

(Adult Social Care
222 Upper Street
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Report of: Director of Adult Social Care
Date: 29 July 2024
Ward(s): All
Decision No: I029027

Subject: Contract Award Report for Islington – Adults Community Early Intervention and Prevention ‘Wellbeing’ Service.

1. Synopsis

- 1.1. This report seeks approval to appoint Age UK Islington (AUKI) for the contract known as Islington’s ‘Wellbeing’ Service. The procurement strategy was approved at Executive on 8 February 2024. The procurement strategy delegated authority to award the contract to the Director of Adult Social Care following consultation with the Executive Member for Health and Social Care.
- 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 and Prevention strategy. The service will support adults aged 18+ in Islington, with an emphasis on those aged 50+.
- 1.3. The procurement process has been developed and informed by key stakeholders across Council Directorates which included Homes & Neighbourhoods, Adult Social Care, Strategic Commissioning, and Experts by Experience to ensure resident voice was captured throughout the process.

2. Recommendations

- 2.1. To agree to award Age UK Islington the contract the Adults Community Early Intervention and Prevention ‘Wellbeing’ Service for a period of eight years with

break clause after year one of the contract. The Council has the right to give 12 months' notice on any given day after the first-year anniversary of the contract.

- 2.2. The contract value for the total duration of the contract is £3,493,280 based on annual budget for the service of £436,660.

3. Date the decision is to be taken

- 3.1. 29 July 2024

4. Background

4.1. Nature of the Service

- 4.2. 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. Aligned with the Council's corporate priorities, our Adult Social Care (ASC) vision is for Islington to be a place where people have fair and equal access to the right support at the right time.

- 4.2.0. 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 so preventing, reducing and delaying the need for statutory services.

- 4.2.1. The new service will maintain a strong emphasis on enabling residents 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.

4.3. Estimated value

4.3.0. 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 was £486,660.

4.3.1. The HRA (Housing Revenue Account) currently contribute £256,321 towards this contract.

4.3.2. This procurement created a saving of £50,000 through the reduction on the advertised budget and will be allocated on a proportionate basis between the General Fund and the HRA.

4.4. Timetable

4.4.0. Procurement Timetable

Mobilisation	August 2024 – September 2024
Contract Start Date	1 October 2024

4.5. Options appraisal

4.5.0. A full options appraisal was included in the procurement strategy (see Appendix A), including in-sourcing, do nothing and the recommended option was reprocure via competitive tender (Option 3).

4.6. Key Considerations

4.7. Commissioners will set and agree realistic, achievable but also stretched targets with the provider and ensure that robust contract monitoring processes are in place to track and measurable key considerations.

Key Consideration	Notes
Social benefits	Social benefits of the service will be in place with an emphasis on the following, including:

	<ul style="list-style-type: none"> • Improving residents' wellbeing and choice through a strength-based approach. • Reducing social isolation and maximising life opportunities and choices. • Proactive preventative/early intervention • Improving health and social care outcomes. • Including service users in service design and ongoing service development.
London Living Wage (LLW)	Payment of LLW to all staff is a requirement of the contract. This will also benefit local residents who are employed under this contract.
Community development	Equalities, diversity, and inclusion by supporting local voluntary sector organisations that specialise in supporting minority groups to develop charity plans to support organisational growth and financial security.
Staffing	<p>Staff wellbeing</p> <ul style="list-style-type: none"> • Supporting staff wellbeing and mental health through employee assistance programmes.
Economic	<ul style="list-style-type: none"> • Support and promote employment opportunities in the borough • Prioritising the use of central London sub-regional suppliers where possible in any sub-contracting supply chain opportunities. • 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.
Social Value	The following environmental opportunities for social value will be reflected in the new contract:
Employment/ Environmental Procurement and Community development	<ul style="list-style-type: none"> • Commitment to advertising all vacancies through the Council's iWork team and the Council's Islington Working employment search site in the first instance to provide opportunities to local residents. • Target for proportion of workforce who are borough residents. • Energy efficiency and water consumption in office spaces. • Recycling.

	<ul style="list-style-type: none"> • Net Zero policies to deliver as part of the contract. • Commitment to using local suppliers from Islington (Primary borough), Haringey, Hackney. • From January 2025 support two local grass roots VCS organisations per annum for the lifetime of the contract with bid writing or to develop fundraising strategies to effectively fund raise to secure additional funds that benefit Islington residents.
Best value	<p>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.</p> <p>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.</p> <p>The service specification includes 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.</p>

4.8. Evaluation

4.9. This procurement was 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 was based on the open procedure.

4.10. Summary of evaluation

Evaluation stages	Number of bids
Submissions received in response to the advertised contract notice	8
Submissions passed compliance checks.	3
Submissions passed the minimum requirements for the method statements and had their pricing schedule evaluated.	1

4.11. The incumbent provider, Age UK Islington is only bid for quality and cost (see Appendix B for full breakdown of scores).

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%

4.12. The recommendation is to award the contract to AUKI. Commissioners will work in partnership with AUKI to develop mobilisation plans to ensure the new service model is delivered as detailed in specification.

4.13. In addition to Council staff, the evaluation panel also included representation from residents as Expert by Experience (EbE) who led on the development of specific method statements related to elements of service approach, delivery model and

quality award criteria that were important to residents. EbE were supported and provided with training to ensure that they felt empowered to meaningfully contribute to the process and gained understanding and learning of procurement processes. They were able to develop transferable skills and communicated through their involvement they felt valued and included. All EbE who participated in the process were duly awarded reward and recognition reimbursement for their time and contribution.

4.14. Business risks

Reduction to contract value

To mitigate any negative impact the winning bid has demonstrated how their proposed service model will link in with existing services by streamlining pathways across Voluntary Community Sector, Health and Council early intervention prevention resources such as Access Hubs to delay need for statutory intervention, prevent escalation, and target resources to meet resident needs. Resident needs that can be met through universal offers will be supported to access appropriate offers. Service capacity to maintain or improve community reach has been secured as part of the procurement exercise.

4.15. 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.

4.16. 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
1. Nature of the service	Award of contract for comprehensive early intervention and prevention offer to support adults aged 18+ in Islington, with an emphasis on those aged 50+. See paragraph 4.2
2. Estimated value	The estimated value per year is £436,660.

	<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 4.4</p>
3. Timetable	<p>As outlined in the body of the report.</p> <p>See paragraph 4.5</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 4.6</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>See paragraph 4.7</p>
6. Award criteria	<p>Quality 80% and Cost 20%</p> <p>See paragraph 4.12</p>
7. Any business risks associated with entering the contract	<p>Details as described within the report.</p> <p>See paragraph 4.13</p>
8. Any other relevant financial, legal or other considerations.	<p>See implications in section 5 below</p>

5. Implications

5.1. Financial Implications

5.1.0. This report seeks approval to appoint Age UK Islington (AUKI) for the contract known as Islington's 'Wellbeing' Service. The procurement strategy for Islington – Adults Community Early Intervention and Prevention 'Wellbeing' Service was approved by the Executive board on 8 February 2024.

5.1.1. Age UK Islington bid price came in at £436,660 per annum.

5.1.2. The Wellbeing Service for Adults is one of the Voluntary and Community Sector contracts that sits within the Adult Social Care base budget. The current budget for this service is £486,660.

5.1.3. The HRA (Housing Revenue Account) currently contributes £256,321 (53%) towards this contract.

Funding Source	Budget	%
Adult Social Care	£230,339	47%
Housing Revenue Account	£256,321	53%
Total	£486,660	100%

5.1.4. 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 total cost of the new core contract for delivery of this service to Islington Council will be £3,493,280.

Contract Period	Contract value (excluding inflation)
Year 1	£436,660
Year 2*	£436,660
Year 3*	£436,660
Year 4*	£436,660
Year 5*	£436,660
Year 6*	£436,660
Year 7*	£436,660
Year 8*	£436,660
Maximum Total Value	£3,493,280

*The council has the option to terminate the contract after year one

5.1.5. The Adult Community Early Intervention and Prevention Wellbeing Service forms part of the Adult Social Care MTFs savings option 'Review, redesign and re-procurement of the Adult Social Care Wellbeing Service'. If the contract is awarded to Age UK Islington, the new contract price will deliver on the required savings of £50,000. This reduction will be allocated on a proportionate basis between the General Fund and the HRA (£24,000 General Fund saving and £26,000 HRA saving).

Department	Budget	Contract Value	Saving
Adult Social Care	£230,339	£206,339	-£24,000
Housing Revenue Account	£256,321	£230,321	-£26,000
Total	£486,660	£436,660	-£50,000

5.1.6. The contract will not include a predetermined annual price increase. Rather, the Council will meet with the prospective provider annually, as part of the Adult Social Care annual uplift process, to assess and review the contract price for the following year. Depending on the outcome, this could result in a modification to the annual contract price. Any costs arising from a modification are anticipated to be covered by annual market inflation bids money awarded to Adult Social Care.

5.1.7. Payment of London Living Wage is a requirement of the contract and should not result in any additional costs.

5.2. **Legal Implications**

5.2.0. 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.

5.2.1. 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 contract was procured under Regulation 76 with a procedure based on the Open Procedure in full compliance with both the Regulations and the council’s Procurement Rules.

5.2.2. Procurement Rule 24.2 states that contracts of this value will need formal conditions prepared or agreed by the Legal Services Contracts Team. The contract will contain 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.

5.2.3. The procurement strategy for this contract was approved by the Executive board on 8 February 2024 and the procurement strategy delegated authority to award the contract to the Director of Adult Social Care following consultation with the Executive Member for Health and Social Care. Accordingly, the contract can be awarded to Age UK Islington (AUKI) provided the decision maker is satisfied that it represents value of money for the council.

5.3. **Environmental Implications and contribution to achieving a net zero carbon Islington by 2030**

5.4. 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.

5.5. **Equalities Impact Assessment**

5.6. 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.

5.7. 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. 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.

6. Conclusion and reasons for the decision

6.1.0. This report recommends awarding the new contract for Islington Adults Community Early Intervention and Prevention 'Wellbeing' Service to Age UK Islington to start on 1 October 2024, when the current contract ends. It will enable value for money and improved offer to residents that better aligns with Council

services and better opportunities to prevent, reduce or delay need for more specialist support.

7. Record of the decision

7.1. I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

Signed by:

Director of Adult Social Care

Date:

Appendices:

- Appendix A - Procurement Strategy for Islington – Adults Community Early Intervention and Prevention ‘Wellbeing¹’ Service
- Appendix B - Breakdown of scores (Exempt)
- Appendix C - Equalities Impact Assessment Full (EIA)

Background papers:

None

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