



**Executive**  
11<sup>th</sup> September 2007

**Report from the Director of  
Housing and Community Care**

Wards Affected:  
ALL

**Authority to award contract for provision of a  
Day Care Service for Asian Older People**

**Appendix 2 is Not For Publication**  
**Appendix 3 is Not for Publication**

**1.0 Summary**

- 1.1 This report requests the Executive to agree an exemption to Contract Standing Orders to enable the award of a contract for the provision of a Day Care Service for Asian Older People. This report summarises the process undertaken in tendering this contract and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded and details the reason why the exemption is needed.

**2.0 Recommendations**

That the Executive:

- 2.1 Notes that the tender process for an Asian Day Care Service as described in section 3 of the report resulted in no tenderers reaching the minimum benchmark for the service set out in the Invitation to Tender;
- 2.2 Agrees an exemption from the tendering requirements of Standing Orders 84(e) for the operational reasons set out in paragraph 3.9 of the report, to allow an award other than in accordance with the tender procedure;
- 2.3 That the Executive agrees to award the contract for the provision of a

day care service for Asian Older People to Asian Community Care Services Ltd initially for one year from 3<sup>rd</sup> December 2007 with provision for a two year extension.

### **3.0 Detail**

#### ***Background***

- 3.1 On 15<sup>th</sup> January 2007 the Executive agreed the market testing of the provision of a day care service for Asian Older People. This followed the end of the initial contract period in relation to which the Executive agreed in 2003 an exemption from Contract Standing Orders to allow a contract to be negotiated with Asian Community Care Services Ltd to replace the grant funding arrangement.

#### ***The Tender Process***

- 3.2 Advertisements were placed in Community Care and the local and Asian press on 1<sup>st</sup> February 2007 to seek initial expressions of interest which elicited 9 enquires.
- 3.3 Short listing was carried out on the basis of suitable experience and six organisations were invited to tender.
- 3.4 The tendering instructions stated that the contract would be awarded on the basis of the most economically advantageous offer to the Council and that in evaluating tenders, the Council would use the following criteria:

Business Probity  
Economic and Financial Standing  
Health and Safety Documentation and Practical Application  
Procedures and Administration  
Human Resources  
Key Worker System  
Experience and References  
Quality System Documentation and Practical Application  
User Satisfaction  
Complaints Procedure  
Premises  
Transport Arrangement  
Meals  
Activities  
Business Continuity  
Price  
Best Value

Tenderers were advised that for each criterion, a minimum score of 3 or 4 out of 6 applied. When weightings were applied, this gave a

minimum benchmark score of 855 out of a maximum of 1,320 (see Appendix 1 for further information).

### ***Evaluation Process***

- 3.6 The tender evaluation was carried out by a panel of officers from Housing and Community Care: Older People Services, Human Resources and Core Finance.
- 3.7 All tenders had to be submitted no later than 6<sup>th</sup> June 2007. Tenders were opened on 7<sup>th</sup> June 2007 and three valid tenders were received. These were photocopied and given to each member of the evaluation panel. Each member of the panel read their allocated section(s) of the tenders using evaluation sheet to note down their comments on how well each of the award criteria was addressed. Site visits were carried out by some panel members to evaluate the practical application of documentation submitted. Presentations and clarification of tenders by the tenderers took place.
- 3.8 The panel met on 19<sup>th</sup> June 2007 and each submission was marked by the whole panel against the award criteria. References have also been taken up and the score for these were fed into the appropriate criteria "Experience and references", while information collected at the site visits was also taken into account.
- 3.9 The scores received by the tenderers are included in Appendix 1 and the names of the tenderers are contained in Appendix 2. None of the three tenderers achieved the overall minimum benchmark score of 855 and this means that any contract award would be outside the tendering process. Officers are therefore seeking an exemption from the Standing Orders to allow the contract to be awarded to the highest scoring organisation; Contractor A, being Asian Community Care Services Ltd (ACCS), who scored 829.25, considerably higher than the other two tenderers. Overall ACCS failed the minimum individual benchmark on five criteria, which are Procedures and Administration, Human Resources procedures, Key Worker system, Quality System documentation and Business Continuity.
- 3.10 Officers have been working with ACCS over the period of their current contract to assist them in developing and improving day care practice and feel that they have potential to improve further to meet the benchmark standards for these five criteria. It is considered that there is no risk for service users in awarding to ACCS despite their not meeting the benchmark requirements, as these five criteria on which they failed have less direct impact on the quality of care or risk to service users and the intention is that they will meet these benchmarks within a year.
- 3.11 The contract is due to commence 3<sup>rd</sup> December 2007 and Officers are

recommending the award is for an initial period of one year and continuation to the full three years should be dependent upon Asian Community Care Services Ltd improving to the benchmark standard within one year.

#### **4.0 Financial Implications**

- 4.1 Under the Council's Contract Standing Orders this is a medium value contract and would not normally require Executive approval for award.
- 4.2 The estimated value of this contract is £74,500 per annum effective from 3 December 2007 to 31 March 2009. This represents an increase of approximately 4% on the current contract price but there is no increase in 2008.
- 4.3 A representative of Brent Financial Services attended the evaluation panel.
- 4.4 It is anticipated that the cost of this contract will be funded from the existing budget.

#### **5.0 Legal Implications**

- 5.1 The value of this contract over its maximum three-year lifetime is higher than the EU threshold for Services. However as this is a Part B service it is not required to be awarded in accordance with the Public Contracts Regulations 2006. It will however be necessary for an award notice to be placed in the Official Journal of the European Community.
- 5.2 Looking at the position under the Council's Standing Orders, this contract is a Medium Value contract and does not require Executive award. However because the report is also recommending an exemption from tendering to allow a contract award other in accordance with the tender process notified to tenderers, the Executive is being asked to award the contract as well.
- 5.3 The Executive's ability to grant an exemption from a provision of standing orders is set out in paragraph 84(a) of Standing Orders. The Executive has to be satisfied that there are good operational and/or financial reasons for the exemption. Here the actual provision for which an exemption is sought is paragraph 84(e) of Standing Orders, which requires the following of a tender process for a medium value contract. In this situation, the tender process has been followed but no award can be made under the tender award process outlined to tenderers. Effectively the tender process has been discontinued and, assuming that the Executive approve that there need be no further tendering, the award can be made to the highest scoring tender under the discontinued process.

5.4 Under the National Assistance Act 1948 S29 the Local Authority has a duty to provide recreational facilities for its community. This is a 'target duty' and accordingly allows the Local Authority discretion as to how these services are provided. A decision to significantly reduce or close a service should only be made after meaningful consultation. Under the Chronically Sick and Disabled Persons Act 1970 the Local Authority has a duty to provide services, including recreational services, to persons assessed as having a need for such services. This is determined by the application of Fair Access to Care Services criteria. Where a person has a need for services those needs must be met and therefore in the event that the number of places is less than those who are assessed as having a need, alternative provision will need to be made, although those needs may be met by a range of services and not only day centre services."

5.5 Legal Implications relating to the accommodation to be provided at Council owned premises are comprised in Appendix 3 not for publication

## **6.0 Diversity Implications**

6.1 The proposals in this report have been subject to screening and officers believe that there are no diversity implications. This service will be available to all Older Asian People throughout the Borough following assessment of need under the Fair Access to Care Criteria at Substantial and Critical levels.

## **7.0 Staffing/Accommodation Implications**

7.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract.

7.2 The service is provided from a Council owned building and the successful organisation will be required to enter into a license arrangement.

## **8.0 Background Papers**

8.1 Executive Report: Options for Older People Day Services – 15 January 2007

8.2 Procurement File – Older People Day Care Services 2007

## **Contact Officers**

- Ros Howard, Head of Older People Services
- Jayne Spencer, Section Manager(Contracts), Older People Services

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**Director of Housing & Community Care**

## APPENDIX 1

### PROCUREMENT OF A DAY CARE SERVICE FOR ASIAN OLDER PEOPLE - JULY 2007 TENDER EVALUATION MATRIX

	ACCS			Contractor B			Contractor C			Benchmark Min Acceptable Scores		
	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total
Business Probity	pass/fail		pass	pass/fail		pass	pass/fail		pass			
Economic & Financial Standing	pass/fail		pass	pass/fail		pass	pass/fail		pass			
Health & safety documentation and practical application	20	4	80	20	4	80	20	3	60	20	4	80
Procedures and Administration	10	3.3	33	10	2.8	28	10	2.2	22	10	4	40
Human resources (recruitment, induction, training, supervision, skills, diversity, volunteers)	20	3.4	68	20	4	80	20	3	60	20	4	80
Key Worker system	10	2	20	10	2	20	10	1	10	10	3	30
Experience and references	20	4	80	20	4	80	20	2	40	20	4	80
Quality System documentation and practical application	10	2	20	10	3	30	10	4	40	10	3	30
User satisfaction	20	4	80	20	2.5	50	20	1.5	30	20	4	80
Complaints Procedure	5	3.75	18.75	5	3.75	18.75	5	3.5	17.5	5	3	15
Premises availability suitability	25	4	100	25	4	100	25	3	75	25	4	100
Transport arrangements	15	4.3	64.5	15	2.5	37.5	15	3.65	54.75	15	4	60
Meals	15	4.5	67.5	15	4.5	67.5	15	4.5	67.5	15	4	60
Activities	10	4	40	10	2.5	25	10	2	20	10	4	40
Business Continuity	5	3.5	17.5	5	0	0	5	2	10	5	4	20
Price	30	4	120	30	0	0	30	4	120	30	4	120
Best Value (proposals for increasing efficiency over contract term)	5	4	20	5	2.5	12.5	5	2.5	12.5	5	4	20
<b>TOTAL</b>			<b>829.25</b>			<b>629.25</b>			<b>639.25</b>			<b>855</b>

#### Key to Scores

Weight = the relative significance of the element  
 Score =score on a 1- 6 scale as indicated  
 Total =weighting multiplied by score

0 Does not meet Council's requirements  
 1-2 Partly meets the Council's requirements  
 2-3 Mainly meets the Council's requirements  
 4 Meets the Council's requirements  
 5-6 Exceeds the Council's requirements

