Health, Social Care and Inclusion Scrutiny and Performance Panel

12 February 2009
Agenda Item No.

GATEWAY REVIEW - Residential and Nursing Care Services

Ward(s) All
Portfolio: Councillor Mrs B McCracken – Health, Social Care and Inclusion

Summary of report

The report is in the form of a Gateway review and informs members of progress made to date in relation to the tendering of Residential and Nursing Care Services. It also reminds Members of the overall Gateway process and identifies that the project is approaching Gateway Review Stage 2. The appendices to this report sets out in more detail the issues that the Project Team and Project Board are taking into account during the course of this procurement. Members of the Panel will be given an opportunity to question members of the Project Team at the meeting.

The forward plan identifies that a report is to be submitted to Cabinet on the 18 March 2009 so that any observations or recommendations by the Panel can be referred to Cabinet for consideration.

Background papers

These include:

- Project Initiation Document
- Risk Register
- Invitation to Tender documents Phase 1

Reason for scrutiny:

Due to the longer term nature, this project has been and will continue to be the subject of scrutiny. In adopting the Gateway Review process members have the opportunity to consider the project at key stages in the procurement cycle.

Recommendations

Accordingly the panel is asked to:

- note this report and the continuing progress made in relation to the tendering of Residential and Nursing Care Services.
- consider any comments or action that they may wish to bring to the attention of either Cabinet, the Project Board or Project Team.

Resource considerations

Any resource implications arising from improving performance will be found from within approved budgets. Social Care and Inclusion are anticipating making

procurement savings as a result of this tender. At the same time a short term efficiency plan has been developed to deliver savings prior to the procurement exercise being completed. Legal, Project Management and Procurement support is being provided by external Advisers. Costs are being shared with NHS Walsall.

Citizen impact

This should improve the quality, choice and access to residential and nursing homes for citizens of Walsall and contribute to better outcomes for those citizens of the borough who are users of our services.

Community safety

There are no community safety implications.

Environmental impact

There are no environmental issues

Performance and risk management issues

A detailed risk analysis and assessment has been undertaken for the project and is available on request. The increased targeting of the service should ensure that performance improvement and efficiencies are realised with demonstrable value for money through a competitive procurement process and thereby impact positively on the overall performance of the Council.

Equality implications

The consultation, tender and contract award processes will be assessed against the Council's Equality Impact Assessment template and will not exclude any citizen who has an assessed need for the service and meets the Fair Access to Care criteria.

The actions being undertaken relate directly to the equitable availability of, and access to, social care services for adults.

Equality issues have been specifically incorporated into the procurement process and invitation to tender through provider selection as well as tender evaluation. The recent peer assessment for the Equality Standard stated that there was strong evidence of good procurement practice when they reviewed the ITT.

10. Consultation

NHS Walsall has been consulted in the preparation of this report and are represented on the Project Team. As part of the project procurement process consultations have also taken place with Providers, the Providers Forum, the West Midland Care Association, Walsall Voluntary Action, Over 50 Forum, and with two specially convened Service User groups.

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Progress Report and Gateway Review

1.0 Contextual Project Information

1.1 A review had identified that existing contracts for residential and nursing care placements have been in place for around 10 years and in that time had not been tendered competitively.

1.2 It was considered that Residential and Nursing care services was an area where value could be achieved through the Council and NHS Walsall changing its approach to the procurement of these services and at the same time improving procedures to reflect best practice.

1.3 The review considered that all Residential and Nursing Care services commissioned by the Council should be included within scope together with NHS Walsall continuing health and end of life care.

1.4 The Scope of services therefore included in the project relates to all residential and nursing home care services with a total gross annual expenditure of £35m for

- Older people
- Young adults with a disability service
- Mental Health
- Physical disabilities
- Learning disability
- Drug and substance abuse

1.5 Services provided direct by the Council and NHS Walsall are excluded from the scope of services covered.

1.6 The aim is to have new contracts in place commencing with Phase 1 in May 2009, but it is acknowledged that a number of the specialist services are likely to require a longer timescale to identify requirements and accordingly the project has been split into 3 phases with initial phase 3 contracts due to be in place by July 2009.

2.0 Gateway Reviews

2.1 Members will be aware of the Gateway Review process which allows members to consider the identified Services as a whole as well as the associated procurement processes within a methodology that provides the opportunity to undertake the review in a robust and structured way.

2.2 The purpose of this report is to update members of the continuing progress made in relation to the tendering of Residential and Nursing Care Services so that any comments or suggested action can be brought to the attention of either Cabinet, the Project Board or Project Team.

2.3 The appendices to this report provide more detailed information for members to consider. Appendix A details the overview of the Gateway 0 – 5 high level questions, and the Procurement Cycle and Gateway Review Relationship. The project in the main is approaching the Gateway Review Stage 2.

3.0 Gateway Review 0 - 1

3.1 The report to Cabinet on the 16 July 2008 outlined the proposals for the tendering of the Council's Residential and Nursing Care Services as a core element of the overall modernisation and redesign of services for older people and people with disabilities. This in the main covered Gateway reviews stages 0 – 1. Accordingly details which have been identified and included within the Project Initiation document (PID) 1.3 dated 31 July 2008 includes:

- Outline Business Case
- Project definition
- Project Organisation
- Communication Plan
- Project Plan
- Project Controls

4.0 Gateway Review 2

4.1 In considering Gateway Review Stage 2 (the Procurement approach for Residential and Nursing Care Home services) the following 10 high level questions have sought to be addressed and evidenced as follow:

1. Confirm the outline business case now the project is fully defined.

The outline business case was presented to Project Board and agreed on 31 July 2008, an extract from which is included within Appendix B. The nature of the procurement is such that the process is iterative and the outline business case continues to be revisited in an iterative way as knowledge is created through interaction and open dialogue with the Providers, and other stakeholders. Key identified project deliverables are:

- Agreed specification to reflect strategic intent
- Agreed tender documentation
- Section 75 agreement
- Amend procedures as appropriate prior to tendering
- Agreed policy proposals
- Implement short term financial plan
- Contract award
- Implement long term financial plan
- Transparent charges and performance measures which can be made accessible to service users and staff as appropriate
- Signposting to preferred providers for staff and service users

2. Ensure that the procurement strategy is robust and appropriate.

The procurement strategy is robust and appropriate and is one that is seeking to encourage a healthy and competitive procurement that demonstrates value for

money as well as meeting affordability criteria. Areas of risk are being considered and action taken to reduce uncertainty as far as is possible. Around £35m (Gross) each year is spent on residential and nursing care services including continuing health care and the scope of services include:

- Dementia (DE) & Elderly Dementia (EMI)
- Mental Disorder excluding a learning disability or dementia (MD)
- Learning Disability (LD)
- Physical Disability (PD)
- Drug Abuse/Problem excluding alcoholism (D)
- Terminally Ill (TI)
- Sensory Impairment (SI)
- Older People (65yrs+) not covered by the above categories (OP)
- Adults (65yrs-) not covered by the above categories.

A joint NHS Walsall procurement and commissioning project was logical and agreed due to

- Similarity of specifications
- Operation of pooled budgets
- Economies of scale through combining expenditure and sharing consultancy costs
- Greater opportunity for continuity of health care for Service Users.
- Providers and market place being very similar
- Sharing of resources and costs
- Experience gained through a previous joint domiciliary care procurement project

As the project seeks to reflect procurement best practice the strategy has been to follow the EU procurement rules and regulations as these reflect best practice.

Following careful consideration the “Open Procedures“ were considered the more appropriate approach to adopt, with the qualification questionnaire being incorporated into the tendering documents, accordingly the notice issued in the Official Journal of the European Union (OJEU) on 28 November 2008 (Contract Notice ref 2008-113418) was issued as part of the open procedures under the Public (Services) Contracts Regulations 2006.

Within the notice reference was made to services being for short and long stay to support independent living and that tender documents were to be issued in a phased way. Key components for consideration have been;

- Different segmentation of services and different service requirements and characteristics
- Tender Evaluation Panel
- Accommodating and distinguishing between the different categories of care, residential and nursing, continuing health care and end of life care and long and short term care.
- Tender Evaluation model and weighting of price (50%) and quality (50%)
- Operation of a Placement list(s) as a data base for a given service
- Initial evaluation will be based on tender submission subsequent years will be based on monitored / assessed performance.

- Contractual context, namely a framework contract and agreement is to be in place with the majority of Providers with few exceptions for which no work is guaranteed. The list of contracts and Providers will form the Placement list from which individual Service User contracts will be entered into.
- Accommodating Service User choice

The conclusion and process of evaluation and placement is outlined for Phase 1 services (Older Persons, Older Persons Dementia (EMI) and End of Life Care / Terminally Ill (TI) within section 7 of the invitation to tender document and has been included within Appendix C to this report.

3. *Ensure that the project's plan through to completion is appropriately detailed and realistic.*

There are a number of key project deliverables (for details please refer to the response to high level question 1) and the project has been divided into three phases to reflect the different services characteristics which are likely to require different treatment. Progress is reviewed updated and amended on a regular basis. The most recent programme/plan is included in Appendix D. Whilst Phase 1 services have been delayed by 4 weeks from the original programme it is hoped that by working on Phases 2 and 3 concurrently that the lost time can be recovered.

4. *Ensure that the project controls and organisation are defined, financial controls are in place and the resources are available.*

The Project Governance structures and processes that are in place are robust, and have developed along with the project. Monthly Project Team and Project Board meetings take place. All meetings are minuted and receive a monthly update. Both Project Board and Project Team have membership and representatives from NHS Walsall. Project Board is chaired by the Director of Social Care and inclusion and the Project Team by the Assistant Director, Adult Services.

5. *Confirm funding availability for the whole project.*

Funding is available for the project and services which represents a significant element of the Council's and NHS Walsall's expenditure.

6. *Confirm that the development and delivery approach and mechanisms are still appropriate and manageable.*

Focus has being centred on what is commercially deliverable by the Providers, quality and affordability. Accordingly "Indicative Affordability Prices" and "Indicative Maximum Rates" have been provided based on existing market and benchmarked rates

"Indicative Affordability Price" means the maximum amount of money expressed as a range that the Authority is willing and able to pay towards the costs of each type of placement on behalf of NHS Walsall.

"Indicative Maximum Rate" means the likely maximum amount of money that the Authority is willing and able to pay towards the cost of each type of placement.

Tenders are to be evaluated on the basis of Price (50%) and Quality (50%) as Appendix C. Extensive consultation has been undertaken as detailed below:

- Providers Forum meetings 23 July 2008 and 21 August 2008

- Walsall Voluntary Action 17 September 2008
- Over 50 Forum meeting 8 and 24 September 2008
- Commissioner Forum / Workshop 23 September 2008
- Providers workshop 21 and 22 October 2008
- West Midlands Care Association on the 12 November 2008
- Service Users 11 December 2008 and 8 January 2009

7. *Check that the supplier market capability and track record is fully understood (or existing supplier's capability and performance).*

References and CSCI rating details will be sought for all Providers as part of the evaluation process. It is recognised that this project is of particular importance to the local economy and local businesses. Support has been provided through a number of workshop sessions and through close working with Walsall Endeavours and the West Midland Care Association.

8. *Confirm that the procurement (or acquisition approach) will facilitate good client/supplier relationships.*

The approach adopted has been one where communication and consultation has been considered as a key component. The invitation to tender documents phase 1 has been issued as a draft to the West Midland Care Association. Workshops have taken place with Providers (approximately 100 attendees) and presentations made to the established Provider Forums. The process encourages annual reviews and partnership working and rewarding and recognising quality.
A web page where Providers get up to date information on the tender has been provided to aid better communication.
www.walsall.gov.uk/index/business/doing_business_with_the_council/procurement/index/business/doing_business_with_the_council/procurement/procurement_open_tenders.htm

9. *Confirm that appropriate project performance measures and tools are being used.*

A key element of the Invitation to tender (ITT) document is the identified key performance measures and outcome specification, and an annual review which reflects and reward performance.

10. *Confirm that quality procedures have been applied consistently since the previous review.*

This is covered by points 1 – 9 and the monthly meetings taking place and associated records.

5.0 Conclusion

Accordingly Members are asked to;

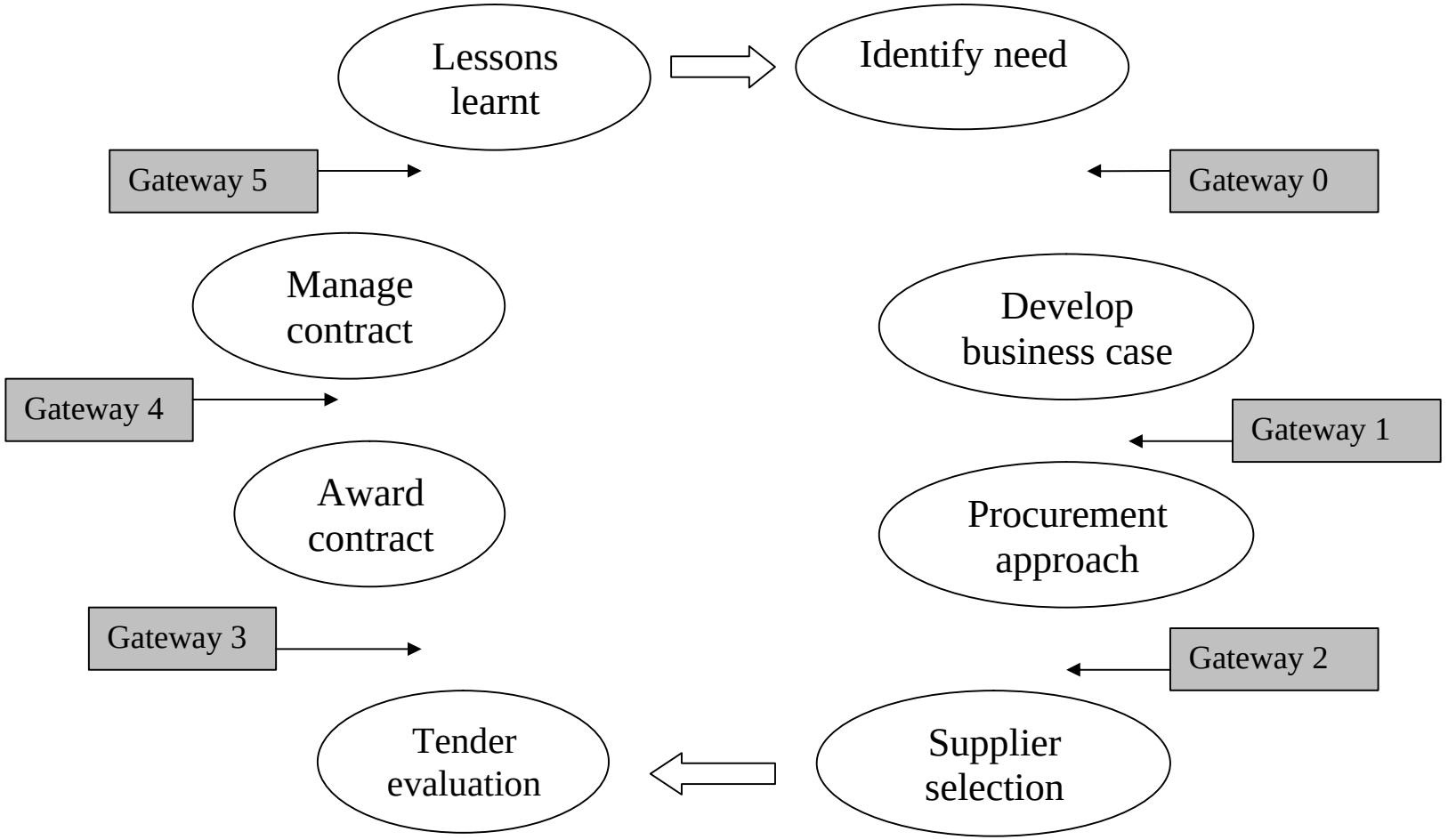
- Note this report and the continuing progress made in relation to the tendering of Residential and Nursing Care Services.
- Consider any comments or action that they may wish to bring to the attention of either Cabinet, the Project Board or Project Team.

Appendix A

Gateway Review High Level Questions

Gateway 0	Gateway 1
What is the business need? Is it a project or programme? Is there an understanding of the business needs? Do we have the right skills? Is it supported by stakeholders? Does it contribute to the Authorities strategy? Are there resources for the next stage?	Is the high-level business case complete? Do we have authority and support to proceed? Is the feasibility study satisfactory? Are the scope, scale and outcome clear? Is our risk management plan complete? Do we have the correct project structure and plans?
Gateway 2	**Gateway 3**
Is the procurement approach appropriate? Have all approaches been investigated? Is the business case up to date? Are the specifications of requirement correct? Can the project team and its structure deliver? Is the project plan realistic?	Can the benefits specified in the business case be delivered by the contract? Has the procurement been appropriately managed? Is there continuing stakeholder support? Is the business ready for implementation? Are the contract management procedures satisfactory?
Gateway 4	**Gateway 5**
Is the business case still valid? Are the business benefits still deliverable? Is there sufficient contract management resource? Has all testing been successfully completed? Is the business ready for implementation? Are plans for managing implementation and operation in place?	Was the business justification realistic? Are the expected benefits being delivered? Is there sufficient contract management? Are agreed changes appropriate? Is there still a business need for the contract? Can lessons be learnt from experience? Are appropriate targets in place? Are plans in place for the future including possible exit?

Procurement Cycle + Gateway Reviews



Appendix B

Outline Business Case for Residential and Nursing Care Home Services

1.0 Business Case

A detailed outline business case has been prepared in connection with the project, which is considered on the following headings

- The aim of the project
- The current position
- Future demands and demographics
- Strategic fit
- The options available
- Achievability
- Affordability
- Conclusion

2.0 What is the aim of the project?

This tender exercise will aim in the short term to maintain the level of service provided to residents, but at the same time improve and amend existing practices and procedures to reflect best practice. In the long term the aim will be to drive up quality and demonstrate value for money and move away from a high dependency residential care model of service delivery towards supported and more independent living and thereby utilising the increased capacity of the funded extra care housing commissioned which will be phased in over the next 3 years.

The Council will adhere to the commissioning services framework for older people and therefore the commissioning will be

- Joint Health and social care
- Integral to best practice

The commissioning activity will

- Acknowledge “clear water” between commissioners and providers
- Recognise the value of providers views
- Be a user of high quality information on need, quality and performance
- Represent a new approach, a cultural shift
- Be uncomplicated

3.0 The Current position

Existing contracts for residential and nursing care placements have been in place for around 10 years and must now be re-tendered.

Currently rates and fees charged by Providers vary significantly across a wide range of Providers within the same and different categories. The reasons for the differences are not immediately transparent and may be historic. The fees themselves are complicated to understand and to operate and could be considered to start from an inappropriate historic basis.

The average fees for residential and nursing care for older people services as a bottom line figure and average appears about right.

Quality is monitored through a recently introduced contract framework but quality as such is not rewarded.

It is difficult to draw any initial conclusions around Learning Disability given the complexities around the service needs but packages values are high. Given the level of expenditure the intention is to explore the introduction of a tendered charging framework

Given the level of gross expenditure spend of over £35m across all services and the absence of formal competitive tenders, it is considered that some savings should be realised by tendering and operating a consistent approach and standardising fees

Currently there is no section 75 agreement in place with the tPCT around older people services. Partly due to the lack of formal agreements being in place it is considered that there is likely to be areas where the tPCT should be making a contribution towards staffing and operating costs where joint budgets are being delivered by the Council. These costs are likely to include commissioning, monitoring and auditing and other operational staffing costs.

The current contract and services position does not reflect the latest strategic intent of addressing known trends particularly in relation to palliative care.

4.0 Future Demands and Demographics

Statistical analysis shows the similarities between Walsall and the national scene within the UK Accordingly the following statements extracted from the Government white paper on adult social care issued on the 30th January 2006 entitled “our health, our care, our say: a new direction for community services are likely to apply to Walsall

- One-quarter (25%) of those over 85 develop dementia and one-third (33.3%) of these need constant care or supervision (statement A)
- But the number of people over 85, the age group most likely to need nursing, residential or home care, is now expected to rise from 1.1 million in 2000 to 4 million in 2051.[8] (statement B)
- There are currently over 700,000 people with dementia in the UK, and by 2040 it is estimated that this figure will be over 1.2 million.[12] (statement C)
- Evidence suggests that older people move to rural areas and younger people from rural to urban areas, giving a net shift of people to rural areas of 780,000 between 1991 and 2001. [9] (statement D)
- After the post-war and 1960s ‘baby booms’ the birth rate fell, so the proportion of working to retired people will change substantially after the first quarter of this century, creating challenges for the future Workforce. (statement E)

- By 2031,the oldest old are expected to more than double to 2,479,000 from 1,104,000 (census June article) (Statement F)

[8] Government Actuary, 2004.
[9] Department for Environment, Food and Rural Affairs (2004) *Social and economic change and diversity in* rural England, Defra

[12] Association of the British Pharmaceutical Industry estimates

It is reasonable to assume that the source data (8) is more appropriate to use and more reliable than (12), although there may be other variables for example the development of drugs and improvements in understanding and reducing the onset of dementia.

Accordingly it is necessary to rethink the approach to the current service provision in Walsall, as outlined in the White Paper, due to the demographic changes. It is likely for example in Walsall that in 25 years time the number of 85 plus older persons will have doubled from the anticipated current number of around 5,100 in 2008.

Accordingly what has been referred to as the demographic time bomb needs to be at the forefront of the thinking and commissioning strategy and inverting "the triangle / pyramid of care". Services need to be developed to meet the challenges, namely providing a higher quality service that encourages independence, well-being and choice to a significantly higher client base, although demand for nursing care may increase

5.0 Strategic fit

In an earlier commissioning for older people consultation document (April 2003), a target was set of reducing the number of people in residential care from 159 to 140 per 10,000 of population.

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Age 65 – 69	12,600	12,600	12,700	12,800	12,900	13,500	13,800	14,000	14,100
Age 70 – 74	10,900	11,100	11,300	11,300	11,200	11,200	11,300	11,400	11,500
Age 75 – 79	8,800	9,000	9,000	9,000	9,100	9,100	9,300	9,600	9,600
Age 80 – 84	6,100	6,100	6,300	6,400	6,600	6,700	6,800	6,800	6,900
Age 85 +	4,900	5,100	5,200	5,400	5,600	5,700	5,900	6,100	6,300
Total	43,100	43,900	44,500	44,900	45,400	46,200	47,100	47,900	48,400

Age Population Table to the nearest 1,000

The business case and demographic and demand modelling needs to develop and feed into the revised strategy. The earlier strategy also referred to an increase in the number of nursing beds however this needs to be further

considered and linked into and developed alongside the tPCT strategy particularly in relation to palliative care

Other key strategic issues are the Nursing care element and the current proposals in relation to a Walsall / Dudley Mental Health trust and the context of the 2006 White paper which identified

- The need to develop a strategic commissioning framework across all partners, to ensure the right balance between prevention, meeting low-level needs and providing intensive care and support for those with high-level complex needs.
- The challenge to improve the strategic commissioning of services is the task of improving their design and delivery. This will mean radically different ways of working, redesign of job roles and reconfiguration of services. This will call for skills in leadership, communications and management of change of the highest order.

Accordingly alongside the procurement process it will be necessary to develop new policies and integrate and develop the commissioning strategy and fill and complete any gaps.

In addition to the development and completion of the strategies it will be necessary to undertake joint commissioning with the tPCT at a local Walsall level and complete all necessary section 75 agreements and also consider the possibility of moving towards a regional / sub-regional procurement (with Dudley Council) in relation to mental health within the context of the mental health trust.

Strategy needs to reflect outcomes expected of a 3 star authority, accordingly it will be necessary to improve and amend existing practices and procedures to reflect best practice.

The strategy therefore should incorporate referring less clients / service users to residential care and utilising additional capacity within the models of care which support independent living such as extra care housing.

Learning disability may require development of the market place which may follow on from the project.

Given the above strategic context it is considered essential that the project team is guided and chaired by the Assistant Director for Adult services.

6.0 The options available

In considering the various options the Council concluded that a tendering action that incorporated best practice is the most viable and sustainable solution.

Such an option and action will therefore need to:

- Establish guideline rates
- Standardise fee types
- Consider quality premiums and or rewarding quality (could be by additional placements)

- Incorporate third party top ups
- Be joined up formally with the tPCT through joint strategies and section 75 agreement
- Incorporate best practice
- Consider working with Dudley Council
- Improve and amend existing practices and procedures to reflect best practice
- Consider new policy proposals
- Seek to be part implemented prior to the conclusion of the procurement exercise by reviewing data and intelligence gathered prior to the formal tender advert thereby implementing any corrective action 6 months prior to the commencement of the new framework contract
- Should incorporate brokerage and sign posting

7.0 Achievability

Until the final proposals are submitted and outline business case is fully developed there will remain a level of uncertainty and risk. However the proposals and their implementation are within the control of Social Care and Inclusion and the key external stakeholders of the Providers and the tPCT. A key element will be understanding the supply within the market place and the council being able to implement its strategic intent, particularly as through the reprovision contract it will have taken away 248 older people residential care beds by the end of 2010 and reprovided additional extra care housing beds.

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8.0 Affordability

It is essential that what is agreed is financially modelled and is affordable in the short and long term, and is sustainable. Given the complexity of the current arrangements and structure and the level of spend and the absence of formal tenders, it is considered that savings should be realised by tendering and operating a consistent approach and standardising fees.

9.0 Conclusion

Further work is needed to fully understand the current position particularly in the area of learning disability. It will be necessary to consider further the demographics and model demand and financial implications and feed details into strategies. Strategy documents and vision needs to be completed and formalised in writing and linked to and developed with the tPCT if not already done so.
The option adopted needs to be an outcome of the commissioning and other strategies and follow best practice and be one which will contribute to achieving 3 stars. Given the importance and need to maximise savings potential within the current financial year, following the collection and analysis of data.

What is agreed must be achievable and implemented (the Council, tPCT and Providers) and the procurement exercise must result in services that are financially modelled and are affordable in the short and long term, and are sustainable.

Appendix C
Extract from Invitation to Tender Document

SECTION 7 – EVALUATION PROCESS AND AWARD CRITERIA

7.1 Award of Framework Agreement

7.1.1 The Authority will be awarding the contract to the most economically advantageous tender in accordance with the Public (Services) Contract Regulations 2006 taking into account price, quality and Service User Choice.

7.1.2 The evaluation of submissions for this agreement will be based on a value assessment approach, which enables the Authority to assess a tender against a number of criteria.

7.1.3 A framework Agreement will be set up with each Provider that meets the minimum requirements as set out within Section 5 – Qualification Questionnaire.

7.2 Placement List

7.2.1 The Authority will operate a Placement List and enter into Individual Service Contracts on the basis of the Provider who is delivering the most economically advantageous service. The Placement List will be updated on an annual basis to take into account the actual quality of the service assessed and provided in the previous financial year using a quality ranking assessment system/framework based on the Contract Monitoring Framework. The Placement List at the start of the contract will operate with greater reliance placed on the CSCI rating.

7.2.2 Providers, who make an application to the Authority after the closing date may be added to the Placement List following the appropriate completion and evaluation of the necessary documentation at the discretion of the Authority.

7.2.3 The Placement List will operate as a database and take into account specifically Service User needs which may vary according to the importance of different criteria relating to:

1. type of care and any required specialist care
2. quality of care
3. location of home
4. facilities and built environment
5. ability to meet ethnic and cultural need
6. availability
7. CSCI quality star rating

8. continuity of care available

7.2.4 The Placement List will operate as a database and take into account specifically Service User choice which in addition to need and the above, may vary according to the importance of different criteria such as those relating to:

1. the profile of existing residents
2. the look and feel of the place
3. reputation and word of mouth
4. the relevance of third party top ups

7.2.5 It is accepted that Service User choice may be subjective nonetheless Section 3 of the ITT identifies Residents rights and it is a basic right for Service Users to exercise choice and to select a Provider that meets their assessed need and who are willing and able to contract with the Authority.

7.2.6 The Authority's aim through this procurement process is to identify those Providers which are the most economically advantageous and to bring them to the attention of Service Users through a Placement list, so that the Service User has a real choice and is aware of the Providers that represent the best value for money and provide a high quality of service.

7.2.7 In relation to Continuing Health Care and services which are NHS funded and provided to Service Users free of charge the aim is to offer and accommodate maximum choice subject to affordability.

7.3 Evaluation Process

7.3.1 Tenders will be evaluated by reference to the data contained within Section 8 Tender Response and Declaration which requires the completion of Section 5 Qualification Questionnaire, Section 6 Pricing Schedules and Section 7 Evaluation Process and Award Criteria.

7.3.2 Tenderers are to note that they must complete Section 8 the Tender Response Document and sign the Mandatory Declarations.

7.3.4 The Authority will evaluate Providers' written responses to the ITT, any further information requested and provided by Providers, and any other sources of information deemed relevant and appropriate to this procurement.

7.3.5 Tenders may not be subject to a full qualitative evaluation if the minimum requirements contained within Section 5 Qualification Questionnaire are not achieved and or supporting information not provided.

7.3.6 The Authority will use the Project Evaluation Panel to assess the bid and will award a score based on the following criteria. Tenderers should not

assume that they will have the opportunity to refine proposals at a later stage. This particularly applies to the Response details identified within Section 8. There will be 2 models of evaluation.

Criteria	**Areas for consideration**	**MODEL A % Weighting Generally Applicable**	**MODEL B % Weighting Continuing Health Care**
Price	Total charge	**50%**	**50%**
	Cost to Authority	40%	
	Third Party Top up	10%	
Quality		**50%**	**50%**
Service User Choice - Basic Right and therefore over-rides all other consideration subject to meeting specific needs		**100%**	Subject to affordability

Table 7.1 Weighting of Criteria

7.3.7 The weighting of the criteria will be as indicated within Table 7.1 and generally be 50% price and 50% quality. A total of 1000 Points will be awarded.

7.3.8 In the case of continuing health care and end of life care (Pricing Tables 5 – 8) an Indicative Affordability Price (£550.00 - £600.00) for each designated category has been stated and the Authority or NHS Walsall will enter into an Agreement with Providers who are willing and able to enter into a contract for to provide the necessary services at a figure not exceeding the Affordability Price. Such evaluation subject to meeting the affordability figure will be on the basis of 50% price and 50% quality.

7.4 Price

7.4.1 For Pricing Tables 1 - 4 within Section 6 there is an Indicative Maximum Rate (usual rate) which is based on the existing most common rate (mode) charged by existing Providers to the Council in 2008/09 plus an addition of 2.95% to allow for an uplift to arrive at 2009/10 pricing levels.

7.4.2 In evaluating and considering the total price charged in relation to Pricing Tables 1 -4 there are 2 possible components, the charge payable by the Authority and the third party top up charge. The weighting will be as indicated in Table 7.1 Model A. Generally the lower the tender price the greater the number of price points awarded.

7.4.3 In the case of continuing health care and end of life care (Pricing Tables 5 – 8) currently third party top ups are prohibited, however it is possible that during the life of the Agreement at a future date the choice directive may be extended to cover a number of NHS funded services. In evaluating and considering the total price charged there is the single component, accordingly the weighting will be as indicated in Table 7.1 Model B.

Generally the lower the tender price the greater the number of price points awarded.

7.5 Quality

7.5.1 In considering quality, the evaluation will be built around initially the CSCI framework and the requested information within Section 8 and specifically the responses to Questions 6 – 15 as further detailed within Table 7.4 namely:

- CSCI star rating and Annual Quality Assurance Assessment
- Specialist service areas such as Epilepsy and multiple Sclerosis
- Up to date Service User Guide for each of the homes identified
- Approach to support Independent advocacy.
- Activities and Facilities available to Service Users.
- Choice available to Service Users.
- Quality Assurance Systems or Quality Awards
- End of Life Service proposals.
- Staff Training scheme and how training requirements and needs are identified, planned, provided and reviewed.
- Response to different cultural needs

7.6 Annual Review Contract Monitoring

7.6.1 The service specification within Section 3 identifies the Council's contract monitoring framework which will be modified and used (or any subsequent replacement) for monitoring the quality of the services in future years and assessing quality points to be awarded which will determine where a Provider appears on the Provider / Placement list.

Outcome Quality Area	Base Points	Adjustment and multiplying factor according to level	Max Points
Needs and Risk	25	1 – 4 (D – A)	100
Care Planning	25	1 – 4 (D – A)	100
Security, Health and Safety	25	1 – 4 (D – A)	100
Protection from Abuse	25	1 – 4 (D – A)	100
Complaints	15	1 – 4 (D – A)	60
Confidentiality	5	1 – 4 (D – A)	20
Fair Access	5	1 – 4 (D – A)	20
		Total	500

Table 7.2: Contract Monitoring Framework

Level	Points	Description

	Multiplying factor	
Level D	1	The area does not currently meet the required standard and an action plan needs to be agreed and implemented as soon as possible in order to reach level C.
Level C	2	The area meets the required minimum standard but there is scope for improvement to level B (timetable should be agreed)
Level B	3	Shows good practice in providing the service
Level A	4	An excellent service that includes mechanisms for continuous improvement

Table 7.3: Multiplying Factors

7.6.2 The contract monitoring framework documents comprise:

- Form A – self assessment – annual return
- Form B – general information annual return
- From C – specifics – quarterly

7.6.3 Form A assesses quality, Form B is factual data, and Form C provides data of quality performance to support assessed quality identified by Form A. Accordingly the identified quality areas are:

- Needs and Risk
- Care Planning
- Security, Health and Safety
- Protection from Abuse
- Complaints
- Confidentiality
- Fair access, diversity and inclusion

7.6.4 Where the Provider fails to complete or return the contract monitoring documents and data (or equivalent details for the quality ranking assessment system) the Authority shall write to the Provider informing them that a return needs to be provided within the next 10 working days otherwise it will be recorded and treated as if the lowest performance level (level D) is awarded and achieved. Additionally if as a consequence of failure to provide any return an inspection visit is needed such visit shall be charged to the Provider and deducted from moneys paid to the Provider.

7.7 Tender Response and Details

7.7.1 The response requirements are as set out in Section 8. Table 7.4 schedules out which tender evaluation criteria is affected by which of the responses.

Impact of Response Requirements and Criteria on Tender Evaluation	Price	Needs and Risks	Care Planning	Security Health & Safety	Protection from Abuse	Complaints	Confidentiality	Fair Access
1. Covering letter	No	No	No	No	No	No	No	No
2. Qualification Questionnaire (QQ)	No	No	No	No	No	No	No	No
3. QQ – Threshold questions	No	No	No	No	No	No	No	No
4. QQ – Enclosed forms	No	No	No	No	No	No	No	No
5. Pricing Tables	Yes	No	No	No	No	No	No	No
6 CSCI star rating & annual quality ass	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7. Specialisms	Yes	Yes	Yes	Yes	No	No	No	No
8. Service User Guide	No	Yes	No	No	No	No	No	No
9. Independent advocacy	No	Yes	No	No	Yes	No	Yes	No
10. Activities and Facilities	No	Yes	Yes	Yes	No	No	No	No
11. Service User Choice	No	Yes	No	No	No	No	No	No
12. Quality assurance systems and awards	No	Yes	Yes	Yes	No	No	No	No
13. End of Life Care	No	Yes	Yes	Yes	Yes	No	No	No
14. Staff Training	No	Yes	Yes	No	No	No	No	No
15. Cultural need	No	No	No	No	No	No	No	Yes
16. Mandatory declaration	No	No	No	No	No	No	No	No
17. All documents returned	No	No	No	No	No	No	No	No

Table 7.4 Impact of Response Requirements on Tender Evaluation Model

Appendix D

(see also detailed project plan)

Phase 1 Older Persons

- Older Persons Dementia (EMI)
- Older Persons (65yrs+) not covered by the other categories (OP)
- End of Life Care / Terminally Ill (TI)

Phase 2 Mental Health excluding a learning disability or dementia (MD)

- Drug Abuse/Problem excluding alcoholism (D)
- Sensory Impairment (SI)

Phase 3 Learning Disability (LD)

- Physical Disability (PD)
- Alcohol Dependency (A)
- Dementia (DE)
- Adults (65yrs-) not covered by the other categories.
- Other not covered by Older People (65yrs+) in Phase 1

SUMMARY OF PROJECT PLAN		
1	PHASE 1 Dispatch ITT Docs 16/01/09	16-Jan -2009
2	PHASE 2 Consultation MH	FEB - 2009
3	PHASE 1 ITT Deadline @12:00	23 -Feb - 2009
4	PHASE 1 QQ Checking	24 -Feb - 2009
5	PHASE 1 ITT Evaluation	09 –Mar - 2009
6	PHASE 3 Consultation LD	FEB - 2009
7	Elected Members - Cabinet Meeting	18-Mar -2009
8	PHASE 2 Dispatch ITT Docs	31-Mar -2009
9	PHASE 3 Dispatch ITT Docs 31/03/09	31-Mar -2009
10	PHASE 1 Publish Decision / Results	27-Apr - 2009
11	PHASE 1 Award Process	27-Apr - 2009
12	PHASE 1 Award Contract	01- May -2009
13	PHASE 1 Contract Management	MAY - 2009
14	PHASE 2 ITT Deadline	11-May - 2009
15	PHASE 3 ITT Deadline 11/05/09 @12:00	11-May - 2009
16	PHASE 2 QQ Checking	18-May -2009
17	PHASE 3 QQ Checking	18-May -2009
18	PHASE 2 ITT Evaluation	25-May -2009
19	PHASE 3 ITT Evaluation	25-May -2009
20	PHASE 2 Publish Decision / Results	06-Jul - 2009
21	PHASE 3 Publish Decision / Results	06-Jul - 2009
22	PHASE 2 Award Process	13-Jul - 2009
23	PHASE 3 Award Process	13-Jul - 2009
24	PHASE 2 Award Contract	13-Jul - 2009
25	PHASE 3 Award Contract	13-Jul - 2009
26	PHASE 2 Contract Management	JULY - 2009
27	PHASE 3 Contract Management	JULY - 2009

Stage	Week Commencing / Activity	Date	Responsibility
0	Project Initialisation Work		A. Flood & Proj
1	Section 75 Agreement (s)	28-Jul	A. Flood
2	Gain Cabinet Approval to Tender	11-Aug	A. Flood & Proj
3	Letter to Provider with Core Briefing data	08-Sep	
4	Financial and Demand Model	15-Sep	
5	Report to Cabinet (reconsidered)	17-Sep	
6	Commissioners & Practitioners Workshop	23-Sep	
7	Over 50 Forum Meeting	24-Sep	
8	Learning Disability Meeting	25-Sep	
9	Service User Consultation Meeting (TBA)	Ongoing	
10	Develop Invitation To Tender (ITT) Docs	29-Sep	
11	Periodic Review (TBA)	12-Oct	
12	Walsall Endeavours Debrief Meeting	15-Oct	
13	Provider Workshop - Walsall Endeavours (21&22)	21-Oct	
(- -)	Project Team Meeting	21-Oct	
14	OJEU Notice & Advertisements	28-Oct	
(- -)	Project Board	04-Nov	
(- -)	PEC	06-Nov	
(- -)	Project Team Meeting	26-Nov	
(- -)	Project Board	02-Dec	
(- -)	Phase 1 Consultation OP	DEC	
15	Deadline for E.o.I's 12/12/08 @ 12:00	12-Dec	
(- -)	PEC Meeting	15-Dec	
(- -)	Project Team Meeting	05-Jan	
16	PHASE 1 Dispatch ITT Docs 16/01/09	16-Jan	
(- -)	PHASE 2 Consultation MH	JAN	
(- -)	Project Board	29-Jan	
(- -)	Project Team Meeting	02-Feb	
(- -)	Elected Members - Health Scurtiny Meeting	12-Feb	
(- -)	PHASE 3 Consultation LD	FEB	
(- -)	Project Board	24-Feb	
(- -)	Project Team Meeting	02-Mar	
17	PHASE 1 ITT Deadline 23/02/09 @12:00	23-Feb	Eval Panel
17.1	Openning of Tenders 25/02/09 @ 11:00	25-Feb	Cllr McCracken
18	PHASE 1 QQ Checking	27-Feb	
19	PHASE 1 ITT Evaluation	10-Mar	
(- -)	Elected Members - Cabinet Meeting	18-Mar	
(- -)	Project Board	24-Mar	
24	PHASE 2 Dispatch ITT Docs 31/03/09	31-Mar	
25	PHASE 3 Dispatch ITT Docs 31/03/09	31-Mar	
(- -)	Project Team Meeting	06-Apr	
(- -)	Project Board	23-Apr	
(- -)	Project Team Meeting	05-May	
20	PHASE 1 Publish Decision / Results	27-Apr	
21	PHASE 1 Award Process	27-Apr	
22	PHASE 1 Award Contract	01-May	
23	PHASE 1 Contract Management	MAY	
24	PHASE 2 ITT Deadline 11/05/09 @12:00	11-May	Eval Panel
25	PHASE 3 ITT Deadline 11/05/09 @12:00	11-May	Eval Panel
26	Openning of Tenders 13/05/09 @ 11:00	13-May	Cllr McCracken
27	PHASE 2 QQ Checking	18-May	
28	PHASE 3 QQ Checking	18-May	
(- -)	Project Board	19-May	
29	PHASE 2 ITT Evaluation	25-May	
30	PHASE 3 ITT Evaluation	25-May	
(- -)	Project Team Meeting	01-Jun	
(- -)	Project Board	24-Jun	
(- -)	Project Team Meeting	06-Jul	
31	PHASE 2 Publish Decision / Results	06-Jul	
32	PHASE 3 Publish Decision / Results	06-Jul	
32	PHASE 2 Award Process	13-Jul	
33	PHASE 2 Award Contract	13-Jul	
37	PHASE 3 Award Process	13-Jul	
38	PHASE 3 Award Contract	13-Jul	
34	PHASE 2 Contract Management	JULY	
39	PHASE 3 Contract Management		
(- -)	Project Board	28-Jul