

Report to:	SINGLE COMMISSIONING BOARD
Date:	4 October 2016
Reporting Member / Officer of Single Commissioning Board	Clare Watson, Director of Commissioning, Single Commission
Subject:	TENDER FOR THE PROVISION OF RESPITE CARE FOR ADULTS WITH A LEARNING DISABILITY AND ADDITIONAL NEEDS SUCH AS PHYSICAL / SENSORY / MENTAL HEALTH WITHIN A REGISTERED CARE HOME SETTING
Report Summary:	The report details the outcome of an unsuccessful procurement exercise and seeks authority to extend the current contract for a period of up to twenty four months where there is provision to do so in the contract whilst options are considered to ensure the longer term continued provision of the service.
Recommendations:	<ol style="list-style-type: none"> (1) To note the outcome of the unsuccessful procurement exercise and the options being considered to ensure the continued provision of the service. The outcome of which will be reported back the Single Commissioning Board in due course. (2) That authorisation is given to extend the current contract for up to twenty four months.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	<p>It is recognised that soft market testing has indicated that the current contract price of £0.250m is reasonable compared to other similar contract specifications currently being delivered.</p> <p>The associated cost of a 24 month extension to the existing contract from 1 October 2016 will continue to be financed from the Section 75 funding allocation within the Integrated Commissioning Fund.</p> <p>It is essential that commissioning intentions beyond the proposed contract extension period are evaluated and considered at the earliest opportunity if approval is granted to the existing contract extension up to 30 September 2018 at the latest.</p>
Legal Implications: (Authorised by the Borough Solicitor)	<p>This is a decision for SCB. The contract contains an in-built extension provision to extend and to implement this would not contravene the Procurement Rules or be unlawful.</p> <p>The SCB needs to ensure that an appropriate property is sought as soon as possible to ensure that regulatory requirements are met in full.</p> <p>If a property can be sourced, in the absence of acceptable bids from the recent procurement exercise the Council would be entitled to rely on Regulation 32 of the Public Contracts Regulations 2015 which permits the use of the negotiated procedure without the prior publication of a notice in the Official Journal of the Economic Union and make a direct award. This will only apply where the initial conditions of the advertised contract are not substantially altered. Further</p>

governance would be required as a result of Procurement Standing Order F1.4 to make a direct award.

How do proposals align with Health & Wellbeing Strategy?

The proposals align with the Developing Well, Living Well and Working Well programmes for action

How do proposals align with Locality Plan?

The service is consistent with the following priority transformation programmes:

- Enabling self-care;
- Locality-based services;
- Planned care services.

How do proposals align with the Commissioning Strategy?

The service contributes to the Commissioning Strategy by:

- Empowering citizens and communities;
- Commission for the 'whole person';
- Create a proactive and holistic population health system.

Recommendations / views of the Professional Reference Group:

PRG agreed with recommendations.

Public and Patient Implications:

None.

Quality Implications:

Tameside Metropolitan Borough Council is subject to the duty of Best Value under the Local Government Act 1999, which requires it to achieve continuous improvement in the delivery of its functions, having regard to a combination of economy, efficiency and effectiveness.

How do the proposals help to reduce health inequalities?

Via Healthy Tameside, Supportive Tameside and Safe Tameside.

What are the Equality and Diversity implications?

The proposal will not affect protected characteristic group(s) within the Equality Act.

The service will be available to Adults with a learning disability regardless of ethnicity, gender, sexual orientation, religious belief, gender re assignment, pregnancy/maternity, marriage/ civil and partnership.

What are the safeguarding implications?

None.

What are the Information Governance implications? Has a privacy impact assessment been conducted?

The necessary protocols for the safe transfer and keeping of confidential information are maintained at all times by both purchaser and provider.

Risk Management:

There are no anticipated financial risks given the very low value of the contract. There is, however, potential risk of carer stress and family breakdown requiring people to move into either temporary or permanent supported accommodation, should the service not be extended whilst arrangements are made regarding the longer term provision of respite care.

Access to Information :

The background papers relating to this report can be inspected by contacting Denise Buckley, Planning and Commissioning Officer, Joint Commissioning and Performance Management, by:



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1. INTRODUCTION

- 1.1 The purpose of this report is to outline options for re-commissioning short stay/respite provision for adults with a learning disability in the borough following a procurement exercise where both submissions received were non-compliant.
- 1.2 The report details the background to the changes to the delivery of the service and procurement exercise undertaken, whilst seeking permission to extend the current service contract, under Procurement Standing Orders F1.3, for up to twenty four months as allowed for within the contract.

2. BACKGROUND

- 2.1 Adult Services has provided a specialist respite/short stay service for people with a learning disability for more than three decades. The overall aim of the service has been to enable people to live as independent and fulfilling a life as possible in the community whilst ensuring their carers receive breaks to enable them to continue with their caring duties.
- 2.2 The respite/short stay service was originally provided as a Council run service by Adult Social Care staff until 1995 when the service was placed out to tender and has since been delivered by external providers. The service was originally based in hostel accommodation on two sites, and was then transferred as demand increased, to two bungalows provided by registered social landlord, Regenda.
- 2.3 A Key Decision was approved in August 2012 for the Council to consult on the future provision of respite/short stay services for adults with a learning disability.
- 2.4 Following extensive consultation, a second Key Decision in March 2013 approved a redesigned respite / short stay service comprising five beds (four respite beds and one emergency bed), at one building base; Cumberland Street, Stalybridge. This decision saw provision reduce from nine beds to five and a maximum allocation of twenty one nights per year per family. As a result, costs for the service were reduced by £74K per annum.
- 2.5 The current contract commenced on 1 December 2013 for a period of three years with the option to extend for up to an additional two years. The contract was awarded to Community Integrated Care (CIC).
- 2.6 At this point, considerable investment was made by the Council to the property following representation from CIC to ensure compliance with Health and Safety requirements and other significant works around building maintenance, repairs, equipment and cosmetic work.

3. CURRENT SITUATION

- 3.1 The current contract was tendered on the basis of the delivery of a respite service using a domiciliary model of provision. The contract commenced on this basis, but representation was made by the provider CIC who challenged the basis of the contract indicating they believed that the provision should be registered with the Care Quality Commission (CQC) as residential care rather than domiciliary care. CIC approached the CQC to discuss their views and get clarification on the registration of the service.
- 3.2 This instigated discussions between officers of the Council CQC advisors who have indicated that they feel that the Council's current model of respite care provision is contrary to their regulations for the provision of care and support and have confirmed their view that respite care should be provided in an establishment that has been registered with the CQC to provide such care and support.

- 3.3 Following legal advice, it was established that if the Council intended to continue to provide respite care then it must change its current model to one that is CQC registered.
- 3.4 Extensive discussion with CIC and the CQC informed the Executive Board decision of January this year and as a result the service was re-designed to incorporate the necessary registration requirements. Remaining at the current service accommodation at Cumberland Street was not an option as this would not meet registration requirements in terms of room size.
- 3.5 A procurement exercise was therefore undertaken for the tender of the redesigned service within a registered care home and this commenced April 2016. The service tendered was required to offer accommodation to deliver a service for four beds plus an emergency bed that was a stand-alone facility/build or offer a separate annex within a larger home.
- 3.6 Although the tender was widely advertised through the Official Journal of the European Union, the very specific requirements regarding registered accommodation meant that the majority of potential suppliers faced particularly tight timescales with respect to assuring the Council that suitable accommodation would be available and ready in time for a 1 October 2016 start.
- 3.7 Two bids were received:
- The Lakes submitted a tender at a cost of £338,000 per annum (£1,300 per bed per week) with TUPE or £286,000 per annum (£1,100 per bed per week) on a non-TUPE basis. Advice from Legal was that TUPE would apply.
 - CIC submitted a bid of £247,822 or £950 per bed per week (TUPE and non-TUPE). Given the nature of the tender however, the bid was deemed non-compliant as it did not include provision of a building base.
- 3.8 It was clear following subsequent dialogue with The Lakes that costings on their bid were, at £1,100 per week, £51,000 over the available annual budget, prohibitive.

4. OPTIONS APPRAISAL

- 4.1 The main options moving forward with this service redesign project are:
- Close the service down;
 - Continue with the existing service;
 - The Council looks to secure investment to design and build a purpose built respite facility
 - The Council sources an existing building within the Borough with local Registered Social Landlords
 - The Council extends the current contract with CIC for up to two years in line with the contract terms to allow further development in the market for the delivery of the accommodation required.

Service closure

- 4.2 Evidence from assessment information shows that there is a high demand for this service. Detailed consultation was carried out in 2012 with service users and carers and further consultation carried out in 2015; both indicated that people felt there was a great deal of importance in the need for the continuation of respite services.
- 4.3 Issues/concerns raised included:

- Carer fatigue and break-down leading to costly permanent care
- Alternative respite/short-stay options do not work for families
- Increasing demand over time

4.4 Hence the conclusion that service closure not a viable option.

Continue with the existing provision

4.5 Current provision meets the needs of both individuals and their family/ carer and reduces the risk of carer breakdown which could result in the need for more long term admission to permanent residential care for the individual. The work done over many years to develop respite/short stay care and support has been very successful in meeting service user and carers needs. The service, however, cannot continue to operate in the current building as it will not meet CQC registered standards, or continue with the care and support registered with the Care Quality Commission under Domiciliary Care regulations.

4.6 Based on advice from the CQC and Legal Services, it is concluded that this is not a viable option.

The Council sources an existing building within the borough with a local Registered Social Landlord

4.7 The Council works with a number of local and regional Registered Social Landlords and communication has taken place but in sharing the specification it is clear that there are no suitable buildings available that would meet the CQC care home regulatory requirements. The particular problem is in relation room size as all available housing stock is of a domiciliary nature.

4.8 Based on the absence of a property of the size and specification required being available it is concluded that this is not a viable option.

The Council looks to secure investment to design and build a purpose-built respite facility

4.9 Given the lack of available existing properties that meet the specification in the Borough, the option of designing and building a property has been considered. Under this option, the Council would seek sufficient capital monies that would enable us to work with partners to design and build a new facility. The building would incorporate technologies and adaptations that would meet the needs of the current and future users of this service and meet all CQC registration requirements.

4.10 The real difficulty with this option is the time it will take to actually deliver such an ambitious project; the build time alone, once capital has been secured and permissions to build have been secured, is in the opinion of developers likely to be around twelve months. The difficulty is that the service is currently working outside CQC regulations so a quicker solution to this situation is required.

4.11 Based on the time it would take to deliver a property in this option it is concluded that this is not a viable option at this time.

The Council extends the current contract with CIC for up to two years in-line with the contract terms to allow negotiations with CIC regarding securing a property that would meet the requirements of the service and registration with the CQC

4.12 Commissioners commence negotiations with CIC has per their recent tender submission to fully explore the option of CIC finding and securing a suitable property.

4.13 In the meantime, the CQC have indicated that the current arrangement will suffice whilst alternative, registered accommodation is sourced.

5. RECOMMENDATION

5.1 As stated on the report front-sheet.