

Report to Keith Hinkley, Executive Director of Adults and Health

July 2021

Supported Living Services (Adults with Lifelong Disability, Autism, Mental Health) Award Report

Report by Alison Nuttall - Commissioning Lead; All Age Services - West Sussex County Council and CCGs

Electoral division(s): All

Summary

Further to decision [AH08 20/21](#) this report seeks authority to award a place on the Framework Agreement to 60 Service Providers following a procurement process. Where an organisation makes a successful application to join the Open (Pseudo) Framework, once it goes live in August 2021, then new **appointments** to the Framework **and contract awards under the Framework** will be approved under the Exec. Director onward scheme of delegation.

Recommendation

The Executive Director Adults and Health is asked to approve that the Service Providers named in this report are awarded on to the Open (Pseudo) Framework Agreement **and that a system for operation of the Framework (including subsequent appointments to the Framework and awards of contract under the Framework, as described in this Report) is put in place**. The Open (Pseudo) Framework Agreement will commence from 1st August 2021 for an initial period of 4 years with the option to extend for a further 4 years.

Proposal

1 Background and context

- 1.1 The decision to commence a procurement process for the Supported Living Services was taken in August 2020 ([AH08 20/21](#)).
- 1.2 Following this decision, a tender utilising the Open Procedure was advertised on 18th February 2021 via the County Council's SE Shared Services Tendering Portal, Contracts Finder and UK Find a Tender Service.
- 1.3 Compliance checks were undertaken on the tender submissions from the 22nd April 2021 to ensure all schedules that were required were duly submitted and that tenders were complete and compliant.

- 1.4 The technical element of the tender featured responses to method statement questions to determine the ability of the bidders to deliver the required services. Minimum scoring ensured a minimum acceptable standard response.
- 1.5 The tenders were evaluated by the evaluation panel from the 4th May 2021 with moderation meetings taking place between the 8th and 18th June 2021 to discuss and agree final scores.
- 1.6 Following the moderation meetings, the bidder's technical scores were added to the scores achieved from the commercial evaluation (except for Lot 1a Live In Care Services which was 100% technical at this stage).
- 1.7 Bidders submitted financial information and WSCC Commercial Finance carried out checks to ensure their financial stability.
- 1.8 The appointed Procurement Manager has ensured that the procurement process was compliant.

2 Proposal details

- 2.1 It is recommended that the Executive Director of Adults and Health approves the award of a place on the Supported Living Open (Pseudo) Framework to the following Service Providers:

Lot 1	Lot 1A Live In	Lot 2	Lot 3
A1 Quality Homecare	A1 Quality Homecare		
		Accomplish Group *	Accomplish Group
Active Prospects *		Active Prospects *	Active Prospects
		Adelaide Care *	Adelaide Care
	Agincare Live In		
Agincare Uk Limited *	Agincare Uk Limited	Agincare Uk Limited	Agincare Uk Limited
Aldingbourne Trust *		Aldingbourne Trust *	
Allerton C and S SE	Allerton C and S SE	Allerton C and S SE	
Allied Care *	Allied Care	Allied Care *	
		Arundel Domiciliary Care *	Arundel Domiciliary Care
Ashcroft Care *		Ashcroft Care *	Ashcroft Care
		Ashton Care	
Aspens Charities *		Aspens Charities	
Aspirations Care *		Aspirations Care *	Aspirations Care
Assist Care *			
Brighton Housing Trust *			
Care 7	Care 7	Care 7	Care 7
Caremark Chichester *	Caremark Chichester	Caremark Chichester	
Caremark Ltd *	Caremark Ltd	Caremark Ltd	
		Caretech Community Service	Caretech Community Service
Circles Network *			
Community Homes Of Intensive Care Education			
		Community Integrated Care	Community Integrated Care
Dignity Group *			
Dimensions UK *		Dimensions UK *	Dimensions UK
		Dolphin Homes	Dolphin Homes
Egalite *		Egalite *	Egalite
		Field Lane *	
Fitzroy *		Fitzroy	Fitzroy
Frame of Mind *			
Frontline Associates Supported Tenancies *		Frontline Associates Supported Tenancies	
GN Care Services	GN Care Services	GN Care Services	
Guild Care		HFT Trust *	
Home Group	Home Group	Home Group	Home Group
Independent Lifestyles *		Independent Lifestyles *	

L'Arche *		L'Arche	
		Leonard Cheshire *	Leonard Cheshire
		Lifeways Community Care *	
MERC12	MERC12	MERC12	
		Next Step Support	
Phoenix Care Sussex			
Salisbury Support Services *		Salisbury Support Services *	
SDR Care	SDR Care	SDR Care	
Sillywater *	Sillywater	Sillywater	
Southdown Housing *		Southdown Housing *	Southdown Housing
Steps 2 *		Steps 2	
		Supporting Independence *	
Taylor Grace *	Taylor Grace	Taylor Grace	
The Apuldram Centre *		The Apuldram Centre *	
		The Avenues Trust	The Avenues Trust
The Butterfly Project		The Butterfly Project	
		The DT Group *	
The Regard Partnership *		The Regard Partnership	The Regard Partnership
Turning Point	Turning Point	Turning Point	Turning Point
United Response *		United Response *	
Venture People *		Venture People *	Venture People
Voyage 1 *		Voyage 1	Voyage 1

- 2.2 Service Providers who will transfer existing business across to the new Framework are shown with an asterisk*.
- 2.3 The services will commence from 1st August 2021 for an initial four (4) year period to 31st July 2025, with the option to extend for a further period or periods of up to four (4) years.
- 2.4 The Open (Pseudo) Framework will be open all the time to new Service Providers to join throughout the Agreement Term. Where an organisation makes a successful application to join the Framework once it goes live in August 2021, then new awards will be approved under the Exec. Director onward scheme of delegation.
- 2.5 ***Applications to join the Framework from 1st August 2021 will be assessed in the same manner as initial appointments to the Framework: applicants for all Lots (excluding applications to provide Live in Care Services under Lot 1) will submit method statements and pricing schedules to be assessed as to 80% quality and 20% price. Applicants for Live in Care Services will be assessed as to 100% quality and subsequent awards of Live in Care Service contracts will be made following mini-competition including submission of pricing schedules. Evaluation will be 100% price following a pass/fail capability test.***
- 2.6 ***The approximate value of existing packages of care services that will transfer onto the new framework (from the old framework) on 1 August 2021 is circa. £38 million per annum. The annual budget for care services under the new framework is £45m and it is anticipated that new contracts for care services will be let on an annual basis under the new framework (as existing packages of care come to an end and as new customers are identified). The anticipated value of a number of contracts over the initial 4 (four) year duration of the framework is likely to exceed the threshold contract value of £500,000 that would usually trigger the requirement for a key decision. Some of the existing packages of care transferring onto the new framework will exceed that threshold value over the initial four year term of the framework and it***

is estimated that a further 45 new contracts per annum may also exceed that value over the duration of the framework.

- 2.7 *The requirement for new packages of care to be let under the framework are identified by a customers allocated social worker. The requirements of each new customer are assessed and an estimated value is identified. The proposed care package is approved through an established process that includes approval via a team manager and scrutiny at a Best Practice Forum and approval from the appropriate budget holder. Any proposed packages of care that are likely to exceed £500,000 in value are approved by the allocated budget holder.*
- 2.8 *The process of award of contracts under the framework will depend on the type of services required (i.e. the relevant Lot from which services are to be drawn). Providers delivering Live in Services will be required to tender under "mini-competition" for new contracts and having already been assessed on quality in their appointment to the framework, the contract award will be based 100% on price (where providers demonstrate capacity/ability to deliver the contract service). Outreach services will be procured by requesting all appropriately qualified providers to provide an estimate for the required services (subject to their maximum framework pricing). Contract award will be based on a number of factors including price and customer preference. Contracts for accommodation based and specialist and intensive support services will be let on a similar basis but with a stronger bias in favour of customer preference and where there is no customer preference, on the basis of lowest cost or original tender score.*
- 2.9 *The system required to be established for operation of the Framework Agreement must therefore cover:*
 - a. *Approval of new appointments to the framework on an ongoing basis following the same procedure of assessment of financial and technical standing and evaluation of bidder pricing (other than for Live in Services where assessment will be based 100% on quality);*
 - b. *Identification of new contracts to be let under the framework and approval of the anticipated value of the new contracts by the appropriate budget holder;*
 - c. *Undertaking the competition / award procedure according to the framework terms and identifying the preferred provider for each contract at the end of that process; and*
 - d. *Award of the new contract to the preferred provider (including contracts which may exceed £500,000 in value over the period of the framework).*

3 Other options considered (and reasons for not proposing)

- 3.1 Alternative options were considered as part of Decision Report ref [AH08 20/21](#).

4 Consultation, engagement and advice

- 4.1 The consultation was detailed in Decision Report ref [AH08 20/21](#).

5 Finance

5.1 Revenue consequences - The level of expenditure that will be incurred under the new Framework cannot be specified with certainty. The reasons for this are as follows:

- Service Providers will be added to the Open (Pseudo) Framework who fulfil the County Council's assessment criteria, part of which will be affordability. However, there will be no guarantee of business and expenditure will depend on the number of hours of service that are delivered.
- As this is an Open (Pseudo) Framework not all Unit prices will be known at the outset since new Service Providers may join the Framework over time offering different prices. Even though a 4% (2020/21) and 1.75% (2021/22) increase was agreed as a fees uplift, factors such as the National Living Wage, Covid-19 and the impact of Brexit on the availability of people to work in care could result in an increase in costs greater than simple inflationary growth.

5.2 The current forecast spend for the Supported Living Provision is estimated at circa £45m per annum, with an estimated total value of £360m over the maximum Framework Agreement term. This will be funded from existing budgets.

5.3 The effect of the proposal:

(a) **How the proposal represents good value**

Supported Living is a cost-effective form of service provision, and one of the main aims of the procurement was to secure an increase in service availability. The successful bidders collectively will deliver an increase in service delivery in the following areas:

- Creating more competition by growing the Supported Living Provider market: This helps to keep prices down, creates a wider range of choice of services and enables the County Council to increase the number of placements made in supported living instead of residential care.
- Increase the number of customers placed in more appropriate and often cheaper settings: If there are no choices in the market and a person is in urgent need of a service, the social care team has no other option but to make placements that are overprovision or out of area.
- It will support a community placement of people who have behaviours that challenge services, who require intensive and specialist accommodation-based services: this will mean fewer people will be admitted into either high-cost hospital placements for their care or placements that do not provide the specialised support needed.

(b) **Future savings/efficiencies being delivered**

- Work with Service Providers on opportunities to manage costs, both through focusing on outcomes and moving people on as their needs change and lowering levels of support as required. There is an expectation of this in the Terms and Conditions of the Framework.

- The ability of Supported Living services to increase independence and reduce support levels over time. Supported living services are more able to do this than residential services.
- Work with Service Providers to develop a step-down pathway whereby people can move out of hospital or residential care into more independent and less costly services.

(c) **Human Resources, IT and Assets Impact**

TUPE information is not relevant at this stage. It may apply should the Council reallocate contracts upon a Service Provider Framework suspension and/or termination.

There is no impact on IT or Assets.

6 Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
Risk of Challenge	A fully compliant process that meets Standing Orders and procurement regulations.
Risk of Service Provider failure	As part of the tender process, financial standing checks have been undertaken by WSCC Commercial Finance. All Service Providers passed the relevant checks and the awarded Framework Agreements are within the value limits recommended by WSCC Commercial Finance.
Risk of disruption due to change in Service Provider	<p>Service Providers with existing packages of support will transfer their existing packages to the new Framework at existing prices if they are appointed to the new Framework.</p> <p>In a situation where a Service Provider is not appointed it is proposed that existing contracts may be transferred to spot contracts or may be re-allocated.</p> <p>Mobilisation plans will be agreed and in place with regular meetings during the mobilisation period.</p>
Risk of Service Provider failure impacting on services available to customers	<p>A Senior Commissioning and Contracts Officer (Supported Living Framework) will ensure appropriate levels of contract management, performance monitoring and quality assurance.</p> <p>Monitoring of financial due diligence of Service Providers with high risk or high impact of Service Provider failure.</p>
Increasing costs of services	Existing packages of support on the current framework will transfer to new Framework at existing prices.

Risk	Mitigating Action (in place or planned)
	<p>Maximum Ceiling Rates for Lot 1 (exc. Lot 1a) and Lot 2 help to ensure prices are kept under control.</p> <p>Lot 3 bidders submit their maximum hourly rate. There is no Ceiling Rate. Price is scored on comparative/relative basis to the lowest price tendered.</p>

7 Policy alignment and compliance

- 7.1 The Supported Living Framework contributes to the following West Sussex County Council 'Our Council Plan' priorities:
- Keeping people safe from vulnerable situations.
 - A sustainable and prosperous economy.
 - Helping people and communities to fulfil their potential.
 - Making the best use of resources.
- 7.2 The services will work in the communities of West Sussex, and so support the local economy with recruitment of a local workforce.

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Background papers

None