

Certificate of Credit in Care Purchasing and Brokerage

Module 2

welcome

Modules 1-4 will cover

- Context – demand and supply
- Commissioning – what is it and your role
- Managing referrals ✓
- Purchasing and Procurement ✓
- Negotiation skills
- Contract management
- Contract monitoring – using data
- Transitioning arrangements

Assessment Task

You have one assessment task, which is linked to your job role and so can be tailored to meet your needs and those of your employing agency.

You will be asked to write a **reflective commentary that describes a care placement / placements you have made, how you managed the process and what new practice you implemented.** You should show how you applied the best practice you learnt on the course and what the challenges and barriers were. We suggest that you use the following headings to structure your commentary:

- Introduction
- Managing the referral
- Procuring the placement
- Contract management and monitoring
- Personal learning

Between 1,500 – 2,500 words

Assessment support

- Online group briefing - covering assessment criteria, resources, Moodle (University's virtual learning environment).
- Two individual 'virtual' tutorials with an academic advisor to help you select an appropriate care placement to use and plan the assessment and the second to review and discuss your 'first draft'.
- Your work will be assessed on a percentage basis and you will receive detailed and constructive feedback based on the assessment criteria.

Timeline

- Enrol with Oxford Brookes University
- Attend online group briefing: 12th Oct 2022
- 1st tutorial with academic advisor: w/c 7th Nov 2022
- Email draft assessment to advisor a few days before 2nd tutorial
- Second tutorial with advisor: w/c 5th Dec 2022
- Submit assessment on Moodle: 9th Jan 2023
- Receive notification of result: 3 weeks later

Managing Referrals

Institute of Public Care Commissioning Cycle

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IPC Report

What is wrong with referrals?

- Poor quality
- Deficit focused
- More detail needed including 'soft information'
- Simpler process
- Excessive requirements for tendering

Nationwide Association of Fostering Providers (NAFP) Report

- Again described as ‘the weakest area of commissioning’.
- Referrals often do not provide accurate information about a child or give clarity about what is expected from a placement.
- A need to improve the way children are included. Their ‘buy in’ makes for better matching and transition.
- No matter how good strategic arrangements are, if referrals are poor, this places the whole framework at risk.
- Problem of poor referrals is being better recognised by commissioners. A need to influence social work practice & see foster carers and residential workers as the experts to inform these documents.

Provider comments

“I deal with hundreds of referrals every week”

“Local Authorities take so long to get back to me with requests for information that the placement has normally gone to someone who filled in the referral well in the first place”

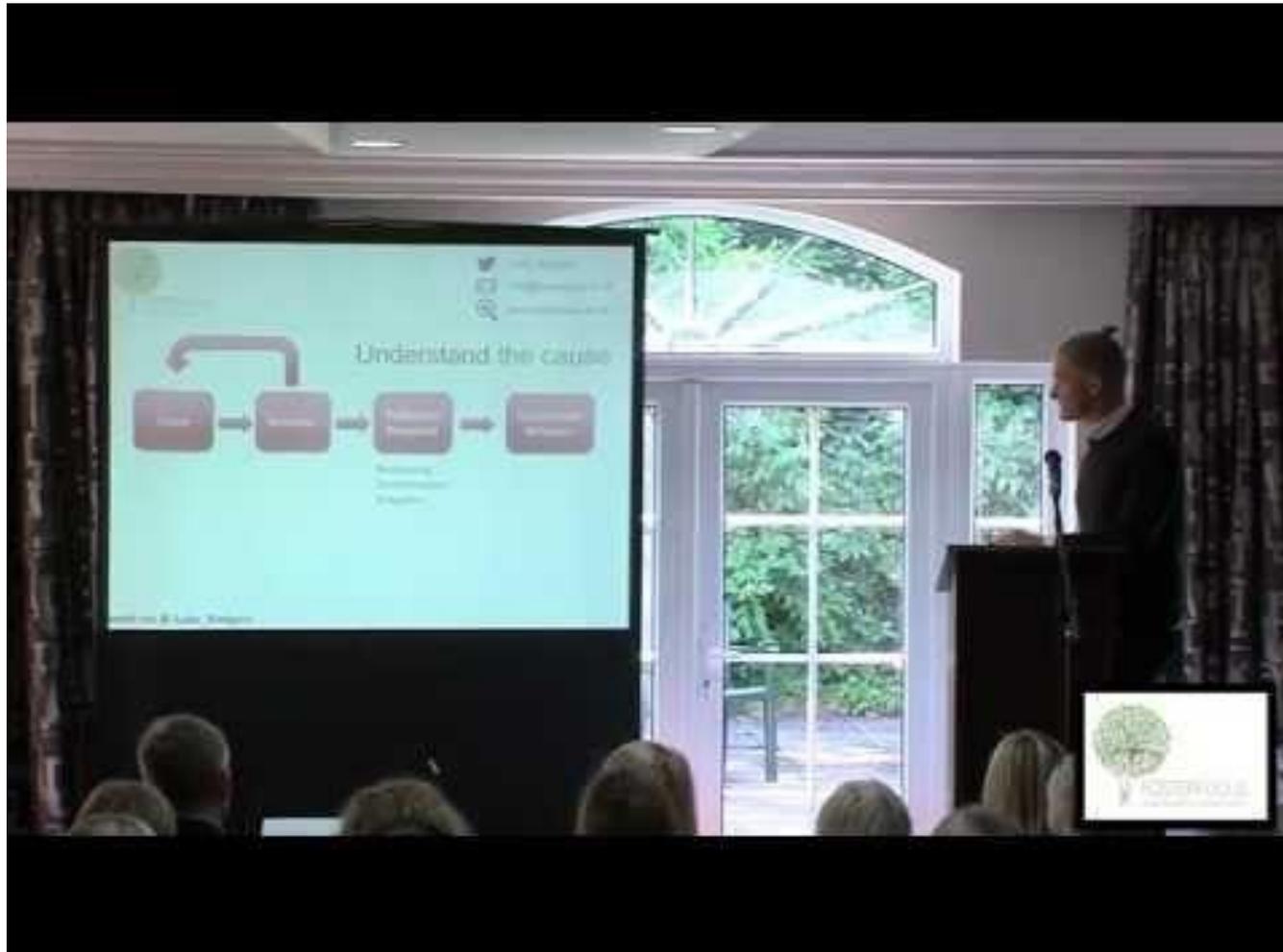
“Authorities get labelled as consistently providing poor referrals”

“Its so obvious when a old referral has just had a bit of information added to it”

Exercise in small groups

- What does a good referral look like?
- What is the key matching information?
- What are the common mistakes made?
- What about risks?

Luke Rodgers



it's

o'clock

Procurement

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Procurement is...

Procurement is the process of acquiring goods, works or services from (usually) external providers/suppliers and managing these through to the end of contract.

Procurement or purchasing usually refers to the process of finding and deciding on a provider and buying a service.

Involves the selection, negotiation and agreement with the provider of what service is to be supplied.

The legal procurement framework



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EU Directives

National statutes, regs and guidance

Local procurement strategy, financial regs and standing orders

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In practice much remains in place for now

£m



£663K



£0

- The regulations have 2 levels – a full regime and a light touch regime for other services (Schedule 3).
- Health, adult social care and children’s services are Schedule 3 services.
- Pre-Qualification stages only permitted for contracts valued at more than the threshold

Threshold of £663,540 inclusive of VAT

- It is good practice to follow principles:
 - Equality of treatment
 - Non discrimination
 - Transparency
 - Proportionality

So, the main changes arising from Brexit have been...



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Below-threshold procurements no longer need to comply with "general EU Treaty principles" irrespective of whether these contracts would be of cross-border interest to suppliers in an EU member state. The only exception relates to Northern Ireland.

that procuring bodies are required to publish notices on the new UK e-notification service called Find a Tender (FTS) instead of in the OJEU



Procurement
Colleague

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Light Touch Regime (LTR) for Schedule 3 services



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Main
mandatory
requirements:

- ‘Find a Tender’ Advertising (not OJEU).
- The publication of a contract award notice (CAN).
- Compliance with Treaty principles.
- Conduct the procurement in conformance with the information provided in the ‘Find a tender’ advert.
- Time limits imposed by authorities on suppliers must be reasonable and proportionate.

Light Touch Regime (LTR) for Schedule 3 services



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Significant
flexibilities:

- Authorities have the flexibility to use any process or procedure they choose to run the procurement.
- The LTR rules are flexible on the types of award criteria that may be used.
- Reserved contracts for certain services in the light-touch regime (eg in-house, public to public cooperation).
- ‘negotiated procedure without notice’ may be used ie where a procurer can legitimately approach one provider direct.

‘Transforming Public Procurement’

- Government Green Paper on ‘Transforming public procurement’ - December 2020
- Consultation during 2021
- Government response to consultation December 2021
- Bill awaited (as at March 2022)
- There will be changes in procurement law, but not likely before 2023!

Procurement Approaches

How services are procured can have a big impact:

- Block contracts
- DPS
- Framework Agreement
- Spot purchasing
- Fixed prices
- Floor and Ceiling contracts



Each impacts differently upon providers

Selections stage: tendering

Local authorities have to advertise contracts over £25K (net of VAT) on Contracts Finder, if they advertise.

For new opportunities, if don't use advertising (where legal) don't have to advertise on Contracts Finder.

- The promotion of the tender opportunity, ensuring that all tenderers, and enquiries, are responded to equally and fairly.
- The rejection or selection of candidates based on:
 - legal;
 - financial; or
 - technical grounds.
- A comprehensive record is kept of the procurement activities undertaken and decisions made.

Five procurement procedures

Contracting authority can follow one of the 5 procurement processes.

1. **Open tendering:** all those interested may respond to the advertisement in the OJEU by submitting a tender for the contract.
2. **Restricted tendering:** a selection is made of those who respond to the advertisement and only they are invited to submit a tender for the contract.

'Choice' of procurement procedures

Allow a degree of negotiation with suppliers

- 3. Competitive dialogue:** a selection is made of those who respond to the advertisement and the contracting authority enters into dialogue with potential bidders, to develop one or more suitable solutions for its requirements and on which chosen bidders will be invited to tender.
- 4. Competitive procedure with negotiation:** a selection is made of those who respond to the advertisement and only they are invited to submit an initial tender for the contract. The contracting authority may then open negotiations with the tenderers to seek improved offers.
- 5. Innovation Partnership:** selection is made of those who respond to the advertisement and the contracting authority uses a negotiated approach to invite suppliers to submit ideas to develop innovative works, supplies or services aimed at meeting a need for which there is no suitable existing 'product' on the market. The contracting authority is allowed to award partnerships to more than one supplier.

What are purchasing and procurement arrangements for individual care purchasing?

- Currently spot purchasing is the predominant model in the existing children's services marketplace.
- Sometimes this is achieved through an arrangement that meets public contract regulations eg a framework or Dynamic Purchasing System and has pre-agreed price structures and contract terms.
- However, in more recent years purchasing often takes place outside of these arrangements in the open market and price and terms and conditions are negotiated individually.
- Alternative partnership arrangements might include: volume discounts, preferred provider lists, block contracts ('hard' and 'soft'), use of social impact bonds.

Public Services (Social Value) Act 2012



“The contracting authority must consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and; how, in conducting the process of procurement, it might act with a view to securing that improvement”.

The Act applies to contracts over the EU procurement threshold (set at old Part B level) – but the Revised Best Value Statutory Guidance 2015 “recommends that authorities consider social value for other contracts...where it is relevant to the subject matter of the contract and deemed to be beneficial to do so”.

Award stage

- Evaluate tenders on an equal footing, based on criteria and relative weighting that was stated in advance.
- The award of contracts is based on the most economically advantageous tender (MEAT), looking at the best price-quality ratio.
- Can use full life cycle costing
- Prioritise key local concerns and be innovative about information requested from providers and/or the evidence used.
- Feedback is given to unsuccessful tenderers.
- Take advice if post tender negotiation needed.

Abnormally low tenders



“Contracting authorities shall require tenderers to explain the price or costs proposed in the tender where tenders appear to be abnormally low in relation to the works, supplies or services.”

Public Contract Regulations 2015 (69:1)

- The tender may only be rejected where the evidence supplied does not satisfactorily account for the low level of price or costs proposed.
- The tender shall be rejected if it is established that the tender is abnormally low because it does not comply with applicable obligations (eg minimum wage).

Activity

- In small groups discuss the different arrangements in Nottingham for placements? eg regional / sub regional frameworks, DPVs.
- Identify what works well / what is more problematic and be ready to feedback 3 key points to the whole group.

'Homework'

Think of an example to share of where you have negotiated a placement:

- What was it for?
- Were you selling for a high price or asking for a lower price?
- What happened?
- What skills did you use?
- What was the outcome?

Read: Top Ten Attributes, Top Ten Pitfalls of contract management

Your reflections on today



Contact us



<https://ipc.brookes.ac.uk>



ipc_courses@brookes.ac.uk



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01865 790312