



Haverling

LONDON BOROUGH

INDIVIDUALS OVERVIEW & SCRUTINY COMMITTEE (SPECIAL) AGENDA

7.00 pm

Thursday
2 August 2012

Town Hall, Main Road,
Romford

Members 6: Quorum 3

COUNCILLORS:

Wendy Brice-Thompson (Chairman)
Jeffrey Brace
Pam Light
Keith Wells

June Alexander (Vice-Chair)
Linda Van den Hende

For information about the meeting please contact:
Wendy Gough 01708 432441
wendy.gough@haverling.gov.uk

AGENDA ITEMS

1 **APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS**

(if any) – received.

2 **DISCLOSURE OF PECUNIARY INTERESTS**

Members are invited to disclose any pecuniary interest in any items on the agenda at this point in the meeting.

Members may still disclose any pecuniary interest in an item at any time prior to the consideration of the matter.

3 **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

4 **REQUISITION OF EXECUTIVE DECISION - REVIEW OF FAIRER CHARGING POLICY** (Pages 1 - 10)

The Committee are asked to consider the requisition of the Executive Decision on the Review of Fairer Charging Policy.

5 **REQUISITION OF CABINET DECISION - APPROVAL FOR AWARD OF TENDER: REABLEMENT SERVICE** (Pages 11 - 46)

The Committee are asked to consider the requisition of the Cabinet Decision made on 11 July 2012, in respect of the Approval of Award of Tender for the Reablement Service

6 **EXCLUSION OF THE PUBLIC**

To consider whether the public should now be excluded from the meeting on the grounds that it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during the following item there would be disclosure to them of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972 which it is not in the public interest to publish; and , if it is decided to exclude the public on those grounds, the Committee to resolve accordingly on the motion of the Chairman.

7 APPROVAL OF AWARD OF TENDER: REABLEMENT SERVICE - APPENDICES
(Pages 47 - 60)

Ian Buckmaster
Committee Administration &
Member Support Manager

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INDIVIDUALS OVERVIEW AND SCRUTINY COMMITTEE

15 June 2011

Subject Heading:

Review of Fairer Charging Policy– call in of Executive Decision

CMT Lead:

Lorna Payne
Group Director – Adults and Health
01708 433203

Report Author and contact details:

Wendy Gough
Committee Officer
Committee Administration
01708 432441

Policy context:

Proposed amendments to the current Fairer Charging policy affecting adult social services users.

In accordance with paragraph 17 of the Overview and Scrutiny Committee Rules, a requisition signed by two Members representing more than one Group (Councillors Keith Darvill and Clarence Barrett) has called in the decision of the Cabinet Member dated 11 July 2012. The text of the requisition appears at the end of this report:

CABINET DECISION

To commence a consultation process on the following proposed charges to the Council's Fairer Charging policy in order to generate additional income/ savings of £250k as per MTFS savings process agreed at Cabinet in July 2011. There are 3 proposed changes to the policy, as set out in the Executive Decision attached.

Reasons for decisions:

The executive decision is required in order to commence the consultation on a review of the Fairer Charging policy, which will lead to it being amended, having considering the outcome of the consultation.

The additional income/savings generated by these proposed policy changes are part of the total MTFS savings that have previously been agreed at the July 2011 Cabinet.

Once consultation has concluded and the final proposed policy changes are known, a further executive decision will be sought.

Other options considered and rejected:

As detailed in the attached Executive Report of 11 July 2012.

REASONS FOR REQUISITION

1. In removing the current maximum charge cap for users of domiciliary care services:
 - a. What is the actual cost of services in excess of the cap?
 - b. Would users be required to sell their assets to pay for it?
 - c. How is the £138,000 saving made up?
2. In removing the 10% discretionary allowance for domiciliary care service:
 - a. How many people does this affect?
 - b. What are the level of feed and
 - c. What level is the “basic living allowance” set at?
 - d. How is the saving £101,429 made up?
3. In reducing the cumulative weekly allowance for expenses linked to individuals personal and medical circumstances from £77.45 to £40:
 - a. How many users will this affect?
 - b. How is the saving of £26,398.39 made up?

RECOMMENDATION

That the Committee considers the requisition of the decision of Cabinet and determine whether to uphold it.

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Havering
LONDON BOROUGH

Notice of NON KEY Executive Decision by individual Cabinet member

Subject Heading:	Review of Fairer Charging Policy
Cabinet Member:	Cllr Steven Kelly
CMT Lead:	Lorna Payne Group Director Adults & Health
Report Author and contact details:	Adam Ferrand Financial Assessment & Benefits Team Manager Adam.ferrand@havering.gov.uk 01708 433013
Policy context:	Proposed amendments to the current Fairer Charging policy affecting adult social services users.
Financial summary:	There is a MTFS saving target from April 2013 associated with this review of the Fairer Charging policy. The proposals could generate a combined annual sum of £265,647 in savings and additional income.
Relevant OSC:	Individuals
Is this a Strategic Decision?	Yes
If it is a Strategic Decision, when should this matter be reviewed?	Annually
Is it an urgent decision? If so, please refer to the note at the end	Yes

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Member Non-Key Decision – Fairer Charging Review June 2012

The subject matter of this report deals with the following Council Objectives

- Ensuring a clean, safe and green borough
- Championing education and learning for all
- Providing economic, social and cultural activity in thriving towns and villages
- Valuing and enhancing the lives of our residents
- Delivering high customer satisfaction and a stable council tax

Part A

DETAIL OF THE DECISION AND RECOMMENDED ACTION

To commence a consultation process on the following proposed changes to the Council's Fairer Charging policy in order to generate additional income/savings of £250k as per the MTFS savings process agreed at Cabinet in July 2011. There are 3 proposed changes to the policy.

1. Removal of current maximum charge cap in place for users of domiciliary care services

Contribution to non-residential care costs for those service users assessed as eligible to pay the full cost is currently capped at £320 per week regardless of whether the actual cost of the care is greater than that. This change would generate an additional £138k per annum in income relating to domiciliary care fees.

Currently there are only 21 clients who are subject to the £320 per week charge and these are individuals with either large weekly incomes or capital in excess of £23,250, which is the Department of Health's capital threshold figure for local authority funding. Therefore, it is a discretionary choice by the Council to subsidise these 21 clients as the Department of Health's Fairer Charging guidance would allow us to charge them the actual cost of the care.

2. Review of Proportion of disposable income chargeable in financial assessments

Currently the maximum contribution to care costs is 90% of the net disposable income (after the basic living allowance). This is a discretionary allowance of 10% of an individual's net disposable income currently given to service users in the assessment process. The proposed change would remove this discretionary allowance and would generate an additional £101,429 in income from domiciliary care services.

This allowance is discretionary and not a requirement in the Department of Health's Fairer Charging guidance. The changes are so nominal that those individuals with low incomes will remain nil charge clients but those with high incomes will have to pay slightly more. There will however be some individuals with medium incomes who will go from being nil charge clients to having to pay a small contribution to their care fees but this change in the policy is consistent with the policies of the majority of other Local Authorities.

3. Review of Disability related expenses allowance

The Department of Health provide authorities with benchmarking figures to identify weekly maximum allowances to be provided in respect of expenses linked to an individual's personal and medical circumstances. The Council currently applies these benchmarking figures but does have a maximum cumulative allowance of £77.45, which is equal to the higher rate of Disability Living Allowance and Attendance Allowance (this allowance has increased annually in line with the increase in these benefits). Allowances in excess of this threshold are provided in exceptional circumstances where appropriate documentation, and supporting evidence, is provided e.g. where night time care

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has to be provided privately, if specialist equipment is required and hired, etc. The proposed change is to reduce the cumulative weekly allowance from £77.45 to £40.00, and this will generate additional income of £26,398.39 per annum.

The Department of Health's Fairer Charging Guidance does not dictate that a certain allowance should be given just that the policy should allow for such expenses in line with the specified benchmarks. Therefore such a change in the policy is reasonable. In addition, other local authorities take a similar approach to Disability Related Expenses by using a nominal set maximum and reviewing it annually (usually increasing it in line with RPI).

If approval is given, a consultation exercise will be undertaken to seek the feedback of affected service users, carers and external stakeholders. A final decision on the introduction of these 3 policy changes should be made once consultation feedback has been collated and passed to the appropriate decision maker for consideration.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 Section 3 Para 2.5

(j) To consider and recommend plans in respect of the portfolio allocated.

(q) To agree minor matters and urgent or routine policy matters

The Cabinet decision of July 2011 approved the proposed MTFS savings process and the saving of £250k expected from a further review of the Fairer Charging policy. Therefore Cabinet approval to progress this review has been granted.

STATEMENT OF THE REASONS FOR THE DECISION

The executive decision is required in order to commence the consultation on a review of the Fairer Charging policy, which will lead to it being amended, having considering the outcome of the consultation.

The additional income/savings generated by these proposed policy changes are part of the total MTFS savings that have previously been agreed at the July 2011 Cabinet.

Once consultation has concluded and the final proposed policy changes are known, a further executive decision will be sought.

OTHER OPTIONS CONSIDERED AND REJECTED

For each of the 3 proposed changes there was an alternative option but these were rejected on the basis that they would not allow us to meet the set MTFS saving.

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Specifically, they are;

1. Increase the cap to £360 per week – This change would only generate an additional £37,877 in annual income for domiciliary care services. It would also mean that the Council would continue to subsidise individuals with either large weekly incomes or capital in excess of £23,250, which is the Department of Health's capital threshold figure for local authority funding at a cost in excess of £100,000 per year.
2. Increase maximum contribution to care costs to 95% of the net disposable income – This change would only generate an additional £50,714 in annual non-residential care income. This allowance is discretionary and is not one that is suggested or recommended in the Department of Health's Fairer Charging guidance and opting for maintaining a reduced allowance would cost the cost in excess of £50,000 per year in additional service user's subsidy. We are also in the minority among local authorities by providing such a discretionary allowance so removing it would bring our policy in line with the majority of other local authorities.
3. Keeping the Disability related expenditure allowance at the rate of £77.45 per week – This would not generate any additional savings or income, and would therefore not contribute to our specified MTFS savings. In addition, this approach to DRE's is generous compared to other local authorities, so reducing the allowance to a smaller nominal amount is more consistent with other Local Authorities and is in line with the Department of Health's fairer charging guidance.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: JOE COOGAN

Designation: Assistant Director, Commissioning

Signature:



Date: 04/07/12

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Part B

LEGAL IMPLICATIONS AND RISKS

Stephen Doye, Legal Manager (Litigation)

Any changes to the policy must be compliant with the Fairer Charging Guidance, unless there is good reason to depart from the Guidance, in which case the rationale should be recorded when the decision is taken.

The consultation exercise needs to be undertaken and should be meaningful. In other words, the consultees must have been given sufficient information on the proposals and on any alternatives, sufficient time to respond, and the responses must be conscientiously considered before the final decision is taken.

The Council also needs to ensure that the equality and fairness assessment is fully considered and the results taken into account before the final decision is taken.

Provided the above has occurred the legal risks should be minimised.

FINANCIAL IMPLICATIONS AND RISKS

Caroline May, Strategic Business Partner (Finance)

There is an existing MTFS target of £700k from the financial year 2011/12, which has already been achieved through a previous review of the Fairer Charging Policy as agreed by Cabinet in July 2010. These amendments are subsequent to that and are intended to realise savings per a further MTFS target of £250k from 2013/14, as agreed by Cabinet in July 2011.

Based on the current service users profile, if the three changes as detailed within this report are implemented (subject to consultation), total additional income of £266k is projected, which would exceed the savings target by £16k. There is the risk that should the three proposals not be implemented then the MTFS target would not be achieved, in which case alternative savings measures would need to be implemented by Commissioning to feed into Adult Social Care budgets.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

Eve Anderson, Strategic HR Partner

The administration of the proposals within this report will be absorbed within the current establishment of the Financial Assessment & Benefits Team. These proposed changes to the policy are to be implemented into the Swift system that is used for

financial assessments by altering the appropriate set parameters to reflect the changes. Therefore these changes will not generate any long term additional work. No direct impact on the Council's human resources can be identified at this stage.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

A full Equality Impact Assessment is pending in respect of the proposed introduction of these changes to the policy.


BACKGROUND PAPERS

- 1) Department of Health's Fairer Charging for Home Care and other non-residential Social Services Guidance - January 2001, November 2001
 - 2) Department of Health's Fairer Charging for Home Care and other non-residential Social Services practice guidance - August 2002
 - 3) Havering's Fairer Charging Policy – April 2011
 - 4) Department of Health's Fairer Contributions Guidance - July 2009
- No unpublished reports used.

Confirmation of decision

I confirm that I have made this executive decision, in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Signed



Name: Councillor Steven Kelly

Portfolio held: Lead Member for Individuals

Date:

13/7/12

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Member Non-Key Decision – Fairer Charging Review June 2012

Lodging this notice

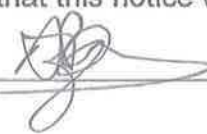
This notice should be delivered to the proper officer, currently Ian Buckmaster, Committee Administration & Member Services Manager in the Town Hall. A copy of this notice should be retained by the individual Cabinet member making the decision in question.

Urgency

Where the executive decision recorded in this notice has been made in accordance with the special urgency provisions of the Overview & Scrutiny Procedure Rules, a copy of the written agreement obtained under rule 18 must be attached to all copies of this notice.

For use by Committee Administration

I confirm that this notice was lodged with me on 18 July 2012

Signed  _____

INDIVIDUALS OVERVIEW AND SCRUTINY COMMITTEE

15 June 2011

Subject Heading:	Approval for Award of Contract for Reablement Services– call in of Executive Decision
CMT Lead:	Lorna Payne Group Director – Adults and Health 01708 433203
Report Author and contact details:	Wendy Gough Committee Officer Committee Administration 01708 432441
Policy context:	Service for Individuals

In accordance with paragraph 17 of the Overview and Scrutiny Committee Rules, a requisition signed by two Members representing more than one Group (Councillors Keith Darvill and Clarence Barrett) has called in the decision of the Cabinet Member dated 11 July 2012. The text of the requisition appears at the end of this report:

CABINET DECISION

- Cabinet agreed on 11 July 2012 to approve the award of the contract to Bidder A. The contract award will be for a period of five years. It will be for the delivery of a guaranteed block of 1000 hours per week, and up to an additional 250 hours per week as required.
- That all necessary action be taken by the Council and by Bidder A, including all actions and communication in relation to the transfer of staff under TUPE, to enable the implementation of the contract from 1 November 2012.

Reasons for decisions:

There are clear policy objectives that have been set both nationally and locally for prevention, reablement and independence. The externalisation of the reablement service is intended to contribute to the implementation of these strategies by ensuring that reablement is available to a greater number of people, thereby increasing the independence and improving the health and wellbeing of adults in Havering.

Increasing numbers of people, particularly older people, will require a service in the future, placing significant increased pressure on budgets.

Other options considered and rejected:

As detailed in the attached Cabinet Report of 11 July 2012.

REASONS FOR REQUISITION

1. Insufficient consideration has been given to the options to retain an in-house service.
2. There has been no consultation with service users.
3. In view of the proposal to transfer under the Transfer of Undertakings Protection of Employment regulation (TUPE) to examine why similar savings could not be achieved with an in-house service
4. To examine the “Tender” arrangements and processes used in identifying the preferred bidder
5. To consider the outcomes arising from similar service externalisations in other Councils.

RECOMMENDATION

That the Committee considers the requisition of the decision of Cabinet and determine whether to uphold it.



CABINET

11 July 2012

Subject Heading:

Cabinet Member:

CMT Lead:

Report Author and contact details:

Policy context:

Financial summary:

Is this a Key Decision?

Is this a Strategic Decision?

When should this matter be reviewed?

Reviewing OSC:

APPROVAL OF AWARD OF TENDER: REABLEMENT SERVICE

Councillor Steven Kelly, Lead Member for Individuals

Lorna Payne, Group Director, Adults and Health

Jackie Phillips, Strategic and Commissioning Lead (Prevention),
01708 434012,

E-mail: Jackie.phillips@havering.gov.uk
and

Rinaldo Meza, Service Manager,
Preventative Care, 01708 433195

E-mail: Rinaldo.meza@havering.gov.uk

The overall context is that of prevention, personalisation and transformation. The primary objective of Reablement is to enable people to live as independently as possible for as long as possible within the community. The delivery of Reablement is essential to ensure that Adult Social Care remains sustainable in the future. It is anticipated that the service will become the normal pathway for an increasing number of service users before they are considered for long-term care.

The costs of this contract are available in the exempt section of this report. The award of this contract will contribute towards achievement of MTFs savings of £750k from April 2013.

Yes

No

N/A

Individuals and Health

The subject matter of this report deals with the following Council Objectives

Ensuring a clean, safe and green borough	<input type="checkbox"/>
Championing education and learning for all	<input type="checkbox"/>
Providing economic, social and cultural activity in thriving towns and villages	<input type="checkbox"/>
Valuing and enhancing the lives of our residents	<input checked="" type="checkbox"/>
Delivering high customer satisfaction and a stable council tax	<input checked="" type="checkbox"/>

SUMMARY

- 1.1. The purpose of this report is to seek Cabinet's approval for the award of a five-year contract, following a competitive tender process, for the provision of reablement services to adults, commencing 1st November 2012.
- 1.2. This is in accordance with The Constitution, Part 4, Rules of Procedure, Contracts Procedure Rules, Section 12 (contracts with a value of more than £10,000,000 must be reported to the Leader or Cabinet for approval and award of contract); and in accordance with Contract Procedure Rules, Schedule H, paragraph 5. (Contract above £10,000,000 which is not subject to European procurement legislation advertising requirements i.e. Part B services).
- 1.3. This report sets out the background and procurement process for the selection of the provider.
- 1.4. Tenders were received from two bidders, referred to in this Report as Bidder A and Bidder B. However, Bidder B withdrew from the tender process. The reasons for its withdrawal are outlined below. The identities of the bidders and the financial details of the successful bid are set out in Exempt Appendix 3 to this Report. This appendix is exempt from disclosure as it contains information relating to the financial and business affairs of the bidders and the Council.

RECOMMENDATIONS

- 2.1 That Cabinet approve the award of the contract to Bidder A. The contract award will be for a period of five years. It will be for the delivery of a guaranteed block of 1000 hours per week, and up to an additional 250 hours per week as required.

- 2.2 That all necessary action is taken by London Borough of Havering and by Bidder A, including all actions and communication in relation to the transfer of staff under TUPE, to enable the implementation of the contract from 1st November 2012.

REPORT DETAIL

3.0 Background

- 3.1 The overall objective of reablement is to assist people to remain living at home, to achieve maximum independence, to prevent hospital admissions/readmissions, and, where appropriate, to remove or reduce the level of care needed in the longer term.
- 3.2 The Havering reablement service is a short-term (up to 6 weeks), intensive service for people with poor physical or mental health to help them accommodate their illness by learning or re-learning the skills necessary for daily living so that they can achieve their potential in terms of a stable level of independence with the lowest appropriate level of on-going support.
- 3.3 Ultimately reablement services allow sustainability of care budgets by facilitating greater independence of service users. They deliver savings which can then be reinvested into a wider range of preventative support to people with social care needs.
- 3.4 The London Borough of Havering's Reablement Service, based within Adult Social Care, has been operating since 2007 and is provided by the former internal homecare team.
- 3.5 Although the service performs well, it is at a high cost per contact hour. During the summer of 2010, the service was benchmarked against other reablement service providers, both those provided as in-house services and those provided externally. This bench-marking indicated that, in comparison with other internally provided reablement services, Havering had the highest cost of all per contact hour. This cost has been reduced as a result of a review of the service and staffing restructure in 2011, but is still high.

Market review of London Borough of Havering's Reablement Service

- 3.6 Although it was recognised that the outsourcing of local authority reablement services by local authorities was still a developing market, work carried out by the Care Services Delivery Efficiency programme indicated that over the coming years there was likely to be a significant increase in outsourced delivery models. This was an option that the London Borough of Havering decided to explore.

- 3.7 In August 2011, the Director of Social Care and Learning approved the commencement of a market review of reablement services, with the aim of maintaining or improving service performance and to contribute towards the achievement of MTFS savings of £750,000 per annum from April 2013. The market review was to be done through initiating a formal two-stage procurement process:
- 3.8 The first stage was to invite providers to complete and return a pre-qualifying questionnaire (PQQ), in order to assess in particular, though not exclusively, their experience and capability in providing a high quality reablement service, and in managing the process of service transfer, including TUPE arrangements for a significant number of staff.
- 3.9 The second stage was to proceed to a full tender, should the responses to the pre-qualifying questionnaires indicate that there were suitable providers with sufficient expertise and capacity in the external market.

First stage: pre-qualifying questionnaire

- 3.10 Expressions of interest were sought in October 2011, through an advertisement placed in Community Care, a reputable national social care publication. Pre-qualifying questionnaires had to be submitted by 17th November 2011.
- 3.11 The purpose of the pre-qualifying questionnaires was to assess the local market and suitability of potential suppliers in terms of their technical knowledge and experience, capability/capacity, organisational and financial standing.
- 3.12 Sixteen completed PQQs were received. Two were invalid, and therefore not evaluated, as not all required documentation was submitted. Fourteen PQQs were therefore evaluated by a panel of six people on the basis of their responses to the questionnaire.
- 3.13 Seven organisations were short-listed.
- 3.14 Based on the pre-qualifying questionnaires which were submitted it was considered that there appeared to be sufficient capacity and ability in the external market to justify progressing the market review to the next stage, and it was therefore agreed by the Head of Adult Social Care and the Assistant Director, Commissioning that the seven short-listed organisations should be invited to tender.

Second stage: invitation to tender

- 3.15 It had been anticipated that short-listed organisations would be invited in mid-February 2012 to submit tenders. However, the process was paused for a few weeks to enable discussion and input from the Clinical Commissioning Group and Community Matrons to take place. This was to explore the

possibility of reablement support workers also undertaking some low-level health tasks.

- 3.16 As a result of the discussions, there was agreement that the existing service specification should not include the requirement for reablement workers to undertake health tasks. However, it does include the requirement that the provider will be expected to work closely with health and social care commissioners and stakeholders in order to explore the inclusion of additional tasks in the future, in the form of closer integration and working together with Community Matrons, GPs and other healthcare staff, to provide improved health outcomes alongside reablement outcomes.
- 3.17 The seven short-listed organisations were invited on 23rd March to submit their tenders by 4th May.

Evaluation

- 3.18 Two out of the seven short-listed organisations submitted tenders. Their identities are set out in Exempt Appendix 3 to this Report.
- 3.19 Feedback has only been received from one organisation that did not submit a tender. The reason given for not tendering was related to the large TUPE transfer of staff and potential risks associated with it.
- 3.20 The evaluation panel consisted of:
- Jackie Phillips, Strategic Commissioning Lead (Prevention)
 - Rinaldo Meza, Service Manager, Preventative Care, Adult Social Care
 - Ann Lain, Acting Registered Manager, Homecare Business Unit, Adult Social Care
 - Sarah Allen, Senior Employee Relations Officer, Internal Shared Services
 - Dave Mitchell, Service Review Officer, Commissioning
 - Dr. Gurdev Saini, GP and member of Clinical Commissioning Group.
- 3.21 The method statement, which consisted of twenty-one questions, was designed to explore a range of issues, including how the provider would deliver a high-quality, innovative and flexible outcome-focussed reablement service; how it would deal with the associated costs of TUPE and/or shortfalls of staff; its intentions for the provision of pension arrangements for transferring staff and its approach to achieving a more competitively costed service.
- 3.22 Tenders were evaluated and individually scored by the six members of the evaluation panel in accordance with Havering's procurement procedures and the Quality Scoring Matrix (Appendix 2).

Round table discussions

- 3.23 Both organisations were invited to attend round table discussions to clarify aspects of their written submissions. In advance of these, they were also sent three scenarios, for which they had to provide, ahead of the discussions, a reablement plan and short narrative for each to demonstrate the reablement care and support they would expect to deliver based upon the information provided, detailing expected outcomes and anticipated timescales.
- 3.24 During the round table discussions, the evaluation panel put questions to the organisations about the method statement submitted, the additional three scenario responses, and clarified details about their tender submissions. The outcome of these discussions contributed to the overall quality scores.
- 3.25 As a result of the round table discussions, the evaluation panel decided that further clarification was required regarding the staffing assumptions and subsequent associated costs which had been made by the bidders. Therefore, the tenderers were given the opportunity to review and re-submit their pricing schedules, which both did.
- 3.26 The bidders were invited to attend a further meeting with selected evaluation panel members to review the revised costings and clarify any associated issues.

Outcome of meeting

- 3.27 The evaluation panel was satisfied with the revised pricing schedule and responses of Bidder A.
- 3.28 During the meeting, Bidder B appeared to indicate that its preferred position would be an indemnity from the London Borough of Havering against unexpected liability arising from the TUPE transfer of staff or, alternatively, be granted the opportunity to carry out due diligence post contract award, reserving the right to withdraw prior to undertaking the contract. Given the clarity of the statements within the tender documentation and draft contract supplied by the London Borough of Havering to tenderers on these issues, it appeared that this amounted to a qualified tender.
- 3.29 Expert advice was sought from the Council's Legal and Procurement services as a result of which a letter was sent to Bidder B seeking confirmation that the tender was unqualified.
- 3.30 In response to the request for this confirmation, Bidder B made the decision to withdraw from the tender.

Quality scoring

- 3.31 In consequence of the withdrawal of Bidder B, final scores for quality were only collated in respect of Bidder A. The evaluation panel scored the tender using a quality scoring matrix, which is attached as Appendix 2.
- 3.32 Bidder A achieved 71.8% for quality. The completed scoring matrix for Bidder A is attached as Exempt Appendix 6.
- 3.33 Bidder A achieved a very good score for quality and gave well reasoned responses at the round table discussions, such that the evaluation panel had no concerns about recommending that the contract be awarded to Bidder A, and is confident that Bidder A will provide a reablement service of high quality in accordance with the specification.

Pricing

- 3.34 The price submitted by Bidder A is given in Exempt Appendix 3 to this Report. The price is such that the award of the contract to Bidder A is expected to achieve the required MTFS savings from April 2013.

Consultation

i) Service users

- 3.35 Formal consultation with service users prior to and during the tendering process has not been necessary or appropriate. Any adverse impact on service users is likely to be minimal, since Reablement is a short-term service, and therefore people do not develop an on-going relationship with individual workers. There is a communications plan in place to ensure that any service users affected will be informed in advance of Bidder A taking over provision of the service. A frequently asked questions document will also be sent, to ensure that rumours or misunderstandings are avoided or corrected.
- 3.36 It is intended that the provision of Reablement Services by an external provider will impact positively on the quality of service, with clear outcomes and performance targets to be achieved, and will ensure that it is available to a greater number of people, thereby enabling more people to maintain and maximise their independence for longer. Bidders have had to demonstrate that they have a clear understanding of, and ability to deliver, outcome focussed support and that they take a personalised approach within which service users are supported to live independently, take control of their lives and make choices they consider best for themselves.
- 3.37 There have been stringent commissioning processes throughout this tender, including a detailed service specification and comprehensive scrutiny both at the PQQ and tender stages and there will be a robust contract. There is therefore confidence that Bidder A will be able to provide reablement

services of a high quality for the residents of the London Borough of Havering. As part of the procurement and commissioning process, Bidder A has had to demonstrate how it complies with equality legislation in provision of services.

ii) Staff

- 3.38 From mid-2011 onwards, through regular meetings as appropriate, staff, along with Trade Union representatives, have been kept informed of activities and progress. Some of these have been formal meetings for all reablement staff as a group, led by the Head of Adult Social Care. There have also been regular team meetings and informal updates.
- 3.39 Early in the process, staff were also provided with a detailed question and answer document that deals with many of the human resources queries.
- 3.40 In April and May 2012, there were small group presentations on the more detailed implications of TUPE for staff, e.g. impact on terms and conditions, pensions, etc and there were opportunities for questions. There were also individual HR surgery sessions for individual personal questions arising from the presentations.
- 3.41 If Cabinet approves the recommendation of this Report to award the contract for the provision of reablement services to Bidder A, a meeting will take place with reablement staff and trade union representatives to inform them of the identity of the new provider.
- 3.42 There will be on-going consultation meetings with staff regarding their transfer to Bidder A. The provider has furnished a detailed consultation and transfer plan and will be actively involved with staff, management and London Borough of Havering's Human Resources Department to ensure that the transfer of staff takes place efficiently and with as little anxiety to staff as possible.

REASONS AND OPTIONS

4.0 Reasons for the decision:

- 4.1 There are clear policy objectives that have been set both nationally and locally for prevention, re-ablement and independence. The externalisation of the reablement service is intended to contribute to the implementation of these strategies by ensuring that reablement is available to a greater number of people, thereby increasing the independence and improving the health and wellbeing of adults in Havering.

4.2 Increasing numbers of people, particularly older people, will require a service in the future, placing significant increased pressure on budgets.

4.3 Other options considered:

Detailed modelling of options took place in October 2010. The following options were considered:

4.4 Retention of the existing service:

- The primary disadvantage of this is that achievement of the required level of savings would be highly unlikely.
- In 2011 a staffing and service restructure was implemented, which realised savings which contribute towards the achievement of MTFs savings of £750k per annum. However, there is no further scope to reduce costs internally.

4.5 Undertaking a phased externalisation:

- Based on the current level of staff turnover (10%), it is unlikely that sufficient staff would choose to leave the service to achieve the required amount of savings within the required timescales.
- Corporate support and infrastructure e.g. management, payroll, HR, Finance etc. would still be required.

4.6 Externalising partially:

The in-house service has been unable to meet all of the demand for reablement provision. Therefore, externalisation of the work to meet this demand was considered. This would have enabled the Council to monitor external costs and quality before reviewing whether the entire service should be re-provided. However, it has not been possible to identify a local provider able to take on this work. Furthermore, it would not contribute directly to the required savings, and therefore wider action has been required.

IMPLICATIONS AND RISKS

Financial implications and risks:

These are included in Exempt Appendix 4 to this Report.

There is an MTFs target of £750k to be achieved by remodelling the Council's reablement service. There is also a related target of £500k to be achieved through

increased reablement capacity, as a preventative strategy. Both targets are from April 2013. The details on how these savings will be made are outlined in the exempt section of the report, along with information on the costs of the new contract, and related implications and risks arising.

Caroline May, Strategic Finance Partner

Legal implications and risks:

The procurement and TUPE requirements and implications are as set out in this report.

Robin Bloom, Principal Locum Lawyer (Contracts)

Human Resources implications and risks:

If the contract is awarded to Bidder A, the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) would apply to protect employees' employment, terms and conditions. Employees assigned to the Reablement workforce would transfer to Bidder A under their existing contractual terms of employment and without breaking their continuous service. Union recognition and collective agreements would also transfer. Employees would have the right to object to the transfer, which is legally treated as a resignation under TUPE. Bidder A has indicated they will accept the transfer of all staff who wish to transfer on this basis.

Bidder A has indicated that they will seek Admitted Body Status to the LGPS in order to secure transferring employing pension rights under TUPE. This would mean that staff will continue to be active members of the LGPS. Approval of the Pensions Committee is required, which should be granted where the statutory requirements for admission are met. Bidder A has experience of obtaining Admitted Body Status with other local authorities and has evidenced an ability to meet the requirements for admission.

Where TUPE applies there is an obligation to inform appropriate employee representatives about the proposed transfer and its implications for staff. There is also an obligation to provide information and consult in relation to any "measures" that the London Borough Of Havering or Bidder A proposes in connection with the transfer (for example, redundancies, restructuring, contractual changes or changes to working practices or location).

The London Borough Of Havering and Bidder A would work together to fulfil their TUPE obligations and ensure that employee information and consultation rights under TUPE are recognised. Bidder A has evidenced experience of handling TUPE transfers of staff and associated issues effectively. Bidder A has outlined its implementation plan, which addresses the TUPE transfer and consultation with staff, and upon award of contract will appoint a Project Implementation Team to develop and deliver the project plan. Formal TUPE transfer notification letters would be sent to staff and trade union representatives shortly after award of the

contract, providing the required information. An Information and Consultation Forum would be formed as the medium for providing information to and consulting with staff and trade unions. It is proposed that staff would be given the opportunity to elect a staff representative to join the forum along with management and trade union representatives, to ensure those employees who are not members of recognised trade unions are represented. The Forum would meet regularly from award of the contract until the transfer date. Meetings involving Bidder A's management team and HR will also be facilitated to help ensure a smooth transfer with minimal anxiety for affected staff.

The London Borough Of Havering is legally obliged under TUPE to provide information about the transferring workforce, their contractual terms and conditions and related rights and obligations to Bidder A no later than 14 days before the commencement date of the contract. This information will be collated and provided, with a suitable warranty as to its accuracy and completeness.

The human resources risks in relation to any transfer of staff under TUPE arise if employee rights are breached. Employees may bring legal claims for compensation for failure to properly inform and consult, or unfair dismissal or constructive unfair dismissal in relation to any dismissal or change to working conditions or terms and conditions of employment, if they consider such action to have breached their rights under TUPE. It is considered that the risk of such claims is minimised. Bidder A has evidenced its experience of handling TUPE transfers effectively and has provided plans in relation to the proposed transfer as part of the tender process. The London Borough Of Havering and Bidder A will work in partnership, with appropriate legal advice as required, to ensure compliance with their obligations under the regulations and the recognition of employee rights under TUPE.

Geraldine Oakley, Strategic HR Business Partner

Equalities implications and risks:

There is a full equalities analysis attached as Appendix 1 to this report.

Service users

The proposals aim to impact positively on the quality of service and to ensure that it is available to an increasing number of people, through improved efficiency, facilitating greater contact time with service users than currently. The adverse impact on service users is likely to be minimal, since reablement is a short-term service and therefore people do not become dependant on workers.

A stringent tender process has been undertaken to ensure that the provider to whom the contract is awarded is experienced in delivering high-quality and outcome-focused support. As part of the procurement and commissioning process, Bidder A has had to demonstrate how it complies with equality legislation in provision of services.

Staff

As most of the reablement workforce is female and many are over 55 years of age, it can be expected that the transfer of the service to an external provider will affect a disproportionately high number of staff falling within these groups. This impact is due purely to the make-up of the workforce. The impact on staff is justified because the decision was made in order to ensure that a greater number of people will be able to have access to reablement services at a sustainable cost, maximising and prolonging their independence.

Staff will be transferred to the new provider under the Transfer of Undertakings (Protection of Employment) Regulations 2006. They will therefore transfer under their existing conditions of employment and without breaking their continuous service. Union recognition and collective agreements will also apply.

There will be on-going consultation meetings with staff regarding their transfer to Bidder A. The provider will be required to furnish a detailed consultation and transfer plan and will be actively involved with staff, management and London Borough of Havering's Human Resources Department to ensure that the transfer of staff takes place efficiently and with as little anxiety to staff as possible.

BACKGROUND PAPERS

The following background paper is available for reference:

1. Key Executive Decision signed on 25th August 2011 by Andrew Ireland, Group Director for Social Care and Learning. This was exempt from publication.

The following are attached as non-exempt appendices:

1. Equality Analysis
2. Quality Scoring Matrix

The following are exempt appendices:

3. Details of Bidder A
4. Financial implications and risks
5. Copy of financial check carried out on Bidder A
6. Quality Scoring Matrix for Bidder A

Appendix 1 – Equality Analysis



LONDON BOROUGH OF HAVERING EQUALITY ANALYSIS

PROPOSED ACTIVITY (POLICY, STRATEGY, PROCEDURE, FUNCTION, PROJECT, PROGRAMME, SERVICE, RESTRUCTURE CHANGE/PROPOSAL, ORGANISATION/OTHER EXECUTIVE DECISION)

REVIEW OF REABLEMENT SERVICES

DECISION TO AWARD A CONTRACT FOR THE PROVISION OF REABLEMENT SERVICES TO AN EXTERNAL ORGANISATION

SCOPE OF PROPOSAL

- 1. What is the scope and intended outcomes of the activity being assessed; in terms of both the Council's organisation and staffing, and services to the community?**

Background

The implementation of the personalisation, transformation and preventative agenda in Havering has been a catalyst for change, particularly within Adult Social Care. Havering, like many other local authorities, developed an in-house reablement service as part of its personalisation approach. This service has been operating since 2007 and is currently provided by the former internal homecare team.

Reablement helps people achieve and maintain independence wherever possible, as well as improving health and social functioning. It is a specialised version of care and support at home and is characterised by an emphasis on a short-term (up to 6 weeks) rehabilitative approach of enabling/re-abling, through supporting individuals to learn or re-learn skills and strategies, thus contributing to a reduction in, or removing the need for, ongoing care and support services and also improving the health and wellbeing of the individual.

The aim of a reablement service is to:

- Enable service users, by providing intense outcome driven care and support, to regain a maximum level of independence and remain living within their own homes for as long as possible.

- Facilitate, with timely support, discharge from hospital and/or temporary care home, and re-enable these persons to maximise their full independence potential.
- Provide users with immediate reablement care and support services to assist in avoiding unnecessary hospital/care home admission.
- Where appropriate, to reduce the level of care needed in the longer term, both domiciliary and residential.

Ultimately reablement services allow sustainability of care budgets by achieving greater independence of service users. They deliver savings which can be reinvested into a wider variety of preventative support to people with social care needs. The delivery of reablement is essential to ensure that Adult Social Care remains sustainable in the future.

Reasons for externalisation of the service

The existing Reablement Service within Adult Social Care is considered to perform well but at a high cost per contact hour.

The Council is committed to providing reablement services as the default option to all eligible adults who can benefit from reablement for a period of up to six weeks, and it is therefore anticipated that the service will become the normal pathway for an increasing number of service users before they are considered for long term care. However, in order for this to be achieved, the service needs to operate more efficiently and at a lower cost.

There is also a commitment to delivering efficiency savings to contribute to the targets set under the Havering 2014 programme, reducing the overall costs of the current Reablement Service by March 2014, and to achieve a further savings per annum through increased numbers of clients receiving reablement services.

In 2010, a detailed modelling of options was carried out:

1. Retention of the existing service:

The primary disadvantage of this is that achievement of the required level of savings would not be possible.

In 2011 a staffing and service restructure was implemented (which was subject to a separate Equality Analysis) and which realised some savings. However, there is no further scope to reduce costs internally.

2. Undertaking a phased externalisation:

Based on the current level of staff turnover (10%), it is unlikely that sufficient staff would choose to leave the service to achieve the required amount of savings within the required timescales.

Corporate support and infrastructure e.g. management, payroll, HR, Finance etc. would still be required.

3. Externalising partially

The in-house service has been unable to meet all of the demand for reablement provision. Therefore, externalisation of the work to meet this demand was attempted. This would have enabled the Council to monitor external costs and quality before reviewing whether the entire service should be reprovided. However, it has not been possible to identify a local provider able to take on this work. Furthermore, it would not contribute directly to the required savings, and therefore wider action was required.

4. Externalise the service

It was considered that there would be a high likelihood of achieving the savings target if the service were to be externalised, as an external provider is likely to seek synergies in management and administrative support, improve productivity and contact time, and develop more flexible working practices.

There is the potential for additional savings to the Council in infrastructure, support and management linked to the service.

There will be a high potential to increase the capacity of the service, and thus the potential for indirect savings associated with facilitating a larger number of older people in particular being able to access reablement services, and therefore maintain and maximise their independence for longer.

Selected option

The decision was made to re-provision the current service in the most cost-effective manner, whilst ensuring that current good performance is maintained or improved i.e. externalise the service. This will thereby ensure that a greater number of people will be able to have access to reablement services, maximising and prolonging their independence, whilst also making the required savings.

Therefore, in October 2011 a formal tender process was commenced. This was concluded on 13th June 2012, following an evaluation process carried out in accordance with the Council's procurement procedures. An external organisation has been selected to provide the service from 1st November 2012.

A report, of which this Equality Analysis forms part, is being presented to Cabinet on 11th July for its approval of the award of the contract.

The identity of the successful provider is not given here, as the providers, both successful and unsuccessful, cannot be informed of the outcome until approved by Cabinet, and this information will not be in the public domain until then.

1 (a) Organisation and Staffing

This decision has direct implications for the workforce employed by the Council who currently provide this service. Reablement services are delivered through a

workforce of 108 employees, 106 of whom are female and 76 of whom are aged 50 or over.

This is not a redundancy situation. Staff will transfer to the external organisation under Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), retaining their existing terms and conditions as fully enjoyed whilst in the Council's service, and without breaking their continuous service. Union recognition and collective agreements will also apply. The provider has to ensure that there will be a broadly comparable pension scheme, and will be seeking Admitted Body Status to the local Government Pension Scheme.

As almost the entire workforce is female and many are over 55 years of age, this decision will affect a disproportionately high number of staff falling within these groups. This impact is due purely to the make-up of the workforce.

The impact on staff is justified because the proposals have been developed and decisions made in order to ensure that a greater number of people will be able to have access to reablement services at a sustainable cost, maximising and prolonging their independence.

1 (b) Services to the Community

• Service users and family carers

The decision to externalise the service aims to impact positively on the quality of service and to ensure that it is available to a greater number of people. The adverse impact on service users is likely to be minimal, since reablement is a short-term service, and therefore people do not become accustomed to and dependent on individual workers.

It is anticipated that changes to the service will facilitate a larger number of older people in particular being able to access reablement services, and therefore maintain and maximise their independence for longer.

Although the majority of service users are 'older people' (over the age of 65), it is not expected that as a service user group there will be a disproportionate adverse impact.

• Services and the wider community

Discussions have taken place with health colleagues about the possible provision of low-level health tasks by reablement staff in the future. If implemented, this was generally considered that it would have a positive impact on service users.

However, such tasks are not included in the current service specification, although the provider will be expected to work with the Council and with Health with the view to introducing some such input at some point, although timescales will need to be agreed.

PEOPLE AFFECTED

2. Which individuals and groups are likely to be affected by the activity?

2 (a) Staff Individuals and Groups

All reablement staff will be affected, as described above.

2 (b) Community Individuals and Groups *(including voluntary organisations)*

- **Service users:** service users undergoing reablement at the time of the transfer to the new provider will be affected. However, this is unlikely to have an adverse impact to any great extent as the provider has a robust implementation plan to ensure that any disruption to service users is avoided or kept to a minimum, and, wherever possible, staff involved in reablement support will continue to work with individuals until the outcomes identified for that person have been achieved (for up to six weeks).

Should this not be possible, then it will be ensured that the new provider will receive all necessary information to complete any reablement programme with service users, and to ensure that identified targets and outcomes for service users are known by the new provider and appropriate support given to achieve them as far as is possible.

- **Carers and family members:** carers and family members of service users undergoing reablement at the time of the transfer of the service may be affected, although any negative implications should be mitigated as described above.
- **Future service users, carers and family members:** these may be affected. However, a stringent procurement process has been undertaken and the provider is experienced in providing successful, outcome-focussed services. There is a detailed service specification, there has been a comprehensive scrutiny of tender applications, and there will be a robust contract with the new provider. As part of the tendering process, the provider has had to demonstrate satisfactorily how it complies with equality legislation in both provision of services and employment of its staff.
- **Three long-term service users:** there are three service users who have continued to receive a domiciliary care service from the in-house service, despite the fact that it was transformed into a reablement service in 2007. The main reason that these people have continued to receive this service is that they had previously either had a poor experience with an external agency, or believed that they were less likely to receive continuity of care from an external agency. However, it will not be appropriate for the new provider to deliver a service to these three people; it is being commissioned to deliver reablement services and will be monitored on performance outcomes in relation to its reablement support.

The three service users and their families have been informed that a tendering process was being undertaken to identify an external provider. Alternatives to provision from the in-house service have been discussed with the three service users and their families on a number of occasions. However, due to the issues which have been raised by them, their families and other parties, action to identify an alternative provider will not begin until a final decision has been made on the award of contract.

There will be close liaison with the service users and their families to ensure that a domiciliary care provider is identified to provide a high quality service that all are happy with, and that meets the service users' needs in the way that they prefer. However, the change is likely to have initially a considerable and adverse impact on them, their families and informal carers, as they have been receiving a service from the current reablement team for a number of years. However, all possible action will be taken to mitigate any detrimental impact as much as is possible.

DATA AND INFORMATION

- 3. What data/information do you have about the people with 'protected characteristics' (age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sexual orientation) or other socio-economic disadvantage (e.g. disabled and part-time workers, low income and/or lone parents (mothers and fathers), looked-after children, other vulnerable children, families and adults) among these individuals and groups? What information do you have about how they will be affected by the activity? Will you be seeking further information in order to assess the equalities impact of the activity? How is this information being used to influence decisions on the activity?**

3 (a) Staff

There are 108 staff in total in the reablement service. The current FTE is 66.72: 5.95 admin staff, 2 Locality Managers, 8.02 Care Co-ordinators and 50.75 Reablement Carers.

- 106 staff are female.
- 94 staff are white, 10 are Black or Black British, 2 are Asian or Asian British, 1 is mixed heritage and 1 has not stated their ethnicity.
- 32 staff are under 50 years old, 46 staff are aged 50-59, 30 staff are 60 or older.
- None has reported a disability.

As 98% of staff are female, with 70.4% being over 50, older women are disproportionately affected by this decision, due to the makeup of the workforce.

3 (b) Community

Between 1st April 2011 and 31st March 2012, the Reablement Service provided a service to:

Cabinet, 11 July 2012

- 1120 people in total
- 392 were male and 728 were female
- 66 people were aged between 18 and 64, of whom 30 were male and 36 were female
- 563 people were aged between 65 and 84, of whom 211 were male and 352 were female
- 491 people were aged 85 or over, of whom 151 were male and 349 were female
- 1095 people were white.
- of the remaining 25 people 2 had not wished to give their ethnicity, 2 were not white but had not specified their ethnicity, and the remaining 21 people were from various ethnic minority backgrounds, with the largest groups being Indian (5) and Black Caribbean (4).

Although the majority of service users are 'older people' (over the age of 65), it is not expected that as a service user group there will be a disproportionate adverse impact for reasons given above.

- **Three long-term service users:**

These are all female, white British, one aged 78, one aged 87 and one aged 105. They all receive at least three visits per day, seven days a week.

- One previously had a poor experience with an external care agency, and her son therefore does not wish the provision of her care to be transferred. She was originally referred as she had had a stroke and has right-sided disability. Her carer does not have a disability. She has received the service since at least 2004.
- One has received the service since at least 2007. She wants continuity of care, and thinks this is less likely with an external agency, so she and her daughter do not wish her care to be transferred. Her daughter does not have a disability. She has received a service since at least 2007.
- One has received the service since 1980. She has remained with the in-house service due partly due to the length of time that she has received a service, and partly due to her advanced age. She had a poor experience with a care agency in 1995, and has said that she therefore does not wish the provision of her care to be transferred. She has two grandchildren who are her main carers.

CONSULTATION

4. If no data and information is available about the groups likely to be affected by the activity, how would you inform your EA? Will you be considering carrying out some consultation to inform your EA?

4 (a) Staff

- From mid-2011 onwards meetings have taken place as appropriate with staff, along with Trade Union representatives, to ensure they were kept informed of

activities and progress. Formal meetings for all reablement staff as a group, led by the Head of Adult Social Care, took place on:

- 12th July 2011
 - 3rd October 2011
 - 29th February 2012
- There are regular Social Care and Learning Trade Union forum meetings at which Trade Union representatives have also been briefed on the following dates:
 - 1st December 2011
 - 1st March 2012
 - 7th June 2012
 - There have also been on-going team meetings and informal updates.
 - Early in the process, staff were also provided with a detailed question and answer document that deals with many of the human resources queries.
 - On 25th April and 1st May 2012, there were small group presentations on the more detailed implications of TUPE for staff, e.g. impact on terms and conditions, pensions, etc and there were opportunities for questions. There were also Individual HR surgery sessions for individual personal questions arising from the presentations.
 - A meeting is planned for 25th June with all reablement staff and trades union representatives to inform them that the tender evaluation process had been completed, with a successful provider identified. It was not possible to reveal the identity of the organisation at that stage as the recommendation to award the contract has still to be approved by Cabinet.
 - A meeting will take place with all reablement staff and trades union representatives after the Cabinet meeting on 11th July, to inform them of the identity of the organisation to whom the contract has been awarded.
 - In late July 2012, once the decision to award the tender to the new provider is complete, TUPE transfer notification letters will be sent to all individual staff, and will include detailed frequently asked questions concerning TUPE, what rights are protected under it etc.
 - In late July, once letters have been sent, there will be initial consultation forum meetings to begin consultation with staff and trades union representatives on matters outlined in the formal TUPE notification letters.
 - These will continue as frequently as required (probably fortnightly) until the transfer takes place on 1st November.

- As required, consultation/communication will also take place in other ways e.g. newsletters.
- Meetings with the new organisation's management group and HR will also be facilitated. The provider has furnished a detailed consultation and transfer plan and will be actively involved with staff, management and London Borough of Havering's Human Resources Department to ensure that the transfer of staff takes place efficiently and with as little anxiety to staff as possible.
- Proposals have also been made for employees to nominate a representative to join the information and consultation forum, along with trade union and management representatives, to represent those employees who are not members of the recognised trade unions. Whilst the Council is only legally obliged to consult with recognised trade unions, it is felt that having an additional employee representative would be good practice to facilitate dissemination of information and to ensure all staff views are represented.

4 (b) Community

Formal consultation with service users has not been appropriate. As noted, the adverse impact on service users is likely to be minimal, since reablement is a short-term service, and therefore people do not develop long-term relationships with individual workers. There is a communications plan in place to ensure that any service users affected will be informed in advance of Bidder A taking over provision of the service. Service users at the point of transfer will be communicated with in a sensitive manner, to let them know of the change of provider and its implications. A frequently asked questions document will also be sent, to ensure that rumours or misunderstandings are avoided or corrected.

- **Three long-term service users:** as already noted work is ongoing with these people and their families to ensure that an alternative provider is identified in good time that will be able to deliver a high-quality service to them in which they have confidence.

LIKELY IMPACT

- 5. Based on the collected data and information, what will be the likely impact of the activity on individuals and groups with protected characteristics or other socio-economic disadvantage?**

5 (a) Staff

As already noted, 108 staff currently employed within the reablement service will be directly affected by this decision, as on 1st November they will be transferred under TUPE to an external provider. Women, and particularly those over 50, will be disproportionately affected due to the makeup of the workforce. However, as stated elsewhere, staff will be

transferred to the new provider retaining their existing terms and conditions, and with continuing membership of the LGPS.

It is, however, acknowledged that the proposed change of employer is likely to be a source of anxiety and concern for many of the affected employees, and indeed that it has already been so for some considerable time. Although active steps have been taken to keep staff informed at every stage of the process, and answer any questions they may have had in order to allay anxieties as far as possible, because of the nature of the undertaking it has not always been possible to keep staff fully informed due to the confidential aspects of some of the information relating to tenderers.

5 (b) Community

As already stated, the decision to externalise the service aims to impact positively on the quality of the service and to ensure that it is available to a greater number of people. The adverse impact on service users is likely to be minimal, for reasons already given.

It is anticipated that changes to the service will facilitate a larger number of older people in particular being able to access reablement services, and therefore maintain and maximise their independence for longer.

Although the majority of service users are 'older people' (over the age of 65), it is not expected that as a service user group there will be a disproportionate adverse impact.

There will be a high potential to increase the capacity of the service, and thus will facilitate a larger number of older people in particular being able to access reablement services, and therefore maintain and maximise their independence for longer.

6. What is the likely impact on arrangements for safeguarding children and/or safeguarding vulnerable adults?

6 (a) Vulnerable children

There are no direct implications, as the service is for adults over 18.

6 (b) Vulnerable adults

As part of the overall tendering process, organisations were expected to outline their policies and procedures to safeguard vulnerable adults, and this formed part of the initial stage of the evaluation process, given its importance. Organisations were scored against this requirement. They were also expected to give details of the procedures in place within their recruitment and training processes to ensure that staff are suitable to work with vulnerable adults.

Modern approaches to the delivery of reabling care and support services stress the requirement to manage risk pro-actively. As part of the formal tendering process, organisations were asked to describe their approach to balancing the management of risk in relation to key areas specific to and typical for successful reablement. This formed part of the scores for quality in the evaluation of the tender.

The new organisation is aware of and will be expected to comply with London Borough of Havering's and Pan London safeguarding policies and procedures.

In view of the above, it is not therefore expected that there will be an impact on the arrangements for safeguarding vulnerable adults.

PREVENTING DISCRIMINATION

7. If any negative impact is identified, is there a way of eliminating or minimising it to reasonable level? If not, how can the negative impact be justified?

7 (a) Staff

As acknowledged, the impact on female staff is disproportionately high due to the make up of the workforce. It is considered that the impact on staff is justified to ensure that the service is able to operate more efficiently and at a sustainable cost, thereby ensuring that an increasing number of people, particularly older people, are able to receive this service and, in consequence, maintain and maximise their independence for as long as possible.

However, as explained earlier, a full communication programme has been in place to keep staff informed and to attempt to address the anxieties around the process. In addition, following award of the contract, information and consultation meetings will take place with staff and trades union representatives, in accordance with the TUPE Regulations and best practice. As part of the process, meetings with the new organisation's management group and HR will be facilitated. The provider will be required to furnish a detailed consultation and transfer plan and will be actively involved with staff, management and London Borough of Havering's Human Resources Department to ensure that the transfer of staff takes place efficiently and with as little anxiety to staff as possible.

7 (b) Community

As explained elsewhere in this analysis, the adverse impact on service users is likely to be minimal, since reablement is a short-term service, and therefore people do not become accustomed to and dependent on individual workers. Overall, the impact should be positive with a greater number of people being able to have access to reablement services, maximising and prolonging their independence.

PROMOTING EQUALITY

8. How will the activity help the Council fulfil its legal duty to advance equality of opportunity in the way services are provided?

8 (a) Staff

Although the activity in itself will not advance equality of opportunity directly in relation to staff, in order to ensure that staff are protected as far as is possible equality issues formed an important aspect of the tendering process, and organisations were scored on this.

As part of the initial stage, organisations had to respond to a number of questions relating to promotion of equal opportunities to ensure that:

- there is compliance with all equalities-related legislation
- there is a written equalities policy
- there are satisfactory mechanisms to ensure that policies on equality and diversity issues are communicated to employees, potential employees, service users and potential service users
- there are robust mechanisms to monitor equality and diversity issues across the organisation.

The successful organisation demonstrated that it met all of the above effectively.

8 (b) Community

All of above also relates to the community.

It is intended that equality of opportunity will be promoted by delivering the service in a more cost-effective manner, whilst ensuring that current good performance is maintained or improved. This will thereby ensure that a greater number of people will be able to have access to reablement services, maximising and prolonging their independence.

SPECIFIC NEEDS

9. What actions will you be taking in order to maximise positive impact and minimise negative impact from the activity?

9 (a) Staff

As part of the formal tender process, organisations were asked to provide detailed information regarding:

- their approach to the transfer of staff
- the key issues that will be faced
- a detailed communication plan (pre and post transfer)
- an outline of their proposed induction and on-going staff training programme

- their intentions for the provision of pension arrangements for transferring staff, confirming that pension protection will be provided and that transferring employees will have the right to acquire pension benefits which are the same as, or broadly comparable to, or better than, those they had the right to acquire before the transfer.

The successful organisation complied with all of the above in a manner that was considered satisfactory by the evaluation panel.

It is anticipated that this will assist in minimising the negative impact on staff as far as is possible, in conjunction with the consultation and communication activities described in 4a) above.

9 (b) Community

As described elsewhere, the negative impact on service users is considered to be minimal, with one of the objectives of this activity being to ensure that the service is available to an increasing number of people.

As part of the initial stage of the tender process, organisations were asked to provide details which demonstrated experience of provision of a high quality reablement service.

Those organisations that were short-listed and invited to submit tenders were asked to provide detailed information regarding:

- how they will deliver person centred/outcome focused reablement support, delivered to people at times when it suits them
- how they will monitor and ensure the quality of the delivery of outcome-focused reablement support to service users
- their approach to involving customers in the ongoing development of the service, including how they will gather feedback from customers and carers, and how this would be incorporated within a service development plan.

Organisations were also asked to summarise any added social value that they will bring to the operation of the service.

The successful organisation demonstrated an effective approach to all of the above, which it is anticipated will maximise the positive impact for the community.

MONITORING AND REVIEW

10. Once implemented, how often do you intend to monitor the actual impact of the activity?

10 (a) Staff

Once the transfer of staff has taken place on 1st November, the London Borough of Havering will no longer have formal responsibility for staff, as they will then be the employees of the new provider. Therefore, the London Borough of Havering will not be monitoring the impact of the change on staff directly.

The provider has indicated that, both during and post transfer, support to staff will be available via its HR team and operational managers, with weekly HR surgeries being run locally so that staff can access members of the HR team with ease.

The provider has stated that it is committed to open and honest communication with staff and any representative bodies such as unions, and that it has a strong and healthy relationship with unions. It also has a Staff Forum, and will extend this model to include Havering staff representation.

10 (b) Community

There are various methods whereby the impact of the proposed changes on service users will be monitored.

There is going to be a new contract monitoring post, the responsibility of which will be to monitor a range of performance requirements contained within the service specification and contract. This will be done on a quarterly basis. Obviously if there are any concerns with performance then this would be addressed with the provider outside the formal process as required, but in a spirit of partnership working.

It is acknowledged that there may inevitably be some performance issues initially that may impact on service users, while the new service becomes embedded, but all possible action will be taken by both the provider and London Borough of Havering to minimise these, though close joint working in the period leading to the transfer and beyond.

Adult Social Care has a Quality Monitoring Service, with a responsibility for monitoring both internal and external services on an annual basis or more frequently if necessary. It is recognised that this service will need to be developed and actively involved, and to this end there will be an additional post within the Quality Monitoring Service.

Care managers will be involved in regular reviews of service users' needs.

There is an annual survey amongst a cross-section of service users and carers to obtain information about the quality of services provided. This will also afford an opportunity for monitoring the impact of changes.

The new provider has its own complaints process, and, in the first instance this is where any complaint should be dealt with. However, should it not be possible to resolve an issue in this way, then complaints will be dealt with through the London Borough of Havering's statutory complaints procedure.

SIGN OFF AND PUBLICATION

- 11. When completed, the Equality Analysis needs to be signed off by the Head of Service. Once signed off, it should be forwarded to the**

Directorate Equality Analysis Web administrator to publish it on the council's website.

HEAD OF SERVICE

Name: David Cooper

Date: 18 June 2012

Signature:

A handwritten signature in black ink, appearing to read 'D Cooper', written over a horizontal line.

APPENDIX 2 – Quality Scoring Matrix

F0087832 – Invitation to Tender – Provision of Reablement Services

Scoring Matrix for Quality / Service Delivery – Evidence drawn from method statements, meetings and requested actions

Scoring will initially be based on the written submission only but will be altered in light of any clarification and responses to round table questions

Name of Organisation			
Panel Member		Date	

Ref	Delivery	Unsatisfactory- Poor (0, 1 or 2)	Satisfactory (3)	Good – Excellent (4 or 5)	Weighting	Total	Comments
1.	Robustness of general service model & description including understanding of differences & evidence of flexibility in service delivery	Service description poor and/or understanding of difference not clear and/or evidence of flexibility not addressed and/or insufficient detail given.	Service description satisfactory with a reasonable understanding of difference including some understanding of flexibility/some areas not covered.	Service description exciting with excellent understanding of difference and a good understanding of flexibilities required.	X2		
2.	Suitability of proposed structure including roles & responsibilities & ability to be flexible. Suitability of job descriptions and person specifications, skills mix and line management.	Proposed structure does not address the specification in full and/or the issue of flexibility is not addressed and/or little understanding of specific skills is demonstrated or is inflexible or insufficient detail given. Inadequate job descriptions, person specifications and/or line management or insufficient detail given.	Structure partially addresses the specification and/or shows partial understanding of the issue of flexibility or specific skills or could be more flexible. Adequate job descriptions, person specifications and/or line management. Some areas not covered	The structure addresses the specification and is proportionate to service delivery and shows a good understanding of the issue of flexibility and specific skills. Job descriptions/person specifications and line management arrangements show a good understanding of key issues.	X2		

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Ref	Delivery	Unsatisfactory- Poor (0, 1 or 2)	Satisfactory (3)	Good – Excellent (4 or 5)	Weighting	Total	Comments
3.	Demonstration of ability to provide the flexibility required to deliver short notice changing hours (up to 250 in any given week)	Proposed approach is unclear/issue is not addressed/insufficient attention has been given to the challenges.	Proposed approach partially addresses the specification and/or shows partial understanding of the issue of flexibility or specific skills or could be more flexible/some issues not covered.	Proposed approach shows understanding of the issues involved and demonstrates creative thinking/ and pragmatism.	X2		
4.	Demonstration of ability to plan & provide service in desired timescale with sufficient attention to TUPE issues with back up/ contingency plans. Suitability of recruitment plans, induction of new & transferring staff and ongoing training.	Approach inadequate or unrealistic and/or insufficient attention to TUPE and/or contingency arrangements inadequate or insufficient detail given. Inadequate recruitment, induction and/or training programme or insufficient detail provided.	Approach adequate but some areas addressed are weak and/or TUPE issues show some weaknesses. Contingency plans addressed. Adequate recruitment, induction and training details provided.	Approach is realistic and proportionate and understands all the issues involved and proposed timescales and contingency arrangements appear robust. Recruitment, induction and training details provided appear comprehensive.	X2		
5.	Demonstration of understanding of full range of TUPE issues, evidence of realistic assumptions & plans with sufficient details about costs and variables around staff numbers under TUPE.	Response inadequate or unrealistic and/or insufficient details about associated costs and/or implications/ insufficient attention to variables around TUPE numbers	Response adequate and realistic but some areas show weaknesses and/or some issues not covered and/or costs unrealistic/variables around TUPE numbers addressed to some extent.	Response appears robust and demonstrates understanding of all the issues. Associated costs appear realistic variables around TUPE numbers addressed well.	X2		
6.	Clear evidence of ability to provide suitable pension arrangements for transferring staff	Response inadequate and/or insufficient details provided	Response adequate but some issues not covered	Evidence of well prepared, realistic pension proposals	X2		
7.	Clear rationale for, & robust plans to, deliver a competitively costed service linked to staffing model & transfer plans	Response inadequate or unrealistic and/or insufficient details provided	Response adequate but some issues not covered and/or savings not realised	Response appears realistic and well thought out with clear savings for the council across the life of the contract	X2		

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Ref	Delivery	Unsatisfactory- Poor (0, 1 or 2)	Satisfactory (3)	Good – Excellent (4 or 5)	Weighting	Total	Comments
8.	Suitability of proposals for an office base and local facilities to accommodate staff training, team meetings et cetera	Proposals inadequate or unrealistic and/or insufficient details provided	Proposals adequate and realistic but some issues not covered	Proposals appear well thought out and robust. Details include realistic accommodation proposals for operational management and staff training, team meetings et cetera			
9.	Suitability of proposals to develop a unique local service identity	Proposals inadequate or unrealistic and/or insufficient details provided	Proposals adequate and realistic but some issues not covered	Realistic proposals and well thought out marketing plan with proportionate associated costs			
10.	Suitability of proposals for line management of staff and methodology to ensure quality of outcome focused reablement to service users	Details of proposed line management structures unrealistic or inadequate and/or lack of detail about quality monitoring	Details of proposed line management structures submitted largely appropriate but some issues not covered	Robust line management structure with detailed, realistic methodology for monitoring the quality of services delivered to service users			
11.	Understanding of proactive management of risk with appreciation of difficulties around this issue.	Approach shows elements of risk aversion and/or paternalistic or insufficient detail given.	Approach is tailored to risk management rather than risk avoidance but shows some room for improvement.	Approach fully understands proactive risk management and shows no signs of risk aversion or paternalism.			
12.	Clear rationale and approach to involving others in reablement planning and balancing competing priorities	Approach is inappropriate and/or relies too heavily on professionals/carers and/or wrong decision making process and/or insufficient detail given.	Approach is largely appropriate but still some slight disproportion or wrong emphasis on decision maker	Approach demonstrates a robust methodology for the proportionate involvement of others with clear rationale for balancing competing priorities, risks and recognising main decision maker			

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Ref	Delivery	Unsatisfactory- Poor (0, 1 or 2)	Satisfactory (3)	Good – Excellent (4 or 5)	Weighting	Total	Comments
13. & 14.	Flexibility of approach and rotas around flexible delivery taking into account the expectation of the use of block and additional hours, staff working between RJC and community based clients; rotas submitted to evidence written responses	Approach traditional, inflexible and inadequate; meeting people’s needs with this model would be difficult or insufficient detail/no rotas given. Inadequate evidence of attention given to the flexing of hours and staff.	Approach shows some flexibility but there is some room for improvement or Approach is adequate but rota inadequate to deliver approach. Some evidence of attention given to the flexing of hours and staff.	Approach fully explores issues around flexibility and rotas and staffing proposals seem likely to be able to deliver flexible care and support. Full attention given to the flexing of hours and staff.	X2		
15.	Approach to developing/ maintaining suitable relationships with stakeholders, commissioners and referral routes into the service	Approach inadequate and/or lacking detail	Approach adequate but some issues not covered	Realistic approach to developing and maintaining positive relationships. Pragmatic approach to ensuring referral routes remain effective and well publicised			
16.	Demonstration of approach to managing key interfaces, with clear areas of responsibility	Approach inadequate and/or lacking detail	Approach adequate but some issues not covered	Approach demonstrates clear understanding of the importance of key interfaces with realistic accountability			
17.	Approach to involving service users in service development and examples of changes as a result of service user involvement.	Unimaginative or ‘tick box’ approach shown or insufficient detail given. No/unsatisfactory examples of changes provided.	Approach shows some innovative ideas but has some deficiencies. Satisfactory example of change.	Approach is innovative, person centred and values service user involvement. Positive / innovative examples of change clearly resulting from involvement.			
18.	Robustness and appropriateness of approach to Boundaries/Code of Conduct including recognising localised issues.	Either Code of Conduct or Boundaries Policy inadequate and/or fails to reflect localised issues or insufficient detail given.	Code of Conduct or Boundaries Policy covers most aspects but could be brought more up to date with localised issues.	Code of Conduct or Boundaries Policy addresses issues around conduct and boundaries in a comprehensive and robust way. Localised issues that impact on these areas have been recognised.			

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Ref	Delivery	Unsatisfactory- Poor (0, 1 or 2)	Satisfactory (3)	Good – Excellent (4 or 5)	Weighting	Total	Comments
19.	Approach to evidencing positive both hard and soft outcomes	Approach is poor and/or lack of understanding how to evidence/value of outcomes/methodology cumbersome/does not cover hard and soft outcomes	Approach largely appropriate but room for improvement in ability to evidence or understand value of recording/both hard and soft outcomes included.	Robust approach that demonstrates clear understanding and appreciation of value of proper recording of outcomes and ability to evidence, methodology proportionate and includes hard and soft outcomes.			
20.	General ability to demonstrate innovation, continuous improvement, knowledge of up to date developments in the field and value for money in service delivery.	Few or none of these qualities demonstrated across tender	Some of these qualities demonstrated across tender	Tender demonstrates all these qualities			
21.	Ability to bring something unique, particularly added social value, to the tender	Little or no added social value, no unique factor	Some added social value and/or special qualities	Good demonstration of added social value and unique approach appropriate to the service demonstrated			

Note: The following scoring matrix refers to responses to real life scenarios that may be requested prior to round table discussions.

Ref	Delivery	Unsatisfactory- Poor (0, 1 or 2)	Satisfactory (3)	Good – Excellent (4 or 5)	Weighting	Total	Comments
	Response to scenario 1 submitted prior to Round Table Discussion	Approach inappropriate or inadequate or insufficient detail given.	Approach has some of the right elements but could be better.	Approach balanced, risk managed, utilising known information and target setting.	X2		
	Response to scenario 2 submitted prior to Round Table Discussion	Approach inappropriate or inadequate or insufficient detail given.	Approach has some of the right elements but could be better.	Approach balanced, risk managed, utilising known information and target setting.	X2		

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Ref	Delivery	Unsatisfactory- Poor (0, 1 or 2)	Satisfactory (3)	Good – Excellent (4 or 5)	Weighting	Total	Comments
	Response to scenario 3 submitted prior to Round Table Discussion	Approach inappropriate or inadequate or insufficient detail given.	Approach has some of the right elements but could be better.	Approach balanced, risk managed, utilising known information and target setting.	X2		

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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