1. SUMMARY

1.1. In April this year Cabinet agreed to procure a framework agreement covering the purchase of supported living placements for people with a learning disability. Cabinet delegated the final decision on which providers are approved to join the framework to the Deputy Chief Executive for Families.

1.2. In September this year the Leader of the Council approved the London Borough of Hackney and the London Borough Enfield joining the council’s proposed framework. This approval also allowed other London boroughs to join the framework at a later stage following the award of the framework.

1.3. Following the outcome of an open tender conducted by the council between the 26th October and 21st December 2015, this report seeks approval to award the Framework Agreement for the Provision of Supported Living Spot Purchase Placements for
1.4. This report seeks to award the Framework Agreement to the selected providers for a term of four (4) years commencing on the 21st January 2015.

2. RECOMMENDATION

2.1. Following the Cabinet’s decision in April this year to procure a framework agreement covering the spot purchasing of supported living services for people with a learning disability and the procurement process set out in this report, the Deputy Chief Executive is recommended to agree the award of the Framework Agreement to the providers detailed in Table 1 of this report.

2.2. Furthermore, the Deputy Chief Executive is recommended to agree that the Framework Agreement will be awarded to the providers detailed in Table 1 for a term of four (4) years commencing on the 21st January 2016.

2.3 Appendix 1 to this report sets out how the council evaluated provider bids and Appendix 2 (Exempt Information) details the outcome of the council’s evaluation of each provider’s bid, including the quality of each bid and provider pricing.

3. PROPOSALS

3.1. The April 2015 Cabinet report highlighted that the proposed framework will address the following issues:

a) Provide a more robust and coherent pricing, quality assurance and performance management arrangement covering spot purchase placements

b) Enable the council to attract a much broader range of quality providers more able to provide support and care staff with a wider variety of specialist skills and who can offer more person centred support to people with a variety of complex needs

c) Help the council respond to an anticipated increase in the population of people with a learning disability over the next five years and who may require support

d) Allow for the development and commissioning of support and care based on the achievement of individual outcomes and improvements in the wellbeing of people with a learning disability

e) Support the council in offering more choice and increased control over services to people with a learning disability and their carers and in fulfilling the council’s obligations under the
3.2. To achieve the Cabinet’s objectives ensuring that residents with a learning disability are offered a good choice of services capable of delivering against their specific needs, requirements and outcomes, the Framework Agreement has been divided into four (4) service lots. The service specifications and provider requirements for each service lot are detailed in Table 2 of this report.

3.3. A key benefit of the Framework Agreement is its strong emphasis on residents with a learning disability receiving personalised support services, including them driving all key decisions affecting how their services are provided and delivered to them. This includes them making decisions on which support staff work with them; what skills they need to have; how their support workers should work with them and being involved in performance appraisals and evaluations of both of their support workers and their support service as a whole.

3.4. It should be noted that the agreement includes a provision requiring providers to work with the council on developing and implementing a new performance management arrangement linked to payment by results, based on providers achieving against personal outcomes set by residents and the council.

3.5. The conditions and requirements summarised in paragraphs 3.3 and 3.4 ensure that support services commissioned through the Framework Agreement will be fully compliant with the requirements of The Care Act 2014 and its associated statutory guidance and regulations. These requirements are built into the Framework Agreement contract terms, specification and the quality assurance and performance policy that forms part of the agreement.

3.6. A core theme underpinning the council’s objectives for the framework is the development of a diverse, cost effective and sustainable market of quality providers able to offer choice. The council’s successful negotiations with the London boroughs of Enfield and Hackney, to create a joint framework, substantially increased the overall value of the framework from £5.2 million per annum to £18.5 million, offering providers the potential to deliver a significant volume of business amounting to 1 million support hours per annum across the three boroughs. This has resulted in a significant increase in the number of supported living providers available to the council increasing the number of suppliers from four (4) to twelve (12).

3.7. The joint arrangement has created no additional administrative or financial burden to the council as the Framework Agreement stipulates that each joining authority is responsible for their own contract and payment administration and performance monitoring. However, there are provisions allowing for information sharing and joint action where significant supplier
performance and quality concerns arise and with regard to value for money and performance benchmarking.

3.8. The evaluation of provider bids was carried out in accordance with the process summarised in Appendix 1 of this report. An open tender process was used in accordance with OJEU requirements and conditions. A joint evaluation panel involving senior commissioning and procurement officers drawn from the council, the London Borough of Enfield and London Borough of Hackney considered the bids. The evaluations were based on allocating 60% of the overall score to the quality of the bids and 40% to provider pricing. However, 10% of the overall scoring (part of the quality evaluation) was attributed to each provider’s proposals on social value, which focused on the creation of apprenticeships that lead to a formally accredited qualification in health and social care. The outcome of the evaluation of social value is addressed under section 5 of this report.

3.9. The view of residents with a learning disability was a key driver with regard to the evaluation of provider bids. The Limes Centre, which provides advocacy support to young people with a learning disability was engaged to facilitate and support a panel of local residents with learning disabilities. This included residents with profound learning disabilities who have no verbal communications. Providers were required to make a presentation to the panel and the panel members used face symbols to indicate their view of each provider’s presentation. This component of the quality evaluation accounted for 10% of the overall scoring.

4. OPTIONS & ALTERNATIVES CONSIDERED

4.1 Continue commissioning these services on a spot basis without any regulation of pricing or monitoring - This option was ruled out because it would result in worse outcomes for people with learning disabilities and inconsistency and lack of control of the price that is paid for each spot contract.

5. SUSTAINABLE COMMUNITY STRATEGY PRIORITIES (AND OTHER NATIONAL OR LOCAL POLICIES OR STRATEGIES)

5.1 The recommendation in this report will enable the Council to deliver its core duty to protect vulnerable children and adults and the Council priorities of supporting affordable housing for everyone’s needs and helping all our residents enjoy a good quality of life. The recommendation will meet the strategic requirements in the Council’s Prevention Strategy and Supporting People Strategy 2010-2015 in promoting independent living and alternatives to residential care. The proposed framework agreement/ select list relates to the priorities of the Redefining Waltham Forest programme to
ensure efficiencies, value for money, commissioning for outcomes and doing things differently.

5.2 The recommendation relates to the Council’s duties under the Care Act

- to promote people’s wellbeing
- to enable people to prevent and postpone the need for care and support
- to put people in control of their lives so they can pursue opportunities to realize their potential
- to ensure people have high quality services and have a variety of providers to choose from who (taken together) provide a variety of services

5.3 The White Papers – “Valuing People, Valuing People now” and “Our Care Our Say” made it clear that people with learning disabilities should enjoy the same rights as other citizens through person focused community services that promote choice and control, independence, inclusion and fulfilling lives.

5.4 The spot purchase supported living services under the proposed framework agreement will deliver high quality support respecting dignity, ensuring safety and promoting choice. The Winterbourne investigation and Francis review highlighted abuse of people with a learning disability; services should be able to provide clear evidence that measures are in place to ensure that institutional and systematic abuse will not be tolerated. Commissioned providers will have a clear understanding of the Pan London Safeguarding procedures and ensure that they follow these and take appropriate action relating to any safeguarding concerns.

5.4 With regard to the council’s obligations to create social value through its procurement arrangements and contracts with its suppliers, the successful providers detailed in Table 1 of this report are obliged to create at least 80 apprenticeships during the 4 year lifetime of the framework in health and social care, with apprentices supported to reach at least NVQ level 2 and in most cases NVQ level 3 and above.

6. CONSULTATION

6.1 In preparation for the April 2015 Cabinet report officers consulted and involved a wide range of stakeholders, including providers, users and carers on the proposed objectives of the new service and the outcomes to be achieved. This involved consultation with specialist stakeholders and providers in the learning disabilities supported living field. The proposal to tender for a framework agreement for learning disabilities spot
purchase placements was approved at Strategic Procurement Board on 20th March 2015.

7. IMPLICATIONS

7.1 Finance, Value for Money and Risk

7.1.1 The council’s current gross annual spend on supported living services for people with a learning disability is £5.2 million covering both spot purchase placements and the existing block contracts. The new framework will replace both the spot purchase and block contracts from October this year and will contribute to the £600,000 saving in 2016/17 set against the RWF high cost placement review project.

7.1.2 The new hourly rates in the framework are favourable in comparison to the existing hourly rates. This should create the potential for some savings as mentioned above. This can be modelled once the assessed needs and reviews are complete and the support hours are known. Table A below sets out the comparison of pricing for the council’s current learning disability supported living services and the average pricing achieved arising from the Framework Agreement tender. On average a 9.8% reduction in pricing has been achieved through the tender, without compromising the quality of the bids received.

Table A

<table>
<thead>
<tr>
<th>Service Level</th>
<th>Current Supported Living Hourly Costs</th>
<th>Average Framework Hourly Costs</th>
<th>% Reduction in Hourly Rates</th>
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<tbody>
<tr>
<td>Low Support</td>
<td>£16.81</td>
<td>£13.48</td>
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<tr>
<td>High Support 1</td>
<td>£15.37</td>
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<td>Autism</td>
<td>£13.53</td>
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<td>Short stay</td>
<td>£28.64</td>
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<td>High Support 2</td>
<td>£15.76</td>
<td>£14.91</td>
<td>5.39%</td>
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<tr>
<td>High Support 3</td>
<td>£16.47</td>
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<tr>
<td>Medium</td>
<td>£13.99</td>
<td>£14.90</td>
<td>-6.50%</td>
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</table>
7.1.3 A key financial consideration is that the Framework Agreement providers are required to offer volume discounts against their framework hourly rate in the event they reach a certain volume of support hours determined through the tender. Including a framework requirement that suppliers should offer volume discounts is made viable through the significant level of business that will be offered through a tri-borough framework as set out in paragraph 3.6 of this report. Therefore, further future efficiency savings are likely through the tri-borough Framework Agreement.

7.2 Legal

7.2.1 The procurement process which is the subject of this report has already received Cabinet approval at the April 2015 meeting.

7.2.2 The Cabinet decision at the meeting of 21 April 2015 agreed to the tender exercise and also delegated power to award the framework agreement to the Deputy Chief Executive for Families.

7.2.3 The subsequent expansion of the tender exercise to include other boroughs onto the framework agreement was deemed not to be a significant change to that Cabinet decision as it was not considered a key decision so was accordingly approved by the Deputy Chief Executive.

7.2.4 Internal governance in terms of compliance with the Council constitution and contract procedure rules is therefore satisfied. Compliance with the 2015 procurement regulations also appears to be satisfactory.

7.2.5 The Cabinet decision of 21 April 2015 therefore delegates authority to the Deputy Chief Executive of Families to approve the award of the framework agreement as set out in this report.

7.3 Equalities and Diversity

7.3.1 An Equality Analysis based on the latest available data has been completed. This describes implications of the proposed service model on different groups as well as suggested mitigation action where relevant (see Appendix 3).
7.4 Sustainability (including climate change, health, crime and disorder)
7.4.1 The proposal will support improvements in the health of people with learning disabilities by improving health and well-being through a range of interventions. From the sustainability assessment, it’s been ensured that the preferred providers have up to date sustainability policies in place including recycling, building use, and transportation through the proposed tender process e.g. in the Tender ITT document.

7.5 Council Infrastructure (e.g. human resources, accommodation or IT issues)
7.5.1 This report has no direct impact on council infrastructure

APPENDICES:
Appendix 1: Tender Evaluation Process
Appendix 2: Evaluation of Provider Bids
Appendix 3: Equalities Impact Assessment

BACKGROUND INFORMATION (as defined by Local Government (Access to Information) Act 1985)

See appendices
<table>
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<tr>
<th>Lot 1 – Low Support</th>
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<th>Lot 3 – High Support</th>
<th>Lot 4 – Specialist Support</th>
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