

**ANGUS COUNCIL**

**SOCIAL WORK AND HEALTH COMMITTEE – 11 NOVEMBER 2014**

**FRAMEWORKS FOR THE PROVISION OF PERSONAL CARE AND HOUSING SUPPORT SERVICES INCLUDING HOME BASED RESPITE SERVICES**

**REPORT BY STRATEGIC DIRECTOR - PEOPLE**

**ABSTRACT**

This report advises committee of the engagement which was carried out to inform the procurement strategy; notifies members of the outcome of the tender evaluation process and seeks permission to award places on the supply frameworks for personal care and housing support, including home based respite services. It also seeks approval for the interim arrangements.

**1. RECOMMENDATIONS**

It is recommended that the Social Work and Health Committee authorises:

- (i) the placement of providers on the supply frameworks;
- (ii) the transitional arrangements for organising services under Self-Directed Support (SDS) Option 2;
- (iii) that current contracts are honoured under spot purchase agreements in place prior to commencement of the frameworks until such times as the supported person wishes to end their agreement with the provider or their agreement is otherwise terminated.

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

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

- 1 We have a sustainable economy with good employment opportunities;
- 7 Our communities are safe, secure and vibrant;
- 8 We have improved the health and wellbeing of our people and inequalities are reduced;
- 5 Individuals and families are involved in decisions which affect them;
- 9 Individuals are supported in their own communities with good quality services.

**3. BACKGROUND**

3.1 Reference is made to Report 583/13 approved by Social Work and Health Committee on 7 November 2013 which approved the commencement of the procurement strategy and sourcing route for the above frameworks under SDS. At that time it was anticipated that the projected award of contracts would be 1 October 2014. This date has now been amended to 8 December 2014.

3.2 Pre-tender provider market research was carried out via a 'Prior Information Notice' placed on the Public Contracts Scotland portal between 22 November 2013 and 10 January 2014. The Prior Information Notice included a questionnaire which enabled providers to comment on the proposed procurement strategy, in particular the tender evaluation methodology. The feedback was used to inform the specification of requirements and tender evaluation criteria.

- 3.3 Service user engagement was carried out via the Council's 'Have your Say' webpage between 18 November 2013 and 6 December 2013 and at a carers' event in November 2013. Responses were received from 30 supported people and 32 parent/carer/guardians. Feedback from the research process was published on the Council's 'What You Said' webpage. The feedback was included in the specification of requirements contained in the Invitation to Tender.
- 3.4 A pre-tender briefing and awareness session was held on 6 December 2013 which was attended by 48 providers.
- 3.5 The sourcing process used was an open procedure with the tender open period being between 2 May 2014 and 4 July 2014. 26 tenders were received as detailed in Appendix 2.
- 3.6 All tenderers have been assessed against the criteria detailed in Committee Report 583/13 with the exception of "satisfactory human rights policy (pass or fail)". When assessing the tenders, it was identified that, across the sector, providers do not generally have a written human rights policy. As the assessment was either pass or fail, this would have led to an unviable number of providers. All providers were assessed against the other criteria and no weighting or adjustment was made for the existence of a human rights policy.

#### **4. CURRENT POSITION**

- 4.1 Current contracts are in place with providers as detailed in Social Work and Health Committee Report 583/13. It is recommended that current contracts are honoured under spot purchase agreements in place prior to commencement of the frameworks until the supported person wishes to end their agreement with the provider or their agreement is otherwise terminated.

#### **5. PROPOSALS**

##### 5.1 Multi-Supplier Framework

- 5.1.1 The 25 providers who were successful in satisfying the tender evaluation criteria are as detailed in Appendix 2. This creates a mixed economy of providers and choice for supported people.
- 5.1.2 Members should also note that the tenderer who was not successful in satisfying the tender evaluation criteria can still be selected by a supported person under SDS option 2, if the tenderer has, by that time, developed their operational service delivery plans to the required level. Appendix 1 provides details of the various SDS options.
- 5.1.3 Members should note that this does not preclude supported people choosing an alternative provider of support under SDS Options 1, 2 or 4, if that provider meets pre-defined criteria per Committee Report 583/13.
- 5.1.4 Where a provider on the framework does not achieve an adequate (grade 3) Care Inspectorate grade at last inspection for any theme during the term of the framework, they will be temporarily suspended from the Framework. They can be reinstated once they have a robust improvement plan agreed with the Care Inspectorate or have been re-inspected and receive a grade 3 or above.

##### 5.2 Duration of the Contract

The projected start date of the supply frameworks is 8 December 2014. The frameworks will operate for a period of three years with the option to extend for a further year.

##### 5.3 Client Groups and Contract Lots

The providers available for each client group are as detailed in Appendix 3.

The contract lots are as per the four Angus Locality Areas.

<b>Locality Area 1</b>	<b>Locality Area 2</b>	<b>Locality Area 3</b>	<b>Locality Area 4</b>
North West	North East	Central	South Angus
Forfar/Kirriemuir/South Angus	Brechin/Montrose	Arbroath	Carnoustie/Monifieth

Each tenderer has bid for all of the contract lots with the exception of the following:

- Abbey Care have bid for Locality Areas 1 and 2 only;
- Caledonia Housing Association have bid for Locality Areas 1, 2 and 4 (for tenants within their sheltered housing complexes);
- Positive Steps have bid for Locality Areas 3 and 4 only.

#### 5.4 Selection from the Supply Frameworks

The process for selection is as detailed in Social Work and Health Committee Report 583/13 and is replicated in Appendix 4 for information.

##### 5.4.1 The hourly rates for providers on the framework range as follows:

<b><u>Type of Support</u></b>	<b><u>Range of hourly rates tendered</u></b>
Housing Support (Day-time and/or Night-time)	£12.59 to £20.98
Personal Care (Day-time and/or Night-time)	£12.59 to £20.00
Housing Support (Night-time rate, where different to the Day-time rate tendered)	£15.46 to £20.00
Personal Care (Night-time where different to the Day-time rate tendered)	£18.50

##### 5.4.2 SDS Option 2 Spot Purchase Arrangements

In order to meet needs while the framework was being developed an interim arrangement for a number of spot contracts has been entered into. Due to the timescales involved the providers were evaluated against a smaller set of criteria. It is recommended that these providers, and any future providers selected under SDS option 2 must satisfy the same criteria that was applied to this procurement

## 6. **Procurement Risks**

Risks identified as part of the provider selection process were assessed and mitigating actions are as noted below:

<b>Procurement Risk</b>	<b>Mitigating Action</b>
Staff do not adhere to the pre-defined selection process for SDS Option 3.	A dedicated role within the SDS project team will carry out appropriate short-listing and matching procedures for Option 3.
Providers who have not undergone the same evaluation process as the providers on the frameworks may fail to provide the quality and sustainability of service.	Providers who did not tender or did not satisfy the tender evaluation criteria at the time of this procurement exercise, must satisfy the same criteria that was applied to this procurement, if chosen by supported people under SDS option 2.  Under the framework agreement conditions the provider must report back to the Caseworker on the achievement of individual outcomes on a 3-monthly basis (applies to SDS Options 2 and 3).
Commitment of financial resources to block contracts resulting in restriction of choice as funding not released to purchase services from the frameworks.	Change from block purchase arrangements to spot purchase arrangements with existing providers, for existing supported people as at 7 December 2014.  This is mitigated by having a framework Agreement which results in a call-off arrangement for all new individual service agreements from commencement of the supply frameworks.

## 7. **FINANCIAL IMPLICATIONS**

- 7.1 With reference to Appendix 3 - 'Providers by Client Group', the estimated average hourly rate, based on the current profile of the spend with current providers, achieved through this procurement is £15.18 for either personal care or housing support compared with the current average hourly rate of £17.11 for either personal care or housing support.
- 7.2 The whole-life cost of the contract is difficult to estimate as it will depend on the choices supported people make. The current available budget for this type of provision is £6.38 million. This, the estimated value of business, does not mean a guarantee of business to this level or any level. The supply frameworks provide a mixed economy of choice for supported people.

## **8. EQUALITIES IMPLICATIONS**

The issues contained in the report fall within an approved category that has been confirmed as exempt from an equalities perspective

## **9. CONSULTATION**

The Chief Executive, Head of Corporate Improvement & Finance Resources Directorate, Head of Legal and Democratic Services, and the Corporate Procurement Manager have been consulted in the preparation of this report.

**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:

- Social Work and Health Committee Report 583/13.

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### **List of Appendices:**

Equality Impact Assessment

## Appendix 1 – Summary of the 4 Self-Directed Support Options

- Option 1: The making of a direct payment by the local authority to the individual (or parent/carer for a child up to 18 years) for the provision of support.
- Option 2: The selection and direction of available support by the individual (or parent/carer for a child up to 18 years), the making of arrangements for the provision of it by the local authority on behalf of the individual and, where it is provided by someone other than the authority, the local authority contracts with the provider and arranges payment. The supported person has an individual calculated budget which they can use to select services to meet their individual outcomes.
- Option 3: The selection of the available support for the individual by the local authority, the making of arrangements for the provision of it by the authority and, where it is provided by someone other than the authority, the local authority contracts with the provider and arranges payment.
- Option 4: The selection by the individual (or parent/carer for a child up to 18 years) of Option 1, 2 or 3 of each type of support and, where it is provided by someone other than the authority, the local authority contracts with the provider and arranges payment.

The individual (or parent/carer for a child up to 18 years), in collaboration with the professional, will develop a Support Plan which will outline the agreed personal outcomes and detail how support will be delivered to meet these outcomes using the available resources.

## Appendix 2 – Tender Evaluation Outcomes

The essential evaluation criterion were as follows:

- Confirmation that Registration of the Service with the Care Inspectorate will be in place prior to service implementation (Pass or Fail);
- Satisfactory Recruitment and Selection Policy (Pass or Fail);
- Evidence of Supplier's procedure or intended procedure for Compliance with the PVG Scheme (Pass or Fail);
- Satisfactory Adults Safeguarding and Child Protection/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);
- Where a Supplier is operational (branch in Angus or a branch which Angus will be part of for inspections) an adequate (grade 3) Care Inspectorate Grade must be held at last inspection of the particular theme (Pass or Fail).

The Tenderer Selection Criterion (Quality) were as follows:

- Values/Culture (Pass or Fail);
- Organisational Management Structure (Pass or Fail);
- Quality Assurance Mechanisms (Pass or Fail).

### **Tenderers who met the criteria**

Abbey Care Services, Kirriemuir  
Ailsa Care Services, Glasgow  
ARK Housing Association Ltd, Edinburgh  
Blackwood Group, Edinburgh  
Caledonia Housing Assoc'n, Perth  
Carewatch (Grampian and Tayside) Aberdeen  
Carr Gomm, Edinburgh  
Castle Care (Scotland) Ltd, Inverness  
CrossReach, Edinburgh  
Crossroads Caring Scotland ,Glasgow  
Enable Scotland, Lanarkshire  
Gowrie Care Ltd, Dundee  
Mears Care (Scotland) Limited, Gloucester  
Penumbra, Edinburgh  
Positive Steps, Dundee  
Premier Home Care, Ayr  
Raeburn Healthcare, Aberdeen  
Real Life Options, Knottingley  
Rowan Alba, Edinburgh  
SAMH, Glasgow  
Scottish Autism, Alloa  
Sense Scotland, Glasgow  
Sue Ryder, Suffolk  
The Richmond Fellowship Scotland, North Lanarkshire  
Turning Point Scotland , Glasgow

### **Tenderer who did not meet the criteria**

Realise Support and Learning, Forfar  
Fail – Quality Assurance Controls: Arrangements for staff back up cover/contingency plans

**Appendix 3 – Providers by Client Group**

<b>Provider</b>	<b>ABI</b>	<b>Aut</b>	<b>BBV</b>	<b>C</b>	<b>CWD</b>	<b>Dem</b>	<b>For</b>	<b>Hom</b>	<b>LD</b>	<b>MHU65</b>	<b>MH65+</b>	<b>OP</b>	<b>PD</b>	<b>Sub</b>	<b>YAD</b>
Abbey Care Services						✓			✓	✓	✓	✓	✓		✓
Abbey Craig Ltd (Carewatch)		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Ailsa Care Services		✓		✓	✓	✓			✓			✓	✓		✓
Ark Housing Association		✓	✓			✓			✓	✓	✓	✓		✓	✓
Blackwood						✓			✓	✓	✓	✓	✓		✓
Caledonia Housing Association						✓					✓	✓	✓		
Carr Gomm		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Castle Care (Scotland) Ltd		✓	✓			✓		✓	✓	✓	✓	✓	✓	✓	✓
Crossreach			✓											✓	
Crossroads Caring Scotland		✓		✓	✓	✓			✓	✓	✓	✓	✓		✓
Enable	✓	✓			✓				✓			✓	✓		✓
Gowrie Care		✓	✓			✓		✓	✓	✓	✓	✓	✓	✓	✓
Mears		✓				✓			✓	✓	✓	✓	✓		✓
Penumbra								✓		✓	✓				
Positive Steps		✓	✓			✓		✓	✓	✓	✓	✓	✓	✓	✓
Premier Homecare (Scotland) Ltd			✓	✓	✓	✓			✓	✓	✓	✓	✓		✓
Raeburn Healthcare						✓			✓	✓	✓	✓	✓		✓
Real Life Options						✓			✓	✓	✓	✓	✓		✓
The Richmond Fellowship Scotland		✓	✓			✓	✓		✓	✓	✓	✓	✓	✓	✓
Rowan Alba						✓		✓	✓	✓	✓	✓	✓	✓	✓
Scottish Association for Mental Health								✓	✓	✓	✓			✓	
Scottish Autism		✓							✓						
Sense Scotland		✓	✓		✓	✓			✓	✓	✓	✓	✓		✓
Sue Ryder		✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓
Turning Point		✓	✓					✓	✓	✓	✓		✓	✓	✓

**Key**

**ABI** = Acquired Brain Injury

**Aut** = Autism

**BBV** = Blood-Borne Virus

**C** = Children

**CWD** = Children With Disabilities

**Dem** = Dementia

**For** = Forensic Services

**Hom** = Homelessness

**LD** = Learning Disabilities

**MHU65** = Mental Health Under 65

**MH65+** = Mental Health 65+

**OP** = Older People

**PD** = Physical Disabilities

**SUB** = Substance Misuse

**YAD** = Young Adults With Disabilities

## Appendix 4 – Criteria for selection from the Frameworks

Selection from the Option 2 Framework will be as follows:

- Under Option 2, the supported person 'selects' and 'directs' the 'available' support. The Council contracts with the provider and the supported person (via a tripartite Individual Service Fund Agreement) and arranges payment in each case.

Provider selection will be based on the following criteria:

- Identification of providers who can meet the supported person's personal outcome(s) as defined in support plan,
- Selection will then be made by the supported person, normally on the basis of lowest priced service (but not restricted to this basis of lowest price) if the selected provider can demonstrate that they can meet the outcomes within the supported person's budget.

5.4.2 Selection from the Option 3 Framework will be as follows:

- Under Option 3, Council 'selects' the required support. The Council contracts with the provider and the supported person (via a tripartite Individual Service Agreement) and arranges payment.

Provider selection will be based on the following criteria:

- Confirmation that the provider can meet the supported person's personal outcome(s) as defined in support plan;
- Selection will then be made on the basis of the lowest price service that can meet the individual outcomes.