

# Birmingham City Council

## Report to Cabinet

5<sup>th</sup> September 2023



**Subject:** STAYING INDEPENDENT AT HOME: ADAPTATION AND IMPROVEMENT SERVICE CONTRACT AWARD

**Report of:** Professor Graeme Betts - CBE,  
Strategic Director Adult Social Care

**Relevant Cabinet Member:** Cllr Mariam Khan - Health and Social Care

**Relevant O &S Chair(s):** Cllr Mick Brown - Health & Adult Social Care

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 011796/2023		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential: <b>Exempt Appendix 1</b> – Paragraph 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).		

## **1 Executive Summary**

- 1.1 To provide the details of the outcome of the procurement process undertaken for the provision of Staying Independent at Home: Adaptation and Improvement Service and to seek approval for the acceptance of the preferred tender as detailed in **Exempt Appendix 1**.
- 1.2 The contract award is for a period of 5 years commencing 1<sup>st</sup> January 2024, with an option to extend for a further period of up to 2 years, subject to satisfactory performance and budget availability, for the estimated annual value of up to £12m (£60m in total excluding extension period) and one-off costs for mobilisation of the new service.

## **2 Recommendations**

That Cabinet:

- 2.1 Approves the award of a 5-year contract for the provision of the Staying Independent at Home: Adaptation and Improvement Service to the provider as detailed within **Exempt Appendix 1**, commencing on 1<sup>st</sup> January 2024 for a period of 5 years, with an option to extend for a further 2 years subject to budget availability and satisfactory performance for the annual value of up to £12m per year, including the payment of any one off-payments up to the maximum value of £1m.
- 2.2 Approves delegated authority for the Strategic Director Adult Social Care in conjunction with the Assistant Director – Procurement (or their delegate), Strategic Director of Council Management (or their delegate) and the City Solicitor & Monitoring Officer (or their delegate) to approve any option to extend beyond the initial 5-year period up to a maximum of 2 additional years, subject to satisfactory performance and continued budget availability.
- 2.3 Approves delegated authority for the Strategic Director Adult Social Care to approve that additional funding received into the Council through the Disabled Facilities Grant be varied into the Contract with the successful tenderer subject to satisfactory performance up to the maximum value of £2m per year.
- 2.4 Authorises the City Solicitor to execute and complete all necessary legal documents to give effect to the recommendations above.

## **3 Background**

### **3.1 Background**

- 3.1.1 The relevant background and chronology of key events are contained in the Tender Strategy for the provision of Staying Independent at Home: Adaptation and Improvement Service approved by the Cabinet Member(s) for Health & Social Care and Finance & Resources on 16<sup>th</sup> March 2023.

### 3.2 Invitation to Tender (ITT) Stage

3.2.1 The contract was publicly advertised on 29<sup>th</sup> March 2023 in the Find a Tender service (FTS), Contracts Finder and on [www.finditinbirmingham.com](http://www.finditinbirmingham.com) seeking expressions of interest from organisations who wished to tender. In response to the advertisement, 40 firms expressed an interest. All were requested to complete and return the tender; 4 firms responded by submitting a tender.

### 3.3 Evaluation and Selection Summary

3.3.1 Details of the evaluation process, including the criteria for selection was set out in the Tender Strategy and the published Invitation to tender (ITT) for the provision of Staying Independent at Home: Adaptation and Improvement Service. This outlined that tenders received would be evaluated using a split of 50% quality, 20% social value and 30% price.

3.3.2 The evaluation was undertaken by officers from the Adult Social Care Directorate, supported by Corporate Procurement Services.

3.3.3 All tenderers passed the Stage 1 assessment, which is the standard SQ/ Compliance stage and proceeded to the next stage, the ITT and pricing schedule.

#### 3.3.4 Quality Evaluation (50% Weighting)

The results of the quality evaluation including the Presentation are shown in the **Exempt Appendix 1**.

There were no specific issues that arose with the quality evaluation and all tenderers proceeded to the social value evaluation stage.

#### 3.3.5 Social Value Evaluation (20% Weighting)

The results of the social value evaluation are shown in the **Exempt Appendix 1**.

There were clarifications required on some areas of the tenderers' Social Value Action Plans, all tenderers responded to the clarifications. All tenderers proceeded to the financial evaluation stage.

#### 3.3.6 Price Evaluation (30% Weighting)

The result of the price evaluation is shown in the table in the **Exempt Appendix 1**.

There were clarifications required on some areas of the tenderers' financial submissions, all tenderers responded to the clarifications.

#### 3.3.7 Overall Evaluation

The overall results of the evaluation are summarised in the **Exempt Appendix 1**.

### 3.4 Recommendations

3.4.1 It is recommended that the contract for the provision of Staying Independent at Home: Adaptation and Improvement Service be awarded to one provider as detailed within the **Exempt Appendix 1** for a period of 5 years with option to extend for an additional 2 years subject to budget availability and satisfactory performance. The contract is estimated to start on 1<sup>st</sup> January 2024 with an indicative total contract value of £60m excluding extensions, and one-off costs.

### 3.5 Service Delivery Management

#### 3.5.1 Allocation of Work

Direct award to the successful tenderer, who will manage the supply chain and sub-contractors.

#### 3.5.2 Contract Management

The contract will be managed operationally by the Multi-Disciplinary Team Manager, supported by the Commissioning Manager, Adult Social Care Directorate.

#### 3.5.3 Performance Management

The contract will include a range of performance measures which will be monitored on a quarterly basis through the Contract Management process. This will include a range of outcome and quality measures. The main outcomes expected to be achieved are:

##### Mandatory Provision

- Contact to be made with citizens within **48hours** of receipt of referral.
- Scoping of works - this process should be completed within **15 working days** of an initial visit, with the exception of larger works which include an extension when a period of **30 working days** is allowed.
- From the Council approving a scheme, this should be shared with the citizen and homeowner for agreement within **5 working days** and subsequent approvals need to be shared with the Council.
- From the point of a purchase order being raised the provider is required to complete internal works within **12 weeks** and external works within **24 weeks**.
- Completed works should be invoiced with supporting documents no later than **10 working days** from the works being completed.

## Discretionary Provision

### **Works under £1,000**

- Hospital Discharge - hospital discharge referrals have to be prioritised and completed within **24 hours** after receiving the order (Exceptions would be for privately rented accommodation when permission is needed from landlords prior to starting the job)
- Urgent - urgent priority referrals should be completed within **48 hours** from receiving the order. Exceptions would be for privately rented accommodation when permission is needed from landlords prior to starting the job.
- Non-priority – non-priority orders should be completed within **7 days**. Exceptions would be for privately rented accommodation when permission is needed from landlords prior to starting the job.

### **Works between £1,001 - £10,000\***

- All requests for works are booked for scoping within **24 hours**.
- Hospital Discharge/Urgent - hospital discharge and urgent referrals have to be prioritised and completed within **7 days** after receiving the order (Exceptions would be for privately rented accommodation when permission is needed from landlords prior to starting the job)
- Non-priority – non-priority orders should be completed within **28 days**. Exceptions would be for privately rented accommodation when permission is needed from landlords prior to starting the job.

## **4 Options considered and Recommended Proposal**

- 4.1 Not to award the contract – this is not an option as aspects of this service model are a mandatory requirement and would mean citizens would not be supported to remain living independently in the community.

## **5 Consultation**

### **5.1 Internal**

- 5.1.1 The Director Commissioning, Adult Social Care has been consulted on the proposed award and is supportive of the decision.

## **6 Risk Management**

- 6.1 The CPS approach is to follow the Council Risk Management Methodology and the Procurement Team is responsible for local risk management. CPS maintains a risk management register and documentation relevant for each contract. The risk register for the service has been jointly produced and owned

by the Adult Social Care Directorate and CPS with arrangements being put in place to ensure operational risks are appropriately mitigated.

- 6.2 There is also a comprehensive risk register that will be developed in conjunction with the successful tenderer that will monitor contract mobilisation and Implementation.

## **7 Compliance Issues:**

### **7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?**

- 7.1.1 The details were included in the Staying Independent at Home: Adaptation and Improvement Service Procurement Strategy Report dated 16<sup>th</sup> March 2023 and the same continues to apply.

### **7.2 Legal Implications**

- 7.2.1 Section 14 of The Care Act 2014 states that the Council must provide minor works or equipment of a value of less than £1,000 free of charge to the citizen as detailed in The Act where these are necessary to meet a Care Act outcome.
- 7.2.2 The Housing Grants, Construction and Regeneration Act 1996 (HGCRA 1996) places a mandatory duty on the Local Authority to provide grants towards the costs of works required for the provision of facilities for people living with disabilities as defined in the Equality Act 2010. These are known as Disabled Facilities Grants (DFG).
- 7.2.3 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (RRO 2002) enables the Local Authority to use discretionary powers to provide other forms of housing assistance in addition to the mandatory duties to provide DFG. In order to exercise discretion and flexibility in the form of assistance offered and crucially to enable flexibility in the use of the annual DFG funding allocation, the Local Authority must publish a policy setting out the assistance available.
- 7.2.4 Under Section 111 of the Local Government Act 1972, a local authority has the power to take action, which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions and therefore has a general power to enter into contracts for the discharge of its functions. Section 93 of the Local Government Act 2000 gives the Secretary of State power to award grants to local authorities for expenditure incurred by them in the provision of welfare services determined by the Secretary of State.
- 7.2.5 Pre-Procurement Duty under the Public Service (Social Value) Act 2012
- The Social Value outcomes to be supported by this contract have been determined and are included in the specification, as well as incorporation of the associated Themes from the BBC4SR that were included in the tender evaluation.

### **7.3 Financial Implications**

- 7.3.1 The funding of £12m per year (£60m across the initial 5-year period) will be funded from the Disabled Facilities Grant, which is a grant received yearly by the Council.
- 7.3.2 The payments made to the service will be made on actual works completed basis on agreed unit rates that were submitted as part of the tender process. The unit rates will be part of the contract and set for the initial period of 5 years with only CPI inflation as detailed within the contract.
- 7.3.3 The Government announced as part of the Social Care White Paper additional funding would be made available to Local Authorities to increase the support available through the Disabled Facilities Grant. Based on the population size and current formula, this is expected to be an approximate £1.5m - £2m per year increase. When this additional funding is received it will be utilised to fund the increase in the volume of works being completed through this service to support citizens to remain living independently at home.

### **7.4 Procurement Implications**

- 7.4.1 This report concerns the contract award for the Staying Independent at Home: Adaptation and Improvement Service and the implications are detailed throughout the report.

### **7.5 Human Resources Implications**

Not applicable.

### **7.6 Public Sector Equality Duty**

- 7.6.1 The requirements of Standing Order No. 9 in respect of the Council's Equal Opportunities Policy will be incorporated into the Contract.
- 7.6.2 The requirements of the Equality Act 2010 will be specifically included in the Contract to comply with, the Act.
- 7.6.3 An Equalities Impact Assessment (EQUA1174) is included at **Appendix 2**.

## **8 Environment Sustainability Assessment**

- 8.1 An Environmental Sustainability Assessment is included at **Appendix 3**.

## **9 Appendices:**

**Appendix 1.** Exempt Report

**Appendix 2.** Equalities Impact Assessment (EQUA1174)

**Appendix 3.** Environmental Sustainability Assessment

## **10. Background Documents**

10.1 Staying Independent at Home: Adaptation and Improvement Service Procurement Strategy Report dated 16<sup>th</sup> March 2023