
By: Malcolm Newsam, Interim Director, Families and Social Care

To: Jenny Whittle, Cabinet Member for Specialist Children's Services

Subject: **The award of a Disabled Children's Services Multiple Supplier Framework Agreement and delegated authority for the award of future call-off contracts**

Classification: Unrestricted

(Appendix 1 is EXEMPT – not for publication – Paragraph 3 of Part 1 to schedule 12A of the Local Government Act, 1972 refers)

Summary: The report outlines the procurement process carried out for the Disabled Children's Services Multiple Supplier Framework Agreement and the process for mini competitions and the award of call-off contracts.

Recommendations: This report seeks Member approval to inform those organisations who tendered for inclusion on the framework if they have been successful or unsuccessful, and to grant the delegated authority to the Corporate Director, Families and Social Care (or other nominated officer) to approve the award of call-off contracts through the framework agreement's mini competition process and, throughout the life of the framework agreement.

Introduction

1. (1) In July 2011 a paper went to the Families and Social Care Directorate Management Team (FSC DMT) to outline the procurement process that had taken place for a Disabled Children's Services Multiple Supplier Framework Agreement. This multiple supplier framework agreement allows a number of organisations to apply to be part of the framework and if successful, become framework approved providers.

(2) Throughout the life of the framework agreement the framework approved providers will be invited to tender for call-off contracts through a mini competition process.

Financial Implications

2. (1) It is the Council's intention to award a two year contract with the option to extend for a further two years.

(2) The estimated value of the framework agreement is £1,000,000 but no guarantee is given to the actual value since contracts will only be awarded after the completion of mini competitions. This funding is identified from the Short Breaks budget.

Bold Steps for Kent and Policy Framework

3. (1) The proposed decision links with Bold Steps for Kent Priority 1: Improve how we procure and commission services.

(2) The Framework Agreement has been developed following advice from Strategic Procurement and Legal Services. The Social Care Procurement briefing from the National Market Development Forum states:

"A framework agreement is an agreement with one or more contractors setting out the terms and conditions under which one or more purchasers may enter into (or "call off") a specific contract during the term of the agreement. It does not contain an obligation to supply or pay for anything, but just sets out the terms on which subsequent call-offs will be made. A framework agreement may set a price and set out terms in respect of quality or the amount of services which may be required. It is commonplace for local authorities to set up framework agreements for themselves and other public bodies to make use of. The benefit of framework agreements is that they enable authorities to quickly purchase goods, works or services and also provide value for money because they make it unnecessary to go through the expense of a full procurement process each time."

(3) From 1 April 2011, there was a new duty for Local Authorities to provide a wide range of breaks for parents/carers of disabled children identified under the DDA definition. The aim of this amendment to the Children Act 1989 is to ensure that Local Authorities recognise the provision of short breaks as an essential service to be offered to carers of disabled children.

(4) The KCC framework for delivering services has been developed to achieve best value and support personalisation as well as inclusion into mainstream services, whilst offering a range of services across the County.

Legal Implications

4. (1) Please refer to paragraph 3.(2).

Equality Impact Assessments

5. (1) A Customer Impact Assessment screening has been undertaken and no adverse impact has been identified.

Risk and Business Continuity Management

6. (1) If Member decision is not reached the risks involved are:
- (a) Breach of procurement regulations as existing contractual arrangements will require extending until a procurement strategy is developed.
 - (b) The risk identified above will also impact on the short breaks budget projections.
 - (c) Services cannot be remodelled to provide a wide range of breaks for parents and/or carers of disabled children.
 - (d) The Council will be open to challenge by the market.

Consultation and Communication

7. (1) Consultation has taken place throughout the Aiming High Pathfinder Programme with parents, carers and disabled children to ensure the short break services commissioned across the county meet their required needs. The framework agreement includes the following lots which will be available across the county, and are described below:

- Lot 1 – Weekend Short Breaks
- Lot 2 – Holiday Activity Clubs
- Lot 3 – Evening Activities
- Lot 4 – Overnight Activity Clubs
- Lot 5 – Whole Family Activity Breaks
- Lot 6 – Peer Befriending
- Lot 7 – Home Sitting Service

Multiple Supplier Framework Agreement Procurement Process

8. (1) In line with Spending the Council's Money, a fair and transparent non EU competitive procurement process was carried out. All 65 organisations who expressed an interest through the South East Business Portal were issued with invitations to tender for inclusion on the multiple supplier framework agreement. Tender responses were received from 32 organisations.

(2) The first step in the evaluation process consisted of a series of Pass/Fail questions relating to the essential requirements of the framework agreement terms and conditions e.g. policies, procedures, safeguarding, and enhanced CRB checks. No organisations failed to meet the essential criteria and all 32 organisations progressed to the next stage of evaluation.

(3) The next stage of the evaluation process focussed on the capability of the organisations to deliver:

- (a) The services and desired outcomes of the specification.
- (b) The quality requirements of the terms and conditions.
- (c) Insolvency.
- (d) Insurances.

(4) Capability under the sections listed above was assessed through the scoring of tender responses to all criteria and the evaluation of a full set of detailed policies and procedures submitted by each organisation. The evaluators of this stage were the KCC DCS Area Managers, DCS Planning Officers, and a Senior Accountant. All scoring was adjudicated by the Commissioning Unit's Contracts Manager. 29 organisations achieved the required 75% score.

(5) The final results of the full tender evaluations are presented in Appendix 1 attached.

Multiple Supplier Framework Agreement Mini Competition and Call-Off Contract Process

9. (1) Inclusion on the DCS County Framework Agreement at this stage will not guarantee that organisations will be awarded a call-off contract and there is no legally binding commitment for the Council to procure services from the approved framework providers. However, all organisations that are successful for inclusion will be invited to tender for the lots their organisations were awarded.

(2) During the framework agreement period and in line with the DCS Commissioning Strategy, DCS Commissioners will identify the need and gaps in provision for services to be procured through the framework agreement. The Commissioning Unit will work with the Commissioners to develop outcome based service specifications, identify the relevant framework lot which the service specification requirements fall into, identify the organisations who have been awarded framework approved provider status within this lot, and invite those organisations to tender through the SE Business Portal by conducting a mini competition.

(3) Mini competition tenders will be evaluated against the service specification requirements and outcomes (Quality) and price. Evaluation criteria will be developed in line with the above and published in the mini competition invitation to tender.

(4) The successful tenderer at the mini competition stage will be issued a call-off contract which will incorporate the outcome based service specification requirements, identify the framework lot for which the award is made, state the price payable and payment terms and incorporate the framework agreement terms and conditions.

Sustainability and Rural Proofing Implications

10. (1) The framework agreement will offer the parents and/or carers of disabled children sustainability (the long term maintenance of well being), whilst also demonstrating social justice (creating a society or institution that is based on the principles of equality and solidarity that understands and values human rights, and recognises the dignity of every human being).

Are there any Personnel or Health and Safety Issues which are relevant?

11. (1) There are no personnel or health and safety issues.

Alternatives and Options

12. (1) An alternative is to continue the ad hoc grant arrangements that had previously been in place, many of which did not meet Spending The Council's Money. Another option would be to have separate procurement exercises for each service required, however, this would be time consuming for both KCC and providers and not an effective use of resources.

Conclusions

13. (1) Framework agreements are an effective way of stopping spot purchasing and reducing bureaucracy for both Commissioners and providers. They also enable Commissioners to purchase services in a short timescale so they are responsive to need and in line with Spending The Council's Money. Although there is no guarantee of work, it is pleasing to see that only a minority of tenderers (3) were not successful at this stage of the evaluation process.

Recommendations

14. (1) The Cabinet Member is asked to AGREE:
- (a) that the Commissioning Unit informs those organisations who tendered for inclusion on the framework if they have been successful or unsuccessful,
 - (b) to grant the delegated authority to the Corporate Director, Families and Social Care (or other nominated officer) to approve the award of call-off contracts through the framework agreement's mini competition process and, throughout the life of the framework agreement.

Background Documents

FSC DMT Report 18 May 2011- Procurement of a Disabled Children's Services County Framework

FSC DMT Report 20 July 2011 - Procurement of a Disabled Children's Services County Framework

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