

**ANGUS COUNCIL**

**ANGUS COUNCIL – 24 MARCH 2016**

**PROVISION OF SENSORY SERVICES IN ANGUS**

**REPORT BY MARGO WILLIAMSON, STRATEGIC DIRECTOR - PEOPLE**

**ABSTRACT**

This report advises committee of the procurement strategy for the provision of sensory services in Angus and seeks approval to implement the strategy.

**1. RECOMMENDATIONS**

It is recommended that Angus Council approves that we undertake a competitive tendering exercise for the sensory services;

**2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN**

This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- 1 We have a sustainable economy with good employment opportunities.
- 8 We have improved the health and wellbeing of our people and inequalities are reduced.
- 9 Individuals are supported in their own communities with good quality services.

**3. BACKGROUND**

3.1 Reference is made to Item 8 of the minute of meeting of the Social Work and Health Committee of 12 August 2014 which notes approval of Committee Report No 318/14 and the agreement that:

- a consultation with service users of all ages will be undertaken to identify the key requirements that a future visual impairment service in Angus should contain prior to entering into contractual negotiations; and
- a further update report will be provided to a future Social Work and Health Committee outlining progress made prior to entering into contractual negotiations.

3.2 Angus Council commissions a specialist social work service for adults who are deaf and a guide communicator service from North East Sensory Services. These contracts were entered into by Tayside Procurement Consortium with North East Sensory Services on a collaborative basis with Dundee City Council and Perth & Kinross Council.

3.3 Angus Council also commission the provision of a visual impairment service from North East Sensory Services. This service was negotiated with North East Sensory Services and is provided by them in Angus only.

**4. CURRENT POSITION**

4.1 The contracts in place with North East Sensory Services for a specialist social work service for adults who are deaf, a guide communicator service, and the provision of a visual impairment service end on 30 September 2016.

## **5. PROPOSAL**

- 5.1 It is proposed to change the way that services for adults who are deaf is delivered from a specialist social work service to a specialist communication, support and equipment service, including advocacy for people who are deaf and who may also require a guide communicator service.
- 5.2 The new draft service specification was shared with providers, individuals who have a sensory impairment and carers. The service specification for the provision of a visual impairment service has also been shared with providers, individuals with a sensory impairment and carers.
- 5.3 Comments on the draft service specifications have been received from 2 providers and their comments have been taken into consideration when developing the service specifications.
- 5.4 Following consultation events which were held across Angus during January 2016, the Scottish Council on Deafness has prepared a report of the findings and presented it at the providers' forum on 29 February 2016.
- 5.5 It is proposed to undertake a competitive tendering exercise for the sensory services in order to obtain best value for the provision of the service.

## **6 PROCUREMENT AUTHORITY / STRATEGIES / PROCUREMENT PROCEDURES**

### **6.1 Procurement Authority**

The procurement is not considered to be a 'major procurement' in terms of Financial Regulation 16.8.4. Approval of this report would mean that Angus Council can proceed with a competitive tendering exercise for the provision of sensory services in Angus. The contract award will be reported to the Policy and Resources Committee for noting only.

### **6.2 Procurement Strategy**

#### Supply Market

A Prior Information Notice was posted on Public Contracts Scotland portal to establish the competitiveness of the market and to give providers the opportunity to be involved in shaping future sensory services in Angus.

Eleven providers expressed an interest in the sensory services. A Providers' Forum was held in July 2015 and six of the providers who noted an interest attended.

A key issue which was raised by providers was how the contract would be awarded, ie by lots or as one contract. Many of the providers who attended were small organisations and advised that if the contract were to be awarded as one contract they would not be in a position to tender. It was agreed by Angus Council that the tender opportunity would be awarded in lots, one for deaf services and one for visual impairment services. Providers will be able to tender for either lot or both. Undertaking the tender in this manner will not exclude the smaller organisations and will generate competition which is likely to deliver best value to Angus Council for the provision of these services.

The Scottish Government has worked with partners representing local authorities, health boards and the third sector to develop a Scottish Sensory Impairment Strategy: "See Hear – A Strategic Framework for Meeting the Needs of People with a Sensory Impairment in Scotland".

See Hear takes a practical approach and sets out a model care pathway and 7 recommendations which should ensure that individuals and service providers have a clear understanding and expectation of what services are available and will be delivered, and a clear understanding of the support that should be available following diagnosis of a sensory loss.

One of the aims of the See Hear Strategy is that there will be "a seamless provision of assessment, care and support to children and adults with a sensory impairment". If the

contract were to be awarded to more than one provider the terms and conditions of the contract would be such that partnership working between providers is established. This would be monitored by way of contract management.

It is proposed that the contract opportunity will be undertaken as an “open procedure” tender.

#### Collaboration

Discussions have taken place between Angus Council, Dundee City Council and Perth & Kinross Council and it has been agreed that future commissioning of sensory services will be undertaken by each local authority independently. The main reason for this decision is that the resources available are too small to operate well across the geographical expanse of Dundee, Angus and Perth & Kinross.

#### Consultation

##### **Service User and Carer Consultation**

The Scottish Council on Deafness was commissioned to engage and consult with children and adults who have a sensory impairment (ie people who are deaf, hard of hearing, deafblind, blind, partially sighted etc) and carers who live in Angus.

The aim of the consultation was to gain the views of individuals who have a sensory impairment and their carers of what they would like future service delivery to be in Angus.

The Scottish Council on Deafness attended the Providers' Forum on 29 February 2016 to present the findings from the consultation and how this impacts on the future services to be commissioned. (A copy of the report prepared by Scottish Council on Deafness is attached as Appendix 1).

#### **Providers**

Providers' Fora were held in July 2015 and on 29 February 2016. The purpose of the Providers' Forum was to involve providers at key stages to gain their views on future service delivery. It also gave Angus Council the opportunity to discuss with providers openly about the tendering process and to take into account their views.

#### Duration of the Contract

It is envisaged that the contract will commence on 1 October 2016 for a three year period with an option to extend for a further 2 years.

### **6.3 Procurement Procedure**

It is considered that a one stage (“open”) tender procedure would be the best means of procuring the required services. This is because

- (a) it is not anticipated that there will be a high volume of interest in bidding for the contract; and
- (b) the timescale for the process is limited and the open procedure will assist in meeting the timescale.

All tenders received which meet the pre-qualification criteria will be evaluated.

The contract opportunity will be openly advertised on the Public Contracts Scotland portal in accordance with Council policy and as a means of securing good competition to deliver best value for money.

## Pre-Qualification Evaluation

The first stage of the process is the pre-qualification evaluation.

The first stage of evaluation will involve screening of criminal convictions and business probity to determine eligibility to tender.

The second stage will involve the assessment of economic and financial standing against pre-defined, risk based financial criteria; in line with the Council's risk based decision matrix. Those providers meeting the financial criteria will automatically advance to the third stage.

The third stage will involve the assessment of provider defined 'must haves' as follows:

- Satisfactory Recruitment and Selection Policy (Pass or Fail);
- Evidence of Provider's procedure or intended procedure for compliance with the PVG Scheme (Pass or Fail);
- Satisfactory Safeguarding/Risk Assessment Policy (Pass or Fail);
- Satisfactory insurance cover (Pass or Fail);
- Satisfactory Health and Safety policy (Pass or Fail);
- Satisfactory Equality and Diversity policy (Pass or Fail);
- Satisfactory Human Rights policy (Pass or Fail);

The fourth stage will involve analysis of the provider's suitability to provide the required services. The assessment will be made against a pre-defined set of quality weighted criteria as detailed below:

- Values and Culture – Outcomes and Risk  
– weighting 15%
- Values and Culture – Service User Involvement in Service Planning  
– weighting 15%
- Organisational Management Structure (Organisational Vision/Leadership and Management)  
– weighting 25%
- Quality Assurance Mechanism – Qualifications and Training  
– weighting 15%
- Quality Assurance Mechanism – Staff Retention Arrangements  
– weighting 15%
- Quality Assurance Controls – Systems  
– weighting 15%

Those providers gaining the minimum acceptable weighted score in each criterion will have their total weighted score calculated and proceed to the next stage of the evaluation.

## Invitation to Tender Evaluation

Completed tenders shall be evaluated and the contract will be awarded on the basis of the most economically advantageous tender, on a mix of quality and price. The price/quality split applied will be 70% / 30% in accordance with Financial Regulation 16.14.2. The evaluation criteria and weightings will be:

### **Deaf Services**

- People who are deaf are made aware of the range of services available to them and supported in accessing and making a choice of the service(s) they want – weighting 3%
- People who are deaf are encouraged and enabled to lead an active and independent life – weighting 3%

- People who are deaf are supported by their peers to meet their assessed individual outcomes – weighting 3%
- People who are deaf are supported in accessing educational and training opportunities – weighting 3%
- Staff identified by the Council are provided with bespoke training in relation to hearing impairment – weighting 3%
- People who are deaf receive a seamless a service as possible – weighting 3%
- People who are deaf are supported in accessing a range of social opportunities within their local community – weighting 3%
- Carers of people who are deaf are supported within their caring role eg in understanding the hearing condition in question and how it impacts on the service user - weighting 3%
- Children and young people who are deaf are supported during periods of educational transitions – weighting 3%
- People who are deaf are supported in expressing their views about service provision in Angus – weighting 3%

### **Visual Impairment Services**

- People who have a visual impairment are made aware of the range of services available to them and supported in accessing and making a choice of the service(s) they want – weighting 3%
- People who have a visual impairment are supported to achieve their personal outcomes through the provision of services which are underpinned by principles of enablement – weighting 3%
- People who have a visual impairment are supported by their peers to meet their assessed individual outcomes – weighting 3%
- People who have a visual impairment are supported in accessing educational and training opportunities – weighting 3%
- Staff identified by the Council are provided with bespoke training in relation to visual impairment – weighting 3%
- People who have a visual impairment receive as seamless a service as possible – weighting 3%
- People who have a visual impairment are supported in accessing a range of social opportunities within their local community – weighting 3%
- Carers of people who have a visual impairment are supported with their caring role eg in understanding the eye condition in question and how it impacts on the service user – weighting 3%
- Children and young people who have a visual impairment are supported during periods of educational transitions – weighting 3%
- People who have a visual impairment are supported in expressing their views about service provision in Angus – weighting 3%

## **6.4 Procurement Risks**

Risk identified as part of the Procurement Strategy process were assessed and mitigating actions noted as below:

- Continuity of service: Contingency plan to be put in place. Appropriate terms and conditions will be included in the contract in terms of business continuity/contingency;
- Demand for service: Monitoring information provided by the provider(s) will give Angus Council an indication of the number of active cases and the number of new referrals each quarter;
- Supplier dominance in the market: Advertising on Public Contracts Scotland portal will increase awareness of this tender opportunity within the market. If awarded by lots then may be more than one provider commissioned to provide the service;
- Quality of service: The draft service specifications have been shared with the providers. The final versions will be available to download from the Public Contracts Scotland portal and will detail the level of quality expected by the potential bidder. Quality criteria and weightings have been established and are detailed above. Ongoing monitoring of the Provider(s)' performance form part of the contract monitoring process.
- Provider failure due to bankruptcy etc: Potential bidders' financial viability will be assessed at pre-qualification evaluation. Ongoing financial viability will be assessed as part of the contract monitoring process;
- Risk of adverse impact on third sector suppliers: Members of the third sector have been consulted on this service by way of the Providers' Forums;
- Uncontrolled increase in cost of service: Use of one of the following pricing methods - Consumer Price Index (CPI), fixed cost for the first 3 years of the contract, or providers are asked to give a price for year 1, 2 and 3;
- Poor uptake of service: the provider(s) and Angus Council to promote the service;
- Service does not meet the outcomes in relation to consumption/price: Appropriate key performance indicators will be in place to monitor this service;
- Confidentiality: Ensure that the provider(s) handle confidential data appropriately. Terms and conditions contained within the contract to address this; and
- TUPE: Provision in the contract to address this.

## **7. FINANCIAL IMPLICATIONS**

The estimated annual value of the contract is £126,249. This is based on the existing funding allocated to the current contracts.

The estimated value of the contract over its duration, including extension, will be £631,245. This does not include any uplift for the period of the extension.

The budget for the contract will be contained within the Adult Care budget.

**NOTE:** The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

- Committee Report No 318/14

**REPORT AUTHOR:** Les Hutchinson, Head of Quality and Performance  
**EMAIL DETAILS:** PEOPLE@angus.gov.uk