

Report of Interim Chief Officer, Commissioning

Report to Director of Adult Social Services

Date: 14th December 2016

Subject: To request approval for a contract extension under Contracts Procedure Rules 21.1 Contracts Extension - for the Advocacy Support and Services Contract (Advonet consortium), reference number: YORE-96DJ4Q, for 1 x 12 month period from 1st April 2017 to 31st March 2018.

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| 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 report seeks approval for a 1 x 12 month extension period to the Advocacy Support and Services Contract reference YORE-96DJ4Q. This is the final of two optional extension periods which were built into the original contract for the service.
2. The original contract award was for 3 years from 1st April 2013 to 31st March 2016 with 2 x optional 12 months extension periods, one of which has been utilised for the year 2016/17. It is jointly funded by ASC and the CCGs via a section 256 agreement. In addition, there is funding from central government for some elements of the service namely, Independent Mental Health Advocates (IMHA) and the NHS complaints advocacy service (LIHCA). Throughout the duration of the contract good progress has been made in developing and maintaining the service in line with the service specification and additional requirements.
3. A service review has been undertaken, the recommendations from which were supported at the Commissioning and Programme managers meeting. Part of the extension period will be used to refine the future service model.
4. A procurement exercise will need to take place during this extension period to ensure appropriate advocacy provision after April 2018 so a further report will be submitted seeking the authority to procure.

Recommendations

5. The Director of Adult Social Services is recommended to approve the second 1 x 12 month extension of the current contract for Advocacy Support and Services with the Advonet consortium (reference YORE-96DJ4Q). The extension will commence 1st April 2017 and run until 31st March 2018. The annual contract value is approx. £1,001,228 and provisions are available to cover this within CCG budgets. However, negotiations are currently taking place with Advonet to explore further cash efficiencies on the Adult Social Care funded elements, so this figure may be lower.
6. The Commissioning Officer will liaise with the Programmes Projects and Procurement Unit (PPPU) to oversee the implementation of the extension of the existing arrangements before the expiry of the existing extension period on 31st March 2017.

1. Purpose of this report

- 1.1 To seek approval from the Director of Adult Social Services to action a 12 month extension to the Advocacy Support and Services Contract in line with Contract Procedure Rule 21.1 - to commence 1st April 2017 until 31st March 2018. This provision is within the existing Advonet consortium contract YORE-96DJ4Q

2. Background information

The Council has had a contract with Advonet to deliver advocacy services in Leeds since April 2013. Whilst the contract has always been with Advonet, they in turn subcontract with a number of other advocacy organisations. Initially, this was made up of a consortium of four organisations: Advonet, Leeds Advocacy, A4MH&D and Advocacy support, plus an additional three subcontracted organisations: Age UK Leeds, Cloverleaf and Leeds Black Elders Association (LBEA). However, the four consortia organisations merged in April 2015 to form one organisation called Advonet who continue to subcontract with the other three. The Councils contractual arrangement remains with Advonet and they are responsible for all aspects of contract delivery, including all contracted activity undertaken by the subcontracted organisations. In addition to directly delivering independent, short term issue based advocacy to all user groups, this service also provides the following statutory advocacy services: Independent Mental Health Advocate (IMHA) and NHS Complaints Advocacy Service (LIHCA). The funding for these two services comes to the Council from Central government. However, the funding for the LIHCA service was initially only guaranteed until 2015. Consequently, the overall contract value may reduce if this specific funding is reduced, although as yet this has not happened.

- 2.2 Since April 2015 the Advonet consortium has had to respond to the demand created by the Councils new duty to provide independent advocacy. They have done so expediently and efficiently – setting up a discrete Care Act Advocacy service. In addition, the Advonet consortium is providing support, as required, to any users and carers affected by the Councils Better Lives programme.
- 2.3 A service review was undertaken in 2016 which looked at all aspects of the existing service and contractual arrangements. The review showed that the service was

meeting its outcomes and that it was providing value for money. The review report was taken to the commissioning and programme managers meeting on 9th November who concurred with the recommendations, including the one to seek approval of the extension period.

3. Main issues

- 3.1 The Advocacy Support and Services Contract provides both statutory and issue based advocacy for the people of Leeds. This has been competently delivered to date through the contracting arrangement held with the Advonet consortium.
- 3.2 Advonet continues to submit ongoing monitoring in line with the service specification and engages well with contracting staff.
- 3.3 Funding allocation for the contract is £1,001,228 pa but this currently being negotiated with the provider to see if efficiencies can be made.
- 3.4 A procurement exercise will need to take place in the extension period to ensure appropriate advocacy provision from April 2018. This will also include looking at cash efficiencies in future service provision.

4. Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Prior to the contract commencement for this service a range of stakeholders were involved in the development of the Advocacy Support and Services Contract.
- 4.1.2 The outcomes of this consultation and engagement activity informed the production of the service specification.
- 4.1.3 The contract is monitored by a nominated Contracts Officer who is satisfied that the service is meeting the expectations of the service specification and supports the organisation in developing ongoing initiatives.
- 4.1.4 A review was undertaken in 2016 which involved extensive consultation with service users, staff, volunteers and other stakeholders. Feedback was very positive.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Screening has been completed (Appendix 1) to cover the extension period. The screening toolkit demonstrates that the service meets the desired equality requirements.
- 4.2.2 The provider has appropriate policies and procedures in place.

4.3 Council policies and Best Council Plan

- 4.3.1 The commissioning of this service supports aims highlighted in the Leeds City Council Best Council plan 2015-2020. In particular the objectives "Supporting communities and tackling poverty" and "Delivering the better lives programme".

4.3.2 Effective advocacy also supports the 5 aspirations for service users highlighted in The White Paper: Caring for Our Future. These are that everyone receiving care can say the following:

- **I am supported to maintain my independence for as long as possible**
- **I understand how care and support works, and what my entitlements, and responsibilities, are**
- I am happy with the quality of my care and support
- I know that the person giving me care and support will treat me with dignity and respect
- I am in control of my care and support

4.4 Resources and value for money

- 4.4.1 The total value of this contract extension is £1,001,228 and the benchmarking within the review showed that the service was providing value for money. However, due to the Councils budgetary pressures, negotiations are currently taking place with the provider to explore the potential for further cash efficiencies for the extension period (2017/18). Further efficiencies will also be considered as part of any future service provision and associated procurement exercise.
- 4.4.2 There will be some resource implications in terms of monitoring and reviewing the contract in order to ensure the service continues to meet statutory requirements and the necessary outcomes. These resources will be provided from within existing hours in the Adult Social Care commissioning and contracts team.
- 4.4.3 In 2016 -17 an efficiency saving of 10% of the annual contract value for the ASC funded issue based elements of the service was successfully negotiated with Advonet.
- 4.4.4 The Advonet consortium has responded to new Local Authority requirements for advocacy provision under the Care Act within existing resources. In addition Advonet have provided advocacy for people who are potentially affected by the Councils Better Lives programme – again within existing resources. Adding these issues to the fact that Advonet have already made great improvements to the “Advocacy Offer” for the people of Leeds demonstrates value for money through this contract.
- 4.4.5 The funding for this contract is held by Adult Social Care and has been approved by Adult Social Care Finance. The NHS funding is also confirmed through the s256 agreement. This budget will be monitored throughout the year. However, it should be noted that the funding for the LIHCA service was initially only guaranteed until 2015. Therefore, should this be reduced the overall contract value would need to reduce accordingly. As yet, there is no suggestion from Central government that this is going to happen. However, this point will be reiterated in the Contract extension letter to the provider.
- 4.4.6 A full service review has been undertaken in 2016 which showed that the service was meeting its outcomes and value for money.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The decision highlighted in this report will be taken by the Director of Adult Social Services in line with the officer delegation scheme as detailed in Part 3 of the Council's Constitution.
- 4.5.2 As the overall value of this decision exceeds £250,000 and the impact of the decision will have a significant effect on all wards, this is a key decision which is subject to call in.
- 4.5.3 The recommendation to approve the second 12 month extension covered by this report has been included in the Forward Plan.

4.6 Risk Management

- 4.6.1 The previous contracting process was conducted in accordance with the Council's Contract Procedure Rules.
- 4.6.2 If the extension is not approved there is a risk that the existing services will cease and service users will no longer be able to access this service.
- 4.6.3 This contract incorporates some statutory advocacy services and the Council has a duty to facilitate this provision. Should this extension not be approved the Council may not fulfil its statutory requirements.

5. Conclusions

- 5.1 By granting this extension period, continuity in service provision will be maintained and statutory obligation adhered to. This period will also be used to refine the service model and undertake a procurement exercise to ensure appropriate provision post April 2018.
- 5.2 The 12 month extension period is the second of two potential extension periods built into the contract and is in accordance with Contract Procedure Rule 21.1.
- 5.3 A Commissioning Officer will oversee implementation of the contract in conjunction with the Programmes Projects and Procurement Unit (PPPU) and the service will be subject to robust contract monitoring and on-going review.

6 Recommendations

- 6.1 The Director of Adult Social Services is recommended to approve the second 1 x 12 month extension of the current contract for Advocacy Support and Services with the Advonet consortium (reference YORE-96DJ4Q). The extension will commence 1st April 2017 and run until 31st March 2018. The annual contract value is approx. £1,001,228 and provisions are available to cover this within CCG budgets. However, negotiations are currently taking place with Advonet to explore further cash efficiencies on the Adult Social Care funded elements so this figure may be lower.
- 6.2 The Commissioning Officer will liaise with PPPU to oversee the implementation of the extension before expiry of the existing extension period on 31st March 2017.

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.