

REPORT TO:	Cabinet Member for <i>Families Health and Social Care</i>
AGENDA ITEM:	background to Cabinet Member decision
SUBJECT:	Single Advocacy Service for Adults
LEAD OFFICER:	Barbara Peacock Executive Director of People
CABINET MEMBER:	Louisa Woodley Cabinet Member for Families Health and Social Care and Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	ALL
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: Some elements of advocacy provision are statutory. Advocacy services contribute to a number of Corporate priorities including:</p> <p>Independence: Advocacy will support families be healthy and resilient and able to maximise their life chances and independence To help people from all communities live longer, healthier lives through positive lifestyle choices To protect children and vulnerable adults from harm and exploitation</p>	
<p>FINANCIAL IMPACT: The total contract value is £1,741,255 (plus potential additional purchases subject to surplus demand).</p>	
<p>KEY DECISION REFERENCE NO.: 0318FHSC</p> <p>This is a key decision. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.</p>	

1. RECOMMENDATIONS

The Leader of the Council has delegated to the Cabinet Members the power to make decisions set out in the recommendations below.

- 1.1 The Cabinet Member for Families Health and Social Care in consultation with the Cabinet Member for Finance and Treasury is recommended to approve the award of contract for Single Advocacy Services to the Preferred Contractor and upon the terms detailed in the associated Part B report. The contract term will be for an initial period of three (3) years commencing on 1st April 2018 with the possibility to extend for a further 2 periods of up to 12 months each, five (5) years in total. The total contract value including the full two year extension periods is £1,741,255 (plus potential additional purchases subject to surplus demand).
- 1.2 The Cabinet Member for Families Health and Social Care note that the names of the successful Contractor will be published upon conclusion of the standstill period required under regulation 87 of the Public Contract Regulations 2015

2. EXECUTIVE SUMMARY

- 2.1 The purpose of this report is to advise members of Contracts and Commissioning Board and the Cabinet Member for families, health and social care in consultation with the Cabinet Member for Finance and Treasury of the procurement process for the single advocacy for adults tender, and the evaluation undertaken to select the Most Economically Advantageous Tender. Furthermore, this report recommends the award of a contract to the Preferred Contractor as identified in the associated Part B report.
- 2.2 This contract will deliver high quality advocacy service with a single point of contact for social workers and service users. The majority of this contract is grant funded, with additional directly council funded elements.
- 2.3. The contract will commence on 1st April 2018.
- 2.4 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
TBA	TBA

3. DETAIL

- 3.1 The procurement strategy, to undertake a competitive tender to select a provider to deliver advocacy, was agreed by CCB on 5 October 2017 (reference CCB1273/17-18). A market engagement event had been held in July 2017 which informed the procurement strategy and the service specification.
- 3.2 The contract term will be for an initial period of three (3) years commencing on 1st April 2018 with the possibility to extend for a further 2 periods of up to 12 months each, five (5) years in total. The total contract value including the full two

year extension periods is £1,741,255 (plus potential additional purchases subject to surplus demand).

- 3.3 The tender opportunity was advertised on The London Tenders Portal on 10th October 2017 and closed on 3rd November 2017. A single-stage open tender procedure was followed in accordance with the Public Contract Regulations 2015 (PCR 2015).
- 3.4 A total of 22 agencies accessed the tender documents on-line. Clarification questions were asked by five agencies and the responses shared with all potential bidders. Five agencies gave reasons why they did not submit a bid, and three agencies started to complete a tender response.
- 3.5 Only one (1) completed tender application was received in response to the advertisement. This bid was in the form of a joint bid from 2 current providers, with one acting as the lead provider. Officers considered the options and risks arising from the single tender response received, including ending the tender process and undertaking a new tender exercise. It was decided that, as advocacy for social care services is specialist provision with a relatively small number of potential providers, re-tendering would be costly and time consuming and unlikely to secure more responses without a significant change in the specification.

Initial compliance checks

- 3.6 Tenderers were required to meet a series of compliance checks before quality and cost evaluation could be undertaken. The one tender received and the bidding agencies concerned met this evaluation.

Professional and technical experience

- 3.7 Both the providers included in the tender have relevant experience and proceeded to the technical and professional ability – quality evaluation stage.
- 3.8 In the evaluation criteria as published in the Invitation to Tender (ITT), Quality criteria were given a weighting of 70% as set out in the procurement strategy and approved by CCB.
- 3.9 The quality criteria and weightings were as follows:

Question	Weighting	AGREED SCORE	% SCORE
QUESTION 1: WORKFORCE ORGANISATION	8%	3	4.80%
QUESTION 2: KEY PERFORMANCE INDICATORS & CONTRACT MONITORING	4%	4	3.20%
QUESTION 3: MOBILISATION & TUPE TRANSFER	3%	4	2.40%

QUESTION 4: TRANSITION – Children to adult service	2%	3	1.20%
QUESTION 5: STAFF TRAINING	3%	3	1.80%
QUESTION 6 – DIVERSITY AND INCLUSION	3%	3	1.80%
QUESTION 7 – SAFEGUARDING	3%	3	1.80%
QUESTION 8 – CASE STUDY	2%	4	1.60%
QUESTION 9: COMMUNITY ORGANISATIONS & HEALTHWATCH	2%	3	1.20%
QUESTION 10: NHS COMPLAINTS ADVOCACY DEVELOPMENT	2%	3	1.20%
QUESTION 11: Independent Mental Capacity Advocacy (IMCA)	2%	4	1.60%
QUESTION 12: Independent Mental Health Advocacy (IMHA)	2%	3	1.20%
QUESTION 13: CONTINUOUS IMPROVEMENT	1%	3	0.60%
QUESTION 14: SOCIAL VALUE	1%	4	0.80%
QUESTION 15: Modern Slavery	Pass/Fail 0%	Pass	0.00%
QUESTION 16: Insurance	Pass/Fail 0%	Pass	0.00%
QUESTION 17: Business Continuity	Pass/Fail 0%	Pass	0.00%
QUESTION 18: PSP	2%	0	0.00%
Evaluation score			25.20%
Presentation – Officer panel	20%	3	12.60%

Presentation – User Panel	10%	4	8%
Total score			45.80%

- 3.10 The tender evaluation panel was made up of:
- Joint Senior Commissioner for Learning Disabilities
 - Category Manager
 - Commissioning Manager
 - Mental Health Commissioner from SLaM
- 3.11 Each person on the evaluation panel individually scored the responses to the quality method statement questions. The scores for each response were graded 0-5, 5 being an “excellent” score. Tenderers were required to give a fair answer, i.e. a minimum score of 2 or more, for each response (except questions 15-18 which were rated pass or fail, and question 18 which required an opt in/opt out response). A score below this figure would have resulted in the tender being rejected.
- 3.12 The evaluation panel met with the Procurement Officer to moderate and agree scores and identify any questions for clarification with the tenderers. The tenderers met these requirements and were therefore invited to the Interview Stage.

Interviews

- 3.13 The interviews consisted of two panels: a service user panel and a Council officer panel. The service user panel presentation was weighted at 10%, with the service users scoring the presentation using the 0-5 criteria. The Council officer panel was weighted at 20% and scored using the 0-5 criteria. The presentations sought specific detail on how services users would be engaged with the service, and the key priorities for establishing a single advocacy service locally. After both interviews, the panels met separately and came to an agreed score for each presentation.

Presenters from both the lead provider and sub-contracted provider attended the interview.

Financial evaluation cost/volume

- 3.14 An indicative contract value of £1m was given to providers for the initial 3 year contract period. Whilst being above this indicative figure, the tenderer submitted a total price that was deemed acceptable with this estimate in mind and taking into account volumes of activity and unit price. During the tender process, officers met with the provider to seek clarification on the overall service costs and the unit costs.
- 3.15 As there was only one tenderer, they received the full 30% for price.

Economic and financial standing

- 3.16. An Economic and Financial Standing check was under taken for the two providers who are named on the bid received.
- 3.17. Both obtained a 'good' financial rating.

Final score

- 3.18 The final percentage score for the tenderer was calculated by adding the quality and price percentage scores. The total score they achieved is 75.8% .

4. CONSULTATION

- 4.1 Service users were involved in the scoring of the presentation in this tender, their evaluation was worth 10% of the overall score.
- 4.2. To help scope the procurement a market engagement event was held on July 2017 This informed the specification and the tender process.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 The budget available for advocacy services is detailed below and illustrates that sufficient funds are available to cover the contract costs.

Details	Year	Revenue Budget	External Funding	Total Funding Available	Expenditure	External Funding Sources
Learning disability general advocacy	18/19	£64,000	£285,649	£349,649	£348,251	CCG funding BCF & DH LRCV Grant (all remaining advocacy)
	19/20	£64,000	£285,649	£349,649	£348,251	
	20/21	£64,000	£285,649	£349,649	£348,251	
Two year optional extension	21/22	£64,000	£285,649	£349,649	£348,251	
	22/23	£64,000	£285,649	£349,649	£348,251	
Total for 5 years		£320,000	£1,428,245	£1,748,245	£1,741,255	

5.2 The effect of the decision

A contract will be awarded for Single Advocacy Service for Adults to the preferred provider for a term of three (3) years with the option to extend for a further two periods of 12 months (maximum term of five (5) years), at a total contract value £1,741,255 (plus potential additional purchases subject to surplus demand).

During the tender process, officers met with the provider to clarify issues relating to overall service and unit costs, as well as clarifying some elements of the service, specifically arrangements for the provision of advocacy for service users placed Out of Borough.

The contract will contribute to improved outcomes for Adults in the London Borough of Croydon, and will deliver efficiencies through a single point of advocacy for adult social care service users.

Commencement date will be 1st April 2018.

5.3 Risks

A contract manager within Commissioning and Improvement will be identified to manage this contract once it is in place, supported by Commissioners. Ensuring that robust contract management, clear outcomes and KPI's are in place will be essential to delivering the efficiencies afforded through the provision of different types of advocacy under one umbrella organisation and will supporting the quality and consistency of service. A number of issues have been clarified and resolved during negotiations with the provider to date, and these will continue as the service is implemented and developed.

As only one tender was received, there is a risk that the lack of competition means this tender is not value for money for the Council and in turn, does not represent the best outcome in terms of the delivery of the services. This risk has been mitigated by evaluating and scrutinising the tender in line with the evaluation process described in the tender documentation. We are confident that the Preferred Contractor has demonstrated that they will be able to deliver the contract at the agreed price.

The contracted number of hours is exceeded. This risk is mitigated by asking providers to agree to fix a price in advance for any additional hours of advocacy required. This price will be used in the event of the forecasted number of hours being exceeded by demand. The possible requirement for additional advocacy support was stated within the tender documents.

The contract will be closely monitored and managed. The first year of the contract will be used to establish benchmarks around costs and activity, with these to be reviewed during the year and any variations to the contract implemented for subsequent years.

Most of the funding for advocacy services is provided through Central Government Grant income to reflect the statutory nature of this provision. There is a risk that these grants could be ended or reduced. The contract will include appropriate clauses to enable contract variations or breaks to respond to such changes. Due to the statutory nature of the services it is unlikely that the levels of Central Government funding would be changed significantly, but funding arrangements will be kept under review as part of contract management.

There is no provision for inflation within the contract as prices are set for its full duration. This will ensure financial control and stability.

5.4 Options

Continue to purchase Advocacy on a spot purchase basis: Should this decision be taken, the Council would continue to spot purchase advocacy with a number of different providers. This would make the referrals process a time consuming process, and would not deliver the quality or consistency of service required for service users. Spot purchasing services would also be more costly as the unit costs would be higher than the contracted rate.

Re-tender services: This option has been considered as there was only one tender response. Advocacy for social care services is specialist provision with a relatively small number of potential providers. Re-tendering would be costly and time consuming and unlikely to secure more responses without a significant

change in the specification. Spot purchasing services during the tender period would add to overall costs.

Award the contract: The recommendation is to let the contract to the provider listed in the associated Part B report.

5.5 Future savings/efficiencies

The contract provides efficiencies and value for money because:

- The overall quality and consistency of service will improve through robust contract management and clear outcomes and KPI's.
- There will be a single point of contact for all referrals which delivers efficiencies by saving Council Officers time in searching for the correct provider for each type of Advocacy.
- Prices are set for the duration of the contract with no inflationary uplift
- Consolidation of advocacy for adults social care through this contract will contribute to wider cross Council co-ordination of advocacy provision in the future across a range of other areas such as Childrens services

(Approved by: Josehine Lyseight, Head of Finance)

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Council Solicitor comments that the procurement process as detailed in this report is in accordance with the Council's Tenders and Contracts Regulations and seeks to support the Council's duty to secure best value under the Local Government Act 1999.

(To be Approved by Sean Murphy, Head of Commercial and Property Law & Deputy Monitoring Officer on behalf of the Director of Law & Monitoring Officer.)

7. HUMAN RESOURCES IMPACT

- 7.1 TUPE implications will be relevant to this project, and relevant details were included in the tender documentation. The application of TUPE will be determined by the incumbent and the new service providers, for which the Council is the client. On that basis, the role of the Council would usually extend no further than facilitating the process. There are no HR implications for Council employees.

(Approved by: Debbie Calliste, Head of HR – People Department, on behalf of the Director of Human Resources)

8. EQUALITIES IMPACT

- 8.1 The new comprehensive arrangements will support different communities and people with protected characteristics in a far more cohesive way than separate services working in silos.

8.2 These arrangements will be kept under review as part of contract monitoring which will include consideration of equalities issues in terms of accessibility and effectiveness of the service delivery.

9. ENVIRONMENTAL IMPACT

9.1 There is no Environmental Impact Identified

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There is no Crime and Disorder Reduction Impact

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The award of this contract will improve the referral process for Advocacy, by providing a single point of access for the London Borough of Croydon, Service Users and their families and Council Officers.

The smaller number of providers providing the service will lead to better communication with the Childrens Advocacy providers enabling easy transition from childrens to adults services and a more joined up service.

The smaller number of providers ensures that service users can easily transition from different advocacy types more seamlessly.

The award of this contract will provide better value for money for Croydon.

12. OPTIONS CONSIDERED AND REJECTED

12.1 **Continue spot purchasing from various providers**
This option was rejected due to the following reasons:

- This is not providing best value for the Council
- The referral process is cumbersome and confusing

A framework of providers to call off from

This option was rejected following the providers market event. The providers clearly favoured the option of a single provider service, with the ability for them to sub contract/partner with other organisations.

This also would have involved having various providers for each different type of advocacy which could cause the referrals process to remain cumbersome for both social workers and service users. Contract management would also be more complicated and time consuming.

Re-tender services: This option has been considered as there was only one tender response. Advocacy for social care services is specialist provision with a relatively small number of potential providers. Re-tendering would be costly and time consuming and unlikely to secure more responses without a significant change in the specification. Spot purchasing services during the tender period would add to overall costs.

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BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

None

APPENDIX None