

CABINET MEETING – 4 December 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Provision of social care to adults with a learning disability – consolidation of existing contracts

Author(s):

Executive Director People Services

Purpose of Report:

The purpose of the report is to seek approval to consolidate the existing contracts between the Council and Care and Support Sunderland Ltd (CSSL).

Description of Decision:

To approve the decision to vary one of the existing contracts between the Council and Care and Support Sunderland Ltd (CSSL) in order to incorporate all of the other existing contracts between the Council and CSSL.

Is the decision consistent with the Budget/Policy Framework? Yes

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

Suggested reason(s) for Decision:

By varying, consolidating and simplifying the current contracts that are in place between the Council and CSSL into one single contract, this will enable the Council to continue to maintain and improve its contractual relationship with CSSL as a Local Authority Controlled Company through a single and consistent contract management framework with one service specification, payment mechanism and contract period.

Alternative options to be considered and recommended to be rejected:

The following option has been considered and rejected:

Not to consolidate the existing contracts in place between the Council and Care and Support Sunderland Ltd and to continue to operate on the current basis. However this would not improve and provide consistency to the contractual relationship between the Council and CSSL which is currently based on multiple contracts.

Impacts analysed:

Equality Privacy Sustainability Crime and Disorder

Is this a “Key Decision” as defined in the Constitution? Yes

Is it included in the 28 Notice of Decisions? Yes

Scrutiny Committee

REPORT OF EXECUTIVE DIRECTOR, PEOPLE SERVICES

**PROVISION OF SOCIAL CARE TO ADULTS WITH A LEARNING DISABILITY –
VARIATION TO CONTRACT**

1. Purpose of the Report

- 1.1 The purpose of the report is to seek approval to consolidate the existing contracts in place between the Council and Care and Support Sunderland Ltd (CSSL).

2. Description of Decision (Recommendations)

- 2.1 To approve the decision to vary one of the existing contracts between the Council and Care and Support Sunderland Ltd (CSSL) to incorporate all of the other existing contracts between the Council and CSSL.

3. Introduction/Background

- 3.1 Care and Support Sunderland Ltd (CSSL) was formed in October 2011 with the purpose of managing 16 Learning Disability small group residential and supported living schemes following the previous provider, Choices Care going into administration. The Council formed CSSL as a 100% Local Authority Controlled Company (LACC), which was the preferred option as opposed to bringing the service back into the Council or going through a procurement process to identify a new independent provider.
- 3.2 Since its inception, the Company has continued to grow and develop. Feedback from carers, social workers and the Care Quality Commission continues to be positive about the quality of the service delivery and this influenced the subsequent decision in February 2013 for five additional in-house services to be transferred over to the Company.

4. Current Position

- 4.1 The Council had/has the following contracts in place with CSSL for the provision of social care to adults with a learning disability living within residential and supported living accommodation:

Contract 1 – 2009-2013: provision of social care to adults with a learning disability in a care home (7 properties).

Contract 2 – 2011-2014: provision of social care to adults with a learning disability (9 properties).

Contract 3 – 2013 onwards: provision of social care to adults with a learning disability living in Shekinah (1 property).

Contract 4 – 2013 – 2016 (with a possible extension for up to 2 years) – provision of social care to adults with a learning disability (5 homes).

- 4.2 In addition to the above contracts/properties, CSSL is also the care provider into an additional property, Kerry Square, which was commissioned at an operational level and which although not expressly covered by the aforementioned contracts however both the Council and CSSL work under the scope of Contract 2.
- 4.3 It is proposed that Contract 4 is varied to consolidate all of the contracts/properties referred to above into one single contract. This means that there will be one contract in place between the Council and CSSL for the provision of social care to adults with learning disabilities living within all of the properties referred to above. For the Council and CSSL this will ensure that service provision is consistent across all of the properties and the expectations and responsibilities of both the Council and CSSL are clear. For the Council, this will ensure that contract management arrangements, which include reviewing the service quality and financial monitoring, will be more robust enabling the Council to have a full and detailed picture of how the company is delivering against one contract.
- 4.4 The contract term will be for 3 years (commencing with effect from 1st April 2013) with a possible extension for up to 2 years. The overall budget for the CSSL contract for all services will be £7,574,222 and there will be no additional cost to the Council by varying and consolidating the contracts.
- 4.5 As CSSL is 100% owned and controlled by the Council and it carries out the essential part of its activities for the Council, the Council are able to vary the contracts with CSSL as set out in this report, without the need to carry out a procurement process, relying on the Teckal exemption. However, should CSSL cease to be 100% owned or controlled or cease to carry out the essential part of its activities for the Council at a future date, the Council would need to consider at that time the impact of this change on its reliance on the Teckal exemption for the remainder of the contract term.

5. Reasons for the Decision

- 5.1 Having one contract will ensure that service provision is consistent across all of the properties and the expectations and responsibilities of both the Council and CSSL are clear. For the Council, this will ensure that contract management arrangements, which include reviewing the service quality and financial monitoring, will be more robust enabling the Council to have a full and detailed picture of how the company is delivering against one contract.

6. Alternative Options

- 6.1 The following option has been considered and rejected:

Not to consolidate the existing contracts in place between the Council and Care and Support Sunderland Ltd and to continue to operate on the current basis. However this would not improve and provide consistency to the contractual relationship between the Council and CSSL which is currently based on multiple contracts.

7. Impact Analysis

- 7.1 The Council have previously consulted with carers, the Carers Management Board and the managers of the five homes in respect of the transfer and communication with all relevant stakeholders is ongoing.
- 7.2 Internally, the Council's proposal to transfer the services into CSSL was championed by the Executive Director People Services and the Executive Director Commercial and Corporate Services.

8. Other Relevant Considerations / Consultations

Legal Implications – Legal Services have been and will continue to be involved and consulted throughout the process of making the required changes to the current contracts in place with CSSL.

9. Glossary

CSSL – Care and Support Sunderland Limited: the current contracted care and support provider

Local Authority Controlled Company – a company which is under the control of the Local Authority

10. List of Appendices

None

11. Background Papers

Cabinet Report 13th February 2013 – *Transfer of care and support in five care establishments for adults with learning disabilities and complex needed to Care and Support Sunderland Limited (CSSL), a Local Authority owned company.*

