

## Notice of KEY Executive Decision

<b>Subject Heading:</b>	Award of contract for the Floating Support Service
<b>Cabinet Member:</b>	Councillor Jason Frost, Cabinet Member for Health and Adult Care Services
<b>SLT Lead:</b>	Barbara Nicholls, Director of Adult Social Care
<b>Report Author and contact details:</b>	Daren Mulley, Senior Commissioning Manager T: 01708 433982 E: daren.mulley@havering.gov.uk
<b>Policy context:</b>	At a local level, this contract supports the Council to meet its Communities Theme priorities in its Corporate Plan 2019/20. This plan sets out how the Council intends to invest and transform the borough with an emphasis on improving the lives of vulnerable children, adults and families. In summary, this service ensures the Council fulfils its aim of ensuring that the needs of the most vulnerable are met and that people are supported to be healthy and active.
<b>Financial summary:</b>	The budget for this procurement will come from existing revenue social care budgets. The value of the contract is £3,167,019.16 over the five years (3 + 2 years).

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<b>Reason decision is Key</b>	Expenditure of £500,000 or more
<b>Date notice given of intended decision:</b>	8 <sup>th</sup> March 2021
<b>Relevant OSC:</b>	Individuals
<b>Is it an urgent decision?</b>	No
<b>Is this decision exempt from being called-in?</b>	No

### **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**

This decision seeks approval to award a three year contract with an option to extend for two year for the provision of a floating support service from 1st August 2021.

### **AUTHORITY UNDER WHICH DECISION IS MADE**

Power to authorise the award is delegated to members of the Senior Leadership Team under Part 3 (Responsibility for Functions), Paragraph 3.3 of the Council's Constitution as follows:

Contract Powers

(b) To award all contracts with a total contract value of between £500,000 and £5,000,000.

### **STATEMENT OF THE REASONS FOR THE DECISION**

#### **1. Background**

Floating support is a service that provides housing related support to vulnerable adults (over 16) to enable them to maintain their independence in their own home. This will ensure that the Council continues to provide low level support to promote independence, prevent the need for more costly care and support interventions, making the most of existing personal and community resources and fulfils the Council's duties under the Care Act 2014 to help vulnerable people remain safe in the community.

#### **2. Project Management of the Tender**

The project was managed using the Council's Project Management toolkit adapted for the particular needs of this project. A formal project management structure will be established, including identification of peoples' roles and responsibilities. Throughout the project the following control measures were put in place:

- Reporting progress to the Project Board on a monthly basis
- Reporting progress on Execview on a monthly basis
- Managing the progress of the project through the monitoring and delivery of a Project Plan
- Assigning tasks and managing these with a regularly updated Action Log
- Identifying and managing risks with a regularly updated Risk Log
- Communication to wider stakeholders on a monthly basis where deemed necessary.

A Project Board was responsible for seeing that the project objectives were being achieved in a timely and effective manner. The Project Board met on a monthly basis

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from August 2020 – March 2021 to supervise the tendering of the service carrying out the key functions below;

- a) Supervise the redesigning of the current service so as to ensure that it will deliver the required outcomes
- b) Supervise activities across the tender process whilst ensuring required documentation is returned within specified deadlines.
- c) Ensure that procurement is monitored and effectively follows the project plan, ensuring the tender activities are acted upon within strict deadlines.
- d) Supervise the preparation and completion of other relevant tender documents in alignment with requirements.
- e) Evaluate tender documentation to ensure compliance with the requirements of the Council's tender.

### **3. Procurement Approach**

This procurement was subject to and adhered to the Council's Contract Procedure Rules. The procurement followed a formal tender process in line with the EU procurement open process in accordance with the Public Contracts Regulations 2015, which requires compliance with the principles of non-discrimination, equal treatment and transparency. The procurement was an open procedure. In more detail, the procurement timetable is as follows;

- a) Project Board developed and prepared tender documents in October 2020
- b) Tender was published in November 2020
- c) Project Board evaluated the bids in February 2021
- d) New contract to be formally awarded in April 2021
- e) The service will be mobilised between May and August 2021
- f) The contract will begin on 1<sup>st</sup> August 2021 for a three year period (with two year extension option)

### **4. Evaluation**

The evaluation focused on examining how the suppliers would deliver a quality service (technical) and the cost of the service (commercial). Cost was evaluated at 70% of the total score. Suppliers submitted a cost for the service that was within the parameters set by the Council with scores weighted in favour of the lowest price.

The quality factors were weighted according to their importance with 30% of the total score assigned to quality. The quality factors evaluated were:

- a) Service Delivery Model
- b) Service Structure & Workforce
- c) Achieving Positive Outcomes
- d) Service User Participation
- e) Managing and Responding to Safeguarding
- f) Partnership Working
- g) Equalities
- h) Social Value
- i) Mobilisation Planning

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Suppliers completed and submitted their tender documents by the closing date on 14<sup>th</sup> January 2021. Project Board members evaluated the bids over a five week period that concluded on 26<sup>th</sup> February 2021 and held a moderation meeting to conclude the evaluation of the technical bids. At this meeting, held on 3<sup>rd</sup> March and subsequent Project Board meeting held on 18<sup>th</sup> March, the Board were able to agree on the most economically advantageous tender to recommend for award. The recommendation is to award the contract to the Peabody Trust (Bidder A) who is the incumbent supplier. In summary, the scores of each bidder are presented in the table below:

<b>Bidder</b>	<b>Technical Score</b>	<b>Commercial Score</b>	<b>Total Score</b>
<b>Bidder A</b>	<b>22.806</b>	<b>62.881</b>	<b>85.687</b>
<b>Bidder B</b>	<b>18</b>	<b>67.291</b>	<b>85.291</b>
<b>Bidder C</b>	<b>19.602</b>	<b>64.141</b>	<b>83.743</b>
<b>Bidder D</b>	<b>18.798</b>	<b>61.824</b>	<b>80.622</b>
<b>Bidder E</b>	<b>10.206</b>	<b>70</b>	<b>80.206</b>
<b>Bidder F</b>	<b>12.6</b>	<b>62.468</b>	<b>75.068</b>

Bidder A achieved high scores for both the technical and commercial aspects. Firstly, with regards to the commercial aspect, Bidder A submitted a competitive price which will lead to the Council making a saving of £133k over five years. Secondly, Bidder A's technical bid achieved high scores for its proposed service model, organisational structure, partnership working plans, safeguarding arrangements, social value plans and mobilisation plans.

Once approved, all suppliers who submitted bids will be informed of the Council's decision in writing via the Capital E Sourcing system. A mandatory standstill period of 10 days will then be in force for any supplier to challenge the award process.

### **5. Contract Award & Mobilisation**

Following the end of the mandatory standstill period, the contract with Bidder A will be ready to send out for countersigning. On receipt of the signed contract it will be signed and sealed by the Council and a copy will be returned to the Supplier ahead of the contract commencement date. The Council will use a version of its standard terms and conditions for the provision of these Services with appropriate break and contract modification clauses. These terms and conditions were published with the tender. The contract includes service specification requirements including the need for the supplier to report on outcomes and service performance.

An initial meeting will be arranged between the Council and Bidder A in May 2021. Ahead of this meeting, Bidder A will be expected to draft and present its risk management and mobilisation plans to the Council for the mobilisation period (May – August 2021) leading up to the formal start of the contract on 1st August 2021. Mobilisation meetings will be held regularly with Bidder A until September 2021.

## **6. Contract Management**

Contract monitoring meetings will be held monthly for the first six months and then revert to quarterly meetings. A lead Commissioner has been identified within the Council who will be the key liaison officer for the service and contract management. The supplier will also provide details of their contract manager within the terms and conditions. Each quarter, the supplier will submit a pre-determined performance report ahead of each contract meeting along with an invitation to add any items to the agenda of each meeting. Each agenda will include fixed items including Management Information, Key Performance Indicators, Service Improvements, Complaints Monitoring, Risk Register, Health & Safety and Finance.

## **OTHER OPTIONS CONSIDERED AND REJECTED**

**1. Extend existing contract:** The existing contract has already been extended as permitted and so this approach would contravene the Council's Contracts Procedure Rules.

**2. Do nothing:** Allowing the existing contracts to lapse would lead to a potential destabilisation of the current services. This is not a practical option and would lead to the Council not being fully compliant with its existing obligations to provide these services.

## **PRE-DECISION CONSULTATION**

The pre-decision consultation has involved engaging with a number of stakeholders to prepare the tender. In summary, the table below presents the type, methods and stakeholders engaged in the pre-decision consultation:

Type	Methods	Consultees
<b>Project Board</b>	Formal regular meetings, phone, email	a) Joint Commissioning Unit b) Adult Social Care c) Housing Services d) Mental Health Services e) Procurement f) Finance
<b>Review of Tender Documents</b>	Desktop research, phone, email, meetings	a) Current Provider b) Neighbouring boroughs c) Joint Commissioning Unit d) Project Board members
<b>Prior Information Notice</b>	Notice published via the Council's procurement system	a) Current Care provider b) Other interested Providers in the market
<b>Market Engagement Event</b>	Meeting with potential bidders	a) Joint Commissioning Unit b) Procurement

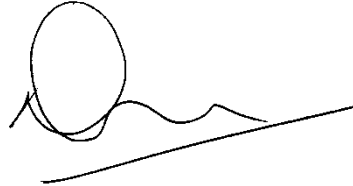
**Key Executive Decision**

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

Name: Daren Mulley

Designation: Senior Commissioning Manager

Signature:

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a series of loops and a long horizontal stroke extending to the right.

Date: 7<sup>th</sup> April 2021

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

1. This report seeks approval to award the provision of a housing related floating support services (the “Services”) to the Peabody Trust as the successful bidder following a full, EU compliant tender process.
2. The Council is a local authority as defined by section 270 of the Local Government Act 1972 and has a general duty under section 1 of the Care Act 2014 to promote the well-being of individuals. “*Well-being*” in relation to an individual is defined to include the suitability of living accommodation. The Council has the general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do, together with the power under section 111 of the Local Government Act 1972 to do anything ancillary to or which facilitates any of its functions, including the matters set out in this report.
3. On 7<sup>th</sup> April 2021, the (Checkpoint) Gateway Stage 02 review panel recommended approval to award, in accordance with paragraph 8 of the Contract Procurement Rules (CPR), under of Part 4 [Rules of Procedure] of the Council’s Constitution.
4. Under paragraph 16.2 of Part 4 [Contract Procedure Rules (CPR)] of the Council’s Constitution contracts with a value between £500,000 and £5,000,000, except for those subject to CPR 16.3, must be reported to a Member of SLT for approval and award.
5. Paragraphs 16.6 and 16.7 of CPR n requires the Council to place an EU notice and enter the contract on Contract Finder as the value is over £25,000.
6. Under paragraph 3.3 (Powers of Members of Senior Leadership Team) of Part 3 [Responsibility for Functions] of the Council’s Constitution, members of the Senior Leadership Team have delegated authority to award contracts with a total contract value of between £500,000 and £5,000,000 other than Contracts covered by the Contract Procedure Rules 16.3.
7. Legal officers are available to assist the client department in finalising the terms and conditions of the proposed contract.
8. In accordance with paragraph 17.1 of CPR contracts with a total value of more than £150,000 will be executed under seal in accordance with Article 10.04 of the Constitution unless the Director of Legal and Governance approves otherwise.



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### **FINANCIAL IMPLICATIONS AND RISKS**

The 5 year value (inclusive of a 2 year extension option) for the award of this contract is £3,167,020.

The current budget relating to the three contracts this award is replacing is £660,409 per annum and so a saving of £27k per annum (and circa £133k over the 5 year term) will be achieved by this tendering exercise. This will contribute to managing overall budget pressures within Adult Social Care during the contract term.

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

There are no implications or risks anticipated to Council staff as the employees involved in the delivery of the current service are employed directly by the existing Supplier. As the incumbent Supplier will be awarded the new contract the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended by the "Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014 will not apply.

### **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:

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

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The action undertaken in respect of the new contract will include monitoring how the service meets the needs of all eligible users, including those from ethnic minority communities and the disabled. The Council will also ensure that potential providers have undertaken equality training and adhere to the Council's Fair to All Policy or their own equivalent.

### **HEALTH AND WELLBEING IMPLICATIONS AND RISKS**

Havering Council is committed to improving the health and well-being of all residents including those most vulnerable. This contract will have a positive impact on the health and well-being of people who access the floating support service.

The new service will ensure that it supports adults achieve positive outcomes, with access to high-quality health and social care services and reduce health inequalities related to these vulnerable groups through personalised support with the service user's involvement.

Positive impact is expected to be achieved by explicit requirement of the Supplier to support the following health and well-being outcomes:

- Promoting the independence of individuals to lead the life they wish
- Behaviour and lifestyle such as diet, exercise or self-care
- Mental health and wellbeing
- Access to and quality of education or other training opportunities
- Employment, income, opportunities for economic development
- Access to green space, sports facilities and opportunities to be active
- Opportunity to interact socially with other people, social isolation, community support networks and being able to live independently
- Ability to access health and social care services
- Transport, and connections to places within or between the Borough

To conclude, this contract will impact positively on the quality of life, health and wellbeing of the service users.

### **BACKGROUND PAPERS**

Not applicable

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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

*Delete as applicable*

Proposal NOT agreed because

**Details of decision maker**

Signed

Name:

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

**Lodging this notice**

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Committee Officer in Democratic Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_