

General Release

REPORT TO:	CABINET 15 September 2014 GENERAL PURPOSES AND AUDIT COMMITTEE 17 September 2014
AGENDA ITEM:	6
SUBJECT:	INTEGRATED FRAMEWORK AGREEMENT FOR CARE, SUPPORT AND HEALTH RELATED SERVICES
LEAD OFFICER:	Hannah Miller, Executive Director of DASHH
CABINET MEMBER:	Cllr Simon Hall, Cabinet Member for Finance and Treasury; Cllr Louisa Woodley, Cabinet Member for People and Communities And: Cllr Alisa Flemming, Cabinet Member for Children, Families and Learning
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT: The Integrated Framework Agreement (IFA) for care, support and health related services will support the Council's long term vision to become a caring City, with services supporting vulnerable people to develop and contribute to society within their means and ability. Furthermore the IFA will enable vulnerable people to access education, training and employment, where appropriate.	
FINANCIAL IMPACT SUMMARY: The budget for the Integrated Framework Agreement (IFA) is estimated to be approximately £86m over a four year term. This budget is based on the social care and support commissioning budgets that will be subject to the IFA. It is estimated that the IFA will generate approximately 10% savings and will be used a vehicle to deliver those social care and support savings already identified, as well other savings as a result of introducing new processes around outcomes.	
KEY DECISION REFERENCE NO: 1289	

RECOMMENDATION:

The Committee is asked to approve an exception under Regulation 3 of the Council's Tenders and Contracts Regulations from the requirement to a) formally execute individual Integrated Framework Agreements (IFA) for care support and health services; and b) refer proposed awards of orders for services to be called off under the IFA to the Contracts and Commissioning Board (CCB) or the relevant Cabinet Member for approval.

1. EXECUTIVE SUMMARY

- 1.1 The Council, in partnership with the Croydon Clinical Commissioning Group, has undertaken a procurement exercise to establish an Integrated Framework Agreement (IFA) for care, support and health related services to enable people to live independently in the community and/ or stay within their home.
- 1.2 The IFA will provide a joined up approach to the commissioning and procurement of community based social care and support services. The new governance process will ensure that appropriate social care and support services are called off from the IFA in a timely way that protects vulnerable people by providing good quality, accessible, joined up services, better prevention and early intervention.
- 1.3 The purpose of this report is to seek an exception under Regulation 3 of the Council's Tenders and Contracts Regulations (Regulations) from the requirement to a) formally execute the individual IFA's; and b) to refer proposed awards of orders for services called off under the IFA to the Contracts and Commissioning Board (CCB) or relevant Cabinet Member for approval
- 1.4 The strategy for the procurement of the IFA and the proposed streamlined governance processes has been considered and approved by CCB

CCB Approval Date	CCB ref. number
<i>31st October 2013</i>	<i>CCB0821/13-14</i>

2. DETAIL

- 2.1 The Council, in partnership with the Clinical Commissioning Group, has undertaken a procurement exercise in compliance with the requirements of the Public Contracts Regulations 2006 (as amended) and the Council's Tenders and Contracts Regulations to establish an Integrated Framework Agreement (IFA) for care, support and health related services to enable people to live independently in the community and/ or stay within their home. The IFA is intended to provide an integrated approach to purchasing these services to ensure that the needs of vulnerable service users are met in a holistic way.
- 2.2 The detail of the procurement process will be set out in a report to the relevant Cabinet Member seeking approval to appoint the 58 bidders selected to be on the IFA (IFA Providers) following the tender evaluation.

- 2.3 The purpose of the IFA is to reduce the level of work involved in procuring each type of service by selecting providers that can deliver good quality services at an affordable price. Once the IFA is established the Council will not need to go out to the market again and can use the IFA to 'call off' services either directly by placing an order with an IFA Provider or by conducting a mini competition amongst the IFA Providers (followed by the placing of an order). The success of the IFA will therefore depend on effective and streamlined arrangements for the process by which services are called off from it. The governance arrangements sought through the exceptions from the Tenders and Contracts Regulations (Regulations) as detailed in paragraphs 3.4 and 3.5 below will support this aim while maintaining appropriate controls.
- 2.4 The IFA will comprise of 7 Lots with a total of 58 providers. Regulation 30.1 and 30.2 requires that any contract with a value of £100,000 and above must be in writing and signed (and sealed where appropriate) by an authorised signatory in Democratic and Legal Services. It is considered the time that would be taken for the completion process of 58 agreements with providers would delay the effective introduction of the new services. It is proposed that an exception from the requirements of Reg. 30.1 and 30.2 be agreed such that the individual agreements appointing IFA providers would not require a separate written contract or execution but would become contractually binding upon the Council's acceptance of a bidder's response to tender.
- 2.5 The Regulations also require that every award of a contract be the subject of a formal report for consideration and approval via the Contracts and Commissioning Board (CCB) with approval via CCB or the relevant Cabinet Member depending on the value. This requirement extends to contracts to be called off from a pre-approved framework agreement. It is proposed that the call off process for the IFA be managed through the scheme of financial delegation rather than CCB or the Cabinet Member.
- 2.6 Orders called off from the IFA in excess of £100,000 would still be signed and sealed.

3 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 3.1 The proposed recommendations will enable the IFA to be established and managed in a cost effective and efficient way.

4 FINANCIAL AND RISK ASSESSEMENT CONSIDERATIONS

- 4.1 Framework agreements are a low financial risk for local authorities. There is no obligation to call off services from those suppliers on a framework agreement. Should a provider go into liquidation then there are other providers that can be called off from the framework agreement to take over the service at short notice with no requirement to go out to the wider market. Where a significant call off is undertaken the Council will review the successful provider's financial health check score prior to placing an order for the service.
- 4.2 The proposed recommendations involve adherence to the Council's financial scheme of delegations in placing 'call off' orders for services under the IFA.
- 4.2 The report to Cabinet will detail all relevant financial and risk assessment considerations relating to the award of the IFA.
- 4.4 **Approved by: Lisa Taylor, Department Head(s) of Finance/nominated deputy(ies)**

5. COMMENTS OF THE COUNCIL SOLICITOR

- 5.1 The Council Solicitor comments that from a contractual perspective, it is possible for a binding contract to come into effect upon the Council's acceptance of a bidder's response to tender and the tender documentation contains the appropriate wording to enable the parties' to be bound in accordance with the tender terms and conditions.

Approved by: Gabriel MacGregor Head of Corporate Law on behalf of the Council Solicitor and Monitoring Officer.)

6 HUMAN RESOURCES IMPACT

- 6.1 There are no immediate HR considerations that arise from the recommendations of this report for LBC staff.

Approved by: Michael Pichamuthu HRBP on behalf of the Director of Human Resources & Organisational Development

7. EQUALITIES ANALYSIS

- 7.1 A full EIA for the IFA has been carried out and details will be contained in the report to Cabinet recommending award of the IFA.

8. ENVIRONMENTAL IMPACT

- 8.1 To be detailed in the report to Cabinet recommending award of the IFA.

9. CRIME AND DISORDER REDUCTION IMPACT

- 9.1 To be detailed in the report to Cabinet recommending award of the IFA.

10. FREEDOM OF INFORMATION (FoI) / DATA PROTECTION CONSIDERATIONS

10.1 There are no specific Data Protection considerations arising from this report.

10.2 The Council's Procurement Strategy and Tenders & Contracts Regulations are Publication Scheme. Information requested under that Act about the specific procurement exercise and contract which are the subject of this report, held internally or supplied by external organisations, will be accessible subject to legal advice as to its commercial confidentiality, or other applicable exemption, and whether or not it is in the public interest to do so.

11 CUSTOMER IMPACT

11.1 Social care and support services funded through the IFA will have a significant impact in improving the quality of life of vulnerable people by helping them to live independently, maintain their tenancies and improving their lifelong outcomes.

11.2 The IFA will help to deliver increased choice and control through the use of managed personal budgets and will provide better quality services for vulnerable people. In particular the IFA is being used to purchase support services that deliver the required outcomes to vulnerable people as stated in the service specifications.

12 HUMAN RIGHTS IMPACT

12.1 The IFA will provide for vulnerable people to have access to advice, life skills in developing confidence to manage independently. The IFA requires providers to have regard to the human rights convention. Furthermore, through the contract monitoring process, the Council will ensure people's rights are respected, for example through well implemented safeguarding adults/children's policies and complaints schemes. This will assist the Council in meeting its obligation to deliver Convention Rights and particularly A.8 the right to respect for private and family life. Human Rights Act 1998 introduced into UK law many of the rights in the European Convention on Human Rights (Convention Rights).

13 CONSULTATION

13.1 The Heads of Service within the Integrated Commissioning Unit have been consulted on the IFA and are involved on the Project Board. Legal and Finance have been consulted and have approved the procurement strategy. External legal advice has been obtained regarding the proposal to waive the requirement for formal execution of the IFA. Cabinet will be requested to approve the award of the IFA. The Croydon Clinical Commissioning Group (CCCG) has been involved as partner in developing and procuring the IFA. Service users have been involved in both the development of the service specifications and as well as the tender evaluation panels.

CONTACT OFFICER:

Laura Jenner
Category Manager

0208 726 6000 ext. 62642

BACKGROUND PAPERS:

None