a further 2 years in 1 year increments and as outlined in the confidential Part B paper.
 - B. Delegate to the Director of Community and Housing, in consultation with the Cabinet Member for Adult Social Care and Health, the authority to extend the contract by the further increment of up to 24 months (as above).
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to seek the approval of Cabinet to award two contracts for the provision of a 24 hour 365 days a year care and housing related support service to tenants living within two Extra Care schemes within the borough.
- 1.2. This report details the commissioning and procurement process undertaken and the decisions taken by the evaluation panel and makes a recommendation that Cabinet agree to the recommendation detailed above.

2 DETAILS

- 2.1. The Council currently purchases approximately 43,000 care and housing related support hours per annum across both schemes (inclusive of 24-hour night care workers for 365 days per year). The Council currently and will continue to only pay for the actual number of care & housing related support hours provided.

Following DMT and Procurement Board approval to recommission the service under competitive open tender procedure, we prepared the tender documents. It was agreed that bidders would have the option to tender for one or two of the schemes. It was agreed that this would allow both Small

Medium Enterprises (SME's) and larger organisations an opportunity to tender for the services.

2.2. 2 schemes were tendered:

Scheme 1: Pantiles House (33 flats)

Scheme 2: Trellis House (42 flats)

It was projected that the estimated care and housing related support hours would remain broadly the same as the current contract volumes for the duration of the new service (Pantiles House – approx.15,000 hours per annum and Trellis House – approx.28,000 hours per annum). These hours were provided to bidders within the tender documents.

It was also agreed that the Council would continue to purchase on a spot provision basis (meaning the Council would only pay for actual hours delivered).

2.3. Following a review of the service specification, the core objectives of the service were as follows:

- Customers to achieve an optimum level of independence, health, wellbeing and quality of Life
- Customers to be involved in planning of their care and to be able to exercise control over life decisions
- The Service to be provided in a manner which is sensitive to culture, race, sexuality, gender, age, impairment, spiritual, emotional and religious needs
- Customers feel safe and secure within the service environment
- Services to be provided in a flexible manner that responds to changing needs and demands whilst maintaining Customers privacy and dignity
- To meet these objectives, the Council wishes the Service Provider to provide services in a way, which offers optimum flexibility to both carers and those they care for.

2.4. Description of the Tender process

The tender process was undertaken by Commercial Services in accordance with EU Directive 2014/24/EU, The Public Contracts Regulations 2015 and the Council's Contract Standing Orders.

The tender was managed via the Council's web based e-Tendering system ProContract, with advice from the Council's Legal services as needed.

The tender opportunity was advertised on 11th October through ProContract, the Official Journal of the European Union (OJEU) and Contracts Finder.

Prospective providers were made aware that the price was fixed at £14.45 per hour at least for the first year. Based upon current number of hours provided at both schemes, the cost of the new contract will be the same for the first year of the contract. The rate has been calculated as follows:

Item	Proposed Rate 2019/20 (1 hr)	45min	30min	15min	Comments
Contact time	9.33	7.00	4.70	2.30	Must be at least equal to the prevailing National Living Wage rate (Assumed - £8.20 for 2019/20)
Staffing on costs	2.27	1.70	1.13	0.57	24.3% of contact time to cover pensions, Training, sick pay and holiday pay, etc...
Business Running Cost	2.44	1.83	1.22	0.61	21% of contact and staffing on costs - at the discretion of the Council.
Profit	0.42	0.32	0.21	0.11	3% of overall cost - at the discretion of the Council.
Total cost per std hour	14.45	10.84	7.23	3.61	

Future increases

For subsequent years, the Council will adjust the indicative hourly rate to take account of the prevailing National Living Wage, if applicable. For demonstration purposes, assuming NMW is increased to £9.00 per hour in 2020/21, contact time will be adjusted by £0.80 (i.e £9.00-£8.20) to make it £10.13. Staffing 'on cost', Business running Cost and Profit rates will remain the same. The new rate for 2020/21 would be £15.69 per hour.

2.5. TUPE

All bidders were advised by the Council 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.

2.6. Tender Evaluation

All bidders were advised in the tender documents provided that the award of any contract would be in accordance with the evaluation criteria specified in the tender documents based on 100% quality, as the price was fixed.

A total of 8 bids were received. These were evaluated and moderated in accordance with the tender documents and as shown in Part B.

2.7. Evaluation Panel

An Evaluation Panel was established consisting of:

- (i) Supported Living Team Manager (ASC)
- (ii) Team Manager, Older People Services (ASC)
- (iii) Commissioning Officer (ASC)

Moderator: Category Advisor (Commercial Services)

2.8. Quality Evaluation (Method Statements)

During the period 12th November 2018 to 7th December 2018 the Evaluation Panel assessed each tender against pre-set evaluation criteria set out in Appendix 1. For details of Moderated scores, please refer to Part B.

3 ALTERNATIVE OPTIONS

3.1. The following alternative options were considered:

3.2. Cease to provide a service at all: The Council has a statutory duty under the Care Act 2014 to provide a service to those assessed to have a need. Therefore, this is not a feasible option as a key objective of the Council to encourage and assist all vulnerable adults who meet the Council's assessment criteria to live independently and stay healthy within their own homes. By not providing the Care and Housing Related Support service within Extra Care Schemes, would accelerate the move of older adults into a residential care setting and as a result compromise their quality of life and independence.

3.3. Extend the existing contract: This is not an option. The current contracts for Scheme 1 (Pantiles House) and Scheme 2 (Trellis House) expire on 30th April 2019 without any further extension options that could be utilised.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. The following key stakeholders were consulted at various stages throughout the tendering and evaluation process:

Internal:

Adult Social Care Commissioning Team
Commercial Services Team
Legal Services
Health and Safety Services Team
Corporate Accountancy Team
ASC Safeguarding Team

External:

Current providers
Other Local Authorities

5 TIMETABLE

- 5.1. The timetable to re-tender the service is as follows:

Stage / Activity	Dates
Publication of ITT	11 th October 2018
Last date for ITT clarification questions	17.00pm, 2 nd November 2018
Closing date for receipt of ITT	12.00pm, 12 th November 2018
Evaluation of ITT	7 th December 2018
LSG Meeting	28 th January 2019
Cabinet Meeting	18 th February 2019
Notification of the Councils intention to award	4 th March 2019
Standstill Period	5 th March – 14 th March 2019
Confirmation of award	15 th March 2019
Implementation	15 th March 2019 – 30 th April 2019
Contract Commencement date	1 st May 2019

- 5.2. The award of contracts to the two respective incumbent providers means there is no required mobilisation period and ensures that the new services at Pantiles House and Trellis House will commence on 1st May 2019, when the existing contract ends. This provides continuity of service for customers at both schemes

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

Details of financial implications can be found in Part B.

7 LEGAL AND STATUTORY IMPLICATIONS

As per the main body of the report, the services to be procured are subject to the Light Touch Regime. Under the Public Contracts Regulations (PCR 2015), there is no prescribed procedure for the procurement of light touch services. Contracting Authorities have flexibility to use any process or procedure they choose to run the procurement for light touch services, as long as the procedure is in compliance with the EU treaty principles and the mandatory requirements set out in PCR 2015 summarised below:

- i) OJEU Advertising: The publication of a contract notice (CN) or prior information notice (PIN). Except where the grounds for using the negotiated procedure without a call for competition could have been used, for example where there is only one provider capable of supplying the services required.
- ii) The publication of a contract award notice following the procurement.
- iii) Compliance with EU Treaty Principles of transparency, non-discrimination, and equal treatment.
- iv) Conducting the procurement in conformance with the information provided in the OJEU advert (CN or PIN) regarding: any conditions for participation; time limits for contacting/responding to the authority; and the award procedure to be applied.
- v) Time limits imposed by authorities on suppliers, such as for responding to adverts and tenders, must be reasonable and proportionate. There are no stipulated minimum time periods in the Light Touch Regime rules, and guidance suggests that contracting authorities should use their discretion and judgement on a case by case basis.

The Council has as per the main body of the report followed the Open Procedure and has up to the point of identifying the successful tenderers adhered to all of the relevant requirements of PCR 2015 and the EU Treaty Principles. The proposed award therefore presents no risk to the Council unless the Council omits to publish a contract award notice after all internal approvals have been obtained and the decision to award the contracts concluded.

It is important that contracts (on the same terms as issued with the ITT) are concluded with the winning bidders. Legal services if instructed will undertake this piece of work.

The Council will need to seek further advice on TUPE before a contract is entered into.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. The tender documentation submitted by all selected bidders was assessed against criteria developed to comply with current equalities, diversity and human rights legislation as well as Council Policy with regard to equalities, diversity and human rights.
- 8.2. The successful bidder(s) confirm that they would be able to meet these requirements.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. There are no specific implications affecting this tender.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 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 monitoring the contract through their own quality management and monitoring system (this will include: monitoring service delivery hours, service user outcomes achieved, monthly activities held and attended, analysis & investigation of complaints, monitoring of health and hygiene practices and at least annually a client satisfaction survey to identify any areas for improvement).
 - At least quarterly review meetings between the Council and the Service Providers in the first 12 months, thereafter reviewable.
 - The electronic submission at weekly, monthly and quarterly intervals by the provider to the Council of a range of statistical data (including: hours per week reports, no. of complaints, new referrals, referrals moved on, hours increased, activities held) to enable the Council to determine whether the provider is continuing to perform to the contract specification and performance targets.

- Adult Social Care Contracts team undertaking client satisfaction surveys at least annually to recipients of the service at each of the schemes to determine whether they are satisfied with the service received. A report of the findings will be produced with recommendations for the providers to comply to.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Part B - Tender Evaluation Process and Award Criteria

12 BACKGROUND PAPERS

The Council's Contract Standing Orders

The Council's Procurement Strategy