

Birmingham City Council

Report to Cabinet Members for Health and Social Care and for Finance and Resources jointly with the Corporate Director for Adult Social Care

[Date: April 2019]



Subject: Contract Extension: Disability and Mental Health
Housing Related Support for Vulnerable Adults

Report of: Assistant Director - Commissioning

Relevant Cabinet Member: Cllr Paulette Hamilton - Health & Social Care
Cllr Tristan Chatfield - Finance & Resources

Relevant O &S Chair(s): Cllr Rob Pocock- Health & Social Care
Cllr Sir Albert Bore – Resources

Report author: Manvinder Kaur
Senior Commissioning Officer
Tel: 0121 675 6666
Email: Manvinder.Kaur@birmingham.gov.uk

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential : Exempt description 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information) as contained within Exempt Appendix		

1 Executive Summary

- 1.1 The purpose of the report is to approve the option to extend the Integrated Prevention Services (C0218) contract (Tranche 2) to their full duration of up to 30th June 2021.
- 1.2 To note that Integrated Prevention Services (C0218) contract (Tranche 2) will also deliver services for the PURE project as approved by Cabinet on 13th November 2018
- 1.3 The exempt appendix contains confidential information in relation to proposals. The public report and exempt appendix - must be read together, as this public report does not repeat information contained in the exempt appendix.

2 Recommendations

- 2.1 That the Cabinet Members for Health and Social Care and for Finance and Resources jointly with the Director for Adult Social Care
 - Approves the 2 year extension of Integrated Prevention Services (C0218) contract (Tranche 2) to take them to their full duration of up to 30th June 2021.

3 Background

- 3.1 The initial Cabinet report for Integrated Prevention Services (C0218) was approved on 20th October 2015.
- 3.2 A 3 year contract, commencing 1st July 2016 was subsequently awarded to 11 different providers to deliver accommodation and floating support services to citizens with physical disabilities, learning disabilities and mental health needs. The 20th October 2015 Cabinet report also provided delegated authority to Cabinet Member, Commissioning, Contracting & Improvement together with the Strategic Director for People to extend the contract for a further 2 years, dependent on satisfactory performance and budget availability
- 3.3 The benefits of continued investment in the prevention aspects of the vision for adults social care, which was set out in a subsequent report: Putting Prevention First: Supporting the Implementation of the Vision for Adult Social Care and Health, was approved at Cabinet on 17th November 2017. Central to this vision was the continued investment in Vulnerable Adults Housing and Support Service (Social Inclusion and Disability and Mental Health services). The extension of these contracts will be further enabled via a grant from the European Social Fund, for the delivery of the PURE project, approved on 13th November 2018.
- 3.4 The existing commissioned Integrated Prevention Services also contribute in part to the delivery of two related Council strategies, Homelessness Prevention Strategy 2017+ and the Domestic Abuse Prevention Strategy 2018 – 2023 and this will continue with the extension of the contract.
- 3.5 The existing Integrated Prevention Services (C0218) contract (Tranche 2) meets the Council's overall objectives by delivering the following outcomes:
 - Improved health and wellbeing
 - Financial inclusion and income maximisation

- Inclusion and connection with local communities
- Safety and security to live independently within own home

- 3.4 All current providers are experienced and have performed satisfactorily for the duration of the contract. A Payment by Outcomes (PBO) methodology was applied to contracts. It has ensured that providers are held to greater account for the outcomes achieved.
- 3.5 The timeline for the re-commissioning of the Integrated Prevention Services (C0218) contract (Tranche 2) as set out within the Putting Prevention First report will be 1st July 2021.
- 3.6 The extension of this contract will allow for the council to benefit from additional funding, up to £6m, from the European Social Fund to deliver services to vulnerable adults who are considered to be furthest away from the labour market.

4 Options considered and Recommended Proposal

- 4.1 Not to extend the Integrated Prevention Services (C0218) contract (Tranche 2) would mean that the current vision around the Prevention Agenda will not be supported for the most vulnerable adults within Birmingham, leaving citizens without the necessary support and putting an additional strain on statutory services, including Health, Social Care and Homelessness.
- 4.2 Not to extend the contracts would also have a significant impact on the ESF Pure project, for which the current contracts will deliver services and are match funded. This could result in loss of revenue for the city from the potential total of £6m. In addition 4,000 potential participants, who are considered to be the most vulnerable, would not benefit from the opportunity to receive a significantly enhanced offer of support to access education, training and employment.
- 4.3 The current timescales do not allow consideration for the tender of new contracts. ASC commissioning are currently re-tendering Vulnerable Adults Housing and Wellbeing Support, therefore there is not enough officer resource to support the commissioning cycle for Integrated Prevention Services. The alternative would be to allocate more resource, increasing cost, this then goes against the councils intention in relation to financial prudence.
- Providers delivering the Integrated Prevention services and Social Inclusion services have also been consulted and support the extension of the contracts. Furthermore they do not have capacity to prepare for two submissions, which would ultimately mean a loss for citizens and providers.
- 4.4 **Preferred Option** – to exercise the option of a two year extension of Integrated Prevention Services (C0218) contract (Tranche 2), taking them to full term, 30th June 2021. The providers are experienced and have provided satisfactory performance throughout the duration of the contracts. The extension of these contracts will also allow for the time required to engage the market, consult and re-commission the services in a meaningful way.

5 Consultation

- 5.1 The Adult Social Care Management Team have been consulted and support the recommendations.
- 5.2 Officers from Legal and Governance, City Finance and Corporate Procurement have been involved in the preparation of this report.
- 5.3 As set out in 4.3 above, the current providers have been consulted.

6 Risk Management

- 6.1 Not to take the preferred option is a risk as this would leave vulnerable citizens without the necessary support. The approval of the extension of these contracts will mitigate that risk and citizens will continue to receive a service.
- 6.2 The providers have been consulted and the risk of providers not agreeing to the 2 year contract extension has also been mitigated by engaging them in discussions and addressing any concerns. Providers are willing to accept the extension.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 The recommendations within this report are consistent with the following City Council Strategies :
 - Health and Well-being Strategy 2017+
 - Homeless Prevention Strategy 2017+
 - Homeless Related Support Strategy 2019+
 - Financial Inclusion Strategy 2016+
 - Domestic Abuse 2018+
- 7.1.2 The Integrated Prevention Services also contribute significantly to the delivery of two related Council strategies, Homelessness Prevention Strategy 2017+ and the Domestic Abuse Prevention Strategy 2018 – 2023.
- 7.1.3 Birmingham Business Charter for Social Responsibility (BBC4SR) will be applied within the threshold of the Charter requirements and contract value.
- 7.1.4 The project aligns with strategic objectives in the Birmingham Development Plan (BDP) 2031 relating to improving health and well-being. This includes priorities of the Health and Well-Being Board and Public Health Outcomes Framework in supporting vulnerable people with mental health conditions and learning disabilities into paid work.

7.2 Legal Implications

- 7.2.1 The Council may also exercise powers under the Care Act 2014 together with associated regulations and statutory guidance relating to the provision of services to meet the need for care and support as well as prevention and services to promote wellbeing

7.3 Financial Implications

- 7.3.1 The current approved ASC budget for these contracts is £7.473m. The extended contracts will be contained within this annual budget. By extending this enables, aligning contracts, with a new wider integrated strategic procurement building on the prevention strategy and work to date.
- 7.3.2 The existing Integrated Prevention Services (IPS) have been aligned to the PURE/European Social Fund (ESF) funded project. This means that up to £6m of IPS and Social Inclusion contract spend will be matched by ESF to lever in an additional amount of up to £6m. The PURE/ESF scheme was approved within Cabinet Report 13th November 2018 'ESF Funded PURE Project: Placing Vulnerable Urban Residents into Employment and Training'. The expenditure to be funded from the additional £6m ESF grant will be the subject of a further report.
- 7.3.3 This ESF money will support and link to both the extension and once awarded the re-procurement. ESF will be included in the re-procurement planned. As the Pure project is now confirmed and in progress, this extension will also help support the PURE outcomes and requirements.

7.4 Procurement Implications (if required)

- 7.4.1 The Cabinet report; Tender Strategy for Integrated Prevention Services (C0218) dated 20th October 2015, delegated the extension of these contracts to the former Cabinet Member for Commissioning, Contracting and Improvement jointly with the former Strategic Director of People post.

7.5 Human Resources Implications (if required)

- 7.5.1 N/A

7.6 Public Sector Equality Duty

- 7.6.1 N/A

8. Appendices

- 8.1 Exempt Appendix

9. Background Documents

- 9.1 Birmingham City Council Plan: 2018 -2022
- 9.2 Health and Well-being Strategy 2017+
- 9.3 Homeless Prevention Strategy 2017+
- 9.4 Homeless Related Support Strategy 2019+
- 9.5 Financial Inclusion Strategy 2016+
- 9.6 Domestic Abuse 2018+

9.7 Tender Strategy for Integrated Prevention (C0218) – Cabinet report 20th October 2015