

Report of: Executive Member for Health and Wellbeing

Meeting of:	Date	Ward(s)
Executive	21 April 2016	All

Delete as appropriate	Exempt	Non-exempt

THE APPENDIX TO THIS REPORT IS NOT FOR PUBLICATION

SUBJECT: Contract Award for Adult Social Care Advocacy Services

1. Synopsis

- 1.1 This report seeks approval to award a contract for the provision of Single Advocacy Service (Adults). The contract will be awarded for an initial three (3) year period with the option to extend by a further two (2) (total five (5) years). The contract will commence on 01 August 2016.

2. Recommendations

- 2.1 To approve the award of the contract for the Single Advocacy Service (Adults) to POHWER.
- 2.2 To note that the financial envelope for this contract is flexible and will range between £315,000 p.a. up to £615,000 p.a. depending upon demand for advocacy.
- 2.3 To note that regardless of annual value £120,000 of the contract is reserved for the delivery of non-statutory advocacy.
- 2.4 To note that POHWER are proposing to deliver the service for the following prices per hour and maximum amount of delivered hours set out in the exempt appendix.
- 2.5 To note that POHWER have proposed to deliver the Single Advocacy Service (Adults) through a formal sub-contract with the Elfrida Society.
- 2.6 To note that the contract includes provision for further delivery of non-statutory advocacy through local partners and that formal pricing arrangements have been agreed with the Manor Gardens Trust and Islington Law Centre.

3. Background

3.1 The Service will provide a single gateway service into advocacy services for Adults with Health and Social Care Needs in Islington and for people outside the borough where Islington retains statutory responsibility for the provision of these services. Elements of the provision will also extend to young people undergoing transition between Children's and Adult Services and young carers. The service will deliver both statutory and non-statutory advocacy functions including:

- Statutory Independent Mental Capacity Advocacy (IMCA)
- Statutory Independent Mental Health Advocacy (IMHA)
- Statutory Independent Advocacy under the Care Act 2014 (ICSA)
- Statutory Deprivation of Liberty Standards (DOLS) – Paid Representatives within Islington
- Non-Statutory Community Advocacy including health advocacy

The new contract will replace several existing contracts for the delivery of these services. By bringing together these services the new contractor will be able to maximise the available resources for advocacy to meet increasing demand and new statutory responsibilities (i.e. around the Care Act 2014). A single gateway into advocacy services will also provide a clearer process for both service users and professionals in terms of referrals and enable the service provider to ensure greater continuity of care to service users with changing needs and therefore eligibility for different types of advocacy.

The new contract requires the service provider to work in partnership with local services and encourages the provider to consider partnering with local services to deliver non-statutory advocacy as well as requiring the provider to invest in the training and development of Islington residents and people working in Islington to increase the number of people qualified to act as statutory and non-statutory advocates within the borough.

The lead provider would take on the following roles:

1. Provision of Statutory Advocacy Services (IMCA, DOLs Paid Representatives, IMHA, Independent Care Act Advocacy and Independent NHS Complaints Advocacy) – ensuring continuity of advocates for service users.
2. Coordination of the provision of Statutory Advocacy Services for persons living outside of the borough where Islington retains a duty to provide an advocate (except for DOLs Paid Representatives).
3. Coordination of the provision of non-statutory community advocacy and health advocacy through the sub-commissioning of local and specialist providers.
4. Ensuring the skills of the advocacy workforce across the entire pathway – providing training and development to local and specialist providers to increase the pool of qualified advocates in the borough – particularly amongst speakers of community languages.

The provision of many of the services 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. The statutory guidance around the Care Act 2014 also strongly suggests that local authorities consider the joining up of these services particularly Independent Advocacy under the Care Act 2014 and IMCA and DOLs Representation in order to improve continuity of service for service users.

3.2 The new service will commence on 01 August 2016.

3.3 The contract will be awarded on an initial three (3) year basis with the option to extend for up to a further two (2) years. In total the maximum possible length of this contract will be five (5) years.

3.4 Procurement Process and Prior Approval

The Single Advocacy Service (Adults) is considered to be a Health and Social Care Service and is therefore covered by the light touch procurement rules. A procurement exercise was carried out by the Strategy and Commissioning team, with advice from Strategic Procurement, in line with the Council's Procurement Code. The procurement strategy for this contract was approved by Executive on the 16th July 2015. The approved procurement strategy was to follow the restricted procedure - a two stage process involving both a Pre-Qualification Questionnaire (PQQ) followed by the invitation of suitably qualified bidders to submit a full response to the Invitation to Tender (ITT).

3.5 Advert and Contract Award Criteria

An advert was placed on the Council's website and the London Tenders Portal on the 30 July 2017.

The following award criteria were advertised, these were developed, along with the service specification, after a detailed service user and carer consultation process:

Cost 30%

Cost made up of:

Unit cost per hour for statutory advocacy services – 22.5%

Unit cost per hour for non-statutory advocacy services – 7.5%

Quality 70%

Quality made up of:

Service Model – 10%

Outline of the proposed delivery model including the overall approach to ensuring effective customer service for people using the advocacy service for people requiring advocacy based both in and out of the borough.

Understanding of the role of the Advocate – 25%

This will require a demonstration of how you will ensure the independence of advocates, how advocates will form relationships with service users/carers and confidently represent them and how your advocates will empower service users/carers to act for themselves as much as possible.

Managing conflict – 10%

This will include the service's approach to managing conflicts between advocates and professionals employed by the council, the local NHS or other partners as well as how conflicts between advocates and service users/carers are managed.

Demonstrating local partnerships – 10%

Providers will be asked to demonstrate how they plan to ensure that the service is linked in with local and specialist services, particularly around the delivery of non-statutory advocacy and increasing access and participation for service users and carers with specific care and support needs.

System wide training and development – 10%

Providers will be asked to demonstrate how they plan to provide training and development opportunities to develop the local supply of qualified advocates.

Implementing the new service – 5%

Providers will be asked to demonstrate they have appropriate plans in place to implement the service by the contact start date including managing smooth transitions for service users and staff.

3.6 Tender Process

In response to the advert we received five responses. Of these, four organisations submitted a valid PQQ and were assessed as meeting the experience and technical expertise required and were invited to participate in the ITT stage. One organisation did not submit a valid PQQ so they were disqualified from the tender.

All four organisations invited to submit ITT responses did so. The ITTs were evaluated by a panel of commissioners and service user and carer representatives who co-marked questions equivalent to half of the available marks for quality. The officers on the evaluation panel were:

Joint Commissioning Manager – Prevention, Strategy and Commissioning, HASS

Commissioning Officer, Strategy and Commissioning, HASS

Mental Capacity Act/Deprivation of Liberty Safeguards Officer, Adult Safeguarding Team, HASS

The service user and carer representatives were supported by Healthwatch Islington to participate in the tender evaluation.

After the receipt of ITTs the evaluation panel agreed that none of the bidders had submitted a tender that satisfied the quality criteria sought. Commissioners therefore sought the approval of the Corporate Director for Housing and Adult Social Services to utilise the Competitive Procedure with negotiation or a competitive dialogue under section 18.1.16 of the Council's procurement rules. Approval was received on 22 October 2015. Waivers were also sought at this time to extend existing arrangements to accommodate the postponement of the new service start date to 01 August 2016.

As part of the Competitive Procedure with negotiation or a competitive dialogue all bidders were given detailed feedback on their bids and were invited to make revisions and resubmit their ITT responses for re-evaluation.

After re-evaluation, through a process that included verification interviews, all the bidders submitted revised ITT responses that satisfied the minimum quality criteria for this tender. No further negotiation was therefore required.

The evaluation panel therefore recommends the award of the contract to POhWER based on their performance against these criteria demonstrating they are the Most Economically Advantageous Bid.

The exempt appendix sets out full details of the scoring of the bids received.

4. Implications

4.1 Financial implications

The Single Advocacy Service will amalgamate current services into one single point of access to a range of statutory and non-statutory advocacy services for Adult Social Services in Islington.

The recommendation is to award the contract to POhWER, and the contract will be award for an initial three year period with the option to extend for a further two years.

The current cost of these services is £620k, and it is proposed the new service will cost between £315-£615k per year. This service will be demand led so there may be scope for efficiencies when the new service has embedded.

There could be a potential increase in the cost of this service which would be attributed to the growth in uptake of Care Act Independent Advocacy, and uncertainty about the scale of the demand. If uptake for Care Act Independent Advocacy is high, then this pressure will be need to be reviewed and managed by the department within existing financial resources.

4.2 **Legal Implications**

The council has various duties to provide advocacy services under: the Care Act 2014, section 67; Mental Capacity Act 2005, sections 35-41; and Mental Health Act 1983 (Independent Mental Health Advocates)(England) Regulations 2008/3166. These duties require that the providers of the advocacy services are independent of the council. The statutory guidance associated with the Care Act 2014 also strongly suggests that local authorities consider the joining up of these services particularly Independent Advocacy under the Care Act 2014 and IMCA and DOLs Representation in order to improve continuity of service for service users. The council has power to provide other non-statutory advocacy services under section 111 of the Local Government Act 1972 which enables the council to carry out any activity that is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The council may enter into contracts for such services under section 1 of the Local Government (Contracts) Act 1997.

The advocacy services being procured are subject to the light touch regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light touch regime is currently £625,050.00. The value of the proposed contract is above this threshold. It was therefore advertised in the Official Journal of the European Union (OJEU). The council's Procurement Rules require contracts over the value of £100,000 to be subject to competitive tender.

In response to the contract notice only unacceptable tenders were submitted. Therefore a review of the procurement was conducted in liaison with the tenderers in order to see what alterations might be required to the specification and/or award criteria as permitted under Regulation 26(4)(b). The Regulations permit changes to be made to the specification and award criteria as long as the changes are not so substantial as to amount to the award of a new contract (i.e. less than 10% change to initial contract value; and the change to specification does not make the contract materially different in character from the contract that was advertised).

After the review all the bidders submitted revised tenders that satisfied the minimum quality criteria. The bids were subject to evaluation in accordance with the tender evaluation model. POhWER gained the highest evaluation score and may therefore be awarded the contract as recommended in the report. In deciding whether to award the contract to the recommended service provider the Executive should be satisfied as to the competence of the supplier to provide the services and that the tender price represents value for money for the Council. In considering the recommendations in this report members must take into account the information contained in the exempt appendix to the report.

4.3 **Environmental Implications**

An environmental impact assessment has been conducted on the proposed contract and identified no significant impacts. Minor impacts associated with staff travel and office -based work include vehicular emissions, congestion, energy and water usage, procurement and waste generation, all of which should be minimised by the contractor.

4.4 **Resident Impact Assessment**

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.

The initial screening for a Resident Impact Assessment was completed on 07 May 2015 and this did not identify any negative equality impacts for any protected characteristic or any human rights or safeguarding risks.

A copy of the RIA is available from the author upon request.

5. Reasons for the recommendations / decision

- 5.1 After the successful conclusion of the tender process the evaluation panel recommends that the contract for the Single Advocacy Service Adults is awarded to POhWER as the most economically advantageous bid.
- 5.2 The contract will commence on 01 August 2016.

Appendices

- Exempt Appendix – Full breakdown of bids received and scores.

Background papers: None

Final report clearance:

Signed by:



Executive Member for Health and Wellbeing

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