

Finance and Resources Committee

10.00am, Thursday, 12 May 2016

Disabilities Complex Care - Contract Ref: CT0446

Item number	7.6
Report number	
Executive/routine	
Wards	

Executive Summary

This report seeks the approval of the Finance and Resources Committee to award a contract to Living Ambitions Ltd for the provision of a Disabilities Complex Care Housing and Support Service.

The contract duration will be three years, with an option to extend for up to a further two periods of 12 months each.

The total estimated value of the contract, including extensions, is between £3,115,476 and £4,673,214.

Links

[Coalition Pledges](#)
[Council Priorities](#)
[Single Outcome Agreement](#)

Disabilities Complex Care - Contract Ref: CT0446

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee approves award of a contract to Living Ambitions Ltd for the provision of a Disabilities Complex Care Housing and Support Service.

2. Background

- 2.1 As part of its efforts to reduce or avoid hospitalisation and the inappropriate use of secure accommodation, Health and Social Care wishes to source a housing and support service in suitably robust residential accommodation for a small group of between six and nine individuals with complex care needs.
- 2.2 There is currently no contract in place that directly addresses this requirement. Instead, in lieu of more appropriate accommodation, hospital admission is used or an out of authority placement, neither of which meets the care and support needs of the individuals as efficiently, effectively and economically as a locally based specialised housing and support service.
- 2.3 The service will offer transitional support to a range of people with challenging behaviours, autism and / or a learning disability, and ensure that this group of people receives safe, appropriate, high quality care.

3. Main report

- 3.1 In terms of EU procurement regulations, social care services are Part B services. Although Part B services are not subject to the full rigours of EU procurement regulations, there is a requirement for openness, transparency and fair and equal treatment, as well as a requirement to comply with the Public Contracts (Scotland) Regulations 2012 and the Council's Contract Standing Orders.
- 3.2 The Council published a Future Contract Opportunity (FCO) notice on 7th April 2015 with a brief questionnaire attached for potential providers. Twenty five organisations registered interest.
- 3.3 Consultation confirmed that providers would be interested in offering to provide a housing and support service, including accommodation and staffing, for a small group of between six and nine people with complex care needs.

- 3.4 Following consultation with potential providers, the Council obtained benchmark contract and tender documents from another large UK local authority, which has established a framework agreement for disabilities complex care housing and support services. These documents provided useful references for the purpose of specifying requirements.
- 3.5 A Contract Notice was published on the Public Contracts Scotland (PCS) website on 8 January 2016 and an open Invitation to Tender (ITT) was published on the Public Contracts Scotland-Tender (PCS-T) website the same day. A total of twenty six organisations registered interest.
- 3.6 A summary of the tender process is provided at Appendix 1 of this report.
- 3.7 Information about award criteria is provided at Appendix 2 of this report.
- 3.8 Six organisations submitted tenders by the deadline of 26 February 2016.
- 3.9 All six tenders were assessed as meeting the qualification criteria and were therefore taken forward for evaluation of technical (quality) content.
- 3.10 Evaluation of the technical (quality) content of the tenders was undertaken by an evaluation panel of council officers from Health and Social Care.
- 3.11 The recommendation for award of contract is based on the tenderers' scores as detailed at Appendix 3 of this report.
- 3.12 A brief history of Living Ambitions Ltd is provided for reference purposes at Appendix 4 of this report.

4. Measures of success

- 4.1 Replacement of out of authority placements or hospitalisation for people with challenging behaviours, such as autism or learning disabilities.
- 4.2 Provision of more appropriate support and safe, appropriate, high quality care for people with challenging behaviours, autism and / or a learning disability in a residential setting.
- 4.3 Lower costs and improved quality of support.
- 4.4 Notional or indirect savings for NHS Lothian in cases where individuals are referred to this service instead of being hospitalised.

5. Financial impact

- 5.1 The estimated value of this contract is between £623,095 and £934,642 per annum.
- 5.2 The actual value of the contract will depend on the number of service users (minimum six) and is based on a fixed price per person per week.

- 5.3 Benchmarking against current alternative types of support has been undertaken and it is estimated that support costs will be around £500 per person per week lower than would otherwise be the case.
- 5.4 It is anticipated that service delivery under the contract will commence in 2017/18. The Council's budget framework includes additional provision of £2.7m in 2017/18 to expand capacity to accommodate estimated growth in demand for services for adults with learning disabilities. Budget provision in 2017/18 will be confirmed by the Edinburgh Integration Joint Board in due course.
- 5.5 The costs associated with procuring this contract are estimated to be between £10,001 and £20,000.

	Estimated Cost
1. Relatively low value, low risk and non repetitive	Up to £10,000
2. Moderate value and moderate risk	£10,001 - £20,000
3. High value / high risk / strategic procurements	£20,001 - £35,000

6. Risk, policy, compliance and governance impact

- 6.1 For governance purposes, this report has been provided to the Executive Team of the Health and Social Care Integration Joint Board (IJB) for consideration prior to submission of the report to the Council's Finance and Resources Committee.
- 6.2 "Residential Care and Care at Home Contracts" is a Strategic Item in the context of procurement and is assessed as requiring a high level of contract and supplier management. There are comparatively few sources of supply, the contract is high value, it is a large spend area and the service specification is comparatively complex. The designated Contract Manager will be responsible for contract and supplier management.
- 6.3 Residential Care services are an Essential Activity (as identified in the Essential Activity List provided by the Council's Corporate Resilience Unit). The Provider will therefore be required to evidence acceptable arrangements in respect of business continuity.

7. Equalities impact

- 7.1 An Equalities and Rights Impact Assessment (ERIA) has been undertaken and is logged as Disability Complex Care – Procurement Plan HSC9.

8. Sustainability impact

- 8.1 No significant environmental impacts are expected to arise from this contract. There may be a slight reduction in carbon emissions, if journeys by family, friends, carers and social workers to out of authority placements are no longer required.
- 8.2 Community benefits offered by Living Ambitions Ltd include targeted recruitment and training, opportunities for apprenticeships and local outreach and education opportunities for those associated with or impacted by the types of service that will be provided. The designated Contract Manager will be responsible for monitoring delivery and reporting of community benefits by individual providers.

9. Consultation and engagement

- 9.1 Potential service providers were consulted prior to commencement of the formal procurement process.
- 9.2 Service users who may be referred to the service have not yet been individually identified. Consultation with service users and their representatives will commence once the contract has been awarded. Service users and their representatives will be kept informed of progress with contract implementation and will be provided with information about how their change to a new living environment will be managed.

10. Background reading/external references

- 10.1 The Scottish Strategy for Autism. Published in 2011, the national strategy sets out a clear vision for individuals living with autism, underpinned by the principles of dignity, privacy, choice, safety, realising potential and equality. It contains 26 recommendations and has clear goals to be met over a ten-year period.
- 10.2 The Keys to Life – Improving Quality of Life for People with Learning Disabilities. This 2013 Scottish Government policy document looks to build on the progress made in the ten years following the publication of The Same as You?(2000), the Scottish Government's previous 10 year national strategy for learning disabilities. It contains 52 recommendations, which cover areas such as specific health conditions, lifestyles, independent living, tackling stereotypes, interaction with criminal justice services, and managing complex care needs.

Rob McCulloch-Graham

Chief Officer, Edinburgh Health and Social Care Partnership

Contact: Mark Grierson, Manager - Edinburgh Support Services

E-mail: mark.grierson@edinburgh.gov.uk | Tel: 0131 553 8394

11. Links

Coalition Pledges	P8: Make sure the city's people are well-housed, including encouraging developers to build residential communities, starting with brownfield sites CO25: The Council has efficient and effective services that deliver on objectives.
Council Priorities	CP2 Improved health and well-being, reduced inequalities CP3 Right care, right place, right time CP4 Safe and empowered communities
Single Outcome Agreement	SO2 Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health SO3: Edinburgh's children and young people enjoy their childhood and fulfil their potential. SO4: Edinburgh's communities are safer and have improved physical and social fabric.

Appendix 1 - Summary of Tendering and Tender Evaluation Processes
 Disabilities Complex Care Housing and Support - Contract Ref: CT 0446

Contract Period	Earliest commencement will be September 2016 for a period of three years, with the option to extend for up to a further two periods of twelve months each, undertaken at the sole discretion of the Council.
Estimated value of contracts	Maximum £4,673,214 (including extensions)
Standing Orders observed	2.4 EU Principles have been applied 2.7 Commercial and Procurement Manager provided resource to undertake tendering 3.2 Director has responsibility for all contracts tendered and led by their Directorate
Governing UK Regulation	Public Contracts (Scotland) Regulations 2012
Tenders Returned	6
Tenders fully compliant	6
Recommended Provider	Living Ambitions Ltd
Primary Criterion	Most economically advantageous tender to have met the qualitative and technical specification
Evaluation criteria and weightings and reasons for this approach	Quality (70%) Price (30%) Quality was of greater importance due to the nature of the services to be provided
Evaluation Team	Council officers from Health and Social Care
Consideration of procurement methodology and processes to ensure SME friendly	Future Contract Opportunity (FCO) notice published prior to procurement

Appendix 2 - Award Criteria

Disabilities Complex Care Housing and Support - Contract Ref: CT 0446

Technical (Quality) Evaluation - Award Criteria	Weighting
Management	20%
Service Delivery	20%
Performance Management	20%
Fair Work Practices	20%
Communication and Collaboration with Key Stakeholders	10%
Community Benefits	10%
TOTAL	100%

Appendix 3 - Tenderers' Scores

Disabilities Complex Care Housing and Support - Contract Ref: CT 0446

Provider	Quality	Price	Total
Living Ambitions Ltd	50.75	24.28	75.03
Provider B	47.25	24.33	71.58
Provider C	50.75	18.72	69.47
Provider D	38.50	30.00	68.50
Provider E	43.75	24.27	68.02
Provider F	40.25	26.60	66.85

Appendix 4 - Information about the Provider

Disabilities Complex Care Housing and Support - Contract Ref: CT 0446

Living Ambitions was originally formed in 1992 as part of the Care UK group of companies which had itself been formed in 1982.

Care UK Learning Disabilities Services Limited was acquired by the Lifeways group in May 2015 and subsequently changed its name to Living Ambitions Ltd in July 2015.

As part of the Lifeways group, Living Ambitions continues to provide and develop wide-ranging learning disability supported living and residential services, partnering with housing associations and developers to develop and deliver accommodation (including new-builds) for people with complex needs.

Living Ambitions currently employs over 1,000 people to deliver over 35,000 hours per week of specialist learning disability support services in Aberdeen, Glasgow, East Lothian and South Lanarkshire, as well as in England.

The service to be provided under this contract will be managed from the Living Ambitions office at Shawfair Park in Midlothian.