

Adult Social Care
222 Upper Street
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Report of: Executive Member for Health and Social Care

Meeting of: Executive

Date: 8 February 2024

Ward(s): All

Subject: Procurement Strategy for Islington – Adults Community Early Intervention and Prevention ‘Wellbeing¹’ Service.

1. Synopsis

- 1.1. This report seeks pre-tender approval for the procurement strategy in respect of Islington’s ‘Wellbeing’ Service in Islington in accordance with Rule 2.8 of the Council’s Procurement Rules.
- 1.2. The ‘Wellbeing’ Service will provide a comprehensive proactive early intervention and prevention offer which provides information and advice, one to one support and access to social interactions and community connectedness that aligns with [Islington Early Intervention & Prevention strategy](#). The service will support adults aged 18+ in Islington, with an emphasis on those aged 50+.

2. Recommendations

- 2.1. To approve the procurement strategy for the Wellbeing Service as outlined in this report.

¹ Service currently known as ‘Wellbeing’ Service, see 3.1.09

- 2.2. To approve a one-month extension to the current contract with Age UK Islington from 1 September 2024 to 30 September 2024 with a value of £40,555 to provide sufficient time to implement procurement strategy.
- 2.3. To delegate authority to award the contract to the Director of Adult Social Care following consultation with the Executive Member for Health and Social Care.

3. Background

- 3.1.1. The Council is committed to early intervention and prevention and in 2023 published the Fairer Together strategy for early intervention and prevention to meet local ambitions for a more equal future for our residents, by ensuring that residents are supported at the right time with the right level of support to build on their strengths and maximise residents' resilience, creating a culture of self-help. Effective prevention and early intervention can prevent issues occurring or reoccurring, building resilience in individuals and communities and thereby reducing the pressure on public services.²
- 3.1.2. Aligned with the Council's corporate priorities, our Adult Social Care (ASC) vision is for Islington to be a place made up of strong, inclusive, and connected communities. A comprehensive early intervention and prevention offer is key to realising this ambition.
- 3.2. The current 'Wellbeing' Service contract ends on 31 August 2024, performance data suggests that of those 275 supported in 2023 /24 and reviewed, 97% were able to maintain independence post 6-month intervention and overall levels of wellbeing had improved including connectedness recorded as the highest levels of improved outcomes. Performance data suggests that the current service model is supporting residents to maintain their independence in the community and build wider networks that prevent need for statutory ASC interventions. Of those accessing the Wellbeing service almost half are currently living in Council Properties who receive information and advice to support self-resilience and self-care; access to activities and opportunities for social interaction and community connections; and short-term enablement support.

² Fairer Together - A strategy for early intervention and prevention in Islington.

- 3.2.1. The Council intends to competitively procure a new service offer from 1 October 2024. The Council conducted a strategic review of the current wellbeing service offer to inform the design and development of the new service, taking learning and feedback from residents, as well as voluntary sector and statutory health and social care partners to inform the design and development of the new service. The main findings of the review identified what is important to residents, this included easily accessible information and advice, one-to-one support, access to activities and peer support. The new service aims to enhance opportunities for building resilience to self-manage conditions, maintain independence, and reduce or prevent social isolation by creating opportunities to promote 'purpose and belonging' in the community.
- 3.2.2. The review also considered the wider prevention and early intervention offer for adults delivered by the Council and Voluntary Community Sector (VCS) to ensure this service plays a significant role, does not duplicate, and adds value, contributing to our ASC prevention duty. Stakeholder engagement with providers and residents conducted with the Bright Lives Project Team ensured a joined-up approach to the review.
- 3.2.3. The Bright Lives Alliance brings together VCS partners and will help shape the priorities in the early intervention and prevention space to ensure that residents can easily access the right support, at the right time. There are opportunities to design a service model that will build on the ambitions of the Bright Lives Alliance, including more streamlined access to support in the community and collaboration that maximises the skills and capacity within the workforce. A service model that is strengths based and drawing on the skills and expertise across organisations, supports the Adult Social Care vision. The new service specification will be co-produced with residents and partners to reflect resident wants and needs, link into wider support systems provided by statutory and VCS partners and streamline access routes.
- 3.2.4. The new service will maintain a strong emphasis on enabling by embedding strength-based approaches. The service will further develop robust outcome measures that will evidence, and measure distanced travelled and impact at an individual and service level. The service will build on the current enablement element of the offer which provides short term support to encourage self-management and practical support to sustain independence. By further embedding partnership working and potential to co-locate, using Multi-Disciplinary Team (MDT) approach with the Council's statutory Reablement service or

Housing, the 'Wellbeing' enablement offer will support referrals from both ASC and Housing as part of step-down planning and support.

- 3.2.5. There is a rich, diverse voluntary sector footprint in the borough, and the 'Wellbeing' service provides a pivotal role as a community connector, breaking down barriers for all groups to equitably access the support they need, when and how they need it. This service will continue to build partnerships across VCS sector partners to expand community reach in Islington. This approach will be embedded in the new service model and feed into Bright Lives Alliance developments.
- 3.2.6. The Council proposes to extend the current interim contract with Age UK Islington (AUKI) by one month until 30 September 2024. This will give sufficient time to agree the commissioning strategy and the contractual arrangements for the service.
- 3.2.7. During the review residents fed back that the name of the service does not provide clarity on the service offer as 'Wellbeing' often means different things to different people. Further resident engagement will be undertaken to inform how the service is rebranded to better represent the service offer and secure community buy in and ownership. This will inform a communication strategy to rebrand and launch the service as part of the procurement process. Wider resident engagement will also include opportunity for sit on the procurement panel.

3.3. **Estimated Value**

- 3.3.1. The 'Wellbeing' Service for Adults sits within the Adult Social Care base budget. The budget for this service for 2023/24 is currently £486,660. It was £486,593 in 2022/23 and £486,593 in 2021/22.
- 3.3.2. The budget for this contract is estimated to be £3,493,280 for the total duration of the contract based on annual budget for the service of £436,660.
- 3.3.3. The contract period will be eight years with a break clause after year one of the contract. The Council has the right to give 12 month notice after the first-year anniversary of the contract. The Council will have the authority to issue notice on any given day after the first year anniversary.

Budgetary considerations

- 3.3.4. Local authorities have a statutory duty to provide or arrange services that help prevent, reduce, or delay people’s needs for care and support. Following the review, the service specification will further define alignment with local corporate priorities and ASC ambitions to make use best use of resources across social care and the wider system including sustainment of social housing tenancies.
- 3.3.5. An adequately funded Wellbeing service is key to our early intervention and prevention offer; however, efficiencies have been identified to reduce the annual contract value by £50,000. This saving will be achieved by designing a service model that aligns more closely with existing Islington early intervention and prevention offers to maximise opportunities for residents to access support by streamlining pathways and reducing duplication of service offer. The new specification will require providers to adopt creative, innovative and solution focused approaches to meet the requirements of the service in their proposed service model.

3.4. **Timetable**

3.4.1. Procurement Timetable

- 3.4.2. The procurement timetable provides provider market sufficient time to develop and submit bids following market engagement.

Engagement Work	Completed
Service specification coproduction work	January – February 2024
Tender document development and Market engagement	October 2023 – February 2024
Strategy approved	February 2024
Publish Tender	February 2024
Bid Evaluation and Contract award	April – June 2024
Mobilisation	July – September 2024
Contract Start Date	1 October 2024

To inform this strategy, there has been significant engagement with a broad range of internal and external stakeholders.

3.5. **Options appraisal**

Option 1: Do nothing and allow contract to come to a natural end

Benchmarking

Allow contract to end and reduce local early intervention and prevention offer. The Council has developed a coaching offer in Bright Lives and the borough has a high number of well-established VCS organisations that are likely to continue to operate. The impact on the breadth of the offer, the reach, quality, and resident outcomes are unknown therefore likely to have a negative impact.

Pros

- Budgetary savings achieved.

Cons

- Significant risk of not fulfilling the Council's statutory duties in relation to early intervention and prevention. This option is likely to result in high risk of residents needs not being met in the community.
- Loss of onward referral links to the borough wide and diverse VCS providers to prevent isolation and build resilience.
- There is a risk that needs will escalate resulting in higher demand for statutory health and social care services.
- Risks to access pathways and loss of resilience, reducing potential for residents to help themselves.

Outcome

Not recommended

Option 2: In-house service delivery

Benchmarking

Using in house provision would mean that individual choice is limited where access to a variety of community-based organisations is important to ensure people have a range of options to choose from to find the offer that suits them best. In-house services do not have the connections in the community that many prevention and early intervention services (largely delivered by VCS organisations) have which can limit innovation.

Furthermore, not using in-house services gives us the opportunity to contribute to Islington Together 2030 plan's Community Wealth Building commitments more effectively. It would enable us to maximise our role as an economic agent, by strengthening the local economy

and supporting the development of key sectors, such as the voluntary and community sector. The Council needs a strong VCS to help us achieve our ambitions of connected communities.

In NCL (North Central London) area there is only one like-for-like service in Barnet which offers an early intervention and prevention offer. This is delivered by a VCS organisation. There is therefore no local evidence of impact should this prevention and early intervention service be delivered inhouse.

<p>Pros</p> <ul style="list-style-type: none"> • Ensures the services share Islington’s vision and take a strengths-based approach to transform outcomes. • Ensures ‘good’ jobs for employees, with good terms and conditions including opportunities for development/progression. • Enables full utilisation of the Council’s local knowledge and relationships to improve community participation. • Allows for improved integration with other services in Adult Social Care. • The Council can control the strategy of the service and retain flexibility to change it. • Council retains full control to drive efficiencies/economies of scale. 	<p>Cons</p> <ul style="list-style-type: none"> • Management capacity, expertise and specialisms could not be established quickly enough to maintain service quality and prevent disruption for residents. • Cannot benefit to the same extent from the experience and connections of (largely) VCS providers within the borough, across London and nationally. • Would not be able to take full advantage of benefits from social value via partnerships with VCS who may not wish to work with Council. • Cannot benefit from the innovation and potential added value from fundraising and grants VCS providers are able to access. • In-house service delivery could alienate and stigmatise residents who have had negative experiences of the Council or who may not wish to be perceived as Council ‘service users’. • Risk of not meeting Council market shaping duty to provide a wide range of choice to ensure residents can have access to personalised support. • Service mobilisation would require high set-up and staff costs. • Service will require identification of service base in borough with good transport links.
<p>Outcome</p>	<p><i>Not recommended</i></p>
<p>Option 3 Re-procure via competitive tender</p>	
<p>Benchmarking</p>	

This approach has been successfully adopted in Islington previously and by other boroughs including Barnet.

Pros

- Potential to be awarded to a local VCS provider(s) with added value of existing community prevention services.
- Residents may have had negative experiences of the council or not wish to be considered a 'service user.' Easier to offer support in less stigmatising ways through voluntary community sector organisation or organisation independent to the council and based in the community.
- Further develop robust outcomes measures within the specification and provide insights for ongoing development to secure improved outcomes for residents.
- Management capacity, expertise, and specialisms likely to be established quickly enough to maintain service quality and prevent disruption for residents.
- Benefit from the experience and connections with wider voluntary community sector providers within the borough, across London and nationally.
- Benefit from the innovation offered by VCS providers in this area. Contribution to Islington Together 2030 plan's Community Wealth Building commitments by maximising the role of the Council as an economic agent to strengthen the local economy by supporting the development of key sectors, such as the voluntary and community sector and help meet our Care Act duties of choice in the market.

Cons

- Shared values/priorities reliant on developing strong relationships with providers.
- Less control over the service model and quality, relies on strong specification, contract management and quality assurance oversight and relationships with the provider(s).

Outcome	Recommended
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3.6. Key Considerations

Social benefits of the Wellbeing service will be in place with an emphasis on the following:

- Improving residents' wellbeing and choice through a strength-based approach.
- The service will help people lead healthier, fulfilling lives in the community, reducing social isolation and maximising life opportunities and choices.
- Proactive preventative/early intervention reducing pressure on the social care system.
- Reducing social isolation and improving health and social care outcomes.
- Co-location opportunities within existing services such as Reablement or within wider community supports increased engagement and uptake of support and community connectedness.
- Including service users in service design and ongoing service development.

In addition to the social benefits, social value will be a priority, providers will be expected to provide social value including clear, specific, measures for monitoring in their tenders, so that we are able to monitor effectively to assess progress and hold the provider to account. Examples of the types of social value we will expect to see in provider's tenders are set out below. The Provider will develop these into more specific targets as part of the tender process.

Community development

- Equalities, diversity, and inclusion – e.g., supporting local voluntary sector organisations that specialise in supporting minority groups to develop charity plans to support organisational growth and financial security.

Staff wellbeing

- Supporting staff wellbeing and mental health through employee assistance programmes.

Economic

- Support and promote employment opportunities in the borough and working with the Council's iWork service to provide opportunities to local residents, advertising on the Council's Islington Working employment search site.
- Prioritising the use of central London sub-regional suppliers where possible in any sub-contracting supply chain opportunities. Examples include purchase of supplies, materials, or service contracts such as office cleaning for effective contract delivery.
- Fundraising strategy to secure additional funds to support volunteer projects and working with wider VCS market to promote opportunities to residents.
- Supporting the local VCS market and encouraging them to employ locally.

Environmental

The following environmental opportunities for social value have been identified and will be reflected in the new contract:

- Encouraging energy efficiency and water consumption in office spaces and meeting rooms used for the service.
- Making best use of buildings, parks, and green spaces as appropriate.
- Recycling.
- Travel planning for employees, to minimise carbon emissions by encouraging local employment.

20% of the award criteria will be allocated to provider commitments to social value. Bidders will be required to demonstrate specific, measurable, and achievable commitments to Social Value innovations within the tenders that the Council deems relevant to its corporate objectives and the delivery of this contract. This will ensure we can hold the provider to account on delivering them.

Best value

The quality and impact of the service will be monitored with a focus on value for money, service quality, outcome measures and financial activity. The monitoring framework will include activity levels, evidence of outcomes achieved, as measured against the desired service KPIs (Key Performance Indicators), including social value, in the service specification. Expenditure activity against the service budget will also be required. Contract management will also include more detailed analysis to be submitted to determine if the service is reaching the borough's diverse communities and achieving equitable outcomes for all groups.

In order to ensure HRA subsidy is set at a reasonable level and that council tenants receive the services that they pay for under a 'who benefits' test. Detailed records will be maintained throughout the service period identifying support provided to Council tenants, including referral rates and outcomes.

This process allows for continuous improvement and service development. The service specification will include provisions to ensure the provider offers continuous improvement against delivery targets and commitment to work with commissioners and service users to co-produce a service where innovations can be quickly implemented.

London Living Wage

LLW (London Living Wage) will be a condition of this contract where permitted by law.

It is likely that TUPE will apply for this contract.

3.7. Evaluation

3.7.1. This procurement is being conducted in accordance with the Public Contracts Regulations 2015 (the PCR). The procurement is subject to the 'light-touch regime' under Section 7 Social and Other Specific Services of Part 2 of the PCR. Under Regulation 76 the Council is free to establish a procedure, provided that the procedure is sufficient to ensure compliance with the principles of transparency and equal treatment of economic operators (service providers) and is initiated by a contract notice. The procedure the Council has designed is based on the open procedure.

Award Criteria	Total
Quality – made up of	80%
Proposed approach to service delivery model	20%
Proposed approach to partnerships and service innovation	15%
Proposed approach to engagement and coproduction	15%
Proposed approach to quality assurance, management, and performance outcomes	10%
Proposed approach to Social Value	20%

Cost	20%
Total	100%

3.8. **Business risks**

Market Competition

Potential risk from the lack of interest from the 3rd sector provider market as potential pool is limited. To mitigate this risk the Council has published a Prior Information Notice (PIN) in March 2023 to inform the market about future intentions for the service and upcoming procurement. Commissioners will conduct market warming with providers to generate interest, prepare the market and consult on service development to secure market buy in prior to publishing procurement opportunity.

Risks in transition to the new service delivery model

The transition to the new service will need to be carefully managed to ensure continuity of support and to manage any anxieties arising from any change in support provider and service location should there be a change. To mitigate this risk the project plan will include sufficient mobilisation period to implement transition arrangements and continuity plans to avoid any break in service for residents.

Delays in Procurement

Potential risk to delays in procurement process will be mitigated through robust project planning to monitor implementation of the project alongside regular review of procurement risk log to mitigate identified risks. Current procurement timetable includes sufficient time for evaluation of tenders to prevent challenge using a robust and transparent evaluation model. Regular meetings with commissioners and strategic procurement to oversee project plan in place.

Reduction to contract value

A reduction in budget may reduce service capacity and therefore community reach. To mitigate any negative impact, providers will be required to demonstrate how their proposed service model will link in with existing services by streamlining pathways across VSC, Health and Council early intervention prevention resources to delay need for statutory intervention, prevent escalation, and target resources to meet resident needs. Any further reductions are likely to impact on contract financial viability and attractiveness to the provider market.

Opportunities

Contribute to local economy

There will be a mandatory requirement for the service to secure a service base in borough which will contribute to the local economy and provide employment opportunities for local residents through links with iWorks.

Increase access to early intervention and prevention support

This service specification will draw on feedback from residents about what matters to them and what they need and want from this service. It will achieve better value for money improving service pathways to access and engage with enablement offer as step down from statutory and acute settings where appropriate. The Service will further develop proactive approaches such as wellbeing checks to prevent escalation of needs and build resilience to secure better value for money.

Local Partnerships

This strategy gives us the opportunity to further develop local partnerships across organisations, including benefiting from the trust, local knowledge and skills held by 'grassroot' VCS organisations. There is an opportunity for providers to work in partnership to jointly develop a more integrated early intervention and prevention offer that includes VCS unique experiences and knowledge to further enhance and improve outcomes for residents. Consideration of a partnership or lead provider model will form part of the development of the specification.

- 3.9. The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale, or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.
- 3.10. The following relevant information is required to be specifically approved in accordance with rule 2.8 of the Procurement Rules:

Relevant information	Information/section in report
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1. Nature of the service	<p>We intend to procure a service provider who will deliver a comprehensive early intervention and prevention offer to support adults aged 18+ in Islington, with an emphasis on those aged 50+.</p> <p>See paragraph 3.1</p>
2. Estimated value	<p>The estimated value per year is £436,660.</p> <p>The agreement is proposed to run for a period of eight years with a break clause option for the Council to terminate the contract by giving 12 months written notice to the service provider at any time after the end of the 1st year.</p> <p>See paragraph 3.2</p>
3. Timetable	<p>As outlined in the body of the report.</p> <p>See paragraph 3.3</p>
4. Options appraisal for tender procedure including consideration of collaboration opportunities	<p>Re-procure via competitive tender. Details as described within the report.</p> <p>See paragraph 3.4</p>
<p>5. Consideration of:</p> <ul style="list-style-type: none"> • Social benefit clauses; • London Living Wage; • Best value; • TUPE, pensions, and other staffing implications 	<p>Details as described within the report.</p> <p>Please see paragraph 3.5</p>
6. Award criteria	<p>Quality 80% and Cost 20%</p> <p>See paragraph 3.6</p>
7. Any business risks associated with entering the contract	<p>Details as described within the report.</p> <p>Please see paragraph 3.7</p>
8. Any other relevant financial, legal, or other considerations.	

4. Implications

4.1. Financial Implications

- 4.1.1. The Wellbeing Service for Adults is one of the Voluntary and Community Sector contracts that sits within the Adult Social Care base budget. The budget for this service for 2023-24 is £486,660.
- 4.1.2. The HRA (Housing Revenue Account) currently contribute £256,321 toward this contract.
- 4.1.3. The length of the contract is for eight years with a break clause option available for the council to terminate the contract annually after year one. The cost per annum for the core contract will be £436,660. Therefore, the maximum estimated total cost of the new core contract for delivery of this service to Islington Council will be £3,493,280.
- 4.1.4. The procurement of this contract will create a saving of £50,000. This reduction will be allocated on a proportionate basis between the General Fund and the HRA.
- 4.1.5. Payment of London Living Wage is a requirement of the contract and should not result in any additional costs.

4.2. Legal Implications

- 4.2.1. The council proposes to run an Open Procurement Process and award an 8-year contract with a break clause option for the council to terminate the contract by giving 12 months written notice to the service provider at any time after the end of the 1st year.
- 4.2.2. The total contract value over 8 years is £3,493,280 which is above the statutory threshold for these “light-touch” services, therefore the Public Contracts Regulations 2015 (the “Regulations”) must be followed, including an advertisement on Find a Tender Service and publication of a Contract Award Notice. The proposed Procurement Strategy is compliant with both the Regulations and the council’s Procurement Rules.

- 4.2.3. Under the Care Act 2014 the Council is required to provide support to delay and prevent need for statutory services. This contract does not include services prescribed under the Housing (Welfare Services) Order 1994. The Council has power to procure this contract pursuant to Section 111 of the Local Government Act 1972, Section 1 of the Local Government (Contracts) Act 1997 and Section 1 of the Localism Act 2011.
- 4.2.4. This report at paragraph 2.2 also requests approval of a one-month extension to the current contract with Age UK Islington from 1 September 2024 to 31 September 2024 with a value of £40,555. This will be a permitted contract modification under Regulation 72 of the Regulations. The value of the extension also requires a waiver of the council's Procurement Rules as 3 quotes are not being obtained. The council's Procurement Rules allow for exceptions where there are good operational and financial reasons based on value for money principles (Rule 3.2)
- 4.2.5. Procurement Rule 24.2 states that all contracts over £24,999 will need formal conditions prepared or agreed by the Legal Services Contracts Team.
- 4.2.6. Because the total contract value exceeds £2m revenue spend the recommended decision in this Report must be taken by the Council's Executive, which has power to delegate the Contract Award to the Director of Adult Social Care following consultation with the Executive Member for Health and Social Care, subject to being satisfied that the winning bidder is capable of delivering the services and that the contract will provide value for money for the council.
- 4.3. **Environmental Implications and contribution to achieving a net zero carbon Islington by 2030**
- 4.3.1. Environmental impact assessment completed and signed off by energy services, assessment includes service contractual requirement to minimise emissions and /or move to towards zero emissions.
- 4.4. **Equalities Impact Assessment**
- 4.4.1. The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant

protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

4.4.2. An Equalities Impact Assessment Screening was completed in April 2023 and full assessment completed in July 2023, main findings are that the service has a positive impact on older people and people with disabilities. Service specification will be further enhanced to meet the needs of older people, particularly the enablement element of the service which is practical 'problem solving' support to remain independent at home. The high take up of the enablement service offer for people with disabilities is also reflected in data on the advice element of the service. Data suggests that the service is reaching residents from diverse community groups however there is potential for further targeted community engagement to increase reach and uptake of services from minority groups. The full Equalities Impact Assessment is appended.

5. Conclusion and reasons for recommendations

5.1.1. This report recommends re-commissioning 'Wellbeing' service through a competitive tender as detailed in Option 3. This approach will secure best value for money and maximises opportunities to benefit residents. This will be achieved by including service enhancements as detailed in the report and aligning the service with other Council and VCS early intervention and prevention initiatives. Review findings and resident feedback will inform the service specification development to ensure resident voice is reflected in service design.

5.1.2. Appendices:

Appendix 1 Equalities Impact Assessment Full (EIA)

Appendix 2 Environmental Implications

Background papers:

None

Final report clearance:

Authorised by: Executive Member for Health and Social Care

Date: 26 January 2024

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