



Notice of Non-key Executive Decision

Subject Heading:	Approval to commence tender for a shared lives service in Havering
Cabinet Member:	Councillor Jason Frost, Cabinet Member for Health and Adult Care Services
SLT Lead:	Barbara Nicholls, Director of Adult Services
Report Author and contact details:	Amy Reed, 01708 431858, amy.reed@havering.gov.uk
Policy context:	<p>The Adult Social Care and Support Planning Policy states that Havering's vision is:</p> <p>'Supporting excellent outcomes for the people of Havering by helping communities to help themselves and targeting resources and interventions to encourage independence'</p>
Financial summary:	<p>The services will be procured under a spot purchasing contract and the projected spend, including current placements and anticipated growth, is:</p> <p>1 year: £108,741.80 3 years: £456,359.92 5 years (2 years' extension period): £974,513.40</p>
Relevant OSC:	Individuals
Is this decision exempt from being called-in?	YES

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input checked="" type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This decision paper is seeking the approval to go out to tender for the provision of a Shared Lives service in Havering under a three year spot-purchasing contract with the possibility of a further two years' extension at a projected value of £974,513.40 over the lifetime of the five year contract.

AUTHORITY UNDER WHICH DECISION IS MADE

The Havering Constitution:

Part 3: Responsibility for Functions, Article 2 – Executive Functions

3.3 Powers of Members of the Senior Leadership Team

Members of the Senior Leadership Team (SLT) have delegated authority to act as follows within the assigned service/service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 of the Constitution.

To make arrangements to secure continuous improvement in the way the Council's functions are exercised having regard to a combination of economy, efficiency and effectiveness etc. as required by external regulatory agencies.

STATEMENT OF THE REASONS FOR THE DECISION

Background and Context

1. Purpose of the report

The contract with BetterTogether Ltd for the provision of Shared Lives for those with statutory care and support and accommodation or respite needs in Havering ended on 31 August 2017. It is recommended that the service is retendered under a spot purchasing contract as it provides care and support to appropriate vulnerable young and older adults whom otherwise would be placed in more expensive residential care placements/respite or supported living accommodation. This paper seeks approval to commence a full EU compliant tender process for a three year contract plus two years extension.

1. Background

With regards to the strategic context for this tender, the current vision for Adult Social Care Services is 'Supporting excellent outcomes for the people of Havering by helping communities to help themselves and targeting resources and interventions to encourage independence'. Procuring this service therefore aligns with this vision by supporting adult social care clients to become more independent in relation to their housing and social care. The personalised and community approach to providing care ensures that clients have the skills to live as independently as possible, whilst being supported with their care needs.

The three key themes identified as priorities in achieving the joint vision are: Preventing, reducing and delaying the need for care and support through effective demand management strategies, better integrated support for people most at risk and the quality of services and patient experience. Havering wants to commission services differently, focusing on outcomes, both at a personal level and in wider service contracts that ultimately promote prevention, independence, personalisation and choice.

The Adult Social Care Market Position Statement also reinforces this vision, focusing on the support of people in maintaining their independence and ultimately reducing the need for health and social care services. Providing social care support in this environment promotes personalisation and quality of life, prevents the need to readmit people into hospital or more costly residential care and ensures a positive experience of social care.

With regards to the history of the contract for Shared Lives services, the service was originally procured as an 18 month pilot with the Newham Council in-house scheme who spun out to become a social enterprise from June 2016. In August 2017, the local authority moved to spot purchasing with the provider.

2. Service Summary

The service provides care and support accommodation and temporary respite to clients aged over 16 living in the London Borough of Havering who have eligible care and support needs because of:

- learning disabilities
- autism
- mental health needs
- elderly or frail needs
- physical disabilities
- sensory impairments
- long-term health conditions
- dementia
- young adults transitioning from children's to adult services
- who have needs coming out of hospital

The service will deliver the following:

- long-term accommodation with support
- respite care
- day support
- outreach to identify new service users and Shared Lives carers
- recruitment, training and on-going support of Shared Lives carers
- promotion and awareness raising of the service

Both long-term and respite services are delivered in a Shared Lives carer's home within the London Borough of Havering or its borders. There is discretion over whether a client can move to another borough if the provider operates across boroughs.

The service provides support to residents temporarily as part of a respite arrangement or long-term as part of a long-term accommodation placement and supports people to live as independently and inclusively in the community as possible and to enjoy the highest possible quality of life including;

- enabling people to be in control of their services
- enabling people to live ordinary lives within their chosen families and relationships
- enabling people to feel valued by their communities and feel like they belong
- providing a personalised service that is built around individuals, their strengths and potential
- enabling and facilitating social inclusion opportunities
- enabling and encouraging the development of independent social arrangements
- promoting independence
- involving service users and carers in the design and planning of services
- developing and expanding the respite offer to meet the needs of service users
- providing and facilitating activities/social inclusion opportunities that bring people together through common interests, experiences and needs
- supporting smooth transitioning for looked after children moving to adult social care

3. Payments

The current and future contracts will be spot purchased on a case by case basis and funded by a number of budget codes, depending on the referring

department/organisation. Long-term or respite services can be funded by four local authority departments (Community Learning Disability Team, Children and Adults with Disabilities Service, Fostering Services and Community Locality North & South Teams) or by NELFT services.

The fee paid to the scheme will be structured in a tiered system with bands that reflect the service user's needs. Payments made to the scheme will be formed of a management fee and a carer service fee and will vary depending on the banding the client is assessed at (Band A non-complex to Band D complex).

The service provider will be expected to be registered with and adhere to the best practice pricings and assessments set by the umbrella organisation for Shared Lives providers, Shared Lives Plus. The breakdown of the costs per banding is determined by the local authority. The banding allocated to an individual is subject to an assessment by the provider. The final agreement of the banding will sit with the relevant local authority panel to agree. If a dispute ensues in relation to the banding an individual has been assessed at, efforts will be made to resolve the dispute. If, after discussion, a resolution cannot be found, the local authority will hold responsibility for making the final decision on the banding for the individual.

The provider will be expected to adhere to the local authority's breakdown of charges per banding (as a maximum). The breakdown of charges per banding is as follows:

Long-term arrangements

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Banding	Payment to carer	Payment to scheme	Carer's paid-break component	Total per week
Band A	£ 200.00	£ 110.00	£ 38.00	£ 348.00
Band B	£ 250.00	£ 110.00	£ 43.00	£ 403.00
Band C	£ 300.00	£ 110.00	£ 48.00	£ 458.00
Band D	£ 350.00	£ 110.00	£ 54.00	£ 514.00

Short-term (respite) arrangements

Banding	Payment to carer	Payment to scheme	Total per night
Band A	£ 70.00	£ 16.00	£ 86.00
Band B	£ 80.00	£ 16.00	£ 96.00
Band C	£ 90.00	£ 16.00	£ 106.00
Band D	£ 100.00	£ 16.00	£ 116.00

Day support arrangements – for those in receipt of Shared Lives services

Banding	Payment to carer	Payment to scheme	Total per hour
Band A	£10.00	£0.00	£10.00
Band B	£10.00	£0.00	£10.00
Band C	£10.00	£0.00	£10.00
Band D	£10.00	£0.00	£10.00

Day support arrangements – for those NOT in receipt of Shared Lives services

No. of hours	Payment to carer	Payment to scheme	Total
4 hours	£40.00	£5.00	£45.00
6 hours	£60.00	£10.00	£70.00

The banding assessment will assess a client's eligible needs as per the Care Act 2014. This will include assessing the following:

- Personal care needs
- Being alone and safe at home
- Eating and drinking
- Practical daily living
- Managing money
- Health and wellbeing
- Emotional wellbeing
- Relationships and being included
- Choice and control
- Taking risks
- Keeping in touch with family and friends
- Communication
- Employment and/or education and leisure
- Getting about

4. Savings

The long-term services are delivered at a cost of between £348.00 and £514.00 per

person per week, depending on the complexity of the person's need, and respite services are between £86 and £116 per person per night.

The provision of Shared Lives long-term services can, for some people, be a considerably more cost effective service than traditional residential or supported living services for people with similar needs being supported in a similar way. The service the local authority is getting for this price can be 24 hour care, 7 days a week; meaning that the local authority is already achieving high value for money. An effective Shared Lives service will, for some people, provide a more cost effective model of support and, in line with the Care Act 2014 and Havering's Joint Commissioning Strategy to provide additional choice for people and their families to consider when they are deemed to require 24/7 support. It is however not a model which would suit everyone nor one which everyone would choose.

Figure 1 demonstrates the cost to the local authority on Shared Lives services for clients with learning disabilities (the main users and client group of the services) comparable with services not delivered in the community i.e. supported living and residential care services. The data has been taken from a snapshot of the current spend on clients with typical learning disability needs.

Figure 1: Cost of Shared Lives services per week benchmarked against other services

Type	Number of placements	Min weekly cost	Max weekly cost	Average weekly cost
Residential	21	£750.00	£2,471.90	£1,360.46
Supported living	47	£343.61	£2,604.00	£1,207.84
Shared Lives	4	£348.00	£458.00	£406.00

It is anticipated that, for non-complex clients, an estimated average cost avoidance and/or direct saving of £402.00 per person per week will be realised through using Shared Lives instead of residential care.

It is anticipated that, for complex clients, an estimated average cost avoidance and/or direct saving of between £2,146.00 and £2,013.90 per person per week will be realised through using Shared Lives instead of residential care or supported living.

5. TUPE

Provider to provider TUPE may apply to this tender. Relevant workforce data has been obtained from the current provider and will be provided to the tenderers. The Council's standard TUPE letter and due diligence report templates will be used for communicating regarding TUPE.

6. Co-production

The service specification has been co-produced with a number of stakeholders. In summary, the following table presents the type, methods and stakeholders engaged:

Type	Methods	Consultees
Review of service	Desktop Research, Phone, Email, Structured and Unstructured Individual & Groups Interviews	a) Current provider b) Service Users c) Joint Commissioning Unit d) Adult Social Care

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Project Board	Formal regular meetings phone, email	e) Children's Services f) NELFT Integrated Team a) Joint Commissioning Unit b) Adult Social Care c) Children's Services d) NELFT Integrated Team e) Legal Services f) Procurement g) Finance
Preparing service specification, procurement and contract documents	Formal regular meetings phone, email and workshops	a) Joint Commissioning Unit b) Adult Social Care (frontline) c) Children's Services (frontline) d) NELFT Integrated Team (frontline) e) Legal Services f) Procurement g) Finance

7. Project management of the tender

The objectives of the project will be:

- Ensuring that the service is commissioned to meet the Council priorities and to offer the best value for money
- Ensuring that the tender follows Corporate and EU Procurement Regulations and Local Authority Financial Regulations
- Ensuring that choice, control, health and well-being, including safeguarding, features as high priorities in the tender
- Establishing outcomes that will allow the Council to judge the performance of the provider
- Ensuring the provider delivers a non-judgemental and inclusive service which treats service users with dignity; respecting gender, sexual orientation, age, physical or mental health ability, religion, culture, social background and lifestyle choice

In order to deliver these objectives, a formal project management structure has been implemented including a project board which meets regularly to supervise the project. Project board members include representatives from Community Learning Disabilities, Mental Health, Adult Social Care, Children & Adults with Disabilities and virtual members of Procurement, Finance & Legal. Project board's business includes managing the project through its project plan, action and risk Logs.

In summary, the scope of the project board includes the following key tasks:

- Review of service specification
- Production of new service specification
- Managing the tender process
- Evaluating bids – *two frontline staff have been identified outside of the project board to evaluate bids with two representatives from the Joint Commissioning Unit*
- Awarding the contract
- Preparing for the start of the new contract

The key deliverables/milestones for this project include:

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- Production of all required tender and contract documents (including service specification)
- Tender process managed in line with OJEU and Council procurement procedures
- Contract awarded to the tenderer submitting the best/most advantageous bid to the Council
- New contract awarded and mobilised

In brief, if the decision to proceed with the tender is approved, the key milestones from the procurement timetable for the tender of the service are as follows:

Stage	Timescale
Procurement Planning	May-June 2018
Invitation to Tender Published	July 2018
Evaluation	September 2018
Award	October 2018
Mobilisation	November 2018
Contract Start Date	February 2018

8. Award criteria

It is proposed that the tender will be evaluated and assessed under the Council's 70% price, 30% quality criteria. Quality is considered to be a crucial element in securing the best service for Havering residents in receipt of care and draft method statements have been developed for the tender (subject to review and agreement by the Tender Board in July). A set of method statements have been developed in partnership with the evaluation panel with corresponding award criteria.

1. Please set out how your service will go about recruiting Shared Lives carers in Havering.

- a) What do you envisage the challenges and risks to be in the undertaking of this, and what measures will you put in place to minimise/reduce any identified risks?
- b) How do you propose to be able to respond to the gaps in provision i.e. accessible housing, and recruit to respond to the demand?
- c) How will you positively promote and advertise for Shared Lives carer recruitment?

The providers' response should include:

- Your organisation's experience in recruiting Shared Lives carers
- The development and maintenance of a Shared Lives Carer Panel
- Outline your organisation's communications plan and define your key channels, messages and what promotional material/activity you will produce/undertake
- Please provide a copy of your panel guidance and procedure for recruiting Shared Lives carers
- Please provide a copy of your Shared Lives carer assessment
- Please set out how you will carry out Shared Lives carer assessment and what checks you will undertake

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2. Describe how your service will support the Shared Lives carers on an ongoing basis.

- How will your service support the Shared Lives carers in their role?
- How will your service identify training needs for the Shared Lives carers to develop their role and support them to access this?
- How will your service support the Shared Lives carers to deliver personalised support plans and review these on a regular basis?

The providers' response should include:

- Details on the matching procedure and how your service will support Shared Lives carers throughout this
- How your service will support Shared Lives carers in an emergency situation
- How your service will support the carers to achieve the outcomes set out in the specification

3. Outline how your service will work and engage with health and social care professionals on Shared Lives.

- What do you envisage the challenges and risks to be in the undertaking of this, and what measures will you put in place to minimise/reduce any identified risks?
- How will your service support professionals to refer into the service?
- How will your service communicate and work in partnership with professionals?
- What promotional activity will you undertake in order to ensure professionals are aware of the service, and that awareness is sustained?
- How will you deliver and develop the staff champion programme?

The providers' response should include:

- Your organisation's experience in working with and communicating to professionals
- Your quarterly forward plan for promoting the service to professionals
- The staff champion programme and how this programme and the champion role will be continuously developed
- How you will continue to work with health and social care professionals

4. Detail how your service will support and work with service users and their families/carers on Shared Lives.

- How will your service support existing clients within the scheme to achieve their outcomes?
- How will your service support potential clients and their families/carers to access the scheme?
- How will your service talk to potential clients and their families/carers about Shared Lives as an option?

The providers' response will need to include details about how their service will ensure that clients achieve the following outcomes:

- People receive a personalised service that is built around their strengths and potential
 - Working with clients to respond to individual needs across each of the equality strands
 - People have choice and are in control of their services
 - People feel valued by their communities
 - The service enables and facilitates clients to access social inclusion opportunities
 - The service involves clients and their families/carers in the design and planning of services
5. A scenario will be provided with regard to a Shared Lives case and arising matter. The provider will be evaluated against how they respond to the scenario with regard to their policies on responding to an emergency, communicating with the local authority, working with clients, their families and carers, long-term planning and evaluation/reflection of the incident.

All questions are proposed to be evaluated equally, each forming 20% of the overall results of the quality score.

OTHER OPTIONS CONSIDERED AND REJECTED

1. Do nothing

There is the option to do nothing and stop providing Shared Lives services. This option is not advised due to the number placements the local authority has in Shared Lives services and the positive outcomes and cost avoidance/direct savings that have been achieved. Since the piloting of the service, the provision of Shared Lives has gained momentum and the use of the services is anticipated to grow as the option develops further into an integral part of the care pathway.

2. Develop a Shared Lives service in-house

There are a number of arguments for developing the service as an in-house service, which are likely to include:

- The immature external market – although there are independent schemes operating in other boroughs, there is a limited choice of external providers if the service is put out to tender
- The ability to directly control the development of the service

There are however some equally strong arguments for outsourcing the service which include:

- The difficult 'fit' between the service and local authority structures
- A central government ideology which encourages local authorities to become commissioners rather than providers of services
- The personalisation agenda, with its emphasis on direct payments as a key

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strategy to enable people to be in control of their services. Direct payments cannot be used to buy an 'in house' Shared Lives service

- Sources of funding which cannot be accessed by local authorities (e.g. social investment and grants from charitable trusts)
- The up-front investment required from the local authority in order to establish and maintain a Shared Lives service

PRE-DECISION CONSULTATION

None

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Amy Reed

Designation: Senior Commissioner & Project Manager

Signature: Amy Reed

Date: 22 June 2018

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

Adult care provisions fall under Care Act 2014 and s79 provides that a local authority may authorise any person to exercise its functions under the act thereby permitting the Council to procure and deliver its functions through a third party .

The service to be procured falls within the EU procurement rules as a social and other specific services category under Schedule 3 to the Public Contracts Regulations 2015 (the "Regulations").

As the value of the services to be purchased, over the term of the proposed contract could exceeds the EU threshold of £615,278 the Council must comply with the Regulations although this type of service is covered by the "light touch" regime under Schedule 3 which involves a lesser level of compliance to that required for contracts not covered by this regime whilst still caught by the general obligations of transparency, equal treatment, non discrimination and proportionality that derive directly from the Treaty on the Functioning of the European Union. A contract notice will need to be placed in OJEU in compliance with the Regulations and an award notice.

The proposal is to tender the contract in line with the Council's Contract Procedure Rules which should ensure compliance with EU treaty principles. Officers will produce a separate report for a key decision on the award of the contract. The Council's standard terms and conditions of contract would be included with the tender documents.

The service is already outsourced and although there are no TUPE implications for the Council there may be implications provider to provider. Current providers are required to disclose TUPE information which can be made available to bidders.

FINANCIAL IMPLICATIONS AND RISKS

This procurement will be tendered under a three year spot-purchasing contract with the possibility of a further two years' extension at a projected value of £108,741.80 for year 1, £456,359.92 after three years and £974,513.40 after 5 years.

The provider will be expected to follow the local authority's set charges per banding of between £348.00 per person per week and £514.00 per person per week, depending on the complexity of the person's need, and respite services are between £86 and £116 per person per night, and £10 per hour per person for day support. The long-term and respite costs per person per week are formed of a management fee and a carer fee.

The provision of Shared Lives long-term services can, for some people, be a considerably more cost effective service than traditional residential or supported living services for people with similar needs being supported in a similar way. The service the local authority is getting for this price can be 24 hour care, 7 days a week; meaning that the local authority is already achieving high value for money. An effective Shared Lives service will, for some people, provide a more cost effective model of support and, in line with the Care Act 2014 and Havering's Joint Commissioning Strategy to provide additional choice for people and their families to consider when they are deemed to require 24/7 support. It is however not a model which would suit everyone nor one which everyone would choose.

It is anticipated that, for non-complex clients, an estimated average cost avoidance and/or direct saving of £402.00 per person per week will be realised through using Shared Lives instead of residential care.

It is anticipated that, for complex clients, an estimated average cost avoidance and/or direct saving of between £2,146.00 and £2,013.90 per person per week will be realised through using Shared Lives instead of residential care or supported living.

There is currently no specific budget allocated to fund the shared lives initiative however, funding will be identified from existing placements budget where the clients using the service would ordinarily have been funded. As mentioned above, there is some indication of efficiencies from the initiative, these will be monitored on a case by case basis to determine the actual efficiencies generated. In some instances, these may be cost avoidance benefits to distinguish from cashable savings. An indication of the likely efficiencies will be clearer at the point of evaluating the tender submissions.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

Provider to provider TUPE may apply to the recommissioning of this contract. Relevant workforce data has been obtained from the current provider, BetterTogether.

The Council's standard TUPE letter and due diligence report templates will be used for

communicating regarding TUPE.

When the tender is published in August 2018, tenderers will have detailed TUPE information along with the service specification to identify what the staffing liabilities will be. It is only after the decision is made about the successful tender that the implications will become clear in regard to TUPE.

The Joint Commissioning Unit's Procurement Toolkit and decommissioning Toolkit will be utilised to guide all relevant steps, with specialist TUPE advice sought from the HR Strategic Business Partner and, where necessary, additional from Legal Services.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

Havering has a diverse community made up of many different groups and individuals. The council values diversity and believes it essential to understand and include the different contributions, perspectives and experience that people from different backgrounds bring.

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the council, when exercising its functions, to have due regard to:

- I. the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- II. the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- III. foster good relations between those who have protected characteristics and those who do not.

Note: 'protected characteristics' are: age, gender, race and disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The council demonstrates its commitment to the Equality Act in its decision-making processes, the provision, procurement and commissioning of its services, and employment practices concerning its workforce. In addition, the council is also committed to improving the quality of life and wellbeing of all Havering residents in respect of socio-economics and health determinants.

Equality and Diversity will be an integral component within the tender of the service and provision to ensure the Equality Act has been included as an integral part of the service specification.

Recruiting a range of Shared Lives carer homes in order to provide a personalised service and to respond to the needs of the population will be explicitly referenced in the corresponding service specification.

The Council will require the service to be accessible to people regardless of their disability, condition or illness. The design of the service, addressing a range of disabilities, is intended to achieve benefits directly aimed at people with disabilities

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and their carers.

The Council will invite bids from established providers with trained and experienced staff able to work with clients across multiple specialist client groups.

The service will be required to respond to individual needs across each of the equalities strands and will be expected to meet the cultural needs of minority community groups.

Providers will be evaluated against a range of method statements that will include the need to address equalities issues. This includes the demonstration of their willingness and ability to work in a partnership group with the Council and other organisations to deliver services across client groups and hard to reach groups.

BACKGROUND PAPERS

None

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal ~~NOT~~ agreed because

Details of decision maker

Signed



Name:

Tim Aldridge

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Director of Children's services.

Date:

01/08/2018.

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 8/8/2018

Signed

