

Title/Subject: Homecare and Community Care Contract Strategy
Meeting: Integration Joint Board
Date: 6 October 2017
Submitted By: Head of Procurement and Housing Property
Action: For Decision

1. INTRODUCTION

- 1.1 The purpose of this report is to present the draft contract strategy for the Homecare and Community Care contract, as detailed in Appendix 1.

2. RECOMMENDATION

The Integration Joint Board is asked to:

- 2.1. approve the Homecare and Community Care Contract Strategy, detailed in Appendix 1.

3. BACKGROUND

- 3.1 The contract strategy builds upon the key principles reported to the Board meetings in February 2017 and August 2017. The strategy also reflects best practice procurement guidance in terms of structure and content and is based on the Scottish Procurement's "Procurement Journey".
- 3.2 The strategy sets the direction for the contract and lays what is to be achieved, how this will be done and what timescales will apply.

4. CONTRACT STRATEGY

- 4.1. The strategy describes that from April 2018 new services will be commissioned following a contract advert and a competition under the EU Light Touch Regime. The contract will be advertised in the Official Journal of European Union (OJEU) and via the Public Contracts Scotland Portal and is for new referrals. For existing services where there is high quality service delivery and best value is achieved, the existing supplier shall continue to deliver the service, should they tender and meet the contract selection criteria. This approach will help preserve continuity of care for service users.

- 4.2. There is a wide range of stakeholders in both Home Care and Community Care services. Extensive engagement with stakeholders was a strong feature in the development of the strategy. Section 3 of the strategy outlines stakeholder engagement and Table 1 below provides a summary of the stakeholder consultations:

Table 1:

GROUP	METHODS	OBJECTIVE
Internal	Multi-disciplinary project team	To strategically review the current service provision, assist with developing the strategy and specification, assist with tender evaluation and the ongoing activities of contract and provider management
External	Prior Information Notice and multiple provider workshops	Invite interested external parties to meet with the project team to discuss the scope of the services and generate market interest and competition
Multi Agency	Presentations to Strategic Planning Group	To raise awareness and obtain input to contract strategy, from a variety of strategic partners
Service Users	Falkirk and Clackmannanshire Carers Centre presentation and sampling of service user surveys and carer survey	People who use services and their carers are involved and have opportunities to influence the design of the service

- 4.3. The status of current contracts is described in section 4 of the strategy, along with an analysis of spend. From this work, the strategy defines a contract structure around lots that will align with locality planning. The locality planning approach best sits with the home care element, and Community Care services are likely to be commissioned on a service wide basis. In addition, the development of clearer linkages between in-house and external provision is explained.
- 4.4. Service background and characteristics are evaluated and the outcome of this work is explained in Section 5 of the contract strategy. This work helps ensure that relevant legislation such as Self Directed Support (SDS) is considered in the development of the contract. The characteristics of the new contract are designed to help ensure that those in receipt of support receive services that are:

- Outcomes focused and flexible
- Person centered and offering choice and control
- Promoting independence, health and wellbeing
- Responsive and respectful
- Based upon effective communication and of high quality.

4.5. A key contract consideration is specific environmental and social characteristics. These are covered in Section 7 of the strategy and Table 2 highlights specific requirements for bidders:

Table 2:

Community Benefits	Living Wage (LW)	Environmental
Bidders will be required to detail community benefits they intend to provide, and the delivery will be monitored during the term of the contract. Failure to provide a satisfactory community benefit proposal may see a provider's tender being rejected.	Payment of the LW for direct employees will be promoted and it is an objective to work with all providers to ensure they exhibit the highest standard of employment practice. Employment practice will be monitored during the term of the contract.	Bidders will be required to provide details of opportunities for reductions in vehicle movements and emissions through encouraging use of energy efficient vehicles, effective journey planning and use of public transport where possible.

4.6. A supply market analysis is included in Section 8 of the strategy. This provides assurance that market coverage is sufficient to meet the requirement that bidders have a Care Inspectorate grade of 4 or above in care and support. The strategy also records that the market is expanding and flexibility will be built into the contract to allow new providers to be added to the contract over its term.

4.7. Section 10 of the strategy outlines the procurement options available and concludes that a 2 stage open procedure be followed. Key criteria at each stage are highlighted in Table 3:

Table 3

STAGE 1 (SELECTION)	STAGE 2 (AWARD)
Exclusion grounds <ul style="list-style-type: none"> • Criminal convictions; Serious and organised crime checks • Taxes/social security; • Blacklisting; Insolvency; 	40% of weighting applied to tender price and bidders will be asked if bidding for more than 1 care group that the same rate applies for each care group. 60% weighting applied to service quality to include the following:

STAGE 1 (SELECTION)	STAGE 2 (AWARD)
<p>Minimum standards</p> <ul style="list-style-type: none"> • Care Inspectorate Registration; • Care Inspectorate grading of 4 and above for care and support; • Insurances; • SSSC registration; • Quality assurance systems; • Financial standing 	<ul style="list-style-type: none"> • understanding service requirements and implementation proposals; • achieving outcomes for service users; • staffing structures and how these have been calculated to meet the needs of the service user group; • proposals for service improvement and development; • proposals for monitoring and evaluating service delivery and user satisfaction • fair working practices

4.8. Section 12 of the strategy lays out the activity necessary to ensure a new contract is live by April 2018. This confirms the process and timelines required to ensure award of contract will comply with Falkirk Council's Contract Standing orders.

4.9. The IJB are asked to approve the contract strategy detailed in Appendix 1.

5. CONCLUSIONS

- 5.1. The new contract will enable the Partnership to ensure continuity and smooth transition from the current agreement and contract, introduce greater transparency around costs and support commissioners to achieve improved value for money and partnership working. It should also increase understanding of the nature of services and help to develop more openness and a partnership approach in relationships with providers. Effective joint working with successful providers will be central in taking forward:
- Reablement
 - SDS and outcomes approach
 - Individual budgets
 - Integrated working.

Resource Implications

The total annual spend across the contracted services is estimated at £23,000,000. For the purpose of the contract notice in Public Contracts Scotland the framework value over the potential 4 year contract period will be advertised at £100,000,000.

Impact on IJB Outcomes and Priorities

The contracts will be structured to support the Partnership's agreed vision and the 5 agreed local outcomes.

Legal & Risk Implications

Compliance with Falkirk Council's Contract Standing Orders will minimise risks inherent with high value complex public procurement projects. Other risks will be managed through the development and maintenance of an appropriate risk register.

Consultation

Consultation has taken place across teams in Adult Services, with Scottish Care, service users and carers and the private, independent and voluntary sectors.

Equalities Assessment

For the purposes of the Equality Act 2010 an equalities impact assessment will be completed prior to the contract award being approved.

Approved for submission by: Patricia Cassidy, Chief Officer

Author – William McQuillan, Procurement and Performance Manager

Date: 26 September 2017

List of Background Papers:

- Report to the Integration Joint Board 4 August 2017 – Homecare and Community Care Contract
- Report to the Integration Joint Board 3 February 2017 – Homecare and Community Care Contract



Falkirk Council

Contract Strategy

Provision of Support at Home (Home Care and Community Care Services)

Table of Contents

1	Authorisation.....	3
2	Executive summary	4
3	Stakeholder identification.....	6
4	Contract status and spend analysis	9
5	Service background & characteristics	13
6	Opportunities and benefits	18
7	Sustainability.....	20
8	Market analysis.....	22
9	Risks and issues.....	26
10	Procurement options.....	28
11	Timescales.....	32
12	Contract award and mobilisation.....	33
13	Contract management	36
14	Exit Strategy	38
15	Conclusion.....	41
	Appendix 1 - Home Care Providers	42
	Appendix 2 – Community care providers	43
	Appendix 3 – List of companies (PIN).....	44
	Appendix 4 – Scoring matrix	46

1 Authorisation

Service Strategy for Support at Home (Home Care and Community Care)

Category:	Social Work Services
Strategy Prepared By:	Neil Biggar
Forecast Value:	£25m per annum (external provision only)
Contract Period	1 st April 2018 to 31 st March 2021 with the option to extend for a further 12 months
Procurement Method Recommended:	Open Procedure

Service Approval

Dennis O'Donnell Service Manager	SIGNATURE	ADD DATE
-------------------------------------	-----------	----------

Approved By:

Patricia Cassidy Chief Officer	SIGNATURE	ADD DATE
-----------------------------------	-----------	----------

2 Executive summary

- 2.1 The Market Facilitation Plan agreed by the Integration Joint Board (IJB) in August 2016 highlighted that a new tender process and partnership approach should commence for the provision of Support at Home Services (Homecare and Community Care Services) with external providers.
- 2.2 Currently the Homecare and Community Care services are separate contracts, structured around individual lots. The individual lots cover the whole Falkirk area and all providers who passed the selection and award process were admitted onto the contract, on a ranking system.
- 2.3 Provision of Homecare services is currently delivered by both an in-house team and external providers.

Care at Home (Home Care) – External Provision 2016 - 2017 Spend: £6,500,000	
•	Delivery of this service may include the provision of personal care and support and is generally provided in the Service User's own home.
•	The services may assist service users with all aspects of their daily lives enabling them to continue living in their own homes for as long as possible.

- 2.4 The future structure and functions of the in-house home care services are currently subject to review following which decisions will be reached on the distinct role and function of that service.
- 2.5 It is anticipated that in-house home care services and external home care services will, in due course operate within a locality based service model which will see these services being more closely aligned with community care teams.

- 2.6 Community Care services are currently delivered by external providers only and predominantly the Third Sector.

Care at Home (Community Care) 2016 - 2017 spend £16,500,000
<ul style="list-style-type: none"> • Delivery of care at home services which may include the provision of personal care and support and/or housing support and may be provided in the service user's own home or in other locations as required.

- 2.7 It is envisaged that due to current service composition that community care services will, immediately following the start of the new contract, continue to operate and be commissioned on a Falkirk wide basis.
- 2.8 Not only do both homecare and community care service types deliver care and support to people in their own homes but they also enable individuals to retain their independence and community connections, prevent unnecessary admission to hospital or long term care and improve outcomes for adults and older people with care needs.
- 2.9 Consequently both service types share the objectives of:
- optimizing the skills and abilities of those being supported through reablement and outcomes based approaches and
 - creating a person centred, rights based pathway of care and support for Falkirk's citizens.
- 2.10 Fuller adoption and embedding of such approaches in delivering support will be a key objective of the new tender. It is anticipated that this will allow more people with complex needs to:
- remain living in their own homes for longer;
 - lessen demand for institutional care;
 - avoid unnecessary hospitalisation and
 - support early discharge from hospital.

3 Stakeholder identification

- 3.1 There is a wide range of stakeholders in both Home Care and Community Care services. Extensive engagement with stakeholders was a strong feature of the procurement process.
- 3.2 To ensure that the requirements of stakeholders were met and maximum compliance achieved, a multi-disciplinary project team was established. The team comprised representatives from Procurement and Commissioning, Home Care, Falkirk Learning Disability Team, Occupational Therapy and the Community Care Teams.
- 3.3 The role of the project team was to strategically review the current service provision, assist with developing the strategy and the specification, assist with tender evaluation and the ongoing activities of contract/supplier management, monitoring, implementation, compliance and benefits tracking.
- 3.4 The benefits of establishing the project team were as follows:
 - to draw on cross-functional expertise within the group;
 - ensure stakeholder views are considered in the decision making process;
 - to establish clear communication channels;
 - to formalise the governance arrangements and identify the decision makers;
 - to clarify roles and responsibilities;
 - to facilitate the generation of ideas and compliance.
- 3.5 A series of meetings and workshops were held with key internal stakeholders to discuss future options for the new contract. The project team met to discuss the operation of the contract and to consider the options for the future of the contract (including feedback from the workshops) and gauge views about future requirements. Key messages from the workshops and team meetings that were discussed included:
 - locality planning;
 - fair working practices;
 - purchase of block hours and commitment to minimum hours;
 - support aligned to outcomes;
 - use of technology to manage contract performance and to support service users;
 - support the commissioning of Self Directed Support (SDS) options 1,2,3 and 4;
 - nutrition
 - policies including moving and handling and medication (administration);
 - care inspectorate grades;

- notice periods for ending a package of care;
 - national care standards;
 - payment terms including unplanned absence;
 - training;
 - in-house delivery and its key responsibilities
- 3.6 To provide an early opportunity to engage with providers, a Prior Information Notice (PIN) was published inviting interested providers to meet with Falkirk Council to discuss the scope of the services at a series of workshops.
- 3.7 The feedback from providers was positive with most confirming they would be interested in participating in a future arrangement. Key messages from the workshops included the:
- need for greater flexibility and creativity;
 - importance of having clear processes;
 - importance of early engagement to optimise opportunities for coproduction leading to effective support arrangements;
 - acknowledgment that the complexity of service users' needs is increasing and this needs to be recognised;
 - need to consider how the contract will respond to future changes i.e. Living Wage
- 3.8 Consultation with carers of people using care at home services was facilitated by the Falkirk and Clackmannanshire Carers Centre through a survey and officers attendance at a Carers Forum. Feedback highlighted a number of factors that are important to Carers such as;
- involvement in service review arrangements;
 - to be notified of service changes;
 - ensuring avoidance of short notice service cancellations where carer breaks were scheduled;
 - ensuring as far as practical continuity of care and support staff.
- 3.9 Service user feedback was drawn from surveys carried out by home care and community care providers. Findings from that process highlighted;
- improved service information, including complaints information;
 - the importance of continuity of care;
 - improved adherence to service delivery times;
 - improved and timely notification of service and support worker changes.
- 3.10 Throughout the development of the contract strategy regular reports were also taken to the Strategic Planning Group and the Integration Joint Board.

- 3.11 The table below provides a summary of stakeholder identification and consultations:

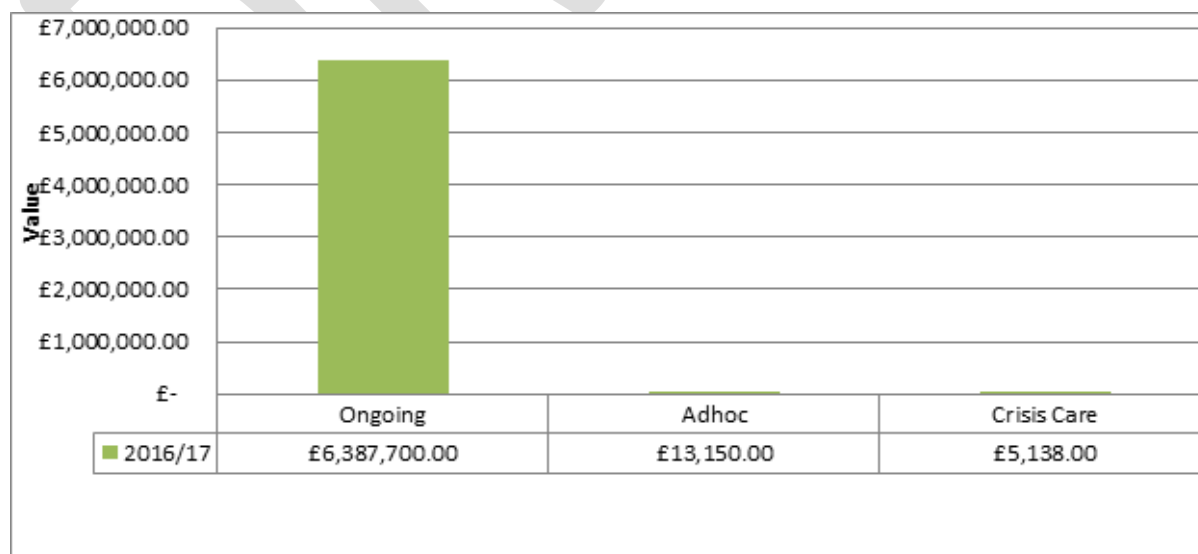
Table 1: Consultations

GROUP	METHODS	LEARNING POINTS INCLUDED
Internal	Multi-disciplinary project team	Clarification of roles and responsibilities, facilitate the generation of ideas, buy-in and compliance.
External	PIN and multiple workshops	<p>Greater flexibility and creativity from commissioners.</p> <p>The importance of having clear processes with a single point of contact.</p> <p>Early engagement to optimise opportunities for coproduction leading to effective support arrangements.</p>
Service Users	Falkirk and Clackmannanshire Carers Centre presentation and multiple surveys.	<p>Service user involvement in service review arrangements and ensuring avoidance of short notice service cancellations.</p> <p>Ensuring as far as practical continuity of care and support staff.</p> <p>The need for improved service information, including complaints information.</p>

4 Contract status and spend analysis

Home Care (external provision)

- 4.1 The current home care contract has been in place since October 2014 (for 2 years with the option to extend for a further 24 months) and is delivered by 18 providers attached at Appendix 1. The contract has been extended to 31st March 2018.
- 4.2 There are currently 3 areas of care and support delivered (lots); ongoing, adhoc and crisis care.
- 4.3 It is intended that under the new contract, service delivery will be commissioned in a single lot covering ongoing and crisis care service elements. It is anticipated that adhoc work will be managed predominately by in-house service teams.
- 4.4 The new contract will permit existing providers to retain those services held at the commencement date of the new contract. This will be conditional and on the basis that minimum quality based criteria continue to be met and that existing service users remain satisfied with these arrangements.
- 4.5 Financial arrangements in respect of existing services will be subject to negotiation and where providers seek to retain existing work this will only be agreed on the basis that the new contract terms are agreed. Also, any amendment to past rates shall be at the discretion of the procuring authority.
- 4.6 The 2016-2017 spend over the 3 lots was as follows;



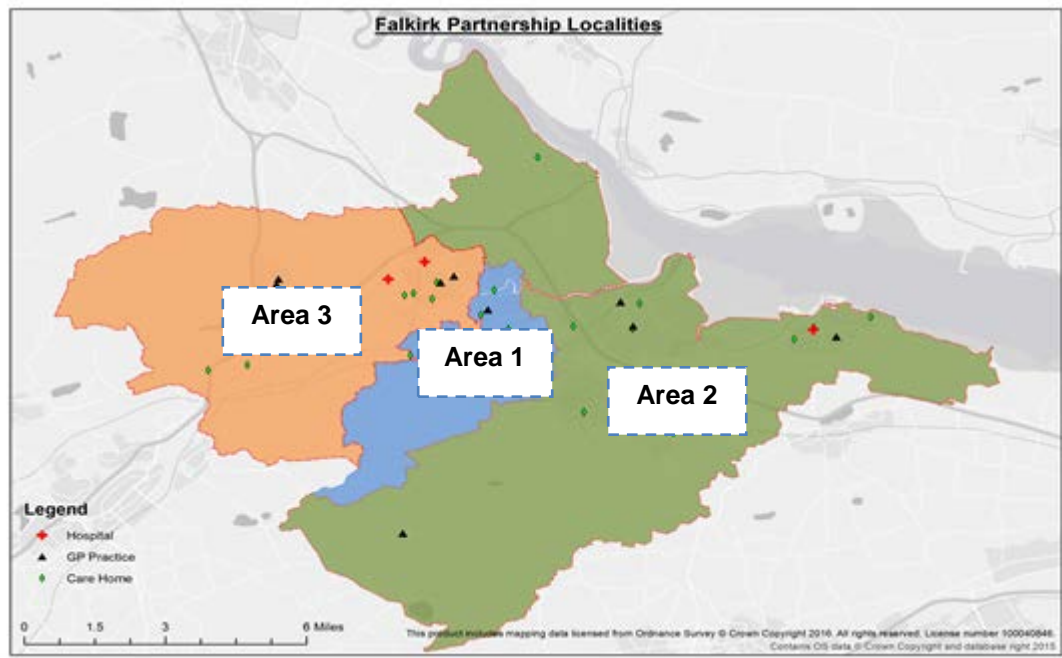
- 4.7 The information above indicates that the key spend area is with ongoing support (97% of spend). This supports the decision at 4.3 above to focus future contracting into a single lot.
- 4.8 The total spend in 2016-2017, across the 3 lots, was around £6.5million with over 80% (£5 million) of spend with 8 providers.
- 4.9 The lowest hourly rate is £15.25 and the highest hourly rate is £20.86. (Hourly rates as at September 2017)
- 4.10 It is clear that a significant amount of the care being delivered is focused on a relatively small number of providers. It is proposed that the new contract for home care establishes a small core group of the highest quality providers.

Community Care (external provision)

- 4.11 The current community care contract has been in place since September 2015 (for 2 years with the option to extend for a further 24 months) and is delivered by providers attached at Appendix 2. The contract has been extended to 31st March 2018.
- 4.12 There are currently 5 areas of care and support delivered;
- physical disabilities including those with sensory impairment,
 - learning disabilities including autism spectrum disorder,
 - mental health difficulties,
 - older people including those affected by dementia and
 - people who are or have been subject to the Criminal Justice.
- 4.13 The total spend in 2016-2017 was around £16million with over 80% (£13million) of spend with 12 providers.
- 4.14 The lowest hourly rate is £14.86 and the highest hourly rate is £25.33. (Hourly rates as at September 2017)
- 4.15 As with care at home a significant amount of the care being delivered is focused on a relatively small number of providers. However, to reflect specialisms there is a need to continue with multiple lots. The scope to establish a small core group of providers is therefore limited.

Locality planning

- 4.16 From 2018 it is envisaged that support at home services will, over time, be more closely linked to the 3 geographical areas shown below. This will also help to ensure a consistent approach to the allocation of new referrals.



- 4.17 The contract will seek to cover all new home care services in all 3 areas. Bidders will be required to indicate their area(s) of choice within the tender document. It is intended that a minimum work guarantee will be made available to successful providers in order to secure a level of guarantee that new referrals will be called off the contract within a clearly defined timescale.
- 4.18 Community care services cover a more diverse range of service types and client groupings than home care and have a less consistent location pattern than home care. This means that the basis for locality links is, at this point, less clear and that service development links are more likely to emerge through specialist teams such as learning disability and mental health teams. Notwithstanding, it remains the case that preferred specialist community care providers will be identified through the tender process to deliver community care services with the number of such providers being decided on a proportionate basis in line with current demand and spread across existing lots.

In house provision

4.19 Contracted provision will compliment those homecare services delivered by an in-house team. The functions and role of the in-house home care service is currently under review.

4.20 Currently the in-house service operates:

- rehab at home,
- crisis care,
- short term service (4-6 weeks) and
- long term services.

Referrals to access the above in-house services originate from:

- hospital social work teams;
- hospital discharge teams,
- social work locality teams,
- GPs/ community nurses or
- from direct referrals to the in-house home care team.

4.21 It is envisaged that the in-house home care review will seek to rationalise the range of separate functions currently carried out by the service but continue to give a main focus to short term assessment and rehabilitation support.

4.22 It is also intended to develop a focus on meeting complex support needs and over time the in-house service will reshape its level of involvement in providing other long term supports.

5 Service background & characteristics

Legislation

- 5.1 The Social Work (Scotland) Act 1968 places a duty to assess a person's community care needs and decide whether there is a need to arrange services. It was followed by the NHS and Community Care Act 1990 which was the first legislation to bridge the gap between health boards and local council social services. Social work departments were given the responsibility for community care for older people; home care, day care and respite care in order to help people live in their own homes wherever possible.
- 5.2 The Community Care and Health (Scotland) Act 2002 introduced free personal care for older people, which was to be provided regardless of income or whether they lived at home or in residential care.
- 5.3 This foundation was then followed by the Social Care (Self-directed Support) (Scotland) Act 2013, which made legislative provisions relating to the arranging of care and support, such as community care services. Any examination of home care in the Scottish context today cannot be divorced from the legislative underpinnings, which this Act provides and requires.

Self directed support (SDS)

- 5.4 SDS is aimed at giving people greater choice and control over the services they want to support them, and how they want to be supported. It places emphasis on the importance of individuals being enabled to achieve the life that they want for themselves.
- 5.5 The Act creates a statutory framework to change the way services are organised and delivered - so that they are shaped more around the individual and therefore better meet their outcomes. Individuals are seen as 'people first' – not service users. A major focus of the Act is the emphasis on co-production, not least at the stage of assessment and support planning.
- 5.6 SDS provides service users with 4 options when deciding the basis for their services being organised, the options available are as follows:

1	that of the service user self managing their service through a direct (cash) payment	2	that of the service user choosing and directing their care with the council managing the budget on their behalf
3	that of the service user opting for the council to choose, arrange and pay for their support	4	that of a mix of these options being used for provision of different types of support.

- 5.7 The focus of this tender is specifically on SDS option 3 where the service user or their representative has opted for the council to select a provider and arrange services to meet the person's care/support needs. Only those providers successful in the tender process and appointed to the contract will be considered when allocating new referrals under option 3.
- 5.8 Those providers that are unsuccessful in being appointed to the contract but meet minimum quality criteria will be retained on a list which will be available to service users wishing to exercise their rights to select a provider under SDS options 1, 2 & 4. These providers will be permitted to retain their existing service provision, except where there is a contractual basis for withdrawing service, for example, de-registration, consistently poor Care Inspectorate grades or non compliance with contract terms. Where providers on this list seek to retain existing work this will only be agreed on the basis that the new (2018-2020) contract terms are agreed and that any amendment to past rates is at the discretion of the council.

Health and Social Care Integration

- 5.9 The Public Bodies (Joint Working) Scotland Act 2014 highlighted that the integration of health and social care was central to the Scottish Government's programme of reform to improve care and support for those who access health and social care services. It provides the legislative framework for the integration of health and social care services in Scotland. It has put in place:
- Nationally agreed health and wellbeing outcomes, which apply across health and social care, and for which NHS Boards and Local Authorities are held jointly accountable;
 - A requirement on NHS Boards and Local Authorities to integrate health and social care budgets and planning functions;
 - A requirement on Health & Social Care Partnerships to strengthen the role of clinicians and care professionals, along with the third and independent sectors, in the planning and delivery of services.

Eligibility Criteria

- 5.10 There is a commitment to supporting people in Falkirk to achieve better personal outcomes within the context of Social Care (Self Directed Support) (Scotland) Act 2013. The attainment of both these strategic objectives is based upon an eligibility framework which enables the achievement of improved personal outcomes and a coherent approach to the allocation of financial resources based on transparency and equity.

- 5.11 The provision of support at home will be made based on an assessment of need and the person's eligibility to receive such services as per the Integration Joint Board's agreed Eligibility criteria. Support will be offered first to those most in need of support and whose needs have been deemed to be "critical" or "substantial".

Service characteristics

- 5.12 The provision of support at home is underpinned by a number of characteristics. Those in receipt of support should expect services to be:
- Outcome focused and flexible
 - Person centred, offer choice and control
 - Promote independence, health and wellbeing
 - Responsive and respectful
 - Effectively communicated
 - High quality

Service modifications

- 5.13 The main characteristics of the new contract are expected to be equivalent to those of the current contract. However, modifications and improvements to ensure a partnership approach is adopted between the council and providers include the following;
- the contract be structured into lots to recognise specialisms and through time have the ability to fully align to the 3 locality planning areas;
 - fair working practices are embedded into the evaluation to recognise providers whose workforce is treated fairly, is well rewarded, well-motivated, well led and have access to appropriate opportunities for training and skills development;
 - where practical the contract supports the purchase of block hours where best value can be achieved;
 - selection and award criteria are agreed so as to appoint an optimum number of providers to the contract and to retain a secondary reference list of providers for the purposes of SDS options 1,2, & 4
 - the contract is redesigned so it is more flexible, responsive and aligned to outcomes;
 - conditions and terms are specified on the use of technology to manage contract performance, compliance and to support service users;
 - the contract supports the commissioning of Self Directed Support (SDS) options 1,2,3 and 4.

- 5.14 The key changes to what is currently in place and what is being recommended is as follows.

Where we are	Where we want to be	Link to Falkirk Integrated Strategic Plan 2016 to 2019
<p>Separate Framework Agreements with individual lots covering the whole Falkirk area.</p> <p>Maximum 4 year Contract Period.</p>	<p>One single Contract with multiple lots reflecting specialisms and where practical locality areas.</p> <p>Maximum 4 year Contract Period.</p>	<p>Bringing services into a single contracting model will have a more coordinated approach to providing care. This will help improve outcomes for people, their carers and families.</p> <p>This will also support locality planning structures and improve communication so that the right services are provided when needed by the most appropriate provider.</p>
<p>Living Wage is in place by negotiation and is not a condition of contract.</p>	<p>Fair Working Practices are embedded into the contract evaluation and award process.</p>	<p>With a well-motivated, well led and skilled workforce our care providers will be better placed to support people to live safely in their homes and communities.</p>
<p>No block purchase of hours.</p>	<p>Contract to support the purchase of block hours where best value can be achieved.</p>	<p>When commissioning services we build sustainable capacity within the sector.</p> <p>In addition, services will be more responsive and available consistently throughout the year.</p>
<p>No limit on the number of providers to be contracted across both Contracts.</p>	<p>Selection and award criteria are established so as to appoint an optimum number of providers to the contract.</p>	<p>We will ensure consistent high quality services are delivered, informed by a more robust service evaluation Contract.</p> <p>With a compact contract provider management can be strengthened to increase confidence that risk is managed effectively.</p> <p>We will aim to maintain provider continuity care unless it is not in the best interest of the IJB or Service User</p>

Where we are	Where we want to be	Link to Falkirk Integrated Strategic Plan 2016 to 2019
Individual service contracts are based upon a fixed number of weekly hours commissioned	Redesign contract so it is more flexible, responsive and aligned to outcomes.	<p>Services encourage independence by focusing on reablement, rehabilitation and recovery.</p> <p>People have timely access to services, based on assessed need. Services improve qualities of lives and are joined up to make best use of available resources.</p> <p>More clearly align levels of care to need, supported by appropriate review processes.</p>
Limited although growing use of technology in delivery of services.	Conditions and terms of contract are specified relating to the use of technology to manage contract performance and to support service users.	<p>We will be able to better support people use technology solutions to assist them to have more independence and control over their lifestyles and the management of their condition</p> <p>We support investment in Technology Enabled Care as an effective and appropriate way to support care.</p>
Contract Agreement is for commissioning Self Directed Support (SDS) Option 3 only	The contract is structured to support the commissioning of services under SDS options 1, 2, 3 and 4.	<p>Decision making is transparent, is based upon reliable information and is evidenced based.</p> <p>Support people exercise as much choice as is possible over the services that are provided.</p>
Contract does not include a D2A model of care.	The contract is structured to reflect lessons learned from an evaluation of D2A models of care.	Services encourage independence by focusing on reablement, rehabilitation and recovery.

6 Opportunities and benefits

- 6.1 The table below identified high-level opportunities and benefits based on the data gathered in the previous stages. This includes looking at:

Purchase demand management

	Description	Benefits
Reablement to reduce dependences	<p>Ensure effective assessment of referrals and regular review to identify the need for ongoing support.</p> <p>Review alternative ways of meeting requirements and consider policy and process changes.</p>	<p>Cost efficiencies through supplier rationalisation.</p> <p>Review of internal processes and procedures to deliver added value from different delivery method.</p>
Consolidate spend	Common specification for core services.	Review all spend and create economies of scale for sustainable pricing.
Improve specification	Detailed specification to set optimal service levels and fit for purpose services	Ensure specification is fit for purpose and meets requirements. Do not over specify and potentially increase cost.

Supply base management

	Description	Benefits
Restructure Relationships	<p>Improve relationships with provider(s) to introduce provider development programmes and Joint working initiatives.</p> <p>Review / establish KPI's.</p>	<p>Partnership working to increase communication and access to innovation in the sector.</p> <p>Monitor providers to ensure high quality service delivery with specific measures</p>
Maximise Effective Competition	Price and performance benchmarking and cost breakdown analysis to deliver Best Value.	Identify breakdown of service and commodity cost to determine sustainable pricing.
Restructure Supply Base	Tender requirements for core services	Establish incentivised contracts

Total Cost Management

	Description	Benefits
Optimise total supply chain costs	<p>Work with providers to identify and prioritise options and alternatives. Implements mechanisms to commission block hours and offer commitment to weekly hours</p> <p>Management information and monitoring agreed to define provider cost drivers</p>	<p>Service knowledge</p> <p>Identify what areas affect cost</p>
Reduce total ownership costs	Review in-house options	Ensures reviews identify the most appropriate option to deliver the service.
Reduce transactions	<p>Rationalise requirements</p> <p>Consolidate invoices / e-invoicing</p> <p>Review payment methods</p>	<p>Reduction in cost and administrative resource</p> <p>Review ordering process to consolidate orders, maximise the use of technology and reduce cost to serve.</p>

- 6.2 The above highlights opportunities that could be developed and determines how they may be applied to the service, for each of the potential opportunities. This includes geographical locations, specification changes, use of technology, skills and knowledge etc which will feed into the final contract documents.

7 Sustainability

7.1 It was important to consider specific environmental and social characteristics of the services. The potential sustainability opportunities of the procurement project would be addressed through the Specification, Evaluation Criteria and Key Performance Indicators.

7.2 The services are principally delivered in a domestic environment of private households or group accommodation and so the opportunities for significant impact in relation to sustainability are limited. However, there are areas where benefits may be realised, particularly around socioeconomic aspects. These include the following;

Socioeconomic

7.3 The new contract can help combat social exclusion and deprivation by promoting opportunities for training and employment for the long term unemployed through Community Benefits.

7.4 The services offer opportunities for providing benefits to people in the context of their communities. These opportunities are mainly in relation to skills development and support into employment. There is also potential for delivery of wider community benefits.

7.5 The services can promote equality, equal access and non-discrimination through providers own approach to recruitment and support through training via educational activities in the community.

7.6 The market does not currently contain supported businesses and therefore it would not be appropriate to restrict the contract to this type of provider.

Community benefits

7.7 Bidders will be asked to detail community benefits they intend to provide and delivery will be monitored during the term of the contract. However, the size and capacity of providers and the nature of service delivery may vary considerably and the approach should therefore be proportionate.

7.8 A summary of the expected community benefits will be provided as part of the tender. It is proposed that these will not be evaluated as part of the tender process but providers will be required to present a community benefit proposal within the tender detailing how they will address specific community benefit themes.

7.9 The Council also specifically wishes to encourage and intends to support the education and training of young people and labour market returners in order that they can be equipped to work successfully in the

Care Sector. Providers therefore will be required to recruit and train such young people and labour market returners.

- 7.10 Falkirk Council's Employment and Training Unit will support successful Providers in delivering the community benefit requirements of the contract. Failure to provide a community benefit proposal may see a providers tender being rejected.

Fair Employment

- 7.11 The Contract also offers an opportunity to promote fair employment and fair remuneration, through provider's direct employment of staff. Payment of the Living Wage for direct employees will be promoted and it is our objective to work with all providers to ensure they pay their staff the Living Wage. Payment of the Living Wage will be monitored during the lifetime of the contract.

Environmental

- 7.12 The services are delivered in a domestic environment of private households, with providers operating from an office location. The impact on the environment which may be made via the contract is therefore limited, although providers will be encouraged to operate in as sustainable a way as possible in their working premises and Council owned properties and to support service users to do so. There are also opportunities for reduction in vehicle movements and emissions on a small scale through encouraging use of energy efficient vehicles, effective journey planning and use of public transport where possible.

8 Market analysis

- 8.1 A supply market analysis was undertaken to enable the project team to develop a detailed understanding of the key trends, major players and overall market dynamics that could influence the development of the strategy.

Care inspectorate

- 8.2 In Scotland care is regulated and inspected by the Care Inspectorate, an independent organisation funded by the continuation and registration fees paid by providers of social care; they are also funded by the Scottish Government.
- 8.3 All services inspected by The Care Inspectorate are awarded grades ranging from 1-6; (1 being unsatisfactory, 6 being excellent). The graded aspects of care are:
- Quality of Care and Support;
 - Quality of Environment;
 - Quality of Staffing; and
 - Quality of Management and Leadership
- 8.4 In 2016 the percentage of contracted providers delivering services on behalf of Falkirk Council graded 4 and above for Care and Support was 91.5%.
- 8.5 Providers seeking to be appointed to Falkirk Council's contract for Support at Home, SDS option 3, will be required to have a minimum of grade 4 for Care and Support in at least one of their last 2 inspections.

Falkirk demographics

- 8.6 It is estimated that the population of Falkirk will increase by 10.4% between 2012 and 2037 and the population of Scotland is expected to increase by 8.8%.
- 8.7 In the Falkirk Council area there were 15,020 (9.6%) individuals who had a long-term health problem or disability which subsequently limits them when carrying out day-to-day activities. A further 16,125 individuals (10.4%) are limited a little in their day-to-day activities by a long-term health problem or disability.
- 8.8 **Retired population:** The number of people over retirement age is expected to increase substantially. This is likely to have implications for home support.

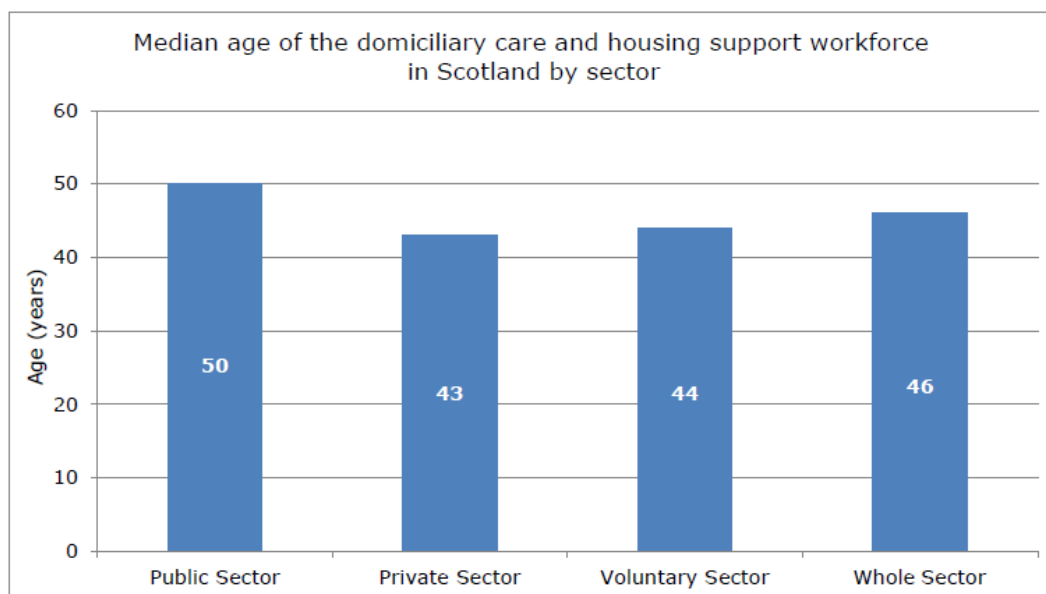
- 8.9 **Very elderly:** This is the section of the population which is expected to show the most rapid rate of increase over the period. The number of people aged 85 and over is likely to more than double across the period from 2012 to 2037. This has potentially highly important implications for home support services because this age group makes the greatest demands on their services.

Providers

- 8.10 In March 2016 the Care Inspectorate had 943 registered locations under the heading of Support Services, Care at Home. This represents a 6.3% increase compared to the March 2015 figure. This confirms an expanding market and opportunities to attract new provision to the area to help address the additional pressures on services likely to flow from changing demographics. .

Workforce

- 8.11 The Scottish Social Services Council (SSSC) reported there were 64,290 people employed in the domiciliary care and housing support sector in 2014.
- 8.12 The graph shows the median age of the workforce, in the domiciliary and housing support sector by sub-sector. This illustrates an aging workforce and a need to be innovative in supporting the sector's recruitment to attract younger carers to the sector.



Provider consultation

- 8.13 Consultation with companies included a series of workshops to discuss the service area. This was carried out in a transparent way that ensured there was no distortion of the market place, and that the outcome would not unduly favour or disadvantage a particular potential supplier. Companies engaged included a good cross section of potential providers to best inform our strategic options i.e. the views of a Small and Medium Sized Enterprise (SME) and large or multi-national supplier.
- 8.14 A Prior Information Notice (PIN) was published inviting interested providers to meet with Falkirk Council to discuss the scope of the services at a series of workshops. A list of those providers attending the consultation sessions is included at appendix 3.

Cost drivers

- 8.15 The project team gathered information on supplier cost drivers via a number of means. These included discussions with providers, external research and internal knowledge.
- 8.16 The major cost to providers is workforce pay. Recruitment and retention of staff is problematic and access to workforce is a key constraint. Some workers are often employed on zero hours contracts, which can offer little financial security.

Cost Element	% of Overall Price
Labour (wage, NI, pension, sick/holiday pay, training, travel etc.)	65%
Overheads (utilities, property, rent, consumables, hospitality, quality assurance control etc.)	25%
Transportation (vehicles, fuel, maintenance, insurances etc.)	7%
Profit	3%

- 8.17 As previously mentioned this tender seeks to promote payment of the Living Wage for direct employees and it is anticipated that the majority of providers are likely to pay their own staff above the Living Wage. Payment of the Living Wage will be monitored during the lifetime of the Contract.

Key providers information

- 8.18 Service providers in Falkirk vary from small local providers based out of a single office, to large corporate organisations in the public, private and voluntary sectors.

Strengths, weaknesses, opportunities and threats (SWOT analysis)

- 8.19 A SWOT analysis was conducted and examined environmental factors internal to the organisation (usually classified as Strengths or Weaknesses) and those external to the organisation (classified as Opportunities or Threats).

Strengths	Weaknesses
<ul style="list-style-type: none"> • Developed and existing supply base • Good stakeholder relationships • Range of suppliers delivering good quality services as indicated by Care Inspectorate Grades • Willingness for partnership working • Commitment to local economic development • High level of market competition; • Buy in from the service and IJB; • Skilled workforce 	<ul style="list-style-type: none"> • High level of market competition • Large number of providers currently on contract; • Financial and budget constraints; • Lack of strategic planning at service level between in-house and private sectors; • Complex and lengthy referral process (call off method means going out to all providers); • Limited use of assistive technology (innovation) • Systems do not allow relevant management information to be collated promptly; • No consolidated invoicing in place.
Opportunities	Threats
<ul style="list-style-type: none"> • Rationalise number of providers delivering service; • Manage providers performance through KPI's; • Obtain management information centrally; • Assistive technology changes; • Geographical and locality delivery; • Partnership working with and between providers; • New ways of working and delivering the service; • Embed new Health and Social Care Standards into tender documents. 	<ul style="list-style-type: none"> • Legislative change • Service user demand increase or decrease (SDS); • Changes to living and minimum wage; • Lack of recruitment and retention of staff leads to providers not having capacity to deliver service.

- 8.20 The above forms a foundation for evaluating the internal potential and limitations for the Council and the probable/likely opportunities and threats from the external environment. It provides a source of information to the Council for strategic planning on its overall position and the market environment.

9 Risks and issues

- 9.1 This section provides a summary of the key risks from the project that are related to procurement and how these will be managed through the overall project risk management process.
- 9.2 The risk summary in the table below describes the risk, its possible impact and the mitigating action(s) taken. Risk management is a critical and continuous process and appropriate Risk Assessments were undertaken, reviewed and managed throughout the development of the strategy.

	Description of Risk	Description of Possible Impact	Mitigating Actions
1	Slippage of timetable	New contract not available at end of current contract	Agree plan and realistic timescales with leeway for slippage.
2	Changing legislative and policy landscape	New contract not fit for purpose - may not be aligned to new policy	Build all known changes into Contract and tender documentation
3	Specification under or over specified	Does not meet service users requirement, which may impact what a provider can / cant deliver and the cost of the service	Develop specification and advertise the service to attract a large number of providers to tender. Weight the contract to highlight that quality is of high importance, utilise ESPD stage to apply minimum requirements.
4	Tender process is unable to find suitable providers	Contract will require re issuing, current agreements will need to be extended and renegotiations to ensure service delivery continues	Ensure regular meetings of working group with providers and set clear timescales and targets.
5	Errors within tender document from successful bidders	Contractors misunderstand how the contract is priced and delivered.	Process in place to ensure clarifications with bidders can take place.
6	Failure to deliver the service due to lack of capacity.	Service unable to be delivered to required standard.	Develop a contingency and / or business continuity plan for service failure.
7	Issues arise if change of providers	Client information passed in an appropriate manner, clients do not have a consistency of service	Development of Exit plans for current providers

	Description of Risk	Description of Possible Impact	Mitigating Actions
8	Increase in overall costs of services as a result of tender	Impact budgets if price increases are unaffordable	Encourage increased competition via PIN. Include requirement for transparency of costs and pricing.
9	Tender values higher than budget	Overspend in contract value	No requirement to accept or award any tender submitted. Protection of budget, budget overspend, budget under spend, budget monitoring.
10	IT security, data protection, sharing of information is not secure	Client information is leaked and breach of data protection	Ensure that client information is encrypted or coded. Ensure that contractors adhere to data protection legislation.
11	Providers do not have policies to deal with client and staff safety.	Client and staff safety is undervalued.	Clear policies and procedures within the service specification, Documentation from bidders on how safety will be managed.
12	Legal action against Council on the tendering process from unsuccessful providers.	Delay in award of Contract	Ensure process is fair and transparent, that evaluations are robust and engage with providers. Implement a voluntary cooling off period.
13	Lack of resources at evaluation stage of process	Delay in evaluation of tender	Commit and plan evaluation panel up front
14	Continuity of support if the tendering process gets delayed	Continuity of care to service user may be affected	Have a contingency plan in place to continue existing contract where possible.
15	Failure to communicate to departments and service users effectively	Staff unaware of any change to Contract	Ensure communications begins early on in the process and are highlighted in a Communication Plan.

- 9.3 The above will ensure the effective management of risk and increases the probability of a positive outcome by contributing to better service delivery, more effective management of change and efficient use of resources.

10 Procurement options

Care and support services

- 10.1 For Care and Support Services, the Council is largely free to decide to use the procurement procedures, tools and techniques of its own choosing when procuring. That said, as a matter of best practice, it is likely it will want to follow a procurement procedure that is proportionate to the value of the contract and to take account of some fundamental considerations.
- 10.2 The service falls under the EU Regime Annex XIV “*light touch*” arrangements and will be advertised in OJEU and via the Public Contracts Scotland portal. It is anticipated that the Contract will be advertised with 6 service options/lots, as detailed below, and providers may bid for one, any or all Lots.

Lot	Title
Lot 1	Home Care (Self Directed Support Option 3)
Lot 2	Community Care (Self Directed Support Option 3) – People with Physical Disabilities including those with Sensory Impairment
Lot 3	Community Care (Self Directed Support Option 3)– People with Learning Disabilities including those with Autism Spectrum Disorder
Lot 4	Community Care (Self Directed Support Option 3) – People with Mental Health Difficulties
Lot 5	Community Care (Self Directed Support Option 3) - Older People including those affected by Dementia
Lot 6	Community Care (Self Directed Support Option 3) - People who are or have been subject to the Criminal Justice System

- 10.3 The contract will be offered for an initial period of 2 years, with the option to extend for up to a further 24 months. Pricing will be sought to be fixed for an initial period of 1 year, to negate the risk of providers submitting inflated pricing at tender submission if this was fixed for a longer period of time.

Procurement options

- 10.4 The Council may choose to adapt or streamline one of the procurement procedures described in the Public Contract (Scotland) Regulations 2015. The Council is not obliged to follow the detailed procedural requirements set out in those Regulations; therefore the documents will not refer to the Regulations issued to participants, as this may create an expectation that the detailed procedural requirements will be followed. The documents will also ensure that the procurement process is described accurately and clearly, and then adhered to.

- 10.5 If there are potentially many bidders who could meet our needs, a procurement route that will minimise the cost of competition for both public bodies and bidders should be considered (restricted/dual). Typically this would involve a selection stage, designed to reduce the number of bidders to a more manageable number. Only those bidders successful in the selection stage will be invited to submit a tender or have its award criteria evaluated.
- 10.6 If research has indicated that there are few bidders that could meet our needs in the market place, the Council may decide that all bidders who respond to an advertised opportunity should be sent the full Invitation to Tender without a separate selection stage (open/single).

Procurement route

- 10.7 For the purpose of this tender exercise, it is evident from the current Contract and market research that there will possibly be a large number of bidders.
- 10.8 However, as one objective of the Contract is to provide maximum choice of services and providers, it would not be appropriate to restrict the numbers of providers available via the Contract. Therefore, it is proposed that a 2 stage open/single procedure is conducted, with defined qualification and mandatory criteria and scored elements including both quality and price.
- 10.9 Therefore, after dispatching the contract notice, all procurement documents, including the ITT, will be made available for free direct download from Public Contracts Scotland.
- 10.10 The contract notice will define the minimum number of bidders to be shortlisted and, where applicable, the maximum number. It is proposed that the maximum will be 10 per Lot and be sufficient to ensure genuine competition.

Stage 1

- 10.11 The first stage will be a selection process, where the bidders' capability, capacity and experience to perform the contract are assessed and shortlist bidders for the assessment of its bid and the award criteria.

Key criteria

- 10.12 It will be a requirement of the tender that any provider must hold registration with the appropriate regulatory body in Scotland (currently the Care Inspectorate) for its services at a grade of 4 or above in Quality of Care and Support.

- 10.13 Any bidder who does not yet hold appropriate registrations cannot be awarded onto the Contract until registration is in place (this must be by the go live date of the new Contract).
- 10.14 Employees of the successful bidders will also require having the qualifications that meet the requirements of SSSC.

Exclusion grounds and minimum standards

- 10.15 There are circumstances in which a bidder must be excluded from the procurement process and there are other circumstances in which the Council may determine on a case by case basis whether a bidder should be excluded. These are referred to as mandatory and discretionary exclusion grounds and minimum standards. These include the following mandatory and minimum standards;

Exclusion grounds

- Criminal convictions;
- Taxes/social security;
- Blacklisting;
- Insolvency;
- Serious and organised crime

Minimum standards

- Care Inspectorate Registration;
 - Care Inspectorate grading of 4 and above for care and support;
 - Insurances;
 - SSSC registration;
 - Quality assurance systems;
 - Financial standing
- 10.16 To remove the obstacles to the involvement of SMEs in public procurement, the Council must not ask the bidders to have a minimum yearly turnover which exceeds twice the estimated value of the contract.
- 10.17 Where it has been determined that minimum standards are applicable they must be clearly detailed in the Contract Notice and any other Procurement Documentation.
- 10.18 Minimum standards cannot be changed once they have been notified to the bidders – within the ITT.
- 10.19 Each bidder will also need to complete a Serious and Organised Crime Group declaration, which will be assessed by Police Scotland prior to the award of the Contract.

- 10.20 At stage 1, all ESPD responses will be evaluated to ensure that the bidder meets the mandatory and discretionary selection criteria, as well as the weighted questions based on experience. This will allow the Council to shortlist a manageable number of companies whose award criteria submission will be evaluated at stage 2.
- 10.21 Only those bidders passing stage one will have its technical and commercial bids considered for award.
- 10.22 Any company who passes the mandatory and minimum requirements will be selected onto a list of providers which will be provided to service users for the delivery of SDS options 1, 2 and 4.

Stage 2

- 10.23 The second stage (award process) will assess bids to determine the most economically advantageous tenders and subsequent award of bidders for each Lot.

Weightings

- 10.24 It is proposed that 60% of the award criteria will be allocated to technical elements and 40% will be allocated to commercial (price). Full award criteria and sub criteria will be included in the tender document.

Evaluation

- 10.25 Each service option will be evaluated separately and bidders can submit a tender for one, any or all Lots. Bidders will also be asked to specify which area its bid represents and if successful will only be considered for delivery of the service within the area specified at the time of tender.
- 10.26 Compliance with the service specification and providers' response to a set of weighted quality questions will be evaluated using a scoring matrix [see Appendix 4]. Key aspects being considered for evaluation include the following:
- understanding service requirements and implementation proposals;
 - achieving outcomes for service users;
 - staffing structures and how these have been calculated to meet the needs of the service user group;
 - proposals for service improvement/development;
 - proposals for monitoring and evaluating service delivery and user satisfaction
 - fair working practices

- 10.27 The Council may disqualify any bidder who fails to achieve the pre-set overall scoring threshold of a total of 50 marks out of 100 (50%) relative to the quality element for their responses to the scored questions.
- 10.28 Bidders will be encouraged to commit to accreditation with the Living Wage Foundation. They will also be asked to detail any community benefits they will deliver related to the Contract. These questions will not be scored but will be required as a baseline for contract monitoring.
- 10.29 Following completion of the award criteria analysis, bidders will be subject to a cost analysis. The cost analysis will establish the Tender Price for each Lot according to the rates and prices submitted.
- 10.30 Bidders commercial submissions will be scored proportionately in comparison with the lowest bid.
- 10.31 Bidders will be asked if bidding for more than 1 care group (Lot) that the same rate shall apply for each care group.
- 10.32 Scores from the quality analysis will then be combined with the scores for the cost analysis to reach a combined score for each Tender submission relative to each Lot and establish a ranking to determine the preferred bidder(s) for each Lot.
- 10.33 No less than 5 and no more than 10 providers will be allocated to each Lot. This will be determined by the evaluation ranking of both quality and price criteria and the preferred area of service delivery.

11 Timescales

- 11.1 It is anticipated the following timeframes will be followed for this procurement process:

Milestone	Expected Completion Date
Tender release	November 2017
Tender close	December 2017
Evaluation	December 2017 and January 2018
Contract award	February 2018
Contract implementation	February 2018
Contract commencement	April 2018

12 Contract award and mobilisation

Contract award

- 12.1 A contract award recommendation report will be prepared and endorsed by the project team prior to approval by Falkirk Council's Executive.
- 12.2 Once approval has been obtained, a 10 day voluntary standstill period will be applied before notifying both the successful and unsuccessful bidders of the outcome.
- 12.3 In addition to the standstill rules, the regulations include a debriefing obligation. Any bidder may request additional information regarding the tendering process. The Council must respond as soon as possible or at the latest 15 days from the receipt of a written request for more information. Debriefing is a way of helping providers to improve their competitive performance, which in turn produces benefits to the Council. Unsuccessful bidders have a right to know the reasons for their rejection.

Contract mobilisation

- 12.4 Contract mobilisation will take place as soon as award notices have been issued and is expected to continue during the initial months of the Contract. The communication method will be determined by the stakeholder audience e.g. e-mail for small targeted group; newsletter for stakeholder community and internet for public audience.
- 12.5 Mobilisation briefings with each provider will include as a minimum:
 - A clear explanation of how the Contract will operate, including the respective roles of the Council and successful providers;
 - Detailed guidance on management information submission expectations;
 - Confirmation of contact information for the Council and successful providers;
 - Recording and reporting on community benefits.
- 12.6 Written guidance will be developed for the department showing Contract terms and conditions, pricing, guidance on setting up contracts under the Contract, supplier contact details and guidance on managing the Contract.
- 12.7 The membership of the project team will be reviewed on completion of the tender to form an ongoing contract management reference group.

12.8 The following implementation plan will be addressed as well as the successful provider's plan, as submitted as part of the tender process;

Activity Description	Owner	Completion Date
<ul style="list-style-type: none"> Legal / Consultation Report Approval Director Report Approval Submit Executive Report with 7 day No Call-in Period 	Procurement	January 2018
<ul style="list-style-type: none"> Draft and Issue Contract Successful and Unsuccessful Standstill Letters 	Procurement	January 2018
<ul style="list-style-type: none"> 10 day standstill 	Procurement	January 2018
<ul style="list-style-type: none"> Draft & issue award confirmation letters 	Procurement	January 2018
<ul style="list-style-type: none"> Draft and distribute details of Contract, Contract Supplier Contact Details, Supplier Ranking, Pricing Schedule, Supplier Method Statements 	Service	February 2018
<ul style="list-style-type: none"> Effect incumbent Exit Plan with unsuccessful incumbent Provider(s) (where applicable) 	Service	February 2018
<ul style="list-style-type: none"> Provide Community Benefits Information to Employment & Training Unit, for them to work with successful providers to realise Community Benefits and Modern Apprenticeship opportunities 	Procurement	February 2018
<ul style="list-style-type: none"> Effect Contract Implementation Plan with successful Provider(s) Pre-Start meetings with successful Provider(s) Confirm mobilisation process, including plan provided by successful Provider within ITT response Providers to work in conjunction where necessary with any outgoing incumbent or incoming supplier(s) in order to effect an operational Implementation plan, to ensure continuity of service at all times 	Procurement / Service	February 2018
<ul style="list-style-type: none"> Implement agreement 	Procurement / Service	February 2018
<ul style="list-style-type: none"> On-going contract management 	Procurement / Service	Ongoing

Call off method

12.9 The following call-off methodology will be used by the Council in awarding referrals through the contract:

- The Council will engage with the 3 highest ranked providers (as established at the point of the Contract Agreement award) for each Lot. The Service will be allocated to the provider who has indicated they have capacity and are ranked highest. The successful Provider will be advised of their proposed appointment by email, followed up with an award letter. If a referral cannot be awarded to a provider within the top 3 highest ranked providers, the referral will be directed to all providers within the Lot.
- Where it is not possible to direct award a referral due to the nature of a service user(s) needs, the Council may operate a mini competition and engage with all providers awarded onto that particular Lot. This may be conducted on an individual service user's basis or with several service users, determined by the Council and within each of the specified 3 areas of the Council. The successful Provider will be advised of their proposed appointment by email, followed up with an award letter.

13 Contract management

- 13.1 Contract management will involve meetings with providers to discuss operational issues and opportunities for improvements at least annually or more frequently if required.
- 13.2 The Contract is a [high risk/ high value] Contract and accordingly has been classified as a high level contract for contract management.
- 13.3 Management information will be gathered by the Service on a quarterly basis including information about service quality, spend, referral information, reasons for end of referrals, payment of the Living Wage and on a six monthly basis about community benefits delivered.
- 13.4 The following contract management tool will be used as a minimum level of contract management.

Level of Contract / Supplier Management	Aim	Characteristics
Low level	Ensure continuity of supply and risk awareness	<ul style="list-style-type: none"> Low value and low risk This can cover procurements that are non-business critical and/or have an abundant supply base, and also Procurement Journey Route 1 contracts. In general, contract management of these agreements will include gathering management information, monitoring trends, and maintaining awareness of key category risks. Ensuring compliance to the contract by managing the delivery of the contract using four high level indicators i.e. cost, quality, delivery, service. This may be through a customer survey where the questions can be categorised using the 4 level indicators mentioned above.
Medium level	Ensure continuity of supply, value for money, risk management and supplier performance. Seek supplier development where possible. Retain/gain market knowledge.	<ul style="list-style-type: none"> Procurement Managers shall ensure continuity of supply and value for money through on-going effective contract management. Typical contract management activities and tools include supplier review meetings, use of KPI's, user feedback gathering, reviewing spend data, benchmarking costs, market intelligence, elements of Supplier Health Check and use of a Risk register. These contracts could be where there is abundant supply and therefore a chance to improve price ('Leverage'), or limited supply of a not critical/high cost item which needs management to maintain consistent supply ('Bottleneck'). This should expand on the four high level indicators and holding a minimum of one performance review meeting per annum.
High level	Ensure effective contract delivery and supplier performance, risk management and maximisation of supplier and market development opportunities.	<ul style="list-style-type: none"> Contracts that have high value and/or high risk will be managed strategically to ensure effective service delivery Through strategic contract management opportunities for supplier development and greater market knowledge can be identified. This will include managing the performance of the contract and the supplier using the full balanced scorecard and using the foundation of Medium Level contract management.

- 13.5 There are a number of activities and tools necessary to effectively manage and improve providers' performance. These will include;
- Understand Contract Terms & Conditions;
 - Key Performance Indicators (KPIs);
 - Management Information (MI);

- Feedback and Improved Communication;
- Demand Management;
- Risk Management;
- Innovation / added value;
- Review Meetings;
- Contract Changes/Variations;
- Change Management Process;
- Change impact reports

DRAFT

14 Exit Strategy

- 14.1 An exit strategy was considered and developed as part of the tender and contract management process. This identified possible risks, defined potential losses and ensured continuity of services. Without a strategy which is consistent with the overall sourcing strategy, the Council risks becoming locked into an unsatisfactory relationship or being forced to pay more to part ways and minimise operational impact.
- 14.2 The exit strategy will be reviewed annually or when significant change occurs.
- 14.3 Several considerations were made when developing the exit plan [some of which will be considered to be included in the terms and conditions], including:
- Continuing Service Requirements;
 - Data Security and Privacy;
 - Knowledge and Documentation Transfer;
 - Costs;
 - People

Continuing Service Requirements

- 14.4 The exit strategy will present the Councils service requirements for the period during which the parties are transitioning out of the relationship. These requirements include the following;
- An obligation by the supplier to continue performing the services at the same level of quality for the transition period and to continue to comply with all the obligations in the contract;
 - Requirements for the provision of parallel services for a certain period, with the right to extend the term as necessary to resolve issues before the final cutover;
 - An obligation by the supplier to keep the same supplier team performing services during the transition period;
 - Confidentiality on any communications regarding the termination of the relationship.

Data Security and Privacy

- 14.5 Data privacy and security are critical and the exit strategy considered provision for factors such as:
- Providing for the transfer of all data belonging to the Council, including any customer information;

- Determining an acceptable method by which the supplier will destroy and remove The Councils proprietary information;
- How the supplier will destroy and remove this sensitive information from all media, ensuring it is not disclosed to other individuals or companies;
- The return or transfer back of each party's assets

Knowledge and Documentation Transfer

14.6 Rigorous documentation and knowledge transfer requirements were considered. These requirements include the following;

- Require the supplier to provide access to everything the Council will need to maintain the service;
- Clearly define which party owns the work performed by the supplier and which party is responsible for solidifying the transfer of ownership;
- Fully document the service description for any additional services required from the supplier during the transition period e.g. training your employees or training new supplier personnel;
- Require the supplier to provide the Council with copies of data, procedures, access logs, error logs, documentation and other information that the supplier generates as a part of providing the contract services. The provider should also grant The Council the right to provide this information to potential successor providers.

Costs

14.7 Transition, termination and timing are key and the following was considered;

- Will not penalise the Council for an early exit, especially if the termination is due to the supplier's failure to perform the contract adequately;
- Specify when compensation should be paid and how much, including compensation for any continuing base services and transition activities;
- Specify the return of any pre-paid fees for services which have not been supplied.

Personnel

14.8 The exit strategy will cover personnel issues, such as;

- Ensuring that supplier personnel and key resources with relevant knowledge and expertise remain in post and committed during the transition;
- Defining the exit-strategy team and its roles;

- The treatment of employees and any obligations to inform or consult under TUPE

DRAFT

15 Conclusion

15.1 The new Contract should enable the Council to continue to enjoy the benefits experienced from the current agreement and Contract, introduce greater transparency around costs and support commissioners to achieve improved value for money and partnership working. It should also increase understanding of the nature of services and help to develop more openness and a partnership approach in relationships with providers.

DRAFT

Appendix 1 - Home Care Providers

1st Homecare
Advanced Care Services
Ailsa Care Services
Allied Healthcare
Braes Home Care
Careline
Crossroads Caring Scotland
Dalriada
Carewatch Fife and Forth
Extended Personal Care
Grangemouth Carers
Hazelhead Homecare
HRM Homecare
ILS
MFCM
Montana
Rainbow Care
Sue Ryder

Appendix 2 – Community Care Providers

1st Homecare
Advanced Care Services
Ailsa Care Services
Barony Housing
Braes Home care
Capability Scotland
Careline
Carewatch Fife and Forth
Carr Gomm
C-Change Scotland
Community Integrated Care
Craegmoor Supporting You in Scotland
Crossroads Caring Scotland
Dalriada
Denovan
Enable
Extended Personal Care
Grangemouth Carers
Hazelhead
ILS
Inclusion
Key Housing
Kingdom Housing
Living Ambitions
Loretto Care
Margaret Blackwood
MFCM
Montana
Penumbra
Quarriers
Real Life Options
Sacro
SAMH
Scottish Autism
Step Up
Stoneywood
Sue Ryder
The Action Group
The National Autistic Society
The Richmond Fellowship
Thera (Scotland)
Voyage Care
Ypeople

Appendix 3 – List of Interested Companies (PIN)

Providers
1st Homecare
Able Health Care Scotland
ACasa Care
Addaction Scotland
Advanced Care Services
Affinity Trust
Alanmart Day Care
ARK Housing Association
Avenue Care Services
Barony Housing Association Ltd
Bield Housing & Care
braes home care ltd
'Call In' Homecare Ltd.
Capability Scotland
Careline Home Support
Carewatch
Carr Gomm
Castlerock Recruitment Group Ltd
C-Change Scotland
Clyde Healthcare Ltd
Community Integrated Care
Constance Care Limited
Crossroads Caring Scotland
Dalriada Homecare Ltd
Delight Supported Living Ltd
ENABLE Scotland
Engineering Professional Services Ltd
Extended Personal Care Ltd
Food Train
GMD Community Services
Grangemouth Carers Ltd
Hanover (Scotland) Housing Association Ltd.
Hazelhead Homecare Ltd
Healthstar Care Nursing Agency
Homecare Solutions Ltd
HRM Homecare Services Ltd
Insequa Ltd
Interserve Healthcare
ION Care and Support Services Ltd
Key Housing Association
Kingdom Housing Association
Lifeways Community Care
LinkLiving Ltd
Loretto Care

Lothian Trading Services
Margaret Blackwood Group
Mears Care
MFCM
Mochridhe Ltd
Montana Home Care Ltd
Nestor Primecare Services Limited
Plus Homecare Ltd
Procurement for Housing Limited
Promedica24
Quarriers
Rainbow Care Services
Real Life Options
Royal Voluntary Service
Scottish Association for Mental Health
SPAEN
SRS partnership
Step Up (Housing, Employability & Community Support Services)
stewartry care ltd
Stoneywood Care Services
Sue Ryder Care
The Action Group
The British Red Cross Society
The Good Care Group Scotland
The Richmond Fellowship Scotland
Trust Housing Association Ltd
Ypeople

Appendix 4 – Scoring matrix

Assessment	Score	Interpretation
Excellent	4	Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement and provides details of how the requirement will be met in full.
Good	3	Response is relevant and good. The response is sufficiently detailed to demonstrate a good understanding and provides details on how the requirements will be fulfilled.
Acceptable	2	Response is relevant and acceptable. The response addresses a broad understanding of the requirement but may lack details on how the requirement will be fulfilled in certain areas.
Poor	1	Response is partially relevant but generally poor. The response addresses some elements of the requirement but contains insufficient/limited detail or explanation to demonstrate how the requirement will be fulfilled.
Unacceptable	0	Nil or inadequate response. Fails to demonstrate an ability to meet the requirement.