Executive Summary & Key Decision

1.1 On the 2nd of April 2019 Cabinet agreed to extend the existing contract for 6 months and to commence the procurement exercise for a Shared Lives Service.

1.2 This report advises Cabinet of the outcome of the procurement exercise and the recommendation for contract award.

Recommendations

2.1 For the reasons set out in the report and its appendices, Cabinet are recommended to agree:

2.1.1. The recommendation for contract award for the Adults Shared Lives Services to Bettertogether, for a period of two years with the option to extend for up to a
maximum of a further three years (2+3) at the discretion of the Director of Adults and Health (DASS) with Lead Members.

3 Background

3.1 The Council have a contract in place for the provision of Shared Lives Services until the 19th December 2019.

3.2 Shared Lives is an adult “fostering placement” service for adults with eligible social care needs including mental health, physical disability, learning disability, cognitive impairment, sensory and other conditions. Shared Lives can provide both long term and short term respite placements, in the Shared Lives Carers own home. This is a highly personalised and tailored service allowing individuals to live in the community within a family home environment.

3.3 As well as discharging the Council’s statutory requirements, the Shared Lives model of care:

- Supports the principle of prevention, personalisation, partnership and safeguarding as well as promoting social inclusion, equality and justice
- Provides a value for money alternative to residential care or supported accommodation
- Promotes customer independence in a family environment, in the community and increases choice and control

4 Key Considerations & Proposals

4.1 Following the open tender process, four bids were received. One was submitted past the deadline and rejected. Another did not meet the qualifying requirements and did not progress. The remaining two bids were evaluated by the Evaluation Panel. Both bids were of a good standard.

4.2 Given the value of the Contract, it was necessary for the Contract to be procured in accordance with the Public Contract Regulations 2015, to the extent to which they apply to services of this nature. The Lead-Commissioner in consultation with Corporate Procurement determined that the most appropriate procurement process would be the Open Procedure.

4.3 On the 9th May 2019, an advert for the Contract was published in the Official Journal of the European Union and Contracts Finder in accordance with the requirements of the Regulations. The advert invited organisations with relevant skills and experience to tender for the Contract via the Council’s e-procurement portal: CapitalEsourcing.

4.4 Bettertogether received the highest overall score: scoring highest within the pricing envelope and first within the Technical Ability envelope demonstrating a clear understanding of the service required.

5. Policy Implications & Corporate Priorities

5.1 In addition to meeting statutory obligations under the Care Act 2014, The Homelessness Reduction Act 2017, The Mental Health Act 1983, The Mental Capacity Act 2005, the Shared Lives Service addresses the Council’s Priority 5: Quality of life - improving our health and social care system so it works for Newham residents

- Improve health outcomes in Newham
- Improve quality and accessibility of local services
6. Alternatives considered

6.1 Of the four tenders received, two were valid. Both passed the requirements of the Qualification Envelope, which was a pre-requisite to being considered for the Contract. These tenders were then each fully evaluated by a multi-disciplinary Evaluation Panel, comprising of LBN officers and a service user in accordance with the pre-advertised Evaluation Criteria of Price, 70% and Technical Ability and Quality, 30%.

6.2 The anonymised breakdown of the evaluation result is provided in the table below:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Commercial Score</th>
<th>Technical Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bidder A</td>
<td>64.61/70.00</td>
<td>16.20/30.00</td>
<td>80.81/100.00</td>
</tr>
<tr>
<td>Bidder B</td>
<td>70.00/70.00</td>
<td>21.30/30.00</td>
<td>91.30/100.00</td>
</tr>
</tbody>
</table>

6.3 It is therefore recommended that the winning bidder B: Bettertogether is awarded the contract for the provision of Shared Lives Services in Newham.

7. Consultation

7.1 Name of Lead Member consulted: Cllr Susan Masters (Lead Member at the time of consultation).

Position: Lead Member Health & Adult Social Care Date: 12th February 2019, 1st April 2019 and 29th July 2019

8. Implications

Financial Implications

8.1.1 The cost of the contract will be £1.3 m per annum, or £6.5 m over the five-year Contract period (including a three-year extension after the initial two-year period). This overall figure is made up of two components: service delivery costs of £290,000 per annum and customer placement payments to carers, funded via Adult Social Care.

8.1.2 The London Living Wage (LLW) will apply to any move-on floating support provision which will be paid at the hourly Independent Living Support Service (ILSS) rate. Shared Lives officers are and will be paid above the LLW. Shared Lives Carers receive a weekly fixed placement allowance which is based on the service users assessed level of need. In addition, a weekly service administration fee is paid to the provider for each service user in a placement.

8.1.3 The procurement of Shared Lives will provide better outcomes and efficiencies for individuals needing support and accommodation. Whilst the recommended provider’s
service delivery costs are slightly higher than previous years, as part of the wider packages and placements strategy, Shared Lives provides a value for money alternative to costly provision such as Residential Care or Supported Living, whilst maximising independence and maintaining people in the Community. The new service will ensure extra value for money by having a more targeted service, with greater focus on outcomes including increased move on planning and support. In addition the new service will be working with a wider group of customers including those with complex needs and behaviour that challenges.

Legal Implications

8.1.4 The recommendation is to award the contract to Bettertogether for a period of two years, with an option to extend the contract for up to three years. Making the total potential contract term of five years. The annual service value is circa £1.3 million per annum.

8.1.5 The report sets out the Council’s statutory requirements to provide the services, which are outlined in the Care Act 2014. The Council has a general power under s111 Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to the discharge of its function. The Council is also empowered to enter into contracts for the discharge of its powers under the Local Government (Contracts) Act 1997. These powers can be coupled with the Council’s general power of competence under s1 Localism Act 2011.

8.1.6 Provision of the Shared Lives Services is classified as ‘Light Touch Services’ and come within Schedule 3 of the Public Contracts Regulations 2015 (the ‘Regulations’). The regime which applies to Light Touch Services over the contract value of £625,278, requires the Council to advertise the Service either by a contract notice or PIN in the Official Journal of the European Union (‘OJEU’) and on Contracts Finder, also to make the results of the award known by a contract award notice (section 75 of the Regulation). The value of this contract exceeds the threshold therefore the procurement will have to comply with Regulations.

8.1.7 The Local Government Act 1999 requires the Council to make arrangements to achieve best value in the exercise of its functions. The tenders received were evaluated with accordance with CPR 18.4 against a predetermined best price-quality ratio of 70% price and 30% quality. Officers are satisfied that the successful bid represents the most economically advantageous tender for the Council overall.

8.1.8 The operation of a contract for social care is likely to raise personal data issues under the General Data Protection Regulations and the Data Protection Act 2018.

8.1.9 Legal considers any risk of challenge low risk and the decision can proceed if the Council is otherwise satisfied with the content of the report.

8.1.10 This decision is subject to the call-in procedure under 22.7.1 of the Contract Standing Orders whereby an award through a decision by the Mayor and or Cabinet at least 5 working days after the publication of the decision/minutes of the meeting to allow for the scrutiny “call in period” unless the pre-decision scrutiny process has been undertaken and published so that it can be implemented immediately.

8.2 Equalities Implications

8.2.1 An EqIA was completed in February 2019 and concluded that there will be no negative
impact on any protected groups as a result of this procurement.

8.2.2 No adverse impacts concerning the procurement in relation to environment issues were identified.

8.2.3 The Equality Act 2010 has been considered throughout the development of the service. As the Shared Lives Service composition and customer groups will remain the same on the whole, there is minimal negative impact anticipated.

8.3 Other Implications relevant to this report:

8.3.1 TUPE will not be applicable to this Contract award decision as the successful bidder is the incumbent provider.

9 Background Information used in the preparation of this report
The following information was used to prepare this report:

A. Checkpoint 01 Report – 13.02.2019
B. Cabinet Report – 02.04.2019
C. DMT & Checkpoint 2 Report – 01.08.2019
D. Service Specification

Appendix A is stipulated (exempt information) and attached. If further information required, please contact Noorjahan.begum@newham.gov.uk or helen.murphy@newham.gov.uk