

Item No. 16.	Classification: Open	Date: 24 March 2020	Meeting Name: Cabinet
Report title:		Gateway 1 – The Provision of Learning Disabilities Support and Accommodation Services	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Jasmine Ali, Children, Schools and Adult Care	

FOREWORD – COUNCILLOR JASMINE ALI, CABINET MEMBER FOR CHILDREN, SCHOOLS AND ADULT CARE

Many people with a learning disability can live independently and are in employment. However, others may need more intensive support with tasks such as eating, dressing and personal care.

While support needs may differ, people with learning disabilities can and do live full and meaningful lives, with the right support.

Southwark Council provides social care support packages in and out of the borough to around 650 people with learning disabilities who have a diverse range of needs, including people on the autistic spectrum and some with very profound, complex needs and behaviours that challenge. Annually, Southwark spends circa £12.6m on these care packages all of which are currently spot/ad-hoc purchases.

Currently there are 48 individual, in-borough supported living properties that have between one and ten units of accommodation in each of the properties; if fully occupied they can accommodate a total of 177 individuals. The current in-borough outreach service, provided by nine primary providers, supports 108 residents living in general housing or in the family home.

The following report seeks approval for the procurement strategy of the Learning Disabilities Accommodation Based Support and Outreach Support Services Contract for a period of five years plus two years (1 + 1) 'in 6 lots' with an estimated annual contract value of £10.9m making a total cost of £76.3m if both extensions are exercised.

The procurement procedure will incorporate four geographical 'lots' for moderate care and support, one 'lot' for profound and high complex needs and/or behaviours that challenge care and support and one 'lot' for outreach support for people living in general housing.

This procurement is necessary to:

- ensure the best outcomes for residents of Southwark with learning disabilities and/or on the autistic spectrum,
- promote choice and control,
- continue to align to the personalisation agenda,
- offer people greater opportunities to increase their independence, access jobs, form relationships and therefore, where appropriate, reduce the use of Residential Care,
- provide value for money and

- continue to provide local (in-borough) provision.

The procurement strategy will support the council's vision for people with learning disabilities to have homes in places where they can take part in everyday activities in their local communities, for example, being near shops and leisure facilities with good transport links. It will support progression and moving on, giving people more choice and control by supporting them to move to more independent accommodation that meets their needs.

Engagement with providers in the sector confirmed that they are familiar with providing the required services under the proposed contractual arrangement with other local authorities.

The scale and price of the procurement leads commissioning to expect a strong response. The procurement strategy will allow operational colleagues the opportunity to review support hours and ensure there is more choice and control, aligning to the personalisation agenda within a framework of positive risk taking. Utilising assistive technologies will support maximisation of independence as well as reducing the number of hours for sleep-in and waking nights where appropriate.

The price/quality/social value ratio will be set at 45/40/15 to ensure providers submit a competitive tender but recognise the importance the council places on quality of provision and social value. As there is a floor and ceiling price evaluation for each of the 'lots', this ensures the council is protecting quality (floor) and value for money (ceiling).

One of the expectations of this procurement is that the successful bidders will pay their staff the London Living Wage. This translates into an expected cost pressure of £200k based on the calculated ceiling rate. Existing arrangements are based on 150 units of accommodation currently occupied by Southwark residents. In addition, there are as many as 27 vacancies which are mainly due to refurbishment. If all 177 units of accommodation were occupied, it would add further costs of about £1.6m. This process will be carefully managed. It is expected that the majority of these units will be occupied by existing clients previously housed in a residential setting or units of accommodation to be decommissioned, thus adding to the quality but not adding any additional costs to the Department.

Southwark Council supports the commissioning of high quality and safe services which meet the needs of our people with learning disabilities and/or autism which will improve quality of life. This is in keeping with the council's 'Fairer Future' commitments and commissioned in accordance with the Fairer Future vision and the Fairer Future Procurement Framework.

RECOMMENDATIONS

1. That Cabinet approves the procurement strategy of tendering this contract for a period of five 5 years plus two years (1 + 1) 'in lots' (as set out in Option 5b and para 43) with an estimated annual contract value of £10.9m making a total cost of circa £76.3m if both extensions are exercised.
2. That cabinet approves the delegation of the award decision in the Gateway 2 to the strategic director of children's and adults' services in consultation with the cabinet member for children, schools and adult care to ensure the speedy delivery of our commitment to achieving the best outcomes and value for money for Southwark residents.

BACKGROUND INFORMATION

3. Southwark Council provides social care support packages to around 650 people with learning disabilities who have a diverse range of needs, including people on the autistic spectrum and some with very profound and complex support needs.
4. Accommodation based care and support is provided within a property which has a number of either, self contained or shared units of accommodation. Outreach support is when the individual lives in a home that they own, a home they privately rent, in their family's home, or a home they rent from the council, or a Housing Association, (all known as general housing) and receives support to maintain their tenancy (housing related support, sometimes referred to as floating support) and/or access to community activities.
5. Southwark Council currently spot/ad-hoc purchases all of its accommodation based supported living and outreach services for Southwark residents with learning disabilities and or individuals on the autistic spectrum.
6. Annually, Southwark spends circa £12.6m on care packages for people with learning disabilities including people on the autistic spectrum who are over 18 years of age in receipt of in and out of borough supported living, residential care and outreach support services.
7. Currently there are 48 individual, in-borough supported living properties that have between one and ten units of accommodation in each of the properties.

Table 1 units of accommodation

Property Type	Number of properties	Available units
1 Unit of accommodation	4	4
2 Units of accommodation	8	16
3 Units of accommodation	16	48
4 Units of accommodation	11	44
5 Units of accommodation	2	10
6 Units of accommodation	3	18
7 Units of accommodation	1	7
8 Units of accommodation	1	8
9 Units of accommodation	0	0
10 Units of accommodation	1	10
11 Units of accommodation	0	0
12 Units of accommodation	1	12
Totals	48	177

8. The 48 in-borough properties can, if fully occupied accommodate a total of 177 individuals.

9. There are a number of landlords for the supported living properties; eight of them owned by London Borough Southwark with Housing Management provided by Golden Lane Housing; other properties are owned by either the current support provider or a Registered Social Landlord.
10. The current in-borough outreach service provides support to 108 residents living in general housing or in the family home. There are 9 providers in-borough currently delivering the services.
11. Since the Gateway 0 recommendations were approved in December 2017 commissioners have undertaken a programme of work, overseen by the Project Management Board; including the following activities:
 - Reviewing current provision
 - Identifying the existing strengths, weaknesses and gaps in provision of accommodation based supported living and outreach services for residents of Southwark with learning disabilities and or autism
 - Researching best practice models
 - Engaging with key stakeholders
 - All Age Disabilities (AAD) Social Workers undertaking reviews using a strengths-based approach
 - Working with AAD team to explore ways in which assistive technologies can support Southwark residents to achieve and maintain the most appropriate level of independence
12. The aforementioned programme of work has been used to inform the recommended procurement strategy.

Summary of the business case/justification for the procurement

13. This procurement is necessary for the reasons already explained in paragraph 5. In order to ensure the best outcomes for residents of Southwark with learning disabilities are achieved the council intends to put in place arrangements which will:
 - Provide the sector with a clear understanding of Southwark's strategic priorities and standards
 - Create contractual levers to ensure good quality and that performance is provided at the contractual standard or above
 - Promote choice and control for Southwark residents receiving the support and or care and value for money for residents/taxpayers and continue to provide local (in-borough) provision
14. This procurement strategy will ensure a more modern model of delivery, and enable the council to ensure that future provision maintains value for money and continues to align to the personalisation agenda.

15. The specification for the contract will require the provider to demonstrate that they are willing and able to be a partner in the strategic developments and operational delivery of a dynamic and responsive service.
16. The proposed procurement strategy will offer people greater opportunities to increase their independence, access jobs, form relationships and therefore, where appropriate, reduce the use of Residential Care. This is in line with the Government's plan to improve the lives of people with learning disabilities and their families Valuing People Now, the Reach Standards and Registering the Right Support 2017.
17. The proposed procurement strategy has been developed to ensure providers are able to demonstrate their ability to deliver high quality person-centred approaches with a proven track record of supporting those with varying, profound, complex, and behavioural needs to have new experiences within a framework of positive risk taking, and ultimately for the individual's life to be enriched.

Policy Implications

18. The model and procurement strategy will support the council's vision for people with learning disabilities to have homes in places where they can take part in everyday activities in their local communities, for example, being near shops and leisure facilities with good transport links. It will support progression and moving on; "moving on" is about giving people more choice and control by supporting them to move on to more independent accommodation that meets their needs.
19. The local authority is under a statutory duty to provide care and support to eligible adults with identified needs. Under the provisions of the Care Act 2014, Part 1, section 9, local authorities are required to assess adults who may have care and support needs, considering the outcomes that the adult wishes to achieve in day to day life, and the impact of the adult's need for care and support on their ability to achieve those outcomes, and to what extent the provision of care and support could contribute to the achievement of those outcomes. Where needs have been identified, and are considered to be eligible in line with the criteria set out at Part 1, section 13 of the Care Act 2014, including that the adult is requesting support from the local authority to meet those needs, the council has a duty to consider how it may meet those needs.
20. The commissioned services will be underpinned by the principle that we will work for everyone to realise their own potential, as set out in the council's 'Fairer Future' commitments.
21. The Department of Health and Social Care sets out policy on the provision of learning disability services, and the National Institute for Clinical Excellence (NICE) sets out guidance for the provision and commissioning of learning disability services. The most up to date guidance, "Learning disabilities and behaviour that challenges" recommends that services should be commissioned in the community that are able to cater for people with lower level needs up to intensive, complex or fluctuating needs, and that, wherever possible this provision should be provided as an alternative to, and reduce the need for residential care placements. The guidance recommends that services are designed and delivered in a way that aims to maximise people's choice and control, promote person centred care, help people take an active part in all aspects of life that they choose, and to promote continuity of relationships.

22. The Department of Health and Social Care has also set out the Transforming Care Programme in 2012, addressing issues raised at Winterbourne View in 2011. The programme was refreshed in 2015, with a national plan Building the Right Support published in 2015. This set out a continued commitment to reducing the number of people with learning disabilities who are cared for in inpatient units in mental health hospitals.
23. Learning disabilities services will be commissioned in accordance with the Fairer Future vision, and the Fairer Future Procurement Framework. .
24. Services will be commissioned in accordance with principles set out in the All-Age Autism Strategy (2016-21). The strategy was produced in line with the National Autism Strategy, Think Autism (2014), and the related statutory guidance, Adult Autism Statutory Guidance (2015).

Market considerations

25. The model, scale and price of the procurement opportunity leads commissioning to expect a strong response from local, regional and national experienced providers in the learning disabilities sector.
26. The market for learning disability care and support and housing related support is competitive and robust; it is anticipated that there will be significant interest in this opportunity for the aforementioned reasons.
27. The expectation of a strong response is based on responses other boroughs have received for similar procurement opportunities and engagement with the market within the past year. The council has also kept the market abreast of developments through the Adult Social Care Provider Forum.
28. Initial engagement with providers in the sector confirmed that they are familiar with providing the required services under the proposed contractual arrangement with other local authorities.
29. Additional and wider market engagement took place in January and February 2020 to inform the service specification and inform the sector of Southwark's direction of travel for the future procurement of the learning disabilities accommodation based and outreach services.

KEY ISSUES FOR CONSIDERATION

Options for procurement route including procurement approach

30. The national and local policy drivers for accommodation services for adults with learning disabilities are set out in paragraph 18-24 inclusive.
31. Operational colleagues will take the opportunity to review support hours and ensure there is more choice and control, aligning to the personalisation agenda within a framework of positive risk taking when a robust procurement process has been implemented against a robust service specification. Utilising assistive technologies will support a delivery model that maximises independence as well as reducing the number of hours for sleep-in and waking nights where appropriate.
32. Floor and Ceiling Hourly Rates – The proposed hourly rates in each of the 'lots' have been derived through detailed cost modelling including the following factors:

- Current hourly rates paid by London Borough of Southwark for the same types of services but for different client groups
 - Sector norms for delivering similar services for vulnerable groups; for example mental health, care at home providers
 - Current hourly rates paid for accommodation based and outreach care and support
 - Benchmarking against other Local Authorities
 - London Borough of Southwark commitment to ensuring commissioned services pay the London Living Wage (LLW)
 - Staff skill sets required to meet the needs of the individual recipients of the services
33. Payment of the London Living Wage (LLW) will result in a net increase in expenditure of £200k on projected current annual costs when calculated against hours of support recorded on Mosaic. The impact of paying the London Living Wage (LLW) is mitigated by the use of floor and ceiling rates and continued review of need and support.
34. Senior Managers in the Learning Disabilities Team and All Age Disabilities Team are currently undertaking a desk top review of all current service users of in-borough accommodation based and outreach learning disabilities services to ensure the hours of support are supporting independence within a framework of positive risk taking and utilising the strengths-based approach.
35. The price/quality/social value ratio will be set at 45/40/15 to ensure providers submit a competitive tender but recognise the importance the council places on quality of provision and social value. The expected impact on current costs can be seen in the table below:

Table 2 Costings including waking nights

Lot	Current annual cost for identified cohort	Proposed floor and ceiling hourly rate	Projected annual cost	Variance against ceiling price
Outreach support	£1,064,870.34	£16.00 (Floor) £16.80 (Ceiling)	£1000,000	- £50,000
Low / medium needs (including waking nights)	£7,700,000	£16.68 (Floor) £17.48 (Ceiling)	£8,000,000	+ £300,000
Profound and complex needs	£1, 950,000	£17.00 (Floor) £18.00 (Ceiling)	£1, 900,000	-£50,000
Total	£10,700,000		£10,900,000	£200,000

36. Table 2, c ostings include waking nights, based on the amount of support hours per service user identified on the care management system Mosaic; multiplied by current providers hourly rate.
37. The 2019-20 Supported Living budget is £12.6m compared to current costs of £10.7m reflected in this report, a difference of almost £2m. The main reasons for the difference are out of borough placements as well as personal care provision, both of which are not covered in this procurement.
38. The implementation of assistive technologies and shared waking night provision, where appropriate, will support the reduction of sleep in nights and increased independence. Potential savings resulting from this are not reflected in the figures presented as the rate of take-up by providers is impossible to determine.
39. Spend in table 2 is based on occupancy in November 2019. There were 11 identified voids across the current properties at that time, as well as 16 additional units of accommodation in scope for the future commissioned accommodation based care and support services. Some of the properties are void due to planned refurbishment and others are at various stages of referral. Based on the average expected cost per client (low/medium need), filling these 27 void and to-be-commissioned beds will add about £1.6m of cost.
40. The provider awarded the geographic area (outlined in para 44) in which any future accommodation based care and support services are established will, under this procurement strategy, be expected to meet the needs of any such service.
41. There will be a project group established to support a robust pathway for step up, step down, bringing out of borough placements in to voids once the procurement is complete. The pathway will be supported by the adoption of a strengths-based approach which will ensure increase independence.
42. The nature and value of these services restrict the use of adopting a 'Light Touch' procurement approach. Due to this the Public Contract Regulations 2015 and Public Sector Directive 2014/24/EU will need to be applied.

The following options have been considered in relation to the procurement of this service:

Option 1 – Do Nothing. As it is a statutory duty that the council provides services that meets the needs of the identified client group; as set out in the Care Act 2014 this option is not recommended.

Option 2 - Continue existing arrangements: This is not a preferred option because the current arrangements were not subject to tendered contracts with robust terms and conditions. More importantly a tender exercise would provide an opportunity to develop a specification to meet current and future needs of Southwark residents with learning disabilities and or autism. Therefore this option is not recommended.

Option 3 - Bring the service in-house. The council does not currently have capacity or the infrastructure to deliver these services. This would also entail the council being responsible for TUPE liabilities of existing staff delivering these services. Therefore this option is not recommended.

Option 4 - Single Supplier Negotiations – This is not an option as there is more than one provider that can deliver this service and the Public Contracts Regulations 2015 (EU

procurement) regulations do not allow for a Single Supplier Negotiation approach to be undertaken in such circumstances. Therefore this option is not recommended.

Option 5 - Competitive Tender: This would allow the full engagement with the sector, thereby ensuring the council achieves value for money and the best possible outcomes for service users. Therefore this option is recommended as set out in option 5b

Option 5a – Open Procedure: This would require substantial resourcing for evaluation of tender submissions because it does not include the use of the Standard Selection Questionnaire (SQ) which is used in the restricted procurement approach. Given the number of providers in the sector and the need to ensure that limited resources for proposed tender evaluation are focused on providers that are likely to meet all of the specification requirements this option is not recommended.

Option 5b - Restricted Procedure: The restricted procurement procedure will incorporate four geographical ‘lots’ for low and medium care and support, one ‘lot’ for profound and high complex needs and or behaviours that challenge and one ‘lot’ for outreach support for people living in general housing. Splitting the tender into four (4) geographic lots of approximately equal financial value reduces the risks attached to provider failure. The proposed procurement will include the use of Standard Selection Questionnaire (SQ). The SQ enables all ‘first stage’ tender submissions to be evaluated and identify only providers who meet the pre determined threshold to be shortlisted and invited to submit a full tender (ITT). **This option is recommended**

Proposed procurement route

43. The proposed procurement route is competitive 2 stage Restrictive Procedure tender applying the Public Contract Regulations 2015 and Public Sector Directive 2014/24/EU.
44. The contract will be awarded in six lots, four geographical for low and medium levels of accommodation based support, one specialist lot for profound, high complex needs and or behaviours that challenge and one lot for outreach support to people living in general housing or in the family home. Four separate bidders and or lead providers will be awarded a geographical lot, one bidder will be awarded the specialist lot and one bidder will be awarded the outreach lot. Bidders will be allowed to bid for all four geographical lots but will only be awarded a maximum of one. Bidders who bid for the geographical lot can also bid for the specialist lot and can be awarded the contract for this service in addition to the geographic lot. Bidders for the geographical lots will be asked to submit their preferences. The council will have sole discretion when awarding the lots based on bidders ability to meet the set criteria and their ranked position.
45. Evaluation will be undertaken by representatives from relevant stakeholder and will include methods that will involve service users and/or their families.

Identified risks for the procurement

46. The following risks have been identified:

Risk	Description	Risk Rating	Mitigation
1. Poor quality submissions	A lack of quality in bids could result in	Low	The quality/social value / price ratio will support the council

	the council being unable to award some and/or all the contract(s) due to quality concerns		<p>ensuring quality of the service provision.</p> <p>Ongoing market engagement and positive communication with existing and potential providers highlighting all potential future opportunities within Southwark.</p>
2. Lack of bids	A lack of tender submissions could result in the council not being in a position to award contract(s)	Med	<p>Early engagement with the market will ensure that there is a clear understanding of the market in terms of size and strength as well as likely interest in this opportunity.</p> <p>A Prior Information Notice (PIN) has been published and wider market engagement in January 2020 has generate interest and awareness.</p> <p>The 'lots' will be open to a consortium bid.</p>
3. Impact of London Living Wage	Payment of the London Living Wage to all service provision will create a pressure on the budget.	Medium	<p>Utilising floor and ceiling rates within the procurement methodology will support best value for money tender submissions</p> <p>Ongoing review of service users needs will ensure the right level of support is provided to maximise independence.</p>
4. Landlord / property issues	In some cases the property owner and care provider are on and the same. They may not choose to make the property available if they are not the care provider at the property.	Medium	<p>Commissioners have been working with organisations where they are both the property owner and care provider for over 12 months to establish if they are going to continue to make their properties available for the proposed procurement. To date commissioners have been advised by one organisation that they will not make three of their properties available under the proposed procurement. Social Workers are working with the individuals, their families and or advocates and the provider to establish what will be in the individual's best interest once the</p>

			three properties are no longer commissioned by LBS. The tenant could take a personal budget and remain in the service should they choose and their assessed needs can be met by the provision. At the Market warming event commissioners will be asking RSL to identify if they have properties they can make available should they be required in the future. LBS also have properties identified and in-train to increase the portfolio of properties available
5. Service users choice to remain where they are living	Some individuals may choose to want to remain in a non-commissioned service.	Low	As addressed in the risk 4 individuals who wish to remain in non-commissioned services can access a personal budget and purchase the services that meet their identified needs from the their current landlord and or support and care provider should this be assessed as being in their best interest.

Key /Non Key decisions

47. This report is a key decision.

Policy Implications

48. As identified in paragraphs 17-23 inclusive.

Procurement Project Plan (Key Decisions)

Activity	Complete by:
Enter Gateway 1 Decision on the Forward Plan	04/11/2019
DCRB Review Gateway 1	22/01/2020
CCRB Review Gateway 1	19/12/2020
Publication of Prior Information Notice (PIN)	23/12/2019
Brief relevant cabinet member (over £100k)	04/02/2020
Approval of Gateway 1: Procurement strategy report by Cabinet	10/03/2020
Scrutiny Call-in period and notification of implementation of Gateway 1 decision	24/03/2020
Completion of tender documentation	27/03/2020

Activity	Complete by:
Publication of OJEU Notice	30/03/2020
Publication of Opportunity on Contracts Finder	01/04/2020
Closing date for receipt of expressions of interest and submission of completed SQ	01/05/2020
Completion of short-listing of applicants	14/05/2020
Issue Invitation to Tender	18/05/2020
Closing date for return of tenders	16/06/2020
Completion of evaluation of tenders	13/07/2020
Forward Plan (if Strategic Procurement) Gateway 2	01/08/2020
DCRB Review Gateway 2:	19/08/2020
CCRB Review Gateway 2	30/07/2020
Notification of forthcoming decision – dispatch of Cabinet agenda papers	14/09/2020
Approval of Gateway 2: Contract Award Report	20/10/2020
End of scrutiny call in period and notification of implementation of Gateway 2 decision	03/11/2020
Debrief Notice and Standstill Period (if applicable)	09/11/2020
Contract award	10/11/2020
Add to Contract Register	11/11/2020
TUPE Consultation period (if applicable)	21/01/2021
Place award notice in Official Journal of European Union (OJEU)	12/11/2020
Place award notice on Contracts Finder	12/11/2020
Contract start	01/02/2021
Initial contract completion date	31/01/2026
Contract completion date – (if extension(s) exercised)	31/01/2028

TUPE/Pensions implications

49. There would be limited TUPE implications identified for the current providers if they do not submit or are unsuccessful in the tendering exercise. Historically when this type of service goes out to tender and providers change a high percentage of support workers choose to TUPE to the new provider or transfer to an alternative service delivered by the current provider. Identification of the current providers' workforce will need to take place and enclosed in the tender documentation. This information will be required by potential bidders as this will need to be factored in when a tender submission is being developed.

50. There will be no TUPE implications for London Borough of Southwark as there is no Council staff employed in the delivery of these spot purchased service.

Development of the tender documentation

51. The Procurement Manager will be responsible for overseeing the tender process; the Strategic Commissioning Manager will be overall accountable including leading on the development of the service specification as advised by operational colleagues from All Age Disabilities Team. The Learning Disabilities Accommodation and Outreach Project Board will oversee this procurement.

Advertising the contract

52. The contracts will be advertised by way of an official notice published in the OJEU. The opportunity will also be advertised on the London Tenders Portal via ProContract.

Evaluation

53. The Standard Selection Questionnaire (SQ) will be evaluated by council officers from across commissioning, operations and finance departments. The selection process will involve an evaluation of each organisation's capacity and knowledge in the areas of Learning Disabilities services.
54. Tenders will be evaluated using a weighted model of 45/40/15 price/quality/social value ratio. This will ensure a high quality of service delivery at a competitive price.
55. As there is a floor and ceiling for price evaluation, this means that the council is endeavouring to protect quality (floor) and value for money (ceiling). The use of floor and ceiling means that officers may exclude submissions outside of these rates.
56. The price evaluation will be undertaken by officers in the council's finance team.
57. The quality evaluation will be undertaken by officers in the All Age Disabilities Team, Commissioners, and officers in appropriate stakeholder departments and will include service users and their families. The service users and their families will be responsible for evaluating at least one of the method statements which will reflect an area of the service they have identified as being most important to them.
58. Tenderers may be invited to a clarification interview and bidder presentation with council officers and people who use the service.
59. The quality evaluation will consist of method statements focusing, but not exclusively on the following areas:
- Service delivery with regards to the specification
 - Social Value
 - Workforce development and training
 - Working towards independence
 - Mobilisation plan
60. The full evaluation methodology will be developed by the Children's and Adults' lead Commissioner and approved by the Learning Disabilities Accommodation and

Outreach Support Project Board.

Community impact statement

61. An equality analysis has been carried out in order to demonstrate that the council has had due regard to the needs of individuals and groups having a protected characteristic under the Equality Act 2010 – also assists the council to show how it has satisfied the Public Sector Equality Duty under the Act.
62. **Age:** The age of the individuals with a learning disability for which the provision is targeted range from 18 to 64 years of age although currently there are some individuals who exceed this age range.
63. **Disability:** The outcome of the council's proposed procurement is considered to have a neutral impact upon people who share this characteristic. All individuals have learning disabilities and some have profound, complex needs and or behaviours that challenge. Some are elderly and some of the tenants have physical disability as additional needs.
64. **Sex:** Of the 171 individuals currently in accommodation based services with learning disabilities approximately 46% are female and 54% are male.
65. **Race:** Of the 171 individuals, 45% are white British, 35% are Black, and 20% Asian and other minority ethnic groups
66. **Sexual Orientation:** The sexual orientation of the service users affected is not recorded but service entry requirement is that the individual has learning disabilities and cannot be excluded from the service on the basis of sexual orientation.
67. **Religion/Belief:** The religion/belief of the service users affected is unknown but they cannot be excluded from the service on the basis of religion or belief.
68. **Maternity/Pregnancy:** There is no data in relation to maternity/pregnancy for current service users affected.
69. **Gender Reassignment:** There is no data regarding gender reassignment in relation to the current service users but the service entry requirement is the individual has learning disabilities s/he cannot be excluded from the service on the basis of this protected characteristic.
70. **Marriage/Civil partnership:** There is no data regarding marital/civil partnership status in relation to the service users.

Social Value considerations

71. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well being of the local area can be secured. The details of how social value will be incorporated within the tender are set out in the following paragraphs.
72. This service will provide care and support to some of the borough's most vulnerable residents to be safe and live well.

73. The successful bidders will be expected to demonstrate social value in their response to the method statement questions that will require them to consider a range of measures that they can implement to foster social value including:

- Opportunities of apprenticeships for care leavers or those with learning Disabilities
- Training and employment opportunities for individuals with learning disabilities or care leavers
- Providing residents of Southwark for employment and development opportunities
- Prioritising spending the Southwark pound in Southwark; using local suppliers of services and produce wherever economically possible
- Work trial and placement opportunities

Economic considerations

74. The majority of Support Workers tend to live locally therefore the award of this contract will support the local economy.

Social considerations

75. Social Value contribution will require the provider to contribute to the local economy and sector employment opportunities by employing Southwark residents at all levels whenever possible. The provider will also be expected to offer apprenticeships and work trial opportunities as well as employment opportunities to people with learning disabilities.

76. Key areas of social value commitments of the Southwark Council Fairer Future Commitments which are relevant for this project include:

- Job creation
- Payment of London Living Wage where appropriate
- Health and wellbeing considerations

77. The Social Value Portal will be used to monitor and evaluate the Social Value impact of this procurement. 15% of the total available evaluation marks will be made available for the Social Value evaluation.

78. The Southwark Ethical Care Charter (SECC) ensures fair employment conditions for care and support staff (including training).

79. The SECC ensures that there is a well-trained workforce which has the ability to provide appropriate support. Payment of the London Living Wage (LLW) not only improves their financial wellbeing; it also recognises the skills and competencies that they deploy in order to keep vulnerable individuals safe and well.

80. The council's Fairer Futures Procurement Framework is designed to ensure best value and continued improvement in everything purchased by the council. The policy ensures compliance with best value, probity and transparency principles, with all organisations in any given market following the same rules.

Environmental/Sustainability considerations

81. As a minimum, the providers will be expected to have environmental policies in place.
82. The provider of the Outreach service will be expected to roster outreach staff so that they are less likely to need private transport.

Plans for the monitoring and management of the contract

83. Key performance indicators will be set and challenged to ensure the successful bidder performance and delivery is to the service specification requirements.
84. The All Age Disability and Learning Disabilities Team will undertake regular reviews planned or responsive to issues and/or concerns raised.
85. The Quality and Contracts Monitoring Team within the Commissioning service will lead on contract management and monitoring of the commissioned service and comply with Contract Standing Orders.

Staffing/procurement implications

86. The commissioning, procurement and contract management requirements will be contained within the existing staffing and resources within the commissioning team. The same applies to legal, procurement and finance colleagues; there will be no specific staffing implications.

Financial implications

87. One of the aims of this procurement is to enable all providers of Supported Living services to the council to pay their staff the London Living Wage. This translates into an expected cost pressure of £200k based upon the calculated ceiling rate. This is lower than expected mainly because a number of providers already pay their staff at the LLW rate. It must be noted that the current procurement amount has been based on the 150 beds currently occupied by Southwark residents. There are however 27 vacant beds mainly due to some premises in process of being refurbished. If these were all to be filled, it would add further costs of about £1.6m. This process will have to be carefully managed, but it is expected that most of these beds will be occupied by existing clients previously housed in a residential setting, thus not adding any additional costs to the Department.

Legal implications

88. Please see concurrent from the Director of Law and Democracy.

Consultation

89. Consultation has taken place with families/carers/advocates who will continue to be engaged in the tender process as it progresses. All of the individuals affected by this procurement have had a review within the past 12 months conducted by an appropriate professional. This will ensure that a full picture of their current status and needs are taken into consideration when placing in or remaining within a service. Plans are in place to monitor and continue to review individual's needs and preferences as the proposed procurement model is implemented.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Head of Procurement

90. This report seeks approval from Cabinet for the procurement strategy outlined for the provision of accommodation based support and outreach support services for individuals with learning disabilities and differences. for a period of 5 years with the option to extend twice by 12 months for a total cost of £76.3m (if both extensions are exercised).
91. The value of the services means that they are subject to the tendering requirements of the Public Contract Regulations 2015 (PCR15) and the council's Contract Standing Orders. The council's proposed strategy of undertaking restricted procedures and broken down into 5 Lots (4 x geographical and 1 x outreach support). This procurement route should maximise competition and ensure that the council achieves the best value for money.
92. Paragraphs 52 to 59 in this report detail the proposed evaluation methodology for each of the lots .
93. Southwark Council's procurement officers will be advising on the tender documents to be used to ensure that all relevant statutory questions are included and due diligence to ensure the successful supplier is financially stable.

Director of Law and Democracy

94. This report seeks approval of the procurement strategy for the provision of accommodation based support and outreach support services for individuals with learning disabilities and differences.
95. Due to the nature and estimated value of the services that the council requires the procurement of those services will be subject to the application of the (EU) Public Contracts Regulations 2015 (PCR) as well as relevant domestic legislation and the council's Contract Standing Orders (CSOs).
96. The report details a proposal to procure the services by way of a competitive tendering exercise on the basis of four geographical 'lots' for low and medium care and support, one 'lot' for profound and high complex needs and or behaviours that challenge and one 'lot' for outreach support for people living in general housing, using the two stage "restricted procedure" prescribed by the PCR. The proposed procurement route is also consistent with CSOs.
97. The decision to approve the recommended procurement strategy is one which is expressly reserved to the cabinet under the council Constitution.
98. When making procurement decisions the council must consider and have due regard to any effects of the decision on the community at large and on people identified as possessing "protected characteristics", as defined in the Equality Act 2010 – the "Public Sector Equality Duty". The community impact statement set out from

paragraph 60 of this report notes the number of service users that are considered to possess one of the protected characteristics and the likely effect of this procurement on those individuals and groups. Paragraph 61 advises that an equality analysis has been conducted in order to monitor the impact of the services during the lifetime of the contract.

Strategic Director of Finance and Governance (60DK19-20)

99. The Strategic Director of Finance and Governance notes the contents of this report, and in particular the financial implications discussed in paragraph 87. Any budgetary pressures resulting from this procurement are to be contained within the current funding available to the Children's and Adults' Department.

BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
None		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Jasmine Ali, Children, Schools and Adult Care
Lead Officer	David Quirke-Thornton, Strategic Director for Children and Adults
Report Author	Lesley Hill,
Version	Final
Dated	12 December 2019
Key Decision?	Yes

CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER

Officer Title	Comments Sought	Comments included
Strategic Director of Finance and Governance	Yes	No
Head of Procurement	No	No
Director of Law and Democracy	Yes	Yes
Director of Exchequer (For Housing contracts only)	N/A	N/A
Contract Review Boards		

Departmental Contract Review Board	Yes	No
Corporate Contract Review Board	Yes	No
Cabinet Member	No	No
Date final report sent to Constitutional/Community Council/Scrutiny Team	12 March 2020	