



Report of: Deputy Director, Integrated Commissioning, Adults and Health

Report to: Director of Adults and Health

Date: 15 May 2019

Subject: Request to extend the Carers Support service with Carers Leeds for a period of up to 10 months through the Modification of Contracts during their Term under Regulation 72 of the Public Contracts Regulations 2015

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s): n/a		
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		

Summary of main issues

1. An extension of the existing Carers Support Service contract, and postponement of the commencement date of the new Information, Advice and Support Service for Adult and Parent Carers contract, are required in order that Carers Leeds and LYPFT are able to resolve commercially sensitive sub-contracting issues.

Recommendations

1. This report recommends that the Director of Adults and Health:
 - a. Extends the existing Carer Support Services contract with Carers Leeds for up to a period of ten months from 1st June 2019 to 31st March 2020 by utilising the Modification of Contracts during their Term under Regulation 72 (1) (C). The maximum value of this extension is £852,315.

- b. Suspends the commencement of the new Information, Advice and Support Service for Adult and Parent Carers contract with Carers Leeds for a period of up to ten months from 1st June 2019 to 01 April 2020.

1. Purpose of this report

- 1.1. The purpose of this report is to seek approval from the Director of Adults and Health to:
 - a. Extend the existing Carer Support Services contract with Carers Leeds for up to a period of ten months from 1st June 2019 to 31st March 2020. The maximum value of this extension is £852,315.
 - b. Suspend the commencement of the new Information, Advice and Support Service for Adult and Parent Carers contract with Carers Leeds for a period of up to ten months from 1st June 2019 to 01 April 2020.

2. Background

- 2.1. Carers Leeds currently provide a Carers Support Service in Leeds and have recently been awarded the contract to deliver the new Information, Advice and Support Service for Adult and Parent Carers contract through a competitive procurement process.

3. Main issues

- 3.1. Unpaid carers provide the bulk of care in Leeds and without them the NHS and social services would be overwhelmed. Increasing numbers of unpaid carers are taking on responsibility for more intensive levels of care. However, carers often feel isolated, that they are not respected or valued, and that the huge contribution that they make is taken for grant and overlooked. This combination is known to impact upon their physical, mental and economic health and wellbeing
- 3.2. It is widely recognised that effective information, advice and support for carers can break down these barriers and reduce the health inequalities that carer's experience, meaning they are more able to continue caring and balance their caring role with a life of their own. This can prevent and/or delay the point at which they and/or the person they care for access and become dependent on the health and care system.
- 3.3. Following an open procurement process, the Director of Adults and Health awarded a contract to Carers Leeds to deliver an Information, Advice and Support Service for unpaid adult and parent carers in Leeds. The contract was set to commence on 1st April 2019 for a period of five years with options to extend the contract up to a further two years.
- 3.4. Following the award of the contract to Carers Leeds and during the mobilisation period for the commencement of the new contract, Carers Leeds notified the Council that commercially sensitive sub-contracting issues between Carers Leeds

and Leeds and York Partnership Foundation Trust (LYPFT) needed to be resolved before the new service could commence.

3.5. As a result of these sub-contractual issues, on the 29th March, the Director of Adults and Health implemented the following decisions:

- To extend the Carer Support Services contract with Carers Leeds for a period of two months from 1st April 2019 to 31st May 2019.
- To suspend the commencement of the new Information, Advice and Support Service for Adult and Parent Carers contract with Carers Leeds for a period of two months from 1st April 2019 to 1st June 2019.

3.6. Carers Leeds and LYPFT have initiated discussions but, due to the complexity of the issues, will not be able to resolve them within the two month extension period. A further extension to the Carer Support Services contract, and a further suspension of the commencement of the new contract are required in order that Carers Leeds and LYPFT are able to resolve sub-contracting issues.

3.7. The council's main aim in making this decision is to ensure the continuation of this vital service to carers while sub-contracting issues are satisfactorily resolved. If the additional extension period is not agreed there is a real risk that a significant element of the service, which is provided by the sub-contractor, would cease to be provided, impacting on a number of carers who are actively being supported by the provider.

4. Corporate considerations

4.1. Consultation and engagement

4.1.1. Consultation and engagement was undertaken in relation to the new service as described in the contract award report.

4.1.2. The Executive 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. Equality, Diversity, Cohesion and Integration Screening was completed for both contracts referred to in this report.

4.3. Council policies and Best Council Plan

4.3.1. Effective support for carers is a key component in supporting strong communities and is at the heart of being a caring and compassionate city. As such, the service will contribute to the delivery of key outcomes in the Best Council Plan.

4.3.2. Effective support for carers also contributes towards the ambitions in the Leeds Health & Wellbeing Strategy, particularly how we put in place the best conditions in Leeds for people to live fulfilling lives. Identification of carers and support to maintain and improving carers' physical and mental health and wellbeing are

identified as priorities in supporting strong, engaged and well-connected communities.

- 4.3.3. Effective support for carers also makes a significant contributions to a number of breakthrough projects, in particular:
- Early intervention and reducing health inequalities
 - Making Leeds the best place to grow old in
 - More jobs, better jobs
 - Strong communities benefiting from a strong city

4.4. Resources and value for money

- 4.4.1. Effective support for carers which promotes their wellbeing and enables them to continue caring makes economic sense as it helps to manage demand on health and care services. Carers help to maintain the health and wellbeing of the person they care for, support that person's independence and enable them to stay in their own homes for longer. Research undertaken by the University of Leeds estimates the cost of replacing unpaid care with paid care to be around £1.4billion per year in Leeds.
- 4.4.2. The cost of extending the existing contract for a period of ten months is £852,315. The required funding is contained in the A&H base budget.

4.5. Legal implications, access to information and call-in

- 4.5.1. This is a key decision as the maximum cost of the service is more than £250k per annum. A notice was published on the List of Forthcoming Key Decisions on the 23rd April 2019 and the report will be subject to call in.
- 4.5.2. Regarding use of the Modification of Contracts during their Term, it must be noted that there is the potential risk of challenge from a third party alleging that there is no real justification for the use the Modification of Contracts during their Term under regulation 72 (1) (c) in accordance with the Public Contracts Regulations 2015, and that the Council is simply seeking to circumvent the application of the procurement rules. However due to the reasons set out in this report this risk is perceived to be low. A notice will be published in OJEU detailing the reasons for the modification, namely:
- The council tendered and awarded a contract in compliance with good practice and relevant legislation and acting diligently, could not have foreseen that the issues described in this report would occur and would prevent the delivery of the new contract;
 - The nature of the services being provided under the varied contract is the same as that provided in the contract originally; and
 - The value of the original contract was £3,644,450.00. The value of this extension is £852,315, this is less than 50% of the value of the original contract.
- 4.5.3. Further, publishing such a notice will also start time running for any potential claim for breach of Regulations, which must be brought within 30 days of the date that an aggrieved party knew or ought to have known that a breach had occurred.

4.5.4. In making the final decision, the Director of Adults and Health should be satisfied that the course of action chosen, as to extending the contract, is the best course of action for the Council and should be satisfied that doing so it represents best value for the Council.

4.5.5. The contents of this report are not confidential.

4.6. Risk management

4.6.1. Public Contract regulations 72 (1) (C) allow for variation to contracts where there are unforeseen circumstances provided that the nature of the services remains the same and that the value of the variation does not exceed 50% of the original contract value.

4.6.2. Leeds City Council will facilitate discussions between the two parties and should Leeds City Council at any time throughout those discussions, be of the opinion that the issues will not be resolved by the end of the extension period, the contract will be re-tendered so that an appropriate service provider is identified to deliver the service from 1st April 2020.

4.7. If the additional extension period is not agreed there is a real risk that a significant element of the service, which is provided by the sub-contractor, would cease to be provided, impacting on a number of carers who are actively being supported by the provider.

5. Conclusions

5.1. Leeds City Council are committed to supporting carers in Leeds and this decision will ensure continuity of service for carers while sub-contracting arrangements between Carers Leeds and LYPFT are satisfactorily resolved.

6. Recommendations

This report recommends that the Director of Adults and Health:

6.1.1. Extends the existing Carer Support Services contract with Carers Leeds for up to a period of ten months from 1st June 2019 to 31st March 2020 by utilising the Modification of Contracts during their Term under Regulation 72 (1) (C). The maximum value of this extension is £852,315.

6.1.2. Suspends the commencement of the new Information, Advice and Support Service for Adult and Parent Carers contract with Carers Leeds for a period of up to ten months from 1st June 2019 to 01 April 2020.

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