

Report of Interim Chief Officer Commissioning

Report to Director of Adult Social Services

Date: 4 March 2016

Subject: Authority to procure a Sensory Impairment Support Service to commence 1 April 2017 from the Director of Adult Social Services. The annual value of the contract will be approximately £900,000.

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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. Adult Social Care (ASC) currently has four contracts all delivering sensory impairment support services across the city. The four providers are Leeds Vision Consortium (LVC) which is a consortium made up of Action for Blind People, The Wilderforce Trust and Sense, BID Services, Signhealth and The Association of Blind Asians. One of the contractors also receives additional funding from the South and East Clinical Commissioning Group (S and E CCG) through a separate Section 256 agreement which is aligned to ASC's contract.
2. If authority to procure is given by the Director of Adult Social Services these services will be placed out to tender following a Bidder's Event being held on the 3 March 2016. The contract will be awarded by September 2016 allowing for a six month mobilisation period.
3. Due to the annual value (approximately £900,000) of the service contract this is a key decision and will be subject to call-in.

Recommendations

4. The Director of Adult Social Services is recommended to:

- approve the attached procurement project plan to commission a new Sensory Impairment Support Service to commence from 1st April 2017; and
- give authority to proceed with a procurement process, as outlined in this report and in line with Contract Procedure Rules (CPRs) 9.5, to appoint a suitable provider to deliver the service.

To note that:

- Projects, Programmes and Procurement Unit (PPPU) will be requested to undertake the procurement exercise and a further report to approve the contract award will be submitted for approval at the end of the procurement process.

5. The officer responsible for implementing the decision will be the Adult Commissioning Manager.

1 Purpose of this report

- 1.1 To approve the procurement project plan for putting in place a contract to deliver a Sensory Impairment Support Service from 1st April 2017.

2 Background information

- 2.1 ASC currently has four contracts for the provision of sensory impairment services across Leeds. The services provided by LVC and BID Services were procured in 2010/11 and the services provided by ABA and Sign health have not been subject to any competitive procurement.
- 2.2 A Section 256 agreement is in place for the provision of an Eye Clinic Liaison Officer post based at LVC and St James Eye Clinic. This agreement with S and E CCG) currently expires on 31 March 2017 therefore ASC has negotiated with the CCG for this agreement to be continued as part of the new Sensory Impairment contract. This funding from the S and E CCG also sits within the Better Care Fund.
- 2.3 The S and E CCG also has a contract with Action for Hearing Loss to provide a hearing aid repair service via the Audiology Department at Leeds Teaching Hospitals Trusts (LTHT) the value of which is £32,000 and this is also going to form part of the new contract. A section 256 agreement has been agreed in principle and will be put in place for the duration of the contract when it is awarded following the procurement exercise.
- 2.4 Due to the annual value of the service contract this is a key decision and will be subject to call-in.

3 Main issues

- 3.1 A report was taken to Adult Commissioning Board in July 2015 and approval was given to start the re-commissioning process for a new sensory impairment support service.

- 3.2 Due to the specialist nature of the work of the services, it would not be appropriate for the service to be delivered by an internal service provider; therefore advice was sought from PPPU regarding a suitable procurement process.
- 3.3 These services will be placed out to tender following a Bidder's Event being held on the 3 March 2016. The contract will be awarded by September 2016 allowing for a six month mobilisation period. The new contract will commence 1 April 2017. The section 256 agreements will also be in place and will form part of the contract when it is awarded.
- 3.4 A project team has been established and four service users have been identified to join the project once the procurement is underway.
- 3.5 If the procurement is not approved then there is a risk that a new contract will not be in place before the end of the current contract which ends on 31st March 2017.
- 3.6 As the main funder of the services, any delay or withdrawal of funding will likely result in the services ceasing to operate, leaving a significant gap in the market which would have implications for users of the services.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 To date over 300 service users have been consulted with on the proposal to merge the four contracts into one sensory impairment support service. Events have been held across the city and service users and stakeholders have also had the opportunity to email, phone or have a one to one conversation with commissioners.
- 4.1.2 A Bidders event is planned for 3 March 2016 and a draft service specification will be shared so that further feedback can be sought from prospective providers. The existing providers have also been asked for their feedback on how the new service could be developed for the future.
- 4.1.3 As of 23rd February 2016 the Executive Board Member for Health, Wellbeing and Adults has been briefed on the proposals contained in this report.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Screening Tool has been completed (attached at Appendix 1). The screening showed that a full Equality and Diversity Impact Assessment was not required as it equality and diversity issues have already been considered as part of the procurement process. The outcome of the screening will be taken into account when developing the specification for the new service.

4.3 Council policies and the Best Council Plan

- 4.3.2 The four Sensory Impairment services directly contribute to the delivery of key outcomes within the Best Council Plan 2013/17, specifically to improve the quality of life for our residents, particularly those who are vulnerable or in poverty and the delivery of the 'Better Lives' objective.

- 4.3.3 The services make significant contributions to all of the City Priority Plans, but particularly the Health and Wellbeing Plan and its priority to make Leeds the best City for Health and Wellbeing by 2030. This is achieved through supporting clients to make healthy lifestyle choices and to live safely.

4.4 Resources and value for money

- 4.4.1 ASC's contribution to the budget for the new contract is available within existing resources. As part of the re-commissioning process efficiencies will be sought of 15% on the combined contribution to the existing four contracts. The CCGs will continue to contribute the same level of funding to the new combined contract as they do with the existing SLAs.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 As the total contract value over the five year life of the contract will exceed the £589,148 EU procurement threshold the service is not subject to the "full" regulations but to the "Light-Touch Rules Regime" under the regulations. This is a key decision and is subject to call-in. Therefore competition will be sought through a tender process.
- 4.5.2 Due to the annual value of the service contract this is a Key Decision and will be subject to call-in.

4.6 Risk Management

- 4.6.1 A project team, including a representative from the PPPU, has been set up to oversee the re-commissioning process and ensure that the process adheres to the procurement regulations, as well as the council's Contract Procedure Rules.
- 4.6.2 A risk register has been established as part of the re-procurement process, identifying the key risks as well as mitigation actions.
- 4.6.3 A six month mobilisation period has been built into the procurement timetable to ensure that the service can be fully mobilised before the contract start date. This will allow for the safe transfer of all service users to the new service if they should wish to do so. It is considered that TUPE will apply to this procurement and will involve contractor to contractor negotiations with at least five providers and the mobilisation period takes this into account.

5 Conclusions

- 5.1 There are no other alternatives to how these services can be delivered therefore there is a need to undertake a procurement exercise as the existing contracts will end on 31 March 2017.

6 Recommendations

- 6.1 The Director of Adult Social Services is recommended to:

- approve the outlined procurement project plan to commission a new Sensory Impairment Support Service to commence from 1st April 2017; and

- give authority to proceed with a procurement process, as outlined in this report and in line with CPR 9.5, to appoint a suitable provider to deliver the service.

To note that:

- PPPU will be requested to undertake the procurement exercise and a further report to approve the contract award will be submitted for approval at the end of the procurement process.

6.2 The officer responsible for implementing the decision will be the Adult Commissioning Manager.

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.