CABINET
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GATEWAY 3 CONTRACT AWARD - SUPPORTING PEOPLE MENTAL HEALTH FLOATING SUPPORT SERVICE

Portfolio Holder: Councillor Tom Mason, Adult Services
Report from: Rose Collinson, Director of Children and Adults
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Summary
To set out the outcome of the tender process for the contract award of the Supporting People Mental Health Floating Support Service.

1. BUDGET AND POLICY FRAMEWORK
1.1 The recommendations are consistent with the approved Supporting People strategy for Medway and the Council plan. It can also be met from within existing budgets. This is therefore a matter for Cabinet.

1.2 The risk analysis tool (RAT) classified this contract as high risk.

2. BACKGROUND
2.1 Supporting People is the Government funding and regulatory regime for housing related support services. Since 1 April 2003, when the programme came into effect, a grant has been awarded to each local authority that is responsible for administering the Supporting People Programme within its area. The local authority is required to establish a Commissioning Body consisting of the local authority, the local Primary Care Trust and the local Probation Board. This Commissioning Body is responsible for delivering the Supporting People Programme.

2.2 Representatives on the Commissioning Body for Medway are the Director of Children and Adult Services, the Assistant Director Adult Social Care, the Assistant Director Corporate service, the Assistant Director Commissioning, the Director of Commissioning & Performance from Medway Primary Care
2.3 The service is required, where applicable, to facilitate access to accommodation suitable for the needs of individuals and enable individuals to develop the skills to live independently in the community without support. Individuals referred to the service are likely to need support in order to move on to greater independence or have had a history of homelessness and/or are at risk of losing their tenancy. Service users are those who have a chaotic lifestyle and a history of mental health problems.

2.4 This provision is one of four non-accommodation based support services, where support will be delivered flexibly to individuals in their “own” accommodation (permanent and temporary).

2.5 The aim of the services is to provide focused, time limited and goal orientated support that:

- Assesses the specific needs of individuals and provides an agreed planned programme of support. This should include agreeing joint support planning with the service user and other agencies as applicable to enable holistic service delivery.

- Enables individuals to maximise their independence.

- Enables individuals to successfully maintain their tenancy.

- Facilitates access to other services in particular health and social care related services, benefits, education, training, volunteering, employment and social care liaising effectively with statutory and voluntary agencies on a collaborative basis.

- Facilitates the development of service users’ identity to effectively function as citizens in the community in which they live.

- Facilitates access to rehabilitation/specialist services dependent on need liaising effectively with statutory and voluntary agencies on a collaborative basis.

2.6 Providing this service is essential to ensure that Medway Council continues to promote the independence of vulnerable adults in the community and can be confident of meeting the wider preventative agenda, while delivering best value.

2.7 This report recommends the award of the contract for the Mental Health floating support service.

2.8 This procurement may mean a change in the current providers of the service, which may have an adverse impact from a Service User perspective. However, TUPE may mitigate against this risk since the support worker from the current provider could transfer with the contract to the new provider and therefore provide a form of continuity for the service users.

2.9 The procurement of this service will ensure that Medway Council are confident that the service delivered meets the needs of users and delivers best value.
3. BUSINESS CASE

3.1 Business Case Summary

3.1.1 Without this service, people in need of this type of support may fail to meet the requirements of their tenancy, may face eviction or may be unable to address their offending behaviour. This would have an impact on an individual's wellbeing and potentially result in the person needing to access higher cost intervention services.

3.2 Strategic Context

3.2.1 The service plays a key role in the wider preventative agenda, helping to reduce levels of homelessness, reducing the risk of re-offending, providing a focussed floating support service, enabling individuals to maximise their potential for independence and fully participate in the community, as well as helping to minimise unnecessary admissions into institutions such as hospital, prison or residential care.

3.3 Whole Life Costing/Budgets

3.3.1 Sufficient monies are available and have been allocated from the Medway Supporting People service grant. The allocation includes a contingency for an increase in price in excess of the current funding allocation.

3.3.2 Non-cashable efficiency gains are significant because the service specifications have been developed to ensure there are clear measurables and outcomes delivered.

3.4 Risk Management

3.4.1 As highlighted in the January paper to Cabinet, the following possible scenarios that need to be considered.

- The current provider could dispose of their property holding in Medway and look to invest in other areas. This would result in loss of accommodation available to Medway Council and the Probation Service

- The current provider could continue as a landlord but not take clients with complex needs, which would also result in a loss of accommodation available to Medway Council and the Probation Service
3.4.2 Other risks of the project include the failure to deliver the service required, which may result in higher cost intervention services. Secondary risks include:

- Failure of users to effectively engage in the service

3.4.3 These risks will be mitigated through:

- Regular and effective outcome based contract monitoring
- Regular engagement with Service Users during mobilisation
- Working closely with stakeholders such as Housing.
- Letting of contracts on an incremental basis every two month from July 2009.

3.5 Market Testing (Lessons Learned/Bench Marking)

3.5.1 A number of data sources and resources have been used to develop the specifications in preparation for the competitive procurement. These have included:

- Needs assessment of service users.
- Service user consultation
- Data from the current provider
- Consultation with stakeholders

3.6 Stakeholder Consultation

3.6.1 A steering group was established to oversee the process and ensure the voice of service users is communicated. Membership of the group included commissioning managers and officers responsible for operational delivery.

3.6.2 The procurement process ensured that all stakeholders were involved in the development of specifications that will shape the service. This included consultation with stakeholders through stakeholder workshops. Relevant established forums were also being consulted during the process. Following tender award, service users will be involved in the mobilisation of the contract.

3.7 Other Issues

3.7.1 ICT issues are not applicable. This procurement may mean a change in the provider that delivers the service, not the individual delivering the service because of TUPE arrangements.

3.8 Equalities Issues

3.8.1 The aim of this service is to provide housing related support to service users with the unique and complex needs that can arise from having a physical disability and chaotic lifestyle so that individuals can maintain their tenancy and facilitate access to other services to meet their needs.
3.8.2 Procuring this service is essential to ensure that that Medway Council continues to promote and support the dignity, independence, self-fulfilment of vulnerable adults in the community.

3.9 **Environmental Issues**

3.9.1 Procuring this service is essential to ensure that Medway Council continues to promote the independence of vulnerable adults in the community.

3.9.2 There is a risk of the current provider serving notice on all their tenants. If this risk is realised, then it could result in potentially one hundred vulnerable people being made homeless.

- The current provider could dispose of their property holding in Medway and look to invest in other areas. This would result in loss of accommodation available to Medway Council and the Probation Service. This is unlikely given the current housing market.

- The current provider could decide not to take clients with complex needs, which would also result in a loss of accommodation available to Medway Council and the Probation Service.

3.9.3 The service is required where applicable to facilitate access to accommodation suitable for the needs of individuals and enable individuals to develop the skills to live independently in the community without support. Individuals referred to the service are likely to need support in order to move on to greater independence or have had a history of homelessness and/or are risk of losing their tenancy.

3.9.4 The procurement of this service will ensure that Medway Council are confident that the service delivered meets the needs of Service Users, delivers best value and contributes to the preventative agenda.

4. **PERMISSIONS / CONSENTS**

4.1 Not applicable.

5. **INVITATION TO TENDER**

5.1 **Summary of Tender Process**

5.5.1 This is an exempt service (part B) but the principles of the EU procurement have been followed:

- An OJEU advert was placed
- A prequalification Questionnaire was issued along with the evaluation criteria.
- Tender documentation in line with the procurement process was issued.
- A robust and compliant evaluation process was undertaken.
5.2 Tender Evaluation

5.2.1 Contract to be let as a whole. The key outcomes are set out below:

5.2.2 The Pre-Qualification Questionnaires were sent to 27 companies that expressed an interest in the re providing one or more of the tendered contracts contract. Applicants were short listed from the PQQ,s using clear criteria:
- 2 references
- Track record
- Method Statement Environmental Policy
- Equal Opportunities Policy
- Health & Safety.

5.2.3 All tender documents were approved by procurement at Gateway 2. All the contracts were able to meet the PQQ requirements, which allowed for the inclusion of a range of large and small companies. Please see the exempt appendix for the list of contractors that returned tenders for the Mental Health contract.

5.3 Tender Evaluation Team

5.3.1 The team consisted of:
- Sue Edmed (Commissioning Manager)
- Charles Kirabo (Social Care)
- Gill Holmes (Mental Health)
- Ian Darbyshire (Emotional wellbeing)
- Lynette Rispoli (Health & Safety)
- David Reynolds (Finance)
- Sandi Eldridge (Human Resources)

5.4 Tender Evaluation Criteria Used

5.4.1 Each of the five contracts as advertised will be evaluated individually. The tender evaluation criteria (details of which are set out below) were published in the ITT and the contract award was stated to be on the basis of the most economically advantageous tender.

5.5 Tender Weighting and scoring system applied

5.5.1 Quality (70%) and Price (30%)

Method statements, Total score 35 weighting 25%
- Service utilisation (5 marks)
- Expertise and service eligibility (5 marks)
- General requirements (5 marks)
- Information for service users and consultation (5 marks)
- Quality assurance and evidence of standards achieved (5 marks)
- Responding to change (5 marks)
- Service specification (5 marks)

**Quality Assessment Framework (QAF) Total score 25 weighting 25%**
- Client involvement and empowerment (5 marks)
- Fair access, diversity and inclusion (5 marks)
- Safe guarding and protection from abuse (5 marks)
- Assessment and support planning (5 marks)
- Security, health and safety (5 marks)

**Financial Checks Total score 5 weighting 5%**

**Quality plan Total score 5 weighting 2.5%**

**Training and development plans Total score 5 weighting 2.5%**

**TUPE Total score 5 weighting 5%**

**References Total score 5 weighting 5%**

**Overall price Total score 5 weighting 30%**

### 5.5.2 Results of Tender Evaluation

This is set out in the exempt appendix.

**Interviews/Presentations/Site visit if appropriate**

Not applicable.

**Preferred Bid**

This is set out in the exempt appendix.

### 5.6 Preferred Bid

5.6.1 See Exempt Appendix

### 6. PREPARATION OF THE NEXT STAGE OF PROCUREMENT

#### 6.1 Resources and Project Management

6.1.1 The process will continue to be led and resourced by the Commissioning team with expertise and advice provided as required by the Social Care Contracts team.

#### 6.2 Contract Documents

6.2.1 Contract monitoring will take place on a quarterly basis and include an annual contract review. Key performance indicators regarding service utilisation and delivery are collected and monitored on a quarterly basis. These requirements are detailed in the contract.
6.3 **Contract Management**

6.3.1 When let the Contract will be managed by a contracts officer in the Social Care Contracts team in accordance with CLG requirements and the agreed processes within Medway Council.

7. **COMMENTS OF THE PORTFOLIO HOLDER FOR ADULT SERVICES**

7.1 This report follows the Cabinet Report on 5 January 2009 to enter into a formal procurement process for the re-provision of 100 units of accommodation based housing related support in the Luton area of Chatham. This report recommends the third of the contract awards for this reprovision.

7.2 The individuals that require support include those who have a chaotic lifestyle and mental health problems.

7.3 The aim of this reprovision is to provide housing related support in order to, where applicable, bring some stability to Service Users' chaotic lifestyles and provide support in order that individuals can maintain their tenancy and facilitate access to other services to meet their need.

8. **PROCUREMENT BOARD**

8.1 This report was discussed at the Procurement Board on 4 November 2009 and they supported the recommendation as set out in paragraph 10 of this report.

9. **FINANCIAL, PROCUREMENT AND LEGAL COMMENTS**

9.1 The annual cost of this contract can be met from within the existing Supporting People budget.

9.2 Strategic Procurement has Quality Assured this procurement process and is satisfied that a robust and transparent procurement process has been followed.

9.3 These services are Part B services under the Public Contracts Regulations 2006 and as such are not subject to the full requirements of those Regulations. In letting Part B contracts the EU Directives require the Council to treat all the parties involved in the process equally and to act in a non-discriminatory and transparent manner. The Council’s Contract Rules require a competitive tendering process and this procurement has been subject to such a process. A procurement process conducted on the lines outlined above will also result in the provision of services delivering value for money to the Council.
10. RECOMMENDATION

10.1 The Cabinet is asked to agree to the contract for the Supporting People Mental Health Floating Support Service to be awarded to the contractor named in the exempt appendix on the bases of the outcome of the procurement process for a period of 3 years with the provisions to extend for a further 1 year thereafter.

11. SUGGESTED REASONS FOR DECISION(S)

11.1 The contractor meets the evaluation criteria as defined in the tender documents.

Report Originating Officer: Sue Edmed  
Chief Finance Officer or deputy: Phil Watts  
Monitoring Officer or deputy: Julien Browne  
Head of Procurement: Gurpreet Anand

Background papers
The following documents have been relied upon in the preparation of this report:

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