

Wiltshire Council

Cabinet 27 November 2018

Subject: Extension of Specialist Commissioning Contracts for Supported Living, Floating Support and Supported Housing

Cabinet member: Jerry Wickham - Adult Care, Public Health and Public Protection

Key Decision: Key

Executive Summary

This paper requests approval to an additional extension to the current contracts for supported living, floating support and supported housing (Appendix 1) for customers with a learning disability or mental health need.

The intended extension date is to 31 August 2019 so all contracts expire at the same time to allow the recommissioning of one overarching contract. This will save resources, align commissioned services to enable better market stability, and allow for co-production to happen. We are also undertaking a review of all accommodation to ensure we have a strategic framework for commissioning our providers. Contracts concerned are:

Supported Living - Accreditation scheme with 37 providers for the provision of care and support for people with learning disabilities. Contract expiring on 31 December 2018.

Floating Support – Two contracts (one mental health, one learning disability) which are for tenancy sustainment and increasing independence expire 31 March 2019.

Supported Housing – Seven contracts for mental health supported housing incorporating 10 separate schemes expire 31 March 2019.

Residential Care – Specialist residential care provision does not require extending but will form part of the re-commissioning

Proposal(s)

The proposal is to extend each of the contractual agreements detailed at Appendix 1 until 31 August 2019. This paper also requests that Cabinet delegates authority to the Corporate Director with responsibility for Adult Care to approve:

- 1) The contract variations needed to achieve the above within the approved budget

2) The award of contracts within the approved budget following required tender processes

Reason for Proposals

This extension is being requested for the following reasons to allow sufficient time to:

- consult with customers and providers around current services and to co-produce new service specifications for future services
- Undertake an accommodation review and develop a strategy
- carry out thorough research across other local authorities, and develop how we wish to commission and tender for these services from 1 July 2019
- allow sufficient time to allow any required tender processes to take place in keeping with procurement regulations.
- take into account that we have fragile market places that may take some time to shape and for relationships to be sufficiently developed to maximise opportunities
- ensure we are aligned on the future pathway with services and approaches as required by LD and MH transformation work to ensure services commissioned are fit for future purpose

Dr Carlton Brand, Corporate Director

Wiltshire Council

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1 Purpose of Report

1.1 This paper requests approval to extend each of the contractual agreements detailed at Appendix 1 until 31 August 2019. This paper also requests that Cabinet delegates authority to the Corporate Director with responsibility for Adult Care to approve the contract variations needed to achieve the above and the award of contracts within the approved budget following required tender processes

2 Relevance to the Council's Business Plan

2.1 These services support the Council's business plan to:

- Create stronger more resilient communities
- Protect vulnerable people within the community

3 Background

3.1 The contracts detailed at Appendix 1 all fall under the remit of Specialist Commissioning. They were all commissioned separately and started within different years. The Learning Disability Floating Support Service is the most historic, dating back to 2006.

3.2 There are benefits to be gained in undertaking these workstreams co-currently:

- Shared good practice
- Focussed co-production with customers and providers
- Alignment with Learning Disability and Mental Health transformation workstreams.
- Reduction of the number of contracts
- Co-production and partnership working with all stakeholders

3.3 There are a number of pieces of work which need to be completed in relation to these services before the Council considers tendering for new providers:

- Timely and effective customer, families, professionals and provider consultation (co-production)
- Accommodation review to be completed
- Co-production to develop service specifications for each service – replacing existing specifications, many of which are outdated and no longer fit for purpose.
- Reviewing of funding models that are both appropriate and affordable for Wiltshire Council to ensure a sustainable provider market.

3.4 This work (including the tenders that will likely follow the preparation work) is likely to take approximately 9 months.

4 Main considerations for the Council

4.1 To agree to an extension to 31 August 2019 for the contracts detailed below to allow for a full re-commissioning and re-tendering to take place. It is very important that current services continue over this period whilst the re-shaping takes place.

5 Overview & Scrutiny Engagement

5.1 The Chairman of HSC had been approached and invited by the Cabinet Member for Adult Social Care, Public Health and Public Protection to undertake a rapid scrutiny of this subject in light of Cabinet and HSC meetings not tying up. A Rapid Scrutiny on this report took place on Thursday 8 November and there was support for the exemption as outlined in the paper presented.

6 Safeguarding Implications

6.1 It is imperative that customers currently receiving, or who may require a new, commissioned service are not, at any point in this process, without that service. Contingency plans will be created around each service with potential risks highlighted throughout the process.

7 Public Health Implications

7.1 The availability of services will ensure that the health and wellbeing of those in need can be maximised within existing settings.

8 Procurement Implications

- 8.1 For the purposes of Wiltshire Council's Constitution, this request is an extraordinary exemption, as outlined in Part 10, Procurement & Contract Rules, Section C 14. The value of the contracts necessitates a key decision for award by Cabinet.
- 8.2 There is insufficient time to reshape the services and go to market before the existing contracts come to an end and to achieve continuity of service the services of the existing providers need to be retained.
- 8.3 A new service commencement date of 1st September 2019, indicates that service redesign and co-production will need to be complete by the end of March 2019 to allow sufficient time for the tendering process and any resulting TUPE considerations. Proposed draft Tender timetable:

Tender 'go-live'	1 April 2019
Deadline for provider submissions	30 April 2019
Evaluation	1 May – 31 May 2019
Handover/TUPE	1 June – 31 August 2019
New contracts begin	1 September 2019

9 Equalities Impact of the Proposal (detailing conclusions identified from Equality Analysis, sections 4 and 5)

- 9.1 An Equality Analysis is not required in this case, as the risks to the Council are considered as 'Low' under the Equalities Risk Criteria Table. This is a request to extend existing contracts to 31 August 2018 – it is not looking to end any of these arrangements. The impact on providers of these services and the customers in receipt of these services is low.

10 Environmental and Climate Change Considerations

- 10.1 By ensuring a level of choice of service provision across Wiltshire and supporting people to stay in their existing homes/tenancies through supported living/floating support/supported housing this will help to ensure that Wiltshire residents can remain living in their local community area.

11 Risk Assessment

- 11.1 Risks are limited and restricted to market challenge however the proposal is compliant with Procurement and Contract rules.

12 Risks that may arise if the proposed decision and related work is not taken

- 12.1 A significant risk is that the current contracts will expire, without alternative contractual arrangements in place due to insufficient time to undertake the work required to get to the point of new contracts with new co-produced

service specifications. There will be no mechanisms in place to manage the costs of any new services procured which could have an impact on budgets.

13 Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

13.1 The proposed extension of these contracts carries some risk of challenge from the market however the relatively short-term nature of the contracts and likelihood of change in service may make this less likely.

13.2 There is a risk that we are unable to meet support needs of customers as providers on the current supported living framework have informed us they are not currently tendering for new work due to the fact that prices have been frozen for 4 years as no uplifts have been applied for new work. Uplifts of 3.72% have been applied to existing packages over the last 2 years to allow for National Living and Minimum Wage increase costs that providers incurred. To encourage providers to bid it is proposed to uplift the prices on the framework by 3.72% for new work only. This will only be for the period of the extension and will merely bring prices in line with existing packages.

14 Financial Implications

14.1 This report asks for delegated authority to, where appropriate, renew these contracts up until 31st August 2019 and does not commit the council to any new spend. Details of the current contacts are in Appendix 1 (Part 2)

14.2 The extensions are required to allow for the development of sustainable and cost-effective funding models for these services going forward.

14.3 It is anticipated that the new service models will achieve savings from the spot contracts and as the work on consultation and specifying requirements continues, options appraisals for a range of savings will be evaluated.

15 Legal Implications

15.1 Local authorities must meet their duty of care to identify, assess and support people. The council must ensure that our population is provided with the most appropriate services which are value for money and provide effective, efficient support

15.2 The proposed course of action is also consistent with the council's duty to secure "best value" under the Local Government Act 1999.

15.3 The legal issues and risks associated with the proposed extension of current arrangements are set out in a separate Part 2 report (Appendix 2)

16 Options Considered

16.1 The following options have been considered as not suitable:

- Do nothing – the current contracts will expire on their respective expiry dates and services may cease. Supported living providers will no longer have set agreed rates under contract – risk of hourly rates increasing for new packages.
- Tender for services now, using current services specifications. This does not allow for service development and co-production. Contracts will be in place, however issues with existing services will continue. This will not align with ongoing transformation and accommodation workstreams.

17 Conclusions

17.1 It is recommended that Cabinet approves the extension as an exception of the contracts/services detailed at Appendix 1 until 31 August 2019.

17.2 It is also recommended that Cabinet delegates authority to the Corporate Director with responsibility for Adult Care to approve:

- 1) The required contracts variations to achieve the above within the approved budgets
- 2) Award of contracts within the approved budgets following required tender processes.

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Background Papers

The following documents have been relied on in the preparation of this report:
None