

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE 11/7/2017

Subject:	Contract Extension for Care Support and Enablement services contract		
Corporate Director(s)/ Director(s):	Candida Brudenell Corporate Director Strategy Katy Ball Director of Procurement & Childrens Commissioning		
Portfolio Holder(s):	Councillor Graham Chapman Portfolio Holder for Resources and Neighbourhood Regeneration Councillor Nick McDonald Portfolio Holder for Adults and Health		
Report author and contact details:	Sharon Bramwell, Lead Commissioning Manager (Complex Needs) Tel: 0115 8763490 Email: Sharon.bramwell@nottinghamcity.gov.uk		
Key Decision	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Subject to call-in <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total value of the decision:			
Wards affected: ALL	Date of consultation with Portfolio Holder(s): Councillor Graham 21.6.2017 Councillor Nick McDonald 04.07.2017		
Relevant Council Plan Key Theme:			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input checked="" type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
<p>The purpose of this report is to seek approval to dispense with Contract procedure Rule 5.1.2 in accordance with Financial Regulations (3.29) Operational issues to allow for a 6 month extension of the Care Support and Enablement (CSE) framework agreement from the 1st October 2017 to 31st March 2018 and the Fairhaven contract from 1st October 2017 to 31st March 2018, which deliverers community Outreach and Accommodation based services (single and shared services) for vulnerable adults aged 18 years+ and over.</p> <p>The total estimated cost of the extension period is £4.190m, which has been determined on current levels of social care provision.</p>			
Exempt information:			
<p>An appendix to the report is exempt from publication under paragraph 5 of Schedule 12A to the Local Government Act 1972 because it contains confidential information which is subject to legal professional privilege and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because to disclose confidential legal advice could prejudice the ability of the decision maker to consider the decision and associated advice in its entirety.</p>			

Recommendation(s):

- 1** To approve the dispensation of Contract procedure Rule 5.1.2 in accordance with Financial Regulations(3.29) Operational issues to allow for a 6 month extension of the Care Support and Enablement framework and the Fairhaven contract, from 1st October 2017, until 31st March 2018.

1 REASONS FOR RECOMMENDATIONS

- 1.1 The current Framework of providers for Care Support and Enablement, which consists of 34 providers was established in 1st October 2013 and is due to end 31st September 2017. The Fairhaven provision that offers low level Accommodation Based support intended to be incorporated into the commissioning of care support and enablement is also due to end 31st September 2017. However the current review of the service model, which has incorporated quality and price of provision, the call-off process and feedback from engagement with providers, operations teams and citizens, has highlighted a range of issues that require further time to develop.
- 1.2 The extension of the existing framework will allow the Council to continue temporarily to call off under the framework for individual service contracts.
- 1.3 The issues that require further exploration include:
- Understanding the future needs of vulnerable adults and how to meet them in line with policy directives is crucial.
 - The Care Act 2014 provides citizens the right to request an assessment if they believe they need care and support to complete activities in your day-to-day life. Also there are a number of other policy directives including the Five Year Forward View for Mental Health, (2016) and Transforming Care for people with learning disabilities (2015), which have resulted in the requirement for a shift in thinking about where people with complex needs and challenging behaviour live. This had led to the requirement to commission robust community placements/services, with the right environmental concerns considered for each individual as opposed to the historical solution of a hospital setting.
- 1.4 Since the implementation of the framework, the biggest area of growth has been for citizens with mental health problems both for accommodation and outreach support. Currently, although the service is intended to provide enablement, packages very rarely decrease and support packages are on-going, potentially for the lifetime of the citizen.
- 1.5 Although there is a Framework consisting of 34 providers, the review has identified an increase in the number of packages that are being purchased from providers who are not on the current framework. These Spot contracts tend to be higher cost packages.
- 1.6 The current pricing model has a variation of rates ranging from £13.49 - £21.50 per hour for individual services; which includes the rate for a Standard service and an Enhanced service. The extension provides the opportunity to look at suitable options for the future commissioning of CSE, bearing in mind the risk to current providers.

- 1.7 Further financial pressures have also been caused by the increase to the National Minimum Wage as well as case law in relation to the provision of sleep-ins, the impact of which needs to be considered further by the Council in re-modelling the service.
- 1.8 The issues raised require further significant exploration and engagement with operational teams, providers, citizens and business stakeholders, and the ability to consider best practice models from other local authorities and clinical commissioning groups to determine solutions that will result in better care and value.
- 1.9 This is proposed to be a temporary extension whilst the various issues surrounding this service are considered and the most appropriate model going forward to be developed. A compliant tender process will then be followed and a new contract/framework established to commence in March 2018.

2 **BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 The framework Agreement for Care Support and Enablement provides the specialist flexible community Outreach and Accommodation based support required by vulnerable adults with a range of needs, including complex health and social care needs, multiple disabilities, mental health needs and challenging behaviour, who are eligible for social care funded services to live in their own tenanted "Supported Living" accommodation.
- 2.2 Placements with the framework are made by the operational teams based on the needs and choices of the individual.
- 2.3 Consultations undertaken as part of the Learning Disability services review 2014/15, on-going work in relation to Transforming care and specific consultation to the review of this service identified a number of issues voiced by providers and operations teams:
 - **Providers**
 - The 6 month extension of the current contract poses a risk in less providers may be willing to offer packages on the current terms and conditions.
 - **Operations Teams**
 - One of the aims of Supported Living is to enable individuals to have a secure tenancy and to live in the community; however people who live in shared accommodation who display challenging behaviour are frequently being served notice. Best practice states they should remain in their home and the provider should be changed; however due to the way accommodation based schemes are commissioned and the lack of robust community placements available, citizens are having to be placed in residential settings, which restricts their opportunity for choice and control.
 - There are not enough skilled providers on the framework who are capable of delivering services for people with complex needs and/or behaviours that challenge services. Practitioners therefore have to look wider afield hence the increase in SPOT contracts.
 - **Contract/Procurement**
 - Due to the needs of citizens not being able to be met by the framework, there is the potential for Spot contracts to continue to increase, which is an issue the Council is seeking to combat.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATION

- 3.1 Undertake a procurement exercise at the end of the existing contract term. There is insufficient time to undertake a new procurement in these timescales, the new CSE model is still being developed and further time is required to address the financial, policy directives and social issues that have been raised, in order to achieve better care for improved value.
- 3.2 Do Nothing. – Continuity of the existing contracts is required to ensure continued service delivery to citizens, so letting the contract expire would not be a viable option.

4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 4.1 The value of this decision represents the estimated value of work under the framework contract over the extension period. This value is based on current activity levels and prices and costs will change during the life of the extension to reflect actual service delivery. It should be noted that the extension of the framework arrangements will carry no guarantee of work and approval to spend against the contract is covered within the council's scheme of delegation for adults care packages.
- 4.2 The report references the operational and financial pressures within adult social care through demand and price factors and management should ensure the financial envelope of services commissioned is within the funding available in the Council's Medium Term Financial Plan.
- 4.3 The recommendation within this report asks for exemption from Section 5.1.2 of the Council's Contract Procedure Rules in accordance with Section 3.29 of the Council's Financial Regulations. In the circumstances outlined in this report and to allow for the most appropriate model of support to be developed whilst ensuring value for money is achieved this recommendation is reasonable.

Darren Revill – Senior Commercial Business Partner
Darren.Revill@nottinghamcity.gov.uk

4.4 Chief Finance Officers Observations on Dispensation

Dispensation from financial regulation 3.29 and contract procedure rule 5.1.2 is supported in this instance for operational reasons.

Geoff Walker – Strategic Director of Finance
Geoff.Walker@nottinghamcity.gov.uk

5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 Legal and Procurement advice is provided in exempt report.

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE (STRATEGIC REGENERATION COMMITTEE REPORTS ONLY)

Not Applicable

7 SOCIAL VALUE CONSIDERATIONS

7.1 Social value considerations will be made as part of the continuing review and development of the re-commissioned care support and enablement services. The nature of the provision means that the workforce will need to be sourced locally. It will provide employment at entry level and above.

8 REGARD TO THE NHS CONSTITUTION

8.1 Not Applicable

9 EQUALITY IMPACT ASSESSMENT (EIA)

9.1 Has the equality impact of the proposals in this report been assessed?

No



10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

10.1 None

11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

11.1 Winterbourne View – Time For Change - Transforming the commissioning of services for people with learning disabilities and/or autism;

11.2 Transforming Care for people with learning disabilities January 2015

11.3 The Five Year Forward View for Mental Health 2016.