



Haringey Council

Report for:	Cabinet - 12 February 2013	Item Number:	
Title:	Procurement Report: Adult Social Care Voluntary Sector Contracts		
Report Authorised by:	Mun Thong Phung, Director Adult and Housing Services Signed: <i>LISA REDFERN</i> Date: 01.02.13		
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Ward(s) affected: All	Report for: Key Decision		

1. Describe the issue under consideration

- 1.1 Adult and Community Services currently funds the voluntary sector to provide a range of information, advice and advocacy services, as well as more direct service provision, including older people, learning disabilities, mental health, physical disabilities, and drug and alcohol services. Adult and Community Services is proposing to review this sector in 2013/14 to ensure a coherent approach to the commissioning of services for people who use adult social care. This is to ensure fit for purpose service delivery in light of the economic climate, the introduction of the Welfare Reform Act 2012 and the changing nature of local authorities' relationship with its citizens.
- 1.2 It is proposed that during 2013/14 the Adult Social Care contracts are reviewed, depending on whether the contracts deliver advice, information and advocacy, or front line services. In respect of the former, it is proposed that a Council wide approach is adopted to streamline legal, information and advice and advocacy funding streams across the Council, to maximise efficiency and effectiveness.



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This will strategically reshape services funded across the Council, to address priority areas of need, and enable the Council to commission a new fit for purpose three year Legal, Information, Advice and Advocacy service(s) from April 2014. This is the subject of the following being considered also at Cabinet on 12th February 2012: Procurement Report: Haringey Legal, Advice and Infrastructure Services.

- 1.3 For current contracts that deliver ‘front-line’ services to individuals who use them, it is proposed that during 2013/14, these are reviewed and negotiations started with providers to begin cease current contracting arrangements and re-focus providers to targeting their service offer to people with personal budgets a range of services that maximises their choice and control in meeting their identified personal outcomes.
- 1.4 This report proposes the waiving of contract standing orders for the provision of certain contracts currently due to expire on 31st March 2013 managed by Adult and Community Services, and to agree the award of a further one year contract for the period 1st April 2013 to 31st March 2014 to existing providers on new terms.

2. Cabinet Member introduction

- 2.1 Access to high quality information, advice and advocacy services is very important for the residents of Haringey, particularly in view of the key policy changes at a national level and proposed further savings to be achieved at a local level, following further funding reductions planned by the Coalition Government.
- 2.2 In this context, there is a need to complete a strategic review of the needs of Haringey residents in terms of current service provision funded by adult social care across information, advice (including legal) and advocacy services; and voluntary sector providers who deliver front line services. This is to ensure residents can access what they need, when they need it. Value for money is also critical to the Council particularly from 2014/15 when further savings proposals will need to be implemented across the Council.
- 2.3 Of equal importance is the requirement on Adult Services departments to offer all people eligible for social care services to have access to a personal budget, and therefore a range of services should be available to people to select the right services for them, helping to meet their aspirations and outcomes.
- 2.4 Many services currently contracted to the voluntary sector on a ‘block contract’ basis, meaning services are made available to people giving them limited choice and control as to how their needs and outcomes will be met. A full review of current contracts across Adult Services is planned from now and across 2013/14.



- 2.5 In this context I support the recommendations set out in this report to award a one year contract to current service providers, to continue the provision of current services, and allow a strategic review of services to be undertaken.

3. Recommendations

It is recommended that Cabinet:

- 3.1 Approves the waiver of tendering requirements of Contract Standing Order 10.01.2(d) on the grounds that it is in the Council's overall interest; and
- 3.2 Approves the award of contracts, detailed in the exempt part of this report at Appendix 2, for a period of one year from 1st April 2013, with an option to extend for no more than six months.

4. Alternative options considered

- 4.1 The option of tendering all expiring contracts for 1st April 2013 was considered and discounted on the grounds that:
- (a) Internal consultation undertaken within Adult Services points to the need for a fuller review of all current services to determine the requirements of the department, and of people who use services, in the context of ensuring people who are eligible for personal budgets have services available to meet their requirements;
 - (b) In respect of information and advice services more broadly across the Council, a commissioning project group has been meeting since Autumn 2012 consisting of officers from Adult and Community Services, Children and Young People's Service, Housing Related Support and Corporate Procurement. This group recommends that a full strategic review of the sector is undertaken, across the Council, to ensure value for money is achieved across the Council;
 - (c) The proposed strategic review of legal, information and advice services proposed during 2013/14 as set out in this report, requires sufficient lead-in time to then inform any plans to undertake a procurement exercise; and
 - (d) Tendering for these contracts in the short term is unlikely to provide better value for money ahead of completion of a strategic review of both information, advice (including legal advice) and advocacy across the Council, and organisations that deliver 'front-line' services to people who use adult social care, taking all factors into account. We will however negotiate the one year contracts (and extensions if required) to ensure value for money.
- 4.2 The proposal for an interim one year contract has been discussed with the Corporate Procurement Team, and it was concluded that the proposed approach represents the best way forward for the Council.

5. Background information



- 5.1 This report specifically covers adult social care contracts with the voluntary sector for the provision of information, advice and advocacy services, and contracts for direct service delivery to vulnerable adults eligible for adult social care. The current value of these contracts in 2012/13 is £986k, and these contracts are due to expire on 31st March 2013.
- 5.2 This report should be read in conjunction with two other reports being considered by Cabinet on 12th February 2012, specifically:
- Cabinet Report: Haringey Legal Advice and Infrastructure ; and
 - Cabinet Report: Haringey Healthwatch.
- 5.3 A further report in respect of Independent NHS Complaints Advocacy (linked to the implementation of Haringey Healthwatch) is due to be considered at Cabinet on 19th March 2013.
- 5.4 The services proposed for a new one year contract (with option to extend for no more than six months) are set out in Appendix 1.
- 5.5 In respect of the services provided that are noted in 5.4 and set out in Appendix 1, it is proposed new contracts are awarded for a one year period, starting on 1st April 2013, to the 16 current providers of services.
- 5.6 It is proposed that during 2013/14 the Council's legal, information and advice and advocacy funding streams are amalgamated where possible to streamline commissioned service provision across the borough and address priority areas of need and commission value for money and fit for purpose three year Legal, Information and Advice, and Advocacy services from 1st April 2014.
- 5.7 It is proposed to include the contracts that deliver information advice and advocacy (value in 2012/13 of £380k) in the wider Council strategic review of such services set out in 5.7 above. For the remaining adult social care contracts that focus more on direct service delivery (value in 2012/13 of £607k), it is proposed to complete a review starting in February 2013 and through 2013/14 ascertaining the need for provision through contracts of this nature in future, developing instead where appropriate, services that are delivered directly to people with personal budgets.
- 5.8 It is noted that the Cabinet agreed on 18th December 2012, in principle, to savings proposals as part of the medium term financial plan that include proposals that will affect the voluntary sector. These savings are specific to the voluntary sector funding portfolio held by Adult and Housing Services, and will be delivered through the strategic reviews set out in this report. The savings proposals and date to be achieved are set out in the table below:

Adult and Community Services	Savings
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proposed savings within the Council's Medium Term Financial Plan – savings to be achieved:	proposal
By 1 st April 2013	£50k
By 1 st April 2014	£200k
By 1 st April 2015	£100k
Total	£350k

- 5.9 Officers recommend this approach to Cabinet, to ensure vital services for voluntary sector organisations and residents who use them are maintained during a period of policy changes at a national and local level, and for officers to undertake a strategic review to ensure the Council achieves good value for money, and satisfy itself that high quality outcomes are achieved for Haringey residents.
- 5.10 All services currently under contract are required to provide monitoring information, and contractual performance that is considered high risk in terms of risk of poor delivery against required outcomes and value for money, requires a monitoring meeting with providers. Providers of services are met with at least annually for contract monitoring, or more often as required. Where services are identified as underperforming, an action plan is implemented to address issues.
- 5.11 The current providers of services are considered to be delivering a high quality service. There are no current concerns about the performance of current providers of the service listed at Appendix 1.
- 5.12 The efficiency savings of £50k by 1st April 2013 has been identified through known contracting efficiencies. It is to be noted there is no assumed uplift with this proposal to Cabinet. Should Cabinet agree to the proposal, officers will meet with each provider to agree the terms of the new contract(s), and this may include agreeing further efficiency savings from providers. It is difficult to quantify any additional savings that may be achieved as negotiations are not yet complete.

6. Comments of the Chief Finance Officer and financial implications

- 6.1 This report requests Cabinet approval for new one year contracts from 1st April 2013 for the organisations set out in the body of this report, and the appendices.
- 6.2 The maximum value of the proposed new contract(s) would be £986,159 and this is currently available with the relevant department budget.
- 6.3 The waiver of contract standing orders and approval of the contracts without a procurement process means that there is less assurance that these contracts offer best value. However during 2013/14 the Voluntary Sector team intend to undertake a wider review that will provide better value for money in the longer term. Given that there are currently no concerns about the performance of the



current services and that in addition efficiencies will be sought in negotiating the new terms for the short term contracts, this approach is prudent and will provide good value for money. Should demand for these services fall, or not be demonstrated through contract monitoring, these one year contracts allow for termination following a three month notice period.

7. Head of Legal Services and legal implications

- 7.1 The adult social care contracts detailed in this report are not considered priority services under the Public Contracts Regulations 2006. Therefore, there is no requirement to follow a European tendering exercise.
- 7.2 The Adult and Housing Services Directorate (“the Directorate”) seeks a waiver of CSO 9.01 (requirement to tender) on the basis that this is in the Council’s overall interest.
- 7.3 Because of the value of the contracts referred to in this report, a waiver must be approved by Cabinet in accordance with CSO 10.01.1 (a) (contracts valued at over £100,000).
- 7.4 Should Cabinet agree the waiver, the Directorate seeks an award of contract for a period of one year to include an option for an extension of up to six months to the organisations listed in the exempt section of the report. Cabinet has power to approve the award under CSO 9.07.1 (d).
- 7.5 The award of the contracts will be a Key Decision and, as such, needs to be included in the Forward Plan. The Directorate has confirmed that this has taken place.
- 7.6 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

8. Equalities and Community Cohesion Comments

- 8.1 For the contracts referred to in this report, there are no major changes in services being proposed, therefore an Equalities Impact Assessment is not required at this time.
- 8.2 However, it is noted that officers propose to complete a strategic review of the services currently provided in this report, and as set out in another report being considered by Cabinet on 12th February 2013.
- 8.3 A full Equalities Impact Assessment and period of consultation will be required, to ensure that the outcome of the strategic reviews pays due regard to any assessed impact for people who use services.



9. Head of Procurement Comments

- 9.1 The recommendations are in line with the Procurement Code of Practice.
- 9.2 The contracts will continue to be monitored quarterly to ensure contract compliance, and to mitigate any risk of service failure.
- 9.3 The strategic review and alignment of the current service provision, will lead to a more effective and efficient service giving a better value for money outcome in 2014.
- 9.4 The extensions should be negotiated with the current providers to ensure that we receive a VFM service during the life of the contract extension.

10. Policy Implication

- 10.1 This report should be read in conjunction with Haringey Council's Voluntary Sector Strategy, 2011-2016; the Voluntary Sector Commissioning and Funding Framework; and
- 10.2 It should also be read in conjunction with the Adult and Community Services Business Plan.

11. Reasons for Decision

- 11.1 The proposed one year contract(s) and strategic review of the sector, planned from Spring 2013, is an approach that will help deliver high quality outcomes for Haringey residents and is line with the Voluntary Sector Strategy.
- 11.2 The proposed approach is considered to be in the overall interests of the Council.

12. Use of Appendices

- 12.1 Appendix 1 – Organisations affected and summary of services provided; and
- 12.2 Appendix 2 – Exempt information under schedule 12A.

13. Local Government (Access to Information) Act 1985

- 13.1 Exempt information under Schedule 12A of the Local Government Act 1972, namely – Information relating to the financial or business affairs of any particular person (including the authority holding that information).



Appendix 1 – Current Adult Social Care services contracted to the voluntary sector in 2012/13

Client Group	Provider	Brief Description
Carers		
Carers	Asian Carers Support Centre	Carers support
Carers	BME Carers Support Service	Carers Sitting Service
Carers	Carers Hub - BMECSS (MHCSA)	Carers support
Carers	Mental Health Support Association	Advocacy, advice and Support for Mental Health Carers
Older People	Age UK	Funding of the resource centre and advice/information
Older People	Age UK	Haringey Forum for Older People
Older People	Age UK	Handy Person Project
Older People	Age UK	Stroke Club
Older People	Alzheimer's Society Haringey	Support group and dementia cafe
Older People	Club Anand	Drop In Centre
Older People	I Can Care	Drop In Centre
Substance Misuse and Physical Disabilities		
Substance misuse	HAGA	Advice, support and interventions to people who misuse drug and alcohol.
Substance misuse	HAGA	Commissioned assessment service
Substance misuse	HAGA	commissioned day centre service
Substance misuse	HAGA	Weekend opening
Substance misuse	HAGA	Employment & training (drugs)
Substance misuse	HAGA	Employment & training (alcohol)
Physical Disabilities	Bikur Cholim D'Satmar	Floating support for the Charedi community
Mental Health		
Mental Health	Samaritans	24 hr 365 days support adults in distress
Mental Health	Catch 22 - Appropriate Adult Service	Trained volunteers to accompany vulnerable mental health users attending police station



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Client Group	Provider	Brief Description
Mental Health	MIND in Haringey	Advocacy Service - advice and information
Mental Health	Open Door	Counselling & Psychotherapy
Learning Disabilities		
Learning Disabilities	Catch 22 - Appropriate Adult Service	Trained volunteers to accompany vulnerable LD users attending police station.
Learning Disabilities	Markfield Project	Specialist day and evening services
Learning Disabilities	Mencap	Advocacy
Learning Disabilities	Mencap	Funding of general advice and information service for people with learning disabilities and their carers.