



---

## Report of the Deputy Director, Strategic Commissioning

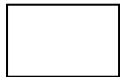
### Scrutiny Board, Adult Social Care

Date: 7 October 2009

### Subject: Adult Social Care Commissioning Services Update

---

#### Electoral Wards Affected:



Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

---

## Executive Summary

This report provides Members of the Scrutiny Board, Adult Social Care (ASC) with an update on progress made with the review of the Neighbourhood Network Services and the inspection made in 2008 by the Commission for Social Care Inspection of ASC services, with specific reference to older people and safeguarding. This update was requested by the Scrutiny Board at its meeting in March 2009. ASC Commissioning Services has, in partnership with NHS Leeds, Supporting People and the Corporate Procurement Unit, made substantial progress with the review of Neighbourhood Networks, including the development of a funding formula, a set of service outcomes, a new service specification and a well advanced programme of service procurement. Support for these initiatives has been secured from the Neighbourhood Networks themselves, wider stakeholder groups and the Executive Board of the Council. It is anticipated that the new contracts with the Neighbourhood Networks will be in place by July 2010.

The Inspection Action Plan prepared in response to the Commission for Social Care Inspection report of 2008 is now well advanced and good progress has been made against all the actions which relate specifically to Commissioning services, including:

- The procurement of an expert partner to advise on the modernisation of buildings-based services
- Development of service specifications for in-house services
- Formal joint commissioning arrangements with NHS Leeds
- Development of quality assurance systems for commissioned services
- Joint investment and commissioning with NHS Leeds

All of the above work has drawn positive feedback from the Care Quality Commission (formerly the Commission for Social Care Inspection).

## **1.0 Purpose Of This Report**

- 1.1 To provide Members of the Scrutiny Board (ASC) with a further report of the progress made and future plans for delivering the Neighbourhood Networks review and re-tendering exercise. The report also describes the progress made by ASC Commissioning in response to the Independence, Wellbeing and Choice Inspection of 2008.

## **2.0 Background Information**

- 2.1 At the ASC Scrutiny Board meeting in March 2009, the Chief Officer ASC Commissioning presented a report detailing the procurement timetable for the Neighbourhood Networks review process. In addition, the report included information on commissioning intentions in response to the Commission for Social Care Inspection report on ASC services, with specific reference to Older People and Safeguarding, and the resulting Action Plan. The Scrutiny Board requested a further progress report in six months' time, and this report fulfills that request.
- 2.2 The Neighbourhood Networks review commenced in March 2008 as a joint commissioning exercise between ASC, Supporting People, NHS Leeds and the Corporate Procurement Unit. The aim of the review was to evaluate current provision, establish more equitable resource allocation across the city, and introduce service specifications based on desired outcomes for older people. It was originally envisaged that new contracts would be in place by April 2010, but this has now been deferred to October 2010.
- 2.3 The Independence, Wellbeing and Choice Inspection Action Plan was presented to the Executive Board in December 2009 agreed and adopted immediately thereafter. In total, ten of the recommendations related specifically to commissioning. The recommendations require commissioners to procure improved information and advocacy services, move away from the provision of building-based residential and day care services, develop formal contractual relationships with directly provided services, improve quality assurance systems and develop joint commissioning systems and processes with NHS Leeds and Supporting People. This ambitious programme of transformation in Commissioning has a range of commencement and completion targets, beginning in October 2008 and concluding in April 2010.

## **3.0 Neighbourhood Networks Review**

- 3.1 Since March 2009, extensive consultation has been carried out with the Neighbourhood Networks and wider stakeholder groups to seek understanding of, and support for, all aspects of the review process. It has been acknowledged that the Neighbourhood Networks have evidenced their ability to successfully combat the social isolation which many older people experience, and increase their involvement and contribution to the life of their local community. Furthermore, the Neighbourhood Networks are key to the longer-term market development of provider services, supporting the transformation of traditional buildings institutional services into those which sustain independence and promote choice. Thus, the success of the Neighbourhood Networks review is key to our overall strategic plans for the modernisation of older people's services.

- 3.2 A funding formula has now been devised which will ensure the equitable distribution of resources to the Neighbourhood Networks across the city, based on need rather than historical piecemeal allocations. The formula will underpin the process of procurement. An additional sum of £360k investment has been identified by ASC from 1 April 2010 to ensure that the full beneficial effects of the formula are received by all areas of the city.
- 3.3 The formal procurement exercise has been designed as a restricted process under the Council's Corporate Procurement Rules in order to encourage and facilitate the enhancement and development of local services, and preserve what is best about the Neighbourhood Networks.
- 3.4 Henceforth, services will be commissioned to deliver prescribed outcomes for service users and carers. To this end, a set of outcomes has been devised for future Neighbourhood Network services. Through consultation, these have received overall support from the organisations and the wider stakeholder community.
- 3.5 In early August 2009, a Pre-Qualification Questionnaire was sent to all 38 Neighbourhood Network Schemes to determine the appropriateness of current providers to deliver the required outcomes. After their return, a shortlist of organisations will be drawn up and invitations to tender issued. Successful organisations will be given five year contracts with the option to extend for up to three consecutive years, thereby giving organisations much needed, longer-term security of funding. In order to ensure that any TUPE mobilisation is accounted for, it is anticipated that contracts will commence from 1 October 2010.
- 3.6 The following additional resources are being organised to support the Neighbourhood Networks during the procurement period and beyond:
- A Business Development Officer has been recruited to provide professional advice to the Schemes in order that they can fulfill the requirements of the procurement process
  - Temporary staff are being recruited to assist the Schemes with the monitoring requirements asked of them
  - A series of workshops has been designed to assist the Schemes with developing long-term sustainability of their services.
- 3.7 In July 2009, a report was taken to the Executive Board of the Council outlining all the above proposals and was approved.
- 3.8 Between October 2009 and March 2010 the formal procurement process will be enacted leading to the award of contracts (see Appendix 1 for details).
- 4.0 ASC Commissioning Response to the Independence, Wellbeing & Choice Inspection Report**
- 4.1 The Inspection recommended the commissioning of improved information and advocacy. As a result, a review is being undertaken of all information and advocacy services currently commissioned, which commenced in August 2009. This will lead to the production of a new service specification and a subsequent procurement exercise to deliver new services in line with the requirements of 'Independence, Wellbeing and Choice'.

- 4.2 An external expert partner has been procured to generate an options appraisal for ASC on the modernisation of its buildings-based residential services, reporting to the Directorate Management Team. Part of this work has entailed a detailed analysis of the overall future need for residential and nursing care within the city based on the anticipated demographic trends and current utilization rates. Once their report has been received, which we anticipate will be in late September, a programme plan will be devised by Commissioners, in partnership with the directly provided services, to take actions forward based on agreed options, subject to the necessary consultation and approval processes. This will be reported to the Council's Executive Board in November 2009.
- 4.3 In order that directly provided services have clear service specifications, service requirements and quality assurance systems in line with Independence, Wellbeing and Choice, commissioners are currently devising and agreeing with providers new service level agreements. This will place directly provided services under broadly the same arrangements as externally commissioned services
- 4.4 Formal joint commissioning arrangements are currently being developed with NHS Leeds which are anticipated to deliver benefits in terms of value for money and more appropriately aligned and integrated services, notable examples include Homecare and Nursing Care provision.
- 4.5 A range of quality assurance systems are in development to ensure an emphasis on prevention and early intervention, producing outcomes which promote independence and the avoidance of the need for higher level support services.
- 4.6 Jointly with NHS Leeds, a more rational and planned approach to investment and market management is being developed which will facilitate the personalisation, choice and control agenda. This will involve a more robust approach to commissioning planning and strategy.
- 4.7 Where joint services exist between Health and Social Care, work will be undertaken to ensure the benefits of such synergies are maximised. For example, an Intermediate Tier commissioning strategy is currently being devised which will span both health and social care inputs to people with such needs..
- 4.8 All of the initiatives outlined above will contribute to the development of excellent commissioning services, integrated with NHS Leeds, leading to the production of high quality, outcome-based services provided in a mixed health and social care economy in Leeds.

## **5.0 Legal And Resource Implications**

- 5.1 The programme of activity highlighted in this report presents challenges to all staff engaged within Commissioning, in Adult Social Care, the wider Council and within and among partners. The commissioning plan underway in relation to the Neighbourhood Network scheme provides a good example of how the capacity of those staff can be maximised by working collaboratively on a joint priority.
- 5.2 As we move to increasingly joint commissioning endeavours, we will ensure that good governance principles are maintained in relation to the activity under commission and that any use of pooled funds is managed by the appropriate legal instrument.

5.3 As has already been noted, some additional funding is likely to need to be generated to ensure that all the areas covered by the Neighbourhood Network schemes commence new contractual arrangements without experiencing detriment. Various options are being explored to ensure that the sum required can be built into the 2010/11 budget allocation.

## **6.0 Conclusions**

6.1 The adequacy, or otherwise, of strategic commissioning of adult social care services now forms a key determinant in the overall assessment of Councils and their partners' efficacy in supporting adults in need. The activity described in this report has provided a positive starting point as public services become subject to new and more integrated external assurance processes.

6.2 However, this report also indicates that successfully embedding a strategic commissioning approach to improving a range of outcomes for adults will take time and require the development of new skills and expertise by those engaged in its delivery.

## **7.0 Recommendations**

7.1 Members of the Scrutiny Board are asked to consider and note of the information contained in the report and its appendices.

## **Background Documents referred to in this report**

1. Our Health, Our Care, Our Say - DoH
2. Independence, Wellbeing and Choice Inspection Report
3. Independence, Wellbeing and Choice Inspection Action Plan
4. Independence, Wellbeing and Choice – DoH
5. Performance Framework for Care Quality Commission - Feb 09
6. Putting People First - DoH
7. Executive Board Report NNS – July 2009.

**PROCUREMENT TIMETABLE – V14**

PROJECT REF: 4092

**Neighbourhood Networks commissioning**(Based upon restricted procedure process for Annexe 1B service –  
Unknown service packaging strategy)

Task no	Activity	Responsibility	Achievement Date
	<b>Shortlisting stage</b>		
21	Project brief to be Incorporated into the Pre-Qualification Questionnaire (PQQ)	Project Manager	June 2009
22	Create technical questions for Pre-Qualification Questionnaire (PQQ) and Evaluation Model for PQQ technical questions	Project Team	June 2009
23	Draft advertisement and agree where to be published	Project Team	July 2009
24	Finalise PQQ and Advertise project	Project Team	By 31 July 2009
25	Issue PQQ (Publish docs on SCMS) (Minimum of 6 weeks)	PU	By 31 July 2009
26	Deadline for PQQ Response	-----	16 Sept 2009
27	Disseminate PQQ responses and evaluation criteria to evaluation panel	PU	Week Comm 21 Sept 2009
28	Evaluation and vetting of PQQ submissions	Evaluation team / PU	21 – 30 Sept 2009
29	Prepare and Agree Shortlist of organisations	Evaluation team / PU	By end of Sept 2009
30	Put Project on LCC forward plan	Project manager	4 months prior to decision date
31	<b>Tender stage</b>		
32	Finalise outcome based specification, tender evaluation model and criteria	Project Manager / Evaluation team /	By end of August 2009
33	Draft Terms & Conditions applicable to Contracts	PU legal team	Early to mid Sept 2009
34	Report to Project Board to approve tender documentation and shortlisted organisations	Project manager / project board	Week comm 5 Oct 2009
35	Invite tenders from short listed organisations (Minimum of 6 weeks)	PU	14 October 2009
36	Period for submission of tenders (7-8 weeks)	-----	14 Oct – 9 Dec 2009
37	Disseminate Tender evaluation criteria to evaluation panel	PU / Evaluation team	Early Dec 2009
38	Place on Forward Plan (Reminder)	Project Manager	
39	Tender submission return date	-----	9 Dec 2009
40	Disseminate tender submissions for evaluation	PU	Week Comm 14 Dec 2009
41	Evaluation of tender submissions / method statements	Evaluation team	By 24 December 2009

42	Select organisations for award	Project team / Evaluation team	Early Jan 2010
43	Project Board to ratify decisions for awards	Project Board	Mid Jan 2010
	<b>Contract award and lead in</b>		
44	Delegated decision process for all awards – Key Decision (also to the NHS Leeds Board)	Project Manager	End of Jan to End of Feb 2010
45	Award Contracts (over 3 – 4 weeks)	Adult Social Care contracts team – contracts drafted by PU legal team	March 2010
46	Lead-in period / mobilisation period Including TUPE lead in period if TUPE was to apply	-----	April to End of June 2010
47	<b>Start date for Contract</b>	-----	<b>01 JULY 2010</b>
48	Review of Procurement Process		August 2010??

- Gateway review procedure not deemed necessary – Project Board is suggested to consist of Tim O’Shea (ASC), Tony Bailey (Proc unit), Mick Ward (ASC/NHS Leeds) to sign off recommendations / decisions

- **Timetable accounts for full potential of TUPE transfer of staff to apply to all existing Neighbourhood Networks**

#### Glossary of Terms and Abbreviations

**PQQ** – Pre qualification Questionnaire

**PU** – Procurement Unit

**Project Team** – To be a core established from Provisional Project Team and/or other stakeholders/Panel

**SCMS** – Council’s tender/contract management website (Supplier Contract Management System)

**Evaluation Team** – to be derived from Project Team (Panel)