

**CABINET MEETING –14 APRIL 2010**

**EXECUTIVE SUMMARY SHEET – PART I**

**Title of Report:**

PROCUREMENT OF THE PROVISION OF SOCIAL CARE FOR ADULTS WITH A LEARNING DISABILITY

**Author(s):**

Executive Director of Health, Housing and Adult Services

**Purpose of Report:**

The purpose of the report is to set out the arrangements for the procurement of the provision of social care for adults with a learning disability living in nine residential homes in the City and to seek Cabinet approval to undertake a restricted tender process.

**Description of Decision:**

To approve arrangements for the procurement of the provision of social care for adults with a learning disability in nine homes within the City of Sunderland and to undertake a restricted tender process.

**Is the decision consistent with the Budget/Policy Framework? \*Yes/No**

**If not, Council approval is required to change the Budget/Policy Framework**

**Suggested reason(s) for Decision:**

By undertaking this procurement exercise the Council can commission the appropriate services necessary to meet individual's needs and secure contracts with suitable social care providers at a price that reflects best value.

The specification for service providers will include deregistration as care homes to assured tenancies with care provided on a domiciliary (24 hour) basis. This will give more choice and control to residents and more personal income from housing benefits.

**Alternative options to be considered and recommended to be rejected:**

Do nothing and continue with the present arrangements is not viable in light of the issue of contestability, alongside the uncertainty as to whether these services will be part of Northumberland Tyne and Wear NHS Trusts future core business.

To move to alternative accommodation would be potentially inappropriate to residents' needs and could be disruptive to lives.

For the Council to manage and provide the social care services – this option is not recommended as the Council does not intend to increase its portfolio.

**Is this a "Key Decision" as defined in the Constitution?** Yes

**Is it included in the Forward Plan?** Yes

**Relevant Scrutiny Committee:**

Health and Well-being Review Committee



**REPORT BY THE EXECUTIVE DIRECTOR OF HEALTH, HOUSING AND ADULT SERVICES**

**PROCUREMENT OF THE PROVISION OF SOCIAL CARE FOR ADULTS WITH A LEARNING DISABILITY**

**1. PURPOSE OF THE REPORT**

- 1.1 The purpose of the report is to set out the arrangements for the procurement of the provision of social care for adults with a learning disability living in nine residential homes in the City and to seek Cabinet approval to undertake a restricted tender process.

**2. DESCRIPTION OF DECISION**

- 2.1 To approve arrangements for the procurement of the provision of social care for adults with a learning disability in nine homes within the City of Sunderland and to undertake a restricted tender process.

**3. BACKGROUND**

- 3.1 In response to guidance from the Valuing People Team that the NHS should not be providing purely social care and, if they choose to do so they must do this under the income generation guidance (which requires a profit to be made and reinvested in Health services) , Northumberland, Tyne and Wear NHS Trust decided that the Trust's strategic direction (in relation to these services) should focus upon provision of care to people with more complex needs (including those with autism and challenging behaviour) rather than those whose needs are mainly social care. Therefore, it was necessary to commission a new social care provider to ensure the needs of individuals continued to be met. This also presented an opportunity to look at maximising opportunities for residents to have more choice and control through individual tenancy arrangements.
- 3.2 Phase 1 of the transfer of social care provision took place across seven of the Trusts sixteen homes in 2009, leaving the Trust with responsibility for managing five of the remaining homes and the provision of social care within four homes owned by Registered Social Landlords (refer to 4.1 and 4.2 below).

**4. CURRENT POSITION**

- 4.1 Northumberland, Tyne and Wear NHS Trust currently owns and provides social care within five homes throughout the city, these are:
- Midmoor Road, Pallion – 6 residents
  - Tavistock Square, Silksworth – 6 residents
  - Wensleydale, Houghton – 6 residents

- Braeside, Houghton – 6 residents
- Leatham, Grangetown – 6 residents

4.2 The Trust also provides social care within a further four homes that are owned by Registered Social Landlords, these are:

- Serlby, Washington owned by Three Rivers – 8 residents
- Woodland View, Ryhope owned by Three Rivers – 6 residents
- Hylton Bank, South Hylton owned by Cheviot Housing – 9 residents
- Hood Close, Southwick owned by Gentoo – 2 residents

4.3 The proposals outlined in this report will enable the Council to commission the appropriate services necessary to meet individuals' needs and secure contracts with suitable social care providers at a price that reflects best value.

4.4 If Northumberland, Tyne and Wear Trust conclude that they wish to continue providing some or all of these services they will submit a tender to be considered alongside other potential providers.

## **5. PROPOSED ARRANGEMENTS**

5.1 The Council is leading the procurement process for the provision of social care within the homes outlined in Paragraph 4.

5.2 For this procurement exercise it is being proposed to undertake a restricted procedure which is expected to stimulate interest in this contract and return healthy competition for the service.

5.3 The nine homes will be divided into three lots – physical disabilities; autism and challenging behaviour, and through a restricted tender process, Providers will be invited to tender for the three lots, which can be either as individual lots or collectively.

5.4 Depending upon the expressions of interest received from potential providers it may be that one or more providers will be successful in the tender process. Quality and price are both determinants as to who the successful bidder(s) will be.

5.5 The Council will seek expressions of interest in May 2010 and potential providers will be selected for interview in October 2010 with a view to the contracts with the social care providers being in place from December 2010.

5.6 Work will commence to compile profiles of each of the residents in the homes, including finance, staffing arrangements etc. TUPE arrangements will apply and this will ensure a degree of continuity of staff and most importantly continuity of care for residents.

5.7 The needs of the residents in the homes are paramount and everyone will be assessed to ensure that any future service provider is able to

meet each individual's needs. The residents, their carers and families will be engaged in the process and communicated with and consulted throughout.

5.8 Currently the homes are registered with the Care Quality Commission as residential homes, however the registration status will be reconsidered to look at moving towards supported tenancies for individuals in order to maximise opportunities for residents to have more choice and control. Bidders will be asked to identify any cost implications in relation to changes of registration to tenancies.

5.9 The contract term will be for 3 years with an option to extend for a further 2 years. The total current contract price is approximately £4.6 million.

## **6. REASONS FOR THE DECISION**

6.1 Northumberland, Tyne and Wear NHS Trust are continually reviewing their service provision to ensure their focus is on the provision of care to people with more complex needs (including those with autism and challenging behaviour) rather than those whose needs are mainly social care. This, alongside the fact that the current provider's costs have risen more sharply than other social care providers has led to commissioners contesting the current provision in line with better commissioning.

6.2 By undertaking this procurement exercise the Council can commission the appropriate services necessary to meet individual's needs and secure contracts with suitable social care providers at a price that reflects best value.

6.3 The specification for service providers will include deregistration as care homes to assured tenancies with care provided on a domiciliary (24 hour) basis. This will give more choice and control to residents and more personal income from housing benefits.

## **7. CONSULTATION**

7.1 Consultation with residents and their families will commence and continue throughout the process through individuals' assessments and review process to ensure a seamless transition to the new care provider.

7.2 All staff affected will be consulted in line with relevant HR procedures and will support residents through the period of change.

7.3 Discussions will take place with the home owners, with the Care Quality Commission and with the relevant Local Authorities where individuals are resident from out of city.

7.4 The Chief Solicitor and Corporate Procurement have and will continue to be consulted.

## **8. ALTERNATIVE OPTIONS**

8.1 Alternative options have been considered and discounted as follows:

8.1.1 Do nothing and continue with the present arrangements is not viable in light of the issue of contestability, alongside the uncertainty as to whether these services will be part of Northumberland Tyne and Wear NHS Trusts future core business.

8.1.2 To move to alternative accommodation would be potentially inappropriate to residents' needs and could be disruptive to lives.

8.1.3 For the Council to manage and provide the social care services – this option is not recommended as the Council does not intend to increase its portfolio.

## **9 BACKGROUND PAPERS**

Valuing People, Department of Health, 2001  
Cabinet Report, Procurement of Social Care for Adults with a Learning Disability, April 2008