

## Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cllr Alison Born, Cabinet Member for Adult Services	
MEETING/ DECISION DATE:	On or after 24 June 2023	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3460
TITLE:	Hygge Park and Sulis Down Support Provider Procurement	
WARD:	All	
<b>AN OPEN PUBLIC ITEM</b>		
<b>List of attachments to this report:</b> None		

### 1 THE ISSUE

- 1.1 This report sets out the request for approval of the proposed commissioning of one specialist provider of core support across two new supported living schemes for individuals with a learning disability and/or autism and Care Act 2014 eligible support needs.

### 2 RECOMMENDATION

The Cabinet Member is asked to;

- 2.1 Approve the proposed commissioning of specialist care and support across two supported living schemes for adults with a learning disability and/or autism aged 18-64.
- 2.2 Delegate any annual decision-making regarding funding arrangements for this commission to the Director of Adult Social Care.

### 3 THE REPORT

- 3.1 Reason for the proposal:

Within Bath and North East Somerset (B&NES) there has been no newly developed supported living accommodation for working age adults with eligible

Care Act needs for seven years. Currently we have an over-reliance on registered care homes and nursing care for these residents, and we are an outlier across the South West in terms of care home placements for this group of residents. Many individuals are in provision out of area due to the capacity issues we are facing in B&NES.

We have significant demand for this type of provision. Data from Projected Adult Need and Service Information (PANSI) shows the total number of working-age adults likely to require long-term care and support funded by Adult Social Care and Health in B&NES by 2030 will increase by 6.7% compared to 2023. For those specifically with a primary support need of Learning Disability or Autism, this rises to 8.7%.

Currently, we have 263 individuals of this client group in an accommodation-based supported living setting (in and out of area), with 106 individuals identified by HCRG Care Group as needing to move into one. 19 of these are young people in high-cost residential college placements. Clearly, with projected increases in demand as per PANSI's data, it needs to be a strategic priority to support increases to accommodation-based supported living within B&NES.

The two schemes outlined below will provide 10 additional homes for individuals within B&NES who require this type of provision.

The two schemes are:

- Hygge Park, Keynsham

Landlord: Curo Group

Due for completion in early Nov 2023, this development will provide 6 x 1 bed flats. Three on the ground floor will be wheelchair accessible. Five of these flats will provide own front door homes, and the 6th flat (one on the ground floor) will be used as a communal space for tenants to socialise. A room in this flat will provide a staff space and sleep-in space for the core provider.

- Sulis Down, Bath

Landlord: Bromford Group

Due for completion in Jan 2024, this development will also provide 6 x 1 bed flats. As above, the three on the ground floor will be wheelchair accessible, and five of these flats will provide own front door homes with the 6th offering communal space for tenants to socialise. A room in this flat will provide a staff space and sleep-in space for the core provider.

We will have a nominations agreement with both landlords for tenant referrals and void liability.

The tenants will need to apply for and be in receipt of housing benefit to cover the weekly rent and all tenants will be responsible for their own utility bills via their benefits and for furnishing their homes. This provides residents with security of a quality local home, supports the reduction of younger adults being placed in more restrictive care home settings, and encourages building

independent living skills for these individuals and the opportunity to be part of local communities.

The awarded core provider will have a partnership agreement with each landlord that outlines roles and responsibilities related to the building for each scheme.

Currently within Specialist Commissioning, Learning Disabilities and Autism services are commissioned via spot contracts. We have no commissioning frameworks and as such have limited influence or ability to shape and work proactively with our local care market. We want to change our approach starting with these supported living schemes. The commissioning of a single care and support provider for these services demonstrates a clear steer to our supplier bases and supports our strategic direction for future commissioning arrangements within B&NES.

Letting one tender offers efficiency in terms of managing the tender process and undertaking the evaluation and enables people with lived experience to input into the process for both schemes more meaningfully. It also ensures we would have one provider to contract manage going forwards for both schemes and offers the market a viable contract and an opportunity to grow their business and position into or within B&NES.

### 3.2 Benefits

The benefits of the proposed approach for people are:

- Homes with own front doors and the associated scope for learning greater independent living skills
- Homes built to a high quality in the local area
- Improved outcomes and experience for people
- Involvement of people with lived experience to co-design their services.

The benefits of the proposed approach for our providers are:

- This tender will set a clear foundation and marker for our supply market on our future commissioning intentions for working age adults, and our approach to market development and shaping
- This opportunity is likely be very attractive as a bidding opportunity across both schemes and would offer good foundation to in-reach into B&NES for potential new providers.

The benefits of the proposed approach for the Council and ICB are:

- This aligns with our strategic direction to move away from spot purchased care and develop more robust commissioning arrangements and a sustainable market of care within B&NES.
- Efficiency gains by undertaking one procurement exercise
- Supports potential to grow the provider market by encouraging new providers to the area with an attractive contract value

- Good supplier relationship management – we want to ensure proactive market engagement and management to ensure quality of care and support for people in B&NES

### Cost Saving Calculations

We have worked with social work colleagues in the HCRG Care Group to identify a number of potential candidates for these schemes. These will of course need to follow an agreed referral process to ensure a fair and equitable approach to offering places according to need, compatibility and priority in terms of risk or safeguarding concerns. However, initial analysis indicates that the schemes will support prospective tenants to:

- Move out of higher cost residential placements, delivering cost savings and supporting the individual to develop stronger independent living skills
- Move out of family homes, preventing breakdown of care packages and crises points for aging carers and therefore cost avoidance in terms of avoiding requirement for higher cost residential placements (likely out of area)

Comparison of current package costs with indicative package costs at one of these schemes using a representative sample of packages from the potential candidates (covering a mixed level of need) shows potential cost savings of approximately £2,700 per week (£140,500 per annum). This equates to a potential saving of £983,586.24 over the full 7-year contract term. The calculations are detailed below, and include additional 1:1 hours above the proposed core contract as is currently purchased for each person's care and support.

	<b>Current package cost</b>	<b>Indicative package cost</b>
Annual	£1,140,237.80	£999,725.48
7-year Contract Term	£7,981,664.60	£6,998,078.36

<b>Potential saving over contract term</b>	<b>£983,586.24</b>
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This is based on the individuals' levels of need remaining the same over this period, however, in a supported living setting residents will be encouraged to practise and improve their independent living skills in a way that isn't as well facilitated in other settings, meaning that it is likely that the levels of need may decrease (or would have increased in other settings), and therefore there will be a level of cost avoidance that cannot be shown in this calculation.

Secondly, in the absence of undertaking a full Care Act Assessment on the potential residents, the current level of 1:1 support hours has been included in the cost. This is likely to be over-estimating the number of additional 1:1 support hours they would require in the new setting, so is likely to be under-estimating the potential savings.

This also does not reflect the potential savings from avoiding care package breakdown, which could cost anywhere between £2,500 - £4000 per week

depending on the individuals' needs. With these supported living schemes having a basic weekly care cost of £1,368.93 per person for shared 24/7 support, the cost avoidance here would be significant.

### 3.3 Proposed procurement

Commissioners recommend undertaking a competitive tender to appoint one provider across both schemes. The contract will have core shared hours, with a 20% flexibility for changes in need.

The contractual expectation is the core support provider will meet any additional 1:1 support hours as informed by a resident's Care Act Assessment and Care Plan. This will encourage provider continuity and offer the core provider a sustainable commissioned service and economies of scale.

The awarded provider will be enabled to support people to transition into these homes gradually during contract mobilisation and ensure a person-centred approach to their transition, and only deliver the full core shared hours once all tenants have moved into each supported living scheme. The provider will be reimbursed in line with actual delivery of support hours before the full contract start.

The core support model in each scheme will be as follows:

<b>Number of staff</b>	<b>Hours available</b>
2	7am – 10pm
+1	7am – 11am
+1	4pm – 10pm
1	10pm – 7am (sleeping night)

The procurement process will be an Open Tender process in accordance with the Public Contracts Regulations 2015. Note that the services are considered to be covered by the Light Touch Regime.

### 3.4 Estimated contract value

The contract value will cover the above core support hours in each scheme based on the agreed ceiling rates for community-based support for working age adults 2023/24. Bids cannot be made beyond this rate, but providers may bid below. Based on these ceiling rates, the above core support model would cost £356k per annum per scheme.

Our recommendation is to set a contract term of 4 years with an option to extend by 3 years. This gives the provider an attractive contract value to bid for, whilst ensuring flexibility for the Council and an ability to align with future commissioning arrangements in the Specialist Team should this be required.

The contract value for both schemes over the full potential recommended term of 7 years is £4.99m.

## 4 STATUTORY CONSIDERATIONS

### 4.1 Legal considerations

Compliance with the following statutes and related guidance is mandatory:

- Care Act 2014
- The Care and Support statutory guidance
- The Care and Support and Aftercare (Choice of Accommodation) Regulations 2014
- The Care and Support (Preventing Needs for Care and Support) Regulations 2014
- Building the Right Support Principles (CQC,2015)

Consultation must be carried out adequately and we must be able to show we have fulfilled our Public Sector Equality Duty. In the absence of this there is a risk of challenge and/or Judicial Review.

The procurement of services must be acceptable and suitable to meet the identified needs. Failure to ensure suitable provision may lead to complaints by people, risk of harm and possible legal challenge.

The contracts entered into must be robust, have clear enforcement and breach clauses including provision for mediation and appeal, provide the correct care and support and we must be satisfied the provider can and will meet our standards or care and support. Failure to ensure suitable contracting arrangements will lead to a failure of the project and an inability to provide the services required. All contracts should be overseen by Legal and signed off before they are executed.

### 4.2 Statutory responsibilities

We have statutory responsibilities under the Care Act 2014 and related Statutory Guidance which includes the promotion of individual wellbeing and the promotion of diversity and quality in the provision of services.

### 4.3 Link to strategic objectives and organisational priorities

The recommended procurement directly supports the Adult Social Care Strategic Priorities for 2023/24 to improve workforce and market sustainability by providing a reasonable contract value and term, enabling growth and potentially new providers into B&NES.

It also supports the wider determinants of health in line with Strategic Objective 1 in the Bath & North East Somerset, Swindon and Wiltshire Integrated Care Board (BSW ICB) Integrated Care Strategy by providing good quality housing and helping residents to develop independent living skills.

## 5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 Financial implications – the proposed procurement is about commissioning strategically using revenue funding which we already spend on packages from the following budget codes: KJK08 (Learning Disability Pooled Budget); KJB35 (Learning Disability Budget); KHB40 (Autism Spectrum Disorder Budget).

A greater number of existing clients, above the 10 this service will provide, have been identified and have expressed a wish to move. A sample of the costs of which are illustrated above, and which would cover the cost of any new service.

The estimated total expenditure will be met from existing spend within the approved purchasing budgets and should provide an overall reduction in existing spend. This is because the identified existing packages will be provided at a lower cost, providing better value for money and delivering both cash savings and cost avoidance.

The illustrative figures assume full service delivery from the start, but we would only pay as people entered the service so the first year's cost and potential savings are likely to be tapered.

As B&NES will have the nomination rights for referrals, we can use the provision in full for our own residents and commission away from spot purchasing placements elsewhere.

- 5.2 People implications – there are no People implications

- 5.3 Property implications – there are no Property implications

## 6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

The risks and mitigating actions are detailed below:

<b>Risk</b>	<b>Mitigation</b>
There may not be enough capacity in the local provider market to supply the required support. This would mean the contract is unviable and the Council would have liability for void rental payments where individuals were unable to safely move in.	Contract value is significant and attractive as a bidding opportunity, and provides sufficient incentive for a national provider to move into B&NES. Commissioners will approach national providers without presence in B&NES to encourage them to consider bidding.
Accommodation will be ready for tenants in advance of contract start date meaning we will be liable for void rental payments.	This is an issue for the Hygge Park development, where we will be liable to pay void costs estimated to be around £8k for the period Nov-Jan. Our plan expects no void costs will be payable for Sulis Down. However, commissioners will work with the

	procured provider to reduce the mobilisation period where possible, and support them to work with individuals during this phase to reduce the impact of this delay.
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This project also relates to and contributes towards mitigation for the following risk on the Council’s Adult Social Care Risk Register:

**R29** Risk that we do not transform Adult Social Care Services to deliver an effective service, manage the market demands and demographic changes on the cost of adult social care within available resources.

## 7 EQUALITIES

7.1 An Equalities Impact Assessment has been undertaken and is available on request. It highlighted some recording challenges for some protected characteristics (e.g. gender reassignment, pregnancy and maternity, sexuality, religion, armed forces amongst others) which we will investigate ways to improve.

It also identified that the cohort in question for this project is predominantly male, with an average age of 42 (across both genders). The cohort is comparatively young when assessed alongside the wider ASC data, with most individuals in their 20s, 30s and 40s. Most individuals we support with Learning Disabilities are recorded as White British, in line with census population data for B&NES.

This project will impact positively on people with learning disabilities (a protected characteristic) given the aim of the project is to commission a core support service for two new supported living schemes designed to meet the needs of this cohort.

## 8 CLIMATE CHANGE

8.1 Procuring a support provider for both schemes at once means that the provider can use one scheme as an office base if needed and provides a short travel distance between sites. Staff will be based at a scheme so the carbon footprint will be reduced.

The nature of the scheme itself is accommodation based and therefore there is little travel requirement and staff will work from each scheme as their designated base. Housing 5 individuals with eligible support needs together (in 5 flats) at each site means the support provision can easily and efficiently be shared.

As new-build homes they are extremely energy-efficient.

These all contribute to a reduction in the Council’s scope 3 emissions.

We will also include a tender question to cover how their offer will contribute to the Council’s net-zero target.



## **9 OTHER OPTIONS CONSIDERED**

### **9.1 Do nothing**

We have rejected this option as to do nothing would mean reputational risk for the Council of having access to homes for people without enabling the right support for people to safely live in them. It would do nothing to address the demand for supported living in the B&NES area and would not support an improvement in our relationship with the provider market or its sustainability. It also would continue to impact on unmet need of residents who have Care Act eligible needs and place the council in a position whereby we do not have sufficient provision locally for these residents.

### **9.2 Procure core support providers separately for each scheme**

We considered running two separate tenders, but this was discounted on account of:

- These schemes are due for completion in similar timeframes
- Increased resource requirement for commissioners and procurement to run two overlapping tender processes
- Would not allow time for co-production with people with lived experience
- Letting two care and support contracts for two schemes also may impact the market capacity and resources to respond and result in two smaller value contracts which may not be as viable for the provider market
- Shorter lead in period for social care colleagues to complete all Care Act requirements such as a LPOA/court deputyship if individuals lack capacity to sign a tenancy agreement.

Undertaking one tender offers efficiency in terms of managing the tender process and undertaking the evaluation and enables people with lived experience to input into the process for both schemes more meaningfully. It also ensures we would have one provider to contract manage going forwards for both schemes, offers the market a viable contract, and an opportunity for providers to grow their business and position into or within B&NES.

## **10 CONSULTATION**

### **10.1 The following parties have been consulted in preparing this report:**

- Councillor Alison Born, Cabinet Member for Adult Services
- Councillor Kevin Guy, Leader of the Council
- Council's Procurement Steering Group
- Council's Strategic Leadership Team
- Senior Managers:

- Vicki Allan, Senior Commissioning Manager, Specialist Commissioning, B&NES Council & BSW ICB
- Natalia Lachkou, Assistant Director – Integrated Commissioning, B&NES Council & BSW ICB
- Suzanne Westhead, Director of Adult Social Care, B&NES Council
- Cheryl Hansford, Procurement and Commissioning Manager, B&NES Council
- Annemarie Strong, Solicitor, B&NES Council
- Liz Beazer, Senior Finance Manager, B&NES Council
- Andy Rothery, Section 151 Officer
- Michael Hewitt, Monitoring Officer
- Colleagues in HCRG Care Group

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<b>Background papers</b>	None
<b>Please contact the report author if you need to access this report in an alternative format</b>	