

Cabinet Member for Adults and Health	Ref No: AH2 19/20
April 2019	Key Decision: Yes
Recommissioning of Community Based Social Support Services for People with Lifelong Disabilities, Autism and/or Complex Needs	Part I
Report by Director of Adult Services (DASS)	Electoral Division(s): All
<p>Summary</p> <p>This report seeks to begin a procurement process in June 2019 leading to the award of contracts for the provision of community based social support for people with lifelong disabilities, autism and/or complex needs.</p> <p>Eleven existing Council contracts are in scope for this procurement process as set out in Appendix 1. The current contractual arrangements expire on 31st March 2020 and have a combined value of £1.2m per annum.</p> <p>The Council is the lead commissioner of adult learning disability (LD) services under the terms of a Section 75 agreement between the Council and the three West Sussex Clinical Commissioning Groups (CCGs). For 2019-20 the LD pooled budget is £100m, of which the Council funds 81.45% and West Sussex CCGs fund 18.55%.</p>	
<p>West Sussex Plan: Policy Impact and Context</p> <p>This proposal is in line with the West Sussex Plan priorities;</p> <ul style="list-style-type: none"> • 'Independence for later life', • 'A prosperous place', and • 'A strong, safe and sustainable place' <p>In proposing changes that will reduce the need for long term support, the proposal is also in line with the assumptions on which the medium term financial strategy is based and the recently approved Adults' Services Vision and Strategy 2019-21.</p>	
<p>Financial Impact</p> <p>All costs will be met within planned budget limits. The maximum total sum over the full potential term of the contract includes the provision for future discretionary annual inflationary uplifts, subject to decision making through the annual Council review of fees and charges. On that basis the total contract sum over its maximum seven year duration is anticipated to be £10m. By delivering additional preventative activity, annual savings of £0.1m are expected to be realised through the reprocurement as a contribution towards the 2020/21 savings target from Lifelong Services.</p>	

Recommendations

The Cabinet Member for Adults and Health is requested to approve;

- 1) the commencement of a competitive procurement exercise to secure the community based social support services specified in Section 2 of this report;
- 2) the new contracts will commence on 1st April 2020 for a period of 3 years with the option to extend for a further 4 further years to a maximum period of 7 years; and
- 3) the delegation of authority to the Director of Adults' Services to award the contracts to the successful bidder(s).

PROPOSAL

1. Background and Context

- 1.1. Community based social support services contribute to the delivery of statutory functions under the Care Act 2014 to promote individual well-being, prevent the need for care and support, provide information and advice and promote diversity and quality in the provision of services. The services support and enable access to mainstream services in ways that promote independence and lead to increased wellbeing, resilience and community inclusion.
- 1.2. Services under this procurement target support to those people who have complex needs or a higher risk of their social care or health needs escalating with the aim of preventing or delaying this escalation. This is supported by the Department for Communities and Local Government evidence^{1 2} that targeted prevention services divert people from formal more expensive services.
- 1.3. The new contract will build on the current prevention offer for people with a learning disability, autism and/or complex needs, first procured in 2014 and will support the Council to implement its vision and strategy, lifelong service approach and commitment to support carers.
- 1.4. The new contract will deliver better outcomes for people with a lifelong disability, autism and/or complex needs as well as value for money. In order to achieve this, the development of the service specification and future contractual arrangements will take account of the following;
 - The views of customers and key stakeholders,
 - Evidence in relation to the effectiveness and cost effectiveness of current service models,
 - The needs of current and future customers who live in West Sussex,
 - Known current and future service pressures and priorities, and

¹

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/388519/Good_Practice_in_LG_Savings_-_Final_Report_-_17_Dec.pdf

² <https://www.local.gov.uk/sites/default/files/documents/lga-learning-disability-s-d9a.pdf>

- Known commissioning plans within the Council and NHS, including the lifelong services operating model.

2. Proposal Details

- 2.1 To publish an invitation to tender (ITT) in June 2019, for service provision to deliver community based social support services for people with lifelong disabilities, autism and/or complex needs. The contracts to be let will commence from April 2020 for a period of three years with the option to extend the contracts for a further four years up to a maximum period of seven years. The potential for change after three years reflects the requirement to be responsive to service developments as well as changes in service expectations and needs. It is considered that a contract term of this length is necessary to deliver continuity and support stability both within the market, which is primarily in the charity sector, and for people who rely on the services where frequent changes in services can be problematic for them.
- 2.2 All contracts in scope come to an end on 31st March 2020 and the support they provide is included within this commissioning and procurement exercise. Appendix 1 lists the current services which include services that help people to:
- find or retain paid work,
 - increase physical or social activity,
 - help with issues relating to lifelong disabilities, autism and/or complex needs,
 - continue to live in their own homes and keep well - such as help with tenancies, budgeting, life-skills, emotional support; benefit claims, and
 - connecting people into other community activities and support by helping those services to meet their needs, where needed.
- 2.3 The vast majority of the existing contracts listed in Appendix 1 are commissioned as part of the learning disability pooled budget with the CCGs (this has been indicated in Appendix 1). The Council is the lead commissioner of adult learning disability (LD) services under the terms of a Section 75 agreement between the Council and the three West Sussex Clinical Commissioning Groups (CCGs). For 2019-20 the LD pooled budget is £100m, of which the Council funds 81.45% and West Sussex CCGs fund 18.55%.
- 2.4 It is intended that the contract will be divided into three lots as described below:

Lot 1 – Living independently. The type of support offered includes;

- practical assistance,
- help with tenancies/housing support,
- help with money and benefits,
- life-skills and strategies for dealing with everyday situations and challenges,
- emotional support,
- practical assistance with going online, calls and letters, and

- linking with other services/support or activities available in the community

Lot 2 – Employment support

A supported employment 'place, train, maintain' model with a focus on paid employment outcomes.

Lot 3 – Community connecting

A range of contracts that result in increased access to universal community activities and opportunities by providing tailored, personalised support thus enabling individuals and families to help themselves to live more independently.

- 2.5 Lot 1 and 2 will be a single provider contract and it is proposed that Lot 3 will have a framework that will open periodically. The proposal is that Lot 3 contracts will be called upon at different intervals and contract lengths will vary. This will facilitate new and innovative projects during the lifetime of the contract.
- 2.6 The Council will undertake a competitive procurement process that is proportionate to the services and value of the contracts and which also adheres to the principles of transparency and non-discrimination.
- 2.7 The procurement process, service specification and terms of contracts will encourage providers to implement realistic customer charging policies, pool costs where possible (e.g. staff training and publicity/promotion activity) and find alternative sources of funding to support the viability and sustainability of the services.
- 2.8 The proposals for the new contractual arrangements are to deliver the following outcomes;
 - A broader prevention offer available across lifelong services,
 - More people with lifelong disabilities, autism and/or complex needs supported via community initiatives and activities,
 - More people supported through information, advice, and early interventions,
 - More people known to the Lifelong Service supported with less intensive or service-focused options or without the need for a personal budget,
 - Promotion of equality of access to mainstream (Universal) services and support through working in partnership with community organisations to put reasonable adjustments in place and
 - Best value – services are delivered in the most efficient and cost effective ways and deliver best value in the context of both the services and the wider health and Social Care System.

FACTORS TAKEN INTO ACCOUNT

3. Consultation

- 3.1 Between June and July 2018 there was an online survey on West Sussex 'Have your say' outlining the Council's commissioning ideas and seeking feedback. A paper and an easy read version survey as well as an engagement report with background information were available. The survey was publicised widely to key stakeholders and 22 responses were received. In addition, six customer focus groups were held across the county, facilitated by the Impact Advocacy service which were attended by 41 people. Full analysis of this consultation took place in August 2018 and the results will inform the tender documentation and tender background information for bidders.
- 3.2 A number of organisations providing employment support have been consulted including representatives from supported employment providers, the Department of Work and Pensions, special schools and the Local Enterprise Partnership, which will inform the tender.
- 3.3 Other stakeholder feedback on current provision was gathered in June 2018 from operational staff in the community learning disability teams and the working age prevention and assessment team and this has informed the service specification.
- 3.4 The market was advised of the proposed tender in September 2018 and an engagement event took place in October 2018 attended by 14 organisations. The proposed service model was shared and the feedback will guide the approach to the market and specification.

4. Financial (revenue and capital) and Resource Implications

- 4.1 Community based social support is a central part of the Council's expenditure on preventative activities. A rationale for the investment in these services is that in 2017/18 approximately 2000 people were supported with an average weekly cost of £11 per person per week. If the Council was funding a non-residential care package the average weekly cost would be £559³.
- 4.2 The Council as the lead commissioner for the learning disability pooled budget, currently contracts for community based social support services for adults with a learning disability, autism and/or complex needs. The annual value of the current support to adults with a learning disability and to autistic people is £1.060m.
- 4.3 Supported employment to adults with a physical disability, sensory impairment or acquired brain injury and family and friend carers is wholly funded by adults' services. The annual value of these contracts is £0.157m. This is outside of the Section 75 agreement.
- 4.4 The combined current value of existing services is £1.217m per annum. To allow for inflation the budget for the initial three year period from 2020/21

³ Figure from March 2019 Finance Monitor

will be £3.95m. If the contract is extended to its full 7 year term the cost will rise to a maximum of £10m.

4.5

	Current Year 2019/20 (£m)	Year 1 2020/21 (£m)	Year 2 2021/22 (£m)	Year 3 2022/23 (£m)
West Sussex County Council	n/a	1.06	1.11	1.15
NHS Clinical Commissioning Groups	n/a	0.20	0.21	0.22
Total funding	n/a	1.26	1.32	1.37
Forecast contract cost	n/a	1.26	1.32	1.37
Remaining budget	n/a	-	-	-
Annual savings expected to be enabled in care costs	n/a	0.10	0.10	0.10

- 4.6 The specification for the contracts will expressly seek greater reach as well as increased activity in order to deliver enhanced value for money. Through delivery of these preventative services there will be an anticipated reduction in demand for higher tariff social care interventions and an increase in signposting to community based provision. This supports the corporate approach to prevention as a means to deliver return on investment. From a combination of those outcomes it is expected that savings in the order of £0.1m per annum will become available and so contribute towards the delivery of the 2020/21 savings target from Lifelong Services.
- 4.7 The procurement will set out a clear expectation of the minimum core service to be provided. Throughout the life of the contracts KPI data will be collected regularly and face to face reviews will be held with the providers. This will ensure quality/best value and through proactive management of referrals these will be the maximum number of people benefitting from the service provided. Further return on investment modelling will also be undertaken to confirm actual return on investment and to contribute to the decision making regarding annual contract uplifts. The terms and conditions of the contract will include the fact that uplifts are not guaranteed and are subject to separate decision making which can be used to incentivise providers to revisit their service models and work with the Council in developing the prevention offer.
- 4.8 For Lot 1 the Council would like to engage with a lead organisation that takes overall responsibility for the contract and will work together with other organisations to deliver the contract within local communities and with an autism or complex needs specialist organisation. Working together could be on a sub-contracting or consortium basis.

- 4.9 The market is again likely to be mainly the charitable sector. In order to stimulate competition, market engagement has started and includes some other local providers that hitherto have not tendered for community based social support.

Future transformation, savings and efficiencies

- 4.10 There is a greater inclination across the system in West Sussex to use the statutory process to meet complex needs than in other areas (PWC 2018). There is a growing SEND demand and at the other end of the age spectrum, a growing older population. This trend is likely to continue through the life of the contract.
- 4.11 The new contracting arrangements will aim to expand the reach of the prevention services and the funding available. Although it is difficult to be certain about the size and timing of benefits, the procurement has obvious potential to contribute towards delivery of future savings targets. Commissioners will be expected to seek annual savings of £0.1m as part of the target already agreed for 2020/21 from Lifelong Services. The new contracting arrangements will also aim to improve the pathway and signposting between formal support and universal community services, thereby increasing community capability to support more people outside of statutory social care.
- 4.12 Should there be evidence of success in demonstrating preventative services impact on adult social care budgets, there is the option within the terms and conditions to add additional services and /or value to the contract by contract variation and subject to additional decision making.

Human Resources, IT and Assets Impact

- 4.13 There will be no increase in current IT requirements.
- 4.14 There will be no additional staff resourcing implications on the Council save for the existing contract management function.
- 4.15 The Council will not be providing any assets for delivery of the services.
- 4.16 No Council premises will be made available to bidders for the services.

5. Legal Implications

- 5.1 The provision of prevention support is a mandatory duty and will be provided on behalf of the Council by this procurement: The legal context is:
- 5.2 The Care Act 2014 - to promote individual well-being, prevent needs for care and support, provide information and advice and meet needs through information and advice and less intensive or service-focused options.
- 5.3 The Children and Families Act 2014 - the local authority must always think about how a child or young person can be supported to facilitate their

development and to help them achieve the best possible educational and other outcomes which includes planning for adulthood.

- 5.4 The services are considered to be social and other specific services under the Public Contract Regulations 2015 and the value of the contract will be over the EU threshold for such services (£615,278). As such the services will be competitively procured in accordance with the requirements of the Public Contract Regulations 2015 and will be compliant with the Council's Standing Orders on Procurement and Contracts.
- 5.5 TUPE will likely apply in the event of a change of service provider and for which information has been obtained from incumbent providers. Appropriate provisions for TUPE will be made as part of the procurement process and subsequent mobilisation period in the event of changes in service provider/s. Redundancies are not anticipated as a direct result of this procurement process.

6. Risk assessment Implications and Mitigations

- 6.1 The services are funded through the learning disability pooled budget arrangements under Section 75 of the National Health Act 2006. As funding is not certain over the long term, appropriate provision will be made within the contract terms to ensure that funding under the contract can be reduced or services terminated earlier if required.
- 6.2 There is a risk that there are insufficient suitable providers in the market to deliver the services as specified. If the procurement does not proceed or is unsuccessful, a contingency plan is required as discontinuity of service will have a negative impact on customers, families as well as reputational and economical risks for the Council. The market testing exercise undertaken indicates that this risk is low therefore the risk is significantly reduced.
- 6.3 Disruption to service delivery arrangements – an adequate mobilisation period (from December 2019 to March 2020) has been afforded to allow for potential transfer of staff and to mitigate against the risks to service discontinuity and/or disruption, following any change to existing service providers or service configurations.
- 6.4 It is known that the wider market is experiencing difficulty in recruiting and retaining suitably qualified and experienced staff and it is considered that there might be a high risk that staff who currently provide these services would be difficult to replace.

7. Other options considered

- 7.1 To roll on the current contractual arrangements. This would provide service stability but would mean:
- Potential opportunities lost for bringing in any new providers in the market.
 - The risk of poorer service user outcomes and poor value for money as a result of not redesigning provision to meet developing needs.

7.2 There is an option to extend lawfully to 2021 on 7 contracts, but 4 contracts have no extension period available – see Appendix 1 for details.

7.3 To stop funding community based social support completely. The consequences of this would be:

- People requiring social care services leading to increasing wider costs;
- Previous savings on this basis not achieved;
- Impact on ability to fully deliver the Care Act; and
- Not utilising the well evidenced, preventative value of easier and quicker access to support, local, diverse community solutions and support which promotes independence, resilience and wellbeing.

8. Equality Duty and human rights assessment

8.1 The Council's obligations in relation to the public sector equality duty have been identified through an equality impact assessment (EIA). The future operational oversight of the implementation of the procurement will have due regard to the issues raised in the EIA. No negative impacts on people, particularly those with protected characteristics, have been identified. Protected groups will be given robust consideration within the service specification and there will be a method statement question, within the tender process, about equality of access to service. Equality will remain a strong feature within any new contracts and associated performance monitoring. There will be specific key performance measurement of engagement with Black, Asian and Minority Ethnic people and Lesbian, Gay, Bisexual and Transgender people.

9. Social value and sustainability assessment

9.1 The new contract will seek to improve the capacity we have to meet emerging need across the county through recognising, valuing and building on our wealth of social capital. Consequently, whilst funding applications will still be evaluated against value for money and quality criteria they will also be critically measured in terms of the contribution they will make to building social capital in the county. The commissioning process will seek to bolster the charity sector and help to ensure that the market in West Sussex remains buoyant and stable. Local communities will benefit from services that have added social value.

9.2 The Council will require service providers to deliver continued improvement to the economic, social and environmental well-being of West Sussex throughout the term of the contract in respect of such areas as:

- Economy: Skills and employment – delivering local employment, improving skills for local people, opportunities for disadvantaged people, and supporting diversity.
- Society: Creating stronger and healthier communities – increasing volunteering opportunities, an effective and resilient third sector, and working with schools and colleges.

9.3 There will also be a strong emphasis on;

- Achieving 'community inclusion' at a local level, and
- Building customers resilience by connecting them to community support.

9.4 Lot 2 will result in more people who are out of work moving into employment. This will have health and social care benefits to those individuals and also the wider community as each person becomes more economically independent and occupied.

10. Crime and disorder reduction assessment

10.1 None

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Appendices: Appendix 1: Details of current contracts

Background papers: None