

Agenda item:

[No.]

Procurement Committee

On 27 April 2010

Report Title. **Extension of Supporting People Contract – 60 plus**

Report of: **Mun Thong Phung, Director of Adults, Culture & Community Services**

Signed :

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Wards(s) affected: **All**

Report for: **Key Decision**

1. Purpose of the report

1.1. To seek Members agreement to a one year extension to contract for the above service, as allowed under Contract Standing Order (CSO) 13.02, in accordance with the recommendations set out in paragraph 4 of this report.

2. Introduction by Cabinet Member

2.1 Market research conducted by the Supporting People (SP) team since the waiver and award of the existing contract to Metropolitan Support Trust (MST) in March 2009 demonstrates that new contractual arrangements such as the framework agreement being proposed will offer significant improvements in choice, quality and value for money.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1. Council Priorities –

The Supporting People (SP) programme specifically provides housing related support to the most vulnerable people in the Borough. Since the inception of the

programme these have been categorised into several categories one of which is Older People :

The Supporting People strategy 2005-10 co-ordinates and compliments the following Corporate strategies:

- Community Strategy
- Council Plan
- Wellbeing Strategic Framework
- Children and Young Peoples Plan
- Safer for all (Safer Communities Plan)
- Housing and Homelessness Strategies

The links with these strategies are encompassed into the contract for which an extension is recommended. Senior Officers from representative departments will continue to sit on the Supporting People Partnership Board (SPPB) and contribute to the governance of this programme.

The Supporting People team are located within the Adults, Culture and Communities Directorate and work closely with Commissioning Managers in Adult Services. A consistent approach is being taken with re-tendering and re-negotiating contracts, which include the development of Framework Agreements

3.2 Creating a Better Haringey: (cleaner, greener and) safer

The provision of the 60 Plus Floating Support service for Older People links in the Council's Community Strategy through complying with the Council's priorities for safer for all.

In extending the contract for the above service provision, named in Appendix A, the Council will be ensuring that the service is being delivered by an experienced Provider with proven quality standards.

3.3 Promoting independent living while supporting adults (and children) when needed.

The Supporting People programme exists for vulnerable adults and, its very ethos is to promote independent living to some of the most vulnerable, insecure and socially excluded individuals, or groups, in the Borough.

3.4 Delivering excellent, customer focused, cost effective services.

The Supporting Peoples programme has well established, recognised, models of governance and monitoring for all services for which they are responsible. These include the completion of quarterly PI workbooks, Value for Money (VfM) assessments and Service Reviews, where the quality standards of the service are reviewed against a national framework – QAF. These will be implemented against the successful provider for the duration of the Contract. Emphasis is being placed into the new Contract Specification on Performance Outcomes, linked to the Local

Area Agreement (LAA) targets.

4. Recommendations

4.1. That Members agree to the extension of the Contract (60 Plus) to the current Provider, Metropolitan Support Trust for a fixed term of 12 months.

5. Reason for recommendation(s)

5.1. The recommendation for the extension is that it will give time for a new model of contracting, not previously undertaken in Supporting People, to be marketed and implemented, whilst allowing for the continuation of the existing service to vulnerable Older People.

5.2. The extension of the contract will realise improvements in service delivery, as the Provider manages expectations of the service towards the new model and will realise a further saving of £100,000. Further information on the price is contained in the exempt part of the report (Appendix A)

6. Other options considered

6.1. Following the Procurement Committee decision of March 2009 to the waiver and award of the 60+ Contract to MST, market research and consultation was undertaken to re-tender the contract. A new specification was written, regular meetings were held with Legal Services and Corporate Procurement Unit, and advert was drafted and the tender was about to begin.

6.2. A report was presented to Procurement Committee on 27 April 2010 entitled "Update to Procurement Committee regarding contracting Options for Adult Social Care" outlining the introduction of a Framework Agreement, to change the model of service delivery for Adult Services including (Older Persons) in light of the Transforming Social Care Agenda. This will have far reaching consequences as it is a departure from traditional block contracts and will deliver efficiency savings to the Directorate.

6.3. The opportunity is being taken to adopt a similar Framework Agreement for the 60+ service. This will also offer more choice and independence to service users for Supporting People floating support services and will consistent with other contracting initiatives in the Directorate.

6.4. There will be the added advantage of efficiency savings into the future as the Council commit to a new model of contracting through a framework agreement which will offer more choice and better target individual needs.

7. Summary

7.1 A floating support service for older people has been in operation in Haringey since 2002. The purpose of the service is to provide a range of housing related support to people in their homes.

7.2 Support includes, but is not limited to, activities such as claiming welfare benefits, advocacy with financial institutions/utility companies, maintaining a tenancy, home support, access to community groups and promoting health & well-being.

7.3 The service is not intended to provide intensive levels of support in the long-term but rather focuses on short-term interventions that enable people to increase their independence and quality of life.

7.4 In March 2009 a new contract was awarded to Metropolitan Housing Trust for the provision of the above service. The contract was awarded for a year to allow time for a competitive tender process to be undertaken.

7.5 During the tender preparation and consultation process, it became apparent that the current service structure would not be the most effective way forward.

7.6 The consultation indicated that a restructuring of the service into a framework structure would provide future efficiency savings and would allow for more choice for service users in line with the Government's Personalisation agenda.

7.7 The process of decommissioning the current service and establishing a new service type has taken longer than was previously envisaged.

7.8 The consultation process is now complete and a decision has been made to move forward with a framework that would include several organisations as vetted through a competitive tender.

7.9 This should in future create efficiency savings as under this proposal we would be paying only for the actual services provided.

7.10 However to move forward we will need to continue with the current service provision to allow time for a tender, we therefore ask for a one year extension to the current contract as allowed under CSO 13.02

7.11 Contract monitoring will be through the Supporting People team and existing Performance Indicator and Performance Outcome Frameworks, which comply with *Our Care, Our Health, Our Say* guidance and the appropriate Haringey Council LAA targets.

8 Chief Financial Officer Comments

8.1 This contract forms part of the overall Supporting People programme with an

overall budget of £18.666 million for 2010/11. The budget for 2010/11 was reduced, by central government, by approximately £1 million from 2009/10. It is therefore important that efficiency savings are found within the programme to ensure costs are reduced by £1 million. These efficiencies may be in the form of actual contract price reductions or improved value for money due to getting more from the contracts in place.

9 Head of Legal Services Comments

Head of Legal Services Comments

- 9.1 Adult, Culture and Community Services Directorate is seeking a one year extension to its Supporting People Contract – 60 Plus.
- 9.2 The services are categorised as Part B services under the Public Contracts Regulations 2006 so there is no requirement to follow a European tendering exercise.
- 9.3 The Procurement Committee has power to extend the contract under CSO 13.02.
- 9.4 The contract extension will be a key decision as it is valued at over £500,000, and as such needs to be in the Council's Forward Plan (see CSO 11.04). Adult, Culture and Community Services Directorate has confirmed that this has taken place.
- 9.5 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

10 Head of Procurement Comments –[Required for Procurement Committee]

- 10.1 The recommendation will allow time for a full tender exercise to be undertaken to underpin the new models of service delivery for personalisation.
- 10.2 The recommendation will release a saving of £100k
- 10.3 Governance and contract monitoring arrangements are in place to ensure that the service delivers the agreed quality outcomes.

11 Equalities & Community Cohesion Comments

- 11.1 An equalities impact assessment was conducted through the evaluation of workforce development, capacity, collaborative working and service users
- 11.2 All contracts require that providers to comply with all relevant legislation.

12 Consultation

- 12.1 In order to ascertain the best service model, a wide range of services users and stakeholders were consulted through face to face discussions; including tenants,

providers, and other Local Authorities

12.2 At a meeting on 25th March 2010 with the current Support Provider, details of how the new contract will be managed and service delivered, over the next 12 months were agreed in principle, including the reduction of a further £100,000. there was acceptance of the new model that is being proposed as a positive and practical solution to meet the demands of a changing market.

12.3 Supporting People was represented at various conferences, working groups and forums within the sectors thus linking the contract specification to relevant strategy. .

13 Service Financial Comments

13.1 2010/11 Budget

Supporting People Programme Grant Budget 2010/11 £18,665,770.

During the 2010/11 financial year a vast major of SP contracts will be re-tendered or renegotiated. The total value of all SP funded contracts will not exceed £18,665,770 Supporting People Grant funding for London Borough of Haringey.

The contract can continue to be met from the budget allocation for 2010/2011.

14 Use of appendices /Tables and photographs

14.1 Appendix A –Exempt Information

15 Local Government (Access to Information) Act 1985

15.1 The following background papers were consulted in the preparation of this report:

- Contract Documentation and Specification
- Tender and Tender Support Documents
- Evaluation assessment s and other relevant papers

This report contains exempt and non-exempt information. Exempt information is contained in Part B of this report and NOT FOR PUBLICATION. The exempt information is under the following category (identified in the amended schedule 12A of the local Government Act 1972) (3) Information relating to the financial or business affairs of a particular person (including the authority holding that information)

