

# Approval to award a contract using Contract Procedure Rule 9.5 for the implementation of a Provider Assessment and Market Management Solution (PAMMS) for a consortium of Yorkshire and Humber Local Authority Adult Social Care Directorates

Date: 24th June 2021

Report of: Director for ADASS Yorkshire and Humber

Report to: Director of Adults and Health

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## What is this report about?

### Including how it contributes to the city's and council's ambitions

- The Association of Directors of Adult Social Services (ADASS) Yorkshire and Humber has identified the need to procure a tool to manage the regional quality and social care market for the Local Authorities in the Yorkshire and Humber region.
- The Provider Assessment and Market Management Solution (PAMMS) tool will help identify and prioritise risks, enable clear market insight by utilising spend and placement data and therefore improve the intelligence base for decision making. The following modules will be utilised:
  - Quality Assurance
  - Provider Returns
  - Landscape
- Leeds City Council (LCC/the Council) are the host Local Authority for the Yorkshire and Humber (Y&H) ADASS branch; therefore, the Council will contract on behalf of ADASS Y&H in funding the regional implementation of PAMMS across participating Local Authorities in Yorkshire and Humber. The 15 authorities from the Yorkshire & Humber region are as follows:

Barnsley, Bradford, Calderdale, Doncaster, East Riding, Hull, Kirklees, Leeds, North Lincolnshire, North East Lincolnshire, North Yorkshire, Rotherham, Sheffield, Wakefield, and York.
- The Council is therefore awarding a contract to HAS Technology Limited (HAS tech) for the provision of their propriety tool: Provider Assessment and Market Management Solution (PAMMS) which will be utilised by Leeds City Council and other Local Authorities in the Yorkshire and Humber region.

## Recommendations

- a) The Director of Adults and Health is recommended to approve a new contract award using Contract Procedure Rule (CPR) 9.5 to HAS Technology Limited (HASStech) for the provision of the Provider Assessment and Market Management Solution on behalf of the Association of Directors of Adult Social Services Yorkshire and Humber in the sum of £113, 710. The contract will run for a term of one year to commence on 28/06/2021 and expire on 27/06/2022.
- b) The recommendation is made on technical grounds, as there is no reasonable alternative. The PAMMS solution is proprietary to HAS Technology Limited as such, only they are able to provide the necessary technical support, maintenance and updates to the system.

## Why is the proposal being put forward?

- 1 To seek approval of the Director of Adults and Health to award a contract in accordance with CPR 9.5 directly to HASStech for the provision of the Provider Assessment and Market Management Solution on behalf of the Association of Directors of Adult Social Services Yorkshire and Humber in the sum of £113,710. The contract will run for a term of one year to commence on 28/06/2021 and expire on 27/06/2022.
- 2 Leeds City Council and ADASS Yorkshire and Humber have a unique opportunity to undertake a joint a regional approach to the procurement of a regional commissioning quality and social care market management solution which will help identify and prioritise risks, enable clear market insight by utilising local spend and placement data and improve the intelligence base for decision making to sustaining a vibrant care market in the region.
- 3 Yorkshire and Humber ADASS are a consortium of individual Local Authorities who are taking a joint approach to purchasing and using this system.
- 4 Each participating Local Authority will also sign an individual contract with the provider to pay fees for an annual licence for three years and cover support and hosting costs totalling £17,460 per annum (total cost of c. £52,380). LCC will be seeking to enter into a contract for a three-year license fee with the provider but this will be subject to a different decision. This is subject to LCC satisfying its due diligence procedures.
- 5 The solution is proprietary and was co-developed in collaboration with local authorities in the ADASS East and London regions. Therefore, there is no other such solution in the market and only HASStech can provide and implement PAMMS.
- 6 The tool is purpose built and is both tested and proven in its working by both London and the East ADASS regions to meet the need of a solution that can be used across Local Authorities to help identify and prioritise risks, enable clear market insight by utilising spend and placement data and therefore improve the intelligence base for decision making.
- 7 ADASS Y&H have carried out a review of other systems in the marketplace and of those currently available, none are able to offer the required functionality, so would not be suitable to meet the needs of ADASS Y&H's Local Authorities.
- 8 The one-off implementation cost of £113,710 will fund the following three parallel implementation projects:

- Quality Assurance
- Provider Returns
- Landscape

9 Landscape will need specific resource for each participating local authority as HASTech needs to automate the process for each local authority by:

- Implementing report gate: HASTech to support each local authority to install this tool into each local authority, each local authority will have a different case management & financial system or a different configuration.
- Automated extract scripts: we work with each Council to setup the spend/placement/activity extract scripts and create an automated process for future analysis.
- Harmonisation setup: during the 1st extract, mapping configuration is used to standardise the different ways local authorities record variable data like recoding of double handed visits, unit aggregation and health funding claiming rules for CHC Nursing Care as an example.
- Regional insights and reporting: the harmonisation process ensures all reporting can compare local authorities like for like.

10 In summary there will be c.8-12 days of effort from HASTech to support each local authority to automate and digitise the long term spend, placement and activity data collection and analysis in the HASTech embedded Power BI application.

#### What impact will this proposal have?

**Wards affected:**

Have ward members been consulted?       Yes       No

11 ADASS Yorkshire and Humber have engaged with other local authorities in Yorkshire and Humber region and agreed to take a joint approach to use the PAMMS tool from HASTech to support meeting market management responsibilities, identify and prioritise risks, enable clear market insight by Local utilising spend and placement data and improve the intelligence base for decision making to sustaining a vibrant care market in the region.

#### What consultation and engagement has taken place?

12 LCC Digital Information Services (DIS) have been consulted. Following appropriate due diligence steps the DIS Design Authority has authorised the regional procurement and implementation rollout of the solution.

13 Other participating Local Authorities will be responsible for satisfying their own digital requirements and risk levels (e.g. Penetration Testing) when adopting this solution.

14 The Executive Board Member for Health, Wellbeing and Adults will be briefed on the regarding this intention to make a direct award.

15 An Equality and Diversity Impact Assessment Screening Tool has been completed and no adverse impacts have been identified. Engagement with HASTech has evidenced that there are

appropriate policies in place within the organisation such as Security and Data Privacy Protocols, Equality, Inclusion and Diversity policy and Corporate Social Responsibility policy.

16 This is a regional piece of work and LCC are leading this on behalf of ADASS Y&H. LCC digital, procurement and commercial services and legal advice has been utilised in this process.

### **What are the resource implications?**

17 Contract Procedure Rule 9.5 will be used given the proprietary nature of the solution as details in section 1 - 10. The solution is proprietary and was co-developed in collaboration with local authorities in the ADASS East and London regions.

18 A one-off cost of £113,710 from the Yorkshire and Humber ADASS Budget, held by Leeds City Council, will be used to fund the one-off implementation costs of PAMMS for all participating Local Authorities. This funding is time bound and must be spent within the financial year 21/22 otherwise the funding must be returned to the relevant ADASS Local Authorities. The contract to fund the implementation costs will be entered into by LCC on behalf of ADASS Yorkshire and Humber and the implementation will be overseen by a regional programme board with representatives from a number of Local Authorities in the region. The contract will be managed by ADASS Yorkshire and Humber through a programme board and if necessary, will use LCC expertise for any contract negotiations.

19 Value for money – the ADASS Yorkshire and Humber region has secured a 40% discount on the recommended retail price due to the economies of scale of multiple Local Authorities jointly purchasing the system.

### **What are the legal implications?**

20 The value of the direct award detailed within this report is below the threshold for the application of the Public Contracts Regulations 2015 for the procurement of public services contracts and therefore it is not subject to the full EU procurement rules. This is a significant operational decision which is not subject to call in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

21 Awarding the contract direct to HASTech in this way could leave the Council open to a potential claim that it has not been wholly transparent should it be that this is not a proprietary product and there are other providers in the market who may be interested in this work.

22 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.

23 Although there is no overriding legal obstacle preventing the direct award of this contract to HASTech the above comments should be noted. In making their final decision, the Director of Adults and Health is satisfied that the course of action chosen represents best value for the Council.

### **What are the key risks and how are they being managed?**

24 If the recommendations are not approved: economies of scale will not be achieved. Better working relationships with other local authorities through better information will not be achieved.

25 Should there be issues with the contract raised with LCC these will be escalated to the regional programme board. If there are changes the implementation cost these will be met by ADASS Y&H thus not putting additional pressure on LCC budgets.

26 A non-binding letter of intent will be given to the provider to state the intentions of ADASS Y&H via LCC to enter a contract on behalf of the region to meet the timescales related to committing the funding.

**Does this proposal support the council's three Key Pillars?**

Inclusive Growth       Health and Wellbeing       Climate Emergency

27 This proposal will not directly be impacting the three pillars but underpinning delivery of services by the Adults & Health Directorate.

**Options, timescales and measuring success**

**What other options were considered?**

28 The solution is proprietary to HASTech, as such, only they are able to provide the necessary technical support, maintenance and updates to the system.

**How will success be measured?**

29 Regular account management/supplier review meetings until satisfactory conclusion of the service provision in line with the contract Terms and Conditions.

**What is the timetable for implementation?**

30 Implement from 28/06/2021.

**Appendices**

31 None.

**Background papers**

32 None.