

PLYMOUTH CITY COUNCIL

Subject: Framework Agreement for Plymouth Supported Living Services
Contract Award Report

Committee: Cabinet

Date: 7 March 2017

Cabinet Member: Councillor L Bowyer

CMT Member: **Carole Burgoyne (Director for People)**

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Ref:

Key Decision: Yes

Part: I

Purpose of the report:

Supported living is the term given to encompass a range of services designed to help disabled or vulnerable people retain their independence in their local community.

Plymouth City Council, in partnership with NHS NEW Devon Clinical Commissioning Group, is seeking to reconfigure current Supported Living Services to enable the following key outcomes to be achieved:

- Promote independence
- Support a reablement approach to supported living
- Develop a sustainable workforce
- Manage choice and quality
- Connect people with their local communities
- Make better use of resources

To achieve this, Plymouth City Council and New Devon CCG agreed to establish a multi supplier framework of suitable service providers working to a new specification.

The support service is to be inclusive of all Adult Social Care and Health Care eligible clients, such as people who have a learning or physical disability, acquired brain injury, sensory loss and mental health need, along with other eligible health conditions and complex needs.

A competitive procurement process was followed and the report below sets out the result of the tender process and seeks approval from Cabinet for contract award.

For reasons of commercial confidentiality, the full details of the tender process are included within a separate part 2 report.

The Corporate Plan 2016 - 19:

The Supported Living Framework will support Plymouth to deliver an outstanding quality of life which is enjoyed by everyone through addressing three of the four key corporate objectives:

- **CARING Plymouth**

The proposed service framework will support people known to PCC, ASC and CCG who are vulnerable and need support to lead happy, healthy, safe and fulfilled lives through maximising independence and re-connection with their communities. The support services provided will adopt an outcome-focussed approach, and regularly review and reduce care hours as appropriate.

- **GROWING Plymouth**

The service will support a strong economy creating job opportunities by recruiting a local workforce.

- **PIONEERING Plymouth**

The development will make the best use of Council resources by supporting people in a way that makes the most efficient use of staff, promotes outcomes and reduces reliance on paid support.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land:

The value of contracts for new services for the same amount of hours will be, for PCC only, £15.08m in year one. This represents an additional financial commitment of approximately £1.5m for the first contractual year (July 2017 – July 2018) and takes into account the National Living Wage.

This increase in spend has been built into the Medium Term Financial Strategy.

Please note that this is based on current clients and support hours.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

These services will contribute towards the delivery of the Integrated Commissioning Strategies and the Local Plan.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? Yes

Recommendations and Reasons for recommended action:

To award contracts under the Framework Agreement for a period of up to 12 years. Every 3 years the Framework will be opened up to give new suppliers the opportunity to join the Framework Agreement, existing Framework suppliers will be required to resubmit their prices for new referrals only; prices for existing call-offs will remain the same.

Details of the successful suppliers are contained in the Part II report. The tender evaluation process has determined that they have the critical knowledge and experience to provide these services and that considering all evaluation criteria they have offered the 'most economically advantageous tender'.

Alternative options considered and rejected:

Extend Existing Contracts

The procurement of these services is subject to Plymouth City Council's Contract Standing Orders that state that any procurement over the threshold value of £150,000 p/a is to be competitively tendered.

Published work / information:

Equality Impact Assessment

Background papers:

Supported Living Commissioning Plan

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Supported Living Commissioning Plan		x			x					
EIA	x									

Sign off:

Fin	dn161 7.72	Leg	SC/2 5358	Mon Off	LT/25358	HR		Assets		IT		Strat Proc	HG/SPU/4 44/CP/021 7
Originating SMT Member Carole Burgoyne													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

I. BACKGROUND

Plymouth City Council and the CCG currently commissions support services in a variety of ways;

- Specialist framework agreements for people with learning disabilities who have social care or health funded care packages
- Spot purchasing on a case by case basis which is used across all client groups and the use of direct payments to purchase personal assistants
- Care & support agencies or live in carers to support people at home; cost and volume contract for placement management and block contracting.

I.1 Why do we need to change?

- The present supported living service pathway does not deliver an effective and consistent method of delivery that helps meet people’s needs to progress and maintain independence.
- Supported living services do not clearly assess and record the achievement of personal outcomes, which lead to greater personal independence and a reduced reliance on paid care.
- People need to be at the centre of how their care is delivered and empowered to make choices, learn new skills and take control of their lives. The culture of resistance to change around how supported living care packages are commissioned and monitored needs to be changed to a positive, enabling and outcome focused model.
- There needs to be clearer expectations for service providers about what they are commissioned to deliver in relation to individual and shared support models.
- There is an identified need to build and sustain sufficient capacity within specialist provider market in Plymouth to support people with highly complex needs. This includes current citizens and people planned to return from specialist provision out of the area.

I.2 The vision for supported living

NEW VISION FOR SUPPORTED LIVING



- All people are consistently supported to maximise their potential to be as independent as possible and live safely in their own homes. New ways of working and thinking are introduced to underpin this vision.
- A consistent reablement approach is embraced by all partners to improve individual levels of independence and positive risk taking which will also ensure that vulnerable people are kept safe.
- People are meaningfully connected with their local communities to promote health and wellbeing and reduce reliance on paid care where ever possible.
- A cohesive and consistent method of managing choice and quality is deployed across the sector.
- Care packages will be outcome focussed and have clear targets for review and reduction where required. Methodologies will be developed to identify and reward providers that are successfully delivering the vision across the sector.
- A well trained, skilled and sustainable workforce is employed to deliver the volume of care required to meet the level of eligible need across all client groups.
- Improvements in data collection and financial monitoring systems are utilised to deliver a programme of managing and reducing the on-going spend against the supported living budget.

1.3 Procurement Approach

Plymouth City Council carried out the procurement of this service on behalf of itself as principal and NHS Northern, Eastern and Western Clinical Commissioning Group (as Contracting Body) for a multi-supplier Framework Agreement for supported living to provide a range of community support services including support to maintain health and wellbeing, personal care, support with finances, social recreation, tenancy related support, underpinned with the principles of self-determination and choice.

A one stage process was followed, requiring interested suppliers to complete a Selection Questionnaire (to determine whether the organisation is an appropriate body with which to contract) and a Tender by the same date. (Usually the Council uses a two stage process requiring the submission of the Selection questionnaire first, with successful providers being invited to submit a Tender).

The tender was published on the 3rd November 2016 and interested organisations were required to return the completed documents by 12.00pm on the 5th December 2016.

The NHS Shorter Form Contract is being used in line with NHS England guidance.

2. PRE TENDER SELECTION CRITERIA

2.1 Selection Questionnaire

The National Selection Questionnaire (SQ) is a standard document issued by Crown Commercial Services.

The objective of the selection process was to assess the responses to the SQ and select potential Economic Operators to proceed to the next stage of the procurement.

SQ Section	Section Title	Question Type	Weighting (%)
Section 1	Potential supplier information, Bidding Model and Contact Details & Declaration	Information only	NA
Section 2	Grounds for mandatory exclusion	Self-Certification Pass/Fail	NA
Section 3	Grounds for discretionary exclusion	Self-Certification Pass/Fail	NA
Sections 4 & 5	Economic and Financial Standing and Guarantees	Self-Certification Pass/Fail	NA
Section 6	Technical and Professional Ability	Scored	25 %
Section 7	Modern Slavery Act 2015: Requirements under Modern Slavery Act 2015	Self-Certification Pass/Fail	NA
Section 8	Additional Questions		
Section 8.1	Insurance	Self-Certification Pass/Fail	NA
Section 8.2	Compliance with Equality Legislation	Pass/fail	NA
Section 8.3	Health and Safety	Pass/fail	NA
Section 8.4	Timescales	Pass/fail	NA
Section 8.5	Data Protection	Pass/fail	NA
Section 8.6	Quality Management	Pass/fail	NA
Section 8.7	Disputes	Scored	5 %
Section 8.8	Business Capability	Scored	30 %
Section 8.9	Social Value	Scored	13 %
Section 8.10	Safeguarding	Scored	27 %

In the event of the Supplier being awarded a 'fail' on any of the above criteria, the remainder of their Selection Questionnaire was not be evaluated and they were eliminated from the process.

These weightings and the scoring methodology for each section were published in the tender documentation.

A total of 20 SQs were received and the names providers who submitted Selection Questionnaires are contained in the Part 2 report.

18 SQs met the minimum threshold score of 77% and the tender submissions for these providers were evaluated.

3. TENDER EVALUATION METHODOLOGY

3.1 Evaluation weightings

The project evaluation weightings were agreed prior to despatch of the tender documentation and were published in the ITT.

Tenders were evaluated using the following scoring framework:

Award Criteria	Weighting (%)	Sub Criteria (%)	Weighting (%)
Financial	30	Price	30
Technical	70	Purpose	10
		Service Details/Performance	18
		Service Details	10
		Performance	12
		Quality Requirements	8
		Staffing	5
		Management & Operation	7

An overall threshold of 46.7% of the achievable marks for the technical element of the Tender was required to determine whether Tenderers met the minimum requirements. Any tenderer failing to achieve this threshold will not be awarded a contract under this framework agreement

3.2 Affordability Criteria

The maximum hourly rates, as below, will be published in the Invitation to Tender documentation. Tenders exceeding these rates will be penalised as follows:

Support	Maximum Hourly Rate	Action
Day or waking night	£14.65	Not considered as price is unaffordable.
Sleeping night – (9 hours from 10pm to 7am)	£7.65	Not evaluated as set price

These maximum threshold rates are based on the assumption that National Living Wage (NLW) for 2017/18 will be £7.65. If the actual NLW transpires to be different to this then all the hourly rates offered by the tenderers will be adjusted in line accordingly and allocated staff on-costs will also be reduced proportionally.

NB. Since going out to tender the NLW has been confirmed at £7.50 for 17/18.

3.3 Evaluation of self-certified sections on Contract Award

Self-certified sections (including Economic and Financial Standing; Insurances; Quality Management as well as Equality and Diversity; Health and Safety; Data Protection and Safeguarding policies/procedures) will be evaluated for the successful bidders only at contract award.

Tenderers who cannot provide this evidence shall be excluded from the process.

These documents will be evaluated against current legislative requirements and the minimum criteria detailed in the tender documentation and scored as follows:

Definition	Criteria	Consequence
Award	Documents fully comply with criteria detailed in SQ.	Contract awarded to successful tenderer
Award subject to	Documents mostly fully comply with criteria detailed in SQ and only minor amendments are required to bring them to full compliance.	Contract awarded to successful tenderer subject to them updating documents to a satisfactory standard before contract commencement
Fail	Documents do not or only partially comply with criteria detailed in SQ and major amendments are required to bring them to full compliance.	Successful bidder will be disqualified from the process. Consideration will be given to approaching the next placed bidder.

4. FINANCE

The forecast annual spend for 2016/17, for PCC only on the contracts being replaced by this tender is £13.6m. For the CCG the 2016/17 spend is approximately £4m.

The total hours for both commissioning areas are between 15,000 and 17,000 hours per week.

Contract prices will be uplifted as follows:

- Indirect/Non Staffing costs - rates will be uplifted once every three years in line with the CPI rate from the end of the proceeding financial year;
- Direct Staff Costs - staffing costs, as detailed by providers in the pricing schedule, will be uplifted annually in line with the percentage increase of the NLW.

Every 3 years the Framework will be opened up to give new suppliers the opportunity to join the Framework Agreement, existing Framework suppliers will be required to resubmit their prices for new referrals only; prices for existing call-offs will remain the same.

The new specifications focus on a 'reablement approach' and as such it is expected that current packages of support will reduce as people are supported to become more independent.

5. SERVICE USER INVOLVEMENT

This service is underpinned by consultation with service users and stakeholders and is centred on the key priorities that they have identified.

6. SUMMARY OF EVALUATION

Tenders were submitted on the 5th December 2016 by 20 suppliers. 18 organisations passed to the tender evaluation phase, 17 of which passed the minimum threshold value to be awarded a contract.

The resulting scores and outcome from the evaluation process are contained in a Part 2 report.