

Integration Joint Board 21 June 2018

Subject:	Award of the Framework Contracts for the Provision of Care at Home Services
Purpose:	To advise the Integrated Joint Board (IJB) and Cabinet of the outcome of the procurement exercise for the Framework Contracts for the Provision of Care at Home Services.
Recommendation:	To acknowledge and note the award of contracts to: (i) Inverclyde & North Ayrshire Care Services trading as Carewatch; (ii) Mears Care; (iii) Rainbow Services (UK) Ltd; (iv) Ayrshire Quality Care and Support, Community Interest Company (CIC); and (v) First Homecare. The contracts are for a period of 2 years with the option to extend for up to a further 2, twelve month periods.

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
IJB	Integrated Joint Board
LOTS	A defined geographical area which appointed Providers will operate within

1.	EXECUTIVE SUMMARY
1.1	This report summarises the outcome of the procurement process undertaken by North Ayrshire Council at the request of the North Ayrshire IJB in respect to Care at Home services. This report confirms the five contracts have been awarded to deliver Care at Home support to service users in North Ayrshire.
1.2	Care at Home Services are currently delivered through in-house provision across the six localities of North Ayrshire and partially outsourced across five of those localities. Given its remote and rural nature, resulting in difficulties in recruiting and retaining staff, service provision on Arran is completely in house and will remain as is. Cumbrae, however, is now part of the tender award.
1.3	Services are currently delivered through interim contract arrangements that will remain in place until 30 June 2018. Newly tendered contracts will commence on 1 July 2018 for a period of two (2) years with the option to extend for a further two (2) 12 month periods.

2.	BACKGROUND																														
2.1	The procurement followed an Open Procedure, conducted in 2 stages. Stage 1 examined minimum requirements and Stage 2 evaluated quality and price. Tender evaluation was undertaken using the Most Economically Advantageous Tender (MEAT) criteria with a ratio of 20% Price and 80% Quality. Only Tenderers that successfully passed both Stage 1 - Minimum Requirements and Stage 2 - Quality Evaluation had their tender price considered. The tender evaluation was carried out by a panel of appropriately experienced Council Officers against the published criteria																														
2.3	The contract notice attracted 32 expressions of interest from a range of potential bidders and 10 bids were submitted for evaluation. 8 of the 10 bidders, who submitted a tender response, met the minimum requirements at Stage 1 of the evaluation process. 5 of the 8 bidders met the required standard at Stage 2 of the process and therefore qualified for the contract award.																														
3.	PROPOSALS																														
3.1	<p>At the IJB of 9 March 2017 approval was given for the percentage split of inhouse and externally purchased care at home to change to be weighted more to inhouse provision. At March 2017 the split was 61% inhouse and 36.5% externally purchased (with the remaining 2.5% of the care at home outsourced budget allocated to Direct Payments). The IJB approved the split to move to 70 % inhouse with 27.5% externally purchased (with the remaining 2.5% of the care at home outsourced budget allocated to Direct Payments). IJB are asked to note the contracts within the various LOTS to the following 5 Providers, who are listed in ranked order, based on outcomes from evaluations. For the purposes of the procurement exercise and the tender award Irvine and Kilwinning were joined as one LOT area.</p> <table><tr><th></th><th>LOT 1: Irvine & Kilwinning areas:</th><th>LOT 2: Three Towns: Ardrossan, Saltcoats & Stevenston</th><th>LOT 3: North Coast: Largs, Fairlie, West Kilbride, Skelmorlie & Cumbrae</th><th>LOT 4: Garnock Valley: Kilbirnie, Beith & Dalry</th></tr><tr><td>Provider no. 1</td><td>Inverclyde & North Ayrshire Care Services t/a Carewatch</td><td>Inverclyde & North Ayrshire Care Services t/a Carewatch</td><td>Inverclyde & North Ayrshire Care Services t/a Carewatch</td><td>Inverclyde & North Ayrshire Care Services t/a Carewatch</td></tr><tr><td>Provider no. 2</td><td>Mears Care</td><td>Mears Care</td><td>First Homecare</td><td>Ayrshire Quality Care & Support CIC</td></tr><tr><td>Provider no.3</td><td>Rainbow Services (UK) Limited</td><td>Rainbow Services (UK) Limited</td><td></td><td>First Homecare</td></tr><tr><td>Provider no. 4</td><td>Ayrshire Quality Care and Support</td><td>Ayrshire Quality Care and Support</td><td></td><td></td></tr><tr><td>Provider no.5</td><td>First Homecare</td><td>First Homecare</td><td></td><td></td></tr></table> <p>In summary of the table above: five providers will provide Care at Home services across the Irvine and Kilwinning localities; five providers will provide services across the 3Towns localities; two providers will provide services across the North Coast</p>		LOT 1: Irvine & Kilwinning areas:	LOT 2: Three Towns: Ardrossan, Saltcoats & Stevenston	LOT 3: North Coast: Largs, Fairlie, West Kilbride, Skelmorlie & Cumbrae	LOT 4: Garnock Valley: Kilbirnie, Beith & Dalry	Provider no. 1	Inverclyde & North Ayrshire Care Services t/a Carewatch	Inverclyde & North Ayrshire Care Services t/a Carewatch	Inverclyde & North Ayrshire Care Services t/a Carewatch	Inverclyde & North Ayrshire Care Services t/a Carewatch	Provider no. 2	Mears Care	Mears Care	First Homecare	Ayrshire Quality Care & Support CIC	Provider no.3	Rainbow Services (UK) Limited	Rainbow Services (UK) Limited		First Homecare	Provider no. 4	Ayrshire Quality Care and Support	Ayrshire Quality Care and Support			Provider no.5	First Homecare	First Homecare		
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	<p>localities; and three providers will provide services across the Garnock Valley localities.</p> <p>The Framework will be a contractual agreement between North Ayrshire Council (NAC) and the aforementioned Service Providers. The island of Arran will continue to receive in-house provision only.</p>
3.2	<p><u>Anticipated Outcomes</u></p> <ul style="list-style-type: none"> ➤ To ensure North Ayrshire Council continues to deliver services in line with Procurement legislation and meets the Procurement Reform (Scotland) Act 2014 for sustainable public procurement that supports economic growth through improved procurement practice. Furthermore assurance for the IJB that the Partnership's Care at Home service is secured and will be delivered in accordance with the outcome of the IJB report in March 2017. ➤ To ensure that delivery of provision has positive outcomes for service users and that service users continue to have choice and control over their lives. In addition to ensure the service users receive provision that meets their assessed need and is delivered safely and is of a high qualitative standard. ➤ To consolidate current off framework spend into a newly tendered framework so that all outsourced care at home delivery is purchased from one framework agreement. However there may be a need to commission care at home services from alternative Providers under a call off arrangement should there be capacity issues with any of the Framework providers. To mitigate this risk, the ongoing capacity growth of the Framework providers will be subject to contract monitoring and forms part of the KPI's. ➤ To procure services that take account of providers approach to fair work practices including fair and equal pay, travel arrangements and the living wage as part of a package of positive fair work practices. ➤ To contribute to the Council's commitment to UNISON'S Ethical Care Charter with a requirement that providers take cognisance of and work towards achieving the key recommendations within the charter. ➤ To use technological solutions that assist in their management of services that includes CM2000. ➤ To provide value for money.
3.3	<p><u>Measuring Impact</u></p> <p>The Council will ensure that effective services are delivered to support service users and Carers. Contracts will be managed through the Council's Contract Management Framework at all stages throughout the contract term in terms of performance and compliance, relationship management and continuous improvement. There will also be progress updates contained within the reports tabled at the Performance and Audit Committee.</p>

4.	IMPLICATIONS
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Financial :	The value of the framework is £4,823,697 per annum. The contract is for two years with an option to extend for a further 2 x 12 month period. Based on the budget identified for the two years the value of the contract is £9,647,394. However should the Partnership decide to extend for the further two years the whole life value of the framework is £19,294,788.
Human Resources :	TUPE applies within this procurement. The contract award has involved a transition period for involving the transfer of service users and business in the Irvine, Three Towns and North Coast localities. This has been carried out in the best interests of service users. There are transition and implementation plans in place to support the process which has involved consultation and communication with service users by members of the Community Care Services team. The dialogue between outgoing and incoming providers is ongoing regarding affected staff re TUPE.
Legal :	In order to comply with the Council's Standing Orders Relating to Contracts and Contract Procedure Rules, Public Contracts (Scotland) Regulations 2015 a formal tender exercise was advertised via the Public Contracts Scotland advertising portal.
Equality :	The Council has 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. The contract includes a requirement to comply with the equality act.
Environmental & Sustainability :	Impact areas identified for these services are Moving and Handling, Lone Working and Infection Control. These areas are contractually required to be robustly risk assessed by providers throughout operational delivery.
Key Priorities :	The procurement supports the following NAHSCP priorities; Priority 4 – Prevention and Early Intervention Priority 5 – Improving Mental Health and Well-being.
Risk Implications :	The Council's Contract Management Framework provides a robust risk rating matrix.
Community Benefits :	See table; Appendix 1.

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	X
	2. North Ayrshire Council	

	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

5.	CONSULTATION
5.1	Formal consultation was not applicable in this procurement as there has been no change to the delivery of the service.
6.	CONCLUSION
6.1	Following a comprehensive procurement process, contracts were awarded to: Invercare and North Ayrshire Care Services t/a Carewatch, Mears Care, Rainbow Services (UK) Ltd, Ayrshire Quality Care CIC and First Homecare. There were no legal challenges during the Standstill period.
6.2	That the IJB are aware that implementation work is progressing with both outgoing and incoming providers and that the new Framework Contract will commence, as scheduled, on 1 July 2018.

For more information please contact Helen McArthur, Senior Manager, Community Care Services on 01294 317783.

Provider	Community Benefits offered
<i>The following Community Benefits offered were dependent on the amount of business awarded to providers through the framework. Therefore the undernoted cannot be guaranteed that they will be delivered</i>	
Inverclyde & North Ayrshire Care Services t/a Carewatch	<ul style="list-style-type: none"> 6 new jobs being created Work placement for a minimum of 5 days for an S4, S5 or S6 pupil from a North Ayrshire School Support for Community Groups by participating in NAC workshops to identify skills that could be shared with Community Organisations to build capacity and improve relationships
Mears Care	<ul style="list-style-type: none"> Target 1 apprentice position throughout lifetime of contract 1 job created per additional 25 hours care/support delivered Target 1 graduate position throughout lifetime of contract Support for a school project agreed in conjunction with NAC Education & Skills department involving local school pupils. Support for a community project agreed in conjunction with NAC Economies and Communities department involving local people and reflecting local priorities.
Rainbow Services (UK) Limited	<ul style="list-style-type: none"> 4 new jobs being created 1 Support Worker Modern Apprentice Work placement for a minimum of 5 days for an S4, S5 or S6 pupil from a North Ayrshire School Support for a school project agreed in conjunction with NAC Education & Skills department involving local school pupils Support for a community project agreed in conjunction with NAC Economies and Communities department involving local people and reflecting local priorities. Support for Community Groups by participating in NAC workshops to identify skills that could be shared with Community Organisations to build capacity and improve relationships.
Ayrshire Quality Care & Support CIC	<ul style="list-style-type: none"> 20 new jobs being created 1 HR Manager post being created Work experience for a young person facing challenges or barriers completed over a 6 week period (1 day per week) Support for a community project agreed in conjunction with NAC Economies and Communities department involving local people and reflecting local priorities.
First Homecare	<ul style="list-style-type: none"> 35 new jobs being created Support for a school project agreed in conjunction with NAC Education & Skills department involving local school pupils Support for a community project agreed in conjunction with NAC Economies and Communities department involving local people and reflecting local priorities.