

LONDON BOROUGH OF CROYDON

To: All Member of Council
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STATEMENT OF EXECUTIVE DECISIONS MADE BY CABINET MEMBER FOR FAMILIES, HEALTH & SOCIAL CARE ON 16 JANUARY 2020

This statement is produced in accordance with Regulation 13 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. Further to the associated public notice of Key Decisions no scrutiny call-in has been received, and therefore the following decisions can be implemented.

The following apply to the decisions listed below:

Reasons for these decisions: As set out in the Part A report.

Other options considered and rejected: As set out in the Part A report.

Details of Conflicts of Interest declared by the Decision Maker: None.

Note of dispensation granted by the head of paid service in relation to a declared conflict of interest by that Decision Maker: None.

The Leader of the Council has delegated to the Cabinet Member for Families, Health & Social Care the power to make the Key Decisions set out below:

Key Decision no.: 4919FHSC

Decision Title: CONTRACT AWARD ADULT AND YOUNG PEOPLE SOCIAL CARE DYNAMIC PURCHASING SYSTEMS (DPS)

Details of decision:

Having carefully read and considered the Part A report, the associated confidential part B report, and the requirements of the Council's public sector duty in relation to the issues detailed in the body of the reports, the Cabinet Member for Families, Health & Social Care in consultation with Cabinet Member for Finance & Resources

Details of decision:

1. The initial appointment of suppliers listed in Part B of this report for the establishment of the Health and Social Care Services DPS for DPS 3 Independent Living & Supported Housing – Lot 2 Housing Related Support for a period of 5 years with an option to extend for five subsequent periods each of one year This is based on the contract terms issued as part of inviting tenders, such suppliers being those who have satisfied specified selection criteria;

2. The award of contracts and placements called off under the DPS's to be approved in accordance with the Council's Scheme of Financial Delegations and notified to Cabinet in accordance with paragraph 3.20 of the Part A report.

Signed: Council Solicitor and Monitoring Officer

Notice date: 24 January 2020

REPORT TO:	CABINET MEMBER FOR FAMILIES, HEALTH & SOCIAL CARE (delegated)
SUBJECT:	<p style="text-align: right;">Contract Award</p> <p style="text-align: right;">Health and Social Care Services</p> <p style="text-align: right;">Dynamic Purchasing Systems (DPS) – DPS 3</p> <p style="text-align: right;">Independent Living & Supported Housing – Lot 2</p> <p style="text-align: right;">Housing Related Support</p>
LEAD OFFICERS:	<p style="text-align: right;">Guy Van Dichele, Executive Director of Health, Well Being and Adults</p> <p style="text-align: right;">Robert Henderson Executive Director of Children, Families and Education</p> <p style="text-align: right;">Julia Pitt Director of Gateway</p> <p style="text-align: right;">Sarah Warman Director of Commissioning and Procurement</p>
CABINET MEMBER:	<p style="text-align: right;">Councillor Jane Avis, Cabinet Member for Families, Health, and Social Care</p> <p style="text-align: right;">Cllr Alisa Flemming, Cabinet Member for Children, Young People and Learning</p> <p style="text-align: right;">Councillor Alison Butler, Cabinet Member for Homes and Gateway Services</p> <p style="text-align: right;">Councillor Simon Hall, Cabinet Member for Finance and Resources</p>
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON</p> <p>This approach supports the following corporate priorities for the next 4 years as set out in the Corporate Plan 2018-2022:</p> <p>Promoting Independence and Enablement: To help people live long, healthy and independent lives with access to effective health services and care services. and, to help families be resilient and able to maximise their life chances and independence</p> <p>Partnership: Work in partnership with the NHS to provide good quality health services to Croydon’s population.</p> <p>Children and Young People: Ensure that children and young people in Croydon are safe, healthy and happy.</p>	

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Locality Matters: Develop services that are place based and integrated within their local community and tailored to local needs.

FINANCIAL IMPACT

Lots from the three Dynamic Purchasing Systems (DPS) to be introduced in over the next six months sit in three council departments Health Wellbeing and Adults, Children's and Gateway services. The total value of the services included in DPS1, DPS 2 and DPS 3 is currently £85,000,000 per annum against a 2019/20 Budget of £73,000,000.

From 2020/21 onwards, there is an expectation that pressure on this budget will continue to be managed, through a combination of better contract monitoring and control of expenditure, and where required finding alternative savings or securing growth for expenditure through the medium term financial strategy. The council budget for 2020/21 is not yet finalized, although the anticipated spending pressure on areas in scope has been flagged.

Additionally, the Council's health partners have access to other public and private funds to commission and procure services from the DPS's. It is anticipated that these organisations will contribute financially to our management of the DPS's. This will significantly increase the total spend on potential contracts being procured from the three DPS's.

The proposal is to establish the three DPS's to a maximum total value of £150,000,000 per annum to provide flexibility and allow significant headroom for the Council and partners to procure from the DPS's over the DPS duration of up to ten years. Most services commissioned to the DPS will be subject to mini-competition to ensure value for money.

FORWARD PLAN KEY DECISION REFERENCE NO.: 4919 FHSC

This is a Key Decision as defined in the council's constitution. The decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee by the requisite number of councilors.

The Leader of the Council has delegated to the Cabinet Member for Families, Health, and Social Care the power to make the decisions set out in the recommendations below:

1 RECOMMENDATIONS

The Nominated Cabinet Member for Families, Health, and Social Care in consultation with the Cabinet Member for Finance and Resources is recommended by the Contracts and Commissioning Board to approve the following:

- 1.1 The initial appointment of suppliers listed in Part B of this report for the establishment of the Health and Social Care Services DPS for DPS 3 Independent Living & Supported Housing – Lot 2 Housing Related Support for a period of 5 years with an option to extend for five subsequent periods each of one year This is based on the contract terms issued as part of inviting

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tenders, such suppliers being those who have satisfied specified selection criteria;

- 1.2 The award of contracts and placements called off under the DPS's to be approved in accordance with the Council's Scheme of Financial Delegations and notified to Cabinet in accordance with paragraph 3.20 of the Part A report.

2 EXECUTIVE SUMMARY

- 2.1 The procurement strategy for the Dynamic Purchasing Systems ('DPS') for Health and Social Care requirements for an initial period of five (5) years with options to extend for five subsequent periods each of one year with a total estimated annual value of up to £150,000,000.00 was approved by Cabinet on 10th July 2019 (Ref:)

This report is seeking to approve the establishment of the new DPS 3 Independent Living and Supported Housing - Lot 2 Housing Related Support which forms part of the 3 DPS's for the Council's requirements for Health and Social Care, with the providers listed in Part B of this report and the procedures for the award of call offs contracts. The listed providers have met the minimum requirements to be included as approved suppliers on Lot 2 of DPS 3.

- 2.2 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
31 st December 2019	CCB1546/19-20

3 DETAIL

Background

- 3.1 The Council adopted a new Corporate Plan in October 2018. This plan sets out the Council's promises to residents, business and partners over the next four years. In order to deliver the Corporate Plan, the Council is seeking to radically change the way services are delivered, with a strong focus on prevention, enablement and locality based working. This approach will be outcome focused and evidence-led, recognising that services need to differentiate to respond to the differing needs across the borough. The DPS's are designed to support the new corporate plan while ensuring services are value for money.
- 3.2 The Council currently spends in excess of £85m every year in financial support to the Adult and Young Peoples Social Care and Supported Living Services. This funding includes Day Care, Domiciliary Care, Nursing Care Homes, Residential Care Homes, Respite Care, Supported Living and Supported Housing. The Council has confirmed its commitment to continuing this funding and increasing the investment over the next four years from April 2020.

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- 3.3 The current Integrated Framework Agreement for Adult and Young Peoples Social Care Services is coming to an end in March 2020 and new services need to be procured before the new financial year 2020/21.

On 10th July 2019, Cabinet approved the procurement strategy for the Council to establish a number of Dynamic Purchasing Systems (three at this stage) across these areas to enable a quick route to the market for the commissioning and procurement of the health and social care services for Croydon residents as described in the report. The three Dynamic Purchasing Systems will be made available for the Council's health partners including the Croydon One Alliance, the Clinical Commissioning Group, and SLaM which has been estimated to increase the total maximum value of the DPS's to up to £1,500,000,000 over the maximum 10 year period.

- 3.4 The services within each of the three DPS's have been divided into separate Lots and Service Categories that are required.

Fig. 1 **DPS and Lot Structure**

DPS	Title	Lots	OJEU notice
1	Domiciliary Care and Active Lives	Lot 1: Domiciliary Care Lot 2: Active Lives and Day Care Lot 3: Outreach Services	December 2019
2	Residential Homes	Lot 1: Residential Care Homes Lot 2: Nursing Homes Lot 3: Private Hospitals (TBC) Lot 4: Respite Care	April 2020
3	Independent Living and Supported Housing	Lot 1: Supported Living Lot 2: Housing Related Support Lot 3: Young People Accommodation Support Services	26 September 2019

- 3.5 **Award Criteria:** The majority of service users receiving services via the DPS are the most vulnerable people in the community, including the elderly and frail; children and young people at risk; people with physical and learning disabilities, people with mental health and challenging behaviour; the homeless and people with special needs. The safeguarding issues and their health and safety is of paramount importance. The award criteria ratio was in accordance with Regulation 22 of the Tenders and Contracts Regulations to change the evaluation criteria to **60% quality** and **40% price**.
- 3.6 The procurement of the DPS 3 was carried out under the Social Care 'Light Touch' regime and followed the rules of the restricted tender (reg 34 (5) PCR 2015). The tender opportunity was advertised through OJEU on 26th September 2019 (Ref: 2019/S DN434334), the Contracts Finder and Council Website. Tenderers were required to submit their SQ responses by 12:00 noon on Wednesday 6th November 2019.

DPS 3 Selection Questionnaire (SQ) Evaluation - Stage 1

- 3.7 **Stage 1:** A Selection Questionnaire (SQ) is developed for each DPS and this will be relevant and proportionate to the services required under each DPS and Lot. The SQ tests the provider's suitability to become part of the relevant

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DPS, by responding to the questions in the Technical and Professional section where suppliers provide evidence of their experience knowledge, skills, expertise and qualification to provide the relevant services and work with the various cohorts of service users. Applicants will need to provide references of similar contracts for services provided to other local authorities or health organisations. Additionally, questions will include information about accreditation such as Equalities, Safeguarding, Social Value, General Data Protection Regulations and London Living Wage. Providers who pass the selection and exclusion criteria will be admitted to the DPS for the relevant Lots for the Council to commission services from as part of Stage 2.

3.8 The SQ checks were carried out in the following sequence:

- Part 1: Company Information
- Part 2: Exclusion Grounds and Modern Day Slavery
- Part 3: Financial and Insurance
- Part 4: Technical and Professional Ability – Quality Evaluation (3.11)
- Part 5: Pricing evaluation (3.13)

3.9 **Quality Evaluation:** The quality method statement questions are bespoke to each DPS, Lot and Service Category. The table below sets out a typical set of method statements questions that were used to assess the question of providers' quality submission as shown in the table below:

Fig. 2 Example Quality Method Statement Questions

	Weighting of
Contract Examples – two relevant examples	Pass/Fail
Sub-contracting arrangements	Pass/Fail
Safeguarding	Pass/Fail
Equalities and Diversity	Pass/Fail
Business Continuity Plan and Disaster Recovery	Pass/Fail
GDPR	Pass/Fail
CQC Registration	Pass/Fail
Organisational Structure and Resource Levels	FIO
Registered Locations	FIO
Training Matrix	FIO
Contract Management	4%
Continuous Improvement and Innovation	4%
Customer Satisfaction	2%
Environmental, Economic and Social Value	6%
Training	2%
Premier Supply Programme	2%
Service Delivery Model	10%
Delivering Services in Croydon	10%
Service Categories	15%
Day Opportunities	5%
Total	60%

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- 3.10 The quality evaluation panels were made up of a minimum of three evaluators with experience in the relevant service disciplines. Each evaluator evaluated every qualitative submission independently and then the scores were brought together for a moderation panel. The moderation panel was chaired by a moderator who represented the Council's relevant Commissioning and Procurement Team.
- 3.11 The quality evaluation consists of the comparison of bidder responses against the SQ and the specific method statements questions. To be approved for a place on each DPS, Providers needed to:
- Pass all the Pass/Fail questions, and
 - Achieve a minimum score of 2 out of 5 against all the weighted questions, and
 - Achieve a minimum score of 36 out of 60 (i.e. 60%) for all the weighted scores, and
 - Completed the schedule of prices for the respective Lot and Service Category described below.
- 3.12 **Price Evaluation:** A bespoke pricing schedule has been developed for each DPS, Lot and Service Category. The table below sets out a typical price schedule that was used to assess the question of providers' quality submission:

Fig. 3 Example Pricing Schedule

All-inclusive Hourly Rates for	Weighting of
Core Service and 1:1 – Hourly Rate	34%
Waking Night – Hourly Rate	4%
Sleep-In Rate	2%
Total	40%

- 3.13 The price evaluations were carried out by the Commissioning and Procurement team.

DPS 3 SQ Returns

- 3.14 There were 130 SQ Submissions received for DPS 3 for the Lots and Service Categories as follows, (noting that tenderers may have submitted tenders for any number of Lots and Categories):

Fig 4. DPS 3 returns

Lots	Service Categories	Bidders
Lot 1	Supported Living	71
	1. Mental Health	57
	2. Learning Disabilities	64
	3. Physical Disabilities	44
	4. Autism	58
	5. People with Challenging Behaviour	61
Lot 2	Housing Related Support	28
	1. Single Homeless, Ex-offenders, Rough Sleepers	14

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	2. Women experiencing DASV	14
	3. Single Homeless with complex issues	13
	4. Adults with long term accommodation support needs	16
	5. Floating Support	20
Lot 3	Young Peoples semi-independent accommodation	69
	1. All categories	69

3.15 The outcome of this quality and price evaluation process for DPS 3 Lot 2 has resulted in:

- Lot 1 – The evaluation of Supported Living will be completed in mid January.
- Lot 2 - The selection of a total of 10 approved providers in the categories below.
- Lot 3 – The evaluation of Young People’s semi independent accommodation will be completed by the end of January 2020 and will be reported separately

Fig. 5 DPS 3 Approved Providers

Lots	Service Categories	Approved Provider
Lot 1	Supported Living	
	1. Mental Health	<i>All categories completed in mid January</i>
	2. Learning Disabilities	
	3. Physical Disabilities	
	4. Autism	
5. People with Challenging Behaviour		
Lot 2	Housing Related Support	10
	1. Single Homeless, Ex-offenders, Rough Sleepers	7
	2. Women experiencing DASV	4
	3. Single Homeless with complex issues	5
	4. Adults with long term accommodation support needs	1
	5. Floating Support	7
Lot 3	Young Peoples semi-independent accommodation	
	1. All categories	<i>Evaluation will be completed end of January 2020</i>

DPS Call-off process – Stage 2

3.16 **Mini-competition:** When the Council needs to commission and procure a service, an invite will be sent to all admitted/approved providers on the relevant DPS and Lot. This will include details of the mini-competition process. The award criteria to be used for the award of individual contracts will be set out in the original contract notice. These criteria will be formulated more precisely for each specific contract and will be set out in the invitation to tender for the specific contract. All providers will be requested to complete a

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detailed method statement and pricing schedule against the new detailed specification for the specific services required. Providers will be invited to submit their tender on the tender portal by the closing date indicated at least 10 days from the date on which the invitation to tender is sent. All tenders received will be opened and evaluated by the Tender Evaluation Team which will consist of the specific commissioners, contract and procurement officers and the Category Manager.

- 3.17 **Individual call-offs:** The SQ included a schedule of prices/rates for each Lot and Service Category. This allows the Council to rank the providers by Quality and Price (or Price only). This will then be used to call off services in an emergency or urgency situation where service users require an immediate care and/or support package. In this case, the Council will approach the rank one provider in the first instance. If the rank one provider cannot accommodate or deliver the service, it will then be offered to the next ranked provider. It is also possible to offer choice to service providers by allowing the service user to choose their preferred provider from the top three ranked providers.
- 3.18 Any call off or mini competition from the DPS's will comply with the Council's Tender and Contracts Regulations, adopting 60:40 quality/price ratio and all packages or contracts will be awarded accordingly. The supplier's quality submission, which will include social value. The quality and price scores will be added together to identify the most economically advantageous tender.
- 3.19 **Scheme of delegation:** This report seeks approval for the proposed scheme of delegation. The award of contracts called off under the DPS's shall be approved in accordance with the Council's Scheme of Financial Delegations as follows:

Fig. 6 DPS Scheme of Delegation

5 th Tier	4 th Tier	3 rd Tier	2 nd Tier	1 st Tier
Fifth tier manager who line manage	Fourth tier manager	Head of Service	Director	Executive Director
£1,000 Commitment form via SWIFT for individual clients	£10,000 Commitment form via SWIFT for individual clients	£100,000 Commitment form via SWIFT for individual clients. Or order form for a block order	£500,000 Commitment form via SWIFT for individual clients. Or Order form for a block order	£1,000,000 Order form for a block order

- 3.20 The estimated annual value of the contract award and placements will be used to determine the level/tier of the financial delegation. Amounts above £1,000,000 can only be approved by the Chief Executive and the Director of Finance or by ELT. These levels of financial delegation will be sufficient for the DPS's, as a large volume of call offs will either fall within the £100,000 -

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£500,000 band or between £500,000 and £1,000,000. This procedure is consistent with the current award process for the Adults IFA and the Children's call off arrangements. The annual value of an individual call-off will be used to determine the tier of delegation.

- 3.21 **Reporting:** Six monthly reports will be produced for Cabinet as part of the Investing in Our Borough (IIOB) report for the life of the DPS's, detailing the call offs from the DPS and also the providers which have joined the system. This will review the overall financial impact of the call off process for the DPS's in consultation with the Cabinet Member for Health and Social Care, Cabinet Member for Gateway and Cabinet Member for Families Children, Families and Learning, and the Cabinet Member for Finance and Resources. Monthly updates will be provided for the Executive Director of Health, Wellbeing and Adults.

Contract Management

- 3.22 Quality will be assessed through service delivery, such as number of defaults and complaints. This information will be collected Commissioning and Procurement quarterly. Each supplier will be assessed against the contract KPIs and a percentage score based on contract performance calculated.
- 3.23 All providers on the DPS's will be held accountable for their **Social Value** progress throughout the contract term.
- 3.24 **London Living Wage** is also a requirement for services provided within Croydon and this is included in the tender rates where appropriate. Tenderers have to take this into account when submitting prices on the DPS for all services tendered for. The successful Providers are also obliged to provide management information to assist the Council with monitoring the impact of the LLW.

4 CONSULTATION

- 4.1 **Suppliers:** For DPS 3 the Project Team spent time specifically engaging with the social care market before and during the application window. Several market warming events were held earlier in the year and two market briefings were held at the Croydon Conference Centre on Monday 7th and Wednesday 9th October 2019. Over 150 organisations attended the conferences. Supplier engagement events have also taken place for DPS (100 suppliers attended) and DPS 2 (90 suppliers attended).
- 4.2 **VCSE:** The procurement opportunity will be open to VCSE groups to work as a direct suppliers and with main suppliers as a partner or sub-contractor.
- 4.3 **Partners:** Prospective partners from across Croydon Council and One Croydon Alliance have been involved and consulted. The partners will have open access to the new DPS's and will be able to commission services. The partners include the Croydon One Alliance, the CCG, and SLaM.
- 4.4 **Stakeholders:** Some service users have been consulted over the last 12 months by commissioning and brokerage teams. It will be ensured that

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service users to receive services commissioned through the DPS understand the process and have their preferences accommodated where possible.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 The Council currently spends in excess of £85m every year in financial support to the Adult and Young Peoples Social Care and Supported Living Services against a budget of £73m. Expenditure will be procured through the three DPS's via mini competition and individual call-offs.
- 5.2 Based on previous years, there is expected to be a financial pressure on this activity in 2019/20. Overspends in 2019/20 will be managed in year through identifying savings, of which some have been agreed during the departmental Autumn Sprints in Nov 2019. Following the establishment of the DPS for Health and Social Care, from 2020/21 onwards, there is an expectation that this pressure will continue to be managed through a combination of better contract monitoring and control of expenditure, and where required finding alternative savings or securing growth for expenditure through the medium term financial strategy. The council budget for 2020/21 is not yet finalized, although the anticipated spending pressure on areas in scope has been flagged.
- 5.3 Fig. 8 highlights the other budget areas calling-off the three DPS's. Young People's accommodation services (DPS 3, Lot 3) and Supported Housing (DPS 3, Lot 2) currently comes out of Children's Services and Gateway budgets respectively. Nursing Care will include contributions from NHS Croydon Clinical Commissioning Group (CCG). The CCG may choose to commission its own nursing care and respite services using DPS 2 also. The majority of the spend is in Health, Wellbeing and Adults budgets.

Fig. 8 Actual Adults Social Care Spend against by DPS Lots in 2018/19:

DPS and Lots:	Council Expenditure 2018/19 HWA unless stated
DPS 1	
Lot 1: Domiciliary Care	20,648
Lot 2: Active Lives and Day Care	1,957
Lot 3: Outreach Services	TBC
DPS 2	
Lot 1: Residential Care	34,898
Lot 2: Nursing Care	12,973 (plus CCG)
Lot 3: Private Hospitals	Tbc (CCG if agreed)
Lot 4: Respite Care	201 (plus CCG)
DPS 3	
Lot 1: Supported Living	10,354
Lot 2: Supported Housing	3,900 (Gateway)
Lot 3: Young People	Tbc (Children's Services)
Lot 4: Floating Support	160

TOTAL	84,731
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The effect of the decision

- 5.4 **Competition on price** - The DPS's are an effective procurement system to call-off significant volumes of care. Currently spot purchase is used frequently across these service areas where, aside from regulatory reports and some monitoring, there is insufficient information on the quality of the services. All services through the DPS will have passed a quality threshold. Furthermore provider costs will be built into the DPS rather than providers naming their price. The use of mini-competition allows for further submissions on quality and revised pricing.
- 5.5 **Medium Term Financial Strategy** – Notwithstanding the price competition outlined above enabling service commissioned to be value for money, the DPS's support the revised Medium Term Financial Strategy through ensuring sufficient capacity of supported living, supported housing and home care to keep residents away or step-them down from more institutional residential and nursing care. The spend on residential care should reduce with Extra Care and supported living seen as more independence maintaining options.

London Living Wage

- 5.6 However, a LLW borough, all applicable contracts will include the requirement to pay the LLW. This is a budget pressure as not all current services have this requirement. LLW will apply to all new Supported Living and Housing Related Support contracts called off from the DPS for services in Croydon. Again the impact of the LLW on new contracts will be gradual and will apply to new service users, as many existing placements are long term contracts. Cost implications are about £20,000 for new placements in Year 1 in Supported Living. For new Housing Related Support contracts called off from the DPS for services in Croydon there will be volume contracts with the providers. Cost implications are about £100,000 in year one but this could be reduced by mini-competition.

Other Risks

- 5.7 **Not committed spend** - Spend through the DPS is not committed spend as the commitment only applies to the quantities required for each call off or mini competition. This means that if the budget were to increase or decrease in the future, the required volumes could easily change year on year to reflect this. The focus will be on prevention and re-ablement to help service users live more independently thereby reducing the dependency on more expensive and traditional methods of providing care (spend in DPS 2). Monitoring of spend via the DPS's will be robust with a six monthly report to CCB and more frequent reporting the Executive Director Health, Wellbeing and Adults.
- 5.8 **Partner usage** – The CCG and SLaM may use the DPS's. Participating organisations will need to sign an Access Agreement to use the DPS's.
- 5.9 **Commissioning outside DPS** - There is a risk that all partners of the integrated procurement hub do not purchase services via the DPS. This will

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be mitigated by engaging with the partner local authorities to gain their buy-in to the specifications and awarding methodology.

- 5.10 **Staff resources** – Setting up three DPS's is a resource intensive process. The bid evaluation to ensure only quality providers join the DPS has and will place a heavy demand on council staff time. Longer term staff implications of managing any new applications to join the DPS's and the continual brokerage and contract management functions will be managed within the newly restructured Adults, Health and Integration team in Commissioning and Procurement.

Options

- 5.11 Options were considered as part of the RP1 Make or Buy report agreed by CCB in 2018. Using the DPS enables more frequent refreshing of the bidder base and prices, to better match the dynamics in the supplier market and gain the continual value improvements.

Future savings/efficiencies

- 5.12 It is not anticipated that the DPS's collectively will make savings as there will be cost pressure on existing services joining the DPS that do not currently stipulate LLW. As vulnerable residents' needs will become more complex, the DPS will seek to ensure a variety of independence maintaining/enhancing options through DPS 1 and 3. The DPS's will provide a flexible solution through mini-competition to the commissioning and procurement of services that can be managed to contain expenditure within approved budgets.

Approved by: Josephine Lyseight, Head of Finance, on behalf of the Director of Finance, Investment & Risk.

6 LEGAL CONSIDERATIONS

- 6.1 The Director of Law and Governance comments that the legal considerations are as set out in this report.

Approved by Sonia Likhari on behalf of Sean Murphy, Director of Law and Governance.

7 HUMAN RESOURCES IMPACT

- 7.1 There are no direct Human Resources implications arising from this report for Croydon Council employees. Nonetheless, this procurement strategy could result in service provision changes, as services are called off from the DPS's and new contracts are award, which may invoke the effects of TUPE (Transfer of Undertakings (Protection of Employment) 2006 Legislation, amended 2014). The application of TUPE will be determined by the incumbent and the new service providers, for which the Council is the client. On that basis, the role of the Council would usually extend no further than facilitating the process.

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- 7.2 Paying LLW rates where applicable will be a contractual requirement of the DPS approach. National Living Wage will apply to contracts in other parts of the country.

Approved by: Debbie Callister, Head of HR for Health, Wellbeing and Adults, on behalf of the Director of HR

8 EQUALITIES IMPACT

- 8.1 An Equalities Analysis has been completed by the e-market place implementation team to ascertain any potential impact on protected groups in relation to the creation of DPS to supply services. This was approved by CCB in 2018.
- 8.2 The services positively promotes equalities across all groups with protected characteristics. The provision of personal care services promotes independence, improves quality of life.

Approved by: Yvonne Okiyo, Equalities Manager

9 ENVIRONMENTAL IMPACT

- 9.1 There are no adverse environmental impacts to the report.

10 CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no adverse implications for crime and disorder arising from this report. There are however, positive implications by supporting homeless people and people with mental health problems, drug and alcohol abuse, etc.

11 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 The procurement carried out has been compliant with the approved procurement strategy, the Council's Tenders and Contracts Regulations and the Procurement Contracts Regulations 2015. The DPS offers an end to end process for commissioning and award of a range of services for adults and young people.

12 OPTIONS CONSIDERED AND REJECTED

- 12.1 An Options Appraisal was considered as part of the RP1 (Make or Buy) report, which has been agreed by CCB. The establishment of DPS 1 - 3 ensures that the Council and other authorities within the Integrated Procurement Hub are getting the best possible value for money in relation to the purchase of personal care services. Procuring outside of the DPS would not enable the Council and the Integrated Procurement Hub to achieve the savings detailed within this paper.

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- 12.2 The establishment of a Framework similar to the previous IFA. A framework is considered in this case to be too restrictive as the maximum term is limited to 4 years maximum. New suppliers cannot be added to the framework of approved suppliers unless the framework is refreshed.
- 12.3 Without a DPS or Framework, the Council would have to advertise and tender all services every time a new service is required. The process is very inefficient and time consuming, requiring extra staff.
- 12.4 Spot purchasing services as and when required – this approach is considered to be non-compliant with the Council's financial regulations and EU Procurement legislation.

13 DATA PROTECTION IMPLICATIONS

13.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

YES

The first (current) stage of the establishment of the DPS's for Adults and Social Care services does not involve the processing of personal data about service users. However, all providers have been asked to confirm that they comply with current GDPR legislation as well as providing their data protection policies and procedures. This has been evaluated for all providers (as a pass/fail question in the Selection Questionnaire).

In the second call off stage any Approved Providers who are awarded a contract or placement, will process some personal data on behalf the residents and the Council namely identity data, some financial data and health and care data.

13.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

IN PROGRESS

A Data Protection Impact Assessment is being undertaken for the second call off stage. Additionally as part of contract mobilisation further work will be undertaken on the Assessment with the approved providers who are awarded contracts from the DPS who will process and or hold some data on behalf of the Council and residents. For example, the Council in some cases the Council will need to create a three-way data sharing agreement with the preferred provider and Croydon CCG.

Approved by: Guy Van Dichele, Executive Director of Health, Wellbeing and Adults

For Publication

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