

INVESTING IN SUPPORT FOR PEOPLE IN VULNERABLE CIRCUMSTANCES

INTERIM ARRANGEMENTS

Cabinet Date	27 September 2017
Vulnerable Adults and Commissioning	Cllr Roger Wilson
Key Decision	Yes
Background Documents	<p>Support for People in Vulnerable Circumstances Cabinet Report 16th December 2015</p> <p>Settled, Secure and Safe Lives in Gloucestershire Policy Cabinet Report 20th April 2016</p> <p>Settled, Secure and Safe Lives in Gloucestershire Policy Update Cabinet Report 16th November 2016</p> <p>Investing in Support for Homeless Vulnerable People - Interim Arrangements Cabinet Report 1st February 2017</p>
Location for inspection of Background Documents	<p>http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1</p> <p>Hard copies can be obtained from: Kathryn Rees, Lead Commissioner, Supporting People Tel: 01452 328485 Email: kathryn.rees@gloucestershire.gov.uk</p>
Main Consultees	<p>Districts Councils</p> <p>Gloucestershire Clinical Commissioning Group</p> <p>Service Providers</p>
Planned Dates	Service User, Provider Market and Stakeholder Engagement, September – November 2017
Divisional Councillor	All
Officer	<p>Kathryn Rees, Lead Commissioner, Supporting People Tel: 01452 328485 Email: kathryn.rees@gloucestershire.gov.uk</p>

<p>Purpose of Report</p>	<p>To seek Cabinet approval to:</p> <ul style="list-style-type: none"> • exercise contractual options to extend the existing contract for Gloucestershire Welfare Support Scheme until 31st March 2019; and • make direct contract awards (7) for interim services to the current providers of accommodation and community based support services for terms that will expire on 30th September 2018 in order to align their contract expiry dates and maintain service delivery as commissioning arrangements are consolidated. It is appropriate to align the expiry of such contractual arrangements so that the council may continue to work with partners as a ‘whole system’ across the provision of support for people in vulnerable circumstances.
<p>Recommendations</p>	<p>It is recommended that Cabinet delegates authority to the Director of Public Health, in consultation with Cabinet Member Vulnerable Adults and Commissioning, to:</p> <ol style="list-style-type: none"> a. Exercise the contractual option to extend the existing Gloucestershire Welfare Support Scheme contract with the service provider known as “Auriga Services” for a further period of 1 year, to expire on 31st March 2019; and b. Direct award the seven (7) interim contracts listed in Section B of Appendix A of this report for terms ranging between 4 months and 9 months to the 6 incumbent service providers specified therein (one of whom is the service provider under two contracts), with the effect that they will all expire on 30th September 2018.
<p>Reasons for recommendations</p>	<p>The recommendations of this report, if accepted, aim to maintain service delivery and support during 2017-18, in accordance with the aims of the Settled, Secure and Safe Lives in Gloucestershire Policy.</p> <p>The Gloucestershire Welfare Support Scheme contract described in section A of Appendix A will cease in March 2018 unless extended in accordance with the option to extend contained therein.</p> <p>The five (5) accommodation based contracts listed in section B of Appendix A are scheduled to cease in January 2018. The two (2) community based support contracts listed in section B of Appendix A are scheduled to cease in June 2018.</p> <p>Accommodation based services have been successfully managing a transition process to shift investment from specific accommodation-based services to a more flexible, needs led community based model.</p>

	<p>Cabinet agreed in November 2016 to undertake a review of all accommodation-based and community based support services. As a result we have a better understanding of how the range of service provision works, with options for the future shape of services being developed and subjected to further stakeholder engagement.</p> <p>The proposed alignment of contract expiry dates will enable the council to develop an EU compliant procurement model which considers the 'whole system' and provides comprehensive support to people in vulnerable circumstances. The model will address fluctuating patterns of demand across accommodation and community based support and achieves effective pathways to independent living across the system.</p>
<p>Resource Implications</p>	<ul style="list-style-type: none"> a) The estimated value of the proposed extension of the contract detailed in Section A of Appendix A, is £520k. b) The aggregate estimated value of the seven (7) proposed direct contract awards listed in Section B of Appendix A is £2.5M. Their individual estimated values are set out in Section B of Appendix A. <p>Detailed negotiations with providers will confirm the level of spend. Contract values will be within proposed budget levels.</p> <p>There are no other resource implications; no council staff are currently employed in this area.</p>

1. Background

Provision for support to adults in vulnerable circumstances has previously been commissioned under the auspices of Public Health targeted services and the Supporting People Strategy 2011 – 2015. This work has been overseen by the Supporting People Partnership Board, made up of District Councils, Health, Probation and Gloucestershire County Council.

The said Partnership Board worked to an agreed direction of travel which sought to achieve a shift towards developing more flexible, generic services to better meet changing patterns of need.

The learning and experience gained through the implementation of the Supporting People Strategy 2011 – 2015, informed the development of the Settled, Secure and Safe Lives in Gloucestershire Policy agreed by Cabinet in April 2016. This policy commits the council to:

- a joined up and complementary approach to respond to need, providing information and support for people to do more for themselves and their families;
- investing in community capacity to provide support where people live;
- reconnecting adults with their community;
- using intensive support to promote recovery and long term stability; and making a lasting difference and targeting specialist help on those with complex needs.

The Gloucestershire Welfare Support Scheme was established in 2015 following changes within the Department for Work and Pensions (DWP) arrangements. It is an important part of provision for vulnerable adults and families as it provides goods and services on a non cash basis to eligible adults and families. A contract has been in place with Auriga Services Ltd to deliver this service since April 2016, with the current term due to end in March 2018.

A series of decisions have been taken to remodel the services commissioned by the council which provide assistance to people in vulnerable circumstances in order that they may live independently and connected to their communities for longer term positive outcomes. This has enabled an incremental approach to developing support services, benefiting from learning as changes are made.

The council continues to work closely in partnership with other agencies, particularly district councils, to evaluate and develop services and pathways that enable independent living and prevent homelessness.

In November 2016 and February 2017 Cabinet agreed to extend a number of relevant contracts and also agreed a review of the Accommodation Based Support (ABS) and Community Based Support (CBS) contracts for the purpose of considering the possibility of integrating them. The contracts for support to people in vulnerable circumstances included in this review are due to expire either in January 2018 (five contracts) or June 2018 (two contracts) given that they do not contain contractual options to extend their terms. This report's recommendations are based on this review.

2. Proposed contract arrangements

2.1 Contract Extensions

a) The Gloucestershire Welfare Support Scheme contract identified in Appendix A (x1)

Following Cabinet approval in December 2015 an EU compliant competitive tender process was undertaken for the management and delivery of the Welfare Support Scheme for eligible adults, families and young people. A 3 year contract (for an initial term of 1 year with two options to extend for a further year each) was awarded to Auriga Services Ltd. The annual value of this contract is £520k. Following a Cabinet decision in November 2016 the initial contractual option to extend for 1 year was exercised.

The welfare scheme provides one-off practical support and is focused on providing non-cash awards, making the best use of recycled goods and using economies of scale purchasing new items e.g. cookers, microwaves.

A welfare award is made where it will have a substantial and immediate effect in resolving or improving the circumstances of an eligible applicant. All applicants are encouraged and sign-posted to local and specialist welfare support services to help address persisting under-lying issues. The scheme includes processing social care and youth support requests for welfare support.

The majority of applicants are supported by an agreed, trusted, local agency to verify details and ensure a robust and speedy process and on-going support. Over the last 2 years, the numbers of crisis applications received has reduced with care application numbers remaining stable.

Contract monitoring indicates that the Welfare contract is performing well. Processing social care requests through this contract has been received positively by Social Care teams. It frees up staff time that was previously spent on administering petty cash payments and has ensured service users safely and promptly receive the actual items to meet their needs e.g. food deliveries, fuel meter top-ups, clothing.

This service has been in operation since April 2016 and the current term ends in March 2018.

2.2 Proposal: It is recommended that the council should exercise its contractual option to extend the term of the current contract until 31st March 2019, and seek to ensure that the total cost per annum does not exceed the current annual value.

Options

The following options have been considered:

1. Not to extend the contract with service ending at end of current term
2. Not to extend the contract and undertake a competitive tender process
3. To exercise the contractual option to extend the current contract

The most appropriate option for the council is Option 3. It is Option 3, therefore, that is recommended to Cabinet.

The two alternative options have been considered and rejected because:

Option 1 - not to extend the contract would reduce support to people in vulnerable circumstances with an adverse impact on other health, housing and social care services.

Option 2 - Contract monitoring indicates that the Gloucestershire Welfare Support Scheme is performing well. Any tender process has the potential to disrupt services to vulnerable service users.

2.3 Officer Advice:

The recommended option will enable us to maintain provision and meet the needs of people in vulnerable circumstances.

2.4. Direct Awards of the seven (7) contracts listed in Section B of Appendix A to this Report in accordance with the proposal set out in paragraph 2.5 of this report.

a) Mental Health Accommodation Based Support Service contracts identified in Appendix A (x3)

Following Cabinet approval in February 2013 a series of single tender negotiations were initiated with providers of mental health accommodation based support to meet a range of different needs. Three contracts were awarded for a period of one year with the option to extend for 2 further periods of one year, the contracts end in January 2018. The combined total annual value of these contracts to the council is £1.56M.

The 3 incumbent providers have continued to deliver mental health accommodation based support. The 2gether NHS Foundation Trust is also contracted to manage the network of supported lodgings provision as well as the brokerage process for adults with mental health and support needs. Service user reviews are underway; these will enable consideration of future service models.

b) Ex-Offender services contracts identified in Appendix A (x2)

Following Cabinet approval in February 2013 a series of single tender negotiations were initiated with providers of ex-offender accommodation based and personalisation services. Two contracts were awarded for a period of one year with the option to extend for 2 further periods of one year. Contracts end in January 2018. The combined total annual value of these contracts to the council is £249k.

The accommodation based service supports vulnerable (complex and multiple needs) people coming directly from long term prison stay. The service also provides a small amount of ongoing support to enable service users to access or remain settled in independent accommodation. The service has worked well within the community and continues to deliver the required contract outcomes through close partnership working with the Police and Probation.

The Personalisation Service works with vulnerable homeless people with a recent history of offending to identify what is needed to help them secure and maintain independent accommodation. The service administers a fund of money which, when all other funding options have been explored, can purchase the necessary items to support the service users to achieve independence.

c) Community Based (Housing Related) Support (CBS) contracts identified in Appendix A (x2)

Investment in a generic community based support service (CBS) was the key enabling vehicle of the Supporting People Strategy. This investment aimed to support transitions from and reduce reliance on accommodation based services for existing and future service users.

Following Cabinet approval to undertake a competitive tender process, two 5 year contracts (each for an initial term of 3 years with an option to extend for a further 2 years) were awarded. The final option to extend for one year until 2nd June 2018 was approved by Cabinet in November 2016. The combined total maximum annual value of these contracts to the council is £3.43M.

Green Square and P3 are the current housing related community based support providers. The service is available to people at risk of losing their home or in need of practical support to develop skills around tenancy management, maintaining their homes, maximising their income and access to work and volunteering. Using a combination of a drop-in service, more intensive one to one support and group work, individuals are supported to acquire the information and skills they need to make positive changes in their lives. The service supports people to connect to the people, places and activities in their communities that will enable them to live independently and flourish in the longer term. Where appropriate, CBS will signpost individuals to other more specialist housing related support, community and accommodation based providers and will also support people to resettle from accommodation based services into independent accommodation.

These services have been in operation since June 2013 and contracts end in June 2018.

2.5 Proposal

It is proposed that Cabinet agrees the Director of Public Health to make five (5) 9 month direct awards to the four (4) incumbent providers as listed in Section B Appendix A, for the delivery of the accommodation based and personalisation services for people with Mental Health and Ex-Offenders, and 4 month Direct Awards to each of the two (2) providers of community based support providers as listed in Section B of Appendix A of this Report, so that all contractual terms will expire on 30th September 2018. The making of such Direct Awards will allow the council to develop an EU compliant procurement model to commission comprehensive support to people in vulnerable circumstances from October 2018.

Under the Public Contract Regulations 2015 (PCR 2015) the council is required to conduct a compliant competitive tender process for contracts that exceed the relevant procurement threshold. However, the council can direct award a contract if it can apply the relevant criteria within Regulation 32 of PCR 2015. The provision to be utilised in this instance would be Regulation 32 (2)(b)(ii) PCR 2015. The justification for using this provision is that the council considers that competition for these contracts would be absent for "technical" reasons, namely, that the proposed short term interim contracts would be of little or no interest to other suppliers who would have to acquire buildings in order to deliver the service. Moreover, a transfer of this service to new providers would be likely to trigger the application of the TUPE regulations to the transfer of staff between existing providers and any replacements providers. A new provider is unlikely to be willing to bear TUPE related liabilities for the proposed contracts given their short term nature.

In addition to the application of PCR 2015, the Council is required to comply with its own Contract Standing Orders (CSO) when making a direct award. For the reasons set out in the report officers advise that the provisions of CSO 9.6(a) have been met and that given the need to have interim contracts in place for January 2018 there is also an urgent need under CSO 9.6(b). Providers have indicated that they are willing to extend the contracts, but this will be determined by formal negotiation.

Operation of the new contracts during the period of the direct awards is likely to be more cost effective for the following reasons:

- The providers' experience and familiarity with the business will continue to drive efficiencies over the contract term
- There are no costs of mobilisation or set up, which would have been worked into their original costings.

The proposals contained herein will require the council to publish VEAT notices (Voluntary Transparency Notices) under Regulation 99 of PCR 2015 in respect of the proposed direct interim contract awards for the purpose of informing the market of the council's proposals and its justification.

Dialogue with the market will be undertaken as part of our scoping of future arrangements.

Options

The following options have been considered:

1. To allow the contracts to end in January 2018 and June 2018.
This option would reduce support to people in vulnerable circumstances with an adverse impact on other health, housing and social care services.
2. To undertake a new competitive tender process for the supply of these services.
This option would prevent us from aligning all current accommodation and community based services, with a view to make better use of all provision in meeting fluctuating levels of demand and creating effective pathways to independent living across the system.
3. To align contract expiry dates so that they will all expire on 30th September 2018.

2.6. Officer Advice:

Officer advice is that Cabinet approve Option 3. This will enable the council to align contract expiry dates in order to afford it an opportunity to design and implement arrangements to address the continued challenge faced regarding the fluctuating pattern of demand for accommodation based support. The ability of accommodation based support services to respond to increased demand is dependent on having access to appropriate accommodation and support available in the community.

It is appropriate to align the expiry dates of such contractual arrangements so that the council may continue to work with partners as a 'whole system' across the provision of support for people in in vulnerable circumstances. The contract arrangements as detailed in Appendix A will allow commissioners to work with providers and partners to design and implement effective pathways; deploying resources where they are needed in response to fluctuating demand. Future commissioning arrangements will be implemented with due regard to the council's constitution, all statutory and legal obligations of the council and all relevant statutory guidance.

3. Risk Assessment

Central Government has been consulting on the future funding of supported housing with detailed funding model(s) due to be announced in the Autumn 2017. We will need to understand any impact for the design of future commissioning arrangements. Any delays to the announcement or significant impact to the market may affect our indicative timeframes. We continue to monitor the situation and will use our current engagement mechanisms and market testing activities to assess risk(s).

There is also a risk of challenge by competitors of the council's existing providers to the proposed direct contract awards. This is judged to be low due to the reasons detailed in section 2.5 of this report. Moreover, we propose to mitigate such risk by publishing VEAT notices (Voluntary Transparency Notices) under Regulation 99 of PCR 2015 in respect of the proposed direct interim contract awards under which the council shall provide details to the market of the council's justification for making the proposed awards. Dialogue with the market will also be undertaken as part of our scoping of future arrangements.

Risk will continue to be regularly reviewed as part of the project management process, and any significant changes will be reported to Lead Cabinet Member.

4. Equalities considerations

The Due Regard Statements and Equality Impact Assessments completed to inform the decision to tender and award the original contracts have been reviewed when considering the options to extend and make Direct Awards. The position regarding these assessments remains valid for the extension and Direct Award arrangements, i.e. the proposed changes have been assessed as having a positive effect on supporting people who are in need of housing related support in Gloucestershire.

5. Performance Management/Follow-up

Current contract management arrangements will remain in place under the extended contractual arrangements.

Report Title	Investing in Support for People in Vulnerable Circumstances - Interim Arrangements
Relevant County Council policy	Supporting People Strategy 2011-15 Settled, Secure and Safe Lives in Gloucestershire Policy 2016-19: Support for People in Vulnerable Circumstances
Resource Implications	<p>a) The estimated value of the proposed extension of the contract detailed in Section A of Appendix A, is £520k.</p> <p>b) The aggregate estimated value of the seven (7) proposed direct contract awards listed in Section B of Appendix A is £2.5M. Their individual estimated values are set out in Section B of Appendix A.</p> <p>Detailed negotiations with providers will confirm the level of spend. Contract values will be within proposed budget levels. There are no other resource implications; no council staff are currently employed in this area.</p>
Sustainability checklist: Partnerships Decision Making and Involvement Economy and Employment Caring for people Social Value Built Environment	These proposals have been subject to consultation with strategic partners. Partners will continue to be involved in the monitoring of such arrangements and future commissioning intentions. Stakeholders have been consulted on the proposed contract arrangements No significant impact The proposals will maintain service delivery and continuity to ensure service users will be positively supported as services are targeted, to better meet need and enable the council to test how these arrangements can complement broader commissioning plans to enhance community participation and reduce the need for formal social care and health interventions. Support for the development and use of volunteering in the services and community are examples of social value delivered through these arrangements. No impact

<p>Natural Environment' including Ecology (Biodiversity)</p> <p>Education and Information</p>	<p>No impact</p> <p>The services are required to support people to achieve positive economic outcomes, including providing information and support access to education and/or training if appropriate.</p>
<p>Tackling Climate Change</p>	<p>Carbon Emissions Implications? Neutral</p> <p>Vulnerable to climate change? No</p>
<p>Due Regard Statement</p>	<p>Has a Due Regard Statement been completed? No</p> <p>The Due Regard Statements completed to inform the decisions to tender and award the original contracts have been reviewed when considering the options to extend. The position regarding these assessments remains valid for the extension arrangements as there have been no material changes.</p> <p>A copy of the full Due Regard Statement can be accessed on GLOSTEXT via http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1</p> <p>Alternatively a hard copy is available for inspection from Jo Moore, Democratic Services Unit, e-mail: jo.moore@gloucestershire.gov.uk</p>
<p>Human rights Implications</p>	<p>None</p>
<p>Consultation Arrangements</p>	<p>Strategic partners have been consulted on these proposals.</p>