

Decision Maker: PORTFOLIO HOLDER FOR CARE SERVICES

Date: For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 10th January 2017

Decision Type: Non-Urgent Executive Key

Title: CONTRACT AWARD FOR DIRECT PAYMENT SUPPORT AND PAYROLL SERVICE – PART 1 (PUBLIC) SUMMARY

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Ward: Borough-wide

1. Reason for report

1.1 This document is a summary to the Part 2 'Contract Award for Direct Payment Support and Payroll Service' to be considered by PDS.

1.2 The summary provides an overview of the process for the tendering of a direct payment support and payroll service in accordance with the Council's financial and contractual requirements.

2. RECOMMENDATION

2.1 The Care Services PDS Committee is asked to note and comment on the contents of this report prior to the Portfolio Holder for Care Services being asked to:

- i) Note the summary when considering the recommendations in the Part 2 – Full Detail Report to award the contract to the highest scoring bidder.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Support under this contract will be available for all adults, children and young people who have or are interested in meeting their care and support needs via a direct payment.
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Corporate Policy

1. Policy Statuses: Existing Policy
 2. BBB Priority: Supporting Independence
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Financial

1. Cost of proposal: Please see Part 2 report
 2. Ongoing costs: Please see Part 2 report
 3. Budget head/performance centre: 813900 35583467
 4. Total current budget for this head: £174,140 per annum
 5. Source of funding: Revenue Support Grant
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Personnel

1. Number of staff (current and additional): There are no London Borough Bromley employed staff affected by this Tender.
 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: Applicable
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Procurement

1. Summary of Procurement Implications: The tender process was compliant with the Public Contract Regulations 2015. The tender was actioned via Due North, the Council's E procurement System which is a mandatory requirement.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The service is currently supporting approximately 10% of the eligible social care population in Bromley. Activity levels are expected to rise over the life of this contract to be more in line with the national average (26%).
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

Background:

- 3.1 A Gateway Report (CS15939) outlined the current provision of direct payment support and payroll services and requested permission to tender these services to ensure continuity of these important functions when the contacts expire.

The Tender Process:

- 3.2 In accordance with the Council's financial and contractual requirements, and following Executive approval the service has been subject to a full tender process.
- 3.3 The tender process was undertaken using ProContract, the Council's electronic tendering system. As it was anticipated that there would not be significant interest in providing this service, a one stage closed tender procedure was used. A total of 28 suppliers expressed an interest in providing the service with only 3 suppliers submitting compliant bids and one provider assessed as non compliant. Following evaluation of the Pre-Qualification Questionnaire, all 3 suppliers were shortlisted to go through to the second 'service specific' stage of the tender process.
- 3.4 The tender process was evaluated on the basis of Award Criteria questions in accordance with the Public Contracts Regulations 2015 and the suppliers submitted pricing schedules. The tender submissions were evaluated on a 60% finance and 40% quality split. The evaluation of quality was based on the following criteria following approval by the Head of Procurement:

| Question | % of Total Score |
|--|------------------|
| Price | 60% |
| Quality Total | 40% |
| Quality was comprised of: | |
| 1 Financial Resources & Contract Affordability | 10% |
| 2 Service Implementation | 15% |
| 3 Service Delivery & Outcomes | 15% |
| 4 Quality Assurance | 15% |
| 5 Safeguarding | 15% |
| 6 Risk Management | 10% |
| 7 Value for Money, Innovation and Added Value | 10% |
| 8 Service Development | 10% |

- 3.5 The tender prices were evaluated using the Chartered Institute of Public Finance & Accountancy (CIPFA) Evaluation Model, which calculates all the prices received from individual bidders and produces an overall mean price value, i.e. the arithmetic average value bid across all tenders received. Individual scores are then allocated for each 1% the bidder's tender value was above or below the mean price received for all bids.
- 3.6 Price was evaluated on the basis of 200 clients.
- 3.7 The overall weightings for this contract evaluation were set to identify the Most Economically Advantageous Tender (MEAT) and deliver the best possible combination of whole-life cost and quality to meet the Council's requirements.
- 3.8 The evaluation was undertaken by a panel of Officers from both a commissioning and operational perspective, as well as service user and parent carer representatives.

Result of tender process:

- 3.9 The result of the evaluation process is shown in the Part 2 Paper which contains the detailed scoring.
- 3.10 A recommendation to award the contract for the provision of a Direct Payment Support and Payroll Service is included within the Part 2 Appendix Paper.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 This contract will provide support to vulnerable adults and children and young people and their family carers. Direct payments are available to people who are assessed as having eligible care needs, enabling them to have greater choice and control over the way in which their support needs are met. The safeguarding of both children and adults has been considered throughout the tender evaluation and the recommended winning bidder was able to demonstrate sound policies, procedures and practice in this area. Bringing together two contracts will make support more streamlined for service users.

5. POLICY IMPLICATIONS

- 5.1 The Direct Payment Support and Payroll Service is designed to meet the Council's objectives within 'Building a Better Bromley' to support independence within the community, particularly for vulnerable people.

6. FINANCIAL IMPLICATIONS

- 6.1 The financial implications of awarding the Contract are included within the Part 2 Paper.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no London Borough of Bromley employed staff affected by this Tender.

8. LEGAL IMPLICATIONS

- 8.1 This report seeks the approval of the Portfolio Holder to award a contract for the provision of Direct Payment Support and Payroll Service as a method of administering personal budgets for those who require it for a period up to 4 years.
- 8.2 Rule 8 of the Contract Procedure Rules provides that for a contract with a total value over the EU threshold the Council must invite tenders from between 5 and 8 organisations. However if there are fewer candidates and an open procedure has been used all suitable candidates must be invited to tender.
- 8.3 Rule 16.7 notes that the decision-maker for this contract is the Portfolio Holder having first been reviewed by the Director of Commissioning.
- 8.4 The Public Contracts Regulations 2015 apply to this contract and the Council has carried out a compliant open tender procedure.
- 8.5 The report author will need to consult with the Legal Department regarding the execution of the contract.

9. PROCUREMENT IMPLICATIONS

- 9.1 The commissioning approach to this service was approved by the Portfolio Holder on 17 November 2015 (report no. CS15939), and further updated in the report to extend the Support Services contract, approved by the Portfolio Holder on 14 March 2016.
- 9.2 This new contract is a combination of two previously separate services (support services and payroll services), the predominant purpose of which is the support service element. As such it is covered by Regulation 7 of the Public Contracts Regulations 2015, which introduced a “light touch” regime for services that are considered “social and other specific services” and above the set threshold of £589,148.
- 9.3 The tender opportunity was advertised in accordance with the Public Contracts Regulations 2015 and the Council’s Contract Procedure Rules in the Official Journal of the European Union (notice no. 2016/S195-351663) and Contracts Finder.

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| Non-Applicable Sections: | N/A |
| Background Documents: (Access via Contact Officer) | Gateway report (CS15939) on tendering for direct payment support services. |