

Report of Head of Complex Needs

Report to Director of Children's Services

Date: 22nd July 2014

Subject:- Independent Support Work for Disabled Children and Young People: Framework contract re-tender, Permission to Procure



Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. Leeds Children's Services currently commissions a framework contract to deliver independent support work for disabled children and young people who require specialist services.
2. This contract started on 1st January 2014 and is for four years.
3. There are four providers currently on the framework who are struggling to respond to all referrals and deliver some sessions of domiciliary care.
4. Following a targeted market test, we are now looking to re-open the framework contract and add additional providers by way of competitive tender.

Recommendations

- 1 The Director of Children's Services is recommended to approve the re-tendering of the independent support work framework contract. This would add additional providers from 1st January 2015 until the contract expires in December 2017.

2 Purpose of this report

2.1 To outline the requirements for the re-tendering of the ISW framework contract.

3 Background information

3.1 A new Framework Contract for Independent Support Work started on 1st January 2014. The total budget for this contract was £800k per annum, with providers paid on a 'pay as you go' basis.

3.2 The purpose of this provision is to enable children with disabilities to access personalised day and evening short break activities in a variety of settings, both within the community and in the family home. Children and young people who have needs that are met by specialist services can be described as having complex needs and/or life limiting illnesses. They may have moving or handling needs and may require assistance with feeding and or require specialist equipment / adaptations. The provision should enable children with a disability to take part in fun activities of their choosing and give parents a valuable break from caring, deliver domiciliary care such as help in getting ready for school, deliver support at short notice in response to an emergency, meet any specialist health intervention needs or challenging behaviour. This provision is key to enabling Leeds to meet the short breaks duty, implemented in April 2011.

3.3 This contract was commissioned to give families and Social Workers choice and flexibility to secure provision in a timely manner. It was also intended to provide improved value for money by encouraging new competitive rates, only paying for hours delivered, preventing the need for off contract spend where there is less control over quality and cost and allowing for a gradual shift towards direct payments as part of greater personalisation. Previously commissioned block contracts proved too inflexible because the needs of children and young people can change, sometimes requiring increased hours of support and this can be hard to manage within a finite number of contracted hours. There was also substantial off contract spend due to a lack of contracted capacity and contracted services being unable to support some children with more complex behavioural or health needs.

3.4 The new framework has been largely successful. However, there are some difficulties in responding to all referrals, including where support is required at short notice and where domiciliary care is needed for one hour slots in the morning and evening. This includes for some families who should have transferred to new providers when the contract started and new referrals, resulting in additional work for staff in seeking support from providers off contract and responding to queries from Social Workers and families.

3.5 At March 2014, 4.5% of young people continued to be supported outside of the Framework contract or direct payments. This may be a small proportion but there is significant risk involved to these families and the reputation of the Council in failing to deliver support as identified in assessments and care plans. There is also the ongoing need, with an average of 4 new referrals a fortnight coming forward from the Resource Allocation Decision and Review Panel (RADAR).

• Supported by organisations on the Framework Contract:	68
• In receipt of Direct Payments:	140
• Still supported by previous providers on Block Contracts:	5
• Supported by providers off contract:	7
• Total:	220

4 Main issues

4.1 Challenges to service delivery

4.2 The main gap in service delivery relates to domiciliary care, namely where this is ongoing, where it is required for one hour slots in the morning and evening and where it is for families living in outlying areas of Leeds. The number of young people currently requiring only two hour slots of domiciliary care or less is 16. Of these, two require one hour slots and live in outlying areas of Leeds (i.e. areas over six miles from the city centre, including Allerton Bywater, Kippax, Wetherby and East Ardsley).

4.3 A major reason for this gap in delivery is that the organisations on the Framework are not primarily providers of domiciliary care. The Commissioning Project Team recommended the commissioning a contract that delivered both short breaks and domiciliary care because domiciliary care constitutes a relatively small element of Independent Support Work and most young people who receive it are also assessed as needing short breaks. However, this tender did not attract providers where domiciliary care is their core business. The market for children's domiciliary care is very limited but also some providers missed the tender deadline for various reasons and are still interested in being on the contract.

4.4 Most of the providers on the Framework did not bid for the domiciliary care element of the tender but have since said they will provide it. However, they are finding it challenging to respond to these referrals because they do not have workers who want to take on this work. This is because of the nature of the work and/or the location in outlying areas where it is more time consuming and difficult to access. Adult Social Care has a similar problem with their Homecare Framework contract and they are working to resolve this as part of a two year re-commissioning exercise.

4.5 There also remains the difficulty in obtaining support for referrals at short notice in response to crisis, which can be relatively common for this client group. The original procurement only resulted in four providers, which is disappointing because the choice for families and Social Workers remains smaller than anticipated and this places significant pressure on the organisations to match workers to young people within the stipulated timeframe and respond to any emergency referrals.

4.6 Solutions

4.7 Meeting the needs of this client group is challenging and there are no simple solutions, however, there are several ways to reduce the difficulties being pursue.

- 4.8 Short-term: In the short-term, work is continuing to increase the ability of providers on the Framework to respond to referrals and to improve our own referral processes. Providers, the Child Health and Disability Service, the Placements Service, Contracts and Commissioning are working together to manage the transfer of any remaining packages to new providers on the framework and resolve the problem of recruiting PAs for short slots of domiciliary care in outlying areas of Leeds, including targeting staff in schools and colleges and offering incentives.
- 4.9 The contract has been varied temporarily to include additional payments for workers, including contributing to travel costs and paying for one hour slots at a rate of 1.5 hours where the family lives more than six miles from the city centre. It is difficult to estimate how much this will cost as it also depends on where the worker lives. However, the payments are restricted to a small number of families. We are keeping this under review to determine how successful it is.
- 4.10 At the same time, consideration is being given to how appropriate and realistic some packages of care are. There is currently a very limited market for delivering short slots of domiciliary care, particularly in outlying areas. Although the measures outlined above may have some success, it may always be problematic to attract workers. Also, for some very large and complex packages, ISW may not be the most appropriate type of support. Every effort should be made to encourage families to take up direct payments wherever appropriate, where it is easier for families to find creative and personalised solutions using their own local knowledge and social networks.
- 4.11 Medium-term: This report seeks authority to re-tender and add additional providers to the Framework. This follows a targeted soft market test to evidence there is sufficient interest and capability, where providers were asked why they did not bid last time and whether they would bid this time. Five organisations responded and three of these have stated they would submit a tender. The reasons they did not tender last time include not being registered to deliver services for Children at the time and missing the deadline due to changes in contracts staff.
- 4.12 This re-tender will add new providers to the framework in a secondary tier. The current contract will remain in place and this secondary tier will be utilised if the initial framework cannot deliver. Current providers will not have to re-submit bids. The downside of this option is that it could build further delays into the referral process and impact on families' perceptions of service quality in relation to a lower tier. It will be important to ensure clarity as to the purpose of the second tier being to increase capacity. This option is preference to serve notice on the current contract and undertake a new procurement because current providers would have to re-submit bids. This represents significant risks and potential disruption as current providers may not choose to bid or be unsuccessful in the process and so families would need to be transferred to new providers. This is highly undesirable given recent disruption and uncertainty.
- 4.13 An alternative option of commissioning domiciliary care separately is not recommended because many children and young people require both short

breaks and domiciliary care and do receive this successfully from the same provider.

- 4.14 Long-term: Children's Commissioning are liaising with Adult Social Care with a view to joint commissioning domiciliary care. Adult Social Care are about to embark on a one year consultation as part of a two year re-commission of their Homecare Framework Contract. Adult Social Care has 34 providers on their Framework Contract, delivering one and a half million hours per annum at a cost of £18 million per annum. Adults also experience difficulty in putting in place packages of domiciliary care in outlying areas and are dissatisfied with the outcomes being achieved. There may be important learning for Children's Services from this exercise and would be in line with a Category management approach, in turn reducing costs of procurement, improving transition and enabling Children's Services to tap into the larger domiciliary market used by adults.
- 4.15 This solution would entail reducing the budget for the ISW Framework and contributing some funding to the joint commission. Referrals would first be made to our ISW Framework and then referred to the joint domiciliary contract if no providers can deliver. Other options to explore include the potential to agree formal arrangements with neighbouring authorities to deliver support for families living in outlying areas and perhaps employing our own workers, possibly Peripatetic workers to support residential units as well as delivering outreach. It may also be beneficial to encourage innovation by developing and funding Social Enterprises. This could expand the market place whilst bringing additional benefits of reducing youth unemployment through the targeting of unemployed young adults and empowering parent carers by way of parent carer led social enterprise.

5 Corporate Considerations

5.1 Consultation and Engagement

- 5.1.1 A project team has been established which include representatives from:
- Commissioning & Market Management
 - Contracting & Strategic Investment
 - Children's Complex Needs Service
 - Corporate Procurement
- 5.1.2 A targeted soft market test was undertaken using a short questionnaire outlining our intentions to re-tender. This has demonstrated a market exists, which has the interest and capability to deliver this service. Three providers have stated they will tender. Should all three providers be successful in the tender process, this would represent an increase in capacity of 43%.
- 5.1.3 Current providers on the framework have been consulted and are aware of our intentions to re-tender.

5.2 Equality and Diversity / Cohesion and Integration

5.2.1 An equality impact screening form was completed for the original tender. Please see attached as appendix 1.

5.3 Council policies and City Priorities

5.3.1 This commissioning links to the legislative and policy framework of the Children and Young People's Plan, Childcare Act 2006, Every Child Matters Guidance and Leeds City Council's One Council Approach to Commissioning. The provision to be commissioned links with the following priorities:

- Children and young people are safe from harm- helping young people live in safe and supportive families
- Children and young people do well at all levels of learning and have skills for life- improving attendance

5.4 Resources and value for money

5.4.1 This re-tender will add new providers to the framework under the same contractual requirements, quality assurance and maximum prices of the current contract. The same tender evaluation criteria will be used.

5.4.2 The commission represents value for money as it aims to reduce the need for off contract spend, where there is limited control over quality and price.

5.4.3 The Complex Needs Service is continuing to improve assessment and decision making process to find better solutions for families and reduce demand on specialist provision. This will reduce costs overall in relation to specialist provision and is likely to reduce the budget required for this provision in the long-term.

5.5 Legal Implications, Access to Information and Call In

5.5.1 The contract value of the ISW framework is £2 million. As this is a high value procurement, this decision is subject to call in.

5.6 Risk Management

5.6.1 A risk register is in place and will be maintained throughout the project.

5.6.2 It is vital that the procurement is completed as rapidly as possible to increase the capability and capacity of the framework contract. The project team will continue to pursue other solutions to improve the quality and effectiveness of provision.

6 Conclusions

6.1 The Director of Children's Services is recommended to note the content of this report and provide permission to re-tender the existing ISW framework contract to add new providers from 1st January 2015 to the contract expiry in December 2017.

7 Recommendations

- 7.1 The Director of Children's Services is recommended to approve the re-tendering of the independent support work framework contract. This would add additional providers from 1st January 2015 until the contract expires in December 2017.

8 Background documents¹

- 8.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.