



Notice of NON KEY Executive Decision

Subject Heading:	Contract Award for Occupational Assessment Services
Cabinet Member:	Councillor Jason Frost, Cabinet Member for Adult
SLT Lead:	Barbara Nicholls, Director for Adult Services
Report Author and contact details:	Jonathan Cassidy, Senior Commissioner & Projects Manager, Jonathan.Cassidy@havering.gov.uk
Policy context:	Care Act 2014: The local authority has a duty to assess people's needs and their eligibility for publicly funded care and support.
Financial summary:	Based on current costs the annual cost is approximately £100,000 per annum. The total value over the life of a 4 year contract is a maximum spend of £400,000. Expenditure will only be incurred when referrals are made to the service. The contract will be funded from OT vacancies within the staffing budgets.
Relevant OSC:	Individuals
Is this decision exempt from being called-in?	Yes, it is a non-key decision by a member of staff

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

Communities making Havering	<input checked="" type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

For the reasons set out in the report, the Second Tier Manager is recommended to agree the award of the contract to, All Therapy Solutions for the provision of the Occupational Therapy Services Contract as allowable under Council's Contract Procedure Rules (CPR), at an whole life contract sum of £400,000 for a period of 4 years, with a start date of 1st April 2020.

AUTHORITY UNDER WHICH DECISION IS MADE

3.4 Powers of Second Tier Managers

Second Tier Managers are those managers directly reporting to a SLT Director. Second Tier Managers all have delegated authority to act as follows within the assigned service, subject to the general provisions and limitations set out in section 3.1

Contract powers

(a) To approve commencement of a tendering process for, and to award all contracts below a total contract value of £500,000 but above the EU Threshold for Supplies and Services.

STATEMENT OF THE REASONS FOR THE DECISION

Background

1. The Care Act 2014 states that Occupational Therapists are well placed to undertake assessment or review of an individual or carer with complex support needs. OT intervention is primarily preventative and the cost benefits associated with the provision of personalised home adaptations is well evidenced. Occupational Therapists are effective at preventing, reducing or delaying the need for care and support based on a holistic picture of the individual or family, taking into consideration informal support networks and an asset-based approach which is complementary to maximising individual and community Resilience.
2. Havering has been unsuccessful in recruiting Occupational Therapists, meaning there are a number of vacant posts within the community social work teams. As a result of this, the existing staffing resource has been unable to meet the current demand. This has led to a backlog of Occupational Therapy (OT) and Occupational Therapy Assistant (OTA) assessments.
3. The backlog consisted of Basic and Moderate OT assessments:

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- A 'Basic' case would involve: Full functional OT or OTA Assessment with an adult in their home, where minor adaptations and standard equipment are required and where the established need is straightforward and easy to identify.
 - A 'Moderate' case would involve: Full functional OT Assessment with an adult in their home where major adaptations such as level access showers; stair lifts & ramps etc. are required; where a visit with a company rep or surveyor may be required to establish feasibility or where specialist equipment is needed and or where the established needs are more difficult to identify / liaison with other social and health care professionals.
4. Havering awarded an interim contract to a single provider to complete both Basic and Moderate OT assessments. The contract commenced on 1st September 2019 and is due to expire on 31st March 2020. The interim contract was implemented to allow the Council sufficient time to go out to tender for a long term contract.
 5. This decision paper seeks approval to award a four year contract for the provision of these services from the 1st April 2020. The estimated value of the contract is £400,000 over the four year period, however expenditure will only be incurred when referrals are made and delivered by the service.

TUPE

6. The application of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), will normally amount to a Service Provision Change under the TUPE, where there has been a change in the provider of the existing services provision. However, whether or not TUPE will apply is a matter for current and future provider to determine after seeking their own legal advice on the issue.
7. The Council is prepared to act as a conduit of information between the parties so as to ensure minimal disruption to service provision and comply with obligations under the regulations.

Procurement

8. Havering Council sought to attract suitably experienced organisations to bid for the provision of occupational therapy assessment services.
9. The objectives of the tender were to:
 - To ensure that services are commissioned to meet the priorities of the Council and offer the best value for money.
 - To ensure the tender follows corporate and EU procurement regulations and Local Authority financial regulations.
 - To implement robust pricing, quality assurance and performance management arrangements.

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10. The procurement was subject to and adhered to the Council's Contract Procedure Rules. The procurement followed a formal mini tender process in line with relevant procurement regulations and in accordance with the Public Contracts Regulations 2015, which require compliance with principles of non-discrimination, equal treatment and transparency. Suppliers were invited to access the tender using CapitalSourcing, the Council's E-Procurement system.

Evaluation

11. In total, eight suppliers completed and submitted their tender documents by the closing date of 29th November 2019.

12. One of the eight bids received was excluded in accordance with Section 69-5 of The Public Contract Regulations 2015. The bid received was an abnormally low bid in relation to the Commercial Envelope, in particular the cost of a 'Moderate Case' for OT Assessments. The council requested further clarification from the provider regarding the abnormally low bid, however there was not sufficient information provided received and the bid remained excluded.

13. All evaluations focused on examining how proposals will deliver a quality service (technical) and the cost of the service (commercial). Cost was evaluated at 70% of the total score. The quality factors were weighted according to their importance with 30% of the total score assigned to quality.

14. The remaining seven bids were evaluated over a two week period with evaluators meeting during this period to consider the commercial and technical scores. The evaluation panel was able to agree on the most advantageous bids to recommend for award. In summary, the scores of the bids tendering are presented in the table below:

Provider	Technical Score	Commercial Score	Total Score
All Therapy Solutions Ltd	62.0	100.0	88.6
SHA Disability Consultancy Ltd	55.0	96.7	84.2
The Occupational Therapy Partnership	83.0	75.0	77.4
NRS Healthcare	60.0	84.5	77.1
The O.T. Practice Limited	82.0	70.5	74
Access Independent Ltd	66.0	72.2	70.4
Essex Cares Ltd	49.0	52.2	51.2

15. Once approved by the Director of Adult Services, all suppliers who submitted bids will be informed of the Council's decision to award the contract. Following this, arrangements will be made with Provider A to sign the contract and submit structured and comprehensive plans for the mobilisation of the service.

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16. The table below presents the key milestones and dates from the project plan are as follows;

Stage	Timescale
Procurement Planning	September-October 2019
Invitation to Tender Published	November 2019
Evaluation	December-January 2020
Award	7 th February 2020
Mobilisation	14 th February – 31 st March 2020
Contract Start Date	1 st April 2020

Finance

17. Based on current spend the annual cost is approximately £100,000 per annum. The total value over the life of a 4 year contract is a maximum spend of £400,000. The costs for the contract commencing 1st April 2020 are agreed as follows:

- Basic Case - £120 per assessment
- Moderate Case - £180 per assessment

18. There is no guaranteed spend over the life of the contract, and the winning provider will be used to cover the backlog of OT and OTA assessments. Based on the current backlog, it is expected that the provider will complete up to 20 assessments per week.

OTHER OPTIONS CONSIDERED AND REJECTED

Option 1 – Do nothing

The current contract is due to expire 31st March 2020 and there is no further option to extend. Therefore doing nothing would result in the Council being unable to manage the demand for OT and OTA assessments.

Option 2 – Extend the current contract

The current interim contract does not allow the Council to extend the contract further and so this approach would contravene the Council's Contracts Procedure Rules.

PRE-DECISION CONSULTATION

Internally we have consulted with Procurement, Finance, Legal and Adult Social Care.

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

Name: John Green

Designation: Head of Joint Commissioning

Signature:



Date: 24/01/2020

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

1. The Care Act 2014 sets out local authorities' duties in relation to assessing people's needs and their eligibility for publicly funded care and support. Section 2 of the Care Act 2014, places a general duty on local authorities to provide, arrange or otherwise identify services, facilities or resources to help prevent, delay or reduce the needs of adults for care and support. The recommissioning of the proposed Occupational Therapy service provision would assist the Council in satisfying this ongoing duty. In addition, the general power of competence in s.1(1) of the Localism Act 2011 states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to public law principles. The proposed recommendations within this report are in accordance with these powers.
2. The Second Tier Manager is recommended to agree the award of the contract to, All Therapy Solutions for the provision of the Occupational Therapy Services Contract as allowable under Council's Contract Procedure Rules (CPR), at a whole life contract sum of £400,000 for a period of 4 years, with a start date of 1st April 2020.
3. The estimated whole life value of proposed contract is £400,000.00, which is above the EU threshold for Service/Supply contracts and therefore any procurement route or award of contract is subject to the full requirements of the Public Contracts Regulations 2015 (the "EU Regulations").
4. Following the assistance of the Procurement unit, the client department has undertaken a tender process which is allowable under the Public Contracts Regulations 2015 ("PCR 2015") and the Council's Contract Procedure Rules ("CPR"), including the award selection using the MEAT criterion. The most economically advantageous tender (MEAT) criterion enables the contracting authority to take account of criteria that reflect qualitative, technical and sustainable aspects of the tender submission as well as price when reaching an award decision ("CPR"). The body of the report sets out how the Council complied with the CPR and PCR 2015 requirements whilst procuring the new service provision.
5. The Second Tier member will be aware of the Public Sector Equality Duty (PSED) set out in section 149 of the Equality Act 2010. At each stage, in exercising its function (and in its decision making processes) the council must have due regard to the need to:
 - a) eliminate discrimination, harassment, victimisation or other prohibited conduct;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it;
 - c) foster good relations between person who share a relevant protected characteristic and those who do not share it.

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The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The Second Tier Manager should take note of comments made within the body of the report, which sets out the consideration that has been given to equalities issues, which should be considered when approving the recommendations in this report.

6. The Legal and Governance officers are available to assist the client department in drafting and finalising the terms and conditions of the proposed contract between the parties.

FINANCIAL IMPLICATIONS AND RISKS

Based on current spend the annual cost is approximately £100,000 per annum. The total value over the life of a 4 year contract is a maximum spend of £400,000. The costs for the contract commencing 1st April 2020 are agreed as follows:

- Basic Case - £120 per assessment
- Moderate Case - £180 per assessment

There is no guaranteed spend over the life of the contract, and the winning provider will be used to cover the backlog of OT and OTA assessments. Based on the current backlog, it is expected that the provider will complete up to 20 assessments per week.

Costs will only be incurred, against the contract, if there are Occupational Therapist vacancies within the structure at that time. If the structure were fully appointed to, the staffing resource would be sufficient to meet demand, and therefore, the contract would not be called upon.

The costs for this provision will be met from the Occupational Therapist vacancies within Adults. The current Occupational Therapist and Occupational Assistants vacancies in the structure amount to £227k, which would allow sufficient funding to meet the costs of the contract. However, if expenditure incurred on the contract exceeds the budget available from the vacant Occupational Therapist posts, the additional expenditure will have to be covered from within existing Adult Social Care Budgets.

There is also a risk that expenditure may be incurred through the providers when a full staffing compliment is in place. This would mean that there is no funding available to offset the costs of this additional expenditure. This risk is minimal as Occupational Therapist post are historically difficult to recruit to, however if this were to happen, then the additional costs would need to be funded.

The total value of the anticipated expenditure through the contract is estimated to be in the region of £100k per annum, based on current demand. To date the expenditure on the interim contract has been £35,640 for the period September 2019 – January 2020. If demand continues at the same level, the anticipated annual expenditure would be in the region of £85,000. If demand increases over current expectations, and therefore leads to increased costs over the existing budget allocations, then additional funding will need to be identified from within Adult Social Care.

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

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would directly or indirectly affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants. It is not anticipated that there will be any negative impacts arising from this proposal to current and future users of this service.

BACKGROUND PAPERS

None

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Part C – Record of decision

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.

Decision

Proposal agreed

Details of decision maker

Signed



Name: Barbara Nicholls

Cabinet Portfolio held:

CMT Member title: Director of Adult Social Care and Health

Head of Service title

Other manager title:

Date: 6th February 2019

Lodging this notice

The signed decision notice must be delivered to the proper officer, Andrew Beesley, Committee Administration & Interim Member Support Manager in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 7/2/2020

Signed S. J. R. R.

