

## **Cabinet – 19 June 2013**

### **Accommodation-Based Services Tender**

**Portfolio:** Councillor McCracken- Social Care

**Related portfolio:** Councillor A. Andrew – Regeneration and Transport  
Councillor R. Andrew – Children's Services  
Councillor Towe – Resources  
Councillor I. Shires – Community Engagement and Voluntary Sector  
Councillor Ali- Public Health and Protection

**Service:** Adult Social Care and Inclusion

**Wards:** All

**Key decision:** No

**Forward plan:** Yes

#### **1. Summary**

1.2 This report outlines proposals for procurement of accommodation-based services comprising residential and nursing care home placements and housing related support services funded by Walsall Council and Walsall Clinical Commissioning Group (WCCG).

1.3 The procurement exercise will be phased as follows:

- Lot 1 - residential and nursing care home placements
- Lot 2 - accommodation for young people at risk of homelessness
- Lot 3 – accommodation for people at risk and/or suffering from domestic abuse

1.4 The duration of the Framework Agreement will be up to a maximum 4 years and will have a potential life time value in the region of £88 million of Walsall Council and £44 million of Walsall Clinical Commissioning Group (CCG) expenditure based on current levels.

#### **2. Recommendations**

2.1 That Cabinet authorises a procurement process be undertaken in respect of accommodation based services to meet identified needs within the residential and nursing and housing related support sector be approved.

2.2 That Cabinet delegates authority to award the contracts for residential and nursing care home placements and accommodation for young people at risk of

homelessness and people at risk and/or suffering from domestic abuse to the Executive Director of Social Care and Inclusion.

- 2.3 That Cabinet delegates authority to the Executive Director of Social Care and Inclusion to sign or authorise the sealing of contracts, deeds or other documents in relation to the provision of residential accommodation and nursing care home placements and accommodation for young people at risk of homelessness and people at risk and/or suffering from domestic abuse.

### **3. Report detail**

#### **3.1 Lot 1 - Residential and Nursing Care Home Placements**

The previous framework agreement for providers of residential and nursing care home placements was established by Walsall Council and NHS Walsall for a 3 year period, with the option of extending the contract for a further year, subject to consultation and mutual agreement which is the maximum period for this type of contracting arrangements. The procurement of future services must be completed at the earliest opportunity to minimise the risk to the Council of buying these services without a compliant process being undertaken.

This contract was tendered in 3 phases for client groups' older people (Phase 1), mental health,(Phase 2) and specialist services which include learning disabilities (LD), physical and sensory disabilities (P&SD) and other complex care (Phase 3).

Phase 2 and 3 contracts were never awarded due to the changing nature of these services and so these services are therefore operating under old terms and conditions (i.e. pre 2009 contractual terms and therefore, no inflationary uplifts have been applied).

The Council currently has 355 contracts (70 in borough and 285 out of borough) which supports 849 (576 in borough/273 out of borough) service users, these contractual arrangements are due to expires 31 March 2014 following legal advice to allow a timely and transparent procurement process.

It is recommended that the Council adopt a framework agreement for the re-tendering of the residential and nursing tender which would support the personalisation agenda of increase choice and control for service users, carers and their families, and partnership working with Walsall CCG via the Joint Commissioning Unit.

#### **3.2 Lot 2 - Accommodation for young people at risk of homelessness, and Lot 3 - People at risk and/or suffering from domestic abuse**

Young people at risk and domestic abuse accommodation have historically been funded through Supporting People Grant. There are 8 services which support 146 young people and 2 services for domestic abuse which supports 46 service users. All Directorates of the Council and partner agencies have an interest in these services and the strategic aim is to clarify their role as part of a broader range of services and not treat them in isolation from prevention or follow up support.

- 3.3 The services will be re-commissioned as part of an integrated pathway of care and support that places greater emphasis on prevention and so the amount of

accommodation units to be subject to the procurement exercise may be different from the current levels.

### **Progress to Date**

- 3.4 The residential and nursing care home procurement exercise incorporates WCCG expenditure and is being led by the Council. The Council conducts procurement and contract monitoring on behalf of WCCG and Consultation with stakeholders has been organised from May 2013. This will assist with the development of the residential and nursing care home placement specifications.
- 3.5 A programme of work has been arranged from April 2013 to scope existing youth homelessness accommodation services and agree future provision with representation from all Council Directorates.
- 3.6 The Domestic Abuse (DA) Strategy Group with representation from partner agencies and across the Council is reviewing domestic abuse services to redesign the pathway of services.

### **4. Council priorities**

- 4.1 The continuation of utilising a multi-supplier framework agreement for accommodation based services will support local businesses and help to improve the quality of provision leading to better outcomes for residents.

### **5. Risk management**

- 5.1 There is a risk of legal challenge both to the current contracting arrangements and also if the procurement process is not conducted correctly. Legal and procurement officers are represented on the Project Board.

### **6. Financial implications**

- 6.1 Current expenditure on these services is approximately £22m per annum for the Adult Social Care & Inclusion budget, and £11 million per annum from WCCG's budget.
- 6.2 SC&I aims to support people to live as independently as possible in their own home, and going forward this is likely to reduce the spend of residential and nursing care home placements.
- 6.3 The use of a framework agreement provides flexible contracting arrangements. Service provision is only "called off" as and when required. There is no guarantee to any service provider of a specific level of work.

### **7. Legal implications**

- 7.1 The Council needs to ensure the delivery of care and support services in compliance with equality legislation and the procurement process is in compliance with the Council's Contract Rules 2010 and procurement legislation to mitigate the risk of challenge.

7.2 Legal advice has been sought to minimise the risk of challenge and seek to comply with legislation.

7.3 Establishing a framework agreement enables flexible contracting arrangements that can meet fluctuating service demands. Service provision is only “called off” as and when required and there is no guarantee to any service provider of a specific level of work.

## **8. Property implications**

8.1 Not applicable.

## **9. Health and wellbeing implications**

9.1 Going forward, Providers will be required to deliver their services differently to enable service users’ needs to be met whilst encouraging their independence and improve the quality of care and outcomes for individuals. This may create employment opportunities for local communities which should promote a healthy standard of living which is in line with the Marmot objectives.

## **10. Staffing implications**

10.1 There are no direct implications as a result of this report as unsuccessful providers may choose to continue operating with out of borough placements and/or self funders. New successful providers will create new employment opportunities.

10.2 Staff resources, from the directorate, will be identified to support the evaluation criteria of the procurement process.

## **11. Equality implications**

11.1 An Equality Impact Assessment will be completed as part of the project management approach to the procurement exercise.

## **12. Consultation**

12.1 There will be a communication and consultation plan developed to ensure clear and consistent messages are delivered for all stakeholders to share their views in a timely manner.

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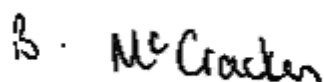
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**Signatures**



John Bolton  
Executive Director

10 June 2013



Councillor McCracken  
Portfolio holder

10 June 2013