

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care
Date:	18 January 2016
Title:	Day Opportunities for people with a Learning disability
Reference:	7174
Report From:	Interim Director of Adult Services

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1. Executive Summary

1.1. The purpose of this paper is to seek permission from the Executive Member to spend on contracts for day opportunities for people with a learning disability. In some instances, small numbers of people with a physical disability or other social care need may also be affected, should they be attending a service which is in scope.

1.2. This paper seeks to:-

- Summarise current provision
- Provide context for future spend

2. Contextual information

Current Provision

2.1 Hampshire County Council currently contract with 97 independent (i.e. non Hampshire County Council) Day Opportunity Providers for the provision of services to people with a learning disability. The services provide day time activity to approximately 600 individuals across Hampshire. The County Council currently spends approximately £4.6m per annum on these services.

2.2. The market is made up of small and medium enterprises, many of which are third sector organisations. No standard price / cost calculation methodology is employed, and costs are generally negotiated locally and vary widely. Some providers report that costs are subsidised by their charitable and fund raising activities. The average sessional (half day) cost is £34 per session. Some providers include transport, meals and activity costs within their core sessional price, others charge some or all of these elements as additional costs.

- 2.3 A very diverse range of activity is described under the term “day opportunities”. This includes providers delivering traditional “day care” centres, vocational services, community based services and specialist services.
- 2.4. Amongst these diverse providers, a variable approach to outcomes, enablement and skill enhancement is also evident. It will be important in the future that day services maximise independence and skills and therefore reduce the support required for people. This will lead to an increased emphasis on community inclusion and the potential for employment opportunities. There will be an emphasis upon these principles in the future service specification.
- 2.5. Day Opportunities providers, on the whole, own the properties in which services are currently delivered.
- 2.6. These services are currently almost universally spot purchased. This means that Hampshire County Council has limited contractual leverage on issues such as price, quality and outcomes.
- 2.7. Day Opportunities providers are not regulated by the Care Quality Commission. In some circumstances this means that activities that would be regulated in other care environments (such as personal care) are routinely carried out with little or no external oversight. Scoping with current providers has indicated wide variation in the application of even basic support planning tools such as risk assessments.
- 2.8. The provision of day time activity fulfils a key respite function for many family carers who are dependent on this provision in order to work. Services tend to have low levels of throughput, with some individuals attending the same services for many years.

Future Provision

- 2.9 Day Opportunities for people with a Learning Disability have been identified as a key opportunity in relation to the savings targets facing the County Council.
- 2.10 This is based on the assumption that standardisation of pricing and closer contractual ties will lead to reduced costs on current packages for the County Council. Further savings targets are attached to the promotion of employment as a realistic outcome for some people attending services.
- 2.11 The County Council would also benefit from future cost avoidance should a more transparent pricing structure be in place.
- 2.12 It is proposed that a two stage procurement process is undertaken. In the first stage (The Selection Stage) the County Council will identify providers who are able to meet the County Council’s minimum requirements. The County Council will do this by setting a number of criteria related to key service delivery elements such as Personalisation, Enablement, Quality and Price.
- 2.13 In the second stage (The Award Stage) the County Council may operate a competitive process in order to select the most appropriate provider and

would work closely with service users to ensure their eligible needs are met. Contract(s) can then be awarded.

- 2.14 Providers will be required to accept the Terms and Conditions for any future contract award let by the County Council as a condition of passing the Selection Stage.
- 2.15 Providers would be required to work closely with other services such as the Hampshire Employment Service and Hampshire Support and Advice for Independent Living (SAIL) in order to promote throughput and reduced dependence for service users.
- 2.16 The procurement vehicle would have a proposed lifespan of four years, with the option, at the County Council's sole discretion, to extend for four years and a further four years (4+4+4).
- 2.17 The procurement approach described will promote stability in the current market. By maximising service user choice and control, lower levels of complaint or challenge are predicted.

Finance

- 2.18 Current annual spend in this sector is £4.6m per annum.
- 2.19 Total contracts let through the procurement approach outlined in this paper will range between £3.6m and a maximum of £4.6m per annum. This range reflects targeted savings of £1m per annum against current spend.

3. Performance

- 3.1 Contracts let at the award stage would be monitored by work book returns and a validation process, with this information supplemented by Care Management review and assessment. It will be a minimum requirement that providers develop and implement robust quality assurance and outcome monitoring systems.

4. Legal Implications

- 4.1 It is for the Executive Member as decision maker to have due regard to the need to:

Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act and advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 4.2 The procurement approach described would be undertaken in compliance with the principles of transparency and equal treatment and the Light Touch regime for Health, Social, Education and Certain other Service Contracts pursuant to The Public Contracts Regulations 2015.

5. Consultation and Equalities

- 5.1 Through consultation in relation to the Hampshire Learning Disability Plan, service users and their carers were clear that they wanted meaningful day opportunities which provided positive outcomes. At the same time, it is also evident that day opportunity provision is often fulfilling a key respite outcome for carers rather than service users.
- 5.2 It is envisaged that this proposal will have a positive impact for people with a learning disability or other assessed social care needs that live in Hampshire as it will create outcome focused day opportunities for them. Providers passing the Selection Stage will be required to promote increased independence through a range of enablement activities, supporting people to engage in a meaningful way with their local communities, becoming less dependent on funded services as their resilience, skills and abilities are developed.
- 5.3 By adopting this procurement approach, service users will be placed at the centre of decision making, maximising their choice and control.

6. Other Key Issues

- 6.1 In 2008 the County Council started its transformation journey with an efficiency and change programme to keep pace with reductions in grants from central Government. To deliver an additional £98 million by 2017 following further reductions in funding from central government, the County Council needs to continue on its transformational journey. Adult Services needs to contribute nearly half of the County Council's overall savings target, some £43m of the total £98m. Modernising and changing the way services are delivered in the future while responding to change in demand is the right thing to do for people. For Adult Services this will mean supporting people to do more for themselves (and the people they care for) whilst continuing to meet eligible social care needs.
- 6.2 Day Opportunities tend to feature high levels of service user and carer involvement. Any procurement approach which adopts a prescriptive format is likely to meet with high levels of market and service user resistance and lead to high levels of destabilisation, as providers are highly likely to exit the market.
- 6.3 Service users would retain the right to request their personal budget in the form of a Direct Payment. In these circumstances, service users would be free to purchase support from any provider. The provision of direct payments may place additional cost pressures on the County Council in relation to issues such as Value Added Tax.
- 6.4 The provision of transport is a key factor in service delivery. Some providers supply transport as part of their offer. Further work will be required to assess the impact of this, and to develop an approach that offers best value to the County Council whilst meeting individual assessed need, in line with any future policy decisions on the provision of transport.

7. Future direction

- 7.1 A service specification for the Selection Stage of the procurement process would be drafted, reflecting the content of this report.
- 7.2 A procurement process would commence in Spring 2016, with the Selection Stage for current providers completed by September 2016. After this date providers would still be able to seek selection, if they can meet the County Council's minimum requirements.
- 7.3 Concurrently, service users currently attending funded day opportunities providers would be assessed by care managers, and a Personal Budget allocated to them, based on the eligible needs identified in this assessment. Appropriate contracts will then be awarded. The intention is this process will be completed by 31 December 2016. New Contracts would start from 30 January 2017 or thereafter as required.

8. Recommendation

- 8.1 That the Executive Member for Adult Social Care give approval to spend up to a total value of £18.4m over a period of the initial four years, commencing 30 January 2017, with a value of up to £4.6m per annum, through the procurement process outlined in this paper.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Maximising well-being:	yes
Enhancing our quality of place:	no

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Employment for People with a disability	6999	25 November 2015

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

Purpose for project/proposal

The County Council wish to apply minimum standards to the provision of Day Opportunities for people with disabilities in Hampshire. This will relate predominantly to people with learning disabilities but may also affect some people with physical disabilities or other social care needs if they attend Day Opportunity providers in scope for the project.

The minimum standards will relate to key service delivery elements such as personalisation, quality, outcomes, risk management and price. This is not possible within the current contractual arrangements and will require a procurement process to establish new contractual arrangements.

The minimum standards will be articulated in the service specification and Hampshire County Council will provide support to providers to understand and implement the required standards.

It is proposed that the procurement process is operated under the Light Touch Regime. This means that Hampshire County Council will be able to create a bespoke procurement vehicle for Day Opportunities which will reflect the diverse span of activity currently delivered.

The procurement vehicle will operate like an approved list of providers which service users can choose from. This will ensure that Hampshire County

Council can maximise service user choice and control. Permission is requested to spend on new contracts under the new procurement.

Impact of project

The procurement approach selected will allow service users to exercise a high degree of choice in how their assessed eligible needs are met. The County Council intend to maximise the support available to provider organisations to gain access to the procurement vehicle and providers who fail to gain access will be able to reapply once they meet the minimum criteria.

Should a service user with assessed eligible needs be unable to source a suitable provider, alternative services will be offered. This will involve a menu of options depending on the person's specific circumstances but may involve shared support sessions located in the community.

2. Impact on Crime and Disorder:

2.1 No impact has been identified

3. Climate Change:

a) How does what is being proposed impact on our carbon footprint / energy consumption?

No impact has been identified

b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The procurement approach selected will maximise opportunities for entry for provider organisations. This will mean that service users will be able to choose local providers rather than being directed to providers who are some distance from where they live, reducing reliance on transport.