

Contracts & Commissioning Board (CCB)

Contract Award Report (Part A)

Date of meeting	20 th May 2021
By	Camille Whyte, Commissioning & Procurement (Adults, Health and Integration)
Title	Employment and Welfare Support Services
Executive Director	Annette McPartland, Interim Executive Director , Health Wellbeing and Adults
Lead Member	Councillor Janet Campbell - Cabinet Member for Families, Health & Social Care
Key Decision	2221RFG

1. Recommendations

The Leader of the Council has delegated to the Cabinet Member for Families, Health, and Social Care the power to make the decisions set out in the recommendations below:

RECOMMENDATIONS:

- 1.1 The Cabinet Member for Families, Health and Social Care, in consultation with the Cabinet Member for Resources and Financial Governance, is recommended to approve, pursuant to Regulation 28.4 (c) of the Tenders and Contracts Regulations, the award of the four contracts listed in table 1 of this Report for Employment and Welfare support services for a period of 12 months (with the option to extend for 12 a further months) from the 1st June 2021 to 31st May 2022 to those providers and for the individual contract values stated in the Part B report. The identity of providers will be released following approval of the award.

2. Background & strategic context

OVERVIEW AND CONTEXT

- 2.1 In December 2020, a strategy report was approved by the Contracts and Commissioning Board to seek approval to commission a newly integrated mental health and learning disability employment and welfare support services, to form a refined pathway of Supported Employability and Welfare Services with an overall maximum annual value across all four contracts of £522,407 for a period of 12 months from 1 April 2021 with the option to extend for a further 12 months (total value of £1,044,814)
- 2.2 In commissioning a new service, the number of contracts in scope would be reduced from seven to four, resulting in a decrease in contract value from £726,000 to £522,407 in current spend on Welfare and Employment services. The reduction in value, demonstrates the council commitment to “spending within its means” as part of the essential spend criteria, whilst ensuring support services are in place, to prevent or delay the impact of higher cost interventions. The CCG provide funding of £15,000 per annum.
- 2.3 The procurement exercise commenced on the 10 February 2021 and concluded on the 26 March 2021. This report seeks approval to award the four new services as set out in the procurement strategy report (Approval Reference Number CCB) and the table referenced in the table 1 below:
- 2.4 This report is to modernise the Welfare and Employment services support for residents and reduce spend by £167,000 per annum. Awarding the contracts for one year will allow a full review of all information and advice contracts and commissioned services, for possible future budget savings and rationalising of service to residents to avoid duplication.
- 2.5 Service lots tendered under the Employment and Welfare Tender are set out in the table below

	Contract/Service
Lot 1	MH High Intensity Support Service
Lot 2	MH Employment and Wellbeing Support Service
Lot 3	LD Employment Support Service
Lot 4	Welfare and Benefits Advice and Casework Service

PROCUREMENT PROCESS

- 2.6 Each of the separate Employment and Welfare services contracts are established under Regulations 74 to 77 of the Public Contracts Regulations (PCR) 2015 'Light Touch Regime' (LTR). The tender process was aligned to the standard Open Procedure
- 2.7 The tender was published in February 2021 and the tender evaluation was completed in March 2021. This report summarises the outcome of the tender opportunity and the providers to deliver services under each lot from 1st July 2021

Evaluation

- 2.8 The tender response document was sectioned into three distinct areas; Selection Questionnaire (SQ) Compliance, quality and price.
- 2.9 An evaluation panel was established and included social care professionals and service users who had accessed Employment and Welfare services.
- 2.10 Bidders were required to complete a Selection Questionnaire (SQ) to assess their suitability and capability to deliver the service. The standard SQ compliance questions covered the following;
- Grounds for mandatory or discretionary exclusion.
 - Economic and financial standing.
 - Insurance requirements.
 - Relevant experience and contract examples.
 - Requirements under Modern Day Slavery Act 2015.
 - Requirements under Public Sector Equality Duty.
 - Health and safety requirements.
 - General Data Protection Regulations (GDPR) and Information Management requirements
- 2.11 Successful providers were required to score minimum score of 3 out of 5 for all method statements. Method statements were as follows;

Employment and Welfare Procurement Weightings for questions	
Question	weightings
Supplier information	Info only
Exclusion Grounds	Pass/Fail

Minimum Suitability Thresholds	Pass/Fail
Insurance	Pass/Fail
Business Continuity	Pass/Fail
London Living Wage	Pass/Fail
GDPR	Pass/Fail
PSP	2.00%
7.2 – Social Value	10.00%
8.2 – Knowledge and Performance	5.00%
8.3 – Evidencing Outcomes	10.00%
8.4- Service Delivery	3.00%
8.5 – Service Delivery	6.00%
8.6 – Safeguarding	3.00%
8.7 – Service Integration	10.00%
8.8 – Digital Services	5.00%
8.9 – Performance Monitoring	6.00%

2.12Tender applications received, were individual accessed by each member of the evaluation panel and scores moderated. Moderation meetings were chaired by the Lead Procurement Officer. Providers who successfully met the criteria will deliver Employment and Welfare services as set out under each lot.

2.13The Quality/Price evaluation ratio is 60%/40% to ensure that providers submit competitive prices without compromising quality. The successful provider for each lot scored the highest total score for price and quality.

2.14Contract management arrangements will be held centrally within Commissioning and Procurement and will include input from key stakeholders including Mental Health and the CCG. Service performance will be monitored as agreed in the terms and condition of the contract.

Results from the Evaluation Process

A result summary of the evaluation process are set out below by service lot. A total of 69 organisations expressed an interest in the tendering opportunity, with 14 submitting a tender response. A total of 11 applications were evaluated and the results set by Lot in tables 2.15- 2.18. Provider 1, 2 and 10 failed stage one of the procurement process which relates to compliance and are therefore not reflected in the tables. Successful providers are highlighted in grey

2.15 Lot 1: MH High Intensity Support Service

LOT 1	Provider 4	Provider 11
PSP & Social Value	6.00%	10.00%
Method Statements	32.60%	39.00%
Total Quality Score	38.60%	49.00%
price score	36.10%	40.00%
TOTAL SCORE	74.70%	89.00%

2.16 Lot 2: MH Employment and Wellbeing Support Service

LOT 2	Provider 2	Provider 4	Provider 6	Provider 8	Provider 9	Provider 11
PSP & Social Value	4.00%	6.00%	12.00%	8.00%	2.00%	10.00%
Method Statements	33.40%	31.80%	38.40%	44.40%	25.20%	36.60%
Total Quality Score	37.40%	37.80%	50.40%	52.40%	27.20%	46.60%
price score	37.51%	35.12%	36.29%	39.53%	39.16%	40.00%
TOTAL SCORE	74.91%	72.92%	86.69%	91.93%	66.36%	86.60%

2.17 Lot3 3: LD Employment Support Service

LOT 3	Provider 4	Provider 5	Provider 6	Provider 7	Provider 11	Provider 12	Provider 13
PSP & Social Value	6.00%	6.00%	12.00%	8.00%	10.00%	6.00%	4.00%
Method Statements	32.40%	30.00%	41.20%	42.20%	38.20%	37.00%	17.80%
Total Quality Score	38.40%	36.00%	53.20%	50.20%	48.20%	43.00%	21.80%
price score	35.32%	40.00%	35.72%	36.97%	39.16%	35.44%	35.82%
TOTAL SCORE	73.72%	76.00%	88.92%	87.17%	87.36%	78.44%	57.62%

2.18 Lot 4: Welfare and Benefits Advice and Casework Service

LOT 4	Provider 3	Provider 8
PSP & Social Value	7.60%	8.00%

Method Statements	30.60%	45.00%
Total Quality Score	38.20%	53.00%
price score	39.70%	40.00%
TOTAL SCORE	77.90%	93.00%

LOCAL CONTEXT

2.19The **Croydon Renewal Plan** sets the framework which Croydon will operate within over the next three years. It lists the following priorities for Croydon:

- We will live within our means, balance the books and provide value for money for our residents – The commissioned services reduce the overall contract value for Employment and Welfare services by 25%.
- We will focus on tackling ingrained inequality and poverty in the borough – Services will support vulnerable residents – the unemployed who need to support to maximise their income and get into work.
- We will follow the evidence to tackle the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice – We know that COVID has impacted disproportionately on the residents these contracts will seek to support.
- We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand. – Key Performance Indicators will show the impact of the commissioned services to support people to be independent at home and out of secondary care.

2.20The **Care Act 2014** set out the responsibilities of local authorities to ensure that people have access to a wider range of services to improve individuals' well-being and give them more control and personal choice over their care including:

- 1 physical and mental health and emotional well-being
- 2 participation in work, education, training or recreation
- 3 providing information and advice

RISKS

Risk	Mitigation
Risk of awarding/ not awarding the contract	<p>In awarding the contract there is a risk that mobilisation may be delayed or impacted by procurement challenge within the standstill period.</p> <p>In not awarding the contract there is a risk that further delay would impact business continuity for current providers delivering the service and those who have successfully tendered for the contracts referenced in this report. There is also a risk in relation to the continuity of services for vulnerable residents should the contract not be awarded.</p>

		Mitigation around this is to ensure internal governance processes are followed, communication and stakeholder relationship is effectively managed and that there is a contingency plan in place to ensure service delivery is not affected.
	Risk of procurement challenge	Any challenge to the procurement can be mitigated with clear evidence of how the tender exercise was carried out under Regulations 74 to 77 of the Public Contracts Regulations (PCR) 2015 'Light Touch Regime' (LTR). The tender process was aligned to the standard Open Procedure
	Risk of political challenge	<p>There is a general risk of complaint as not all incumbent providers will continue to hold a contract with the council for Employment and Welfare services. This may leave some organisations vulnerable in relation to their sustainability</p> <p>The mitigating action is that the services were reviewed in line with the council's commissioning approach and there is a working plan to ensure mental health services are integrated and there is a clear pathway in place that is accessible by all.</p>

3. Financial implications

Details	Internal Capital	Revenue	Period of funding	External		Period of funding
				Capital	Revenue	
MH High Intensity Support Service		£135,000	2 years			
MH Employment and Wellbeing Support Service		£451,730	2 years			
LD Employment Support Service		£148,000	2 years			
Welfare and Benefits Advice and Casework Service		£310,084	2 years			
Total cost		£1,044,814				

- 3.1 The figures provided sets out the cost of the 4 contracts under Employment and Welfare services as £522,407 for 1st June 2021 to 30th May 2021 (12 month period).
- 3.2 The funding for all 4 services is split across Mental Health (MH) budget and Contracts budget sitting in Commissioning and Procurement - Adults, Health and Integration (C&P) and the South West London CCG.
- 3.3 In relation to the council **essential spend criteria**, Employment and Welfare services address the 'preventing it from getting worse' criteria. Current services play an important preventative role in diverting service users away from higher cost interventions and enabling independence, self-sufficiency and social inclusion of client groups that typically experience barriers in accessing mainstream support and opportunities. Additionally the services under each contract is required to support or sign post individuals accessing the service to access financial support they are entitled to, directing costs away from the local authority where applicable. The services will help meet our Care Act responsibilities and are in line with the Croydon Renewal Plan priorities. The services should prevent residents going into crisis and requiring longer term costly interventions.

4. Supporting information

OPTIONS CONSIDERED AND REJECTED

OPTION 1: Do not award the contract

- (i) Without sufficient information we cannot accurately scope the impact this decision would have on service user wellbeing. However market engaged carried out in September 2020, highlighted that withdrawal of these specialist community services could increase usage and dependency of other council services as well as inhibiting step downs.
- (ii) There is a risk that withdrawal of these specific community services could negatively affect DToC rates.

CONTRACT MANAGEMENT AND OWNER

1. Employment and Welfare Employment support services will be contract managed by the Commissioning and Procurement team with input from key stakeholders including Mental Health and the CCG. Contract performance measures will include:

- Review of performance targets agreed as part of the Key Performance Indicators
- Progress in implementing the Mental Health Transformation Hub
- Improving access to Employment and Welfare support across all services.

Equalities: In developing the procurement strategy provider engagement was undertaken, and feedback captured. This is being used to undertake an Equality Analysis to determine whether any changes to the service will have an impact.

Social Value: The successful provider for each service contract set out their social value offer as part of their tender response document to the procurement opportunity.

London Living Wage: The successful provider for each service contract has agreed to meet LLW requirements as part of their tender response document. This will be monitored as part of the contract management of the service

Data Protection Impact Assessment – There is unlikely to be flow of information from council to providers as services will be via self-referral. However a data protection impact assessment will be undertaken as part of the service implementation process and prior to entering into a contract as anonymised data may be shared across successful organisations during the service mobilisation phase.

2. Conclusion and reasons for recommendations

The contracts have been procured as set out in the procurement strategy and will form part of the Council's core offer in relation to Employment and Welfare services, providing continuity of services for residents with mental health and secondary health conditions to access support within the community. Award approval of the new services will also enable the council to realise savings attached to the re-procurement exercise for the financial year 2021/22. Therefore the recommendation is to award the four contracts to the providers set out in section 2.5 for a period of 12 months from the 1st June 2021 to the 30th May 2022 at a cost of £522,407

3. Outcome and approvals

Outcome	Date agreed	
	Service Director	10.05.21
	Cabinet Member for Finance & Resources	25.05.21
	Legal Services	19.5.2021
	Head of Finance	18.05.21

	Human Resources (if applicable)	<i>N/A</i>
	C&P Head of Service	<i>25.05/21</i>
	Lead Member	<i>25.05.21</i>
	CCB	<i>CCB1682/21-22 (25/05/2021)</i>

4. Comments of the Council Solicitor

There are no additional legal considerations directly arising from the report

Approved by Sonia Likhari on behalf of the Director of Law and Governance

5. Chief Finance Officer comments on the financial implications

Total budget is available. A new split will need to be decided once the contract is awarded

Approved by *Mirella Peters* on behalf of the Chief Finance Officer