

Report of Chief Officer /Consultant in Public Health and Adults and Health Commissioning Team

Report to Director of Public Health and Director of Resources & Housing

Date: 17 May 2018

Subject: Tender Evaluation and Award of Contract for the Home Independence and Warmth Service (DN319428)

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 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 number: 2	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. The provision of home adaptations and repairs, warmth for wellbeing and warm homes services have been delivered separately for a number of years. All elements have been interlinked through priority groups, strategic outcomes and delivery providers, and an opportunity through a review of all these services arose wherein provisions could be amalgamated in to a single Home Independence and Warmth service as there was significant cross over in the client groups supported and the overall outcomes each service wanted to achieve; namely health, wellbeing and independence within the home.
2. These long standing separate contractual arrangements would expire on the 30th September 2018, following a 6 month interim contract for Home Adaptations and Repairs, as well as the conclusion of the main contract period for Warmth for Wellbeing services.
3. The overall aim of a combined Home Adaptations and Warmth Service was to streamline interlinked provisions in to a single service which focused on interventions that improved independence, safety and health within the home and which would, more crucially, improve the outcomes for clients as well as improve delivery, efficiency and effectiveness through aligned provision.
4. A thorough review, Health Needs Assessment and Consultation Report was undertaken, which underpinned this aim, please see Appendix 1.
5. Through established governance arrangements, formal decisions were reached to bring the services together and through the Authority to Procure Delegated Decision (D46201) in

February 2018 approval was given to procure a holistic Home Independence and Warmth service and waive CPR 15.2 to change the tender evaluation threshold to one based on 100% quality.

6. A Market Sounding Exercise was undertaken in September 2017 which demonstrated a viable market for procurement which warranted a formal open procurement exercise.
7. The procurement commenced on the 19th February 2018 using the open procedure, with the closing date for tender submissions on the 21st March 2018.
8. One tender submission was received from the open market which passed the Standard Selection Questionnaire (SSQ) stage to proceed to the tender evaluation stage, which carried a minimum overall threshold score of 70%. The procurement panel evaluated the Method Statement through consensus scoring and invited the bidder to interview for the service on 25th March 2018. The scores from the Method Statement and Interview were then combined. The process outcome is detailed within the report.
9. A delivery partnership consisting of Care and Repair Leeds (lead provider), Groundwork Leeds, and Age UK Leeds scored above the minimum threshold of 70% and the evaluation panel therefore recommends that they be awarded the contract.
10. The recommendation will be endorsed by the Public Health Programme Board on the 24th May 2018.
11. Contract award is planned for early June 2018 with a mobilisation period commencing from the date of award prior to a contract start date of 1st October 2018.
12. The contract will commence on the 1st October 2018 and end on the 30th September 2021, with the option to extend for up to a maximum period of two years. In accordance with the Public Contracts Regulations 2015, the final award of the contract will be subject to the satisfactory conclusion of the vetting process.
13. The value of the initial 3 year contract is £570,367 per annum which is funded by the Public Health and Resources and Housing budgets. The total cost of the contract, including all extensions is £2,851,835.
14. The contract will receive an additional Clinical Commissioning Group (CCG) contribution of £40,000 for the first 6 months of provision from 1st October 2018 to the 31st March 2019. This additional funding was reflected in the service specification, see specification point 2.1.3, tender instructions and OJEU notification issued on 19th February 2018 in Europe.
15. 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 evaluation exercise.

Recommendations

16. The Director of Public Health and the Director of Resources and Housing are recommended to:
 - Approve the award of the contract to Care and Repair Leeds (lead contractor) for the delivery of the Home Independence and Warmth Service.
 - Note that, subject to the satisfactory conclusion of the vetting process, the contract will commence on the 1st October 2018 until the 30th September 2021, with the option to extend the contract for up to a maximum period of two years; and

- Note that the Head of Adults & Health Commissioning and Chief Officer/Consultant in Public Health alongside the Procurement and Commercial Service will support the implementation of the contract award to ensure the new service is in place and operational by 1st October 2018 and that a satisfactory contract mobilisation process is undertaken, contract management plan is developed and implemented in order to ensure that the required outcomes of the contract are achieved.

1 Purpose of this report

- 1.1 The purpose of this report is to give the background for the need for the procurement and the process by which the successful bidder was selected, and to seek approval from the Director of Public Health and the Director of Resources and Housing for the recommendations made in paragraph 13.

2 Background information

- 2.1 The table below provides details of the current commissioned services which will continue to operate until the 30th September 2018.

Service Name	Services delivered	Provider
Home Adaptations and Repairs Pilot	Minor/Major adaptations, home repairs, hospital discharge/prevention, falls prevention	Care and Repair Leeds
Affordable Warmth Services	Warm Homes, Green Doctor scheme	Care and Repair Leeds, Groundwork Leeds
Warmth for Wellbeing	Warmth interventions, advice & support	Care and Repair Leeds & Groundwork

- 2.2 In summary, there are a number of services which interlink based on service recipients and the overall outcomes each service is wanting to achieve around health, wellbeing and independence within the home.
- 2.3 The current arrangements are the result of a review held in 2014, where the warmth-related contracts continued as they were because of their funding models and newly-commissioned status. Contracts addressing falls prevention, adaptations and hospital discharge measures were recommended to be combined into one service in order to streamline delivery.
- 2.4 A Home Adaptations and Repairs Pilot contract was put in place in 2015 to test the new approach and give a solid evidence base on which to procure a new service. The pilot also indirectly gave additional time in which wider services could be considered and brought in to scope given the level of cross over within the contracts.
- 2.5 This pilot contract which currently delivers minor/major adaptations & equipment, falls prevention and repairs, and latterly warm homes and warmth for wellbeing has been

reviewed by the Council. The review has been led by Adults & Health commissioning, including colleagues from Public Health, Healthy Living, Health Protection, Older People and Long-Term Conditions and Resources & Housing, Sustainable Energy & Climate Change Team (SECC) alongside wider colleagues within Procurement and Commercial Service (PCS)

- 2.6 The outcome of the review included the development of the Health Needs Assessment and Consultation Report (Appendix 1), but also a wider recognition that the services highlighted in 2.1 could be brought together to create a single service which would have a focus on interventions which improved independence, safety and health within the home and which would, more crucially, improve the outcomes for clients as well as streamline delivery and improve efficiency and effectiveness through aligned provision.

3 Main issues

- 3.1 In accordance with the Public Contracts Regulations, the contract opportunity was advertised in the Official Journal of the European Union (OJEU) on the 19th February 2018 as well as on the Council's electronic tendering system, Yortender, under the open procurement procedure.
- 3.2 Authority to procure this new service was granted by the Director of Public Health and the Director of Resources and Housing which was published as a key decision in February 2018. The report also highlighted that in order to take future commissioning decisions which will be a direct consequence of the key decision that the Director of Public Health and the Director of Resources and Housing will use their delegated authority. For example, the subsequent contract award, at most as a significant operational decision.
- 3.3 Tender documents were developed by the PCS in partnership with Adults and Health Commissioning.
- 3.4 Tenders were evaluated on the basis of 100% quality with the appropriate approval being granted by the Director of Public Health and the Director of Resources and Housing through a Key Decision, see point 5. The format for the qualitative assessments was broken down as follows:-
- 3.5 (i) 800 points (80% of the total quality points available) for evaluation of the method statements;
- 3.6 (ii) 200 points (20% of the total quality points available) for evaluation of the interview.
- 3.7 The method statement questions individually had a minimum threshold of 60% and tenderers also had to achieve a minimum of 70% of the overall method statement quality points available (i.e. 560 points out of the 800 points available).
- 3.8 Tenderers who scored less than 70% of the overall quality points available (i.e. less than 700 points for quality), would be automatically eliminated from the process and not considered for the contract. This ensured that quality would not be compromised by the bidders.
- 3.9 A single tender was received by the deadline of 25th March 2018. An evaluation panel consisting of officers with a range of experience and knowledge relating to home independence, health, wellbeing and warmth measures evaluated the bidders' response on a consensus basis and agreed an overall score for quality. The panel consisted of officers from Adults and Health Commissioning, Public Health; Healthy Living, Health

Protection, Older People and Long-Term Conditions and Resources & Housing, Sustainable Energy & Climate Change Team. The process was overseen by the PCS.

- 3.10 The single bidder successfully met the minimum requirements within the Standard Selection Questionnaire (SSQ) and was therefore evaluated in accordance with the instructions contained in the tender documents. There were 7 qualitative areas which were developed into method statement questions for the bidders to respond to which included;
- Service delivery
 - Holistic support
 - Multi-agency and partnership working
 - Contract mobilisation
 - Workforce
 - Marketing and promotion
 - Service development and change management
- 3.11 The bidder successfully met the minimum threshold score on all method statement questions following consensus evaluation scoring.
- 3.12 The final part of the quality evaluation was a sound recorded interview during which the bidder was asked 5 questions – an initial presentation question with 3 case study scenarios and 4 general questions. The topics covered were:
- Presentation - client pathway through referral, triage, prioritisation, assessment, intervention and onward support
 - Organisational culture
 - Partnership working
 - Accessibility
 - Service development
- 3.13 The evaluation panel agreed a consensus score for each of the interview responses. Please see Appendix 2 for the tender evaluation summary.
- 3.14 Following the completion of the quality evaluations it was determined that the delivery partnership consisting of Care and Repair Leeds (lead provider), Groundwork Leeds and Age UK Leeds provided a successful tender submission that met the defined criteria.
- 3.15 The new contract will begin on the 1st October 2018 until the 30th September 2021, with an option to extend the contract for up to maximum period of two years. In accordance with the Public Contracts Regulations 2015, the vetting process and due diligence checks will be concluded by PCS and Adults and Health Commissioning prior to the award of the contract. This process includes (but is not limited to) taking references, checking insurances, policies and procedures for key areas, e.g. Health and Safety, and Safeguarding.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.2 The commissioning of this service has taken place following a robust review, model development and analysis. As part of this, extensive consultation has taken place with a wide range of clients, stakeholders, trustees and staff. The Health Needs Assessment

and Consultation Report, (Appendix 1) brings together the range of consultation taken place throughout the review period.

4.3 The Public Health Programme Board has been consulted regularly as part of the governance arrangements through which this commissioning takes place and The Director of Resources and Housing is kept up to date through regular briefings.

4.4 Lead members have and will continue to be briefed over commissioning decisions.

4.5 **Equality and Diversity / Cohesion and Integration**

4.6 An Equality, Diversity, Cohesion and Integration screening paper was carried out as part of the commissioning review and published with the authority to procure key decision report in February 2018.

4.7 The screening tool indicated that a full equality impact assessment is not required as sufficient due regard has been considered through our Health Needs Assessment and Consultation Report. This highlighted key areas, groups, cohorts, demographics and principles which underpin this procurement and development of the Home Independence and Warmth service.

4.8 The alignment of services within this provision will enhance opportunities for clients to access and receive a more holistic provision. The specification clearly addresses equality, diversity, cohesion and integration issues; laying out the requirements that one of the key principles of the Service is that it must be:

Accessible and Inclusive - The risk of falls, or the need for the provision of warmth measures, cuts across all groups irrespective of protected characteristics and therefore provision, whilst targeted, must also reflect the characteristics of all groups in Leeds.

Furthermore;

During the mobilisation period, the Contractor will provide the Council with a plan detailing how it will comply with its equality obligations.

The Contractor must provide to the Council as soon as reasonably practicable, any information that the Council reasonably requires to:

- *monitor the equity of access to the Services and*
- *fulfil their obligations under the Law*

All communication and branding must be accessible to a wide range of audiences and make it clear that the service is fully inclusive and available to all (subject to eligibility criteria).

4.9 The interview questions tested the bidder on these areas specifically to ensure that accessibility requirements will be met.

4.10 The recommended provider has appropriate policies and procedures in place and these will be verified as part of the new requirements of the SSQ evaluation process as set out under the Public Contracts Regulation 2015

4.11 **Council policies and City Priorities**

4.12 The commissioning of a new Home Independence and Warmth Service will help contribute to a number of initiatives in Leeds which focus on promoting independence and healthy homes. In particular:

<u>Strategy</u>	<u>Priorities</u>	<u>Indicators</u>
Vision for Leeds 2011-30	<ul style="list-style-type: none"> • Best city for communities. • Best city for health and wellbeing. 	<ul style="list-style-type: none"> • People are safe and feel safe. • People are active and involved in their communities. • People live longer and healthier lives. • People are supported by high quality services to live full, active and independent lives.
Best Council Plan 2017-18	<ul style="list-style-type: none"> • Strong Economy and a compassionate city - tackling poverty and reducing inequalities. • Better lives - giving people with care and support needs the right care and support at the right time. • Health and wellbeing - improving physical and mental health. • Low carbon - tackling fuel poverty. • Breakthrough projects - Making Leeds the best city to grow old in. 	<ul style="list-style-type: none"> • More adults and older people helped to live at home. • Fewer people return to hospital following discharge. • Fewer households in fuel poverty. • Improved energy and thermal efficiency performance of houses.
Health and Wellbeing Strategy 2016-21	<ul style="list-style-type: none"> • People will live full, active independent lives. • Housing and the environment enable all people of Leeds to be healthy, social and active. • An Age Friendly City where people age well. 	<ul style="list-style-type: none"> • People affording to heat their home. • Unnecessary time patients spend in hospital. • Preventable hospital admissions. • Repeat emergency visits to hospital.
Housing Strategy 2016-21	<ul style="list-style-type: none"> • Improving health through housing. • Meeting housing needs of older residents. 	<ul style="list-style-type: none"> • Contribute to the Yorkshire and Humber target of signing up 20,000 customers to White Rose Energy by 2018. • People whose hospital discharge is delayed due to housing.
Affordable Warmth Strategy 2017-30	<ul style="list-style-type: none"> • Increasing energy efficiency. • Reducing fuel poverty. • Improving health and wellbeing through increasing affordable warmth. 	

Making Leeds the Best Place to Grow Old Breakthrough Project

- The ambition is for Leeds to be a welcoming city, accessible to all and somewhere older people feel, and are, safe.
- The council wants to ensure that older people are empowered, independent and able to do the things they want to do, whatever their age. Housing is one of the eight domains to focus action.

Cutting carbon and improving air quality Breakthrough Project

- Carbon reduction as a contribution to countering climate change. Greater energy security which provides the city with a competitive advantage.
- Energy consumption savings to consumers, providing advantages to businesses and residents.
- Creation of jobs and apprenticeships.
- Greater visibility of energy usage and costs across the city, particularly via smart agenda.

4.13 **Resources and value for money**

4.14 The budget value for the proposed contract award is £570,367 per annum over a period of 3 years which has been agreed within the following budgets; Public Health revenue, Resources and Housing revenue and capital through the Disabled Facilities Grant.

4.15 An alignment of services will achieve resource efficiencies through contract management, and a streamlined single provision should provide improved performance and efficiencies within delivery.

4.16 The specification, tender documentation and terms and conditions have been written in such a way to allow flexibility in service provision should additional investment be secured, specifically from the CCG. Through an amalgamated provision opportunities and benefits for sourcing additional funding will be strengthened.

4.17 **Legal Implications, Access to Information and Call In**

4.18 This procurement process was conducted in accordance with the Council's Contract Procedure Rules and the Public Contract Regulations 2015 in order to ensure that a fair, open and transparent process was undertaken.

4.19 The decision maker's authority falls under Section 3E (08) of the Council Constitution, Officer Delegation Scheme (Executive Functions)- Director of Public Health; Director of Resources and Housing

4.20 This decision is the implementation of a Key Decision of February 2018 and as such it is not subject to call-in and will be treated as a Significant Operational Decision. It is also a Significant Operational Decision on the grounds of the value and impact of the decision.

4.21 **Risk Management**

4.22 A robust mobilisation plan and risk register will be developed to ensure that all risks are identified and plans made in mitigation. These will be regularly reported to the Public Health Programme Board.

5 **Conclusions**

- 5.1 The Procurement of the Home Independence and Warmth Service has been undertaken in line with procurement processes. The recommendation to award the contract was reached following evaluation of the quality response submitted in the compliant bid.
- 5.2 The successful bid received from Care and Repair Leeds as lead provider, alongside delivery partners Groundwork Leeds and Age UK Leeds reflects the desired outcomes that Leeds City Council requires through the delivery of this contract while achieving best value.

6 Recommendations

- 6.3 The Director of Public Health and the Director of Resources and Housing are recommended to:
- Approve the award of the contract to Care and Repair Leeds (lead contractor) for the delivery of the Home Independence and Warmth Service.
 - Note that, subject to the satisfactory conclusion of the vetting process, the contract will commence on the 1st October 2018 until the 30th September 2021, with the option to extend the contract for up to a maximum period of two years; and
 - Note that the Head of Adults & Health Commissioning and Chief Officer/Consultant in Public Health alongside the Procurement and Commercial Service will support the implementation of the contract award to ensure the new service is in place and operational by 1st October 2018 and that a satisfactory contract mobilisation process is undertaken, contract management plan is developed and implemented in order to ensure that the required outcomes of the contract are achieved.

7 Background documents¹

Appendix 1 - Health Needs Assessment and Consultation Report

Appendix 2 – Tender Evaluation Summary – Confidential

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.