Report for: Cabinet 14th November 2017

Item number: 15

Title: Positive Behaviour Support Service Framework: Award of contracts

Report

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Ward(s) affected: All

Report for Key/

Non Key Decision: Key Decision

1. Describe the issue under consideration

- 1.1. This report details the outcome of a procurement process for an award of Framework Agreements to successful Tenderers listed in paragraph 3.2 below, for the provision of Positive Behaviour Support (PBS) Services.
- 1.2. Haringey Council and Haringey Clinical Commissioning Group (HCCG) have undertaken a procurement process to commission a framework of five (5) providers to offer an evidence based, NICE recommended and effective intervention named as 'Positive Behaviour Support' (PBS) aiming to improve the life outcomes for the most vulnerable social and health care users. These are mainly adults and young people with complex needs (including learning disabilities and/or autism), those who display behaviour that challenges and those with mental health conditions.
- 1.3. One of the main objectives of the PBS framework is to foster the development of a competent Provider market for service users with complex needs so that their needs can be better met in the community. The framework is also expected to deliver financial savings by ensuring that through the PBS intervention positive outcomes for service users are achieved and therefore, their needs for care are reduced.
- 1.4. Furthermore, Haringey Council has been successful in their bid to the Big Lottery's Fund Commissioning Better Outcomes (CBO) for additional funding to contribute towards the implementation and operation of the PBS services during its life course.

- 1.5. Specifically, the Big Lottery Fund, England Committee, has agreed to offer an in-principle award of up to £1,465,018 revenue funding (over four years) to Haringey Council to contribute towards the PBS contract provision.
- 1.6. This will consist of an outcome payments model to successful providers under this framework and an optional implementation of a Social Impact Bond (SIB) model, if providers deem it necessary to access additional capital to finance their operations and service delivery. The Big Lottery Fund has recently increased the in-principle award by £500,000 to acknowledge the recent partnership with the London Borough of Islington and subsequent additional demand for the service provision and a further £100,000 to support a comprehensive evaluation of and learning strategy for the project. The proposed in-principle award (total of £2,065,018) will cover 15% of the outcomes payments required by the project (over four years).
- 1.7. One of the conditions that Haringey Council will need to meet in order to receive the above funds from the Big Lottery Fund is that the PBS service will commence by April 2018.

2. Cabinet Member Introduction

- 2.1. I am delighted to introduce this report which enables us to build a strong offer for people with complex needs and behaviour which challenges in Haringey. Increasing the effectiveness of community based interventions for residents with the most complex needs is part of our wider strategy to promote greater independence and support people to live in their local community, At a time when the public sector is facing unprecedented demand and budgetary pressures, this will help to build a more sustainable approach to commissioning health and social care.
- 2.2. Haringey Council is proud to be implementing an innovative and evidence based service to address the needs of our most complex service users in order to enable them to live in the community and improve their life outcomes. The initiative and the progressive commissioning approach together aim to address a gap in the market by fostering the development of a competent Provider base, intended to reduce and/or prevent escalation of needs by offering bespoke interventions and a value for money service.
- 2.3. It is noteworthy that, towards these efforts, the Council has been allocated substantial funding from The Big Lottery Fund, England Committee, which has agreed to offer an in-principle award of up to of £2,065,018 revenue funding (over four years).

3. Recommendations

3.1. To approve the proposal to enter into framework agreements with the successful tenderers listed in paragraph 3.2 to deliver Positive Behaviour Support (PBS) Services as allowed under Contract Standing Order (CSO) 9.07.1 (d), for a period of four (4) years.

- 3.2. Successful Tenderers are as follows:
 - Care Management Group Limited
 - Centre 404
 - Dimensions (UK) Limited
 - Support for Living Limited
 - The Avenues Trust Group

4. Reasons for decision

- 4.1. At a time of limited financial resources, the Council continues to seek innovative solutions to funding intereventions that deliver good outcomes for local people, and especially for those with complex needs that present with behaviour that challenges. Haringey Council has a growing number of customers with complex needs and it expects to see a long-term increase in numbers of people with challenging behaviours.
- 4.2. For various reasons, those users with the highest and most complex needs have often been accommodated in health facilities or in the most expensive form of out of area residential provision. In these situations, the quality of life outcomes for vulnerable customers (mainly those with Learning Disabilities) are typically not good and there have been well publicised court cases (most recently Winterbourne View) where carers were found guilty of abusing vulnerable residents and jailed. A recent review of residential and nursing care undertaken by Haringey Public Health shows that the customer group with the largest net expenditure per year is Learning Disability. This group also has the largest average net unit cost per person per year.
- 4.3. It is part of Haringey's objective to keep people healthy and living in their own communities for longer and to see a greater emphasis on promoting independence, dignity and choice, with care and support shifting away from institutional care towards community and home based support.
- 4.4. To address the gap in service provision for these customers, Haringey Council has undertaken a procurement process to commission a framework of a small number of specialist providers to deliver the evidence based PBS intervention in a community setting with the intention of preventing traditionally poorer quality of life outcomes particularly for Children and Adults with Learning Disabilities. This project aims to reach in total 98 customers over its life.
- 4.5. The main rationale for choosing a PBS approach is because of the strong evidence base and because it is a NICE best practice recommendation from the Department for Health for provision of community based care and support for Adults with Learning Difficulties. NICE issued a specific PBS guidance in 2015. The effectiveness of the intervention is also recognised by central's government Big Lottery's Fund Commissioning Better Outcomes program 'Commissioning for Better Outcomes' that has created the opportunity for Haringey Council to successfully bid for additional funding in order to be enabled to offer the PBS intervention in a community setting.

- 4.6. The Council's approach to providing outcomes based PBS Services is intended to reduce and/or prevent escalation of needs by offering bespoke interventions and a value for money service. The Service will be expected seamlessly to provide both care and support as defined by the needs of the individual. The appointed Providers will be expected to work with customers and their Carers, key Haringey teams such as the HCCG, clinicians, social care practitioners, Haringey's Learning Disabilities Partnership and Mental Health team in order to develop and implement successfully these individual outcomes plans.
- 4.7. Care and support services should aim to maximize an individual's independence and support the reduction of need, wherever possible, through the delivery of PBS Services, including making use of existing community resources and personal social networks.
- 4.8. In order to ensure that the Providers can offer a financial sustainable service for the whole duration of the project, they may choose, as deemed necessary, to access social investment to finance their operations and staffing structures. This approach aims to encourage particularly voluntary, community and social enterprises (VCSEs) and small and medium-sized enterprises (SMEs) organisations to also become part of this framework if they have the skillset to provide the particular intervention. Social investment provides such an option, as it:
- (i) Leverages funds from investors who want to put their money into causes that improves people lives, particularly vulnerable people;
- (ii) Ensures investment is only paid back to investors when outcomes are achieved; and
- (iii) Provides a 'catalyst' to schemes to grow and deliver good outcomes by providing additional funding up front, alongside existing investment from the local authority
- 4.9. Once Providers are on the framework, the performance will be judged by the extent to which the agreed outcomes are met and the extent to which an individual's independence is maintained with stable or decreased care and support levels. Providers, in partnership with the Council will be expected to develop review processes, to measure and record achievement of individual outcomes and to meet the requirements of the Council's Performance Monitoring Tool on which payment of the outcomes rewards will be based.
- 4.10. The outcomes payment model will be based along the following measures:
 - (i) Eighty percent (80%) of the outcomes payment will be based on the successful transition of customers to a community based setting or on the sustained caring arrangement in family/parental home; and
 - (ii) Twenty percent (20%) of the outcomes payment will be relevant to each customer individually and based on measures relevant to their respective improvements in quality of life outcomes. These include:
 - a) Reduction in incidents of behaviours that challenge.
 - b) Improvements in health conditions management.
 - c) Successful social and community integration/engagement.

- 4.11. The proposed providers will be appointed to the framework agreement because of their skill and expertise in delivering a high-quality service. The Council will therefore be placing reliance on their skill, expertise and judgment in providing PBS interventions and in working with the specific cohort. Providers will be expected to have a flexible approach to supporting vulnerable individuals and to take a holistic approach in planning, designing and delivering the service.
- 4.12. In summary, the main innovations Haringey Council is seeking to implement through this framework agreement are:
 - (i) the design of the commissioning process with appropriate referral pathways that include inputs from the customer, their family, the social care and health teams and the Provider in order to address effectively and efficiently the needs of the most complex and costly customers in health and social care;
 - (ii) an outcome based payment model with a basket of outcomes linked to the improvement in the individual quality of life measures for each customer; and
 - (iii) access to social investment financing with its risk transfer benefit to encourage growth in VCSE Providers' capacity and capability;
 - (iv) foster the development of a competent Provider market for this group of service users; and
 - (v) reduce and/or prevent escalation of needs by offering bespoke interventions and a value for money service.

5. Alternative options considered

- 5.1. The alternative options considered as part of this are set out below:
- Do nothing (as is) -The PBS is a new and innovative service and constitutes a) one of the few pilots of its kind in the country. To decide not to offer the intervention for our most complex and high cost clients especially as there was an opportunity to receive extra funding through the Big Lottery Fund programme would have disadvantaged the life outcomes of our highest need customers. Furthermore, it would have compromised the opportunity of Haringey Council and HCCG to provide more sustainable health and social care at a time where the public sector is facing unprecedented demand and budgetary pressures. The project could also be extended to include other Local Authorities in the country, such as the London Borough of Islington which has already decided to join the project. If we did not capitalise on the opportunity, we would still have to continue providing services to the same cohort based on less effective and financially efficient interventions. To offer the PBS service without the financial assistance from the Big Lottery Fund would have required significant investment from the Council to support providers to invest in specialist staff and expert support in order to enable them to offer the PBS service. As a result, the risk of the investment would have been fully borne by the Council.

6. Background information

6.1. As reported in "Positive Behaviour Support – a competence framework" 2015, there is a strong scientific evidence base that underpins PBS that has accumulated over the last 30 years. The bulk of the research has been through

practitioner-researchers testing intervention effectiveness on small samples or on individual cases. These have in turn been subject to a number of systematic reviews and meta-analyses (Campbell, 2003; Carr et al., 1990, 1999; Didden et al., 1997; 2006; Harvey et al., 2009; Marquis et al., 2000; Scotti et al., 1991). The most recent of these (Heyvaert et al., 2010, 2012) included over 250 single case design studies and confirmed that behavioural interventions deliver positive outcomes for individuals whose behaviour challenges. There is a statutory obligation on local authorities and CCGs to provide care and support services for Adults with Learning Disabilities and autism but the specific PBS intervention is non-statutory.

- 6.2. Whilst PBS therapies and services with their proven improvement in outcomes for customers have been available for over 20 years in the UK, there has not been a wave of commissioning as might be otherwise expected or indeed an increase in the capacity and capabilities of PBS providers. There has been only a slow take up, even after the 2011 Winterbourne View scandal. The Department of Health has put obligations on health and local authorities to respond appropriately, initially via the Concordat and currently (2016) through Transforming Care Partnership initiatives.
- 6.3. Haringey Council will attempt to address the gap in the market in terms of this service provision by commissioning through a framework, a small number of specialist PBS providers to deliver the NICE recommended intervention in a community setting. Providers will be invited onto the framework on quality criteria i.e. demonstration of their ability to deliver effective PBS support services to usually highly vulnerable individuals. In this way, we believe that a level playing field is being created for voluntary and community sector enterprises (VCSE) and small and medium enterprises (SME) Providers by encouraging their capacity and nurturing their capability in this field.
- 6.4. Furthermore, the NCL Transforming Care Partnership which brings together Councils and CCGs in the NCL area (Barnet, Camden, Enfield, Haringey & Islington) has developed plans to respond to the key objectives of the national Transforming Care Programme, one of which is to see a drastic reduction in long-term hospital stays for this cohort. A further objective is to show the potential for the PBS model and provision to scale across the NCL area. The belief is that, if the expectations of success are indeed fulfilled by Haringey Council and HCCG, this will demonstrate a clear way forward for other neighbouring NCL Boroughs and the wider Transforming Care Partnership clusters across London.
- 6.5. It is recognised that there are not many effective community based solutions in place for this cohort and therefore Haringey will seek to promote this particular option to users and families.
- 6.6. Haringey's expectations of PBS are high and although we can anticipate that some service arrangements may break down, the contracting model we have designed seeks to avoid this through the active engagement of Haringey's social care teams and proactive performance monitoring on a frequent basis.

- 6.7. In terms of the business case and financial incentives for providers and their social investors, should a break down occur, we would anticipate 'back fill' so that the total number of referrals at a minimum run rate of 14 per year will be maintained.
- 6.8. Whilst the specification of PBS will not be prescribed, the expectations of Providers in terms of quality and consistency, and the linkage of payments to achievement of outcomes will help provide a clear performance management framework and aligned incentives.
- 6.9. Our intention is to let a framework for PBS support services on a 4-years basis with individual support contracts let under the framework up to 7 years from commencement of service. The main reasons for choosing a framework are:
- (i) to support market development through attracting a sufficient number of Providers with whom Haringey and other Commissioners can develop a strong working partnership; and
- (ii) to ensure that there is personalisation and choice for customers in selecting from the framework Providers.
- 6.10. The reason for choosing a 4-year period for the framework is so that lessons from the initial stages can be adopted as needed in a reasonable timeframe. The reason for letting individual support contracts for up to seven years is to give Providers confidence so that they invest in developing their teams' capacity and capabilities around individual clients.

6.11. **Procurement Process**

- 6.11.1. The PBS services are subject to Light Touch Regime under the Public Contract Regulations 2015. As such they are required to be advertised in the Official Journal of the European Union (OJEU) although there is greater flexibility in the tender procedure followed than under the standard EU tender regime.
- 6.11.2. In 10th February 2017, a Prior Information Notice (PIN) was placed in OJEU which sets out the Council's purchasing intentions and informs the market that they should expect a procurement to be commenced within the next 12 months.
- 6.11.3. Following publication of PIN, a 'Market Engagement' events were held on 23rd February 2017. This events were intended to communicate and share information with potential providers and social investors to help them understand the commissioning intentions and offer opportunities to network and forge partnerships.
- 6.11.4. The 'Market Engagement' event indicated that this is a specialist service and the nature of the market for this type of service is limited. However Competitive Procedure with Negotiation (CPN) was selected as the most efficient route to market.
- 6.11.5. The PBS is a new and innovative service and constitutes one of the few pilots of its kind in the country. Furthermore, the proposed outcome based payment model and option to access to Social Investment Financing can prove complex concept for some providers to get a grasp of. Therefore, using CPN

procurement process is deemed as appropriate and will allow sufficient flexibility to ensure suitable providers are selected onto framework.

6.11.6. There were three stages to the tender evaluation.

(i) Stage 1 – Selection Process:

- An opportunity was posted on OJEU, Contract Finder, and Haringey's website on 12th June 2017 to invite expressions of interest from providers to submit completed Selection Questionnaire (SQ).
- ➤ By the closing date of the SQ (14th July 2017), 50 organisations registered their interest on Delta E-sourcing portal. Out of fifty (50), thirteen (13) organisations submitted SQ.
- Following evaluation of the SQs against the selection criteria, seven (7) organisation progressed to the stage 2.

(ii) Stage 2 - Quality and Price Evaluation:

- ➤ All seven (7) organisations were invited to the Tender.
- The tenders were evaluated using the Most Economical Advantageous Tender (MEAT) which included a split of 30% Price and 70% Quality as set out in the ITT documentation.
- ➤ The overall Quality weighting includes the Method Statement score of 60% and Presentation scores of 10%. This section of the evaluation has been conducted by Panel.
- ➤ The table below details the outcome of the tender evaluations and respective scores of the tenders.

Tenderers	Quality Scores	Price Scores	Total scores
	(out of 685 points	(out of 300 points	(out of 985 points)
Centre 404	509	250	759
Support for Living Limited	508	155	663
Care Managemen t Group Limited	419	216	635
Dimensions (UK) Limited	459	165	624
The Avenues Trust Group	418	192	610
Company - A	315	282	597
Company - B	387	163	550

(iii) Stage 3 - Negotiation Process: This was optional stage. Following evaluation of initial tenders, it was apparent that the Bidders initial Tenders are accepted and there was no need to enter into negotiation. Therefore, the Council had

decided to execute its right to award the contract without conducting any negotiation.

6.12. <u>Transition and Contract Management</u>

- 6.12.1. Key Performance Indicators and methods of measurement are integrated within the service specification and will be monitored through contract monitoring meetings and reports.
- 6.12.2. Contract monitoring meetings will be held monthly for the first three months and quarterly thereafter. The purpose of monthly monitoring meetings will be to examine the implementation of the service, monitor delivery of the service at an operational level and to foster partnership working to facilitate early resolution of problems and/or issues.
- 6.12.3. The Service Providers shall commence a pre-mobilisation period in December 2017, prior to service commencement by April 2018.

6.13. Stakeholder engagement

- 6.13.1. Haringey has formed a Project group made up of senior CCG and Local Authority staff which has been charged with managing the specification, commissioning / procurement and go-live and implementation processes.
- 6.13.2. The Project Group will expand to include clinical leads, finance and procurement specialists and most importantly front line social care team members who will be key to ensuring that customer outcomes are monitored and managed following go-live.
- 6.13.3. The Project Group reports into HCCG and Haringey Council's Joint Finance, Performance and Commissioning Management Group. This Group meets on a monthly basis and is responsible for a range of day to day delivery and management issues.
- 6.13.4. The Project Group has a responsibility to report into all relevant stakeholders and in particular the NCL Transforming Care Programme board.

6.14. Risks to the project

- 6.14.1. As with all Payment by Result (PbR) contracts provider financial resilience is a potential issue particularly if there is an inability to deliver outcome improvements within the pricing structure and maintain quality standards leading to loss of income through missing outcome payments.
- 6.14.2. The payment structure with 80% of the fee paid monthly in arrears means that the true PbR component is a low proportion of the income stream. It is worth noting that there is a strong alignment of interest between the commissioner and PBS providers to develop their working partnership in order to ensure that the improvement in outcomes for the customers are delivered.
- 6.14.3. The other mitigation is through access to social investment and the transfer of the financial risk away from VCSE providers to these investors subject to due

- diligence. The use of a SIB and access to social investment is the mitigation against a lack of smaller VCSE participating and bidding for this framework.
- 6.14.4. The overall mitigation is through the formal processes set out in the framework which will provide the basis for governance of each individual referral and provider performance management / escalations etc. It is also a key vehicle to achieving value for money in providing of quality services.
- 6.14.5. There is a risk that the interest levels from providers and social investors will not be high enough to award a minimum of five providers on to the framework. The main mitigation will be through planned market engagement events built into the procurement timetable, through existing provider forums and by speaking directly to providers.
- 6.14.6. There is a risk that poor specification of PBS service requirements means that the quality or breadth of providers on the framework is not as high as it will need to be to improve the outcomes for customers and provide stable community placements. The risk mitigation derives from the fact that PBS is a well understood and evidence- based support 'methodology'.
- 6.14.7. Once the framework is in place, there is a risk for the commissioner that one of the providers fails to deliver a consistent quality of PBS service leading to lower than planned improvements in quality of life outcomes and in the worst case a placement breakdown. The financial risk in this case lies initially with both the provider and their social investor (as revenue from the secondary outcome 20% basket will be lower) and ultimately with the commissioner which will incur costs finding an alternative provider in the event of a full placement breakdown. Such a risk is inherent in any commissioning of care and support placements.
- 6.14.8. For the commissioner, it is imperative that community health and social care professionals monitor and measure outcomes on the ground, to feed into quarterly milestones and payment levels. This is a key issue for the success of the contract. Haringey understands fully that it will need to demonstrate to social investors that it has the capacity and capability to manage the performance of providers. Training and guidance will be provided to all professionals who will be involved in monitoring placements, particularly front line staff who will have direct contact with service users. Training existing staff will keep the cost of the SIB low.

6.15. **Savings**

- 6.15.1 It is estimated that the project will engage with 10 Haringey service users per year and an additional 4 from Islington. This will be a total of 98 service users for the duration of the project over 7 years. The business case is based on savings that we expect to make from either by reducing costs through stepping down from highest cost residential provision or from prevention of the need for higher cost provision at points in time when care packages need to change.
- 6.15.2 London Borough of Haringey and Haringey CCG will fund the proposed contract provision through outcome payments which will be able to top up with CBO copayment. The proposed in-principle award (up to £1,465,018 for London

Borough of Haringey) will cover 15% of the outcomes payments required by the project (over four years). As mentioned in paragraph 5.1 (a), to offer the PBS service without the financial assistance from the Big Lottery Fund would have required significant investment from the Council to support providers to invest in specialist staff and expert support in order to enable them to offer the PBS service. As a result, the risk of the investment would have been fully borne by the Council.

- 6.15.3 Whilst clearly important to the business case, the savings are an additional benefit of our proposed approach whose priority is the delivery of improved life outcomes for our most vulnerable customers.
- 6.15.4 Because of the low volume, we will only be able to make estimates of savings to wider Government through the project's evaluation process.

7. Contribution to strategic outcomes

7.1. National and Local Strategic Context

- 7.1.1. The implementation of the Care Act 2014 represents a major shift in the way adult social care is delivered to people across the country. The Council has a duty to commission a wide range of services to improve the general health and wellbeing of its local population and to enable people to prevent and postpone the need for care and support, locally.
- 7.1.2. Local strategies including Haringey's Health and Well Being Strategy, NHS HCCG's 5 Year Plan, Haringey Joint Mental Health and Wellbeing Strategy 2015 and the Council's Building a Stronger Haringey Together, Corporate Plan 2015-18 place renewed emphasis on prevention, early intervention, promoting independence, integration, inter-agency partnership working, and community resilience. They all seek to reduce health and social inequalities faced by people living in Haringey through working with communities and residents and to improve opportunities for adults and children to enjoy a healthy, safe and fulfilling life. There is also an emphasis on the provision of the best possible quality accommodation, in line with modern standards and good practice.
- 7.1.3. The Winterbourne View Concordat commits Local Government and NHS Commissioners and Providers of health care to significantly improving services offered and delivered to people who present with challenging behaviour, learning disabilities, autism and mental ill health. This vision and mandate for change aligns with the HCCG and Council's commissioning priorities and strategies.
- 7.1.4. Other important and relevant policy documents pertinent to the PBS service being commissioned include:
 - Autism Act 2009 and Autism Strategy
 - NICE Guidance (see Appendix 3)
 - Children's and Families Act 2014
 - Mental Health & Wellbeing Framework in Haringey 2015¹

http://www.haringey.gov.uk/sites/haringeygovuk/files/mental health and wellbeing framework document pdf 2803kb 0.pdf

- Working together to safeguard children 2015
- Pan London Safeguarding Adults Multi Agency Procedures 2015
- Transforming Care for People with Learning Disabilities- Next Steps 2015
- 7.1.5. The PBS Service will also support the overall objectives across Adult Social Care, especially Priority 2- Haringey Corporate Plan 2015-2018:
 - (i) All residents will be as healthy as possible for as long as possible;
 - (ii) All residents will feel more supported by the community to be healthier and to live independently for longer;
 - (iii) Support will be provided at an earlier stage to residents who have difficulty in maintaining their health and wellbeing:
 - (iv) Residents assessed as needing formal care and / or health support will receive responsive, safe and high quality services; and
 - (v) All vulnerable adults will be safeguarded from abuse.
- 7.1.6. The Service will also support the HCCG in delivering its Four Core Objectives set out in its Five Year Plan (2015-2020) which are:
 - (i) Explore and commission alternative models of care
 - (ii) More partnership working and integration as well as a greater range of Providers
 - (iii) Engaging communities in new and more innovative ways to build capacity for populations to enhance their own health and wellbeing
 - (iv) A re-defined model for primary care providing proactive and holistic services for local communities, supporting "healthier Haringey as a whole".
- 8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Finance Comments

- 8.1.1 This programme gives an opportunity of reducing the costs of support to clients with high levels of need. The reductions will be achieved through a combination of
 - Use of Big Lottery funding which totals £1,465,018 for the first four years of the programme.
 - Reduction in ongoing costs of support through improved outcomes.
 The interventions are primarily aimed at adults and young people with
 learning disabilities and/or autism, who may also display behaviour that
 challenges. These are clients whose total existing health and social
 care support, costs an average of £3,530 per week. The service will
 aim to engage with 10 service users per year.

³ http://www.haringey.gov.uk/local-democracy/policies-and-strategies/building-stronger-haringey-together

- 8.1.2 Costs for the clients to be supported are currently met through a combination of health and social care funding and any reductions which may be achieved will be shared proportionately.
- 8.1.3 The service will be available under a framework agreement arrangement. There is no commitment to spend as the service will be used on a spot purchasing basis.
- 8.1.4 The contracts are being procured on a 7 year basis and it should be noted that the Big Lottery Funding is for the first 4 years only.

8.2 Procurement Comments

- 8.2.1 This report relates to services which are subject to the light regime set out in Regulations 74 to 76 of the Public Contracts Regulations 2015 (the Regulations). The value of the contract that is being procured is above the EU threshold of £589,148.00 for application of the light regime. Accordingly, the contract opportunity has been advertised in the OJEU and the procurement process adopted was Competitive Procedure with Negotiation (CPN).
- 8.2.2 In addition, the Council's Contract Standing Orders (CSOs) also apply to the procurement and the services have been tendered in accordance with CSO 9.01.1 and 9.01.2 c. Selection Questionnaire and Tenders were evaluated in accordance with the published evaluation model.
- 8.2.3 Strategic Procurement has led this procurement exercise in full consultation with the service areas and can confirm an open, transparent and fair procurement process has been followed.
- 8.2.4 The hourly rates submitted by the bidders are inclusive of all costs and will be fixed for the first 3 years of the contract period. Any inflationary increases will be subject to annual agreement between Haringey and providers from that point in time onwards and will be capped at maximum of 2%.
- 8.2.5 Contract management processes will be put in place to ensure contract compliance and quality outcomes.

8.3 Legal Comments

- 8.3.1 The Assistant Director of Corporate Governance notes the contents of the report.
- 8.3.2 The value of the contract being above the EU threshold of £589,148 for contracts of this nature, the successful tenderers in this report were selected through a procurement excercise conducted in accordance with the provisions of Regulations 74 76 of the Public Contracts Regulations 2015.
- 8.3.3 Pursuant to the provisions of CSO 9.07.1(d), Cabinet has power to approve contracts valued at £500,000 or more.

8.3.4 The Assistant Director of Corporate Governance sees no legal reasons preventing Cabinet from approving the recommendations in the report.

8.4 Equality

- 8.4.1 The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:
 - Tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
 - advance equality of opportunity between people who share those protected characteristics and people who do not;
 - Foster good relations between people who share those characteristics and people who do not.
- 8.4.2 The PBS service will offer complex needs' customers opportunities to live as independently as possible in the community. They will combine the advantages of good quality accommodation where residents exercise tenancy rights and responsibilities with specialist person-centred support to address their needs and aspirations.
- 8.4.3 Currently, services for this cohort of service users are being procured on a spot purchasing basis and the interventions delivered are not effective and financially efficient as the PBS currently being procured. This poses challenges in terms of quality, price and access to a diverse supply chain. For example, providers' charges/rates and quality of provision vary substantially, on occasions referrals are not being accepted if a case is deemed to be highly complex, outcomes are difficult to be monitored consistently (and not always achieved) and there is uncertainty on whether service areas are accessing the whole range of this market. By setting up the PBS framework agreement, we aim to address all these issues and develop the market whilst ensuring access to a diverse supply chain (preferably in borough), good quality and value for money services.
- 8.4.4 The framework agreement will not negatively impact on any service users as the PBS provision is a new service that will improve the life outcomes of the specific cohort. We are anticipating that our current and new providers that are of good quality and cost effective will bid to be part of the framework. Effective and closely managed transition plans will be in place on the occasions where this might be required. Contract management arrangements will be put in place, focused on the quality of placements and safeguarding.
- 8.4.5 Please note that as this will be a framework agreement there is no commitment for spend as the service will still be used on a spot purchasing basis as and when required.
- 8.4.6 The new provider will be expected to demonstrate a strong commitment to fairness and equality in its service delivery and work practices, and comply fully with duties under the Equality Act 2010. Equality considerations will form part of ongoing monitoring and oversight arrangements.

9 Use of Appendices

9.1 Appendix 1: Equalities Impact Assessment

10 Local Government (Access to Information) Act 1985

10.1 This report contains exempt and non-exempt information. Exempt information is contained in the exempt report and is not for publication. The exempt information is under the following category: (identified in the amended schedule 12 A of the Local Government Act 1972 (3)) information in relation to financial or the business affairs of any particular person (including the authority holding that information).

