

Report of Interim Chief Officer Commissioning

Report to Director of Adult Social Services

Date: 4 March 2016

Subject: To seek approval from the Director of Adult Social Services to waive Contract Procedure Rules (CPRs) 9.1 and 9.2 using the authority set out in CPR 1.3 to enter into a contract for one year from 1 April 2016 with Black Health Agency (BHA) for the provision of Leeds Skyline a HIV/AIDS social care support service.

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. This contract was awarded to BHA on 1 April 2007 following a procurement exercise, and covers the provision of Leeds Skyline a HIV/AIDS Social Care Support Service.
2. The service was wholly funded by the AIDS Support Grant until it ended and two years ago when Public Health moved into the Local Authority it then provided the funding.

Recommendations

3. The Director of Adult Social Services is recommended to approve the waiver of CPRs 9.1 and 9.2 using the authority set out in CPR 1.3 and award a 12 month contract without seeking competition to BHA for the provision of Leeds Skyline. The contract value for 2016/17 will be £307,216 provided by Public Health and ASC.
4. The contract will commence on the 1st April 2016 and expire on the 31st March 2017. The Adult Commissioning Manager, ASC will liaise with the Programmes, Projects and Procurement Unit (PPPU) to oversee the implementation of the new contract before the existing arrangement expires on 31st March 2016.

1 Purpose of this report

- 1.1 For the Director of Adult Social Services to waive CPRs 9.1 and 9.2 using the authority set out in CPR 1.3 to enter into a contract for one year from 1 April 2016 with Black Health Agency for the provision of Leeds Skyline a HIV/AIDS social care support service. The contract value for 2016/17 will be £307,216 provided by Public Health and ASC.

2 Background information

- 2.1 Following a procurement exercise in 2007 BHA was awarded a contract for the provision of this service. From April 2013 the contract has been renewed on an annual basis due to the uncertainty of funding.
- 2.2 The service was wholly funded by the AIDS Support Grant until it ended 31 March 2013 and two years ago when Public Health moved into the Local Authority it then provided the funding but ASC continued to manage the contract.
- 2.3 During 2014/15, the project continued to work with the city's most vulnerable people, and in this period, they supported 402 individuals. This was over 1,761 support sessions, and forms part of the final figure of 2,389 interventions as a whole.
- 2.4 This service has not been subjected to competition due to the ongoing uncertainty about available funding for it. Up until two years ago the ASG was awarded annually which did not allow for the future planning to be any longer than a year and the uncertainty was further increased when Public health moved into the Local authority and assumed funding responsibility for it.
- 2.5 BHA was accredited with the ISO 9001 standard during 2014/15, obtaining 100% for projects in both Manchester and Leeds. This is an internationally recognised quality mark standard, which demonstrates that BHA's provision of services is of the highest standard. They are giving our volunteers, services user and key stakeholders the best service possible, and are audited annually to ensure this continues.

3 Main issues

- 3.1 Due to the lateness of the Public Health Grant announcement Adult Social Care (ASC) was not in a position to submit this report before now as agreement had to be reached on the level of reduction to be applied to the new contract value. The budget will be reduced by 5% which equates to a reduction of £14,485.
- 3.2 Due to the uncertainty of the Public Health grant for 2016/17 ASC was also unable to subject this contract to competition during 2015/16 as the funding was not agreed locally until February 2016.
- 3.3 If this waiver is approved and a new contract awarded ASC and Public Health will undertake a review of this service. The review will make recommendations as to the future of the service and also will depend upon Public Health funding being available for future years. It will also consider how to continue to provide value for money.

3.4 Whilst the review is undertaken the new contract will ensure there is continuity of service to the several hundred service users that access the service on an annual basis. It is not an option for ASC to provide this service in house due to the specialist nature of the service.

3.5 The review will include consultation with service users, elected members and other stakeholders including referrers.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Service users and other stakeholders were involved in the funding discussions leading up to the final budget being agreed. BHA will consult with service users as to how the budget reduction will be implemented and they will be asked what it is they particularly value.

4.1.2 A service review report will be presented to Adult Commissioning Board and this will include the feedback from service user and stakeholder consultations.

4.1.3 As of 23rd February 2016 the Executive Board Member for Health, Wellbeing and Adults has been briefed on the proposals contained in this report.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An Equality Impact Assessment Screening Tool has been completed and is attached at Appendix 1.

4.3 Council policies and the Best Council Plan

4.3.1 The services make significant contributions to all of the City Priority Plans, but particularly the Health and Wellbeing Plan and its priority to make Leeds the best City for Health and Wellbeing by 2030. This is achieved through supporting clients to make healthy lifestyle choices and to live safely.

4.4 Resources and value for money

4.4.1 Due to the reduction in the Public grant the value of the new contract is lower than the current contract. BHA will consult with service users as to what they value the most about the services provided and will then make adjustments accordingly. Commissioners will be kept fully updated as to what changes will be agreed and implemented to reflect the financial reduction. The contract value for 2016/17 will be £307,216 provided by Public Health and ASC.

4.4.2 The service will continue to work with the same level of service users even though the budget for 2016/17 has been reduced. There is provision for this service in Public Health's health budget for 2016/17, see Appendix 2.

4.5 Legal Implications, Access to Information and Call In

4.5.1 This is a Key Decision which is subject to call-in as the maximum combined cost of services within this decision is more than £250k. A notice was published on the List of Forthcoming Key Decisions on the 29 January 2016.

4.5.3 This report does not contain any exempt or confidential information under the Access to Information Rules.

- 4.5.4 Awarding the new contract direct to the provider in this way could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent. In terms of transparency it should be noted that case law suggests that the Council should always consider whether contracts of this value should be subject to a degree of European wide advertising. It is up to the Council to decide what degree of advertising would be appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc) and the geographical location of the place of performance.
- 4.5.4 The Director of Adult Social Services has considered this and, the review will identify whether or not there is a limited market and if the service is to be provided after 31 March 2017 a Market Sounding Exercise will be undertaken.
- 4.5.5 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.
- 4.5.6 Although there is no overriding legal obstacle preventing the waiver of CPRs 9.1 and 9.2 using the authority set out in CPR 1.3, the above comments should be noted. In making their final decision, the Director of Adult Social Services should be satisfied that the course of action chosen represents Best Value for the Council.

4.6 Risk Management

- 4.6.1 The contract will continue to be performance managed by officers in ASC. This includes regular reviewing of performance information and quarterly contract management meetings with the provider, at which any delivery issues are discussed. To date the service has delivered in accordance with the service requirements and performance criteria outlined in the service specification.

5 Conclusions

- 5.1 The new contract commencing 1 April 2016 will ensure that there is continuity of service delivery whilst a review of the service is undertaken which will include consultation with service users and stakeholders.
- 5.2 The review will be carried by ASC and Public Health out as soon as is possible upon award of the new contract and the review report will be presented to Adult commissioning Board. The review will make recommendations as to the future need for this service.

6 Recommendations

- 6.1 For the Director of Adult Social Services to waive CPRs 9.1 and 9.2 using the authority set out in CPR 1.3 to enter into a contract for one year from 1 April 2016 with Black Health Agency for the provision of Leeds Skyline a HIV/AIDS social

care support service. The contract value for 2016/17 will be £307,216 provided by Public Health and ASC.

- 6.2 The contract will commence on the 1st April 2016 and expire on the 31st March 2017. The Adult Commissioning Manager, ASC will liaise with the Programmes, Projects and Procurement Unit (PPPU) to oversee the implementation of the new contract before the existing arrangement expires on 31st March 2016.

7 Background documents¹

- 7.1 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.