

SURREY COUNTY COUNCIL

CABINET

DATE: 13 DECEMBER 2016

REPORT OF: MR MEL FEW, CABINET MEMBER FOR ADULT SOCIAL CARE, WELLBEING AND INDEPENDENCE

LEAD OFFICER: HELEN ATKINSON, STRATEGIC DIRECTOR ADULT SOCIAL CARE AND PUBLIC HEALTH

SUBJECT: APPROVAL TO AWARD A CONTRACT FOR THE PROVISION OF INDEPENDENT ADVOCACY SERVICES IN SURREY



SUMMARY OF ISSUE:

This report seeks approval to award a contract for the provision of Independent Advocacy Services in Surrey as detailed in the recommendations to commence on 1 April 2017. The service is jointly funded by Adult Social Care, Public Health and Surrey Clinical Commissioning Groups.

Awarding the contract for Independent Advocacy Services will allow Surrey County Council to meet its statutory requirements under the Care Act 2014 and the Mental Health Act 1983 across a range of age groups, needs and settings. This includes young people in transition to adult services, older people, adults with disabilities, including carers, those with sensory impairments, learning difficulties, autism, physical disabilities, mental health issues and individuals with limited capacity, for example, with dementia or head injury.

The report provides details of the procurement process, including the results of the tender evaluation, engagement and consultation and, in conjunction with the Part 2 report, demonstrates why the recommended contract award delivers best value for money and contributes to the strategic goals of Wellbeing, Economic Prosperity and Resident Experience to ensure Surrey's economy remains strong and sustainable and the service meets the needs of residents in Surrey.

Due to the commercial sensitivity involved in the contract award process, the detailed evaluation report and financial details of the successful provider has been circulated as a Part 2 report.

RECOMMENDATIONS:

It is recommended that the contract is awarded to the recommended provider for three years from 1 April 2017 with an option to extend for up to one year. Details of the award and the contract value are contained in the Part 2 report.

REASON FOR RECOMMENDATIONS:

The current contractual agreements will expire on 31 March 2017. A full tender process, in compliance with the requirement of Public Contract Regulations and

Procurement Standing Orders has been completed, and the recommendations provide best value for money for the Council following a thorough evaluation process.

The newly commissioned service represents a substantial change of direction for the Council moving towards a more focussed advocacy service in Surrey.

The service will be delivered in Surrey from local bases and will provide apprenticeship opportunities to Surrey Young People whilst delivering efficiencies for the Council.

Refocussing the way that advocacy is delivered under the new contract will allow a 50% reduction in spend, meeting the Councils need to make savings.

DETAILS:

Background

1. Advocacy is defined as:

“Taking action to help people say what they want, secure their rights, represent their interests and obtain services they need. Advocates and advocacy schemes work in partnership with the people they support and take their side. Advocacy promotes social inclusion, equality and social justice”.
Source: A4A Advocacy Charter 2002.

2. It is Surrey County Council's legal obligation under the Mental Health Act 1983 and the Care Act 2014 to provide independent advocacy that supports people to be involved in decisions about their care. No matter how complex a person's needs, local authorities are required to help people express their wishes and feelings, support them in weighing up their options, and assist them in making their own decisions. This duty to provide advocacy applies from the point of first contact with the local authority and at any subsequent stage of the assessment, planning, care review, safeguarding enquiry or safeguarding adult review.
3. In addition, the Care Act (2014) also placed a new duty on local authorities with regards to people in custody. Adults in custody are entitled to the support of an independent advocate during needs assessments and care and support planning and reviews of plans if they would have significant difficulty in being involved in the process, as in the community. They are also entitled to support of an advocate to make a complaint.
4. This statutory provision will include:
 - Advocacy for people who are detained under the Mental Health Act (in line with statutory legislation and will include those detained under Part 2 of the Mental Health Act such as those under section, guardianship, community treatment order (CTO) or Part 3 of the Mental Health Act such as those under section 37/41, 47 and 48 and will provide elements of IMHA, DOLS and Care Act advocacy)
 - Advocacy for people who are in Prison or approved premises (in line with statutory legislation and best practice guidance and will include Care Act advocacy)
 - Advocacy for people who have substantial difficulty understanding: (in line with statutory legislation and best practice guidance and will include Care

Act advocacy, Continuing Health Care, safeguarding support and child and young carer's assessment. It will apply equally to carers in accordance with the parity they are given in the Care Act.)

- Advocacy for young people (in line with statutory legislation and best practice and will extend Care Act Advocacy to young people moving from children's to adult's services.)
5. SCC will enable this support by commissioning a lead provider to deliver a single integrated advocacy service.
 6. This approach will ensure quality and value for money in the delivery of these statutory services by:
 - Combining previous multiple contracts into a single contract that provides 'back office' efficiencies, and streamlining a number of contract additions that have arisen as new legislation has come into force. This streamlined approach will also provide a single point of access for advocacy support, making it easier for residents to get the help they are entitled to.
 - Being clear on the purpose of advocacy and ensuring effective signposting to information and advice services for those not eligible for advocacy support.
 - Proactively raising awareness of advocacy in Surrey, so that increasing numbers of residents can access the advocacy support they are entitled to, and so improving the value for money over the life of the contract.
 - Including social value in the provision, to secure additional benefits for communities.
 7. The key focus of the new contract is on statutory provision with some discretionary advocacy support services for those on the cusp of requiring adult social care intervention.
 8. These services will be provided to anyone over 16 years of age who faces reasonable difficulty or substantial stigma in being involved in planning and reviewing their support and who is a carer, has care and support needs, is accessing mental health support, substance misuse treatment or living with a long term condition such as HIV; or is at high risk of developing further care needs unless preventative action is taken.

The discretionary advocacy support will focus on the issues most likely to impact on the individual's financial and personal independence, such as their access to housing, benefits, debt resolution and employment. This should allow individuals to remain independent for longer and prevent, reduce or delay the need for adult social care support, allowing Surrey County Council to provide better outcomes for residents at lower cost in the longer term.

9. All other residents in Surrey, with or without care and support needs will be able to access the general information and advice services provided within Surrey under our Care Act duty. It will be a duty of the new advocacy provider to signpost individuals not eligible for advocacy support on to other information and advice support options.

Procurement Strategy and Options

10. The existing agreements for the provision of advocacy services will expire on 31 March 2017.
11. A single stage 'open' tender procedure compliant with the European Public Procurement Regulations, the Public Services (Social Value) Act 2012 and Procurement Standing Orders, has been carried out, including advertising the contract opportunity in the Official Journal of the European Union (OJEU) on 8 September 2016.
12. The steering group evaluated the current advocacy service which informed the new service specification. To facilitate this review a concept day was held and attended by a number of agencies, service users and carers alongside CCG commissioners.
13. Several options were reviewed when completing the Strategic Sourcing Plan (SSP) prior to commencing the procurement activity. These were:
 - a. Re-commission separate contracts based on existing model
 - b. Commission all advocacy requirements together with a refocused specification.
14. After a full and detailed options analysis it was decided to undertake single tender process as the most efficient and cost effective way to approach the provider market.
 - Option (a) was rejected as the existing process resulted in duplication of services and a referral process which was not person centred. Commissioning contracts from differing providers would not facilitate the streamlining of services or generate efficiencies via economies of scale and such arrangements could impact negatively upon continuity of care.
 - Option (b) was chosen as the one delivering best value for the Council and enabling the provision of advocacy in Surrey in line with our statutory obligations. The revised specification will ensure advocacy services are provided in the most seamless way possible, which will improve the user experience, make it simple for people to access the advocacy support needed and provide the most sustainable and flexible model of provision.
The recommissioning process allowed an opportunity to design a new streamlined model, reduce duplication, handovers and bureaucracy as well as incentivise providers to increase the number of people accessing advocacy support, particularly amongst the most vulnerable.
15. A joint procurement and project team was set up to manage the process which included representatives from Adult Social Care, Public Health, Procurement, Clinical Commissioning Groups and the Surrey Coalition of Disabled People.

Use of e-Tendering and market management activities

16. An electronic tendering platform was used enabling the tender process to be as accessible as possible. e-Tendering Systems facilitate the complete tendering process from the advertising of the requirement through to the placing of the contract. This enables providers and the Council to be more efficient as paper-based transactions are reduced or eliminated.
17. An electronic auction (eAuction) is a procurement tool that uses web-based software to allow potential suppliers to compete online, in real time, to provide

prices for the goods/services under auction. The e-auction process was not deemed appropriate for this tender as the evaluation criteria were heavily weighted towards quality.

18. A provider engagement event was held on 2 September 2016 to stimulate interest, raise awareness of the services and explain the tendering process to be used.

Key Implications

19. By awarding a contract to the supplier recommended for the provision of advocacy services in Surrey to commence on 1 April 2017, the Council will be meeting its duties under the Mental Health Act and the Care Act and ensuring local residents receive preventative support that will help secure the best outcomes for them at lower cost in the longer term.
20. The contract management responsibility lies with Senior Commissioning Manager, Adult Social Care. The new contract will be managed in line with the Contract Management Strategy and plan as laid out in the contract documentation which also provides for review of performance and costs.
21. Performance will be monitored through a series of Key Performance Indicators as detailed in the contract and reviewed at quarterly performance monitoring meetings.
22. Social Value requirements were incorporated as part of the tender process. Bidders were required in their tender submissions to provide details of how they would implement and deliver the commitments made in their Employment and Skills Plan (ESP), including opportunities that would be offered within the local area and over the term of the contract via work experience placements, apprenticeships and work with priority groups including employment of those currently Not in Education, Employment and Training (NEET).
23. The provider recommended for award has given a contractual commitment which includes:
 - Developing the workforce from within by providing opportunities such as: placements, volunteering, mentoring, peer work as a stepping stone to future qualifications and employment as well as enhancing wellbeing.
 - Working with local businesses to 'sponsor' activities, fundraise, or provide resources, (human and equipment) as part of a community development approach.
 - Providing social value by using local services, goods, facilities, and businesses within the Boroughs and Districts.

Competitive Tendering Process

24. Different routes to market were considered before tendering was carried out. It was decided that the open procedure was appropriate to encourage more providers to bid for the service. Providers were given 30 days to complete and submit their tender.
25. Tender submissions were initially evaluated against selection criteria including Good Business Standing, Insurance Requirements and Financial Information, which all providers passed. Responses were then evaluated against the quality

criteria and their weightings as shown below. As the tender was conducted with a fixed financial envelope the value for money was set at 15% to reflect this. Value was evaluated against bidders' proposals on how they would reach more people and/or deliver more service throughout the life of the contract and within the budget envelope.

Award Criteria	Weighting
Quality	80%
Value for Money	15%
Social Value	5%
Total	100%

26. Further detail regarding the tender evaluation is outlined in the Part 2 report.

CONSULTATION:

27. A consultation exercise - 'Have Your Say on Advocacy Services in Surrey' - gave a number of opportunities for stakeholders to co-design the specification for the advocacy service. These opportunities included:

- Survey – provided online and by mail, used by individuals and some groups such as Surrey self-advocacy groups. Current advocacy providers were encouraged to use it with their clients and stakeholders shared the survey widely through existing networks. The current advocacy services are monitored by a panel which includes people who use the service. This panel co-designed the survey questions.
- Workshop – approximately 50 people attended the workshops where discussion groups reflected on the new proposed service. This included users and representatives of carers, people with learning disabilities, people with Autism, people with physical disabilities, those with sensory impairment or loss, people with long term conditions such as HIV and people from stigmatised communities such as the Gypsy, Roma Traveller community.

28. The tender evaluation was undertaken by a panel including people who use advocacy services and carers, commissioners from health and social care, senior social workers and procurement.

RISK MANAGEMENT AND IMPLICATIONS:

29. The following key risks associated with the contract and contract award have been identified, along with mitigation activities:

Category	Risk Description	Mitigation Activity
Financial	Services do not deliver quality outcomes expected to demonstrate increased value for money	The winning bidder committed to increased levels of activity in their bid responses. Key Performance Indicators will be in place and monitored in quarterly review meetings. Finance have been engaged from the outset.
	Potential risk that during the contract life the providers will request an increase against the annual service delivery cost.	The annual cost of the contract is fixed for the duration of the contract.
	The budget for advocacy could change over the contract period	We have included a standard break clause in the terms and conditions if the budget is removed or reduced. The contract includes a 'Termination Clause' which will allow the Council to terminate the contract with six months' notice should priorities change.
Reputational	Reduction in discretionary support provided, at a time when other preventative and discretionary services are also being reconfigured or reduced.	The new provider will signpost Surrey residents not eligible for independent advocacy services to other local information and advice support options. Impact assessment was completed. Contract established with three month lead time to allow review of client eligibility in preparation for new contract.
	Data Protection or Safeguarding breach	The 'Termination Clause' will allow the Council to terminate the contract immediately in the event of a safeguarding or data protection breach.
Service Delivery	Quality of service delivered does not meet objectives and needs.	Strong contract management and quarterly contract review meetings.
	The successful Provider goes into administration and/or cease to exist therefore unable to deliver services.	The recommended bidder successfully completed satisfactory financial checks. The contract includes an Exit Plan for commissioners to follow and ensure smooth transition to a new arrangement.

Financial and Value for Money Implications

30. The procurement activity has delivered a solution with savings of £452,502 per annum against the current budget. £324,543 of these savings are attributable to Adult Social Care. The full funding figures are contained within the Part 2 report.
31. Surrey & Borders NHS Trust transferred responsibility for Mental Health advocacy to Surrey County Council in 2012 and contributed a fixed funding pot with a planned expiry.
32. No contractual obligation to award an inflationary increase has been agreed.
33. The Adult Social Care savings have been achieved through:
 - Prioritising SCC's statutory duties and ensuring these are delivered in the most seamless and efficient way;
 - Reducing and refocussing the discretionary advocacy provided to those most at risk, and areas that most impact their personal and financial independence;
 - Reviewing with people who could use the service the current provision and how this could be delivered in a more cost effective way;
 - Combining two separate existing contracts into a single contract that provides back office efficiencies; also streamlining a number of contract additions that have arisen as new legislation came into force. This streamlined approach will also provide a single point of access for advocacy support, making it easier for residents to get the help they are entitled to;
 - Being clear on the purpose of advocacy and eligibility and ensuring those who are not eligible are effectively signposted to other forms of support, in line with our Care Act duty to provide information and advice;
 - Encouraging providers to consider cost effective models of operation, such as the use of volunteers, and embedding social value in their provision, to secure additional benefits for communities.
34. The new contract will provide efficiencies detailed above as well as an improvement in the Key Performance Indicators (KPI) reporting requirements and the service levels being delivered under the contract.
35. The new contract will include specific Key Performance Indicators (KPI) reporting requirements to demonstrate increased numbers of referrals and improved outcomes. The provider has committed to increase the numbers of people supported over the new contract period.
36. In compliance with the Public Services (Social Value) Act 2012 social value which encompasses the additional social, economic and environmental benefits leveraged from public sector spend was considered and included within this procurement process. Details of the social value commitment secured are set out in the Part 2 report.
37. Full details of the contract value and financial implications are set out in the Part 2 report.

Section 151 Officer Commentary

38. The County Council is facing a very serious financial situation, whereby it is forecasting a significant revenue budget overspending in this year, and does not have a balanced nor sustainable budget plan for future years. Although this planned expenditure has been included within the current Medium Term Financial Plan, agreeing to this recommendation will reduce the Council's options to balance the budget in the future.
39. It is noted though that the proposal to award new advocacy contracts to a single provider will deliver efficiencies meaning that services will be delivered at less than half the price of the current contracts.

Legal Implications – Monitoring Officer

40. The procurement complies with the Public Contract Regulations 2015 and with the Council's Procurement Standing Orders.
41. The market for suppliers was tested by advertising the Council's requirement for advocacy services in the Official Journal of the European Union. Any potential supplier was able to submit a tender. The evaluation identified a winning bidder that provides best value.

Equalities and Diversity

42. An equalities impact assessment has been written and is available as Annex 1 to this report.
43. The Contract will be managed and monitored in line with Surrey's obligations under the equalities monitoring framework.

Safeguarding responsibilities for vulnerable children and adults implications

44. The terms and conditions of the contract stipulate that the provider will comply with the Council's Safeguarding Adults and Children's Multi-Agency procedures, any legislative requirements, guidelines and good practice as recommended by the Council. This will be monitored and measured through the contractual arrangements.
45. The service will operate a client centred approach, working collaboratively with other Health and Social Care Services.

WHAT HAPPENS NEXT:

46. The timetable for implementation is as follows:

Action	Date
Cabinet decision to award (including 'call in' period)	19 December 2016
'Alcatel' Standstill Period	19 – 29 December 2016
Contract Signature	1 March 2017
Contract Commencement Date	1 April 2017

47. The Council has an obligation to allow unsuccessful suppliers the opportunity to challenge the proposed contract award. This period is referred to as the 'Alcatel' standstill period.
 48. The Council will work closely with the successful provider to ensure a smooth transition from current provisions of the services.
 49. The new provider will be required to work with the current providers with regards to the transfer of staff under the Transfer of Undertakings (Protection of Employment) Regulations 2006) to ensure the continuity of staff for current service users and the successful transfer of the services.
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Annexes:

Annex 1 - Equality Impact Assessment
Part 2 Report – Commercial details and agreement award

Sources/background papers: None
