

Decision Maker: PORTFOLIO HOLDER FOR CARE SERVICES

Date: For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 15th November 2016

Decision Type: Non-Urgent Executive Non-Key

Title: COMMISSIONING OF SERVICES FOR THE DEAF AND HEARING IMPAIRED

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Ward: Borough-wide

1. Reason for report

- 1.1 This report sets out the current position with regards to the provision of a Hearing Impairment Resource Centre in Bromley and makes recommendations for when the contract expires in March 2017.
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2. RECOMMENDATIONS

2.1 The Portfolio Holder for Care Service is asked to:

- 1) Agree an exemption to tender the contract due to the specialist nature of the service and current value for money arrangements to put a contract in place with Deaf Access from 1st April 2017 to 31st March 2018; and,
- 2) Agree to carry out market testing using light touch procurement regime during the contract period to establish the best value option for the future.

Impact on Vulnerable Adults and Children

1. Summary of Impact: This service supports both adults and children and young people, enabling greater independence and reducing social isolation.
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Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Supporting Independence.
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Financial

1. Cost of proposal: Estimated cost £48,718 for one year contract
 2. Ongoing costs: Recurring cost. £48,718 for one year from 1st April 2017 to 31st March 2018
£146,154 for 3 year contract from 1st April 2018 to 31st March 2021
 3. Budget head/performance centre: 825900 3406
 4. Total current budget for this head: £73,730
 5. Source of funding: Revenue Support Grant.
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Staff

1. Number of staff (current and additional): There are no London Borough of Bromley employed staff affected by procurement strategy
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Statutory requirement.
 2. Call-in: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): (insert no.) This service supports Bromley residents who have a hearing impairment. During the last full financial year the service supported 471 people (walk in support) and has 4,242 people on the database receiving 24,319 contacts in total.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 Deaf Access provide a Hearing Impairment Resource Centre delivering a range of supports including:

- Information and advice
- Letter reading, form filling, benefits advice
- Specific groups e.g. Tinnitus, hard of hearing, parent toddler group
- Practice sign language and lip-reading sessions
- Equipment demonstration and provision

3.2 The service also hosts a London Borough of Bromley employed Technical Officer post as part of this contract to undertake community care assessment and care planning, provide equipment, undertake follow up and aftercare service and onward referral.

3.3 This support has been commissioned via waiver due to its specialist nature. The last agreement commenced on 1st April 2016 and expires 31st March 2017.

3.4 Justification for Exemption

3.4.1 The Council funds £48,718 for the service which covers information and advice, advocacy, equipment and groups such as BSL workshops, lip reading classes, tinnitus support group etc. Deaf Access top up around £25,000 on top of the contract value.

3.4.2 Deaf Access are tied into a lease in the current premises and have well established relationships with CAB, Age UK and others in the same building and the deaf community know where they are (many referrals come from word of mouth).

3.4.3 A member of Council staff is based out of their service and has been for 10 years, undertaking community care assessments and arranging equipment as the civic centre was deemed much harder to access, there is an equipment room at the centre where people can have demonstrations which our member of staff give, this equipment is owned by Deaf Access Trust. This arrangement is working well and enables quicker access into specialist support from both sides

3.4.4 Deaf Access merged with DeafPlus earlier this year, bringing added value to the contract as they have 3 additional staff who now give time on the Bromley contract providing admin, fundraising and service promotion functions.

3.4.5 The service has had over 24,000 contacts with people over the past year.

3.4.6 Deaf Access have been providing this support for 20 years in Bromley and would not be able to continue operating as an organisation if the Council withdrew funding.

3.4.7 Going to open market with the current budget is unlikely to result in better value than the current arrangement offers, as the provider is subsidising on top of the contract value.

3.4.8 Deaf Access have a number of long standing volunteers that also bring added value to the contract.

3.4.9 Deaf Access is the only organisation in the borough with the level of specialist skills and experience, infrastructure and local knowledge required to provide the wide range of support services to people with hearing impairments.

3.4.10 Reductions have been negotiated twice since the original contract value and no uplifts have been given in recent years to ensure that the service represents value for money. This together with the use of volunteers to provide some services make it unlikely that another provider could match the value for money currently provided by Deaf Access.

3.4.11 In order to maintain value for money within market restrictions, a 10% reduction was negotiated in 2012 for the 2012/13 contract period. A further funding reduction of 16.5% was negotiated for the 2013/14 contract period. No increase has been awarded for 2014/15, 2015/16 or 2016/17. Service quality has not been affected by this as the provider contributes funds to run the service over the contract value

4. SERVICE PROFILE / DATA ANALYSIS

4.1 Deaf Access provides accessible information, advice and guidance. In addition to support services which ensure a hearing impairment does not result in the individual becoming isolated or vulnerable. Deaf Access co-ordinate a number of support groups which help to prevent isolation.

4.2 The contract provides partial funding to enable Deaf Access to run a Resource Centre in the centre of Bromley providing the following facilities: -

- a) One stop shop for advice on services and facilities for deaf and hard of hearing persons and their carers.
- b) Support and advice for:
 - Deaf Adults and Children
 - Hard of Hearing Adults and Children
 - Deaf/blind Service Users;
 - Parents and Carers;
 - Employers

4.3 There are no proposed changes to the services set out in paragraph 3.1 above.

4.4 All contracts to Deaf Access have been awarded via exemptions from tendering due to the specialist needs of the service; which additionally limits competitive market based opportunities. The previous contract dates and values are:

Financial year	£
2007/08	57,836
2008/09	61,716
2009/10	64,123
2010/11	64,956
2011/12	64,956
2012/13	58,461
2013/14	48,718
2014/15	48,718
2015/16	48,718
2016/17	48,718
Total	566,920

4.5 Permission to waive contract rules with relevant sign off, as set out in the Contract Procedure Rules, and in particular CPR 3 and 13. Rule 31.1 of the contract procedures states a Chief Officer is authorised to negotiate directly with a provider where the estimated value of a proposed contract is below £50,000. Due to the cumulative value this decision is now coming to the Portfolio Holder for Care Services.

5 IMPACT ON VULNERABLE ADULTS AND CHILDREN

5.1 There are more than 45,000 deaf children across the UK and many more children experience temporary conditions as a result of conditions such as glue ear. Half of all deaf children are born deaf, whilst half acquire deafness during childhood. In Bromley, there are over 32,000 adults over the age of 18 years with moderate or severe hearing impairment (predicted to rise to 35,000 by 2020) and a further 737 with profound hearing impairment (predicted to rise to 807 by 2020).

5.2 The service supports Bromley residents who have a hearing impairment. During the last full financial year the service supported 471 people (walk in support) and has 4,242 people on the database receiving 24,319 contacts in total.

5.3 Similar activity levels are expected to continue in the future.

5.4 Individuals with a hearing impairment often suffer from isolation due to communication barriers.

5.5 The current Resource Centre is fully accessible and the deaf and hearing impaired community in Bromley have come to regard this as a well established specialist resource.

6. MARKET CONSIDERATIONS

6.1 In January 2016 Deaf Access merged with another charitable organisation DeafPlus in order to share administration, office and back office functions. The service provided continues under the name of Deaf Access Bromley and provides a dedicated service to Bromley residents.

6.2 Deaf Access is the only organisation in the borough with the level of specialist skills, experience, infrastructure and local knowledge required to provide the wide range of support services to people with hearing impairments. Limited applications are expected from any tendering exercise.

6.3 In order to ensure the Council is achieving best value for money, market testing will take place via a light touch tender to ascertain what level of support is possible within the current budget from the open market. For the reasons set out at 3.4 it is not anticipated new arrangements would result in better value than is currently being achieved but this will provide an evidence base.

7. STAKEHOLDER CONSULTATION

7.1 Deaf Access have been consulted with in the preparation of this report.

7.2 Service users from the hearing impaired community would be engaged as part of tender preparation and involved in tender evaluations.

8. SUSTAINABILITY / IMPACT ASSESSMENTS

8.1 This decision affects the deaf and hearing impaired communities in Bromley. This group is particularly vulnerable to social isolation leading to mental ill health if not supported.

- 8.2 The service is for all Bromley residents who are deaf or hearing impaired and their parents / carers. This will continue to be the case in the new contract and contract monitoring arrangements will include analysis of equalities data to ensure the service is accessible to all.
- 8.3 Deaf Access is a small charity which has been operating in Bromley for over 20 years. Whilst they are seeing to expand their opportunities, at present the provider is reliant on Council funding to continue operating in the borough.
- 8.4 In January 2016 Deaf Access merged with another charitable organisation DeafPlus in order to share administration, office and back office functions. The service provided continues under the name of Deaf Access Bromley and provides a dedicated service to Bromley residents.
- 8.5 Adherence to the principles of the Public Sector (Social Value) Act 2012 will be included in the new contract.
- 8.6 Any tender opportunities will ensure SMES are not disadvantaged when bidding. Pre-tender market engagement will take place where possible to maximise chances of multiple bids.

9. OUTLINE PROCUREMENT STRATEGY & CONTRACTING PROPOSALS

- 9.1 Put contract in place with Deaf Access for one year from 1st April 2017 to 31st March 2018. This will also allow time for market engagement.
- 9.2 During that year put out to the market using light touch procurement regime within the same budget and specification to test competition.
- 9.3 The required outcome for service users will be: 'Deaf and hearing impaired Service Users who live in the London Borough of Bromley will have easy access to information and support services to enable them to maintain their independence and community involvement'.
- 9.4 *Specification summary*

The contract will provide partial funding to enable a provider to run a Resource Centre in the centre of Bromley providing the following facilities:

- a. A one stop shop for advice on services and facilities for deaf and hard of hearing persons and their carers.
- b. Support and advice for:
 - Deaf Adults and Children
 - Hard of Hearing Adults and Children
 - Deaf/blind Service Users;
 - Parents and Carers;
 - Employers
- c. Community Services including letter reading, form filling, benefits help and advice on general living;
- d. Organise and run Specific Groups subject to need and support
 - Tinnitus and Hard of Hearing Group:
 - Bromley Deaf Afternoon Club;
 - Parent Toddler Group

- e. Promote links to a range of interpreting services including British Sign Language signers, lip speakers etc and encourage unsupervised practice sign language sessions which are supported by volunteers, where appropriate.
 - f. Equipment demonstration and equipment provision in conjunction with Adult and Community Services
 - g. The service will continue to host a Council employed technical officer (referred to at 3.4.3) within the new specification.
- 9.5 The contract will be tendered using a two stage process. Tenders will be evaluated at Stage 2 based on 60% Price and 40% Quality. The draft evaluation criteria and weightings are:

Criteria	weight %
Financial Resource & Contract Affordability	5
Operational Competence	45
Workforce	30
Service Transfer	20
Quality weighting	100

- 9.6 The draft procurement timeline will be:

July 2017	Tender documents complete
August 2017	Publish PQQ opportunity via ProContract
September 2017	Closing date for receipt of Expressions of Interest and queries
September 2017	Closing date for receipt of submissions
October 2017	Commissioning Board
November 2017	Care Services PDS
Jan-March 2018	Contract implementation
1 April 2018	Contract Commences

- 9.7 The proposed contract length will be three 3 years, with the option to extend for up to a further two years in one year stages.
- 9.8 It is proposed to keep the current financial envelope for this service the same at £48,718 per annum.
- 9.9 Monitoring requirements in the new contract will be more outcome rather than output focussed.

10. POLICY CONSIDERATIONS

- 10.1 This builds on existing policy to support the Councils priority of supporting independence.

11. COMMISSIONING & PROCUREMENT CONSIDERATIONS

- 11.1 As the estimated value of the contract for the 5 year period is in the region of 250k it will need to be placed in compliance with the Public Contract Regulations 2015 and use one of the permissible tender /contracting processes it identifies.
- 11.2 As it is proposed to use the Restricted Tender process, all tender documents will need to be ready at the point the tender notice is issued.
- 11.3 The Selection Questionnaire has to be completed in line with Crown Commercial Services Guidance Note and Template Document.
- 11.4 The tender process will be via Due North the Council's E procurement System which it is a mandatory requirement to use to run the tender process.

12. FINANCIAL CONSIDERATIONS

- 12.1 There is a current budget provision for this contract of £48,718 in 2016/17.
- 12.2 The intention is to keep the current financial envelope for service for the future contract negotiations.
- 12.3 If there are any increases in the future contract costs then this will have to be dealt with as part of the medium term financial strategy and funding found, or the service specification may need to be amended.

13. PERSONNEL CONSIDERATIONS

- 13.1 There are no London Borough Bromley employed staff affected by this procurement strategy.
- 13.2 A member of Council staff has been based out of the Deaf Access resource Centre for 10 years undertaking community care assessments and arranging equipment as the civic centre was deemed much harder to access. This arrangement is working well and enables quicker access into specialist support from both sides. It is proposed this arrangement continues under any new contractual arrangements.

14. LEGAL CONSIDERATIONS

- 14.1 This report seeks the approval of the Portfolio Holder to:
- i) Extend existing grant/contract arrangements for 1 year; and
 - ii) Procure a contract for the provision of services for the deaf and hearing impaired for a period up to 5 years and an estimated total value of £243,590.
- 14.2 With regard to extending the existing grant arrangement, the Public Contracts Regulations 2015 apply to this waiver however, in certain limited circumstances, Regulation 32 applies. Under this Regulation the Council may award a contract by a negotiated procedure without prior publication where the services can only be supplied by a particular economic operator, see paragraph 3.4.9 of the report.
- 14.3 With regard to the new procurement, Rule 8 of the Contract Procedure Rules provides that contracts with an estimated value of between £100,000 to £500,000/the EU threshold the Council must invite tenders from between 3 and 6 organisations and the Portfolio Holder must be consulted.

14.4 The Public Contracts Regulations 2015 apply to this contract but it is a contract which falls under the light touch regime and is under the financial threshold for that regime so the procurement procedures under Part 2 of the Regulations do not apply.

14.5 Statutory Requirements

14.6 These services are required pursuant to the Care and Support Statutory Guidance, Care Act 2014. In particular:

- Tertiary prevention, section 2.8
- Accessibility of information and advice, section 3.26
- Assessment and eligibility, section 6.18 and 6.27

14.7 Under the Public Sector (Social Value) Act 2012 the Council must consider:

- (i) In respect of what is being procured, how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and how, in conducting the process of procurement, it might act with a view to securing that improvement.
- (ii) Whether to undertake any consultation.

Paragraph 8.4 shows that this duty has been considered.

14.8 Consult with legal

14.9 The report author will need to consult with the Legal Department regarding the contract terms and conditions.

Non-Applicable Sections:	N/A
Background Documents: (Access via Contact Officer)	