

Item No.	Classification: Open	Date: 28 August 2013	Meeting Name: Strategic director of finance and corporate services of Finance and Corporate Services
Report title:		Gateway 3 – Extension Approval for Carers Hub	
Ward(s) or groups affected:		Electoral ward(s); All	
From:		Jonathan Lillistone – Head of Commissioning, Adults and Children's Services, Strategy and Commissioning	

RECOMMENDATIONS

1. That the strategic director of finance and corporate services approves the contract extension for the carers hub, to Southwark Carers as the provider organisation, at a cost of £642,284 for a period of 12 months from the 8 August 2013.
2. That the strategic director of finance and corporate services of finance and corporate services notes that an engagement exercise will be undertaken with carers in Southwark, following the publication of the draft Joint Carers Strategy and Action Plan that will inform the service specification for the carers hub beyond the life of the current contract.

BACKGROUND INFORMATION

3. The contract for the carers hub was awarded in July 2011 for a period of two years (8 August 2011 to 7 August 2013). The total contract value is £1,284,568 for the two year period. The funding awarded amounted to £642,284 per year. There is provision to extend the contract for a further year.
4. In line with the Southwark Carers Commissioning Strategy 2010-2013, it was agreed within Adult's Commissioning and through consultation with carers and local providers to develop a carers hub that delivered efficiencies through the consolidation of a number of carers' services into a single provider
5. Extensive market analysis was completed in 2010 – 2011 to assess the range of potential suppliers and capacity to bid and deliver the carers hub model. This indicated that the market was very limited and that only one local supplier could deliver the full requirements of the hub model, which was Southwark Carers. A single supplier negotiation was undertaken in April 2011 in accordance with Contract Standing Orders 5.4 and EU Procurement Regulations
6. Southwark Carers has been the main carer membership organisation operating in Southwark for over 10 years and has a good track record of providing services to carers. It has had a long-standing funding arrangement with the council. The provider had historically been funded prior to this via grant aid.
7. Since the inception of the carers hub in August 2011, Southwark Carers has undergone a major restructure in order to respond to the key requirements of the hub specification. In summary these requirements are:

- The personalisation of services for carers, including the allocation of personal budgets
 - The delivery of outcome-based assessments of carers needs and support planning to achieve identified outcomes
 - The promotion of carer self help and peer support with the focus on carers maintaining their independence
 - Supporting carers to have a life outside of the caring role.
8. The new structure has been in place since August 2012 and the impact of these changes is now being felt with increased levels of carers assessments being completed and a diverse range of activities being offered to support carers.
 9. The proposed extension to the contract needs to be seen in the context of the wider work relating to carers that has been undertaken within Southwark. In commissioning a carers hub in Southwark, there was a recognition that this represented a significant change in service model and required close monitoring and scrutiny to ensure that the needs of carers are met, and in particular the needs of those carers with the most challenging caring roles and in the hard to reach groups.
 10. In September 2011 Adults Commissioning commissioned Carers UK, a leading national carer policy and campaigning organisation, to undertake a project to develop a better understanding of the needs of carers in the borough, the effectiveness of service delivery including from both commissioned services and in-house services and whether the models currently in place were effective.
 11. Carers UK carried out a very detailed and wide ranging project that was completed in July 2012 that included a range of approaches and extensive consultation with carers.
 12. The results of the project highlighted a number of opportunities for improving the experience of carers locally and the outcomes achieved by services. Broadly these are:
 - Better identifying and making contact with carers
 - Improving support for working age carers
 - Improving reach to particular carer populations
 - Improving provision for carers in health services
 - Developing an effective balance of carer support
 - Increasing choice and control for carers
 13. The results of the project completed by Carers UK have formed the basis of the draft Joint Health and Social Care Carers Strategy and Action Plan 2013 – 2016 that is under development by Adult Social Care and the Clinical Commissioning Group. The strategy is due to be agreed by the cabinet member for health, adult social care and equalities and the Clinical Commissioning Group by the end of July following agreement there will be a number of key work streams including an engagement process on some of the key recommendations.
 14. The outcome of the recommendations emerging from the strategy and the consultation may have significant and far reaching effects on the carers hub contract and how services are delivered.

KEY ISSUES FOR CONSIDERATION

Key Aspects of Proposed Variation

15. This variation proposes that the contract be extended for 1 year until the 7 August 2014. This provides the department with some flexibility when taking into consideration the recommendations of the draft Carers Strategy and Action Plan 2013 – 2016 and the engagement exercise with carers that is proposed within the plan.
16. The revised contract completion date will therefore be 7 August 2014.
17. The extension to the contract is equivalent to 12 months and the value amounts to £642,284. This means that the overall contract value including the variation is £1,926,852.
18. This contract extension represents 33% of the full contract value.

Reasons for Variation

19. As indicated in paragraph.15 the council in conjunction with the Clinical Commissioning Group is finalising the strategy that will set out the vision and offer for carers over the coming 3 years. This document and the actions proposed within it will have a wide ranging impact on the delivery of carers services in the borough both within the council, health services and the voluntary and community sector.
20. As the primary Voluntary and Community Sector organisation delivering carer support and allocating personal budgets to carers, there is an expectation that the recommendations emerging from the strategy and the subsequent engagement exercise will, at the very least, impact on the service model currently in place within Southwark Carers and the service specification that underpins the model. Following the completion of the engagement exercise there will be a review of the service specification informed by the views of carers. The existing service specification is attached as Appendix 2.
21. Whilst the engagement exercise that is recommended in this report is completed and wider changes to the support system for carers are implemented a decision has been made to extend the contract for the Carers hub for the additional year.
22. The current provider will be expected to support the engagement process with carers in order to shape the final strategy and action plan. In addition, they will need to provide evidence of their effectiveness, demonstrating that they can improve or maintain the independence, health and wellbeing of Southwark carer population and support them to have the confidence to find creative solutions to self manage their support needs.

Future Proposals for this Service

23. As indicated in paragraph 13 the draft Carers Strategy and Action Plan is due to be agreed in July. There are a number of work streams within the action plan which may impact on the carers hub.
24. Furthermore the proposed changes within the action plan require an engagement process with carers and the wider community. The engagement with carers will be completed in October 2013.
25. Following the engagement exercise it will be possible to develop the new service specification and agree an approach to procuring the carers hub beyond August 2014. As indicated in paragraph 6 the original carers' hub contract was established with Southwark Carers through a single supplier negotiation. Market analysis carried out by Carers UK in 2012 indicates that the market for carers services within Southwark remains limited. Therefore it is possible that this route will be followed for the new contract. However further discussions will take place with legal and procurement departments to determine the appropriate course of action.
26. Should the decision be to undertake a full procurement process for a new carers hub provider we will follow a clear procurement timetable which is attached as Appendix 1.
27. The extension of the contract will allow these work streams and the consultation to be completed and decisions taken as to the shape of the contract beyond the period proposed within this report.

Alternative Options Considered

No.	Option	Impact
1.	Extend the existing contract with Southwark Carers for 1 year	<ul style="list-style-type: none"> • Ensures that service delivery is maintained, carers receive support and can undergo a needs assessment • Ensures that personal budgets for carers are allocated to those assessed as in need • Allows sufficient time to implement the Carers Strategy and Action Plan and consult with carers.
2.	Identify an alternative provider or providers	<ul style="list-style-type: none"> • Given the restricted market for carer services in Southwark it is unlikely to be feasible to identify alternative suppliers to provide the services delivered by Southwark Carers for the period covered by the extension
3.	Do nothing	<ul style="list-style-type: none"> • The contract for the service will lapse and carers are likely to receive little or no support in their role • May lead to increased carer breakdown and demand on council services

28. Option 1 recommended in this report as the approach that will ensure ongoing carer support and the time to review the service model in the context of the wider carer strategy within Southwark. It will allow sufficient time to launch the Carer Strategy and undertake a comprehensive survey of carers within the borough to shape the future offer to carers, which is likely to impact on the carers hub.

Identified risks for the extension

	Risk	Likelihood	Response
1	Failure to procure new carers hub contract within the time of extension	Medium	<ul style="list-style-type: none"> An extension of 1 year allows for the completion of the engagement process, review of the service model and the establishment of the new contract There are likely to be changes to the current service specification rather than wholesale contractual changes required based on the evidence from Carers UK project
2	Carers express wish for major changes to provision during consultation	Low	<ul style="list-style-type: none"> The Carers UK project and the ASC Carers survey 2012 indicate that carers are broadly satisfied with the support they receive but it needs to reach out to a wider group of carers
3	Reduction in quality during extension period	Low	<ul style="list-style-type: none"> There will continue to be robust quality measures in place overseen by the contract monitoring and performance team which will ensure ongoing quality

Policy implications

29. There are a number of key local and national drivers impacting on the delivery of carers support.
30. Service transformation within Southwark such as the changes to the customer journey within Adult Social Care and development of key local initiatives such as the Integrated Care Pilot and the Centre for Excellence for older people offer both challenges and opportunities relating to carers. In line with the personalisation agenda, there is an increased emphasis on choice and control over service delivery. The offer to carers is expected to reflect the changes within this context.
31. A similar and far-reaching transformation is also taking place at the interface of Adult Social Care with health services with the development of GP commissioning and clinical commissioning groups, the transfer of public health responsibilities into the council and the establishment of Health and Well-being boards.
32. There are also major changes in the legislative framework within which carers services are offered. *Caring for our future: reforming care and support* is the recent White Paper setting out the Government's proposals for the reform of social care. The White Paper has been published alongside the *Draft Care and Support Bill*, which will enact many of the White Paper's legislative

commitments. Key reforms contained in the White Paper and draft Bill relevant to carers and support for carers include:

- Carers will have a right to an assessment to decide if they need support. The main difference from the current rules is that carers won't have to be providing a substantial amount of care regularly to be entitled to an assessment.
 - The new legal framework, set out in the draft Bill, means that if carers are eligible for support for particular needs, they will have a legal right to receive support for those needs
33. The context is also informed by the refreshed National Carers Strategy (2010). It provides a framework for developing support for carers over the ten years from 2008 to 2018 with a vision that carers will be universally recognised and valued as being fundamental to strong families and communities.
34. Putting People First™ sets out the shared agreement between Government, Local Government and their partners for the transformation of adult social care. Part of this vision is the extension of choice and control through self-directed support and personal budgets.
35. In addition the Carers (Recognition & Services) Act 1995, sets out duties for a Local Authority in relation to statutory Carers Assessments.

Contract management and monitoring

36. At the time of writing this report the evidence provided by the contract monitoring and performance team indicated that Southwark Carers were delivering on the outcomes identified within the service specification. They are currently in touch with 3600 carers and carried out almost 600 carer assessments. The assessments have led to the allocation of 527 personal budgets to carers. They are also achieving good outcomes for carers with 45% reporting that they are very or extremely satisfied with services, which places Southwark in the top quartile of local authorities nationally.
37. However the Carers UK report highlighted that there are a range of carers, such as black and minority ethnic carers and those of people with complex conditions, who do not regularly use the services of Southwark Carers. Children's and Adults strategy and commissioning officers will work with Southwark Carers to develop a better understanding of the profile of the carers that they currently work with and the outcomes achieved with this group so that there is a clearer understanding of the carers currently unserved by the hub. This will help to shape the work of Southwark Carers over the coming year and to inform the service model going forward.
38. The councils Children's and Adults strategy and commissioning department is responsible for the contract and performance management of a broad range of care and support services and has well established monitoring processes in place to monitor this contract.
39. The proposed contract will be monitored through quarterly monitoring reports produced by the departments contract and monitoring unit:

- Quarterly Performance Information
 - Analysis of client outcome returns.
 - Service visits that can be announced or unannounced spot checks
 - Agreed action plans for continuous improvement
 - Consultation with Service users and Staff
40. Evidence suggests that the ongoing performance of the provider will remain good but should issues arise there is the capacity to address compliance with contractual terms through comprehensive default procedures contained in the contract terms and conditions that could ultimately lead to decommissioning of the service.
41. In relation to the governance and management of Southwark Carers while it's largely user led structure is considered to be a strength, effective contract monitoring will continue to keep this under regular review. It is recognised that the organisation has undergone a significant period of change and that some of the changes, in terms of the structure, and the administrative burden of allocating personal budgets have taken some time to bed down. With this in mind there will be a close scrutiny of the service delivered and the outcomes that are achieved for the duration of this extension.

Community Impact Statement

42. The contract provides specialist support for residents in all wards in Southwark who are performing an unpaid caring role for family or friends. Those most affected will be those with some form of mental, learning or physical disability, or those in older age who have traditionally been in a disadvantaged place in relation to advocating their needs to service providers. Southwark Carers is an organisation that has demonstrated a proven track record of delivering services to the diverse communities in Southwark.

Economic considerations

43. In terms of delivering economic benefits to the Southwark council the carers hub contract will support working age carers to access training and education and also enable carers to receive the support they need to return to the workplace. Over 70% of carers in Southwark are of working age although the impact of the caring role means that significant numbers are not employed or struggling within their employment. The carers hub can ensure carers are aware of their employment rights and provide the support that ensures that they remain or become economically active.

Social considerations

44. The council requires the London Living Wage (LLW) to be included for new contracts where best value can be demonstrated. At a Southwark Carers board meeting in September 2011, the trustees of the organisation agreed that all employees would be paid the LLW. Hence all employees working under this contract are paid at above the LLW.

Environmental considerations

45. The current contractor has an environmental policy in place and the impact of the current contract is expected to be minimal.

Financial Implications (FI:/1022)

46. The total cost for this contract extension is £642,284 spanning two financial years. This is to be funded from Adult revenue budget and CCG contribution for which a provision has been made in 2013/14. The service will be identified as a priority in 2014/15 budget setting and thus a budget provision will be made.
47. The funding for carers services overall is £642,284 per annum in total and a breakdown of the funding is as follows:

	Total Funding Requirement	Funding 2013/14	Funding 2014/15
Proposed 'hub' contract extension value	£347,817	£231,878	£115,939
PCT Contribution	£99,719	£66,479	£33,240
Personal Budgets	£194,748	£129,832	£64,916
Total Annual Value	£642,284	£428,189	£214,095

48. The budget allocation of £194,748 for personal budgets will be retained by the council for the payment of personal budgets, although for the purposes of this report and the estimated total contract value this sum of money is included in the 'contract value detailed in recommendation 1.

Investment Implications (Housing Contracts only)

49. NA

Legal Implications

50. See the concurrent below from the director of legal services

Consultation

51. The draft Carers Strategy and Action Plan will state a commitment to undertake an engagement process on the proposals included in the document. As the strategy may impact on the carers hub the engagement will also include a focus on the model and the services delivered by Southwark Carers.
52. The Carers Strategic Forum and the Young Carers Provider Forum will also both consider proposals within the draft Carers Strategy and Action Plan, including any proposed changes relating to the carers hub. The strategic forum and the providers forum are strategic partnerships between Southwark strategy and commissioning, other council departments, representatives of carer organisations in the borough and representation from the voluntary and community sector as well as carer membership organisations in Southwark. Several members of this forum represent the 'voice of carers'.

Other implications or issues

53. NA

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Head of Procurement

54. This gateway three report is seeking approval to extend the Carers Hub contract for a 12 month period from August 2013 to August 2014. The report confirms that the current contract has an extension provision which can accommodate the recommended extension period.
55. Paragraphs 15, 19 to 22 explain that this 12 month extension is required to provide continuity of service whilst an assessment of the Carers Strategy and Action plan is undertaken and an engagement exercise completed. These activities will help inform decisions regarding the longer term approach for delivering these services.
56. The report confirms that general performance to date on this contract is satisfactory with identified outcomes being delivered. However a recent review has highlighted a range of carers that were not regularly using the services. Paragraphs 36 to 41 confirm that the management and monitoring arrangements in place during this 12 month extension will have particular focus on ensuring better outcomes for this identified range of carers. The 'user led' governance structure will also be subjected to regular review to ensure that services and outcomes continue to be delivered for the duration of the extension.

Director of Legal Services

57. This report seeks the approval of the strategic director of finance and corporate services of finance and corporate services to extend the existing Carers Hub contract which is being performed by Southwark Carers. This Report sets out the extent of the required variation and the reasons why the variation is necessary.
58. CSO 4.6.2 (a) requires the strategic director of finance and corporate services of finance and corporate services to authorise this proposed contract variation, after consideration by the Corporate Contracts Review Board. This decision

must be advised in writing by the strategic director of finance and corporate services to the members of the cabinet.

59. CSO 2.3 provides that a variation decision may only be made if the expenditure has been included in approved revenue or capital estimates or has been otherwise approved by, or on behalf of the Council. Paragraphs 46 to 49 of this Report confirm how the proposed additional expenditure will be funded.

Strategic director of finance and corporate services of finance and corporate services (F&CS 13/024)

60. This report seeks approval of the strategic director of finance and corporate services for a one year extension of the Carer's Hub service
61. The financial implication comment as detailed in paragraphs 46 to 48 indicates that funding for 2013/14 from Council and CCG is contained within current budget plans. Funding for 2014/15 is identified as a priority area for Adult services and planning will take into account any risks associated with the PCT funding of £99,719
62. The strategic director of finance and corporate services notes in paragraphs 36 to 41 that robust contract monitoring processes are in place to control outcome and finance risks associated with Personal budgets, and that present reports indicates performance levels are satisfactory . All costs associated with monitoring are to be contained within existing established staffing budgets
63. The strategic director of finance and corporate services also notes in paragraphs 44 that LLW is included in the contract in line with Corporate commitment. All the costs around monitoring and evaluation around the implementation of LLW will be met from existing staffing budgets

FOR DELEGATED APPROVAL

Under the powers delegated to me in accordance with the council's Contract Standing Orders, I authorise action in accordance with the recommendation(s) contained in the above report.

Signature  Date... 26.9.13

Designation STRATEGIC DIRECTOR OF FINANCE AND CORPORATE SERVICES

BACKGROUND PAPERS

Background Papers	Held At	Contact
Combined GW1 Procurement Strategy Approval and Gateway 2 Contract Award Approval: For contract for Southwark Carers 'hub' contract	Strategy and commissioning, children's and adults services	Mark Taylor – commissioning manager 0207-525-3513

APPENDICES

No	Title
Appendix 1	Procurement timetable
Appendix 2	Service specification

AUDIT TRAIL

Lead Officer	Jonathan Lillistone – head of commissioning	
Report Author	Mark Taylor – commissioning manager	
Version	Final	
Dated	03 September 2013	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
head of procurement	Yes	Yes
director of legal Services	Yes	Yes
strategic director of finance and corporate services of finance and corporate services	Yes	Yes
head of specialist housing services	N/A	N/A
cabinet member	No	No
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
cabinet member	N/A	N/a
Date final report sent to Constitutional/Community Councils/Scrutiny Team		September 2013

