

Report to, Alan Sinclair, Director of Adults and Health

August 2022

A Place to Live Services and Supported Living Services (Adults with Learning Disability) contract award

Report by Catherine Galvin, Assistant Director, Commissioning

Electoral division(s):All

Summary

The Council holds contracts with three (3) providers to deliver statutory adult social care provision at the A Place to Live Services (APTL) and Supported Living Services (SLS). These services provide care and support to adults with learning disabilities who are residents in supported living accommodation or require the provision of outreach support to help them to live in their own homes in the community.

The contracts with the providers of these services ended on 30th June 2022 and the extension provisions allowed for in these contracts have already been utilised.

This report is seeking approval to directly award the contracts to the current providers for a period of 1 year until 30th June 2023 under the same terms and conditions. This will allow for a service review to be undertaken which will set out future commissioning options and also allows for any potential procurement process following the service review.

Recommendation

The Director of Adults and Health is asked to approve a modification to the current APTL and SLS contracts, to directly award the contracts for 12 months to the current providers from 1st July 2022 to 30th June 2023, under the existing contractual terms at a cost of circa. £4.9m.

Proposal

1 Background and context

- 1.1 A Place to Live Services (APTL) and Supported Living Services (SLS) provide assistance and support to adults with learning disabilities who are residents in supported living accommodation in West Sussex. The SLS also provides outreach services to help adults with learning disabilities to live in their own homes in the community.

- 1.2 APTL was initiated by the Council in 2006 as part of a Central Government directive to support the community resettlement of adults with learning disabilities who had been living in NHS Campus provision.
- 1.3 In 2010 the Council awarded three contracts following a competitive open tender process, compliant with WSCC Standing Orders on Procurement and Contracts and Public Contracts Regulations 2006, which appointed two providers to deliver the care and support services to customers at their new places to live.
- 1.4 In 2016 the Council undertook a new competitive tender exercise for the procurement of the APTL contracts, compliant with WSCC Standing Orders on Procurement and Contracts and Public Contracts Regulations 2015, and awarded these contracts to the two incumbent providers, Southdown Housing Association and The Royal Mencap Society. Each provider was awarded a three (3) year contract with the provision to extend each contract for up to a maximum of three (3) further years up to 30th June 2022.
- 1.5 Former employees of Sussex Partnership NHS Foundation Trust were transferred to the providers under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), with protected terms and conditions, including continuing access to the NHS Pension Scheme (NHSPS).
- 1.6 The SLS delivers outreach and accommodation based supported living services to adults with learning disabilities, which were previously provided by the Council until outsourced in 2012.
- 1.7 In 2016 the Council undertook a further compliant competitive tender process and awarded the two (2) SLS contract Lots to the incumbent provider, The Grace Eyre Foundation.
- 1.8 Former employees of the County Council were TUPE transferred to The Grace Eyre Foundation with protected terms and conditions, including continuing access to the Local Government Pension Scheme (LGPS).
- 1.9 In June 2019 cabinet member approval was given to extend the APTL & SLS contracts, under the existing contract provisions, for 21 months up until 31 March 2021. Further, in June 2021 cabinet member approval was given to extend the contracts until 30th June 2022 the fully permitted term allowed under the contract terms.

2 Proposal details

- 2.1 The original procurement timetable has been impacted by the Covid-19 pandemic, which has had a significant impact on the supplier market during the last 24 months. Nevertheless, providers have worked collaboratively with the Council to safely continue to deliver these services.
- 2.2 The direct award of contracts for 12 months acknowledges the challenges the supplier market has experienced in delivering these services. It also enables the Council to undertake a service review, that takes these challenges into account, and considers a range of options to inform the future commissioning of these services which include the following:

- opportunities to enhance and optimise services to meet current and evolving customer needs
- barriers to staff recruitment and options to move services to more accessible geographical locations with better links to public transport
- review of the service models to enable younger customers access and therefore opening opportunities to reduce spend to this customer cohort and support the objectives of the Lifelong Service programme
- explore a reduction in future costs by removing the current blended rate approach

2.3 These contracts continue to deliver best value, particularly in respect of promoting positive outcomes for customers with very complex needs, providing appropriate settings and a best use of resources. The proposed decision results in a continuation of existing contractual spot purchase payment arrangements for a period of 12 months to allow for a service review following the timetable below:

Task	Timescale
Commissioning review and market engagement	June to Oct 2022
Service model design based on review outcomes	Oct to Dec 2022
Re – Commissioning, options appraisal	Dec to Mar 2023
Contract award	March 2023
Service Commencement	1 st July 2023

2.4 The supported living services offer an alternative to high cost residential placements, enabling people to remain living locally in West Sussex, reducing the risk of placement breakdown and avoiding emergency hospital placements at increased cost.

2.5 The performance of the services has been monitored through quality assurance activity and quarterly contract review meetings. Providers submit and continue to meet their quarterly contract KPI's. The providers and/or their individual accommodation settings are registered with the Care Quality Commission (CQC) and have demonstrated consistent quality provision achieving and maintaining an at least a "Good" CQC rating.

3 Other options considered (and reasons for not proposing)

3.1 To do nothing: Discontinuing the services is not considered a viable option given the customers living in the services who have separate tenancy agreements as well as the care and support provided under these contracts.

Customers are settled therefore reducing the risk of placement breakdown and avoiding alternative placement potentially at increased cost. Continuity of care provision will enable the Council to meet its duty of care requirements under the Care Act 2014. This proposal will offer a continuation of housing provision and maintenance of tenancy arrangements with existing landlords to ensure customers maintain their existing accommodation arrangements.

There would also be reputational and political risks if service provision does not continue whilst the future service model and purchasing arrangements are considered. This option is therefore not recommended.

- 3.2 Immediate Re-procurement: This option is not proposed as a review of the services is required to determine the strategic requirements, as well as the long term future viability and sustainability of the service delivery models. The review will inform the future service model and consider options for the ongoing commissioning of these services.
- 3.3 This proposal offers stability and continued delivery of services as no change of provider is planned whilst a review is undertaken to establish the most effective future commissioning proposal.

4 Consultation, engagement and advice

- 4.1 Consultation has taken place with the current providers who have all confirmed that they agree with award of the contracts for the time period proposed and on current terms.
- 4.2 The proposal is supported by the Council's Lifelong Services Operational Management whose teams provide care management to the customers living in the services.
- 4.3 A project group has been set up to undertake the review and evaluate options for these services, including consideration of the potential to transfer services to the Council's Supported Living Framework. The outcome of the review will inform the procurement process for the continued commissioning of these services.

5 Finance

- 5.1 The proposed decision results in a continuation of existing contractual spot purchase payment arrangements for a period of 12 months. Consequently, the recommendation does not create any additional financial implications and so the cost of the provision of the APTL and SLS services will remain in line with the assumptions on which the budget is based.
- 5.2 The effect of the proposal:

(a) How the cost represents good value

Payment for the APTL & SLS services are made as spot purchases. The hourly rates (charges) are compliant with the ceiling rates set within the Service and included in the tender evaluation. These rates match those provided under the terms of the Council's Framework Agreement for the Provision of Supported Living Services (SLF), which is the overarching contract for provision of comparable services to customers with a lifelong disability.

Additional TUPE related costs have been built into the charges payable. The additional costs are due to the Council's obligation to protect public sector employment terms and conditions and pension benefits of the previously transferred staff.

The existing contracts are deemed value for money as the contract prices were initially agreed through a competitive procurement process and value for money assessment.

The future service model and purchasing approach will address assurances regarding value for money regarding future arrangements.

(b) **Future savings/efficiencies being delivered**

Close and regular monitoring of the services is maintained to identify when TUPE impacted staff leave or reduce their hours. When this occurs, subsequent adjustments are made to the service rates and changes made to the pension contributions applied to ensure best value for money to the Council.

At a strategic level commissioners, contracts, operations and finance meet regularly to review spend and budget. The scope to reduce spend during 2022/23 will be limited and reliant on the client review process.

(c) **Human Resources, IT and Assets Impact**

As described throughout, the Council retains ongoing TUPE responsibilities to former Council and NHS staff who were historically transferred to the providers. There is no IT or Assets Impact.

6 Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
Contract award challenged	These services have already been subject to two separate tendering exercises, where the current providers made compliant bids and were awarded the contracts. Therefore, these are stable services which have been delivered by the same providers for 10 years plus. Procurement activity has demonstrated little interest in the market from other providers. The Council has planned to undertake a review, albeit delayed due to the covid-19 pandemic.
Provider Performance	Appropriate performance management and governance arrangements are specified in the contracts. All services are registered with the Care Quality Commission (CQC) and have demonstrated consistent quality provision achieving and maintaining an at least a "Good" CQC rating.
Provider Failure	Quarterly meetings are held with providers and financial data is shared and reviewed. Meetings will continue during the extension period.

7 Policy alignment and compliance

- 7.1 The **Equality Act (2010)** containing the Public Sector Equality Duty, places a legal duty on public bodies to promote equality of opportunities for disabled people. The fundamental purpose of the Services is to support customers and deliver necessary care and support services to maintain their independence and meet their needs. The Services will aim to improve and/or maintain customers wellbeing and quality of life, in particular each Customers independence, safety and community inclusion.

- 7.2 The services deliver in the communities of West Sussex and support the objectives of the **Council's Plan** by:
- keeping people safe from vulnerable situations by delivering care and support to people living in the community.
 - contributing to a sustainable and prosperous economy by creating jobs for West Sussex people and business for West Sussex care providers.
 - helping people fulfil their potential through person centred planning is and reablement support
 - making best use of resources by bringing health, social care, and housing together to deliver best possible outcomes for West Sussex residents.
- 7.3 **Crime and Disorder** – There are no implications
- 7.4 **Climate change** – With respect to A Place to Live current providers are committed to keeping environmental impact to a minimum over the long term, to ensure that all practices and developments are sustainable.
- 7.5 **Public health** – The Council is the Public Health Authority for the county – a service led by the Director of Public Health. The Council has a duty to ensure that it takes decisions or plans, its policies and business activity in a way which enhances the general health and wellbeing of the communities served by the Council. This decision brings health and social care and housing together to deliver the best possible health outcomes for West Sussex residents by delivering care and support to adults with learning disabilities living in the community.
- 7.6 In terms of **Social Value**, the supported living and a place to live providers consist of not for profit, charitable, social enterprises and housing associations. By contracting with these organisations, the County Council is supporting the resilience and capacity of the voluntary sector. The added value in terms of charitable activity, volunteering opportunities and scope for innovation are significant.

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Appendices

None

Background papers

None