

# Report

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Report to:	<b>Social Work Resources Committee</b>
Date of Meeting:	<b>31 October 2007</b>
Report by:	<b>Executive Director (Social Work Resources)</b>

Subject:	<b>Award of Call-Off Contracts for the Purchase of Homecare Services for Older People and Adults as part of Framework agreements</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Seek approval under Standing Orders on Contracts to award twelve call-off contracts, totalling approximately £7.2 million per annum, as part of four framework agreements to external homecare providers following a tender process.

## 2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the award of twelve call-off contracts for homecare services under four framework agreements for the four geographical areas to the providers detailed in paragraph 5.1 be approved
- (2) that the minimum period for each of the twelve call-off contracts be 3 years with an option to extend for a further one year be agreed
- (3) that the estimated annual value of the twelve call-off contracts will be £7.2 million be noted

## 3. Background

- 3.1. At its meeting on 8 March 2006, the Social Work Resources Committee agreed in terms of paragraph 14 of the Standing Orders on contracts that the Executive Director (Social Work Resources) be authorised to enter into a tender process for homecare services for Older People's and Adult Services. Existing contracts had been won in competition and awarded on 1 April 2003.
- 3.2. At its meeting on 8 November 2006 the Executive Committee approved that E-tendering technology could be applied to the proposed tender.
- 3.3. E-tendering is the conduct of the complete tender process by electronic communication and includes the option of undertaking an E-auction. The provision was made to supply documents and receive bids in hard copy to ensure there was no discrimination against less technically able suppliers. All tenderers however chose to exchange information electronically.

- 3.4. The tender process was undertaken between April and October 2007. The proposed call-off contracts under the framework agreements were advertised under the Public Contracts (Scotland) Procedures 2006.
- 3.5. Taking into consideration the nature of homecare services, three tenderers will be awarded call-off contracts as part of the framework agreement for each of the following geographical areas.
- Clydesdale
  - Hamilton
  - Cambuslang/Rutherglen
  - East Kilbride
- 3.6. Subject to approval, each proposed call-off contract will be awarded for a minimum period of three years with the option to extend each call-off contract by one year thereafter.

#### **4. Current Position**

- 4.1. A total of 30 providers expressed an interest in the tender. Each tender was evaluated as required according to a pre determined criteria to establish the most economically advantageous tender. This allowed both quality and price to be considered. Quality factors accounted for 60% of the final score and price accounted for 40%.
- 4.2. The pre-determined evaluation award criteria detailed in the Invitation to Tender were as follows:
- Staff and Service Delivery Standards
  - Quality Assurance Systems
  - Health and Safety Arrangements
  - Care Commission Standards
  - References
  - EU Compliance
  - Race Relations and Equal Opportunities Policies
  - Information Communication Technology
  - Company Information and Insurance Agreements
  - Price

#### **5. Tender Awards**

- 5.1. Based on the most economically advantageous tender, the final outcome of the evaluation process is the recommendation to award call-off contracts as part of the framework agreement for each geographical area to the following providers:

<b>Area</b>	<b>Provider</b>	<b>Final Score</b>	<b>Final Rank</b>
East Kilbride	Domiciliary Care Glasgow Ltd	<b>99.96</b>	<b>1<sup>st</sup></b>
	Hazelhead Home Care Ltd	<b>94.86</b>	<b>2<sup>nd</sup></b>
	Momentum Care Services Ltd	<b>93.71</b>	<b>3<sup>rd</sup></b>
Clydesdale	Hazelhead Home Care Ltd	<b>95.90</b>	<b>1<sup>st</sup></b>
	HRM Homecare Services Ltd	<b>95.60</b>	<b>2<sup>nd</sup></b>
	Scotnursing/homecare Ltd	<b>92.47</b>	<b>3<sup>rd</sup></b>
Hamilton	Domiciliary Care Glasgow Ltd	<b>100.00</b>	<b>1<sup>st</sup></b>
	Hazelhead Home Care Ltd	<b>95.26</b>	<b>2<sup>nd</sup></b>
	Constance Care Ltd	<b>94.89</b>	<b>3<sup>rd</sup></b>
Cambuslang / Rutherglen	Domiciliary Care Glasgow Ltd	<b>100.00</b>	<b>1<sup>st</sup></b>
	Constance Care Ltd	<b>95.48</b>	<b>2<sup>nd</sup></b>
	Hazelhead Home Care Ltd	<b>94.87</b>	<b>3<sup>rd</sup></b>

- 5.2. The award of the proposed call-off contracts for a minimum period of three years will ensure the following:
- Consistency of care for service users.
  - Consistency of homecare staff being engaged to provide the service for service users.
  - Financial stability for providers being awarded the proposed call-off contracts as part of the framework agreements.
  - Improved administration arrangements for both the successful providers and the Council as a result of stream-lined processes.
- 5.3. The use of E-tendering technology gave each tenderer the opportunity to respond to bid submissions during the E-auction prior to the final evaluation of the tender submissions. It also contributed to the Modernising and Efficient Government aims and targets.

## **6. Employee Implications**

- 6.1. None.

## **7. Financial Implications**

- 7.1 The total annual budget available in 2007/08 for the purchase of homecare services from the independent sector is £8.4 million. The level of homecare services which would be purchased through the twelve proposed call-off contracts as part of four framework agreements would total approximately £7.2 million (85%) of the total budget available, with the balance of the available budget being retained for unplanned contingencies.
- 7.2 The total cost of the twelve proposed call-off contracts is within the financial provisions which have been made and approved by the Council in terms of the Council's Financial Regulations.
- 7.3 The tender has secured more favourable rates for the purchase of homecare services than the call-off arrangements presently in place. In addition to this, the rates secured are fixed for a minimum three year period and the hourly rate remains the same across all timeframes, including week-ends and public holidays.

## **8. Other Implications**

- 8.1. In order to manage the transition to the successful service providers, a lead-in period of up to 9 months from contract award to full contract value has previously been approved.
- 8.2. There will be no reduction in the number of hours of care provided by the in-house service or purchased from external providers.

## **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1. An initial assessment has been carried out and the impact of the proposal to award twelve call-off contracts as part of four framework agreements will continue to be monitored over the period of the transition.
- 9.2. Debriefing will be provided for any unsuccessful tenderer who requests it.

- 9.3. The proposal to tender for this service by using E-tendering technology and holding an E-auction was discussed at previous meetings of the Authorised Providers Network of Homecare Providers.

**Harry Stevenson**  
**Executive Director (Social Work Resources)**

10 October 2007

**Link(s) to Council Objectives**

The proposal links to the themes and objectives of the Council as follows:

- Creating successful communities
- Improve living in the community
- Supporting our communities
- Delivering modern services and
- Managing resources.

**Previous References**

Executive Committee	8 November 2006
Social Work Resources Committee	8 March 2006

**List of Background Papers**

Pre-Qualification Questionnaire, Invitation To Tender and related tender documentation.

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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Ref : ELDY0704