


Cabinet 05 March 2014	 TOWER HAMLETS
Report of: Robert McCulloch-Graham, Corporate Director for Education, Social Care and Wellbeing	Classification: Report and Appendix 1 Unrestricted
Contract Awards – Adult Social Care Services	

Lead Member	Cllr Abdul Asad, Cabinet Member for Health and Wellbeing
Originating Officer(s)	Deborah Cohen, Service Head Commissioning and Health Keith Burns, Programme Director Special Projects
Wards affected	All Wards
Community Plan Theme	A Healthy and Supportive Community
Key Decision?	Yes

Executive Summary

- 1.1 The Council has, during 2013/14, undertaken a series of competitive procurement exercises to identify suitable providers to deliver a range of adult social care services. When the intention to undertake these procurement processes was reported to the Mayor in Cabinet it was resolved that the contract award proposals be reported back to the Mayor in Cabinet for decision.

- 1.2 Following the completion of these procurement processes approval is sought to proceed to award of contract. In each case it is recommended that the contract be awarded to the bidder that submitted the most economically advantageous tender. The tender exercises have been undertaken in a manner that is fully consistent with the Council's Financial Regulations and Procurement Rules, and with the Council's Procurement Policy Imperatives as reported to Cabinet in January 2013.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Approve the award of contract to the recommended bidder for each service as listed below:

Service:	Recommended bidder:
Carers Support Services – Dementia Carers Support Service	Alzheimer’s Society Tower Hamlets
Carers Support Services – Somali Carers Support Service	Black Women’s Health & Family Support
Carers Support Services – Bangladeshi Women Carers Support Service	UshaMohilaSomity
Carers Support Services – Carers Retreat Service	London Buddhist Centre

2. Authorise the Corporate Director of Education, Social Care and Wellbeing, afterconsultation with the Service Head -Legal Services, to agree the final terms and conditions of the contract for each service;
3. Authorise the Service Head -Legal Services to execute all necessary contract documents to implement this decision.

1. **REASONS FOR THE DECISIONS**

- 1.1 To enable the award and mobilisation of contracts for a range of adult social care services, as listed in the body of the report below, in order to ensure continuity of service provision to vulnerable residents eligible to receive community care services.

2. **ALTERNATIVE OPTIONS**

- 2.1 The Mayor in Cabinet could instruct officers to set aside any or all of the proposed contract award decisions, and to re-run the relevant competitive tender processes. While such a course of action is allowed by the Council’s Procurement Rules it is not recommended for the following reasons:
 - Each of the tender exercises has been undertaken in a manner that is fully compliant with the Council’s Procurement Procedures and Procurement Policy Imperatives, and has generated sufficient levels of competition to give confidence that quality and value for money considerations have been fully addressed;
 - While the Council reserves the right not to award a contract to any bidder following a competitive tender exercise, without a compelling reason to follow this course of action the risk of legal challenge from bidders is considered to be high;
 - Any delay in awarding contracts while a new competitive tender exercise was undertaken would inevitably be significant and would necessitate

interim contractual arrangements that would create uncertainty for both service users and interim service providers.

3. DETAILS OF REPORT

3.1 Following the completion of competitive processes undertaken in line with the Council's Financial Regulations and Procurement Rules, service providers have been identified as having submitted the most economically advantageous tenders in respect of each tender advertised, and it is proposed therefore that contracts be awarded to providers in each of the following areas:

Service:	Recommended bidder:
Carers Support Services – Dementia Carers Support Service	Alzheimer's Society Tower Hamlets
Carers Support Services – Somali Carers Support Service	Black Women's Health & Family Support
Carers Support Services – Bangladeshi Women Carers Support Service	Usha Mohila Somity
Carers Support Services – Carers Retreat Service	London Buddhist Centre

3.2 For each tender listed above the pre-tender process was approved by the Strategic Competition Board through the Tollgate process and by Cabinet through inclusion on the relevant Quarterly Contracts Forward Plan.

3.3 In all cases the tender process involved the following stages prior to the recommended bidder being established: Pre-Qualification Questionnaire; Tender submission; Final Presentation by shortlisted bidders. The Pre-Qualification Questionnaires were designed to ensure that bidders were subject to due diligence and that only those with the requisite qualifications and experience were invited to tender. The questions asked at the Tender submission and presentation stages were designed to test the ability of bidders to deliver services to a high quality and in the specific context of the borough and its communities. They also ensured that tenderers were prepared to pay the London Living Wage. The ability of providers to deliver wider community benefits was also thoroughly tested through these stages.

3.4 In all cases market warming events were held prior to submission of Pre-Qualification Questionnaires. The purpose of these events was to brief providers on service expectations and Council priorities including those identified in the Procurement Policy Imperatives.

3.5 The tender opportunities were advertised on the Council's tender portal and local providers were notified via email and by the Tower Hamlets Council for Voluntary Services (CVS).

3.6 For each tender sufficient bids were received to provide assurance that the outcome of the tender provides the Council with Best Value in respect of each of the services to be provided under contract.

3.7 The annual value of each of the contracts to be let, and their duration is set out in the table below:

Contract:	Annual value:	Duration (extension in brackets)
Carers Support Services – Dementia Carers Support Service	£70,178	2 years (1 year)
Carers Support Services – Somali Carers Support Service	£49,500	2 years (1 year)
Carers Support Services – Bangladeshi Women Carers Support Service	£7,999	2 years (1 year)
Carers Support Services – Carers Retreat Service	£12,000	2 years (1 year)

3.8 In each case the recommended provider has evidenced, through their tender submission that they will be able to deliver high quality services to residents of the borough while also adding value in line with the Council’s Procurement Policy Imperatives and the Social Value Act 2012.

3.9 All of the tenders that are within the scope of this report have been evaluated on a Most Economically Advantageous basis, with quality given a weighting of at least 50% in the evaluation. Evaluation of the quality submissions was undertaken by panels of experienced officers with a mix of procurement and operational expertise, and in a number of cases this was supplemented by service user involvement in the design and / or evaluation of the quality requirements.

3.10 Summary detail of the nature and scope of each of the services to be contracted is set out in appendix 1 to this report.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

4.1 This report seeks formal cabinet approval for the award of 4 Adult Social Care contracts with an annual combined value of £0.140m.

4.2 In all cases, the services provided through these contracts are funded out of existing general fund budgets.

5. LEGAL COMMENTS

5.1 The proposed contracts relate to delivery by the Council of its community care functions, which include the following:

- The Council is required to provide a range of community care services to promote the welfare of vulnerable persons aged 18 or over. The duty arises under a number of statutes, including section 47 of the NHS & National Health Service and Community Care Act 1990 (the duty to

assess needs and provide community care services), and Part III of the National Assistance Act 1948, and section 2 of the Chronically Sick and Disabled Persons Act 1970 (provision of residential and non-residential welfare services).

- The Council is, in some circumstances, under a statutory obligation to provide information, advice and advocacy services. For example, the Disabled Persons (Services, Consultation and Representation) Act 1986 makes provision for the appointment of authorised representatives for disabled people. The Mental Capacity Act 2005 also imposes a duty on Councils to make arrangements for independent mental capacity advocates to represent and support persons who lack capacity to make decisions concerning significant welfare issues such as changes in their accommodation, in circumstances where they have no family or friends whom it would be appropriate to consult about those decisions.
- The Council is required to carry out carer's assessments in circumstances specified under the Carers (Recognition and Services) Act 1995 and, separately, under the Carers and Disabled Children Act 2000 ("the Carers Acts"). The services the Council may provide to a carer depend on the avenue by which the carer's assessment is carried out. Under section 2 of the Carers and Disabled Children Act, the Council may provide any services which it sees fit to provide that will help the carer to care for the person cared for. Such services may take the form of physical or other forms of support.

5.2 The Council has an obligation as a best value authority under section 3 of the Local Government Act 1999 to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". This obligation extends to the purchase of all goods works and services. The Council meets this obligation by subjecting the purchase to the appropriate level of competition.

5.3 The community care services to be purchased are Part B services within the meaning of the Public Contracts Regulations 2006. This means that some of the requirements of the Regulations do not apply to procurement of the services, such as advertising in the Official Journal of the European Union. However, the Council is still required to comply with other requirements of the Regulations, such as the requirements to:

- treat contractors, suppliers and services providers equally and in a non-discriminatory way; and
- act in a transparent way.

5.4 The Council was required to carry out a reasonable level of advertising. There is also a requirement for a standstill period prior to award.

5.5 The competitive exercises described in the report are designed to comply with the Council's best value duty (as described above). It follows that the winner or winners of the relative tenders are those that have shown the best value

based on a mix of quality and price. In order to comply with the Local Government Act 1999 obligation the Council can only award a contract to those bidders that showed the best value through the tendering process.

- 5.6 Before awarding the contracts, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. There is information in the report relevant to these considerations. If services have been significantly redesigned then consultation prior to implementation must occur with the service users, their families and any other relevant stakeholders.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 All of the above tenders were advertised on the basis that the London Living Wage be paid as a minimum to all employees delivering the services under contract in furtherance of the Council's anti-poverty strategy.
- 6.2 The contract monitoring undertaken in respect of each of the contracts will include monitoring of how the service is meeting needs in respect of the nine protected characteristics covered by the Public Sector Equality Duty. The specifications for each of the services to be contracted for stipulate a requirement to provide the service in a way that takes proper account of the nine protected characteristics and the evaluation process for each tender tested specific aspects of this requirement.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 7.1. The contractual terms and conditions and service specifications for each of the services to be contracted require the service provider to comply fully with all relevant environmental obligations.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1. The contractual terms and conditions and service specifications for each of the services to be contracted include a range of measures to reduce risk to the council including those relating to financial loss; fraud; service failure; and the handling of personal data.
- 8.2 The Council has in place a set of Procurement Procedures that are designed to ensure that procurement exercises are undertaken in a way that is compliant with relevant EU and UK legislation. Each of the tender exercises within the scope of this report has complied fully with the requirements set out in these procedures.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 9.1 Each of the services to be contracted is designed to meet the community care needs of specific groups of residents. They do not, therefore, contribute to the reduction of crime and disorder other than that by making these services available the Council is

contributing to ensuring that individuals who may otherwise be more vulnerable to being victims of crime are supported to live safer and more independent lives in the community.

10. EFFICIENCY STATEMENT

- 10.1 The tender exercises to which this report relates were each designed to identify the most economically advantageous tender for each contract. The award criteria in each case were designed to secure the optimum balance between service quality and price.
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Linked Reports, Appendices and Background Documents

Linked Report

- Contract award – Adult Social Care Services (Exempt report)

Appendices

- Appendix 1: Summary of scope and nature of services to be contracted.

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE