

Report Title:	Procurement briefing regarding local SMEs/SMEs/VCS organisations within Children and Adults Services	
Meeting	Education and Business Scrutiny Commission	
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1. Summary:

- 1.1 This report sets out the procurement exercise undertaken for the Local Community Offer (Information and Support Hub) for older people and all age disabilities and their carers that involved local SMEs and/or VCS organisations. The report sets out the process undertaken and the procurement outcome.
- 1.2 This report also informs of any future procurement exercises that will involve local SMEs and/or VCS organisations.

2. Background:

- 2.1 The Information and Support Hub was designed to equip the council to manage its “front door” by assisting individuals living within the Borough to access information, advice, navigation and facilitation support that will link them with community opportunities and services across Southwark to support their independence and wellbeing.
- 2.2 The Information and Support Hub comprises a collaborative model across social care and the third sector to bring together key parts of the system, such as information, advice, navigation and signposting services.
- 2.3 This approach has already been tested with our existing adult mental health hub which has had positive results.
- 2.4 The aim of the procurement of the Local Community Offer (Information and Support Hub) was to source two separate lead providers. One lead provider would be awarded a contract for Lot 1- All Age Disability Hub and one lead provider would be awarded a contract for Lot 2 - Older Person’s Hub.
- 2.5 The contracts would be let for three years with an option to extend for a further two years. Total contract value for the Older Person’s Hub was £5.5m and the All Age Disability Hub was £2m over the five years.
- 2.6 Taking into consideration the potential bidders for the contracts i.e. predominantly SME organisations from the Voluntary and Community Sector, the following actions were undertaken:

- Minimum turnover requirement reduced from the normal 2 times to 1.5 times annual contract value.
- Early engagement with the market to provide support and advice with regards to bidding for contracts.
- Enabling forums where organisations were able to meet each other and discuss how consortia bids can be submitted or how interested parties can put themselves forward to be part of a partner network.

3. Market Engagement:

- 3.1 Commissioners engaged with the Voluntary and Community Sector organisations early in the project to ensure co-production of the service model and incumbent providers also took part in a 'test and learn' exercise prior to the commencement of the procurement.
- 3.2 Commissioning and Procurement colleagues held market engagement events to inform the wider market of the upcoming procurement and to answer questions regarding the service model and tendering process.
- 3.3 The events enabled SME's to open up a dialogue with other providers as to how they could be involved in a consortia or part of a lead provider network. Through these events providers positioned themselves in order to be able to bid for the contracts.

4. Procurement Outcome:

- 4.1 The tender process took the form of a 'Competitive Procedure with Negotiation'. The tender required suitable applicants to submit a qualifying questionnaire which was evaluated by council officers to assess the suitability of the applicants before being invited to submit an initial tender.
- 4.2 The initial tender was evaluated and issues that had arose from the submission such as proposed service models that needed to be addressed and further developed formed the basis of the negotiation stage.
- 4.3 Negotiations were held for both lots with the aim of improving final tenders. Once the negotiations had concluded, bidders were invited to submit their final tenders.
- 4.4 The outcome of the evaluation of Lot 1 All Age Disabilities and Carers Information and Support Hub resulted in the council unable to award a contract as the tender submission from the sole bidder did not pass the quality threshold.
- 4.5 The outcome of the evaluation of Lot 2 Older Person's and Carers Information and Support Hub resulted in the council awarding a contract to Age UK Lewisham and Southwark.
- 4.6 Age UK Lewisham and Southwark are an incumbent provider who are part of a consortium of six local charities called COPSINS who provide services to older people in Southwark. The consortium will deliver the new contract with Age UK being the lead provider managing the network of partners.

4.7 The All Age Disabilities Hub will be reviewed as a result of the contract not being awarded. Commissioners will be assessing the options going forward.

4.8 The new contract for the Older Person's Hub will commence on 1 June 2020.

5. Future Procurements:

5.1 The majority of the procurements undertaken by Children's and Adults services are above the EU threshold of £663k. Where possible, several actions are undertaken to help SME's to reach a level playing field such as:

- Splitting contracts into lots therefore reducing the contract values and the minimum turnover requirements bidders need to meet;
- Restricting the amount of contracts awarded to one bidder;
- Reducing technical and financial requirements within the Selection Criteria; and
- Encouraging consortia bids by facilitating bidders to meet one another at market engagement events.

5.2 There are a number of procurements in the pipeline that will be suitable for SME's to bid for either as a consortium or as a sole bidder due to the factors listed above such as:

- Targeted Short Breaks for Children and Young People (CYP) which will include a range of activities and opportunities for SME's;
- Alternative Provision framework agreement for meeting CYP educational needs;
- Adults Care at Home framework agreement for additional providers to supplement the existing contracts;
- Learning Disabilities Accommodation Based Support and Outreach Support Services will be split into lots;
- Family Group Conferencing co-ordinators tender is run every quarter;
- Mental Health Homelessness services; and
- Language and Communication support for special schools.

5.3 Commissioners are in the process of progressing these procurements and engaging with the market in due course.