

**SURREY COUNTY COUNCIL****CABINET****DATE: 18 DECEMBER 2012**

**REPORT OF: MR MICHAEL GOSLING, CABINET MEMBER FOR ADULT SOCIAL CARE AND HEALTH**  
**MS DENISE LE GAL, CABINET MEMBER FOR CHANGE AND EFFICIENCY**

**LEAD OFFICERS: ANNE BUTLER, ASSISTANT DIRECTOR, COMMISSIONING ADULT SOCIAL CARE**  
**ANDREW FORZANI, HEAD OF PROCUREMENT AND COMMISSIONING**

**SUBJECT: PROVISION OF HOME BASED BREAKS SERVICES FOR CARERS: APPROVAL TO AWARD A CONTRACT**

**SUMMARY OF ISSUE:**

To award a fixed price contract to the recommended tenderer for the provision of Home Based Breaks Services for Carers from February 2013. The report provides details of the procurement process and demonstrates why the recommended contract award delivers best value for money for carers and Surrey residents alike.

Due to the commercial sensitivity involved in the contract award process, the names and financial details of the potential suppliers have been circulated as a Part 2 Annex (item 17).

**RECOMMENDATIONS:**

It is recommended that:

1. the background information set out in this report be noted: and
2. the award of a contract be agreed following consideration of the results of the procurement process as set out in the Part 2 Annex (item 17).

**REASON FOR RECOMMENDATIONS:**

The existing contract supplied by Surrey Crossroads will expire on 5 February 2013. A full tender process, in compliance with the requirement of EU Procurement Regulations and the Council's Procurement Standing Orders has been undertaken. The recommendations arising out of the above processes provide best value for money for the Council following a thorough evaluation process.

## **DETAILS:**

### **Background Details:**

1. Improving support for carers is a key priority for Adult Social Care and Children's Services. The care provided by Carers in Surrey alone saves public funded authorities in Surrey an estimated £1.6 billion a year. There is, also a high emphasis from the government on the long term benefits of supporting carers, including increased provision of breaks.
2. A project group comprising representatives from ASC, Children's Services, NHS and Procurement took account of the National Carers Strategy (November 2010). This included identifying priorities to ensure the best possible outcomes for carers and those they support including the provision of more community based respite (short breaks). The need for more breaks for carers has been further emphasised in the recent White Paper "Caring for our future: reforming care and support".
3. The existing contract for the provision of Home Based Breaks Service for Carers will expire on 5 February 2013. A full tender process, compliant with the European Public Procurement Regulations and Procurement Standing Orders, has been carried out following the receipt of authority from Procurement Review Group (PRG) on 22 August 2012. This included advertising the contract opportunity on Surrey County Council (SCC) e-Sourcing portal (BravoSolution) on 13 September 2012.
4. This project was jointly undertaken by Adult Social Care (ASC) and Children's Social Care and also involved discussions with NHS Surrey and full support from SCC Procurement throughout. The Children's Service have already paid £76,882 into the existing contract. However, they also commissioned two separate but similar services with a significantly higher rate. In the spirit of one Council, Childrens and Adults Services agreed to run a joint tender for this service as a whole. This has allowed for the purchasing of the services on an economy of scale basis and will ensure that SCC achieves value for money in the delivery of these services.

### **Procurement strategy:**

5. Several options were considered when completing the Strategic Procurement Plan (SPP) prior to commencing the procurement activity. These were use of existing Home Based Care (HBC) frameworks, extend the existing contract and run a universal (joint Adult and Children) tender versus a targeted tender (where the tender is broken down into different lots).
6. The recommended option was to run a universal tender (joint between Adult and Children). As part of the Multi Agency Surrey Carers Strategy, local carers strongly emphasised the need for consistency of services for carers through the co-design process. A universal tender will help ensure consistency and keep down administration costs.
7. Therefore, the provision of Home Based Breaks Services for Carers went through the full tender procedure. The purpose of tendering was the services to test the market jointly in spirit of one Council and ensure that best value for the residents of Surrey is obtained.

8. The objective of going out to tender was to derive the following benefits:
  - To test the market allowing us to establish whether we are achieving value for money.
  - To run a joint tender with Children's Services who are currently receiving similar services from the same provider. This was to allow for the purchasing of the Services on an economy of scale basis and ensure that SCC achieves value for money in the delivery of these services.

### **Use of e-Tendering and market management activities**

9. Steps were taken to stimulate interest for this provision, which was introduced to the supply base through a provider event. Following the receipt of Expressions of Interest, all providers were invited to attend the event on 13 July 2012. The provider event included a joint presentation from Procurement and ASC Commissioner. The presentation also included detailed instructions on the use of SCC e-Sourcing portal (BravoSolution) and a questions and answers session.

### **Key Implications**

10. By awarding a contract to the supplier recommended for the provision of Home Based Breaks Service for Carers to commence on 6 February 2013 the Council will be meeting its duties and ensure best possible outcomes for carers and those they support is achieved.
11. Performance will be monitored through a series of outcomes and performance measures as detailed in the contract and reviewed at quarterly meetings with the recommended supplier.
12. The management responsibility for the contract lies with the Senior Manager Carers Commissioning in partnership with the Service Manager for Children with Disabilities. The contract will be managed in line with the Contract Monitoring Standards and plan as laid out in the contract documentation which also provides for review of performance and volumes.

### **Competitive Tendering Process**

13. Following the Pre-Qualification of suppliers, an invitation to tender was sent to five suppliers, who were given 33 days to complete and submit their tender. These tenders were then evaluated and one supplier was recommended.

<b>CONSULTATION:</b>
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14. Internal – Procurement Review Group, Officers from Adult Social Care, Children, Schools and Families, Finance, Legal and Procurement.
15. External - Representatives from our partners NHS Surrey and the Joint Surrey Carers' Commissioning Group. The specification for the service was developed through a codesign process involving Action for Carers (Surrey) and other carers' organisations.

## **RISK MANAGEMENT AND IMPLICATIONS:**

16. There is a high risk of increased costs if the current contract were not awarded to the recommended tenderer. There could also be severe reputational damage should the services provided to carers no longer be available with criticism likely from the NHS, carers organisations and ASC practitioners.
17. There is a potential risk of funding agreed by NHS Surrey for carer breaks being withdrawn by Clinical Commissioning Groups before the end of the Contract period. Therefore, to ensure that the service provided for carers by SCC is not discontinued, payment of NHS money through the Contract has been made conditional upon receipt of funding, with a mechanism designed to clearly distinguish between SCC and NHS funding.
18. Should the Carers Breaks services stop, this would have extremely serious reputational ramifications for the Council which could then be viewed as failing to deliver on the National Carers Strategy. It would also be likely that should the service cease care packages would have to be agreed in many cases resulting to a higher cost to the Council. Therefore, resources were allocated and project planned to ensure that this project is delivered on time. The service was also extended for a further month (from January 2013 to February 2013) to ensure that services are not stopped.
19. There is a high risk that there would otherwise be a price increase from the provider during the next four years. As SCC has a fixed budget for this provision, the prices have been fixed for the duration of the contract including the extension period.
20. To mitigate any shortcomings should these arise in delivering services to SCC Terms & Conditions of the Contract include standard provision for:
  - Recovery of monies on behalf of the council
  - Defaults
  - Dispute resolution

## **Financial and Value for Money Implications**

21. Full details of the contract value and financial implications are set out in the **Part 2 Annex**.
22. The new contract will deliver a saving of 17% for Children's Services, who currently pay a higher rate than Adult Social Care. ASC will continue to receive a low rate very similar to the rate they have had in place for the past 20 months and this will be fixed for the duration of the contract (potentially four years).
23. Non-cashable benefits will include the creation of Apprenticeship placements as well as working with local communities in Surrey in order to support and develop social value as detailed in the contract.

### **Section 151 Officer Commentary**

24. The S151 Officer confirms that all material financial and business issues and risks have been considered in this report.

### **Legal Implications – Monitoring Officer**

25. Under section 149 of the Equality Act 2010 Cabinet must comply with the public sector equality duty, which requires it to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; (b) advance equality of opportunity between persons who share a relevant characteristic and a person who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
26. The Equalities Impact Assessment, attached as **Annex 1**, sets out the impacts of the recommendations on each of the protected group. A range of positive impact has been identified for all groups. However, Members will note the potential negative impacts for specific groups which is that carers from “hard to reach or marginalised groups could be unaware of the services”. In order to counteract this, the specification and the terms and condition of the Contract require the successful provider to work with the Council to warrant that the publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.

### **Equalities and Diversity**

27. The Council has been mindful of its equalities duties in carrying out the tender and as a result, undertook an equalities impact assessment (attached as Annex 1).
28. The need for the service is identified in the co-designed Carers Commissioning Strategy which is also informed by the Joint Strategic Needs Assessment chapters on carers and young carers.
29. While there are no specific negative impacts identified there is seen to be a need to ensure a proactive approach to making the service genuinely accessible to all.
30. The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.

### **CORPORATE PARENTING/LOOKED AFTER CHILDREN IMPLICATIONS**

31. The Carers Breaks Service includes support for parents and carers of disabled children and families where there are young carers involved in caring. In these cases this minimises the risks of family breakdown.

### **Safeguarding responsibilities for vulnerable children and adults implications**

32. The terms and conditions of the Contract which the provider will sign stipulate that the provider will comply with the Council’s Safeguarding Adults and

Children's Multi- Agency procedures, any legislative requirements, guidelines and good practices as recommended by the Council. This is monitored through contractual arrangements.

**WHAT HAPPENS NEXT:**

33. Subject to approval, the provider will be advised of the intention to award the contract. Following on from the Cabinet Callover period and 10 days standstill the contract will be issued to the recommended provider for signature and return to SCC to be sealed and stored in line with Procurement Standing Orders.
34. The timetable for implementation is as follows:

Action	Date
Cabinet decision to award (5 working days 'call in' period applies following publication of decision)	18 December 2012
10days Standstill Period	21 January 2013
Contract Signature	21 January 2013
Contract Commencement Date	6 February 2013

35. The Council has an obligation to allow unsuccessful suppliers the opportunity to challenge the proposed contract award. This period is referred to as the 10days standstill period.
36. Thereafter performance management will be undertaken with the provider, and a market stimulation and review exercise will be undertaken jointly by Procurement and Commissioning with a view to identifying options for 2015 and onwards.

**Contact Officer:**

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 John Bangs – Senior Manager Carers Commissioning (Commissioning, ASC) – 01483 519145

**Consulted:**

Sarah Mitchell – Strategic Director for Adult Social Care  
 Anne Butler – Assistant Director for Commissioning  
 Christian George – Category Manager, Adults  
 Ayo Owusuh – Legal Services  
 Gabby Alford, NHS Surrey  
 Joint Carers' Commissioning Group  
 Daryl Mogridge – Principal Accountant  
 Paula Chowdhury – Senior Finance Manager, Children Schools and Families  
 Sandy Thomas – Specialist Service Manager, Children's and Safeguarding Service  
 Paul Carey-Kent – Strategic Finance Manager – Adults  
 Andrew Forzani – Head of Procurement and Commissioning

**Annexes:**

Annex 1 – Equality Impact Assessment  
 Part 2 Annex (Contains exempt information - circulated to Cabinet Members)

**Sources/background papers:**

- National Carers Strategy (November 2010)
  - White Paper “Caring for our future: reforming care and support”.
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