



## **DECISION OF COUNCILLOR DAWN PAYNE**

EXECUTIVE MEMBER ADULT SOCIAL CARE WITH ADVICE FROM  
THE DIRECTOR, PEOPLE AND COMMUNITIES  
DECISION NO: P&C35 (2016/17 Scheme)

**SUBJECT: Extension of the Comprehensive and Older Persons' Floating Support Service Contract**

### **1. BACKGROUND**

North Somerset Council Supporting People Team commissions housing related floating support services via two specific floating support contracts. One referred to as older persons' floating support (OPFS) and one referred to as comprehensive floating support (CFS).

The current two floating support contracts were tendered in 2013 and both were awarded to Alliance Homes. The CFS contract commenced on 1<sup>st</sup> April 2013 and the OPFS contract commenced on 1<sup>st</sup> July 2013.

The OPFS contract has a term of 3 years with a 1 year extension which has already been evoked. This means that this contract is due to end on 30th June 2017. This contract has a current annual value of £640,000.

The CFS contract has a term of 4 years with a 1 year extension. This means that this contract could be extended for 1 further year from 31<sup>st</sup> March 2017 to end on 31<sup>st</sup> March 2018. This contract has a current annual value of £1,665,000.

In essence the two separate contracts deliver the same service but to different cohorts of people. The Department feel that the contracts should be combined into one contract opportunity and be retendered together to be awarded to one provider. This will give the Department an opportunity to make efficiencies and therefore costs savings, looking to save at least 10% on the current value.

In order to do this effectively, stimulation of the housing related support market is needed to ensure healthy competition for the tender. It is desirable to hold some meetings with current providers of floating support in other areas as well as the current provider in North Somerset. Once these conversations have taken place, the most suitable tender method can be decided.

To ensure there is a sufficient timeframe, the CFS contract would need to be extended, not for the full 1 year term but for 8 months and the OPFS contract extended outside of the contract term for 5 months.

There is a risk that a provider could challenge the extension to the OPFS contract as it is outside of the original contract term. However, any provider opposed to the proposed extension will be able to take part in the tender, therefore it is believed that this risk is negligible. These challenges usually happen if the service is not retendered and just extended and another provider considers this to be partial.

## **2. RECOMMENDATIONS**

- (i) That the Executive Member agrees to extend the CFS contract for 8 months, to end on 30<sup>th</sup> November 2017, in line with the extension period as incorporated into the original CFS contract. This is a Director level decision under Standing Orders, however it was felt that for the purposes of context it was more appropriate for the decision to be considered along with the request to extend the OPFS contract.
- (ii) That the Executive Member agrees to extend the OPFS contract outside of the original contract term for 5 months to end on 30<sup>th</sup> November 2017.

## **3. REASONS**

- This will align 2 contracts to end at the same time so they can be retendered in 2016/17 as 1 contract opportunity and the services commence on the same date.
- To ensure a competitive tender which will give the best outcome possible.
- To make savings on the contract that are outside of the proposed MTFP.
- The award decision has to be made by the Executive Member because of the value of the OPFS contract.

## **4. OTHER ALTERNATIVES CONSIDERED**

Consideration was given to;

- a) Re tendering the OPFS contract alone to start on 1<sup>st</sup> July 2017 and evoking the 1 year extension in the CFS contract. This would then involve retendering the CFS contract in 2017 to start 1<sup>st</sup> April 2018. This option would have cost implications in officer time tendering 2 years running. The timeframe for the first tender would be tight and not allow time for market discussions.
- b) Re tendering the OPFS contract alone to start on 1<sup>st</sup> July 2017 and not evoking the 1 year extension in the CFS contract. Re tender the CFS contract to start 1<sup>st</sup> April 2017 although the timeframe for this would be unviable.
- c) Re tendering both contracts in 2016/17 with Terms that allow them both to expire on the same date but evoking the 1 year extension in the CFS contract. This would then involve staggering the start dates of the contracts awarded. This option would involve

the successful provider for the CFS contract holding costs for around 9 months which may not be viable for either party.

- d) Re tendering both contracts to start when the OPFS ends on 30th June. This would involve a tender timeframe that would be very tight and not allow time for market discussions.

**5. FINANCIAL IMPLICATIONS**

The value of a 5 month extension to the OPFS contract extension is £266,666. This is based on the annual contract value being £640,000.

The Value of the CFS contract extension doesn't change from the original decision so therefore are no financial implications for extending this contract.

**6. IMPLICATIONS FOR FUTURE YEARS**

None.

Signed .....  
Executive Member for Adult Social Care

Dated .....

Confirmation of advice given:

Signed .....  
Director, People Communities

Dated .....