

**Report of Chief Officer of Care Delivery
Report to Interim Director of Adult Social Services**

Date: 11th December 2014

Subject: Delegated Decision - Award of Contract for South Leeds Day Support for Adults with Learning Disabilities 9K9E- AHVAZD

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: 10.4 (3) – Appendix 1	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. The purpose of this report is to seek approval from the Interim Director of Adult Social Services to award a contract to Health for All for the provision of South Leeds Day Support for Adults with Learning Disabilities.
2. There is a need to move Day Services Modernisation grants, of which the South Leeds Day Support is one, to more sustainable arrangements. From a comprehensive performance review and options appraisal in 2012, market testing earlier this year and subsequent discussions across the department, it is clear that the best approach is to re-commission the majority of the grants onto contracts.
3. As part of the re-commissioning process the appropriateness of each project has been assessed against Adult Social Care's strategic aims, the present and future needs of service users, as well as value for money. All of these projects play an important role in offering more person centred, community based support.
4. In April this year market testing exercises were carried out for this project. The project received significant interest from the market, with ten organisations registering their interest. Whilst the quality of these expressions of interest varied greatly, the responses were enough to indicate that several organisations were interested in bidding for the work. For this reason it was decided that the project should go out to competitive tender.
5. The service put out for tender was for the provision of a South Leeds Day Support for people with learning disabilities service, that provides a package of full day care

and integrated community activity for approximately thirteen learning disabled adults each day. The service will have its own building base in the inner south Leeds area and will include the provision of transport.

6. Health for All are the current provider, and as such will not need a mobilisation period as the service will continue uninterrupted.
7. The contract is to commence 1st April 2015 for a period of 3 years, with the option to extend for a further two 12 month periods.
8. The value of the 3 year contract is £525,000.00 at £175,000.00 per annum. This is in line with the current grant value, and does not contain an uplift for the three year period.
9. This report provides the background to the current service provision and the decision to undertake a procurement exercise. It then outlines the procurement process and the outcome of the evaluations.

Recommendations

10. The Interim Director of Adult Social Services is recommended to approve awarding the contract to Health for All for the provision of South Leeds Day Support for Adults with Learning Disabilities at the cost of £175,000.00 per annum. The contract is to commence April 2015 for a period of 3 years, with the option to extend for a further two 12 month periods.
11. A Commissioning Officer and Procurement Officer will support the contract award to for April 2015.

1. Purpose of this report

- 1.1. The purpose of this report is to seek approval from the Interim Director of Adult Social Services to approve awarding the contract to Health for All for the provision of South Leeds Day Support for Adults with Learning Disabilities at the cost of £175,000.00 per annum. The contract is to commence 1st April 2015 for a period of 3 years, with the option to extend for a further two 12 month periods.

2. Background information

- 2.1. There is a need to move Day Services Modernisation grants to more sustainable arrangements, including the provision of South Leeds Day Support for Adults with learning disabilities. From a comprehensive performance review and options appraisal in 2012, market testing earlier this year and subsequent discussions across the department, it is clear that the best approach was to re-commission the majority of the grants onto contracts.

- 2.2. The re-commissioning process was undertaken by officers from the Joint Commissioning and the Procurement Unit from July 2014. The process was overseen by the Learning Disability Day Service Modernisation Project Board which is chaired by the Chief Officer for Care Delivery.
- 2.3. An outcome focussed service specification was developed with involvement from people who use the service. This document also drew heavily from the work achieved during the past four years of establishing and running the service.
- 2.4. The service put out to tender was for the provision of a South Leeds Day Support for people with learning disabilities project provides a package of full day care and integrated community activity for approximately thirteen learning disabled adults each day. The service will have its own building base in the inner south Leeds area and will include the provision of transport. The service will obtain a Section 19 Permit and be responsible for ensuring any vehicle used is fully compliant with requirements set out in the Section 19 Permit regulations. The service provider will have the skills, knowledge and expertise to deliver this type of service to adults with learning disability from the South Leeds Community. The service will be open for a minimum of six hours each day between the hours of 8.30am and 4.00pm, Monday to Friday for a minimum of 50 weeks of the year.
- 2.5. An open procurement process commenced 16th July 2014 and the documents were published through YORtender. The Pre-Qualification Questionnaire (PQQ) and Invitation to Tender were issued at the same time and bidders were given four weeks to complete submissions to the deadline date of August 27th 2014. The PQQ specified a minimum threshold of 60% of available points for quality, with no less than 50% for each question. The tender documentation specified that only the top six scoring bidders, achieving this minimum threshold, would be shortlisted to the Invitation to Tender (ITT) stage.
- 2.6. The PQQ included eight scored questions focusing on experience of ensuring quality services, experience of delivering community based support to adults with learning disabilities from in the South Leeds community, and experience or knowledge of TUPE processes.
- 2.7. The Invitation to Tender was set to a 60/40 quality/price split and contained 5 questions. These questions focused on:
 - Service Delivery
 - Service Growth
 - Multi-agency working
 - Consultation and Involvement
 - Providing Transport
- 2.8. In total six applications were received at the PQQ stage. A panel consisting of Commissioning officers and a Project Manager from the Programme Office

evaluated the submissions. Four organisations met the minimum scoring criteria and were shortlisted to the ITT stage. Three organisations submitted their bid on time and health for All were assessed by the panel as the highest scoring bid, far exceeding the minimum quality requirements. The scoring matrix for the ITT evaluation is attached at Appendix 1.

3. Main issues

- 3.1. In 2009 a programme of transformation of Day Services for people with learning disabilities began. This programme was to move investment away from large congregate services, toward more personalised, community based services and support. There were two main approaches to this work. One was to develop a network of community bases across the city, co-located with universal services. The other was to invest in voluntary sector organisations to develop direct alternatives to the existing day services. This was delivered through grant funding, with applications encouraged from a diverse range of organisations. These projects have greatly increased the available choice and opportunities for adults with learning disabilities in the city. They have helped to stimulate an alternative market in voluntary, community and faith sector provision which in turn, has offered viable, value for money alternatives to traditional adult social care day services. Without these projects there would be little choice for people with a personal budget or direct payment.
- 3.2. There is a need to move Day Services Modernisation grants to more sustainable arrangements. From a comprehensive performance review and options appraisal in 2012, market testing earlier this year and subsequent discussions across the department, it was clear that the best approach was to re-commission the majority of the grants onto contracts. As part of the re-commissioning process the appropriateness of each project has been assessed against Adult Social Care's strategic aims, the present and future needs of service users, as well as value for money. All of these projects play an important role in offering more person centred, community based support.
- 3.3. Following the open procurement, the contract will be awarded in January 2015, to begin April 2015. As the incumbent has won the contract, there will be no break in service.
- 3.4. ASC commissioning staff will continue to work with the providers to ensure that the transition from grant agreement to contract agreement is smooth. Commissioning Officers will continue to support the organisation with the delivery of this service.

4. Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 A half day event was run with service users in June of this year. This event was run by Connect in the North using person centred tools to find out the most important aspects of the service to them. Service users also gave information about things they did not enjoy and changes they would like to see in the future. This information informed the writing of the service specification.
- 4.1.2 Discussions were held with the incumbent provider to keep them informed of the process at all times.
- 4.1.3 Providers were able to raise questions and areas for clarification throughout the tendering exercise using the electronic tendering system YORtender.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality Impact Assessment screening tool has been undertaken, and is attached at Appendix 2.
- 4.2.2 Appropriate policies and procedures are in place with the recommended provider and were reviewed as part of the PQQ screening process.

4.3 Council policies and City Priorities

- 4.3.1 The work of these projects contributes to achieving the outcomes set for the Joint Health and Wellbeing Board Strategy 2013-2015:
- * People will live longer and have healthier lives
 - * People will live full, active and independent lives
 - * People will enjoy the best possible quality of life
 - * People are involved in decisions made about them
 - * People will live in healthy and sustainable communities
- 4.3.2 The work of these projects providing more personalised, outcome focused services and support as outlined in the Market Position Statement 2014/15.
- 4.3.3 It also contributes to one of the Council's 'Better lives' strategy's ambitions to improve the range of daytime activities for people with eligible needs.

4.4 Resources and value for money

- 4.4.1 The resources for these projects have been allocated through disinvestment from in-house day services. These resources have now been transferred to the Learning Disabilities Pooled Budget.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The decision maker's authority falls under Part 3 of the Constitution, Official Delegation Scheme (Executive Functions) Director of Adult Social Services (a) social services, so far as those functions relate to Adults.
- 4.5.2 The annual value of this contract means this is a Significant Operational Decision and is not subject to call in.
- 4.5.3 Appendix 1 to this report is confidential and exempt under Access to Information Procedure Rule 10.4(3) as it contains information relating to the business affairs of the tendering organisation.

4.6 Risk Management

- 4.6.1 There are no significant risks identified in making the decision recommended by this report.
- 4.6.2 This procurement process was conducted in accordance with the Council's Contract Procedure Rules in order to ensure that a fair, open and transparent process was undertaken.
- 4.6.3 A risk register was created, taking into account the lessons learnt from other tender exercises and identifying new risks pertinent to this tender exercise.

5 Conclusions

- 5.1 The procurement of the South Leeds Support for Adults with Learning Disabilities was undertaken in line with procurement processes. The decision to award the contract was reached through matrix scoring and ranking of submitted prices.
- 5.2 In this instance four organisations passed the minimum required quality threshold at PQQ stage. Health for All subsequently scored highly at the tender stage as their bid met all the necessary criteria and reflected the desired outcomes that ASC would hope to achieve through the delivery of this contract at best value.

6 Recommendations

- 6.1 The Interim Director of Adult Social Services is recommended to approve awarding the contract to Health for All for the provision of South Leeds Day Support for Adults with Learning Disabilities at the cost of £175,000.00 per annum. The contract is to commence 1st April 2015 for a period of 3 years, with the option to extend for a further two 12 month periods.
- 6.2 A Commissioning Officer and Procurement Officer will support the contract award to for April 2015.

7 Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.