

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

19 OCTOBER 2021

REPORT OF THE CORPORATE DIRECTOR SOCIAL SERVICES & WELLBEING

NOVATION OF CONTRACTS WITHIN ADULT SOCIAL CARE

1. Purpose of report

1.1 The purpose of this report is to:

- (i) seek authority to modify the following existing contracts in accordance with Contract Procedure Rule 3.3.4:
 - For the Provision of a Specialist Supported Living provision for people with a learning disability and complex challenging behaviour, including autistic spectrum conditions (at Condors Rest);
 - Supported Living Framework Agreement 2020-2024; and
- (ii) to seek consent to novate the service level agreement

For the provision of a Short Term Respite & Recovery Service for carers with Hafal

2. Connection to corporate well-being objectives/other corporate priorities

2.1 This report assists in the achievement of the following corporate well-being objective/objectives under the **Well-being of Future Generations (Wales) Act 2015**:

- **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
- **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

Dimensions UK

3.1 Dimensions UK currently have two contracts with the Social Services and Wellbeing Directorate:

- (i) Provision of a Specialist Supported Living provision for people with a learning disability and complex challenging behaviour, including autistic spectrum conditions (at Condors Rest)
- (ii) Supported Living Framework Agreement 2020-2024

Both contracts were awarded to Dimensions-UK following a procurement process for each contract in accordance with the Council's Contract Procedure Rules.

3.2 The details of the contracts are as follows:

Condor's Rest Specialist Supported Living Contract:

Contract commencement date: 01/04/2018

Expiry date: 31/03/2022 with the option to extend for up to a further 12 months

The Provider runs a Specialist Supported Living (Closer to Home) Scheme for 4 Individuals. 24 Hour daily care and support is provided 365 days per year, with just over 500 hours per week of service time, at a cost of approximately £8,350 per week.

Supported Living Framework Agreement:

Contract commencement date: 01/04/2020

Expiry Date: 31/03/22 with the option to extend for up to a further 24 months

There is no service delivery attached to this Framework Agreement, which functions as a contractual arrangement to invite the Provider to tender for subsequent Call-off contracts under the Framework.

3.3 Dimensions UK has undertaken a corporate restructuring exercise. Under the auspices of the parent company Dimensions-UK, a subsidiary company has been established – Dimensions Cymru Limited – for the purpose of registering with Care Inspectorate Wales and delivering local and regional services in Wales. Dimensions Cymru was incorporated with Companies House on 24 March 2020.

3.4 On 10 May 2021 BCBC received a formal request to novate the two contracts detailed above from Dimensions-UK to Dimensions Cymru, to ensure that all business and contractual matters come under the responsibility of Dimensions Cymru.

3.5 Both contracts have provision allowing the provider to transfer the contract with the consent of the Council.

Hafal

3.6 The Council entered into a service level agreement (SLA) with Hafal for the provision of a Short Term Respite & Recovery Service for carers. The SLA commenced on the 1st April 2021 and is due to expire on 31st March 2022, with the option to extend for up to a further 12 months. The value of the SLA is £34,217 per annum.

3.7 On 1st April 2021, Hafal merged with three other charities to become Adferiad Recovery Ltd.

- 3.8 On 20th May 2021 BCBC received a formal request from Hafal to novate this SLA to Adferiad Recovery Ltd following the merger.
- 3.9 The SLA contains a provision allowing the provider to transfer the contract with the written consent of the Council.

4. Current situation/proposal

Dimensions UK

- 4.1 The Council's Contract Procedure Rules (CPR) 3.3.4 provides that contracts and framework agreements may be modified without requiring a new procurement procedure where:
"a new Contractor replaces the one to which the Council had initially awarded the Contract as a consequence of:
- (i) an unequivocal review clause or option in conformity with Rule 3.3.1, or*
(ii) universal or partial succession into the position of the initial Contractor, following corporate restructuring, including takeover, merger, acquisition or insolvency, of another economic operator that fulfils the criteria for qualitative selection initially established, provided that this does not entail other substantial modifications to the Contract and is not aimed at circumventing the application of the Public Contract Regulations 2015;"
- 4.2 The Social Services and Wellbeing Directorate has carried out due diligence on both Dimensions-UK (as Parent Company) and Dimensions Cymru to ensure that the subsidiary company meets the requirements of the original criteria for qualitative selection initially established in the respective tenders for both contracts. Dimensions Cymru has completed and returned the qualifying tender criteria and was found to have fulfilled the requirements for selection.
- 4.3 It is therefore proposed that the Council consents in writing to the proposed novation of the two contracts, listed in Paragraph 3.1 above, from Dimensions-UK to Dimensions Cymru Ltd.

Hafal

- 4.4 Due diligence has been carried out on Adferiad Recovery Ltd to ensure Adferiad Recovery Ltd meet the requirements for the SLA and they fulfill those requirements.
- 4.5 The overall nature and terms of the SLA will not be altered by entering into this novation.
- 4.6 There are currently no concerns in respect of the services being provided by Hafal and Dimensions Cymru Ltd and therefore it is considered that there are no operational risks in novating the SLA and Contracts.

5. Effect upon policy framework and procedure rules

- 5.1 There is no impact upon the policy framework and procedure rules. Approval is being sought to modify the following existing contract and framework agreement in accordance with CPR 3.3.4 of the Council's Contract Procedure Rules:
- (i) Provision of a Specialist Supported Living provision for people with a learning disability and complex challenging behaviour, including autistic spectrum conditions (at Condors Rest)
 - (ii) Supported Living Framework Agreement 2020-2024

6. Equality Act 2010 implications

- 6.1 Initial EIA screenings have identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh language. It is therefore not necessary to carry out a full EIA on this policy or proposal.

7. Well-being of Future Generations (Wales) Act 2015 implications

- 7.1 Novation of the contracts supports the five ways of working under the Wellbeing of Future Generations (Wales) Act 2015, as follows:

Long Term – novating the contracts will enable the continuity of the service and staff to individuals in receipt of the service.

Prevention – the services support people to continue to live independently in their own tenancies in their local community and maintain their relationships with staff who currently deliver the services.

Integration – the service providers will continue to work with individuals to be supported to access their local community where required.

Collaboration – the services will continue to collaborate with partner agencies who provide specialist support.

Involvement – the services support individuals to be involved in the delivery of their care and support.

8. Financial implications

- 8.1 **Dimensions UK:** The ongoing cost for the Specialist Supported Living contract at Condor's Rest will continue at circa £8,350 per week, or circa £435,370 per annum, for the duration of the existing contract which expires on 31/03/2022, with the option to extend for up to a further 12 months. Novation of this contract will have no effect on estimated costs.
- 8.2 **Dimensions UK:** There is no cost related to the Supported Living Framework Agreement, as there is no active service delivered from the Framework Agreement until Stage 2 Call-off contracts have been awarded under it. Novation of this contract will have no effect.
- 8.3 **Hafal:** The value of the SLA for Short Term Respite & Recovery Service for Carers is £34,217 per annum for the 12 month duration of the SLA which expires on 31/03/2022, with the option to extend for up to a further 12 months. Novation of this SLA will have no effect on estimated costs.

9. Recommendations

9.1 It is recommended that Cabinet:

- Authorises the modification of the existing contract with **Dimensions-UK** in relation to the provision of a **Specialist Supported Living provision at Condors Rest** by consenting to the novation of that contract to **Dimensions Cymru** in accordance with CPR 3.3.4;
- Authorises the modification of the existing contract with **Dimensions-UK** in relation to the **Supported Living Framework Agreement** by consenting to the novation of that contract to **Dimensions Cymru** in accordance with CPR 3.3.4;
- Delegates authority to the Corporate Director Social Services and Wellbeing to provide written consent to the above novations and enter into deeds of novation with Dimensions-UK and Dimensions Cymru Limited in consultation with the Interim Head of Finance and Section 151 Officer and Chief Officer – Legal & Regulatory Services, HR & Corporate Policy and to arrange execution of the deeds of novation on behalf of the Council, subject to such delegated authority being exercised in consultation with the Chief Officer – Legal & Regulatory Services, HR & Corporate Policy;
- Authorises the novation of the SLA for the provision of a **Short Term Respite & Recovery Service for Carers** from Hafal to **Adferiad Recovery Ltd**;
- Delegates authority to the Corporate Director Social Services and Wellbeing to provide written consent to the novation of the SLA for the provision of a Short Term Respite and Recovery Service for Carers in consultation with the Interim Chief Officer – Finance, Performance and Change and Section 151 Officer and Chief Officer – Legal & Regulatory Services, HR & Corporate Policy .

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Background documents:
None