

**REPORT TO:** Executive Board Sub Committee

**DATE:** 18 December 2008

**REPORTING OFFICER:** Strategic Director – Health & Community

**SUBJECT:** Request to waive Standing Orders relating to contracts exceeding £50,000 but less than £1,000,000.

**WARD(S)** Borough-wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To request that the waiving of procurement standing orders 3.1-3.9 which places a requirement on the Council to tender for contracts with a value greater than £50,000 but not exceeding £1,000,000.

## **2.0 RECOMMENDATION: That:**

- (i) In the exceptional circumstances set out below, for the purposes of standing order 1.6, procurement standing orders 3.1-3.9 be waived on this occasion on the basis that the current provider offers value for money and is performing well in meeting the needs of vulnerable service users with a learning disability.**
- (ii) Delegated powers be approved to enable the Strategic Director, Health and Community, in conjunction with the portfolio holders for Health and Community, to expand an existing 2yr contract with European Wellcare for the provision of supported living services, to the value set out in 3.8 and 6.2 of this report.**

## **3.0 SUPPORTING INFORMATION**

3.1 Objective 6 of the Valuing People White Paper relates to Housing “to enable people with learning disabilities and their families to have greater choice and control over where and how they live”.

3.2 Halton Borough Council is performing well at supporting people to live in their own home rather than being admitted to long-term residential care. Within Halton, around 200 Adults with Learning Disabilities are being supported to live in their own tenancies and over twenty people are waiting to be offered similar opportunities.

3.3 In June 2007, difficulties arose in one of the services and an

individual (Client A) had to be moved out of their home in order to manage risk within the service. The existing contracted agency continued to deliver support within a new location. This individual has settled into their new home, the service provision no longer presents as a risk and their family are very satisfied with the support being provided.

- 3.4 Halton Borough Council has recently been given notice on another service for a client with learning disabilities (Client B). Following a 'best interests' meeting with care professionals and family, it was agreed that this person should live with a family member, on a temporary basis, until an alternative supported tenancy could be found.
- 3.5 Both of these clients with a learning disability are now being successfully supported by the same agency, European Wellcare and have indicated that they would like to live in the same property. This report therefore proposes that clients A and B live together and that European Wellcares' existing contract for supported living services is expanded to include delivery of care and support to both clients.
- 3.6 The establishment of this shared supported housing service will also offer value for money. The Council currently pays for care and support to be delivered to Client A in a property that is large enough to provide supported accommodation for two people. This does not make best use of limited housing resources and does not offer opportunities for efficiencies, gained by sharing support between clients living in the same property.
- 3.7 Taking into account the potential efficiencies referenced above and the choice being expressed by individuals, approval is sought for a waiver standing orders on the basis that compliance with the tendering requirement of Procurement Standing Orders Part 3, 3.1-3.9, is not practicable for reasons of urgency, in that, as service provision has been terminated at short notice and in order to ensure the safety of the clients and to limit the disruption experienced by vulnerable clients, that a contract be awarded to the current support provider.
- 3.8 Given that the current service provider successfully supports these vulnerable clients within different locations, it is proposed that the existing contract with European Wellcare (to March 2010) is expanded, at an estimated cost of £106,300. European Wellcare is an accredited supporting people provider and has a proven track record of delivering support to people with learning disabilities who challenge services. To ensure financial advantage through competition and secure value for money for the Council in the longer term, the service will be tendered in 2010.

## **4.0 BUSINESS CASE FOR WAIVING STANDING ORDERS**

### **4.1 Value for Money**

The hourly rate proposed for this service is £12.60.

Recent value for money assessments undertaken during Supporting People service reviews have determined a reasonable hourly rate for similar services between £12.00 and £13.00 per hour. The proposed costs therefore offer value for money when benchmarked against other contracted services within Halton.

By delivering services within the same property it will be possible to reduce the number of hours purchased from the provider, resulting in the following approximate savings over the lifetime of the contract:

ALD Pooled Budget saving	£37,848
Supporting People saving	£624

### **4.2 Transparency.**

In order to ensure transparency is it proposed that the service will be closely monitored by the Supporting People team against the set standards for the specification for this service.

In addition, within the new Supporting People contracts there are clauses that reference freedom of Information act, data Protection, Equality and Diversity and Confidentiality, which ensure that Providers are obligated to work within the correct procedures.

### **4.3 Propriety**

The process for the award of this contract, subject to approval of this Committee, complies with Halton Borough Council's standing orders in relation to procurement. The contract is liable to termination if, any instances of corruption by this organisation or its staff members occur, ensuring compliance with anti corruption policies.

### **4.4 Accountability**

Accountability for the report remains with the relevant Strategic Director. The decision is a matter for the Sub-Committee but would appear to be consistent with the Council public stewardship duties in relation to use of resources.

In common with other contracts this process will be open to both internal and external audit.

### **4.5 Position of the contract under the Public Contracts Regulations 2006**

This is a part B exempt service under the Contracts Regulations

2006, and it means that there is no need to advertise in the OJEU although when the contract is awarded we have to give notice to OJEU of the award of contract within a specific period of time (48 days).

## **5.0 POLICY ISSUES**

None.

## **6.0 Financial Implications**

6.1 The cost of current service provision to these clients is met from the ALD Pooled Budget and Supporting People Grant. The proposed change to service delivery will result in the following savings:

ALD Pooled Budget saving	£37,848
Supporting People saving	£624

6.2 The estimated cost of the contract over 16 months is £106,300.

## **7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **7.1 Children & Young People in Halton**

None.

### **7.2 Employment, Learning & Skills in Halton**

Supported living providers support vulnerable individuals to maximise their potential to participate in training and to obtain work.

### **7.3 A Healthy Halton**

The provision of supported housing enables individuals to live in a stable environment that effectively supports clients to maintain and improve their health.

### **7.4 A Safer Halton**

Supported housing enables some of the most marginalised and vulnerable of Haltons residents, to be safely supported within and as members of our community.

### **7.5 Halton's Urban Renewal**

None

## **8.0 RISK ANALYSIS**

81 Risk to vulnerable clients is reduced through contracting with a provider with a proven track record of delivering good quality

services for people with a learning disability.

**9.0 EQUALITY AND DIVERSITY ISSUES**

9.1 The agency awarded a contract would be expected to comply with the Council's policies relating to Ethnicity and Cultural Diversity as well as promoting social inclusion of some of the most disadvantaged people in the Borough.

**10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.