

---

**Report to:** Cabinet

**Date of Meeting:** 19<sup>th</sup> January 2012

**Subject:** Domiciliary Personal Care Services for Vulnerable Adults – Award of Contract

**Report of:** Director of Older People

**Wards Affected:** All

**Is this a Key Decision?** Yes

**Is it included in the Forward Plan?** No

**Exempt/Confidential**

No

---

### **Purpose/Summary**

To report the outcome of the re-commissioning and tendering of domiciliary personal care services for vulnerable adults.

To seek approval from Members to award contracts for the provision of domiciliary personal care for vulnerable adults for a 5-year period, plus an option for 2 further years, commencing on the 1<sup>st</sup> April 2012.

### **Recommendation(s)**

That Cabinet:

- (1) Agrees to award contracts for the provision of Domiciliary Personal Care for Vulnerable Adults to bidders with the highest score in each lot identified below, for a 5-year period, with an option for 2 further years, commencing on 1<sup>st</sup> April 2012;
- (2) Agrees to appoint the bidder with the second highest score in each lot as Reserve Supplier of services in the event of capacity problems or service failure of the primary supplier; and
- (3) Notes that the proposal was a Key Decision but, unfortunately, had not been included in the Council's Forward Plan of Key Decisions. Consequently, the Chair of the Overview and Scrutiny Committee (Health and Social Care) has been consulted under Rule 15 of the Access to Information Procedure Rules of the Constitution, to the decision being made by Cabinet as a matter of urgency on the basis that it was impracticable to defer the decision until the commencement of the next Forward Plan because the new contracts will result in more favourable rates and better value for money to the Council and that an early decision will allow for timely commencement of new contracts without needing to extend the existing contracts.

### How does the decision contribute to the Council's Corporate Objectives?

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity	√		
3	Environmental Sustainability	√		
4	Health and Well-Being	√		
5	Children and Young People		√	
6	Creating Safe Communities	√		
7	Creating Inclusive Communities	√		
8	Improving the Quality of Council Services and Strengthening Local Democracy	√		

#### Reasons for the Recommendation:

To secure services for vulnerable people in Sefton who are assessed as requiring a domiciliary personal care services.

#### What will it cost and how will it be financed?

##### (A) Revenue Costs

Although the actual cost of services delivered under this contract in any one year is variable, dependent upon the number of service users and the level of assessed care need at that point in time, the current annual cost is approximately £8m. On a like-for-like basis the new contracts will deliver the required care services at lower cost than the previous contracts. The costs for providing the current level of service under the new contracts will be met within the existing Community Care Budget. Any resulting cost reduction savings will assist with existing Community Care Budget demand pressures. Contracts awarded will be subject to 'frozen' indexation for two years thus eliminating inflationary increases over that period.

##### (B) Capital Costs

None

#### Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

##### Legal

Once an authority has made a decision, under the National Health Service and Community Care Act 1990, that a person's presenting needs are such that community care services are called for, then the authority must make arrangements for those services to be provided.

<b>Human Resources</b>		
None		
<b>Equality</b>		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

**Impact on Service Delivery:**

Failure to implement the new contracts may result in the Department being unable to meet its statutory duties for the provision of services to meet needs assessed under the Community Care Act

**What consultations have taken place on the proposals and when?**

The Head of Corporate Finance and ICT has been consulted and her comments have been incorporated into the report (FD 1289/11) and the Head of Corporate Legal Services has been consulted and any comments have been incorporated into the report (LD 629/12).

Consultation took place with prospective bidders for the tender on 1<sup>st</sup> September 2011 via a ‘supplier day’ held at Bootle Town Hall. This event was held to outline the tendering process and respond to questions/queries raised.

Presentations on the tender have also been made to the Sefton Partnership for Older Citizens and the Learning Disability Partnership Board. Future consultation will take place with both Service User and other interest groups to discuss the changes.

Once the contracts have been awarded specific consultation with both service users and the new providers will take place to ensure minimum disruption for service users and to discuss the implementation of provider transition plans.

**Are there any other options available for consideration?**

None

**Implementation Date for the Decision**

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting.

**Contact Officer:** Carol Cater or Margaret Milne

**Tel:** 0151 934 3743 or 3614

**Email:** [margaret.milne@sefton.gov.uk](mailto:margaret.milne@sefton.gov.uk)

**Background Papers:**

There are no background papers available for inspection.

## **Introduction/Background**

1. The current Domiciliary Personal Care contracts have been in place since 2002 and expire on the 31<sup>st</sup> March 2012. Consequently in May 2011 a decision was taken to re-commission these services and re-tender the contracts.
2. In re-commissioning the services a number of particular issues were considered, including: addressing deficiencies within the existing arrangements; providing opportunity for all providers to bid; facilitating a local market place that provides an effective balance between competitive prices under the contract, choice for service users who wish to arrange their own care services (e.g. under Direct Payment) and sustainability for the successful bidders; reducing the risk of service-provider failure and providing contingency arrangements if that did happen; and continuity of care in the event that a Service User's current Care Provider changes.
3. Consequently, contracts were advertised in 6 lots, covering 6 roughly equivalent areas on the basis of current levels of service provision. By awarding the contracts for dedicated areas providers should be able to ensure that services are managed more efficiently and effectively from both a staffing and service delivery perspective allowing greater capacity for the provider to ensure continuity of staff and reduce staff delays through travelling time. Providers were limited to bidding for a maximum of two areas, to deliver choice and reduce risk and were required to fully explain the price submitted. This approach required each of the six geographical lots to be assessed separately and so it should be noted that the scores shown are not directly comparable between the 6 areas. Also different rates may apply in each area as a result of different levels of competition and different costs in those areas.
4. A full open procurement process was engaged in order to award the contracts with the contract being advertised using an e-procurement portal "The Chest". The response to the Invitation to Tender was excellent.

## **Process**

5. The formal procurement process has now been completed and resulted in the full assessment of submissions from 33 prospective providers.
6. Bids were evaluated according to a number of standard criteria, quality measures and cost. The Standard Criteria produced a Pass or Fail assessment, with only those passing being fully assessed. In the full assessment cost accounted for 40% and quality accounted for 60% of the overall score. The Standard Criteria and Quality Measures included:

### **Standard criteria:**

- Appropriate Insurance
- Equality submission
- Health and safety performance
- Business continuity plans
- Willingness to use an electronic monitoring mechanism
- Past experience
- Financial viability

Quality measures:

- Re-enablement experience and principles
- Application of personalisation
- Application of quality standards
- Provision of dignity in care
- Management structures to support the contract
- Safeguarding
- Environmental sustainability
- Social Inclusion
- Training
- End of life care
- Medication management
- Complaints handling processes
- Case management processes
- Experience of providing services for people with dementia, physical and learning disability, mental health disorder, acquired brain injuries, sensory impairments
- TUPE arrangements and implementation plans

7. The evaluation was conducted by officers from: Adult Social Care Commissioning and Contracts, Adult Social Work, Finance, Occupational Health and Safety, Equalities, Caldicott Guardian and Information Services. Support and moderation was undertaken by officers in Corporate Procurement. The officers involved scored each section against agreed criteria, with scores then being added into the overall bid scoring.

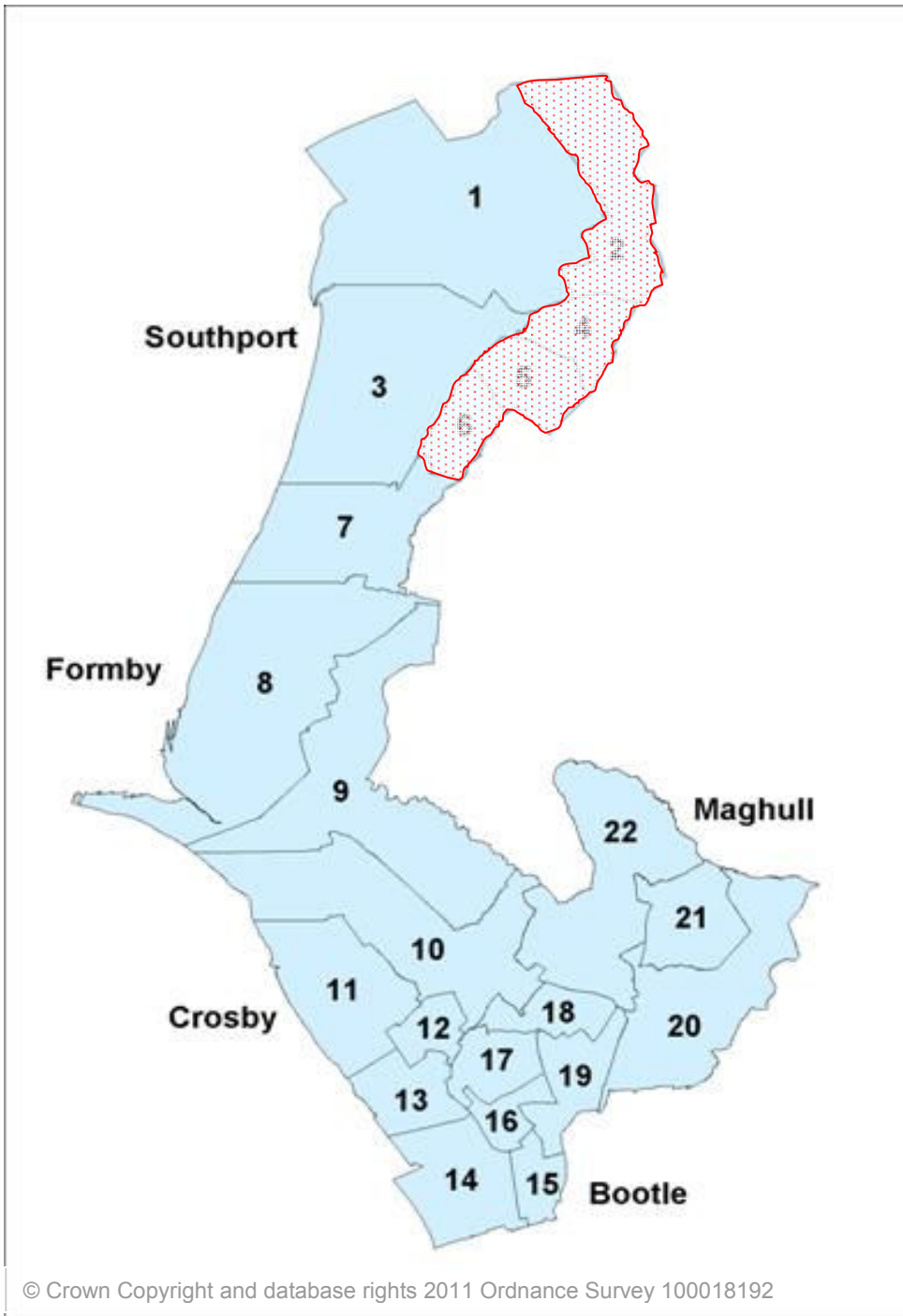
### **Benefits Realisation**

8. The tendering process and the new contracts will achieve the following benefits;

- a) *Quality* – improvements will be obtained through the commissioning of providers who have demonstrated via their tender submissions the requirement to continuously improve and to maintain acceptable standards
- b) *Performance Monitoring* – linked to the revised service specification is a comprehensive performance monitoring framework to monitor contract compliance and address any issues in a timely manner
- c) *A More Responsive and Pro-active Service* – the aims of the service and the service specification have been developed in order to ensure that the service is both responsive to clients' needs and also supports wider aims such as assisting with hospital discharges. The service specification includes input from both Health and Social Care practitioners.
- d) *Financial Benefits* – contracts awarded will be subject to 'frozen' indexation for two years thus eliminating inflationary increases over that period.
- e) *Technological Developments* – the contracts include the provision for the future implementation of Electronic Call Monitoring (ECM) and E-payment solutions. This will achieve more effective monitoring and transparency of services for the benefit of both Sefton Council and Service Users.

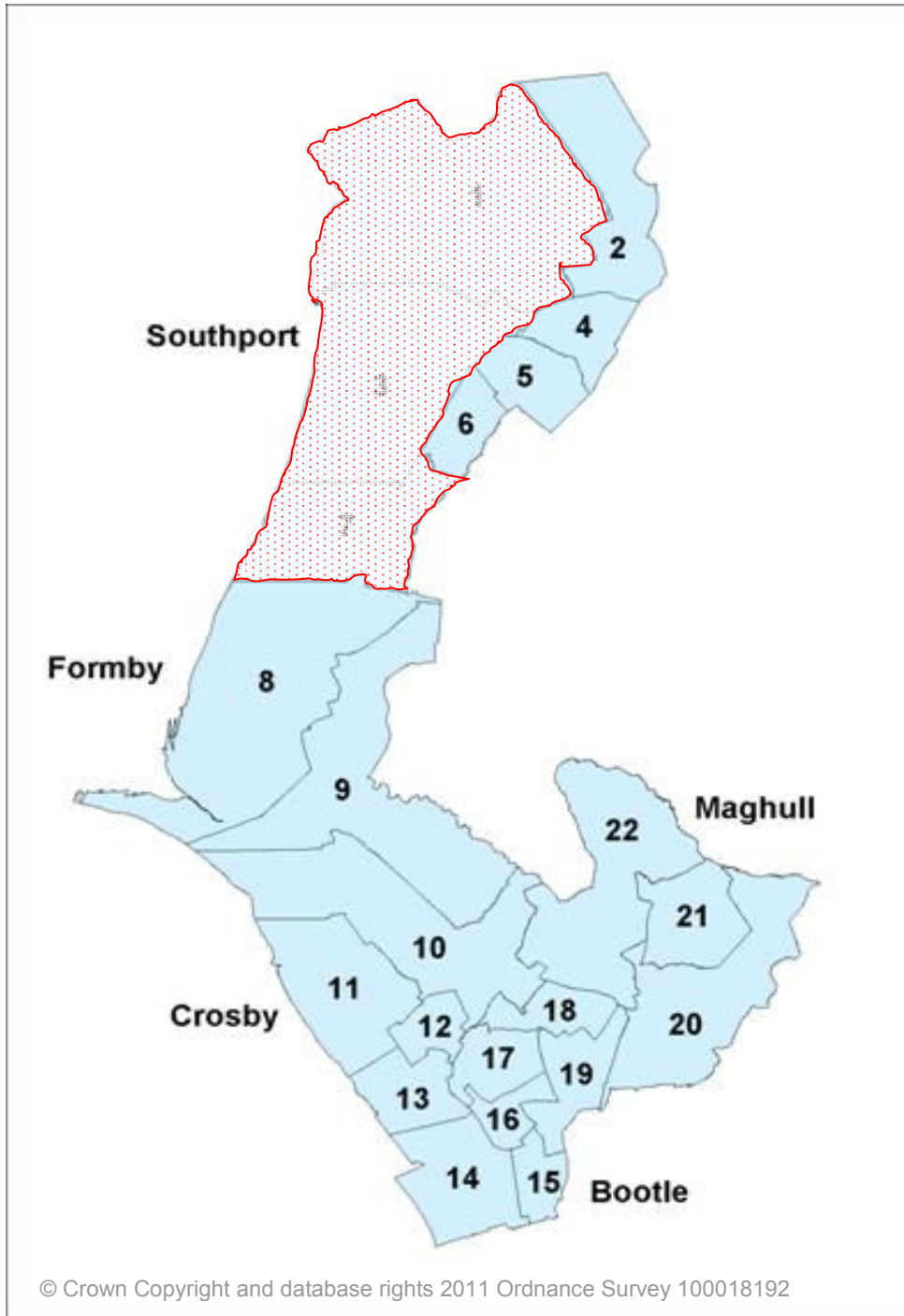
9. Following evaluation, final scoring for the six areas is as follows:

## Area 1



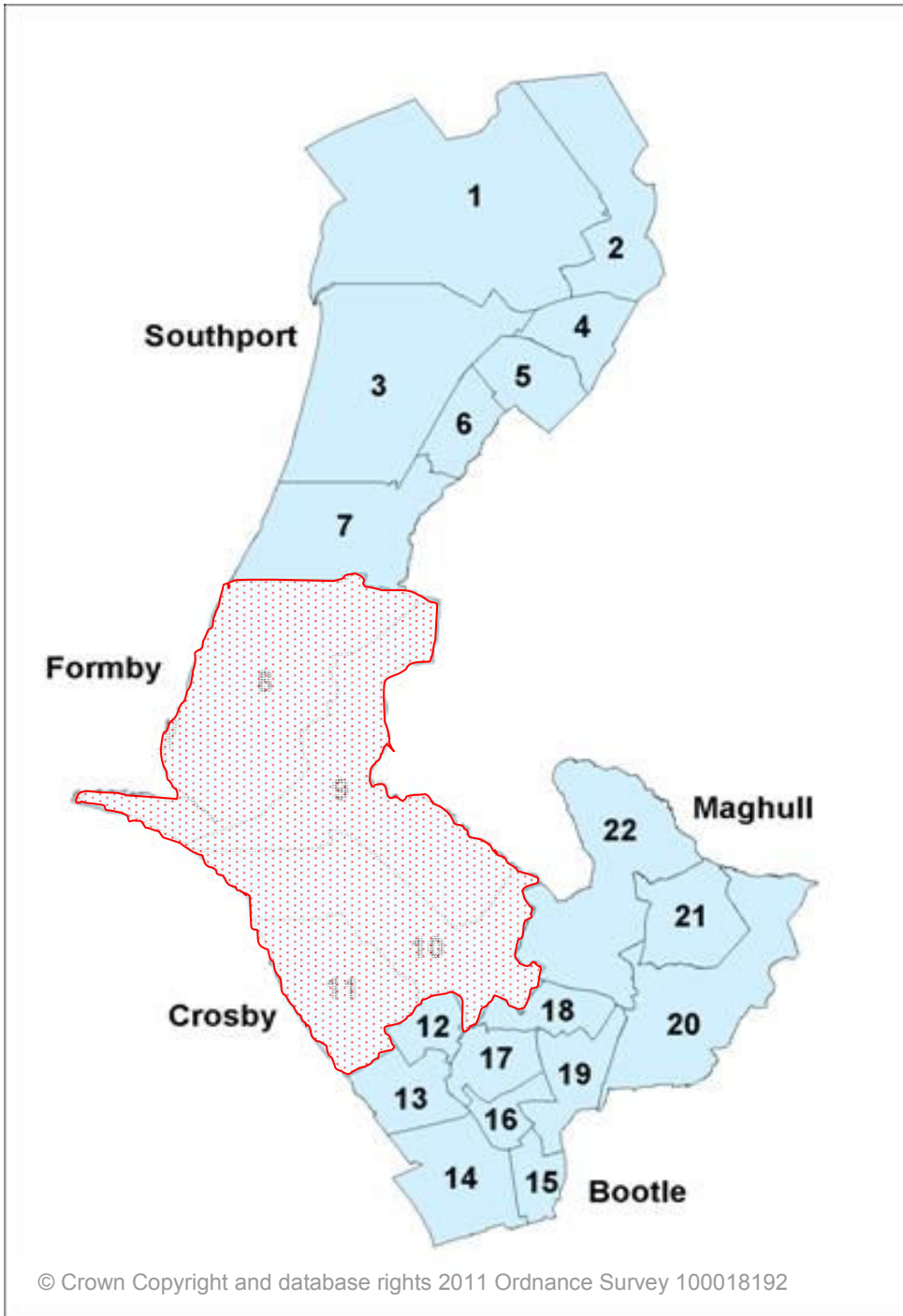
AREA 1				
TENDER NUMBER	PRICE SCORE	QUALITY SCORE	TOTAL	
8	38.12	39	77.12	
11	38.85	37	75.85	
32	38.35	37	75.35	
4	38.19	35.4	73.59	
12	38.52	35	73.52	
21	39.06	32	71.06	
9	40.00	23	63.00	

## Area 2



AREA 2				
TENDER NUMBER	PRICE SCORE	QUALITY SCORE	TOTAL	
13	40.00	35	75.00	
8	36.00	39	75.00	
11	36.70	37	73.70	
32	36.22	37	73.22	
4	36.07	35.4	71.47	
12	36.38	35	71.38	
21	36.89	32	68.89	
9	37.78	23	60.78	
31	35.92	12	47.92	

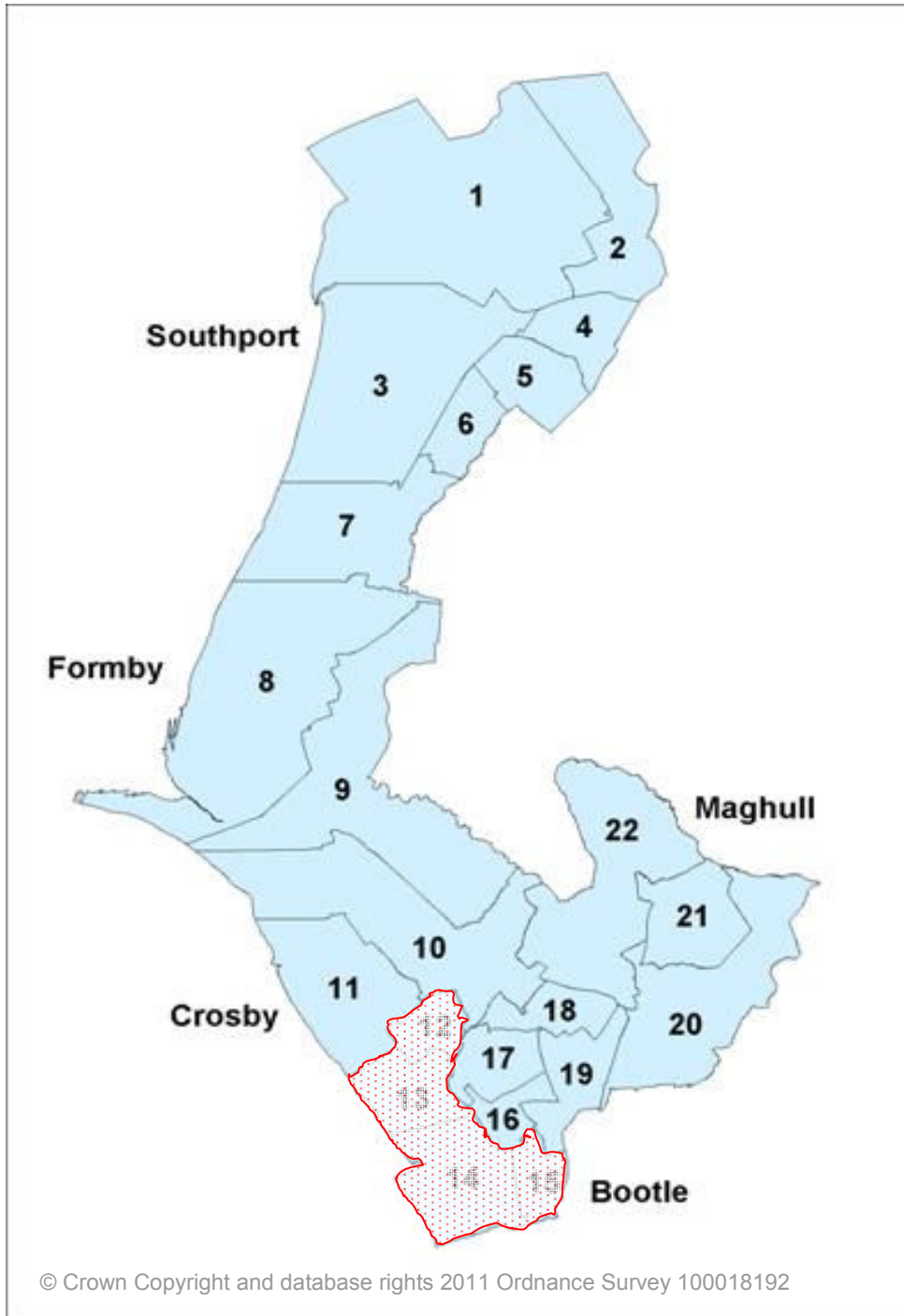
### Area 3



AREA 3			
TENDER NUMBER	PRICE SCORE	QUALITY SCORE	TOTAL
30	39.81	44.6	84.41
13	40.00	35	75.00

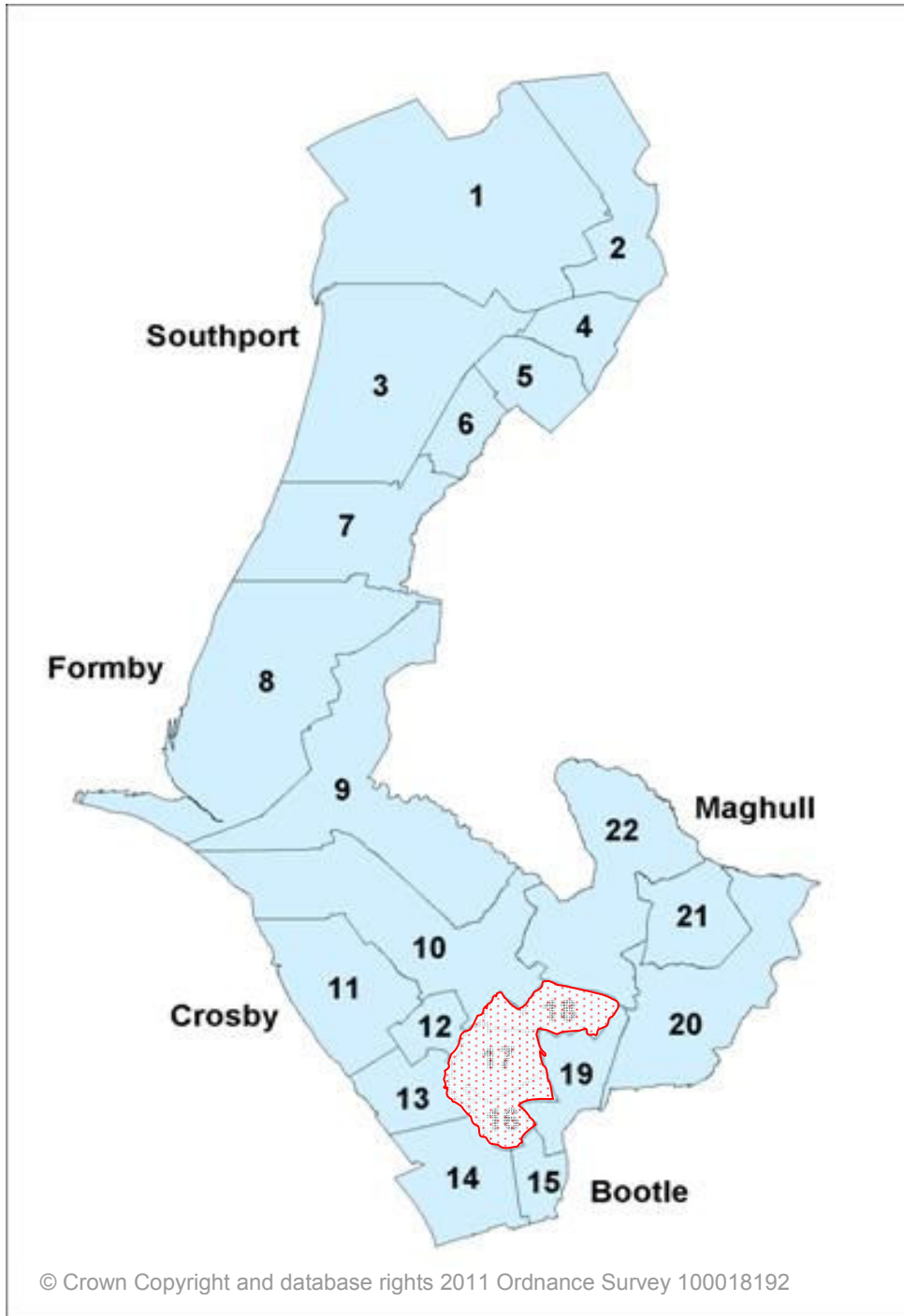


## Area 4



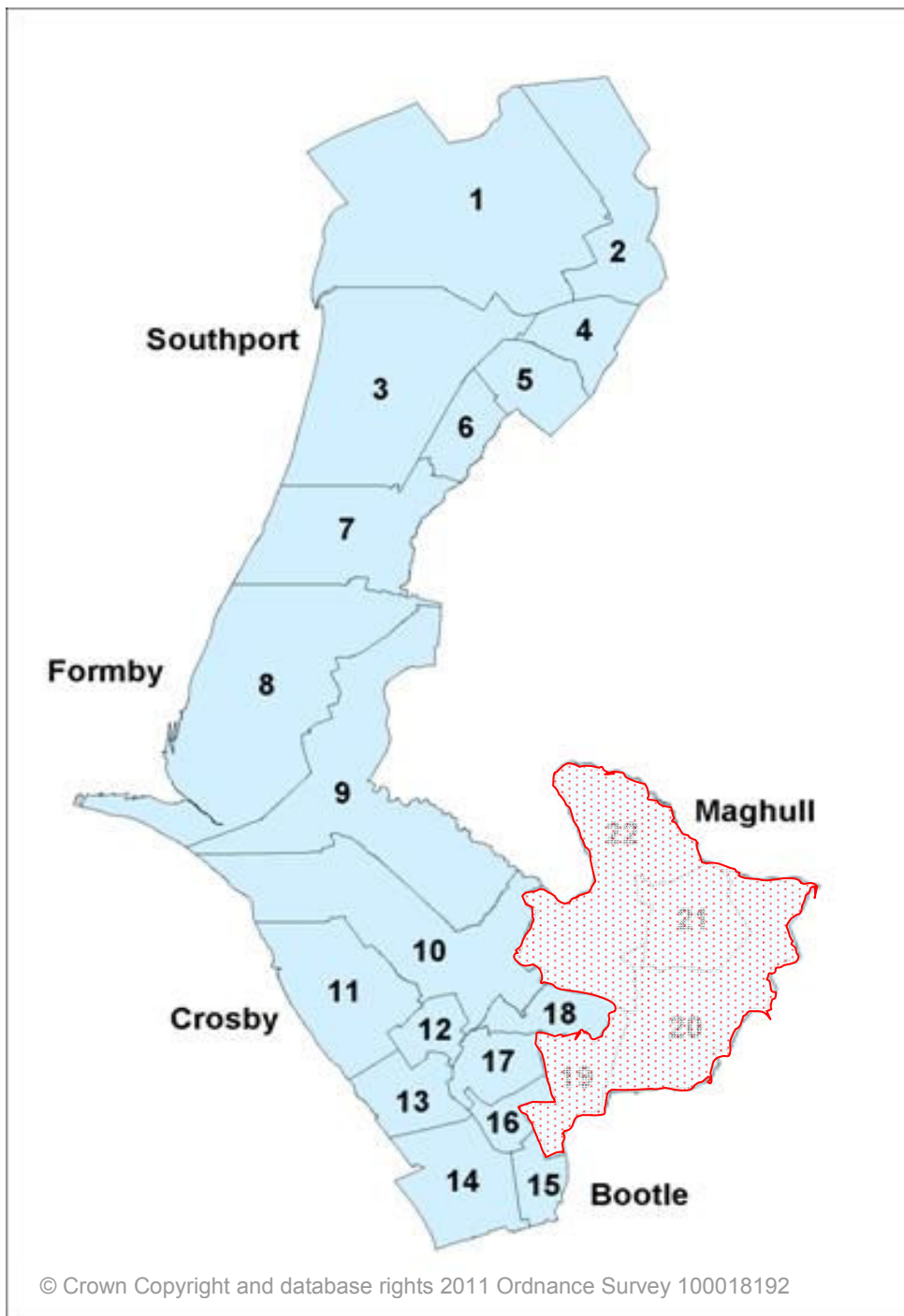
AREA 4			
TENDER NUMBER	PRICE SCORE	QUALITY SCORE	TOTAL
7	39.25	43.7	<b>82.95</b>
2	39.15	37.3	76.45
17	39.48	35.6	75.08
27	39.15	33.5	72.65
33	<b>40.00</b>	31	71.00
31	39.15	12	51.15

## Area 5



AREA 5			
TENDER NUMBER	PRICE SCORE	QUALITY SCORE	TOTAL
7	37.71	43.7	81.41
18	37.62	42	79.62
5	37.62	38.4	76.02
28	37.94	37.5	75.44
2	37.62	37.3	74.92
17	37.94	35.6	73.54
27	37.62	33.5	71.12
33	38.44	31	69.44
10	40.00	28.2	68.20
26	37.91	24.6	62.51

## Area 6



AREA 6			
TENDER NUMBER	PRICE SCORE	QUALITY SCORE	TOTAL
30	40.00	44.6	84.60
18	36.08	42	78.08
5	36.08	38.4	74.48
28	36.40	37.5	73.90
10	38.37	28.2	66.57
20	30.03	33	63.03
26	36.36	24.60	60.96