

	<p>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER 2nd December 2016</p>
Title	Contract Award for Telecare
Report of	Adults and Communities Director
Wards	All
Status	Public (with exempt counterpart, redacted under category 3 of Schedule 12A of the Local Government Act 1972).
Enclosures	None
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Summary

In June 2016, Adults and Safeguarding Committee approved a procurement exercise to appoint a new telecare provider, in order to reach more people and achieve savings through the reduction and avoidance of care costs.

Following a procurement process with three compliant bids, Argenti Partnership / PA Consulting scored highest on both quality and pricing evaluation, which were weighted at 60% and 40% respectively.

The telecare contract is due to commence in April 2017 with an initial term of three years and the option to extend for up to two more years.

The aim of the telecare service is to firmly embed the use of technology as part of mainstream care provision, mobilise innovation for the benefit of Barnet residents, and more clearly understand, measure and realise the financial and non-financial benefits of telecare.

The telecare service will support our commitment to prevent, reduce and delay social care needs, to support people to live independently for longer, and to provide greater assurance for family members and informal carers.

Decisions

- 1. To award the Telecare contract to Argenti Partnership / PA Consulting for a period of three years with the option to extend by up to two further years subject to satisfactory performance and budget.**

1. WHY THIS REPORT IS NEEDED

- 1.1 A procurement exercise was authorised by Adults and Safeguarding Committee in June 2016. This report is required to authorise the award of the contract to Argenti Partnership/PA Consulting, who scored highest on evaluations of both quality and price.

2. REASONS FOR DECISIONS

- 2.1 There is huge potential for achieving financial and non-financial benefits from telecare which are not being realised by the current service.
- 2.2 Evidence from elsewhere in the country shows that a managed service can deliver large scale transformation in relatively short timescales
- 2.3 A full and detailed evaluation was carried out independently by three expert evaluators covering both quality and price. Argenti/PA scored highest in both these areas and as a result offered the most economically advantageous tender as required by the public procurement rules.
- 2.4 The scores are set out below for the three bidders:

Price & Quality	Bidder 1	Argenti / PA Consulting	Bidder 2	Maximum Score
Quality	38.00	51.00	42.00	60.00
Price	14.81	33.19	23.88	40.00
Total	52.81	84.19	65.88	100.00

- 2.5 In their tender, Argenti/PA evidenced consistently good results in other contracts across the country.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 3.1 To extend the contract with the current provider. This was rejected as there is a lack of evidence that this provider would be able to increase the pace and scope of telecare, and have access to sufficient innovation to realise the full benefits of an expanded service.
- 3.2 To develop the service in house. This was rejected due to a lack of in-house expertise to expand the service to the required level and standard.

4. POST DECISION IMPLEMENTATION

- 4.1 Following award of contract the service will be mobilised and launched. This will include a thorough and safe transfer of existing clients onto the new service.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Expanding the use of telecare has an important role in achieving the corporate priority of making health and social care services more personalised and supporting people to live longer in their own homes.
- 5.1.2 The corporate plan specifically mentions investment in telecare as part of achieving this aim. There is also the opportunity for both health and social care to use the same provider and service, supporting further integration.
- 5.1.3 Performance measures will be built into the contract to ensure these aims are being achieved.
- 5.1.4 Widening the ambition and use of telecare also supports the second overarching aim of the Joint Health and Wellbeing strategy 2015-2020, promoting independence, by supporting adults with care and support needs to remain in their own homes, feel safe and connected.
- 5.1.5 The Joint Strategic Needs Assessment describes the projected increase in demand for adult social care services, including a fast growing older population (85+ group will grow by 67% between now and 2030), growing numbers of adults with increasingly complex learning and physical disabilities, the highest number of people with dementia in London, and increasing demand for carers support. An improved telecare service will support with tackling some parts of this, especially supporting carers and promoting independence.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The cost of the contract is c£900,000 per annum, totalling £2,784,125 over three years or £4,573,578 over 5 years.
- 5.2.2 The new service is intended to support us in achieving the MTFs savings required through telecare and assistive technology.
- 5.2.3 The funding for the telecare service is from the Adults & Communities budget.
- 5.2.4 The cost of the new service is more than our current spend on telecare. This will require a virement from home care and residential care budgets into the

service; however it will produce savings over and above the cost of the contract, with additional savings going back into the service to support our clients.

- 5.2.5 Argenti / PA's pricing submission for equipment, delivery, assessment and monitoring offers comparatively good value. Their management and transformation costs are significantly higher than the least expensive bidder. However, the final evaluation scores evidenced that the level of resource proposed to deliver the service would give the Council the greatest opportunity to achieve the net savings.

5.3 Legal and Constitutional References

- 5.3.1 The Scheme of Delegation for Adults and Health and Annex A of the Contract Procedure Rules (CPRs) authorises the Director of Adults & Communities, in consultation with the Chairman of Adults and Safeguarding Committee, to award contracts over the value of £164,176 provided that the procurement has been approved by the relevant theme committee. Authorisation was given at the 16 June 2016 meeting of the Adults and Safeguarding Committee. Annex A of the CPRs specifies that the acceptance of contracts over the value of £164,176 can be recorded by means of Officer Full DPR once a committee has authorised the procurement exercise.
- 5.3.2 The procurement has been conducted in compliance with public procurement rules (UK and EU) and was undertaken through the ESPO (Eastern Shires Purchasing Organisation) framework.
- 5.3.3 The legal team has been consulted during the procurement process and will assist with the finalising of the relevant contracts. Draft Terms and Conditions were issued with the tender.
- 5.3.4 Improved provision of telecare and assistive technology will help us fulfil our statutory duty under the Care Act 2014 to prevent, reduce and delay need by promoting independence both in the community and residential settings. It will also help to fulfil the duty towards carers, including carers' wellbeing and preventing carer breakdown.
- 5.3.5 The initial report was taken to the Adults and Safeguarding Committee under Section 15 of the Constitution, which specifies responsibility for its functions, including to "authorise procurement activity within the remit of the Committee".

5.4 Risk Management

- 5.4.1 The mobilisation phase will use a project management approach which will include recording and managing risks.

5.5 Equalities and Diversity

- 5.5.1 An initial Equality Impact Assessment was completed prior to the procurement of the services, and the recommendation was for a subsequent EIA to be completed when the savings start to be realised.
- 5.5.2 A telecare service will have a positive impact on people with protected characteristics, namely supporting the independence of people with disabilities or age related frailty.

5.6 Consultation and Engagement

- 5.6.1 The specification outlines requirements for the new provider to engage and consult with a variety of stakeholders as part of the service mobilisation, including staff and service users.

6. BACKGROUND PAPERS

- 6.1 The procurement of a new telecare provider was agreed by Adults and Safeguarding Committee on 16 June 2016:

Committee report:

<https://barnet.moderngov.co.uk/documents/s32564/Telecare%20June%2016%20Committee%20Report.pdf>

Minutes of the meeting:

<https://barnet.moderngov.co.uk/documents/g8671/Printed%20minutes%2016th-Jun-2016%2019.00%20Adults%20and%20Safeguarding%20Committee.pdf?T=1>

7. DECISION TAKER'S STATEMENT

- 7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.*

8. OFFICER'S DECISION

I authorise the following action

- 8.1 To award the telecare contract to Argenti Partnership / PA Consulting for a period of three years with the option to extend on up to two occasions for a maximum of two further years subject to satisfactory performance and budget.

Signed **Mathew Kendall**

Date **2.12.16**
