



## Adult Social Care and Children's Services – re-procurement of the self-directed support service

- 1.1. The contents of this paper can be shared with the general public.
- 1.2. Date of Health & Wellbeing Board meeting  
22<sup>nd</sup> November 2016
- 1.3. Author of the Paper and contact details:  
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## 2. Summary

- 2.1 Self-directed support, also called 'personalisation', is about people being in control of the support they need to live the life they choose. Brighton & Hove City Council has contracted for a Self-Directed Support Service for many years (original pilot scheme commenced in 1999) covering both adult and children's services. A critical part of the service is supporting people to plan and manage their own support using Direct Payments - funding from the council made to people with assessed needs to buy services or employ people to support them.
- 2.2 The current contract for Self-Directed Support is delivered by Possibility People (previously known as The Fed) and has been in place since 2013. This contract expires in March 2017. This report seeks approval to re-procure and award a Self-Directed Support Service, either in conjunction with East Sussex County Council (ESCC) as the Lead Authority or procured solely by Brighton & Hove City Council. It is expected to complete the process by June 2017.



### 3. Decisions, recommendations and any options

- 3.1 That the Health & Wellbeing Board approves the following recommendations:
- 3.1.1 That delegated authority be granted to the Executive Director of Health & Adult Social Care to enter into a competitive procurement process to secure the provision of Self-directed Support Services either jointly with East Sussex County Council or directly by Brighton & Hove City Council.
- 3.1.2 That delegated authority be granted to the Executive Director of Health & Adult Social Care to award and let contract(s) for those services to the tenderer(s) submitting the most economically advantageous tender as determined in the procurement process.
- 3.1.3 That delegated authority be granted to the Executive Director of Health & Adult Social Care to conclude negotiations with East Sussex County Council on the use of their contract.

### 4. Relevant information

- 4.1 There are currently over 560 Adults in receipt of Direct Payments and increasing this figure is a key target for Adult Social Care, necessitating more referrals from Assessment Teams. In addition 131 families receive Direct Payments to support their assessed children.
- 4.2 BHCC has a target in 2016/17 target of 30% of community based social care clients (adults) to be in receipt of Direct Payments. Figures at the end of September 2016 showed that our Direct Payments figure was 22.95% (based on 557 Direct Payments recipients). A further breakdown is provided below.

<b>Learning Disability Support</b>	<b>26.53%</b>
<b>Memory and Cognition Support</b>	<b>10.95%</b>
<b>Mental Health Support</b>	<b>13.92%</b>
<b>Physical Support Access &amp; mobility only</b>	<b>29.05%</b>
<b>Physical Support for Personal care</b>	<b>22.79%</b>
<b>Sensory Support</b>	<b>24.24%</b>
<b>Social Support</b>	<b>28.21%</b>
<b>Unknown</b>	<b>16.67%</b>



Although the target is not being reached this represents a year on year increase for BHCC of over 1.5% p.a.:

- 2015/16 21.41% (529 Direct Payments recipients)
- 2014/15 19.62% (504 Direct Payments recipients)

However, in 2014/15 the England average was 28.1% reflecting the fact that BHCC has ongoing work to try to reach this target.

4.3 Current actions in support of this target include:

- The council working with Possability People, our local user led organisation to improve information about Self Directed Support as well as streamlining internal and cross-organisation interface.
- The council has launched a pre-paid card option for those choosing direct payments. This avoids the need for customers to supply the council with invoices and therefore experience a lighter touch whilst improving their own governance of the process and building confidence. All transactions are available in a personal on-line account and the council is able to monitor expenditure with direct on-line access to the same information. 80 people are now using pre-paid cards and every new person choosing Direct Payments is given the opportunity.
- Training for front line staff specifically around direct payments is presently being designed and will be rolled out early 2017. This is as a result of the Care Act 2014 and feedback from other training associated with the Care Act.

4.4 Information provided at contract reviews, in the form of case studies and via surveys show that for the majority of people it is a good experience; clients have increased confidence where they take a greater role in their own care and by choosing to have Direct Payments they are empowered to make choices about who delivers it.

4.5 **Legislative context: The Care Act 2014 and Children and Families Act 2014**

4.5.1 The use of Direct Payments has been developed through various items of legislation (since 1996 for adults and 2000 for children) all of which is now consolidated into the Care Act 2014 for adults and

the Children and Families Act 2014 for children. Since 2001 it has been mandatory for councils to offer and promote Direct Payments to people who consented to, and are able to manage them, with or without assistance. Councils are obliged however not to force anyone against their will to use this method of support and care.

4.5.2 The Care Act focuses on 'Meeting needs' rather than 'providing services'. The purpose of the care and support planning process is to agree how a person's needs should be met, and therefore how local authorities will discharge their duty, or their power, to do so. One of the ways to meet needs would be by making a Direct Payment, which allows the person to purchase and design their own care and support.

4.5.3 The Care Act asks the council to strengthen its offer to both established customers and new ones. The council is expected to speak to existing clients at every opportunity to give them a real chance to try out this way of receiving and planning their support. Staff will be trained and supported to have a better knowledge and confidence to show to service users how this can be achieved.

4.5.4 In relation to the Children where a request for direct payments has been made the local authority must consider that request subject to statutory guidelines.

4.5.5 To support and sustain this mandated process BHCC has commissioned a self-directed support service to provide the following activities as listed in 4.4 below.

#### **4.6 Contracted activity**

4.6.1 The underpinning objective of the Service Specification is that the service provides:

- A complete and accessible range of local service to support people and their carers to access direct payments which will enhance the quality-of-life for people with care and support needs and ensure they have a positive experience of care and support.
- Accessible and up to date comprehensive information provided via a website, hard copy and information sessions to increase the proportion of people using direct payments locally with particular attention to groups with lower levels of take up.
- Availability of up-to-date advice and information on the type of support services available locally that can be purchased using a direct payment



- Creative and innovative ways to enable people to use their direct payment and their carers most effectively. Also to promote independence and the personalisation agenda locally. Direct payments to be used to minimise and delay the need for further support
- Informal peer support and pooling of direct payments which will be encouraged and facilitated;
- Opportunities to collaborate with other organisations maximised to provide the most effective way of delivering the service.

4.6.2 As of August 2016 there are 563 Adults receiving Direct Payments, of which 283 are supported to be employers. Based on the 563 people the council incurs an annual unit cost of £597 per person in terms of administration although this does not reflect the varying services and level of services that individuals receive. As regards Children the August 2016 figure is that 131 families have opted for Direct Payments to fund Personal Assistants (PAs) giving an administrative unit cost of £417 p.a. However, it is recognised that the Children's service and its clients also benefit from the Adult Social Care funding in the block contract.

#### 4.7 Proposed way forward

4.7.1 In 2014/15 Brighton & Hove Adult Social Care worked with East Sussex Adult Social Care to create a joint framework for respective Direct Payment employers to procure Employers' Liability Insurance. This process was successful and the annual cost of insurance was reduced from £90 to £48 per person, resulting in a saving of approximately £10,000 as people have gradually moved over to the new provider. East Sussex has already moved from a block contract to a variable cost and volume one leading to savings for ESCC.

4.7.2 Discussions have taken place with ESCC (whose SDS contract also expires in March 2017) with the underlying aim of pursuing joint procurement activity. The intention was that a joint specification for a service would deliver cost savings for both authorities. In addition, a joint approach would result in administrative savings with ESCC being the authority with the highest volume and expenditure to the contract leading on any joint procurement process. However, due to timing and governance challenges ESCC will need to commence their tender process before the Health & Wellbeing Board considers this report. ESCC has indicated that they will name BHCC on the Contract Notice and OJEU Notice so that BHCC can use ESCC's contract if it meets the Council's requirements.



## **4.8 Further considerations and risks**

- 4.8.1 The contract award will need to comply with the Light Touch Regime within the Public Contracts Regulations 2015.
- 4.8.2 East Sussex has indicated that they wish to appoint more than one provider (as with their current contract) in order to ensure real choice for people using the SDS service; this would be of interest to BHCC for the same reasoning. It is possible that having more than one provider will also mitigate the risk of challenge.
- 4.8.3 Due to the complexity of the requirements within the Self-Directed Support specification, the implications for the Children's Support Service and impact on timing, careful consideration needs to be given to the contract start date.

## **5. Important considerations and implications**

### **5.1 Legal**

- 5.1.1 The procurement of these services must comply with UK and European Union legislation and with the Council's Contract Standing Orders. The services fall within Schedule 3 Public Contracts Regulations 2015 and a notice is required to be published in the Official Journal of the European Union value should the value of the contract over its term exceed the threshold value of £ 589,148.00. Currently the value of the contract is expected to be approximately £ 370,000 p.a. over a minimum 3 year contract period. The value would thus exceed the threshold at over £1.1 million.
- 5.1.2 The contract may be procured through a joint procurement exercise by B&HCC and ESCC with separate Lots identified and separate contracts entered into by each authority. Alternatively East Sussex could as lead authority establish a framework agreement under which B&HCC may call off provided that the Regulations applicable to Framework Agreements have been complied with.
- 5.1.3 In either case the evaluation of the tenders submitted by prospective bidders should be such as to identify the bidder(s) submitting the most economically advantageous tender i.e. the

optimum balance of price and quality over the lifetime of the contract from the Council's perspective.

Lawyer consulted: Judith Fisher

Date: 19/10/2016

## 5.2 Finance

5.2.1 The current Self-Directed Support (SDS) contract is a block contract with an annual value of £153,062 comprising £140,454 from Adult Social Care and £12,608 from Children's Services in 2016/17. The current contract was issued through a prospectus in 2013 for two years but has been waived until 31st March 2017 following the expiry of the initial contract term.

5.2.2 However, In addition to the block contract with the current provider, Adult Social Care & Children's Services make 'spot' purchasing arrangements with the provider for other administrative charges. This is funded from the Adult Social Care Community Care budget and also from the Children's Services budget.

5.2.3 This gives a total annual expenditure of **£390,562** as follows:

	Adults	Children
Block Contract:	£140,454	£12,608
Monthly invoiced activity (annualised):	£182,000	£42,000
Insurance for PAs:	£13,500	
<b>TOTAL</b>	<b>£335,954</b>	<b>54,608</b>
Unit cost	£597 per person p.a.	£417 per person p.a.

5.2.4 It is believed that a better value contract could be obtained for the self-directed support activity by changing the contract type from a block to a cost and volume type with the provision for some development activity. Service development work is seen as a key aspect in this area as being responsive to legislative or other changes is critical. Each support element would have a cost attached to it for each person being supported by the provider. Any new items requiring support would need to be negotiated with providers.

5.2.5 A budget saving of £19,000 has been requested in 2017/18, the impact of which has been considered in a Budget Equalities Impact



Assessment. Planned procurement would be based on an annual expenditure of no more than £372,000.

Finance Officer consulted: Sophie Warburton Date: 20/10/2016

5.3 Equalities

A budget Equalities Impact Assessment has been completed.

5.4 Sustainability

The recommendations are intended to be fair prices which support the care market to be sustainable.

5.5 Health, social care, children's services and public health

5.5.1 Children's Services are party to the process. Other partners have yet to be consulted. The recommendations are hoped to have a positive impact on the families currently receiving this service in Children's Services with a potential choice of providers available to them, a more efficient provision and a more up to date commissioning approach as well as provide better value for money for BHCC overall.

6. **Supporting documents and information**

None