

Finance and Resource Committee

10.00am, Thursday, 4 March 2021

Award of Contracts for Day Opportunities Framework

Executive/routine
Wards
Council Commitments

1. Recommendations

It is recommended that the Committee:

- 1.1 Approves the award of this framework for Day Opportunities for Older People.
- 1.2 The framework duration will be for a maximum of 24 months, on an initial 12-month basis, with the possibility to extend for a further 12-month period thereafter. The anticipated contract start date is 1 April 2021.
- 1.3 The approximate total value of the framework is £4,934,000 including extensions.

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Report

Award of Contracts for Day Opportunities for Older People

2. Executive Summary

- 2.1 This report seeks the approval of the Finance and Resources Committee to award the framework for Day Opportunities for Older People.
- 2.2 The framework will commence for an initial period of 12 months, with the option to extend for an additional 12-month period.

3. Background

- 3.1 The current provision of Care Inspectorate Registered Day Services for Older People are of great value to the City of Edinburgh, this has been acknowledged by The Edinburgh Health and Social Care Partnership, the City of Edinburgh Council and NHS Lothian. People accessing these supports have been assessed as having a critical or substantial need in line with the Edinburgh Health and Social Care Partnership eligibility criteria. The service delivery has traditionally been exclusively building based group support.
- 3.2 Day Services for Older People are deemed to be an intervention to enable people to continue activities, be socially active and improve their quality of life, where possible. In turn this also supports unpaid carers to continue to in their caring role should they wish to do so.
- 3.3 The services have not been tendered before and the current landscape of all Day Opportunities for Older People encompasses a mix of grants and commissioned services. Procurement legislation states that spend above the light touch threshold of £663,540 per annum should be openly advertised and due to market interest is was decided to tender the requirement.

- 3.4 The desired outcomes for people accessing registered day opportunities are as follows:
- 3.4.1 People feel connected to their community,
 - 3.4.2 People have the opportunity to participate in meaningful activities that promote wellbeing,
 - 3.4.3 People experience improved wellbeing and quality of life,
 - 3.4.4 People are supported to remain living in their own home for as long as possible,
 - 3.3.5 Carers feel supported to maintain their caring relationship and sustain their caring role.

4. Main report

- 4.1 In July 2019 a Prior Information Notice (PIN) was published on Public Contracts Scotland (PCS) to invite providers with an interest in Day Services for Older People and those with Young Onset Dementia to attend a co-production event.
- 4.2 The event was attended by 17 organisations on 22nd July 2019, this was to discuss the upcoming requirement in full, advise organisations of the tendering process and gain invaluable market research from current / potential future providers regarding the challenges and key features of providing Day Services for Older People.
- 4.3 This meeting was largely used to shape the project in hand and gain an understanding of how the specification could be written in a way that is fair and equitable to the market whilst incorporating the needs of those who use the service. Throughout the process, monthly meetings were also undertaken with providers, with support from EVOC.
- 4.4 On 16th December 2019 an additional co-production event was held in order to share the component parts of the draft specifications and facilitate discussion with the market on their effectiveness and feasibility, before finalising the specifications.
- 4.5 Upon completion of co-production and development, a contract notice was published via PCS for a Framework Agreement, this allows the Council to appoint multiple providers in order to support the varying degrees of need of those who use the service, increase sustainability of the service and ensure appropriate capacity levels.
- 4.6 As this is a Social Care service the tender was published in accordance with the Public Contracts (Scotland) Regulations 2015 with the Light Touch Regime applied.

4.7 The framework was split into 6 lots, either by locality or specialist need;

Lot	Title	Explanation
1	North East Locality	Provides a service which knows the local area and the resources in the community, focuses on building connections between local people and organisations, and ensures staff and volunteers can spend as much time as possible engaging in face to face contact with the person.
2	South East Locality	
3	South West Locality	
4	North West Locality	
5	City wide day support for people from minority ethnic communities	Provides a service which aims to reduce the barriers to accessing support which are specific to those from minority ethnic communities.
6	People diagnosed with Young Onset Dementia	To support people with a diagnosis of young onset dementia and their unpaid carers to maintain quality of life and remain independent in their own homes and community for as long as possible.

4.8 Bids were received from 14 providers for lots one to five. No bids were received for lot six, and only one bid for lot 3. All tenders received were evaluated based on most economically advantageous tender (MEAT), weighted 70:30 for quality and price. Due to the nature of the tender and vulnerable group the service provides for, a 70% weighting was allocated to quality. The tender documentation also requires all providers to be registered with the Care Inspectorate, with a minimum grade of 4 - Good, as a secondary measure of quality assurance. Details of the Evaluation Criteria can be found in Appendix 1.

4.9 All providers were assessed as meeting the minimum quality criteria and the price was based on the proposed rate of a placement per week. A Scoring Breakdown on quality scores is detailed in Appendix 2.

4.10 This framework was expected to go to the Finance and Resources Committee in May 2020. However, building based adult day support services were suspended on 16 March 2020 as a result of the COVID-19 restrictions. The completion of contract awards was paused with the agreement of the intended providers. A contract extension until 31 March 2021 was approved at Policy and Sustainability Committee on 25 June 2020 to enable sufficient time to review and amend specifications in line with changing regulations resulting from the ongoing pandemic.

- 4.11 The Scottish Government published guidance for the provision of building based day support on 31 August 2020. The implications of the guidance mean that capacity to support people from a building base is greatly reduced in order to maintain physical distancing. Work has been ongoing with providers to undertake risk assessments and establish new outreach support models across the city whilst building based services remain suspended. Throughout this period providers have continued to be paid on a planned care approach in line with the COSLA provider sustainability principles for Care at Home and Community based services.
- 4.12 Since the pause of the contract award process, further work has been undertaken to review required capacity for 2021-22. In addition, providers have been asked to provide further financial checks for the past year along with how they plan to deliver the services during the on-going COVID-19 Pandemic.
- 4.13 Allocation on the call off contract to each provider will not be based solely on the quality ranking but also on the needs of the individual, existing provision and the capacity available from providers in line with current Scottish Government guidance for adult social care building based day services. The number of places to be delivered as part of the framework will be negotiated with each provider and within the agreed budget.
- 4.14 The original advertised contract term was for two years plus a potential extension period of a further 24 months. Due to the ever changing COVID-19 landscape for services, it would be difficult to justify awarding contracts for this full term, therefore it has been agreed to reduce the contract term to a maximum of a two-year term. This is considered a fair and pragmatic approach, allowing market stability to continue to provide appropriate supports for older people.
- 4.15 The designated Contract Manager from The Edinburgh Health and Social Care Partnership will be responsible for monitoring delivery and reporting of Community Benefits by individual providers.

5. Next Steps

- 5.1 Subject to approval, the services will commence from 1 April 2021 and allow the Council to meet its statutory obligations with regards to the provision of support services to Older People and those with Young Onset Dementia and their carers.
- 5.2 All providers have been kept up to date throughout this process and are aware that award of contract is dependent upon committee approval.

6. Financial impact

- 6.1 The overall value of the contract award delivers a 2% saving on current contract values.
- 6.2 The providers' pricing will be fixed for a minimum of 12 months with any potential contract uplifts being negotiated with providers on an open book process.

- 6.3 The allocation of the call off from the Framework are within the agreed budget.
- 6.4 Financial assessments will be completed for all providers based on their current financial positions and there will be close monitoring throughout the contract term. In addition, providers who are contracted for more than £50,000 per annum will be added onto the Financial Assessments Monitoring Log.
- 6.5 Providers have all committed to providing Community Benefits throughout the term of the contract, this was addressed through the Tender Submission Questions, with a 5% weighted question.
- 6.6 The costs associated with procuring this contract are estimated to be between £20,001 and £35,000.

7. Stakeholder/Community Impact

- 7.1 An Integrated Impact Assessment was completed in 2019 and recommendations addressed through the co-production and tender process. In light of ongoing Coronavirus restrictions, an updated integrated impact assessment was completed with a recommendation to further refine the service specification to ensure services are flexible enough to support the needs of older people and carers through the continued uncertainty expected over the coming 12 months.
- 7.2 The contracts ensuing from this procurement are with established providers, therefore there will be a reduced learning curve (reduced training requirements). For every supported person there will be a detailed personal plan which will link to the outcome stated in point 3.4 above.
- 7.3 No significant adverse environmental impacts are expected to arise from this contract.
- 7.4 This procurement has adhered to Sustainable Procurement and Implementing Community Benefits. Providers confirmed various community benefits which added value to their service and community; COVID measures allowing. These included student placements, local volunteering opportunities, increased community revenue through Project fundraising, shared training, and additional income from community café to support the service.
- 7.5 Thirteen providers confirmed that they pay the Scottish Living Wage and above. While three providers confirmed that they still require to use Zero Hour contracts, however this is as the request of their employees. Thirteen providers are Small to Medium sized enterprises (SME's).
- 7.6 Twelve providers provided evidence of Fair Work Practice in line with the Scottish Government Fair Work Practice Framework of effective voice, opportunity, security, fulfilment and respect. Two remaining providers stated that Fair work practice would be included within their strategic plan.
- 7.7 The success of these contracts will be measurable against Key Performance Indicators which are detailed in the Specification.

8. Background reading/external references

[National principles for sustainability payments to social care providers during COVID 19, COSLA](#)

[Coronavirus \(COVID-19\): Guidance on adult social care building-based day services](#)

9. Appendices

Appendix 1 Summary of Tendering and Tender Evaluation Process

Appendix 2 Scoring Breakdown

Appendix 1 - Summary of Tendering and Tender Evaluation Process

Contract	CT0559	
Contract Period	2 years	
Estimated Total Contract Value (including extensions)	£4,934,000	
Procurement Route Chosen	Open OJEU tender for a Framework Agreement	
Call off Contracts to be Awarded	14 Providers onto the Framework Agreement	
Price / Quality Split	Quality 70	Price 30
	Criteria	Weighting (%)
Evaluation Criterion and Weightings	Delivering Quality Care and Support	20%
	Involving People	15%
	Quality Environment	10%
	Management and Staffing	20%
	Service Levels	10%
	Partnership and Communication	10%
	Data Protection	5%
	Business Continuity	5%
	Community Benefits / Added Value	5%
	Zero Hours Contracts & The Living Wage	Standard Mandatory Question
	Fair Work Practice	Standard Mandatory Question

Appendix 2 – Scoring Breakdown

Lot 1 – North East Locality

Provider	Quality Score / 70
Caring in Craigmillar	56.00
Lochend Neighbourhood Project	53.73
North Edinburgh Dementia Care	53.03
LifeCare Edinburgh	44.28

Lot 2 – South East Locality

Provider	Quality Score / 70
With YOU	47.25
Eric Liddell Centre	48.48
Prestonfield Neighbourhood Project	41.65
Libertus Services	43.05
The Open Door	47.25

Lot 3 – South West Locality

Provider	Quality Score / 70
Oxgangs Care	46.20

Lot 4 – North West Locality

Provider	Quality Score / 70
QCCC	58.28
Corstorphine Dementia Project	56.00
Drylaw Rainbow Club	47.08
LifeCare Edinburgh	44.28

Lot 5 – City Wide Day Support for people from Minority Ethnic Communities

Provider	Quality Score / 70
MILAN	52.85