

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO CABINET

19 NOVEMBER 2019

### REPORT OF THE CORPORATE DIRECTOR OF SOCIAL SERVICES AND WELLBEING RE-COMMISSIONING SUPPORTED LIVING SERVICES

#### 1. Purpose of Report

1.1 The purpose of this report is to:-

- Request Cabinet approval to implement the proposed recommissioning plan for the Supported Living services across Bridgend county borough; and
- Request Cabinet approval for Bridgend County Borough Council (the Council) to undertake a procurement exercise to invite tenders to establish a Framework Agreement of commissioned service providers.

#### 2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

2.1 The report links to the following improvement priorities in the Corporate Plan:-

- **Helping people to be more self-reliant** – taking early steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services.
- **Smarter use of resources** – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.

2.2 Plus the following local strategic priorities:-

- Adult Social Care Commissioning Plan 2010-20: Living Independently in Bridgend in the 21st Century;
- The Remodeling Adult Social Care programme;
- The Council's Medium Term Financial Strategy (MTFS)

#### 3. Background

3.1 The Council carried out a procurement exercise in 2016 which resulted in the appointment of three independent service providers to deliver Supported Living services to eligible individuals with a learning disability. These people live in shared accommodation with their own tenancies and with care and housing related support provided by the three service providers – currently Drive, Cartrefi and Mirus.

- 3.2 The Council also manages its own Supported Living schemes across the county borough alongside the independent schemes. However, the Council schemes are not in scope as part of the recommissioning exercise being proposed.
- 3.3 The 2016 commissioning exercise included Supporting People grant funding (now changed to Housing Support Grant) as a separate element of the contract, and, together with Adult Social Care funding, the contract value procured in 3 Lots was £5,470,203 per annum, and was capped at the below rates:

	<b>ASC funding</b>	<b>SP funding</b>	<b>TOTAL pa</b>
<b>Lot 1</b>	£873,287	£686,258	£1,559,545
<b>Lot 2</b>	£1,427,283	£445,140	£1,872,423
<b>Lot 3</b>	£1,370,525	£667,710	£2,038,235
<b>Total</b>	<b>£3,671,095</b>	<b>£1,799,108</b>	<b>£5,470,203</b>

- 3.4 During 2018-19, an in-depth review was led by Adult Social Care's Transformation & Review team. The review focused on the effectiveness of service delivery and outcomes for individuals across the three independent service providers.
- 3.5 The review findings have been shared and have enabled a change of thinking and working practice by the service providers. This in turn has improved the lives of the individuals living within the schemes, and also achieved cashable savings which have been made as a result of enabling greater independence and reducing the amount of care hours required (by over 150hrs per week) across each of the 3 Lots.
- 3.6 In terms of lessons to be brought into the recommissioning exercise, where savings have been made, this has been primarily achieved by the Council taking the lead in reviewing support arrangements. Similarly, collaborative working could be further developed between service providers, between schemes, and with the broader community.
- 3.7 The review has allowed for a stronger understanding of the constraints of the current county-wide contract arrangements, and helped identify what future commissioning priorities the Council should aim to achieve.
- 3.8 The contract commissioned in 2016 was for three years, with an option to extend up to a further 24 months. The Council has extended the contract initially for a 12 month period, taking it up until March 2020, and there is a further extension option of 12 months to March 2021.
- 3.9 The Council needs to carry out a procurement exercise over the next 12 months in readiness for this date and to ensure continuity of service, and to ensure compliance with the Council's Contract Procedure Rules.

#### **4. Current situation / proposal**

- 4.1 The current contracts are 'county-wide' meaning that each of the three incumbent service providers must manage a number of Supported Living schemes dispersed across the entire county borough, which has practical and logistical challenges for service providers.

- 4.2 A recent mapping exercise has identified 113 individuals living in 49 properties supported by the three service providers. The location of current schemes falls into naturally localised areas, which supports a move towards community-based contracts in the following geographical areas:
- Pencoed – 9 people living in 6 properties
  - Maesteg – 16 people living in 4 properties
  - Tondu/Bettws – 20 people living in 9 properties
  - Bridgend (town) – 43 people living in 21 properties (option to be split further into East and West areas of the town centre)
  - Pyle and Kenfig Hill – 17 people living in 7 properties
  - Porthcawl – 8 people living in 2 properties
- 4.3 Recommissioning activity began in July 2019 when 10 service providers, including the 3 local incumbents, attended individual market-testing sessions to highlight and discuss what they think is best practice in running Supported Living schemes. The 10 service providers who attended the initial market-testing event have experience of delivering Supported Living services across a range of local authority areas, and provided rich information in terms of best practice.
- 4.4 Council officers have also spoken to officers from a number of other local authorities to understand how they manage their Supported Living contracts, with most authorities moving to locality-based service models, and some of them implementing a Framework Agreement to help them identify potential service providers for each locality.
- 4.5 Many stakeholders described the positive benefits of having ‘local area’ services. This approach helps service providers to manage their staff more effectively across schemes within a local area, as opposed to managing staff dispersed across the whole county. Staff are able to be more flexible and better able to support people based on what they need and what they like to do.
- 4.6 Following the review of services undertaken by the Transformation and Review team, stakeholder feedback, and analysis of the market testing information provided from a range of sources, officers were in a position to develop a proposal for recommissioning the services. The proposal is to carry out a phased approach to ensure minimal disruption for individuals, and giving commissioners the best opportunity to deliver services that are person-centred and community focused. The proposal is set out as below:
- a. Stage 1 – Undertake a procurement exercise in December 2019 to establish a Framework Agreement with a number of quality service providers who would then be considered for future delivery of Supported Living Schemes – the Framework Agreement to be awarded in early 2020;
  - b. Stage 2 – Undertake a series of locality based call-off contracts to allocate packages of care under the Framework Agreement (“Local Area Service”) based on existing clusters of schemes – a phased procurement to be undertaken over a number of months following award of the Framework Agreement and following detailed consultation in each area.

- 4.7 This proposal is intended to encourage a continuation of a mixed market within Bridgend, which enables service providers to develop their business in a sustainable and managed way. It will also give the Council the ability to work in the true spirit of partnership with care service providers, and to extend the ‘community development’ approach of their local services.
- 4.8 Service providers on the Framework Agreement will not be guaranteed an award of a Local Area Service, each of which will be subject to its own tender process and evaluation. In order to mitigate risk of the impact of future business failure, no single provider will be awarded a Local Area Service(s) contract whereby they will have a market share in excess of 50%.
- 4.9 All Framework service providers who meet the Council’s minimum quality requirements will be required to submit a price for the provision of social care and housing related support services, which will act as a price ceiling for all future bids submitted as part of the localised Local Area Service tenders.
- 4.10 The Council is committed to working with high quality and experienced service providers, and there will be a very strong emphasis on quality as part of the Framework Agreement tender evaluation process, which will include asking bidders for evidence of how they have worked innovatively with technology, and worked in an enabling way to support individuals in their progression towards independent living. To enable this, the cost:quality ratio will be strongly weighted in favour of quality – which will be evaluated through the written responses from the service providers, as well as face-to-face presentations and/or interviews that are part of the tender process.
- 4.11 The table below sets out the planned Stage 1 procurement timescales, should approval be given to implement the recommissioning plan:

	<b>Stage 1 Procurement Activity</b>	<b>Date</b>
1	Finalise service model and preparation of tender documents	November 2019
2	Place tender notice for the Framework	Dec 2019/Jan 2020
3	Tender returns	Jan/Feb 2020
4	Final tender evaluation	February 2020
5	Approval to award	Feb/Mar 2020
6	Contract start date for Framework	Mar/April 2020

- 4.12 As part of Stage 2 – it is planned that everyone who lives in a Supported Living scheme will also be able to say what is important within the service and ‘what matters’ to them. The local advocacy group People First Bridgend have agreed to undertake an independent engagement exercise to ask for views from individuals within each locality, which will help develop the community-based services.
- 4.13 A further provider event was held in October 2019, where 14 service providers attended to discuss the viability of creating a Framework Agreement as a ‘Stage 1’ procurement exercise; followed by a ‘Stage 2’ process where the subsequent Local Area Service Agreements would be procured individually over a number of months through 2020.
- 4.14 The main findings taken from the engagement event were:

- All service providers agreed that the procurement approach proposed was a logical way forward in terms of continuing with the mixed market via an initial Framework Agreement tender, and allowing individual service providers to better establish a high quality 'community development' approach to service delivery via subsequent Local Area Service tenders.
- All service providers felt that the proposed 'locality' service model was deliverable with significant benefits to be gained, including opportunities for resource efficiency and better outcomes for individuals within the service.
- It was recognised that the Council has a strong emphasis on quality and that, while there will be no financial caps as part of the tender exercise, competitive bidding will be encouraged and that the Council will only be paying for service hours delivered.

- 4.15 In addition to the event above, local stakeholders including the Learning Disabilities social work team and family representatives at the Parents Forum have been engaged on the proposal – where feedback received was positive, in particular the proposal linked to Stage 2, with a strong focus on co-production.
- 4.16 Based on service provider and stakeholder feedback, it was concluded that very little change would be needed in practice to the existing service and that the main change would be a move from the existing county-wide contracts to a new contract arrangement based on Local Area Service agreements.
- 4.17 It is also anticipated that the service to individuals will not change significantly, other than creating more opportunities for them to be supported more flexibly in their own local communities. The Council is also committed to co-producing the service specifications for each of the Local Area Service contracts, and will be facilitating direct consultation with individuals in each area to ensure their views, wishes and priorities are reflected in any new arrangements with service providers.
- 4.18 As highlighted in paragraph 3.3 above, the Learning Disability Supported Living service is a jointly-funded service, with around 75% of costs funded via Adult Social Care core budgets for the care elements of the service, and circa 25% funded via the Welsh Government Housing Support Grant (HSG) for the housing related support elements of the service.
- 4.19 Currently, these funding streams are separated which causes confusion for service providers and is also a complicated process for commissioners and support teams. Moving forward, it is proposed to combine these funding streams which will allow for a more person-centred and outcome-focused method for delivering services – in place of the current method of capping and fixing housing related support hours.
- 4.20 The amount of Housing Support Grant allocated to the service moving forward will be determined as part of the budget allocation processes for central grants, and will be monitored in line with the single outcomes framework that is being developed.
- 4.21 It is recognised that Housing Support Grant allocations received from Welsh Government may be subject to change in the future, and there may also be subsequent guidance being released by Welsh Government in respect of how Housing Support Grant can be used for learning disability services. Based on this,

there will be pertinent clauses included within tender packs and contractual documentation, highlighting the potential funding risks in the future.

## **5. Effect upon Policy Framework & Procedure Rules**

- 5.1 There is no direct impact on the Council's policy framework and procedure rules. Any tendering process will be undertaken in compliance with the Council's Contract Procedure Rules (CPRs) and the Public Contracts Regulations 2015.

## **6. Equality Impact Assessment**

- 6.1 An Equality Impact Assessment (EIA) screening was undertaken in September 2019 which found that a full EIA was not required due to the fact that individuals within the service will continue to receive the same level of service to meet their assessed needs within the Supported Living scheme.
- 6.2 The only operational service changes to occur from this procurement exercise will be to the geographical area that contracts cover which should afford improvements to flexible service delivery.

## **7.0 Well-being of Future Generations (Wales) Act 2015 Implications**

- 7.1 The commissioned Supported Living service aims to ensure that individuals living within the service schemes are able to live as independently as possible and to build their resilience with links with social networks in their own community. As such, the wellbeing goals of: a healthier Wales; a more equal Wales; and a Wales of cohesive communities are supported through these services.
- 7.2 The commissioning of the Supported Living service supports the five ways of working under the Wellbeing of Future Generations (Wales) Act 2015, as follows:

**Long Term** – moving towards a 'locality-based' service model enable service providers to establish closer and longer-term working relationships with other local community groups, agencies, and local residents. This is a more sustainable approach to ensuring people are better supported in maintaining their independence and wellbeing and follows a 'community development' approach that enables the service provider to become more established in the longer-term.

**Prevention** – the Supported Living service aims to support the progression of individuals towards independence with some potential to reduce the level of support needs they have and to prevent the escalation of needs by offering a stable living environment and maintaining their tenancy support through appropriate housing related support.

**Integration** – the service providers will need to work with a wide range of stakeholder groups to help individuals to better integrate into their local community.

**Collaboration** – The 'locality-based' service model is predicated on close collaboration between the service provider and social services teams and other support agencies. The service model requires service providers to demonstrate collaboration between staff within the local schemes they manage and between

service providers in other localities to identify and support the needs and aspirations of the individuals they support.

**Involvement** – Key stakeholders have been involved in early-stage engagement activities to help shape and inform the service proposal. An in-depth local engagement is proposed within each locality to ensure a co-productive approach to detailing the service specifications for each Local Area Service. This make sure that the people who receive the service have been fully involved in identifying the key priorities for the support they will get from their service providers.

## 8. Financial Implications

- 8.1 The financial implications of recommissioning Supported Living services will be determined once bids to enter into a new Framework Agreement are received from service providers which will determine the ceiling at which they can subsequently bid for Local Area Services.
- 8.2 The projected annual spend for the provision of independent Supported Living services is now estimated to be circa £6M – with pertinent 2019/20 budgets shown in the table below:

Lot	Adult Social Care 19/20 Budget	Housing Support Grant 19-20 Budget
Lot 1	1,232,833	£649,207
Lot 2	1,992,086	£363,277
Lot 3	1,641,086	£556,463
<b>Total</b>	<b>£4,866,005</b>	<b>£1,568,947</b>

- 8.3 As highlighted in paragraph 4.21 above, there are some risks in respect of future funding linked to Welsh Government Housing Support Grant allocation(s), and appropriate provisions and clauses will be included in contractual documentation.
- 8.4 It is expected that the introduction of a Framework Agreement will reinforce the number of service providers in Bridgend county borough and will bring a greater emphasis on competitiveness.
- 8.5 The service has experienced cost pressures of nearly 20% (costs increasing from £5.5M to £6.4M) since April 2016 when the service was last commissioned, which is linked to increasing demands and complexities of individuals within the schemes. Moving forward, these challenges and pressures will be managed by the innovative use of technology and a strong focus on progression and community & daytime opportunities, reducing individual's reliance on commissioned care and support.

## 9. Recommendation

- 9.1 Cabinet is recommended to:-
- Approve the recommissioning plan proposed for Supported Living services in Bridgend;
  - Approve the invitation of tenders to establish a Framework Agreement;
  - Note that once bids to enter into the Framework Agreement are received from service providers a further report will be presented to Cabinet requesting

approval to enter into the Framework Agreement and to implement the Stage 2 procurement of Local Area Service tenders.

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**10**    **Background documents**

None