

Aspire Community Benefit Society limited and Leeds City Council: Service Support Agreement 2021

Date: 8th July 2021

Report of: Director Integrated Commissioning

Report to: Director of Resources

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- In 2015 approval was obtained from Executive Board for the Council's in-house learning disability support provision to be spun-out through the formation of a new social enterprise called Aspire Community Benefit Society.
- The original five-year contract was due to end on 31st July 2020, but a decision was taken regarding the invocation of the extension which was agreed through a DDN (SOD) on 25th March 2020. This extended the contract from 1st August 2020 until 31st July 2021.
- On 17th March 2021, commissioners sought and gained approval from the Director of Adults and Health to vary the contract awarded to Aspire Services (Leeds) Limited for 12 + 12 months under Regulation 72 (1b) (i) & (ii) of the Public Contract Regulations 2015, at a per annum cost of £21,038,000 commencing 1st August 2021 (DN192185 Learning Disability Community Support Services).
- A Service Support Agreement (SSA) was originally issued for five years from 1st August 2015 to 31st July 2020. The agreement contains provision for one 12-month extension period, which has been invoked, resulting in an end date of 31st July 2021. The agreement provides an income for the Council of c£1,919,655 and helps support Aspire to be able to deliver its contract with Adults and Health Directorate.
- The SSA allows the Council to provide a range of services to Aspire, these are broken down by individual service level agreements (SLAs);
 - Transport Services for the provision of Council buses and drivers used by Aspire.,
 - The use of our ICT systems/IT support and Information Knowledge (information Governance)
 - HR services (Health and Safety /HELP/Occupational Health)/Convenor(union)/Organisational Development (OD)

- Finance (support for payments and billing), the use of Council Premises, Financial Management Services (FMS), Debt Collection services and Internal Audit services.
 - BSC support (HR, payment of salaries/pensions support etc.),
 - Financial Management,
 - Digital and Information Services (DIS)
- The agreement supports Aspire and enables it to be able to deliver its activities under its contract with Adults and Health Directorate.
 - The Council has engaged with Aspire to review the overall SSA, including the individual SLA's contained within the document. This report seeks approval to enter into a new agreement to deliver services to Aspire from 1 August 2021 (on a year on year rolling basis for up to five years [except DIS/ICT SLA] subject to reviews) which will bring in an annual income of c£1,919,655 to the Council.
 - Aspire and the Council have agreed that the DIS SLA contained within the SSA will continue as it currently is, with a view to using the variation clause to refine costs going forward (into year two etc.). This is due to DIS/ICT upgrades and changes currently happening within the Council, which will impact the service provided to Aspire. As an example, the Council's upgrades to Microsoft 365 or Microsoft Cloud which when rolled out to Aspire will have cost implications which will need to be defined before the year on year rolling SLA is agreed. Although the initial annual charge to be applied for DIS /ICT has been set within the c£1,919,655 of the SSA. The review and variation process will allow the refinement of provision and costs to be charged going forward.
 - The Vision for Leeds (2011-2030) is to be the best city in the UK, one that is compassionate with a strong economy that tackles poverty and reduces inequalities. The Aspire service outcomes have direct links to the Best Council Plan's outcomes and are reflected in the way the services are delivered. The Service Support Agreement enables Aspire to be able to deliver its obligation to deliver on the contract with Adults and Health Directorate. The high-level outcomes from the Best Council Plan are;
 - Be safe and feel safe
 - Enjoy happy, healthy, active lives
 - Live in good quality, affordable homes within clean and well cared for places
 - Do well at all levels of learning and have the skills they need for life
 - Enjoy greater access to green spaces, leisure and the arts
 - Earn enough to support themselves and their families
 - Move around a well-planned city easily
 - Live with dignity and stay independent for as long as possible

Recommendations

The Director of Resources is recommended to approve the renewal of the Service Support Agreement with Aspire for the initial period and up to a further four (4) years (five years in total) on a year by year rolling basis commencing on 1st August 2021 at c£1,919,655 per annum.

Why is the proposal being put forward?

- 1 Aspire have been negotiating with the Council to renew the SSA containing the different SLA's. These help support Aspire as an organisation so that they can continue to deliver on their contract with Adults and Health Directorate. As an example, Aspire use Council properties to deliver services from and use our ICT systems to store their data etc. Aspire wish to continue this arrangement on a year on year rolling basis.
- 2 The SSA will allow continued stability of infrastructures services delivered for Aspire, which will complement its existing provision and it will also provide the overarching agreements in place to be able to review, negotiate and amend agreements for both parties. The SSA continues to provide an income stream for the Council and agreement terms and lengths aligned with the wider contract of delivery for Aspire, on behalf of the Adults & Health Directorate.

What impact will this proposal have?

Wards Affected:

Have ward members been consulted?

Yes

No

- 3 The approval of the SSA, will ensure that the organisation can continue to use the Councils systems and facilities (outlined and agreed) contained within the agreement to deliver services to people with learning difficulties. As an example, the use of Council Transport (with drivers) enables Aspire to transport clients for various outdoor activities, from bases that are rented/leased via the Council through a result of this agreement.
- 4 Additionally, the agreement allows the Council to receive an income of c£1,919,655 annually with reviews which allow for parties to negotiate the continuity of the agreement on a rolling year on year basis. The amount of income may/may not change subject to the reviews held with Aspire. It should be noted that this has always been the case since the first SSA was negotiated in 2015.

What consultation and engagement has taken place?

- 5 Aspire and Council Directorates/Corporate Providers (BSC /Finance etc.) have been involved in the negotiations to review and finalise individual Service Level Agreements contained within the overall Support Service Agreement. These negotiations are reflected in the description of services within each Service Level Agreement, with individual costs negotiated and agreed with Aspire.
- 6 The Advonet Group were "commissioned by Leeds City Council to undertake a consultation of Aspire stakeholders around the changes that were being made to the way Aspire services are paid for and what people thought of the different services that Aspire provide. Aspire stakeholders; people with learning disabilities, their carers / family / significant others, and trustees were asked about the change from block contracts to an individualised approach to payments and what they thought about Aspire services" (Source: Asking you. Report for Leeds City Council Aspire Community Benefit Society, The Advonet Group).
- 7 The feedback on the services was predominantly positive. "The staff are very highly thought of, and the customers felt supported. Customers did not like the use of agency and unfamiliar staff. Staff turnover is an industry wide issue and at lower levels in Aspire at 9% compared with industry standard of 30%. In terms of the change of contract type from a block contract to individual contracts it was mainly thought to be a good idea if it brought

more choice and personalised care. Potential positives seen as stronger links to care management and the ability for the customer to change services and activities if they wanted. There were concerns that it would have an additional bureaucratic impact, and therefore cost, which may negatively impact on service provision, so potentially a cut in services as there is no overall increase in funds available. It was recognised as important that the individual contracts reflect the true and actual cost of the service provision to deliver benefits". (Source: Asking you. Report for Leeds City Council Aspire Community Benefit Society, The Advonet Group).

What are the resource implications?

- 8 Aspire services are commissioned by Adults and Health and funding for this variation of the existing contract (DN192185 Learning Disability Community Support Services with Aspire Services (Leeds) Limited under Regulation 72 of the PCR 2015 for a set period of 12 + 12 month) is being provided by Adults and Health.
- 9 The above contract will receive Adults and Health funding to a maximum of £21,038,000 per annum, however, as set out in the service specification, block payments for day opportunities and supported living will gradually reduce or 'taper off' as individualised arrangements are implemented in a staged way. It is anticipated that this may take up to 12 months due to the resources required across both Working Age Adults (WAA) Commissioning and Social Work to undertake any care plan reviews and the administrative side of the new arrangements, including setting up payment systems. This period will also allow individualised arrangements to be set up in a person centred and co-produced way with service users, family carers and key stakeholders.
- 10 This SSA agreement contributes an income of c£1,919,655 to the Council.
- 11 The service will continue to be contract managed by officers within the Adults and Health Directorate and overseen by the Head of Commissioning – Working Age Adults. Robust contract management processes allow for the ongoing monitoring of quality, performance and value for money.

What are the legal implications?

- 12 This is a key decision due to the annual income being above Council's threshold of £500k. A notice was published on the List of Forthcoming Key Decisions on 18th June 2021 and the decision will be subject to call in.
- 13 The recommendation within this report follows on from the approval to vary the contract in accordance with Regulation 72 (1b) (i) and (ii) of the Public Contracts Regulations 2015 for a further period of 12 plus 12 months to allow sufficient time for the block payments for day opportunities and supported living to gradually reduce to individualised arrangements in a staged way and for an appropriate SSA to be formalised and run concurrently.
- 14 This report does not contain any exempt or confidential information under the Access to Information Rules
- 15 There is no overriding legal obstacle preventing the acceptance of the offer to provide support services to Aspire Services (Leeds) Ltd. The SSA is an integrated part of the agreement to provide support to the provider in carrying out its legal duties as per the modified contract as referred to under paragraph 5 above. In making this final decision, the

Director of Resources should be satisfied that the course of action chosen represents best value for the Council.

What are the key risks and how are they being managed?

- 16 In October 2020 a series of recommendations were presented to and approved by the Council's Executive Board. One of the approvals was to consult with customers and key stakeholders on a change from a block contract arrangement to individual arrangements (e.g. Supported Living Individual Service Agreements, or SLISAs) for the day opportunities and supported living elements of Aspires provision. This is to give parity with the rest of the Leeds learning disability market, and to ensure that prices for service users' care and support packages are fully individualised. This consultation is now underway and early findings strongly suggest that those consulted are very much in favour of an individualised approach.
- 17 Current block arrangements will change following the extension (12+12 outlined above) which will represent some uncertainty for Aspire as service user may choose to use their budgets to purchase their support from a different provider. As a result of this uncertainty the SSA which supports the contract needs to be flexible to cope with any possible fluctuations in demand for Aspire support. This flexibility means that Aspire could choose to reduce or not require certain elements of the SLA. As an example, if the number of service users drop, then Aspire may have no option but to revoke a break clause for the use of certain property(ies) they use to provide Day Services. It should be noted that the option not to purchase services from the Council are also present in the current SSA (following appropriate reviews and notification) and have been within the SSA since 2015.
- 18 It is accepted that the change from block contracts to the individualisation approach (which could take 12+ months to materialise due to the high level of resource requirements) will increase that uncertainty. However, engagement with Aspire's service users/carers and families shows a high satisfaction rate for their provisions, which supports the notion that service users preferences will likely remain with Aspire.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth

Health and Wellbeing

Climate Emergency

- 19 In order to support the Council stated ambition of working towards a carbon neutral city by 2030, the impact on the climate should be considered across all officer work. Through ongoing contract management, the provider will be encouraged to actively engage with the climate change agenda. Examples could include adhering to and working within the values of Council policy and guidance in relation to climate change, a reduction in carbon emissions through, for instance, decreasing private vehicle usage, using and/or investing in 'eco-friendly' resources.
- 20 The locality based, city wide nature of Aspire provision allows individuals to receive services locally, within their own communities and close to family/carers. This provision directly contributes to maintaining independence and keeping individuals out of more expensive and restrictive environments, i.e. in-patient services. Supporting individuals at home reduces carbon emissions through less family travel time to out of area placements.
- 21 The SSA enables Aspire to deliver its obligation under the contract with Adults and Health. In doing so, the Council delivers its obligation of providing services with efficiency in mind. As an example, all buses being supplied as part of the Transport SLA are Euro 6

Compliant, and further options are being explored to increase the electric vehicles across the Council fleet.

- 22 Aspire support just under 1000 adults with a learning disability (and their family carers) through day services, supported living services, respite and crisis services. The head office is based in Lower Wortley, Leeds, however, the vast majority of the staff work in numerous locations across the whole of Leeds from where they directly deliver care and support services.

Options, timescales and measuring success

a) What other options were considered?

- 23 The SSA was originally agreed in 2015 but not reviewed since having been agreed. The SSA could have been left as current, however Aspire and Council officers agreed that it was an opportunity to review its contents and terms and condition as well as costs. Part of this is driven by the change in direction from a block contract to the individualisation approach.
- 24 Other options were not considered as Aspire communicated that they were happy with the overall level of services provided to them by the Council and their wish to continue purchasing most of the services from the Council.
- 25 The option to sever the full SSA and all its SLA's would require considerable resources over a lengthy period. As an example, Aspire would have to source transport arrangements, source its ICT infrastructure (including hardware and software/support /storage of data etc.), make alternative arrangements for payment of salaries, pensions (of staff within the West Yorkshire Pension Fund), make alternative arrangements for buildings its rents and leases from the Council (some of which are given at peppercorn rents). Many of the costs of severing an individual SLA could be prohibitive, but they do remain an option for Aspire to consider.
- 26 There are many positive factors to remaining within the SSA for both parties, such as shared ICT systems (Aspire data is stored separately on our systems) or streamlined financial systems, or Health and Safety, where costs proportioned to requirements which allow costs of such provision to be reduced. This has a positive impact on costs of commissioning services which are effectively monitored to reduce the cost of such provision.

b) How will success be measured?

- 27 The SSA contains clauses allowing for reviews for each of the SLA's. Parties will meet to consider performance and review progress as well as costs. These reviews will allow parties to consider improvements required, which will be fed into the rollover of the SSA.

c) What is the timetable for implementation?

- 28 The current extension of the SSA runs out on the 31 July 2021, hence the new SSA will be implemented from 1 August 2021.

Appendices

- 29 Equality Impact Assessment.
- 30 Asking you. Report for Leeds City Council Aspire Community Benefit Society, The Advonet Group

Background papers

- 31 Report of: Deputy Director Integrated Commissioning (17th March 2021): Subject: Request to vary the contract awarded to Aspire Services (Leeds) Limited for 12 + 12 months through the modification of the contract during their term under Regulation 72 (1b) (i) & (ii) of the Public Contract Regulations 2015, at a per annum cost of £21,038,000 commencing 1st August 2021 (DN192185 Learning Disability Community Support Services) – D52873 – published 17/3/21. [Request to vary the contract awarded to Aspire for a further 12+12 month period through the modification of the contract during their term under Regulation 72 \(1b\) \(i\) & \(ii\) of the Public Contract Regulations 2015, commencing 1st August 2021 - Council and democracy \(leeds.gov.uk\)](#)