Item No.:	Classification: Open	Date: *12 March 2010*
To	**Executive Member for Health and Adult Care**	
Report title	**Gateway 2 – Contract Award Approval for the Lewisham and Southwark Supporting People Framework.**	
Ward(s) or groups affected	**All Wards**	
From	Strategic Director of Health and Community Services	

RECOMMENDATIONS

1. That Executive Member for Health and Adult Care approves the award of the Framework Contract for the potential provision of housing related support services as detailed in paragraph 4.

BACKGROUND

2. Southwark Supporting People Mission Statement is "To improve the quality of life of vulnerable people in Southwark, through the provision and promotion of responsive, creative and cost effective housing related support services, which both respond to assessed need, promote choice and independence and ensure that housing support services play an integral part in the delivery of other local and national plans and objectives."

3. The Supporting People programme funds housing related support to help people maintain or achieve independent living. It has a preventative ethos that enables and assists people to do things for themselves. The programme provides services for a wide range of vulnerable client groups in a range of different settings from high support hostels with 24 hour support through to floating support services that are able to support people in their own homes in their communities.

4. Listed below are some examples of the type of support that can be provided through the Supporting people programme: -

    *   Help in setting up and maintaining home or tenancy
    *   Developing domestic and life skills
    *   Help to managing finances and helping with benefit claims
    *   Help finding other accommodation through the private rented sector and assistance with Southwark Homesearch
    *   Help accessing community and culturally specific services
    *   Help accessing training and employment.
    *   Help to contact other organisations like Social Services

5. Housing related support does not include: -

    *   Medical or nursing treatment
    *   Care and nursing homes
    *   Physical care e.g. feeding and help with bathing & dressing.
    *   Assistance with using the toilet
    *   Professional treatment or counselling
    *   Intensive behaviour management

6. Southwark's Supporting People (SP) Programme manages an annual programme grant of £17.016m in 2010/11 that provides funding to commission housing related support services. Currently the programme commissions over 130 services through almost 100 contracts.

7. At its meeting on 24 June 2008 the Executive agreed a Gateway 1 report that recommended a tendering process to establish a framework agreement to enable the efficient re-commissioning of the majority of housing related support services funded through the supporting people programme.

8. The Gateway 1 recommended a joint procurement with Lewisham Council on the basis of market analysis of current services and providers and creating greater market competition and allowing implementation costs to be shared.

9. Bromley and Lambeth subsequently requested to participate in the framework tender and in order to minimise direct costs to Southwark and Lewisham and maximise market competition it was agreed that they could participate as secondary authorities.

10. The agreement has established an initial ranked list of providers based on the most economically most advantageous bids (i.e. taking into account quality and price) under a

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number of service categories or 'lots' from which services can be purchased without going through a full procurement process as this has already been the process to establish the framework.

11. Service contract prices will depend on the nature, volume and category of the services called off and therefore actual contract prices nor estimated contract values are included in this report.

12. The framework agreement will markedly reduce the need for multiple individual procurements for every service, resulting in cost and resource savings for the participating authorities, as well as for providers, as they will not have to undertake multiple tenders.

13. Table 1. provides and overview of the tender timetable.

Table 1 - **Timetable of procurement process followed**

Activity	Date completed
Gateway 1: Approval given for procurement strategy	24/06/2008
Completion of tender documentation	31/07/2009
Advertise the contract	16/04/2009
Closing date for requesting info packs	08/05/2009
Closing date for submissions of PQQ's and expressions of interest	15/05/2009
Invitation to tenders	31/07/2009
Closing date for return of tenders	30/09/2009
Completion of evaluation of tenders	04/12/2009
Gateway 2: Contract award for approval	10/03/2010
Place award notice in Official Journal of European Union (OJEU) (if applicable)	By 27/04/2010
Start date of contract	01/04/2010
Contract completion	31/03/2014

Description of contract outcomes

14. The outcomes from the establishment of the framework can be described on a number of levels. The specific high level outcomes are as follows:-

- Better able to respond to the overall budgetary allocation and manage commissioning activity against budget.
- To manage the Supporting People programme more efficiently and effectively.
- To manage the Supporting People programme in a timely way.
- Ability to manage the market.
- Opportunities and flexibility to more easily reconfigure services and the programme as a whole to meet existing and future emerging needs.
- Greater emphasis on improving performance for the national indicators N141 and N142
- Simpler to benchmark hourly rates.

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- One off major tendering exercise with administrative savings in not having to undertake multiple full tenders both from the Councils perspective and the providers.

- The procurement has resulted in providers new to Southwark coming into the market

- Updated and consistent assessment of quality including Service User input.

- Consistent, transparent and simplified procurement process.

- Greater potential for cross borough commissioning.

- Potential to use the framework to contribute to the personalisation agenda.

- Market and service sustainability with the prices submitted on a full cost recovery basis.

15. The framework agreement does not establish any direct services but will create a series of ranked lists of approved providers organised into a series of service categories who can be called upon to supply services against an agreed specification and an agreed hourly pricing rates.

16. Services called off the framework agreement are focused on providing a range of different types of services to different categories of vulnerable people in need of housing related support. The aims of these services are to increase and maintain people's independence to allow them the opportunity to participate in the community.

17. The Council is measured on how well this is achieved by two indicators from the 198 in the national indicator set.

   - N141 - measures how people are supported to become independent. (This measure is also included as part of the Southwark's LAA)

   - N142 - measures how people are supported to maintain independence.

18. In addition the Supporting People Programme contributes indirectly to a number of national indicators and key indicators within Southwark LAA as shown in Table below.

19. Table 2 – National Indicators that the SP programme can contribute to.

Indicator number	Indicator
NI 46	Young offenders access to suitable accommodation
NI 136	People supported to live independently through social services (all ages)
NI 139	People over 65 who say that they receive the information, assistance and support needed to exercise choice and control to live independently
NI 143	Offenders under probation supervision living in settled and suitable accommodation at the end of their order or licence
NI 145	Adults with learning disabilities in settled accommodation
NI 147	Care leavers in suitable accommodation
NI 149	Adults in contact with secondary mental health services in settled Accommodation

20. SP services are generally preventative services and there is considerable evidence that expenditure in this area avoids and prevents the need to invest in more expensive and intensive interventions. For example services provided aim to prevent homelessness and contribute to a range of other agendas preventing hospital admissions, reducing the need for residential care, teenage pregnancy In a recent report for the CLG it has been estimated that the national SP budget of £1.6 billion has saved alternative expenditure of £3.4 billion if investment in these services was not made.

21. At an operational level the SP five high level outcomes for service users are measured and these are:-

- Achieve economic wellbeing,

- Enjoy and achieve

- Be healthy

- Stay safe

- Make a positive contribution.

KEY ISSUES FOR CONSIDERATION

Policy Implications

22. Supporting People is seen as an important strand in the delivery of many government priorities. This includes 'Valuing People' and Independence', Well Being and Choice and the National Service Frameworks for mental health, older people and people with long-term conditions. It also plays a key role in delivering national strategies such as the Reducing Reoffending National Plan, Tackling Drugs to Build a Better Britain and 'Sustainable Communities: Settled Homes Changing Lives'.

23. The SP programme has remained fairly static in terms of market testing since it came into being in 2003. There have been a few tenders but the majority of existing services have had rolling contracts extended year on year. Specifications were drafted on an ad hoc basis largely based on the status quo.

24. In January 2008 Supporting People Commissioning Body recommended approval of a further one-year extension of contracts to 31 March 2009 and again in January 2009 a further extension of 12month to 31 March 2010. These extensions were approved by Southwark Council but in recommending these extensions the Commissioning Body agreed that a longer-term strategic approach was required to the commissioning and procurement of supporting people services as existing contracts could not be extended ad infinitum. This was informed by advice from legal services and procurement that some form of market testing and competition and the framework tender was agreed as the procurement approach to meet these requirements.

25. The SP grant was subject to strict ring-fenced grant conditions in the early years of the programme. From April 2009 grant conditions were formally removed and from April 2010 the funding historically associated with the Supporting People programme will now form part of the area based grant. This will allow the Council greater flexibility to use these resources to meet council priorities and the establishment of a framework agreement supports this approach as it can facilitate more efficient service remodelling and re-commissioning.

Tender Process

26. The project has been managed using Prince2 principles and has been overseen by a project board made up of the Director of Commissioning and Nursing in Southwark and the Head of Crime Reduction and Supporting People in Lewisham. Beneath the project board has been a project group made up SP Lead Officers from the participating boroughs, Procurement and Legal representatives' from Lewisham and Southwark and the appointed technical consultants. The project group was facilitated by a project Team made up of a project manager from Southwark and Project Officer from Lewisham supported with an administrative support officer on an ad hoc basis.

27. Day to day management of the process has resided with a core group made up of the Supporting People lead officers of Southwark and Lewisham.

28. The tender was widely advertised from 16 April 2009 in:-

- Community Care Magazine
- Inside Housing
- South London Press
- www.supply2.gov.uk

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- www.spkweb.org
- Participating boroughs Websites
- To all existing contracted providers in the 4 participating boroughs
- The Advert was also circulated to every SP team nationally to be circulated to SP providers.
- Circulated via CVS mailing/contact list
- SITRA Website

29. The advert invited interested parties to request an information pack and that included a Pre Qualification Questionnaire (PQQ). The PQQ process is backward looking and determines whether organisations are suitable to be invited to tender. As existing contracted providers are well known to SP teams through SP reviews and contract management these were pass-ported through the full PQQ process and only needed to complete part of the PQQ to register their interest. Other providers not currently contracted completed and submitted a full PQQ.

30. The PQQ's were evaluated on a pass fail basis under a number of headings. A fail in any one meant that provider could not be shortlisted. PQQs were evaluated on:-

- Economic and Financial Matters (Experian Report)
- Contracts
- Quality
- Health and Safety
- Equalities
- References

Providers that failed were offered feed back on the reasons for this. Evaluations were undertaken by a panel made up of the SP lead officers and procurement officers from Lewisham and Southwark.

31. Given the size of the Tender considerable interest was generated and this is shown in table 3 below.

32. Table 3

Requests for Information	175
PPQ's (including expressions of interest)	150
Shortlisted	124
Providers Tendering	99

33. The Invitation to Tender (ITT) was sent to shortlisted providers by email on 31 July 2009 with a deadline for return of tenders by 4.00 p.m. on Wednesday, 30 September 2009. The ITT consisted of:-

- Information and Instructions (including award criteria and tender terms and conditions.)
- Accommodation Based (AB) specifications
- Floating support (FS) specifications
- Form of Tender
- Pricing schedules – one for FS and one for AB services.
- Tender Template
- Tender Return Label

34. The specifications were drafted by SP commissioning officers in the four participating boroughs with other input from a range of professional stakeholders. The specifications were

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designed around two core specifications, one for floating support services and one for accommodation based services. Supplementary service specs were drafted for each of the categories/lots included in the framework. See Appendix 2 for a list of the categories. In total there were 17 categories/lots that could be tendered for.

35. To support providers through the process and encourage maximum participation the Council's appointed SITRA to act as independent provider support details of this are shown below:-

- eight half-day briefing meetings
- two half-day workshops on developing consortia
- seven issues of a Questions and Answers (Q & A) information sheet
- responded to 47 individual enquiries through their helpline
- Supplied the first edition of their Guidance to Framework Agreements
- regular updating of the documents provided by the Boroughs for their dedicated web-page
- ten half day briefings on ITT stage
- provided notes and comments on Q & A at ITT stage
- feedback by email and phone of arising issues throughout process

36. SITRA maintained a helpline from the time the tender was advertised through to ITT. Information on the Tender was also posted onto their website.

37. SITRA have conducted a survey to obtain feed back from providers about the tender process and information supplied. Feedback from the majority of respondents was that the process, briefings and information was rated as either satisfactory or good. Although, there was a correlation between the size and tendering experience of a provider - with the smaller less experienced providers erring towards a satisfactory response and larger more experienced providers answering good. This is something that officers may need to be aware of in the calling off of services and in future procurements.

38. ITT documents were drafted and the selection criteria and weighting were agreed by the Project Group. The framework was scored and ranked on the basis of a 50:50 split on price and quality. However, Lewisham required a 60:40 split and this was addressed by setting a minimum quality threshold of 30% for the quality element of the score.

39. The Submissions were based on answering six generic questions and then six specialist questions for each category being tendered for appropriately weighted. For example if a provider wanted to submit for all seventeen categories/lots then they would have submitted one generic method statement and seventeen specialist method statements. Answers for each question were limited to 800 words and should be standalone answers with no cross references to answers in other questions. Appendix 3 shows the questions and weightings.

40. Prices were submitted on the basis of an all inclusive hourly rate and providers were advised that this rate would stand for the four year lifetime of the framework unless a mini-competition or TUPE price is required. Providers were requested to supply prices on a number of ranges up to 200 hours, 200 to 400 hours and over 400 hours per week - this would allow prices to potentially reflect economies of scale. In addition commissioners can use the framework to reflect different levels (low, Medium & High) of support need by purchasing more or less support hours depending on the nature and type of service called off/purchased. The specifications gave indicative ranges of hours of support for each level and these were dependent on the client group category.

41. For accommodation based services providers could also submit prices for sleep in, waking night, concierge if they wish to be considered for these types of service. Inner and Outer London rates could be supplied to reflect the participation of Bromley Council as a secondary partner.

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42. Price evaluations for establishing bidders to be accepted onto the framework and their initial rankings were done on the up to 200 hour inner London day rate and based on a deviation from the mean principle. Prices above the mean receiving a lower score and Prices below the mean receiving a higher score.

43. The initial framework ranking is based on the Inner London <200 price submitted. Further prices have been submitted depending on the volume and type of service tendered for. See appendix 9 for the ITT pricing schedules. These prices will be used depending on the type and volume of service being called off.

44. Depending on the service being called off rankings will potentially change. For instance if a 24 hour services was required bidders accepted onto the framework would be re-ranked for this type service based on whether they were able to supply this type of service – i.e. bidders who have indicated that they are not able to provide 24hr services would not be included in the re ranked list.

45. Two providers only wanted to work in Bromley and only submitted outer London prices. To enable these to be included the average uplift between inner and outer London prices was calculated and applied to give an inner London price for these providers.

46. Experience from other frameworks in other local authorities showed that a damping mechanism on prices would be helpful to avoid small changes in prices having a disproportionate effect on the overall rankings and on the agreed 50:50 price quality split. This would be particularly evident once the framework is in operation and providers are submitting revised prices as result of mini competition or TUPE. The damping formula brings the price range scores within the range of the quality scores. For example if the bottom and top quality scores are 20% and 40% respectively the range between them is 20%. Without a damping mechanism the price scores would be from 0% (highest price) to 50% (the lowest price) a range of 50% and therefore small variations in price might disproportionately impact on the over all score and ranking. To avoid this, a damping mechanism has been applied and in the example above this will match the range of price scores with the range of the quality scores. The lowest price will still receive the highest score and the highest price the lowest score and if the quality scores have a range of 20% then the prices scores will also have a range of 20% allowing rankings to be determined by the 50:50 split.

47. Further details of the evaluation process are contained in appendix 8.

Plans for the Transition from the old to the new Contract

48. Commissioning plans for using the framework have been agreed by the SP Commissioning Body with target timetables for services to be commissioned in year 1, 2, 3 and 4. These commissioning plans are being coordinated across the four boroughs. To avoid commissioning similar services at the same time and to look at potential cross borough commissions.

49. The Commissioning Body have recommended annual extensions to contracts to be commissioned in year 2 but rolling three month contract extensions for services commissioned in year 1. This provides for flexibility to manage the transition from existing providers to potential new service providers.

50. A call off protocol is in draft (see appendix 7) to guide the operational use of the framework and this will include regular liaison meetings between the four boroughs to plan and coordinate use of the framework. Indeed this has been the case since the start of SP in 2003.

51. The authorities have developed a common Supporting People contract to reduce bureaucracy and to provide greater clarity for providers. This contract will be used for all support services called off from the framework agreement. The revised service contract has greater scope for varying contracts where needed than existing service contracts.

52. Services can be called off from the Framework and how this will be done will be determined by a number of factors. The main processes for call off are shown below:-

- **Call off without competition**

  - Call off using tendered price and quality score – no changes to sub criteria or weightings can be made. The providers are simply ranked electronically. There will also be flags to show if that provider can provide housing management, 24 hour cover or want to work in a particular borough.

- **Call off by mini-tender**

  - Call off involving a request for a TUPE price only - option to change weightings using the ranges shown in ITT

  - Call off involving changes to sub criteria with providers given the option of reducing their tendered price - option to change weightings using the ranges shown in ITT

  - Call off involving changes to sub criteria with a request for a TUPE price - option to change weightings using the ranges shown in ITT

53. It is likely that the majority of services called off will have TUPE implications and use of the framework for these service will be by one of the methods under the heading "Call off by Mini-tender" in paragraph 53 above. Whichever of these options are used the framework will allow for re-ranking so that participating authorities can call off using the principle of most economically advantageous tender subject to any agreed local segmentation policies. In these instances shrewd and well informed providers who will be initially informed of their ranking may be able to take a business decision to adjust their price to improve their ranking.

54. Prices on the framework can be variable as the majority of services are likely to be subject to TUPE re-pricing. Prices can go up as well as down for TUPE re-pricing and providers ranking will then be recalculated and their ranking for the particular service being called off may change as a result of this. In this instance the call-off will go to the top ranked provider.

55. As well as being concerned with the direct contractual relationship between the council and service provider use of this framework will have a bearing on the relationship between the provider and their landlord. In Southwark many accommodation based SP services have the support and housing management provided by an organisation that is not the landlord. In most instances there is a management agreement between the RSL landlord and the support provider that guides this relationship. It is highly likely that use of the framework will mean that support providers will change and to cover this eventuality there have been discussions with RSL's through SOUHAG and LEWHAG. As part of the ITT providers wishing to be considered for housing management arrangements, where this is necessary, were required to answer questions to determine their suitability for this. A fail would mean they would not be able to offer housing management it would not disqualify them from being accepted onto the framework.

56. Changes to support providers and the implications for RSL and other land lords are covered in a draft protocol. Although, RSL landlords are independent the council has considerable influence to make sure that the transition, where support providers change, is as smooth as possible.

How the Framework agreement will operate

57. Governance of the framework will follow the principles of the project phase. The project board currently made up of the PCT Interim Director of Commissioning in Southwark and the Head of Crime Reduction and Supporting People in Lewisham will form the Framework Board with responsibility for oversight and scrutiny of the operational phase of the

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framework. This board would have responsibility for approving such things as removal of providers from the framework for poor performance.

58. Operational management will be overseen by a Framework Operational Group made up of the SP commissioning leads in each of the four boroughs. The two commissioning leads in Southwark and Lewisham would be responsible for chairing and facilitating this group. The group will agree and review the operational manual, review the operational use of the framework, share performance issues and other information, check that boroughs are using the framework correctly and consistently, make sure the operational guidance is being followed, consider and co-ordinate commissioning plans as well as looking the amount of business being commissioned and the break down across the four boroughs, check the data base for integrity as well as have oversight of the IT system. Draft Terms of Reference are included in Appendix 7 and these and the operational manual will be agreed within the project board prior to the Framework going live.

59. The framework agreement will have a maximum term of 4 years. There are 17 separate service categories or 'lots'. Each service category was treated as a separate tendering exercise, although some of the tender documentation was common to all lots. The framework agreement sets out the prices submitted at tender stage for each service category.

60. The participating authorities have restricted the number of providers in each service category to those that can most effectively deliver the requirements set out in the service specifications. This has resulted in some service categories having more providers than others, with the maximum number of providers within each category being 15.

61. Where services are called off from the framework agreement the individual authorities will contract directly with selected providers, using the common Supporting People service contract. Contracts will be called off specifying a total number of hours support required with more hours of support being purchased for services requiring a higher level of support. To allow providers to price realistically the ITT specified that, as a minimum, 35 hours of support per week will be commissioned for each service using the call off process (a lower volume could be subject to negotiation between the authority and the most economically advantageous provider). In practice and in the majority of services the numbers of hours purchased in a contract are likely to be considerably more than this minimum level.

62. The authorities reserve the right to contract any accommodation based or floating support services outside of the framework agreement. However, the intention is to use the framework agreement for the vast majority of services that fall into the service categories and only procure outside of the framework agreement on a business case basis.

63. The London Boroughs of Lewisham and Southwark have been defined as the Principal Contracting Authorities (PCAs). The framework agreement includes an access agreement to enable the other participating authorities to access the arrangements. The London Boroughs Lambeth and Bromley are accessing the framework as Secondary Contracting Authorities (SCAs). No other boroughs can now use the framework. Southwark will incur no liability in respect of the use of the framework by the SCAs and this is reflected in the terms of the framework agreement and access agreement. Each approved provider will need to enter into a framework agreement with each PCA, as well as an access agreement with each SCA. This will formalise the legal arrangements between the selected providers and the individual authorities, so that services can be called off from the framework agreement.

64. The framework agreement places an obligation on providers to supply services to the London Boroughs of Lewisham and Southwark when they are called off, although the authorities will take into account any circumstances where it would be unreasonable to call off services from a provider. The London Boroughs of Lambeth and Bromley have the option of using the framework as required and as such there will be no obligation on providers to supply services to these authorities.

65. When a service is 'called off' the provider will enter into a contract with an individual authority. This contract should be for the term that an authority would ordinarily enter into a contract with a support provider. This may involve some authorities entering into an initial contract and then having an option to extend it.

66. A contract can extend beyond the term of the framework agreement, provided that the length of the contract is that normally granted for these types of services. Therefore, a three year contract for a call off made at the end of the third year of the framework agreement will extend two years beyond the end of the framework

67. The framework is a new agreement and technically no services will be supplied until services are called off/purchased from the framework. Transitions from old services to new will be handled sensitively as this may involve considerable change both for users of the service and staff who might be subject to TUPE transfers. Commissioners purchasing from the framework will draw up and agree transition plans that include exit strategies and transfer of data as necessary.

68. Participating boroughs can, where it is considered appropriate, vary the weightings by the ranges shown in appendix 5. This will allow and give greater flexibility for the commissioning of more specialist services not covered in detail in the general and broad specifications supplied in the ITT.

69. Individual boroughs will determine the type of service that they wish to call off and this will determine the call off option to use. However, the framework also gives the participating authorities the option to jointly commission services and this may deliver economies of scale and infrastructure.

70. Participating boroughs will, for most part, use the framework independently and given that there was full participation by all the participating authorities in the framework project stages they will have no recourse to either Southwark or Lewisham as lead boroughs in the event of any losses, expenses or other issues arising from the use of the framework. Although the Framework Project was led by and used Southwark's procurement processes, the arrangements for the governance and future management of the framework will be formalised in a partnership agreement, the terms of which are to be agreed between Southwark's and Lewisham's respective project managers, with the assistance of the parties' legal officers.

71. At the Executive meeting held on 24 June 2008 the Gateway 1 for the framework procurement was agreed and it was agreed to delegate to the executive member for health and adult care decisions in respect to the award of contracts as part of the framework agreement. Award of service contracts for services called off from the framework will therefore be approved by the IDM through a standardised gateway 2 process.

Plans for Monitoring of the Contract

72. Early on in the project it was determined that there was a potential for new providers not known to SP to be accepted onto the framework and as providers on the framework will not necessarily be providing services they would not be monitored in detail by officers. It was therefore agreed that to have services commissioned from them providers will need to be accredited and have that maintained at their cost through Exor management services. Exor undertook the accreditation of providers which was a national requirement in the early years of the programme. Costs of accreditation vary depending on the size and number of services the organisation has. Accreditation will cover a number of domains and these are; -

- Testing financial viability

- Activities of the Organisation

- Employment Policies

- Management Experience

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- Health and Safety

73. Providers called off from the framework cannot enter into a service contract until such time as they are accredited. Discussions with Exor indicate that the checks to obtain accreditation can take a matter of weeks but this is dependent on the organisation being accredited to supply the relevant information. The requirement to maintain accreditation during the term of any service contract has been included as a contractual obligation in the service contract. Status of accreditation will be monitored as part of the SP contract monitoring processes as this is a contractual requirement. Details will be shown on Exor's EPASS system and this can be accessed through current Council access arrangements. Provider accreditation status will also be a flagged on the new IT system see paragraphs 82 – 87.

74. Once a service is called off and commissioned then SP's contract monitoring processes will kick in. There will be a risk assessment using an agreed matrix to determine how a contract will be monitored ranging from light touch to an intensive approach. Contract monitoring will also include:

- Quarterly Performance Information (includes either N141 or N142)

- Analysis of client record returns.

- Analysis of client out come returns.

- Scheme visits that can be announced or unannounced spot checks

- Quality self assessments using annual Quality Assessment Framework returns that are validated through scheme visits.

- Agreed action plans for continuous improvement

- Participation in move on surveys

- Consultation with Service users

75. SP performance targets have been agreed across the four boroughs and these will be incorporated in service contracts for monitoring and compliance.

76. The performance of SP contracts notably N141 and N142 (see paragraph 17) are recorded quarterly through the submission of standard PI work books and uploaded on to the Supporting People Local System (SPLS). This application is the central business tool for managing the SP programme. It is used for calculating payments and interfaces with SAP. Contractual performance is also recorded and the system is used to generate the quarterly extracts that report directly on N141 and N142 these are submitted to the CLG. These extracts can be shared with the four boroughs to benchmark performance. Local authorities also receive analysis of the performance returns from the CLG so that performance can be easily benchmarked and compared nationally, with in London or with selected authorities. Oversight of performance is currently undertaken within the existing governance arrangements of the SP programme as well as at a department and corporate level. The SPLS system is a separate system to SPECT

77. Compliance with contractual terms, poor quality or poor performance is dealt with through comprehensive default procedures that can ultimately lead to decommissioning and /or substitution of support providers. Where this happens this information will be fed into the Framework Operational Group and recommendations made to the Framework Board for appropriate action as well as being used in local decision making processes.

78. Responsibility for maintaining the framework will rest with Southwark and Lewisham's commissioning and contract monitoring teams responsible for SP. An operational guide will be drawn up based on the current draft call off protocol and guidance outline attached as appendix 7.

79. The Framework Operational Group will agree the operational manual prior to the framework becoming operational and this group will consider the options to deal with issues such as:

- Where a provider is called off and fails to deliver an adequate or acceptable service.

- Information exchange between the participating boroughs

- Rules for removal of providers from the framework, where their accreditation hasn't been maintained, had contracts terminated for poor performance etc.

- When a provider fails to meet its obligation to supply.

- Management and maintenance of the basic data

- Reporting on market share and any local segmentation policy.

- Regular and routine liaison sessions.

Other considerations

80. To assist with the setting up the framework and to manage the calling off and mini competition process it was established by the project group that an IT solution would seem the logical option. A number of options were considered including managing this in house, using the option set up by the West London framework based on excel spreadsheet and other options. A toolkit and detailed specification for a system were drafted and agreed and quotes sought from 3 providers. These were the West London system, a bespoke system designed by CIVIS and system from CDP soft. CDP were considered as the company that provides the web hosted RARS system successfully used by the Housing Assessment Support Unit to manage referrals into supported housing. This system has now been purchased by a number of other authorities on the basis of the success of the system with Southwark Council.

81. Given that four boroughs were participating in the process it was agreed by the project board that the best option to manage the framework and to enable the participating boroughs to use the framework effectively that the webhosted IT solution proposed by CDP soft be adopted. This system is based on a module from a wider e-procurement system that has been developed and marketed by the company. The system is called Supporting People Electronic Call-off Toolkit (SPECT).

82. A web hosted option was agreed because it offers a single data base for the initial framework ranking thus making it easier to maintain the integrity of the base data than if there were four separate systems and for consistency of information through out the life of the framework. Each of the participating boroughs also required access to the system so a webhosted arrangement was deemed the best option. SPECT will not be used to record performance information as this is recorded in each boroughs SPLS. However, the Framework Board and Framework project group will make decisions about removal of providers or suspension from the framework in situations where poor performance is identified in a service that has previously been called off.

83. SPECT will be flexible enough through the call off process to manage the different options outlined in paragraph 52 above. Each of the participating authorities will be able to do so independently in calling off services so that options to vary weighting for instance can be used subject to local decisions and requirements or alternatively where a joint service is required it will be for the participating borough to agree which borough might lead and the arrangements for that particular procurement.

84. Given the similarities with the webhosted RAR's system and the involvement of SERCO and corporate IT in the development of that system and the performance of CDP soft officers are confident that the webhosting arrangement is not an issue in this instance.

85. Maintenance of the system for the life of the framework will be the responsibility of CDP soft.

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Community Impact Statement

86. A Stage 2 Equalities Impact Assessment was presented to Southwark's Equalities Panel in September 2007. This report identified the key equalities issues in relation to the SP programme for Southwark's community.

87. The report highlighted that the SP programme has the potential to have a significant positive impact on a range of equalities issues for Southwark's wider community. Services funded through the SP programme are for a wide range of vulnerable and socially excluded groups. SP services therefore have the opportunity to reach out to a wide range of groups and ensure they can access the support needed to maintain their independence and improve their health and well being. The headline figures for the groups accessing services funded through the programme illustrate the extent to these services can benefit a wide range of people and communities:

88. The overall number of people accessing SP funded services has remained fairly constant at around 1100 – 1400 per year since April 2003.

89. Since April 2003, on average 45-49% of people accessing services are from a BME group with around 37-39 % from a white British background

90. Southwark's take up of SP services is slightly lower than the London average of 52% for the same period.

91. In some service areas BME groups are over represented and therefore SP services have a role to play in understanding and addressing the issues underlying this. For example:

   - BME groups accounted for between 52% and 59% of mental health service users between April 2003 and April 2007 which was higher than the London average

   - There has been an increasing trend in the number people from BME groups accessing substance use services – this has risen from 42% to 49% between April 2003 and April 2007.

   - Four in five young people accessing SP services are from a BME group.

92. The delivery of the SP programme, guided by the five year strategy and annual action plan, has been reviewed and updated to take account of issues identified in the stage 2 Equalities Impact Assessment and ongoing analysis of service performance data is carried out quarterly to ensure new and emerging issues are identified and responded to.

93. The implementation of a Framework Agreement has been done with reference to the Equalities Impact Assessment to ensure that services specified on the framework are designed in a way that ensures they are tailored to and responsive to the diverse needs of Southwark's community.

Sustainability Considerations

94. A question in the Generic Method statement addressed sustainability considerations as follows:-

   - Please detail how you will deliver services in a way that minimises the impact of your activities on the environment.

95. The pricing for the framework was based on the full cost recovery and tenderers were advised to consider this in their submission. Prices valid for straight call-offs were submitted on the basis that they be current for the 4 year life of the framework with no inflationary uplifts.

Market Development Considerations

96. The framework process was designed to open out the market for the provision of SP services in the four participating authorities.

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97. A number of new providers – not currently contracted in Southwark are recommended to be accepted onto the framework.

98. There are also opportunities for partnership and subcontracting arrangements to be agreed between those on the framework and those that either did not meet the framework work criteria or more specialist community groups. However, any partnership or sub-contracting arrangement would need the agreement of the relevant borough before that contract is let. Any sub-contracting arrangement agreed by Southwark will be subject to compliance (by the sub-contractor) with the quality thresholds/standards imposed on the framework providers and this will be reflected in the conditions of the relevant service contract.

Resource Implications

99. The framework is itself cost neutral apart from a small ongoing cost for the IT system. However, although framework agreement with providers is at negligible cost the framework is designed to respond to budgetary pressures flexibly and efficiently. It is anticipated that Supporting People will be required to deliver savings of £1.650 million in 2010/11 and without the framework this would be considerably more difficult to do. A commissioning plan is in largely developed which show the programme of commissioning over the four year life of the framework.

100. Current costs of implementing the framework are shown in the table below.

Description	TOTAL
Project Manager	£80,003
Project Officer	£58,452
External consultancy – local authority advisory role	£13,283
External consultancy – providers advisory role	£24,750
Communications – publicity, newsletters, briefings	£6,262
Project database / IT support	£28,000
External consultancy - BHUG	£20,278
LD Service User Support	£2,950
Total	**£233,978**

101. Southwark's contribution has been funded through slippage in the SP staffing budget and carry forward of £47,000 from 2008/09.

102. Lambeth and Bromley have made contributions in proportion to the expected and planned commissioning activity from the framework.

103. On going management costs will be contained within the commissioning structures using the framework. There is an annual licence for the IT system of £8,000 this will be shared between the 4 boroughs participating in the framework and contained within existing administration budgets.

Staffing Implications

104. Although there are no staffing implications it will be important to ensure sufficient staff resources to operate and utilise the framework so as not to jeopardise the delivery of efficiency savings of £1.650 million in 2010/11 required from the SP programme as detailed in the concurrent report of the Finance Director below. The framework will initially be operated by the commissioners in the Supporting People Team and subsequently by commissioners in adult commissioning following a planned reorganisation of the commissioning function within Health and Social Care.

105. There are no TUPE implications for Council staff. However, in the majority of cases for services called off from the framework there is likely to be TUPE implications where support providers change. In this instance guidance is contained in the draft Call off Protocol and Commissioners are fully aware that this will need to be handled professionally and sensitively so that services to vulnerable people are maintained.

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Financial Implications

106. The framework is an efficient tool to procure a range of Supporting People services to support vulnerable people in the borough. It provides the flexibility to respond effectively to changes to service needs and any budgetary constraints that may occur in the current economic climate. Budgetary provision exists within the supporting people budget for the cost of operating the framework.

Legal Implications

107. As noted in paragraph 65 the framework agreement places an obligation on providers to supply services to the London Boroughs of Lewisham and Southwark when they are called off, although the authorities will take into account any circumstances where it would be unreasonable to call off services from a provider. The London Boroughs of Lambeth and Bromley have the option of using the framework as required and as such there will be no obligation on providers to supply services to these authorities. Please also see the advice of the Strategic Director of Communities, Law & Governance below.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Communities, Law & Governance

108. The Strategic Director of Communities, Law & Governance ("SDCLG", acting through the Contracts Section) has advised the report author and Project Board throughout this matter and notes the content of this report. The services which are being procured through the Framework are Part B services under the EU Procurement Regulations and therefore are not subject to the full raft of EU processes including the requirement to advertise throughout Europe via an "OJEU" contract notice. However, in undertaking this procurement, all four authorities (namely Southwark, Lewisham, Lambeth and Bromley) have endeavoured to apply principles of fair treatment and transparency in line with the principles of the Treaty of Rome and the EU Directive and Regulations. The procurement process has also been subject to the application of the Southwark's Contract Standing Orders ("CSOs").

109. The lead Boroughs (Southwark and Lewisham) are empowered to enter into joint working arrangements under powers conferred by the Local Government Act 1972, and the procurement and award of the proposed contracts is consistent with the power conferred by section 2 of the Local Government Act 2000, which allows a local authority to do anything which it considers likely to achieve or improve the social, economic or environmental well-being of its area. The framework agreement governs the relationship between the lead Boroughs and the service providers. Paragraphs 57 to 71 explain the nature of the framework agreement and how it is intended to operate, and confirm that the framework and access agreements have been drafted in such a way as to ensure that Southwark will not incur any liability as a result of the use of the framework by the participating authorities. The SDCLG will also advise and assist in connection with the drafting of a partnership agreement which is intended to regulate the relationship between Southwark and Lewisham as lead authorities in the management and monitoring of the framework. This report sets out in detail the procurement process which has been followed and the extent to which officers, service users, service providers and independent advisers have been involved. The requirements of the lead Boroughs have been carefully and clearly expressed within the invitation to tender in order to fulfil the requirements of the EU Procurement Regulations and to satisfy the principles arising from European case law.

110. Following a review of all of the existing service contracts operated by the four authorities mentioned above under the Supporting People programme, the SDCLG drafted a revised service contract for the purpose of regulating the various services to be "called off" the framework. This is intended to reflect best practice and to enhance the authorities' remedies where necessary, particularly in respect of suspension and

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termination of service provision. The proposals for the management and monitoring of the service contracts are contained within paragraphs 72 to 79, in line with CSO 7 and appropriate conditions have been included within the revised service contract.

111. The decision to approve the establishment of the Framework is one which may be taken by the Executive Member in line with the express delegation of that power to him which was made by the Executive on 24 June 2008. The recommendation set out in paragraph 2 has been made following discussion by the Project Board and is intended to simplify the process by which individual service contracts are awarded under the Framework, without compromising the need for a transparent and accountable reporting system. The Executive Member is therefore asked to note the delegation of those awards as confirmed in paragraph 71, in accordance with CSOs.

112. CSOs require that adequate funding shall have been identified before the award of a contract can be made, and the report of the Finance Director below confirms how that requirement will be satisfied. The decision to approve the award of the framework is a key decision within the definition contained in the Council Constitution. This means that the decision must be recorded on the Forward Plan and it will be subject to call-in before it can be implemented.

Finance Director

113. The supporting people budget in 2010/11 is projected to be £17.016m and is administered on behalf of the Council, by Adults Social Care. Expenditure is funded from Government grant which with effect from 2010/11 becomes part of the Area Based Grant received by the Council. In the social care budget the grant income previously credited to adults social care has been replaced with an increase in base budget equivalent to the amount of grant receivable. In 2010/11 the service is required to achieve savings and efficiencies of £1.650m. to maintain a balanced budget.

Head of Procurement

114. This report is seeking approval to appoint a range of suppliers onto a framework that will provide housing related support services to four local authorities including Southwark.

115. This procurement has followed a full EU process as set out in the gateway 1 report which was approved by Executive in June 2008.

116. The evaluation of the tender submissions was undertaken in an open, fair and consistent manner taking into account both price and quality. The stakeholder involvement and in particular the service user membership on evaluation panels is considered to be excellent procurement practice.

117. As an inter borough project, the governance arrangements through out the process have been jointly managed by the lead boroughs (Lewisham and Southwark) and these arrangements will continue for the life of the framework.

118. An IT system has been purchased to support the operational running of the framework. The ongoing monitoring of the providers will be a matter for each of the boroughs using the framework. Management information will however need to be shared amongst clients to assist with award decisions and ongoing maintenance of the framework lists.

119. A manual outlining the operation of the framework has been developed and access agreements for all boroughs have been drawn up. These documents spell out the roles and responsibilities of each borough in using and maintaining the framework. Paragraph 110 confirms that although Southwark is one of the lead boroughs, there will be no liability as a result of the use of the framework by participating authorities.

120. This procurement project has been resource intensive. The project team has been meeting since 2008 and has had membership from all participating boroughs. In addition to the departmental representatives from Southwark, corporate procurement

and legal services have attended project team meetings and have provided advice through out the process. It is therefore recommended that the benefits of setting up and operating this framework be tracked in terms of both cost and effectiveness to inform any future procurement decisions.

121. With collaborative procurement being promoted as best practice procurement within the public sector it is also recommended that a 'lessons learnt' workshop be undertaken to identify any issues that arose during the process to assist and help inform future procurement projects of a similar nature.

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FOR DELEGATED APPROVAL

Under the powers delegated to me in accordance with the Council's Contract Standing Orders, I authorise action in accordance with the recommendation contained in the above report.

Signature   …………………………………………   Date………………..

Designation   …………………………………………

KEY POINT SUMMARY

- This procurement followed a *general protocol*

- This contract is for *services* and is *a new provision and for replacing an existing provision*

- EU Regulations were followed during the procurement of this contract

- If EU Regulations applied, please indicate the procurement route followed

  The Restricted procurement route was followed

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BACKGROUND PAPERS

Background Papers	Held At	Contact
Gateway 1	Supporting People	*John Hebditch, Ext. 50775*
PID	Supporting People	*John Hebditch, Ext. 50775*
Various Framework Project files	Supporting People	*John Hebditch, Ext. 50775*
Tender Documents	Supporting People	*John Hebditch, Ext. 50775*

APPENDICES

Appendix number	Title of appendix
1	*The Framework (not available for publication due to commercially sensitive information)*
2	*Categories/lots included in the framework*
3	*Award criteria and weightings*
4	*Evaluation scoring*
5	*Call off Criteria variations*
6	*Supporting people framework agreement method statements*
7	*Operational Manual – outline (TORS and Call-off protocol)*
8	*Evaluations of the Tenders*
9	*Pricing Schedules*

AUDIT TRAIL

Lead Officer	*Jon Lillistone*
Report Author	*John Hebditch, Framework Project Manager*
Version	*Gateway 2 - Lewisham And Southwark SP Framework (Final - Open) 100310*
Dated	*26 October 2022*

Key Decision?	*Yes*	**If yes, date appeared on forward plan**	Jan 2010

CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	**Comments Sought**	**Comments included**
Strategic Director of Communities, Law & Governance	*yes*	*yes*
Finance Director	*yes*	*yes*
Head of Procurement	*yes*	*yes*
Executive Member	*no*	*no*
Date final report sent to Constitutional Support Services	*10/03/2010*	

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BACKGROUND DOCUMENT – CONTRACT REGISTER UPDATE

MANDATORY: Please complete the following details:

Contract Name	Lewisham and Southwark SP Framework
Contract Description	Supporting People Framework
Fixed Price or Call Off	N/A
Contract Lead Officer (name)	Jonathan Lillistone
Contract Lead Officer (phone number)	020 7525 2940
Department	Health and Community Services
Division	Client Group Commissioning
Business Unit	N/A
Estimated Contract Award Date	March 2010
Supplier(s) Name(s)	Various
Contract Total Value	N/A
Contract Annual Value	N/A
Contract Start Date	1 April 2010
Contract Review Date – 18 months before initial contract end date	N/A
Initial Contract End Date	31 March 2014
Contract End Date if extension options utilised	N/A
Number of Contract Extensions	N/A

Appendix 1

Due to the commercially sensitive nature of the information contained in this appendix this has not been released for publication.

Appendix 2

Categories/lots included in the framework

Accommodation based	Floating support
Mental health services	Mental health services
Vulnerable Adults	Vulnerable Adults
Learning Disabilities	Learning Disabilities
HIV, Physical and Sensory Disabilities	HIV, Physical and Sensory Disabilities
Younger People	Younger People
Substance Use	Substance Use
Offenders	Offenders
Domestic Violence	Domestic Violence
	Older People

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Appendix 3 – award criteria and weightings

The award criteria and the sub criteria and the related weightings for the joint framework agreement are as follows:

	Criteria	sub criteria	Weighting
1.	Delivery	• Appropriate infrastructure to be able to deliver in the selected borough/s	5%
2.	Service user involvement and choice	• Commitment to and processes for service user involvement and choice	10%
3.	Quality Performance and Outcomes	• Systems to measure quality, performance and outcomes.	2%
		• Ensuring high quality services and continuous improvement	5%
		• Processes for addressing equality and diversity	2%
		• Processes for addressing environmental sustainability	1%
4.	Specialist knowledge	• Experience of providing the service type to the client group	5%
		• An understanding of how to achieve the outcomes specified for the service type and for the service category	6%
		• Demonstration of effective training and appropriately qualified staff	3%
5.	Added value	• Added value to service users e.g. access to training, education	3%
6.	Partnership Working	• Demonstration of a commitment to and experience of working in partnership	3%
		• Understanding of how partnerships work in practice at a local level	5%

These award criteria will be applied to each service category. Overall the award criteria will be apportioned on the following basis between quality and price:

Total Quality	50%
Price	50%

Appendix 4 - Evaluation Scoring

Each question on the method statement will be scored from 0-5, half points are allowed, as follows:

No submission	0 Points	Failed to submit a method statement or address question fully
Very Poor	1 Point	A limited response with poor supporting evidence and lacks clarity
Poor	2 Points	Answers and meets some, but not all of the method statement's requirements. Lacks convincing evidence and understanding of the requirements
Acceptable	3 Points	Acceptable answer to the method statement. Answers are comprehensive and meet the required standards in all material aspects
Good	4 Points	Answer demonstrates a real understanding and gives much more detail to the method statement
Excellent	5 Points	Answers gives real confidence and that the method statement provides much more added value, is realistic and achievable and gives greater understanding than that of an acceptable answer

Appendix 5 – Call off Criteria variations

At call off by mini-competition the sub-criteria may differ provided that they are derived from the main award criteria. The participating authorities may also vary the weightings for mini-competition within ranges for each award criterion as follows. For instance if a specialist service is required the authority calling of the service might consider it more important to vary the weighting to take more account of the specialist knowledge requirement or similarly if price was more of a consideration then the weighting could be increased to take this into account.

1.	Delivery	1% - 5%
2.	Service user involvement and choice	1% - 10%
3.	Quality Performance and Outcomes	1% - 10%
4.	Specialist knowledge	10% - 40%
5.	Added value	1% - 20%
6.	Partnership Working	1% - 30%
7.	Price	20% - 70%

Any new sub-criteria or variations to the weightings will be published in the notice inviting providers to a mini-competition. 'The authorities will not vary the weightings for call off without competition.

Appendix 6 - SUPPORTING PEOPLE FRAMEWORK AGREEMENT METHOD STATEMENTS

Generic Questions

Delivery	
1.	Please detail how you would effectively deliver housing related support services in the boroughs in which you have selected to work, including the use of any infrastructure already in place, and how you would address developing the required infrastructure both now and in the future.

Service User Involvement and Choice	
2.	Please explain how you would involve service users to enable them to exercise choice within your services, your organisation and the wider community, including examples of how service users are able to influence decisions about the services they receive currently.

Quality, Performance and Outcomes	
3.	Please explain the systems you will use to measure the quality and outcome of services provided under the Framework Agreement.
4.	Please explain how you will ensure that high quality services are delivered and how continuous improvement will be maintained.
5.	Please explain, and provide evidence, about how your organisation promotes equality and diversity within your services and your organisation, and how you would promote equality and diversity within the services provided under the Framework Agreement.
6.	Please detail how you will deliver services in a way that minimises the impact of your activities on the environment.

Specialist Questions for Accommodation Based Services
This section is applicable to the following service categories.

Accommodation based service categories	
1.	Mental Health
2.	Vulnerable Adults (single homeless, rough sleepers, travellers and refugees)
3.	Learning Disabilities
4.	HIV/Aids, Physical and Sensory Disabilities
5.	Offenders
6.	Young People
7.	Substance Misuse (drugs and alcohol)
8.	Domestic Violence

Please ensure that your answer to each question is no more than 800 words.

Specialist Knowledge	
Please identify the types of accommodation based service that you wish to provide for this service category: *tick one or both* Day cover (e.g. 7am to 11pm) ☐ 24 hour cover ☐	
1.	Please explain your approach to delivering housing related support to this client group.
2.	Please explain how you will enable all service users to achieve and maintain independence, including enabling them to access suitable

	move on accommodation from short-term services. Please use examples from your current services to illustrate your answer.
3.	Please explain how you will ensure that your staff are suitably qualified and experienced to provide specialist housing related support services to the client group, including how you will ensure their continuing professional development and maintenance of specialist skills.

Added Value	
4.	Please detail any added value you can provide to enhance housing related support services procured from the framework agreement for the client group.

Partnership Working	
5.	Please explain how you will work in partnership with statutory services and voluntary organisations to deliver effective support to the client group. Please illustrate your answer with examples from your current services.
6.	Please explain how you will manage the different interests or priorities of local partners and their impact on your services. Please illustrate your answer with examples from your current services.

Specialist Questions for Floating Support Services
This section is applicable to the following service categories.

Floating support service categories
1.	Mental Health
2.	Vulnerable Adults (single homeless, rough sleepers, travellers and refugees)
3.	Learning Disabilities
4.	HIV/Aids, Physical and Sensory Disabilities
5.	Offenders
6.	Young People
7.	Substance Misuse (drugs and alcohol)
8.	Domestic Violence
9.	Older People

Please ensure that your answer to each question is no more than 800 words.

Specialist Knowledge	
1.	Please explain your approach to delivering floating support services to this client group.
2.	Please explain how you will enable all service users to achieve and maintain independence, including enabling them to sustain their independence once they cease to receive a floating support service. Please use examples from your current services to illustrate your answer.
3.	Please explain how you will ensure that your staff are suitably qualified and experienced to provide specialist floating support services to the client group, including how you will ensure their continuing professional development and maintenance of specialist skills.

Added Value	
4.	Please detail any added value you can provide to enhance floating support services procured from the framework agreement for the client group.

Partnership Working	
5.	Please explain how you will work in partnership with statutory services and voluntary organisations to deliver effective floating support to the client group. Please illustrate your answer with examples from your current services.
6.	Please explain how you will manage the different interests or priorities of local partners and their impact on your services. Please illustrate your answer with examples from your current services.