

Birmingham City Council

Report to Cabinet

27th July 2021



Subject: PUTTING PREVENTION FIRST: CONSULTATION AND COMMISSIONING PLANS AND PROCUREMENT STRATEGY FOR VULNERABLE ADULTS SUPPORT FOR DISABILITIES & MENTAL HEALTH SERVICES

Report of: Professor Graeme Betts
Director for Adult Social Care

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

Relevant O &S Chair(s): Cllr Robert Pocock - Health & Social Care
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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 type="checkbox"/> No
If relevant, add Forward Plan Reference: 008855/2021		
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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:		

1 Executive Summary

- 1.1 This report provides details of the commissioning plans and procurement strategy for the recommissioning of Vulnerable Adult Support for Disabilities and Mental Health Services. Current contracts relating to the services being commissioned expire on 30th June 2022.

- 1.2 The Services will be commissioned along a prevention pathway which include targeted Lead Workers to enable people to live independently within their own homes and longer-term community-based services including delivery into supported accommodation.
- 1.3 These services are vital in delivering against Council priorities which include corporate parenting, improved health and wellbeing, building resilient and independent communities and access to suitable and sustainable housing options for the most vulnerable.
- 1.4 The commissioned services will also directly contribute to the delivery of the following key strategies: Vision and Strategy to Modernise Adult Social Care 2017, Vision for Adult Social Care Refresh 2020, Homelessness Prevention Strategy 2017+, Transitions Strategy 2018+, which are supported through the Adult Social Care Putting Prevention First Commissioning Agenda 2017+

2 Recommendations

- 2.1 Cabinet approves commencement of the commissioning and procurement strategy outlined in section 4 and detailed in **Appendix 1** of this report.
- 2.2 Cabinet delegates authority to the Director of Adult Social Care in conjunction with the Interim Director of Council Management, Acting City Solicitor and the Assistant Director of Development and Commercial (or their delegates) following the procurement process to award contracts for Vulnerable Adults Support for Disabilities and Mental Health Services for a period of five years commencing between 1st July 2022 to 30th June 2027.
- 2.3 Cabinet delegates authority to the Director of Adult Social Care in conjunction with the Interim Director of Council Management, Acting City Solicitor and the Assistant Director of Development and Commercial (or their delegates) to approve the procurement strategy for the value of £200k for a Front Door Service subject to the outcome of the commissioning proposed.
- 2.4 Cabinet delegates authority to the Cabinet Members for Health and Social Care, Finance and Resources jointly with the Director of Adults Social Care, in conjunction with the Interim Director of Council Management, Acting City Solicitor and the Assistant Director of Development and Commercial (or their delegates) to extend the contracts awarded in 2.2 for up to a period of 2 years, subject to funding availability and satisfactory performance.
- 2.5 Cabinet delegates authority to the Assistant Director of Commissioning (Adults Social Care) in conjunction with relevant Finance, Legal and Procurement officers to update and approve the procurement strategy for Universal, Targeted and Transition services as required in response to the outcomes of the tendering process, market consultation and/or commissioning developments with partners, where this is in the Council's benefit and within the approved budget.
- 2.6 Cabinet authorises the Acting City Solicitor to negotiate, execute and complete all necessary documents to give effect to the above recommendations.

3 Background

- 3.1 On 16th April 2019 a report to Cabinet for the recommissioning of 'Vulnerable Adults Housing and Wellbeing Support Services' was agreed. This was part one of commissioning, which included wellbeing support services for homelessness, domestic abuse, young people, and people leaving institutional settings. These contacts went live on the 1st December 2019.
- 3.2 We are now preparing for the second phase of recommissioning that covers the Disabilities and Mental Health client groups.
- 3.3 The approach is similar to the first phase of commissioning, with a Positive and Prevention Pathway approach being used. The Pathway and Customer Journey can be seen in **Appendix 5**. Commissioners are working closely with CCG partners to ensure that there is a seamless step down for citizens, who move through statutory health and social care services into community-based living. A whole life course approach is being adopted wherever possible to ensure positive transitions for young people, tailored support for working age and older adults through to end of life.
- 3.4 The pathway approach will also ensure greater connections for citizens with local community assets and Neighbourhood Network Services. The intention being that citizens accessing the proposed commissioned services are also supported to gain access to a wider support and activity offer close to where they live, creating greater levels of independence, community resilience and overcoming isolation or unintended dependency on one support agency. The intention being that services operate together as a system, which enable re – entry into services should the need arise.
- 3.5 The current contracts (CO218) contract (Tranche 2) come to an end on 30th June 2022 with the new contracts expected to start on 1st July 2022. It is intended that the contracts will run for five years with the option to extend for a further two years subject to performance and available budgets. The relevant break clauses will be inserted into the contracts to reflect this.
- 3.6 The current annual budget for current prevention services is £7.474m and is proposed to be carried over for this proposed re-commissioning and procurement exercise at a total five-year sum of £37.370m.
- 3.7 The design and specification of the services will facilitate clear pathways for support and ensure that a strong prevention first focus is built into every stage.
- 3.8 Universal Prevention Resources - the ability to access existing online resources/information, advice and guidance are proposed to be a significant feature of the pathway approach, ensuring that both customers and professionals have a clear overall picture of available resources to access well – being activities, prevent escalating need or alleviate crisis. The Information Advice and Guidance requirements of this cohort of population have therefore been fed into the development of the Councils wider Information Advice and Guidance strategies that are currently being developed.

- 3.9 Universal and Targeted Resources - as part of the support delivery, where appropriate commissioned providers will be expected to connect citizens to their local community assets and activities including Neighbourhood Network Services.
- 3.10 There is also continuing close dialogue with social work colleagues, PFA team, CCG and BSOL Mental Health Trust to ensure that our collective commissioned resources, avoid duplication are integrated and aligned to best effect from a citizen point of view.
- 3.11 Types of services to be commissioned and the identification and design of the proposed services has been informed by the engagement and consultation with key stakeholders both internal to the City Council, Health, provider sector and citizens themselves who either access or may access these services in future

3.11.1 Lead Worker Services

Lead Worker Services will provide face to face support and access to relevant services for people with learning disabilities, physical and sensory disabilities and people with mental health support needs alongside advice and information and sign posting and support to access the relevant services. The services will operate in three ways:

- Offer advice, information and guidance.
- Offer short term, intensive support interventions to assist a citizen to regain their independence and connect to local resources and support networks. There is some early dialogue with regards to co – location of some of this resource with the NHS commissioned mental health hubs to enable ease of step down.
- The Lead Workers will also provide a longer term on - going engagement to enable citizens to continue living independently within their own homes, support duration and intensity will be dependent upon the individual support need requirements and reviewed on a regular basis.

3.11.2 Longer Term Supported Accommodations

Support delivery through longer term community based supported accommodation for people with learning disabilities and mental health support needs. This type of provision bridges the gap for people whose support needs fall between living within their own homes and the thresholds for statutory care such as supported living or registered care homes. For some, this provision may be part of their step - down journey into their own tenancy and for others it may be much longer term, with flexible levels of support delivery.

- 3.12 The existing Vulnerable Adult Support for Disabilities and Mental Health contracts are due to expire on 30th June 2022. The future commissioning will continue to provide services to the existing cohorts of vulnerable adults; however, the design of future services will reflect a pathway approach as set out within this report.

4 Options considered and Recommended Proposal

4.1 The following options have been considered:

4.1.1 **Option 1** - Do not recommission Vulnerable Adult Support for Disabilities and Mental Health Services and decommission the existing services.

This option is not recommended as it would mean that the current vision around the Prevention First agenda set within the various Council Strategies will not be delivered. This would also mean not delivering on four of the five Council's priorities and leaving some of the city's most vulnerable citizens without the necessary support and putting an additional strain on statutory services, including Social Care, Housing, Homelessness, Health partners and the Police.

4.1.2 **Option 2** - Deliver the services in-house.

This option is not recommended for the following reasons: The skills currently do not exist to deliver the scale of the diversity of the services to be commissioned. A number of these services require an accommodation- based offer to be provided; the Council does not have this level of property provision within its existing assets and would need to acquire these through lease or purchase from the existing market. The cost and time to mobilise would not be possible by July 2022. Importantly, the majority of citizens in need of these services would prefer to engage with the market providers; many of these are third sector organisations.

4.1.3 **Option 3** - Procure a range of single and multiple contracts for the different client groups allowing timely and flexible provision that is responsive to the needs of vulnerable adults that is based on the prevention pathway.

This is the preferred option as these contracts deliver the Adult Social Care, Children, Health and Housing priorities for vulnerable people and will underpin the delivery of the Prevention First agenda. The Vulnerable Adult Support for Disabilities and Mental Health Services are provided in advance of more costly statutory interventions.

5 Consultation

- 5.1 Co-design activities have commenced with providers, key stakeholders and service users to begin to develop a picture of what the current market looks like and what we may wish to see in the future. This has helped inform the consultation documents and shape future services.
- 5.2 Further targeted engagement, workshops and coproduction activities with providers, stakeholders and service users ran alongside the Be-Heard online consultation.
- 5.3 NHS mental health and learning disabilities commissioning partners have been involved in the design of the pathway to ensure links to their own commissioned services and pathways.
- 5.4 The Vulnerable Adults Citizens Panel has retained oversight of this work including approval of the overall pathway modelling.

- 5.5 Existing providers delivering the contracts have been engaged in the co design of the proposed services set out in section 5.0 of this report.
- 5.6 Citizens in receipt of the existing services have been consulted on a face to face basis through forum discussions and given the opportunity to speak to commissioning officers on a one to one basis.
- 5.7 There will also be an expectation for organisations submitting bids to have been engaged and consulted with their stakeholders and services users as part of the bid formulation.
- 5.8 The Cabinet Member for Social Inclusion, Community, Safety and Equalities and Cabinet Member for Homes and Neighbourhoods have been consulted on this report and support the recommendations.
- 5.9 The BCC led Safeguarding Adults Partnership and Homelessness Partnership Board will be consulted on the proposal and support the recommendations.

6 Risk Management

- 6.1 Risks will be identified, evaluated and controlled in line with the Birmingham City Council Risk Management Methodology 2017.
- 6.2 The initial risks are detailed within the Procurement Strategy at **Appendix 1** of this report. A full Risk Register has been developed as part of the project management of this re commissioning. The project management, governance and oversight of this re commissioning will be through the Social Justice Commissioning Board chaired by the Assistant Director Commissioning (Adult Social Care) and will report through to the Adults Social Care Management Team chaired by the Director for Adults Social Care.
- 6.3 The risks are all as low as is reasonably possible. The highest risk rating is medium; all have mitigating actions.

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

- 6.4.1 The recommended proposal supports the delivery of one or more of our Council's priorities as set out in the Birmingham City Council Plan 2022:
 - Birmingham is an entrepreneurial city to learn, work and invest in - by investing in and supporting the Health and Social Care Sector, including Social Enterprise Sector, we create local jobs, apprenticeships and encourage new innovations. We will create opportunities for local people to develop skills and make the best of economic growth.
 - Birmingham is an aspirational city to grow up in - This is achieved by working closely and collaboratively with the Early Help and Transitions Teams as well as local partners to ensure "whole life course" approach. We will inspire our children and young people to be ambitious and achieve their full potential.

- Birmingham is a fulfilling city to age well in - Citizens and communities will have choice and control over their care and improved resilience and independence.
- Birmingham is a great city to live in - We will work with our partners to build a fair and inclusive city for all. Birmingham's residents can access broad and varied localised community activity supporting them to live happier, healthier and more independent lives in their own communities.
- Birmingham residents gain the maximum benefit from hosting the Commonwealth Games - By collaborating and working in partnership with the Commonwealth Games Team, we ensure alignment, volunteer development, gap analysis intelligence exchange, as well as legacy and sustainability.

6.5 Legal Implications

- 6.5.1 Section 179 Housing Act 1996 provides that a local housing authority must provide or secure the provision of a service, available free of charge to any person in the authority's district, providing information and advice on, preventing homelessness, securing accommodation when homeless, the rights of persons who are homeless or threatened with homelessness, and the duties of the authority.
- 6.5.2 The Council may exercise powers under the Care Act 2014 together with associated regulations and statutory guidance relating to prevention and services to promote wellbeing.
- 6.5.3 Under Section 111 of the Local Government Act 1972, a local authority has the power to take action which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions and therefore has a general power to enter into contracts for the discharge of any of its functions. Section 93 of the Local Government Act 2000 gives the Secretary of State power to award grants to local authorities for expenditure incurred by them in the provision of welfare services determining by the Secretary of State.
- 6.5.4 The Council has a best value duty under Section 3 of the Local Government Act 1999 to improve the efficiency, economy and effectiveness of the services that it delivers. The use of an open procurement route will ensure that competitive bids are obtained, and the terms offered by the successful tenderer will deliver best value to the Council.
- 6.5.5 Some of the services being procured may be subject to the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) however in this instance no Council employees will be affected. The Council's role will be to facilitate the transfer of relevant information between the incumbent providers of existing services and perspective bidders without providing any indemnity regarding the accuracy of information provided.

6.5.6 The Council's obligations for this service under the General Data Protection Regulation (GDPR) will be met by conditions in the tender documents.

6.6 Financial Implications

6.6.1 Existing levels of spend and funding are proposed to be carried over as follows, with no additional annual investment required:

6.6.2

Budget	Total Funding	Adults Base Funding	Public Health Funding
	£m	£m	£m
RJZC1 – Mental Health	3.398	1.533	1.865
RJZC2 - LD & Physical/Sensory	4.075	2.230	1.845
TOTAL	7.473	3.763	3.710

6.6.3 This means a total annual budget of £7.473 and a five - year contract budget of £37.365m. The contracts have not increased in line with inflation for over 6 years and this will be reviewed once the contracts are in place, within the budget limits built into the medium term budget.

6.6.4 Number of clients - Table one below shows the average number of clients in each service area for accommodation and floating support.

Table one

Service area	Accommodation No' Clients	Floating support No' Clients	Total No' Clients
Mental health	187	776	963
Learning disability	199	1,321	1,520

6.6.5 Number of hours - Table two shows the number of hours for 2018/19 in each service area for accommodation and floating support.

Table two

Service area	Accommodation No' Hours	Floating support No' Hours	Total No' Hours
Mental health	62,088	162,656	224,744
Learning disability	58,344	161,408	74,752

6.6.6 The proposed fixed price contracts will be for an initial period of five years (with extension possible for two more). This is deemed the minimum service delivery and economic period to ensure value and efficiency for the Council and providers. The possibility to extend or not allows the Directorate to manage the

contingent nature of some of the funding and the different timeframes of particularly the grant funding.

- 6.6.7 Where contingent issues arise (most likely in the 5th year) regarding ongoing funding, then (as advised above) the Directorate will be able to manage this by mitigating the risks appropriately and making the changes to remain in line with the council's long-term planning and approval system and processes. The contracts will also contain a 3-month termination break clause.
- 6.6.8 The application of preventative strategies is a key element in reducing "downstream" effects on individuals which in turn increase the costs to the council and other partners and Birmingham as a whole.
- 6.6.9 This procurement continues the existing investment in this area, integrates it with the agreed strategy on prevention and links it to a number of innovations and other grant funded activities, thereby maximising and multiplying the council's own investment with other money and developments in services.
- 6.6.10 There is no financial pressure or risk arising from this proposal, however to ensure ongoing value for money there is a need for comprehensive monitoring, outcomes and review of performance to inform both contract management and the further strategies and procurements in the future and overall preventative strategy. Some elements of the contract payments will be based on results giving further reassurance of value for money. Such considerations are detailed further in the procurement strategy and through the report text below.

6.7 Procurement Implications

- 6.7.1 The full range of services to be procured is set out in the Vulnerable Adults Support for Disabilities and Mental Health Procurement Strategy; see **Appendix 1**.
- 6.7.2 It is proposed to tender for payment by outcomes contracts (PbO) which will combine the use of quantitative KPI data, quality assurance of service delivery alongside the outcomes delivered for citizens. A revised outcomes framework has been developed, see Appendix 4, and includes the following high-level outcomes: health and wellbeing, connection to and participation in community networks and assets, economic wellbeing and accommodation.
- 6.7.3 Birmingham Business Charter for Social Responsibility (BBC4SR) will be applied within the threshold of the Charter requirements and contract value.
- 6.7.4 Pre-procurement Duty under the Public Service (Social Value) Act 2012. Bidders will be asked how their bid addresses social value as part of the evaluation. Consideration of whether to undertake a consultation exercise was discussed during the planning stage and it was agreed that this would not be required as tenderers will be asked how their bid addresses social value as part of the evaluation and no additional stakeholder consultation was required. This consideration also included how this procurement exercise might improve the

social and economic well-being of the city and will be addressed by evaluating social value.

6.7.5 For more information see the procurement approach set out in **Appendix 1**.

6.8 Human Resources Implications

6.8.1 The recommissioning, procurement and subsequent contract awards and contract management will be undertaken by staff within the Adult Social Care Directorate in conjunction with Finance, Legal and Procurement colleagues.

6.9 Public Sector Equality Duty

6.9.1 An Initial Impact Assessment has been carried out and no adverse impacts have been identified and a Full Impact Assessment is not recommended at this stage. Any potential impacts that emerge during the re-commissioning and procurement will be monitored and mitigated inherently within the process and managed via the Risk Management process. Risk logs will be maintained to allow further considerations and will include contract award and mobilisation. See **Appendix 2** for the Initial Equality Assessment.

7 Appendices

1. Procurement Strategy
2. Equality Assessment
3. Environment and a Sustainability Assessment
4. Performance Outcome Framework
5. Pathway and Customer Journey

8 Background Documents

- 8.1 Birmingham City Council Plan: 2018 -2022
- 8.2 Health and Well-being Strategy
- 8.3 Homeless Prevention Strategy 2017+
- 8.4 Homeless Related Support Strategy 2019+
- 8.5 Financial inclusion partnership strategy
- 8.6 Financial inclusion strategy 2016+
- 8.7 Domestic Abuse Prevention Strategy 2018+
- 8.8 Strategy and Procurement Process Social Inclusion Housing Support Cabinet Report
- 8.9 PURE Cabinet Report November 2018
- 8.10 Refresh of Adult Social Care Vision and Strategy - Cabinet Dec 2020

- 8.11 Putting Prevention First - Supporting the Implementation of the Vision for Adult Social Care & Health - Cabinet Nov 2017
- 8.12 Putting Prevention First - Contract Extension Request for the Commissioning of Vulnerable Adults Support for Disabilities and Mental Health - Cabinet Sep 2020