

North Somerset Council Decision

Decision Of: Executive Member for Adult Services, Health & Housing
With Advice From: Director of Adult Social Services and Head of Strategic Procurement
Directorate: Adult Social Services



Decision No: ASC78 (2022/23 Scheme)

Subject: Procurement Plan for the Provision of the Support to Live at Home Service

Key decision: No

Reason:

This procurement plan is covering the route to market only, the Commissioning Plan, presented to full council on 10 January 2023, covered authority to proceed with the project. This commission will not affect more than one community/ward.

Background:

The proposal is to procure contracts to deliver domiciliary care provision in people's homes (Support to Live at Home). The service is designed with the needs of people in mind to remain living independently in their own homes.

The Commissioning Plan covers the elements of the Corporate Plan and Directorate Business Plan that supports the commissioning decision from an Adult Social Care perspective.

The Strategic Procurement Team commitments in the Corporate Services Annual Directorate Statement 2022/23 that supports the commissioning/procurement decision are as follows:

Strategic Procurement Commitments

Our Commitment	What is the Outcome we Expect
Identify and agree specific Social Value in all procurements.	Measurable Social Value committed and delivered by our providers
Work with Services on a business partnering basis to tender and awards contracts as required	Robust, compliant contracts offering value for money, Services are happy with the service they receive from the Procurement Team

Decision:

It is requested that the procurement plan be approved to proceed with legally compliant tenders for Support to Live at Home contracts that will be delivered across the North Somerset Council area, which will be published on the council's Supplying the Southwest procurement portal and on the Find a Tender Service.

Reasons:

Introduction

The current contracts have run successfully in North Somerset since 2017. There are 4 contracts in operation across the authority, split into geographic areas:

Area	Provider	End Date
1 - Weston-super-Mare	Access Your Care	04/11/2023
2 – Worle	Homelife Carers	04/11/2023
3 – Clevedon/Portishead	Nobilis	30/06/2024
4&5 – Nailsea/Backwell	Homelife Carers	30/06/2024

Each of the providers is expected to pick up the majority of the home care packages in their area. If the contracted providers are unable to pick up a package in their area, these are then offered to the approved spot providers on the Domiciliary Care Framework.

The proposal is to go out to tender for a combined area 1 & 2 (One Weston) in the spring of 2023, and again in late 2023 for areas 3,4 & 5 (Woodspring).

Commissioning Plan

Commissioning Plan – Agreed at the 10 January 2023 Council Meeting.

Lessons Learned from previous projects:

Previous procurements for this type of contract have sometimes resulted in bids being received from larger organisations who have the resources to employ professional bid writers. This has meant that the responses are submitted by people far removed from the delivery of care and also makes it difficult for smaller, local providers to compete.

This procurement will build in an assessment/practical stage, where providers will be required to assess individual service users, to ensure those that will be responsible for the delivery of the services are also involved.

Previous procurements have also highlighted the difficulty of attracting suitable Applicants to cover the more rural areas. This procurement acknowledges this risk and the proposed structure of the contracts addresses this issue by reviewing and combining areas and appointing a number of second tier providers to increase coverage.

Requirement

Lead Provider and Second Tier Providers

We believe that working more closely with a smaller number of providers on the majority of domiciliary care provision is an effective way of strengthening partnership working with the market and our health colleagues. We do not, however, want to overlook the rest of the

domiciliary care market in North Somerset as it is clear that we need their support to be able to continue to develop services and have a robust offer.

Our proposal is to move to a lead provider model in each area, to pick up in the region of 60% of packages and separate flexible frameworks of up to three different second tier providers per area, with the aim of addressing the balance of the Strategic provider/spot provider split. The intention is to retain the existing Domiciliary Care Spot Provider Framework until its expiry in 2025. This will allow time to assess whether the new STLAH model is working as intended (are all packages being picked up by either the lead or second tier providers?) and whether the existing framework is still needed.

The Lead Provider and the Second Tier Providers will be required to work together under the terms of a Memorandum of Understanding (MOU) which will be provided in the tender documents.

TUPE will apply in respect of the Lead Providers. The timeline for the project has been created to take account of increased mobilisation and consultation periods required as a result of possible TUPE transfers. The existing providers will be asked to provide their current staffing information ready for the publication of the opportunity.

The Spot Framework providers will be expected to continue delivery of existing packages. TUPE will not apply to the new Tier 2 Framework.

Market / Suppliers

The system for funding adult social care is widely recognised as no longer fit for purpose with a national solution for sustainable funding being essential. Care markets locally and nationally are challenged by rising costs, staff shortages and the ongoing need to maintain quality. As demand for these services increase in line with an aging population, so does the cost to the council, coinciding with almost a decade of reducing government funding for local authorities.

North Somerset Council is experiencing an increase in demand for homecare post-pandemic; in 2021, the council commissioned over 258,000 hours, which was 1.3% higher compared to 2020 and was forecast to increase by 8.7% by the end of 2022. The council commissioned 286,536 hours in 2022, which was more than the projected increase, at over 11%. The market is relatively stable with mostly small independent providers, not many new entrants to the market and just a few exits, although the STLaH framework providers have all transitioned to new providers since the advent of the framework.

In July 2022, North Somerset Council commissioned ARCC to conduct a Fair Cost of Care (FCoC) exercise for the domiciliary care market. This exercise was conducted in line with Department of Health and Social Care Guidance released in the Spring of 2022, which sets out the Government's expectations on Local Authorities in ensuring that they have the right health and care architecture in place to underpin and support the delivery of the Government's long-term plan for Adult Social Care, 'People at the Heart of Care.'

The cost of care exercise was an opportunity for local authority commissioners and local care providers to work together to arrive at a shared understanding of what it costs to run quality and sustainable care provision in the local area and that is reflective of local circumstances. It is also a vital way for commissioners and providers to work together to

shape and improve the local social care sector and identify improvements in relation to workforce, quality of care delivered, and choice available for people who draw on care. The results of the FCoC exercise were published by the Government and NSC at the beginning of February 2023: [Cost of care and market sustainability | North Somerset Council \(n-somerset.gov.uk\)](https://www.n-somerset.gov.uk/cost-of-care-and-market-sustainability/)

Insurance Levels

Employer’s liability min £10m

Public Liability min £10m (and separate medical malpractice insurance £5m if not already included in Public Liability cover)

Professional Indemnity Insurance min £5m

Route to market

It is proposed that we tender the opportunities using the Light Touch Regime of the Public Contracts Regulations 2015, via the Supplying the South West portal:

Contract Title	Estimated Tender publication date	Contract Start
Round One, Support to Live at Home One Weston Lead Provider Contract	Apr-2023	06/11/2023
Round One, Support to Live at Home One Weston Flexible Framework Agreement – Tier 2	Jul-2023	06/11/2023
Round Two, Support to Live at Home Woodspring Lead Provider Contract	Nov-2023	01/07/2024
Round Two, Support to Live at Home Woodspring Flexible Framework Agreement – Tier 2	Mar-2024	01/07/2024

The outcome of the procurements will result in awarding up to 8 contracts, one per lead provider and 3 per framework.

Lead Provider

The intention is to procure the lead provider contracts using an open tender approach but using the flexibility of the Light Touch Regime.

It is proposed that the lead provider contracts will operate for an initial term of 48 months with the option to extend for a further period of up to 36 months.

Flexible Frameworks – Tier 2

The intention is to create flexible framework agreements of second tier providers, one framework per area, also using the flexibility of the Light Touch Regime.

Providers can apply for one or both frameworks. Lead providers cannot also apply to be a framework provider in the same area.

- The top 2 scoring Applicants for One Weston Area will be awarded a place on the framework.
- The top 3 scoring Applicants for Woodspring Area will be awarded a place on the framework.

All providers in each area will be required to work together to pick up the packages of care, as per the MOU. There will be no further competition under the framework. The following process will be followed to award packages of care under the contracts:

All new Packages in the One Weston Service Area, that meet the criteria set out in the Support to Live at Home contract Eligibility Criteria will be allocated to the Lead Provider.

The Lead Provider must review whether they are able to accept the Package, within the timeframes given in the Support to Live at Home contract Package Acceptance Matrix.

If they are unable to offer on the Package or offer only part of the Package within these timescales, the Lead Provider will contact the Second Tier Providers who must work collaboratively with the Lead Provider to offer on the Packages, within the timeframes given in the Package acceptance matrix. ***NB, time is of the essence and the Lead Provider must not hold onto a Package up to the limit of the Step One Timeframe if they know they cannot accept a Package.***

The Lead Provider must inform the Brokerage Team that they are contacting the Second Tier Providers and therefore the Step Two Timeframes will apply.

In case of a shared care offer, the Provider taking the majority share of the Package will make the offer.

Once an offer is received, all Packages must be assessed by the Provider/s and started within five working days.

The package take-up via the lead provider/frameworks will be reviewed as part of the contract management process and NSC will reserve the right to reopen the framework and admit/remove providers depending on usage/levels of unmet need. This will be a specific KPI within the contract.

The flexible frameworks will run alongside the lead provider contracts.

Timescales for initial procurement for Area 1 – One Weston – Lead Provider

- Release Advert: 30 March 2023
- Tender Return: 2 May 2023
- Evaluate Responses: 9 – 12 May 2023
- Moderation Session: 15 – 16 May 2023
- Assessment Days: 9 - 10 May 2023
- Assessment Evaluation: 18 May 2023
- Presentations: 23 May 2023
- Final Evaluation/Moderation: June 2023
- Award Report Approved by Director: June 2023
- 10 Day Standstill Period: June/July 2023
- Contract Start: 6 November 2023

Governance

- Commissioner: Adult Social Services Contracts and Commissioning Officer
- Strategic Procurement Service: Procurement Manager
- Finance: Finance Business Partner for Adult Social Services
- The contract award report will be signed off by the Executive, Director of Adult Social Services, The S151 Officer & The Head of Strategic Procurement.
- The Contract(s) Manager will be the Contracts and Commissioning Officer (ASS)

Social Value, TOMs, Sustainability & VCSE

Lead Provider Contracts

Given the nature of the contracts involved, and again trying to create a level playing field for smaller providers, NSC and the Social Value Portal (SVP) have agreed that the National TOMS Light 2022 version can be used for this procurement. This reduces the list of TOMS quite significantly and allows Applicants to focus their social value commitments on areas that are more relevant to this type of contract. This also avoids larger providers using their resources to commit to a larger range of Social Value outcomes which attract a higher financial value and evaluation score compared to smaller providers. Further information on the TOMS applicable to this procurement is available from the Procurement Team.

All lead provider Applicants will be required to submit their SV commitments onto the Social Value Portal for evaluation and scoring during the tender process. The successful providers will then be required to pay a charge to SVP to monitor and manage their commitments throughout the term.

Flexible Frameworks

It has also been agreed that Social Value for the Framework Providers will be included as a method statement question in order to be approved onto the framework, but they will not have to make any financial commitments up front as it is impossible to predict the potential contract value. Any commitments described in their method statement response will be monitored through the contract management process.

Evaluation

55% Quality/Method statements

Stage 1 – Method Statement Questions (Lead Providers 50% and Tier 2 Providers 70%)

Method statement breakdown

- Partnership Working 25%
- Recruitment & Retention of Staff 25%
- Management of Capacity 20%
- Health & Wellbeing 10%
- Service Implementation 20%

We will reserve the right to exclude Applicants that score below 3 on one or more method statement questions.

Stage 2 – Assessments (TOP 4 Scoring Providers invited to Assessments) 20% (Lead Provider only)

Top 4 scoring Providers move to stage 2. Assessment scores will be added to method statement scores.

Providers will be invited to assess service users and their needs in their own homes and feedback to the panel.

Providers will be scored based on the standard NSC scoring matrix below.

Stage 3: Presentations (TOP Scoring Providers invited to Presentations) 30% (Lead Provider and Tier 2 Providers)

Top two scoring Lead Provider Applicants will be invited to present to the panel on subject related to the contract.

Top four scoring Tier 2 Applicants will be invited to present to the panel on subject related to the contract.

Providers will be scored in line with the standard NSC scoring matrix below.

- 30% Price**
- 10% Social Value**
- 5% Climate**

Score	Classification	Award Criteria
5	Excellent	A response that inspires confidence; specification is fully met and is robustly and clearly demonstrated and evidenced. Full evidence as to how the contract will be fulfilled either by demonstrating past experience or through a clear process of implementation.
4	Good	A response supported by good evidence/examples of the Applicants' relevant ability and/or gives the council a good level of confidence in the Applicants' ability. All requirements are met, and evidence is provided to support the answers demonstrating sufficiency, compliance and either actual experience or a process of implementation.
3	Satisfactory	A response that is acceptable and meets the minimum requirement but remains limited and could have been expanded upon.
2	Weak	A response only partially satisfying the requirement with deficiencies apparent. Not supported by sufficient breadth or sufficient quality of evidence/examples and provides the council a limited level of confidence in the Applicants' ability to deliver the specification.
1	Inadequate	A response that has material omissions not supported by sufficient breadth and sufficient quality of evidence/examples. Overall, the response provides the council with a very low level of confidence in the Applicants' ability to deliver the specification.
0	Unsatisfactory	No response or response does not provide any relevant information and does not answer the question.

*** In the event of a tie (lead provider)**

At the conclusion of the Award stage, the intention is to award the Contract to one (1) Applicant per area. Where there is more than one Applicant in 1st (first) place, for each area, the Applicant who scored the highest on the price shall be deemed to be the most economically advantageous tenderer and therefore will be awarded the lot for the service. If there is more than one Applicant with an identical score for price the Applicant with the highest score for question one of the Award Questions shall be deemed to be the most

economically advantageous tenderer and therefore will be awarded the Contract for the area.

Price score (30%):

For evaluating the overall price from each supplier, it is proposed to use the standard cost evaluation method, which is widely used within the Council.

The tender with the lowest total price will receive the maximum score of 100 (weighted at 30%) and the prices of all other tenders will be expressed as a percentage of the maximum score.

Pricing schedule:

Applicants will be required to bid a price per hour (against an approximate guide number of hours). NSC will provide a range to Applicants to ensure that unaffordable pricing is not submitted. This range will be based on the lower and median costs established through the FCoC exercise.

Selection Questionnaire

The standard selection questionnaire will be used. This will include some additional project specific scored questions to demonstrate previous experience. It is also proposed that an additional statement is included in the Tender documents:

The council may take account of any prior knowledge it has of the Applicant, its practice, reputation or its involvement in existing services, projects or procurements to the extent that such knowledge indicates that information contained in the Applicant’s SQ submission is false, misleading or inaccurate.

Evaluation Panel

Stage	Panel Members	Role
Method Statements	Gerald Hunt	Principal Head of Commissioning, Partnerships and Housing Solutions
	Teresa Stanley	Head of Strategy and Commissioning
	Teresa Maguire Estelle Radcliffe	Contracts and Commissioning Manager Contracts and Commissioning Officer
Assessment Day – top 4 scoring providers	Teresa Stanley Phyllis Selby Kath Leman Sarah Norris - TBC	Senior Social Worker Occupational Therapist Senior Quality Monitoring Officer
Presentations – top 2 scoring providers	Gerald Hunt Fiona Shergold Rep from TRI team - TBC Rep from ICB - TBC	Head of Service Development

Contract Management

The contract will be managed by the Contracts and Commissioning Officer in the Adult Social Services Directorate. The Contract Manager, with the support of the Procurement team, will develop a contract management plan at the end of the tender process.

The following meetings will be held:

- Quarterly KPI meetings, and data reports;
- Yearly – full reports including social value.

Options Considered:

- Do Nothing – not an option as we have a duty of care to our residents;
- Run a full procurement to create a new contract – preferred option (detail below).

Financial Implications:

As this is recommissioning an existing service, there are no new spending commitments.

A maximum and minimum range of rates will be provided to Applicants based on the outcome of the recent Fair Cost of Care exercise to ensure the rates quoted are affordable both to NSC and Applicants.

Costs

Below is;

- The spend for the Support to Live at Home contracts 2021/22 and forecast spend for 2022/23
- The spend for Spot purchase domiciliary Care 2021/22 and forecast spend for 2022/23
- The total spend on domiciliary care 2021/22 and forecast spend for 2022/23

All reflecting the Continuing Health Care Spend separately as this is re-charged to Health.

		ASC 21/22	ASC 22/23	CHC 21/22	CHC 22/23
(Alliance Living Care	Area 1	£972,975	£1,027,759	£133,780	£100,843
Access Your Care	Area 2	£554,480	£505,585	£107,458	£124,327
HomeLife Carers	Area 3	£917,788	£877,442	£83,176	£111,223
Nobilis)	Area 4	£154,898	£93,204	£7,449	£5,419
	Area 5	£239,591	£237,235	-	£28,532
	Spot	£3,847,495	£3,815,440	£1,376,592	£1,734,573
	Total	£6,687,228	£6,556,664	£1,708,456	£2,104,917

Funding

Funding will come from the Adult Social Care Budget

Legal Powers and Implications:

The service considered in this procurement are statutory requirements (Care Act 2014, Mental Capacity Act 2005, Mental Health Act 1983 as amended in 2009). Local Authorities cannot provide these services themselves as the legislation requires them to be provided independent of the Local Authority or NHS providers.

Climate Change and Environmental Implications:

Following completion of the climate emergency risk register, it was agreed that the environmental implications are relatively low in relation to this tender and service. Domiciliary care services tend to focus on recruiting local staff. With ECH, staff are onsite and therefore not required to travel between clients. The contract will require the provider to encourage clients living in ECH to recycle wherever possible. The contract will also encourage the provider to use local suppliers. Any waste generated in the provision of the services, such as PPE and clinical waste, will be kept, collected, and disposed of appropriately. A method statement question has been developed and agreed with Libby Watts from the Climate Emergency Team.

Consultation:

The Commissioning Plan contains detail on the consultation undertaken by the Contracts and Commissioning Officer in preparation for this procurement.

The Strategic Procurement Team specifically undertook a market testing survey via the Supplying the South West portal relating to specialist dementia service providers.

A provider engagement session was held in person with local providers in February 2023. This was to help providers navigate the procurement process and also gave some information on what NSC is looking for in a good response to the method statement questions and those related to Environmental Impacts and Social Value.

Risk Management:

<u>Risk</u>	<u>Mitigation</u>
Provider failure	Will be mitigated by robust contract monitoring and compliance of the contract. Performance indicators will be set for the contract with the monitoring of these being undertaken by the contracts and commissioning team.
Payments with no results	All community-based care and support is paid in arrears which lowers the risk of financial loss to the council.
The service does not meet the expectations of the council	The evaluation process will ensure that all aspects of the service are tested. The contract management plan and associated KPIs will ensure that the contract is effectively managed by the Contract Manager with the provider held accountable.

Risk of suppliers not being able to run the service within the contract price	There will be a robust contract management plan to monitor all aspects of the contract.
Risk of not receiving bids	We have had conversations with potential Applicants. The advert will go out via Find a Tender, Contracts Finder & Supplying the Southwest Portal.
Risk of challenge to the procurement process	There will be a transparent and fair process to minimise any challenges.
The ongoing impact of the COVID19 pandemic	The uncertainty of pandemic may have an impact on being able to deliver this service. The impact can be minimised with good communication between the provider and contract manager.
Cost of Living Crisis	Fair cost of care exercise completed, and we know what the affordability envelope is.
TOMs & Climate Emergency	Will be considered throughout the procurement process (include risk assessments) and during Contract Management.
TUPE - Existing staff may not transfer across to the new provider leaving a resource/capacity gap	Early engagement with the market and throughout the process.

Equality Implications:

An Equalities Impact Assessment (EIA) summary has been completed and has not highlighted any negative impact.

Corporate Implications:

There are no corporate implications.

Appendices

Background Papers:

Commissioning plan – approved at Full Council meeting (minutes: COU86) 10/01/2023.

Signatories:

Decision Maker(s):



Signed:

Title: **EXECUTIVE MEMBER FOR ADULT SOCIAL SERVICES**

Date: 23 March 2023

With Advice From:

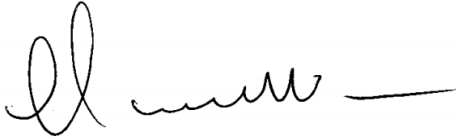
Signed:

A handwritten signature in black ink, appearing to be 'JEW'.

Title: **DIRECTOR OF ADULT SOCIAL SERVICES**

Date: 23 March 2023

Signed:

A handwritten signature in black ink, appearing to be 'J. M. M.' followed by a horizontal line.

Title: **HEAD OF STRATEGIC PROCUREMENT**

Date: 23 March 2023

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable: None.