

Executive Director Adults and Health	Ref No: OKD26 19/20
December 2019	Key Decision: Yes
Recommissioning of Community Based Social Support Services for people with lifelong disabilities and/or autism	Part I and Appendix 2 Part II
Report by Head of All-Age Commissioning	Electoral Division(s): All

Summary

The Council is the lead commissioner of Adult Learning Disability (LD) services under the terms of a Section 75 agreement between the Council and the three West Sussex Clinical Commissioning Groups (CCGs). For 2019-20 the LD pooled budget is £100m, of which the Council funds 81.45% and West Sussex CCGs fund 18.55%

The Cabinet Member for Adults and Health (Report ref: [AH02 19/20](#)) approved the commencement of an open procurement of Community Based Social Support Services for People with Lifelong Disabilities and/or Autism.

and delegated authority to the Director of Adults' Services to:

- (a) award the contract to the bidder(s) that submit the most economically advantageous tender(s) which meets the requirements of the specification,
- (b) enter into the contract; and
- (c) agree to future extensions of the contract up to a maximum contract period.

As a consequence, a competitive procurement exercise was undertaken in accordance with the Public Contracts Regulations 2015 ("PCR").

The purpose of this report is to seek approval to award the contracts for the provision of Community Based Social Support Services for people with lifelong disabilities and/or autism Lot 1 (Independent Living) and Lot 2 (Employment Support). It also seeks approval of a decision not to award contracts following the Lot 3 (Community Connection) procurement.

West Sussex Plan: Policy Impact and Context

This proposal is in line with the West Sussex Plan priorities;

- 'Independence for later life',
- 'A prosperous place', and
- 'A strong, safe and sustainable place'.

In proposing changes that will reduce the need for long term support, the proposal is also in line with the assumptions on which the medium-term financial strategy is based and the recently approved Adults' Services Vision and Strategy 2019-21.

Financial Impact

The award of Lot 1 and Lot 2 will be for an initial contract period of 3 years with the ability to extend for a further 4 years subject to a satisfactory review of performance of the service. By delivering additional preventative activity, these contracts will contribute towards annual savings of £0.1m as a contribution towards the 2020/21 savings target from Lifelong Services included in the County Council's Medium Term Financial Strategy from 2020/21 onwards.

The funding allocated to Lot 3 will be used to deliver services and a revised procurement approach will be rapidly agreed. There will be no increased funding associated with the alternative options being considered. Whilst there may be a delay in delivering the expected savings through an expedited approach it is expected that the same benefits will be realised.

Recommendations

It is recommended that the Executive Director Adults and Health;

- 1) approves the award of the Community Based Social Support Services for people with lifelong disabilities and/or autism Lot 1 Independent Living and Lot 2 Employment Support contracts for an initial period of three (3) years commencing 1st April 2020; and
- 2) approves a decision not to award contracts following the procurement exercise for the Community Based Social Support Services for people with lifelong disabilities and/or autism Lot 3 'Community Connecting'.

Proposal

1. Background and Context

- 1.1. The Cabinet Member for Adults and Health approved the commencement of a procurement process, detailed within the Decision Report [AH02 19/20](#) to recommission these services for new contracts effective from 1st April 2020.
- 1.2. A Contract Notice was issued in the Official Journal of the European Union (OJEU) on 20th June 2019 (2019/S 119-291877). Further promotion of the requirement was made through the West Sussex e-Sourcing Portal and Contracts Finder.
- 1.3. Lots 1 (Independent Living) and Lot 2 (Employment Support);
 - 1.3.1. Were published together with the tender return due date of 9th September 2019 and a total of 67 organisations expressed interest in the opportunity for the two Lots on the e-Sourcing Portal. Each Lot was evaluated independently of each other and each evaluation panel comprised of Council Officers specific for each Lot.

- 1.3.2. The tenders for Lot 1 were evaluated by the evaluation panel between the 10th September 2019 and 17th September 2019 and a moderation meeting was held on the 18th September 2019 to discuss and agree final scores.
- 1.3.3. The tenders for Lot 2 were evaluated by the evaluation panel between the 10th September 2019 and 1st October 2019 and a moderation meeting was held on the 2nd October 2019 to discuss and agree final scores.
- 1.4. Lot 3 (Community Connecting) was made up of 24 areas of work. It was published separately with a tender return due date of the 7th October 2019 and a total of 37 organisations expressed interest in the opportunity for Lot 3 on the e-Sourcing Portal. The tenders for Lot 3 were evaluated by the evaluation panel between the 11th October 2019 and 18th October 2019 and a moderation meeting was held on the 24th October 2019 to discuss and agree final scores.
- 1.5. The tender evaluation criteria and evaluation model as detailed below was included in the tender documentation:

<u>Criteria</u>	<u>Lot 1 Weighting 100%</u>	<u>Lot 2 Weighting 100%</u>	<u>Lot 3 Weighting 100%</u>
Technical Element (70%)			
Method Statement Questions	70%	70%	70%
Commercial Element (30%)			
Total hours offered	21%	21%	30%
Total price offered	9%	9%	Pass/Fail

The quality element of the tender incorporated the use of minimum scoring to ensure that bidders achieved a minimum acceptable standard of service delivery.

Appendix 1 provides the tender evaluation model and Appendix 2 provides the summary of the final moderated scores.

The appointed Procurement Officer has ensured that the procurement process was compliant.

2. Proposal Details

- 2.1. It is proposed that the contracts for Lots 1 (Independent Living) and Lot 2 (Employment Support) are awarded.
- 2.2. Each contracts will commence on 1st April 2020 for an initial period of three (3) years with an option to extend for a further (4) four years. The value

for each contract is;

2.2.1. Lot 1 - £0.415m per annum (total for 3 years)

2.2.2. Lot 2 - £0.535m per annum (total for 3 years)

2.3. It is proposed that contracts are not awarded following the procurement process for contracts for Community Based Social Support Services for people with lifelong disabilities and/or autism Lot 3 'Community Connecting' and that other options to secure these services are pursued, for example, there are viable and lawful contingency options open to the Council.

2.4. There are a number of reason for not awarding the Lot 3 contracts;

2.4.1. There were an insufficient number of bids which has resulted in significant gaps in provision;

2.4.2. There were a low number of bids which has led to insufficient competition;

2.4.3. The continuation of this Framework Agreement would not meet the Council's needs.

Factors taken into account

3. Consultation

3.1 Consultation through soft market testing, consultation with service users and operational teams, engagement through an Employment Reference Group and the establishment of a commissioning steering group are described in the Decision Report AH02 19/20.

4. Financial (revenue and capital) and Resource Implications

4.1 Revenue consequences of proposal

	Current Year 2019/20 £m	Year 1 2020/21 £m	Year 2 2021/22 £m	Year 3 2022/23 £m
West Sussex County Council	n/a	1.06	1.11	1.15
NHS Clinical Commissioning Groups	n/a	0.20	0.21	0.22
Total Funding	n/a	1.26	1.32	1.37
Contract Costs (Lot 1 & 2)	n/a	0.95	0.97	0.99
Remaining budget (Lot 3)	n/a	0.31	0.35	0.37
Annual savings expected to be enabled in care costs	n/a	0.05	0.05	0.05

4.2 *The effect of the proposal*

The proposal will allow the continuation of the council's prevention offer which leads to:

- a) Increasing 'community inclusion' at a local level;
- b) Build resilience and independence;
- c) Move people from unemployment to employment; and
- d) Improve people's health and wellbeing.
- e) £0.1m per annum will become available through anticipated reduction in demand for higher tariff social care interventions and so contribute towards the delivery of the 2020/21 savings target from Lifelong Services.

These services contribute to the delivery of statutory functions under the Care Act 2014 to promote individual wellbeing, prevent or meet needs for care and support, through providing information or advice and less intensive or service focused options.

4.3 *Future transformation, savings/efficiencies being delivered*

The new services will have improved performance due to specific outreach activity to achieve specified prevention outcomes. The specification for each contract seeks greater reach and increased activity delivering enhanced value for money.

Through delivery of these preventative services there will be an anticipated reduction in demand for higher tariff social care interventions and an increase in signposting to community based provision. This supports the corporate approach to prevention as a means to deliver return on investment. From a combination of those outcomes it is expected that these contracts will contribute to savings in the order of £0.1m per year and so add towards delivery of the 2020/21 savings target from Lifelong Services.

4.4 *Human Resources, IT and Assets Impact*

None identified.

5. Legal Implications

5.1 This report seeks approval to award the contracts for Lot 1 and Lot 2 following the procurement exercise process and for the Council to enter into its contract for the Provision of Community Based Social Support Services – Living Independently and Supported Employment.

5.2 Capita Procurement Services conducted the procurement exercise on behalf of the Council and as such are required to ensure the process was in compliance with the PCR and the Council's Standing Orders on Procurement and Contracts.

5.3 There is a slight risk in relation to the proposal to not award a contract

following the Lot 3 procurement exercise. The Council has an implicit right under the PCR to not award a contract following a procurement process and in this instance the Council expressly reserved its right in its Invitation to Tender ("ITT") not to award a contract for any part or all of the services.

- 5.4 The decision not to award the Lot 3 contract is related to the council's assessment of whether it is expedient and in the public interest to carry the award procedure to its conclusion for the reasons given at paragraph 2.4.

6. Risk Implications and Mitigations

Lots 1 and 2	
Risk	Mitigating Action (in place or planned)
Changes to the model of delivery to a Lifelong Disability and Autism approach might increase demands on the services.	The contract allows the Provider to prioritise the offer of the service to those that appear in greatest need and they must actively work with mainstream services to ensure that people who are signposted onto them are able to access those services.
Failure for the new outcomes based model with a tiered approach to be delivered on and from the service commencement date.	This is mitigated by the mobilisation plan that will be robustly monitored by the Council. The Service Provider will be required to sign the contract before the commencement date.
Lack of internal resources to effectively manage the contracts.	Through internal governance and escalations any impeding risks will be raised.
The risk of the service provider failing to deliver the services during the life of the contract.	Robust contract reporting and management provisions with good relationships built between the service provider and the Council.

Lot 3	
Risk	Mitigating Action (in place or planned)
Legal challenge in relation to decision not to award contract	The Council has an implied right to not award a contract following a procurement. The Council has been clear with the market that it reserves the right to not award and that it will not accept liability for any costs associated with the decision not to award. The risk of challenge is therefore considered low.
Services delayed	This will be mitigated by expediting our approach to secure the services including working differently with schools and working with current providers.
Ability to expedite a new procurement.	Through internal governance and escalations any impeding risks will be raised.
Reputational	This will be mitigated by feedback to the market about the approach. Any additional work organisations have to do will be minimalised.
Impact on financial savings	There are a number of viable procurement options to mitigate gap in services and therefore expected to deliver the same benefit.
Relationship with the market	Offer clear feedback and commitment to explain.

7. Other Options Considered (and reasons for not proposing)

7.1 Alternative procurement options were considered as part of the Key Decision Report ([ref AH02 19/20](#)).

8. Equality and Human Rights Assessment

8.1 There are no foreseeable Equality and Human Rights Act implications associated with this proposal.

8.2 The specific needs of vulnerable groups within the population have been used as assessment criteria within the evaluation process.

9. Social Value and Sustainability Assessment

9.1 Social Value was included within part of the Key Decision Report ([ref AH02 19/20](#)) and subsequently included in the procurement process as award criteria.

10. Crime and Disorder Reduction Assessment

10.1 The contract requires the Service Provider to have systems and procedures in place to safeguard adults, children and young people from abuse, exploitation and neglect.

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Appendices

Appendix 1 Tender Evaluation model

Appendices Part II

Appendix 2 Summary of Scores

Background papers

None