

**ACTION TAKEN BY CABINET MEMBER (EXECUTIVE FUNCTION)**

**Subject**                                    **Contract Award for provision of Support and Employment Services to people with Learning Disabilities and people with Autism**

**Cabinet Member**                        Cabinet Member for Adults

**Date of Decision**                        To be confirmed

**Date decision comes into effect**                        To be confirmed

**Summary**                                    This report is seeking agreement to award a contract to Barnet Mencap, for the provision of Support and Employment Services to people with learning disabilities and people with autism, following competitive tender.

**Officer Contributors**                    John Mason, Commissioning Lead, Adults and Communities.  
 Temmy Fasegha, Joint Commissioner, Adults and Communities  
 Rodney D’Costa , Head of Adult Social Care Commissioning, Adults and Communities

**Status (public or exempt)**            Public

**Wards affected**                            All

**Enclosures**                                Equality Analysis

**Reason for exemption from call-in (if appropriate)**            N/A

**Key decision**                                Yes

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## **1. RELEVANT PREVIOUS DECISIONS**

- 1.1 Cabinet Resources Committee, 22 July 2008 (Decision item 11) - approved changes to voluntary sector commissioning arrangements.
- 1.2 Cabinet Resources Committee, 8 December 2009 (Decision item 7) - approved the strategic document 'Looking after Yourself – a Prevention Framework for Barnet' as the basis for the commissioning of preventative services by Adult Social Services.
- 1.3 Cabinet Resources Committee, 13 January 2011 (Decision item 11) - approved a waiver of paragraph 5.6.2 of the Contract Procedure Rules to allow the entry into interim funding agreements for prevention services commissioned by the Council's Adult Social Services subject to a maximum duration of two years.
- 1.4 Cabinet, 14 February 2011 (Decision item 9) approved the medium term financial strategy which took account of the consultation with voluntary sector on funding reductions.
- 1.5 Cabinet Resources Committee, 20 June 2012 (Decision Item 17) approved 'Re-commissioning preventative provision for people with learning disabilities to support personalisation of social care and health'. This approved contract award to Dimensions from October 1<sup>st</sup> 2012 to March 31<sup>st</sup> 2014 (18 months) and the procurement of revised service for April 2014.

## **2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 2.1 The Barnet Council 2013-16 Corporate Plan sets out the Council's corporate priorities and the service supports the following objectives:
  - Being outcomes focused, with clear standards, targets and accountabilities for performance.
  - Delivering outcomes that demonstrate prevention priorities, improved health, safe living, and active participative citizenship.
- 2.2 The service will support people to be as independent as possible, enabling people to delay or reduce the need for support from statutory social care.
- 2.3 The service will support the objectives outlined in the Barnet Health and Well-Being Strategy 'Keeping Well, Keeping Independent'. The service will promote early intervention and prevention and individuals taking responsibility for their own well-being through a tiered model of support services.

## **3. RISK MANAGEMENT ISSUES**

- 3.1 Commissioning a single contract for Support and Employment Services for people with learning disabilities and people with autism was agreed in order

to mitigate risks arising from the budgetary reduction approved by Cabinet in February 2011. This remains the agreed commissioning approach.

- 3.2 A single contract is currently in place with Dimensions as the lead provider (there is a sub contract relationship with Barnet Mencap) for the provision of Support and Employment Services to people with learning disabilities and people with autism. This is due to expire on 31<sup>st</sup> March 2014.
- 3.3 The contract with Dimensions is proposed to continue until 30<sup>th</sup> June 2014 to ensure continuation of the services that they are currently providing. The contract extension should ensure a smooth transition to the new service model. This arrangement will also ensure the current contract does not become non-compliant with the council's procurement rules.
- 3.4 The commissioning of this service is unlikely to raise significant levels of public concern as there has been on-going engagement with key stakeholders throughout the process.
- 3.5 There are no risks to the Council with regards to the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE").
- 3.6 As part of the tender, providers were asked to submit an implementation plan for initiating the service, including:
  - Timeframe for setting up the new service and proposals for phasing the new service model, details of activities and relevant staff responsibilities.
  - Transition planning from old service to new, including how the service will support service users to cease or reduce dependency.
  - Key risks with initiating the contract and how these will be managed by the provider.
- 3.7 The bidder's implementation and risk plans were tested as part of the tender presentations. Following agreement of the contract award, the plan will be finalised with the successful bidder and key stakeholders. This will be managed through the setting up of a project group to oversee the successful implementation of the new service. The implementation and risk plan, including transition arrangements, will be signed off by the Joint Commissioner for Learning Disabilities.
- 3.8 Alongside the Implementation and Risk Plan, a Performance Framework based on the Health and Social Care Outcomes and informed by the provider's tender, will be agreed prior to initiating the service. The service specification includes performance and outcome measures which will continue to be monitored and reviewed through the contract management process.

#### **4. EQUALITIES AND DIVERSITY ISSUES**

- 4.1 An initial Equalities Impact Assessment (EIA) was undertaken when the service was originally reconfigured in June 2012 and the impact was

positive. The provider maintained regular reporting to the Council for the purposes of monitoring the impact of the changes.

- 4.2 An updated Equalities Analysis (EA) has been completed on the changes to the service specification. Consideration being given to the effect on the different categories.
- 4.3 The EA indicates a positive impact, the scale of the impact is significant, and the outcome is that there is no change in decision. See Appendix A of the Public Report for a copy of the EA.
- 4.4 The contract for the new services will include explicit requirements fully covering the Council's duties under equalities legislation.
- 4.5 The contracts will require providers to have a high standard of equitable behaviours. This includes compliance with Equal Opportunities Legislation, operating an equal opportunities policy, observing Codes of Practice issued by the Commission for Equality and Human Rights, and giving appropriate consideration to each customer's race, nationality, cultural or ethnic background, marital status, age, gender, religion, sexual orientation and disabilities.

## **5. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

- 5.1 Finance: This service is funded from the Adult Social Care base budget for prevention services. The proposed maximum annual budget for the support and employment service for people with learning disabilities and people with autism is £363,847.
- 5.2 Procurement: The Commissioning Team were confident that there would be sufficient interest in the contract as interest had been shown by a number of providers during the initial recommissioning of the service and expressions of interest identified at a market event for floating support. The Commissioning Team made the decision to proceed with an open tender process
- 5.3 Staffing: The procurement has TUPE implications for staff working in local voluntary organisations that currently provide the services. Tenderers were provided with all TUPE information as part of the tender process. See Section 6.4 below for the relevant legal considerations.
- 5.4 Value for Money: Value for money has been determined by evaluating the quality of each provider's bid against a pricing schedule that includes details of the level of resources to be deployed. Through this process, it has been possible to determine the provider that will provide both the highest quality service as well as maximising the resources available to provide direct support to service users. This ensures the provider that will be awarded the contract is delivering a service which offers the highest quality and best value for money for Barnet residents.

## **6. LEGAL ISSUES**

- 6.1 The services proposed fall under Annexe B of Schedule 3 to The Public Contracts Regulations 2006 (as amended) and therefore, were not subject to the full EU tendering rules.
- 6.2 The procurement remains subject to the Treaty provisions of equal treatment, fairness and non-discrimination. The tendering process ensured that these requirements were met.
- 6.3 As the new service is launched, the existing contract with the organisation currently delivering the service will be terminated, in accordance with the provisions of the relevant contract.
- 6.4 Where the Transfer of Undertakings (Protection of Employment) Regulations 2006 ('TUPE') apply, in the circumstances identified in paragraph 6.3 above, the contract with the new provider will, therefore, include appropriate obligations in respect of the provider's responsibilities under TUPE. The Council's role is to facilitate and oversee the supply of appropriate information during the procurement process and following contract award.

## **7. CONSTITUTIONAL POWERS**

- 7.1 Council Constitution, Part 3, Responsibility for Functions, Section 3.2, details the responsibilities of individual Cabinet Members. The Cabinet Member for Adults has responsibility to lead on budget and policy formulation and implementation in relation to adult social care.
- 7.2 Council Constitution, Part 3, Responsibility for Functions, Section 3.3 provides that Cabinet Members authorise inviting tenders for and acceptance of tenders or quotations in accordance with the Contract Procedure Rules.
- 7.3 Council Constitution, Part 4, Council Procedure Rules – Contract Procedure Rules, Section 11.1 details the acceptance thresholds for social care. As the contract value is greater than £1m the acceptance is by Delegated Cabinet Member.

## **8. BACKGROUND INFORMATION**

- 8.1 Adult Social Care and Health analysed its commissioning requirements for preventative service during 2009/10 in order to deliver the objectives of 'Looking after Yourself' – A Prevention Framework for Barnet and subsequently, reviewed the services that voluntary sector organisations are providing at present. This procurement is in line with the commissioning approach adopted following the decisions on future budget resources approved by Council on 1 March 2011.

- 8.2 This resulted in the provision of a number of prevention and well-being services being delivered across different sectors. The provision to people with learning disabilities was re-commissioned with the incumbent providers working in partnership on a revised service model and service specification. A contract was entered into with Dimensions as the lead provider from 1<sup>st</sup> October 2012.
- 8.3 The specification for the new support and employment service was developed through engagement with key stakeholders. This has included listening to the views of people who have previously used or are currently using the existing 'Working for You' service in Barnet and the two partner organisations currently providing the service. Meetings have also taken place with people with learning disabilities and people with autism, family /carers and sub groups of the Learning Disability Partnership Board. Senior managers in the Learning Disability Service also helped to develop the specification. Service users and family members were also involved in the tender evaluation process.

## 9. **SUPPORT AND EMPLOYMENT SERVICE TO PEOPLE WITH LEARNING DISABILITIES AND PEOPLE WITH AUTISM**

- 9.1 The table below sets out the procurement timetable

Stage/Event	Date
Advertise the Opportunity	24.10.13
Deadline for receipt of Tenders 17.00 hrs.	06.12.13
Cabinet Member Decision	20.03.14
Contract Service Commencement date	01.07.14

- 9.2. An officer panel was set up to manage the tender and evaluation process. It consisted of the Joint Commissioner for Learning Disabilities and Mental Health (Local Authority and Clinical Commissioning Group), Head of Service for Integrated Learning Disabilities Services, Team Leader for Learning Disabilities Service and Commissioning Lead. A service user/family carer panel participated in scoring the presentations by the bidding organisations. The overall tender process was supervised by Corporate Procurement and supported by representatives from Corporate Finance.
- 9.3 The panel developed detailed tools for the procurement process including the questions, evaluation scoring methodology; presentation questions and support for the service user/family carer panel.

## 10. **EXPRESSIONS OF INTEREST**

- 10.1 Eighteen organisations registered an expression of interest on the Barnet sourcing web portal.

## 11. TENDER SUBMISSIONS

- 11.1 On the closing date, three tenders had been submitted and all were fully evaluated. They were received from Barnet Mencap and from bidders B and C.

## 12. TENDER EVALUATION

- 12.1 The tender panel: The Officer panel consisting of: Head of the integrated Learning Disabilities Service; Service Manager, Learning Disabilities Service; Joint Commissioner, Learning Disabilities and Mental Health; and Commissioning Lead, in addition a service user/ family /carer panel, was involved at the presentation stage.

- 12.1.1 There were two stages to the tender evaluation, the qualifying and selection stage where bidders needed to score 50% or more to pass and progress to be evaluated at the award stage.

- 12.2 Qualification and Selection Stage: This stage included economic and financial records; experience and contract examples, quality assurance; health and safety and selection questions regarding experience of delivering services to people with learning disabilities and people with autism.

- 12.2.1 All three bids passed the qualifying and selection stage to be evaluated at the award stage. All three bidders were then evaluated at the award stage using criteria for Quality and Pricing.

- 12.3 The Award Stage: The award stage was scored on an evaluation of quality using a number of questions to be answered by the organisations including a presentation and interview .Price was evaluated by using a formula that bases scores on deviation from the average price of all the bids submitted.

### Scoring Mechanism for Award Stage

Criteria	Weighting
Quality Evaluation	50 %
Price Evaluation	50 %

The following points system was used for the quality evaluation and scoring of each question including the presentations and interview:

### Scoring system

Score	Scoring Guidance
0	Completely fails to meet required standard or does not provide a proposal.
1	Proposal significantly fails to meet the standards required, contains significant shortcomings and/or is inconsistent with other proposals.
2	Proposal falls short of achieving expected standard in a number of identifiable respects.
3	Proposal meets the required standard in most material respects, but is lacking or inconsistent in others.
4	Proposal meets the required standard in all material respects and delivers added value for money to the Authority.

12.4. Quality: The criteria used for weightings for evaluating quality are shown in table 4.0 below.

Quality criteria	Weighting within overall quality score
<b>A) Service Delivery:</b> Questions focused on the delivery of the service model, quality improvement, innovation in the development of the service and social capital.	20 %
<b>B) Service Outcomes and Outputs:</b> Questions focussed on social care outcomes, how the service would meet these outcomes and for the providers to indicate the numbers of people using the service over the three years.	20 %
<b>C) Staffing Competencies, Training and Development:</b> Questions focussed on the calibre of the staff team, training and development needs; recruitment and selection; maintenance of a stable workforce.	15 %
<b>D) Partnership Working:</b> Questions focused on the development of partnerships in delivering the service and previous experience of partnership working; inclusion of people with learning disabilities and people with autism and their family/carers in the delivery of the service; involvement of mainstream organisations and other support systems to add value to the service.	15 %
<b>E) Mobilisation, Transition, Risk Management and Contingency Planning:</b> Questions focussed on the implementation plan and risk management.	10 %
<b>F) Service Quality, Safety and Safeguarding:</b> Questions focussed on sustaining quality standards and safeguarding.	15 %
<b>Presentation and Interview</b>	5%
Total	100%

12.4.1 Service budget analysis information was required as part of the tender submission with allocation of resources to the service model.

12.4.2 The total quality score was multiplied by 0.5 to take account of the 50% weighting when combined with the score for price.



- 12.5 The bids were all scored individually by each member of the tender evaluation panel. Following this, a consensus meeting of the panel was held to agree the scoring of each bid and identify any further areas that required clarification.
- 12.6 The price evaluation accounted for fifty per cent of the available score. The prices submitted were evaluated using a pricing schedule the calculation is shown in table 5.0 below.

**Table 5.0: Pricing Evaluation**

The mean price among all bidders meeting the required Quality standard threshold is calculated.	Sum of Prices divided by the number of bids submitted
Calculate the % difference between the actual price and mean	$\frac{\text{Sum of Price} - \text{Mean Price}}{\text{Mean Price}} \times 100$
The mean is given the value of 50. (1 point is deducted/added from the score of each bidder for each percentage point above/below the mean.	% Difference x -1 (Round to nearest whole number) + Mean Value (50)
Multiply price score by the agreed weighting for price.	Points Score (x) 50%
Prices and calculations were exclusive of VAT	

- 12.7 Tender Presentation: All three bidders were invited to present their bid to the officer and service user/family carer panel and answer supplementary questions from the presentation. The presentation questions focused on:

- The Service Model
- The Service Implementation Plan transition arrangements
- Service Outcomes and Outputs

The additional questions following evaluation of the tender documents submitted were focussed on:

- Staff quality
- The evidence base for their service model and link to mainstream services
- The role of peer support
- The service provision to people with autism

- 12.8 Consensus: Following the tender presentation the Officer tender panel revisited the scoring of the tender bids and reached agreement on the final scoring.

12.9 Final Scores: Table 6.0 below shows the weighted scores for evaluation of quality:

Provider	Barnet Mencap	Provider B	Provider C
Score	73.125	65.625	45

The final weighted overall scores ( price and quality) are shown in table 7.0

<b>Tender Name</b>	<b>Weighted Price Score</b>	<b>Weighted Quality Score</b>	<b>Overall</b>
Barnet Mencap	25.6	36.5625	62.16
Provider B	25.01	32.8125	57.82
Provider C	24.39	22.5	46.89

### 13. RECOMMENDATION

13.1 The tender evaluation scoring shows that Barnet Mencap submitted the strongest bid.

13.2 The panel recommends that Barnet Mencap are awarded the contract for the provision of support and employment services to people with learning disabilities and people with autism from 1 July 2014 for three years with an option to extend for a further 2 years subject to satisfactory performance and funding at a total cost of £1,091,541.

### 14. LIST OF BACKGROUND PAPERS

14.1 Relevant tender documentation available by contacting John Mason, Commissioning Lead, Adults and Communities.  
E-mail: [john.mason@barnet.gov.uk](mailto:john.mason@barnet.gov.uk) Tel: 0208 359 4945

### 15. DECISION OF THE CABINET MEMBER(S)

**I authorise the following action**

15.1 To agree the award of a contract for Support and Employment Services to people with learning disabilities and people with autism to Barnet Mencap from 1 July 2014 for three years with an option to extend for a further 2 years subject to satisfactory performance and funding, at a cost of £1,091,541 for three years.

**Signed**



**Date**

3<sup>rd</sup> April 2014