

REPORT TO: Executive Board Sub Committee

DATE: 19th November 2009

REPORTING OFFICER: Strategic Director – Health & Community

SUBJECT: Request to extend contracts for Residential Care for Adults with Learning Disabilities and Mental Health Needs

WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 To request suspension of relevant procurement standing orders 3.1-3.9 to extend existing contracts for residential care at Wide Cove, Smithy Forge, Leahurst and Woodcrofts until 31st March 2011 to allow sufficient time to carry out complete extensive consultation with service users, carers and stakeholders and to complete an options appraisal regarding future use of the services.
- 1.2 To seek approval of delegated powers to the Strategic Director, Health and Community, in conjunction with the portfolio holder for Health, to award interim contracts to 31st March 2011 to existing providers of residential care services transferred from the PCT and to take such action as may be necessary to implement the recommendations detailed below.

2.0 RECOMMENDATION: That:

- (1) **In the exceptional circumstances set out below, for the purpose of standing order 1.6 procurement standing orders 3.1 to 3.9 be waived on this occasion on the basis that the review of residential services offered in Wide Cove, Smithy Forge, Leahurst and Woodcrofts Residential Homes should be completed to consider the changing needs of learning disabled adults and people with severe and enduring mental health problems. In addition the existing contract for these services be extended to 31st March 2011 in line with the contracted rate previously agreed by Board, plus any inflationary uplift in line with that approved by Council in setting the 2010/11 budget.**
- (2) **Delegated powers be approved to enable the Strategic Director, Health and Community, in conjunction with the portfolio holder for Health to award contracts to residential care services offered in Glenwood, Holmdale and Bankfield, provided by Community Integrated Care (CIC), recently transferred from the PCT under the**

Department of Health directive. The contracted rate initially to be in line with existing rates paid by the PCT and to then be reviewed following actions outlined in 3.1.5 – 3.1.8 of this report, plus any inflationary uplift in line with that approved by the Council in setting the 2010/11 budget.

- (3) The Strategic Director, Health and Community, in conjunction with the portfolio holder for Health, be authorised to take such action as necessary to implement the above recommendation.**

3.0 SUPPORTING INFORMATION

3.1 Contract for Specialist Adult with learning disabilities residential care.

3.1.1 On 19th March 2009 Executive Board Sub-committee agreed to extend contracts for residential care at Wide Cove and Smithy Forge in order to allow time to reconfigure the accommodation and support to offer independent living arrangements and more opportunities to participate in community life.

3.1.2 Significant progress has been made since March in developing the residents' life skills and empowering them to take control of their own lives. Key areas of focus so far have been:

- Each persons needs are being assessed by a Social Worker in consultation with families and they also have support from an independent advocate.
- Meetings have been held with the residents to explain the principles of Valuing People Now and how their rights and independence can be increased.
- Halton Speak Out, the self-advocacy support group, are supporting people to think about and plan their future accommodation and support needs including discussion around individual budgets. Specialist support will be brought in as appropriate e.g. speech and language therapist to enhance effective communication.
- Families have formed "Smithy Forge Residents and Relatives Group" and have indicated their opposition to any change in the status quo. Officers have met with this group and responded to letters. Whilst it is important to consider families views they must be balanced against what the individual wants so that the person with learning disabilities is not disempowered.

3.1.3 The homeowners will need to de-register the care homes and a new registration as a domiciliary care agency may need to be applied for dependent on how people choose to be supported. The de-

registration process will take a minimum of three months and is dependent on the Care Quality Commission (CQC) being satisfied that robust alternative plans are in place to meet the needs of the residents.

- 3.1.4 In April this year, following the Department of Health directive, responsibility for commissioning non-healthcare related activity and support for people with learning disabilities and the corresponding financial resources, transferred from the PCT to Adult Social Care. In Halton this includes 3 residential care home provided by Community Integrated Care. These services are subject to inspection and regulation by the Care Quality Commission and will now be subject to review and inspection through HBC Quality assurance team and joint social care and health fieldwork teams.
- 3.1.5 In addition, the National Development Team for inclusion (NDTi) has selected proposals submitted by Halton Borough Council, working in collaboration with St Helens Council and the PCT, to be the demonstration site for the Housing and Social Inclusion Project for the North West region.
- 3.1.6 This is a three-year, Department of Health subsidised, initiative to support people with learning disabilities to move from residential care, and achieve housing and support options that promote community inclusion and independent living. The reconfiguration of residential services at Wide Cove and Smithy Forge is one of the work streams and the learning from this piece of work will be applied to a review of residential services transferred from the PCT
- 3.1.7 As a result of being selected, NDTi support will be available to:
- Increase housing options and rights for people with learning disabilities;
 - Achieve successful strategies for improving social inclusion; and improve local performance against national indicator(s).
- 3.1.8 A steering group has been formed with representation from residents, their advocate and families. Once agreement has been reached around the future model of support, this group will develop and oversee a detailed implementation plan.
- 3.1.9 A range of initiatives is being explored to empower people in residential care to ensure their voice is heard and to offer them choice. It is clear that the original timescale to establish independent living by 31st March 2010 was over ambitious and could only be met by council officers determining how people should be supported to live their lives; an approach that does not fit with the Transformation of Adult Social Care and personalisation of services.
- 3.1.10 Executive Board Sub-Committee is asked to extend the contract for residential care at Wide Cove and Smithy Forge for a further year to March 2011.

3.1.11 Approval is also sought to offer contracts within the same timeframe i.e. to 31st March 2011, to providers of non-health related residential care services at Glenwood, Holmdale and Bankfield provided by CIC and transferred from the PCT on 1st April 2009.

3.2 Contract for Adult Mental Health residential care

3.2.1 On 19th March 2009 Executive Board Sub- Committee agreed to extend contracts for residential care at Leahurst and Woodcrofts. In addition the outcomes of a review of the current and future needs of those people with mental health needs living in residential care would be submitted to the Healthy Halton Policy and Performance Board.

3.2.2 Leahurst is a 26 bed residential home in Ditton, Widnes. At the moment the service has 25 residents, only 10 of whom are Halton residents. The remainder of the occupants have been placed in the service by other local authorities. The age of the residents ranges from 46 to 71 years, the average age being 58. Four of the residents have been living in this residential setting in excess of ten years.

3.2.3 Woodcrofts is a 21 bed residential home in Halton View, Widnes. At the moment the service has 17 residents, 12 of whom are Halton residents. The remainder of the occupants have been placed in the service by other local authorities. The age of residents ranges from 40 to 79 years, the average age being 61. The average length of stay for residents is ten years and over.

3.2.4 Progress is ongoing reviewing the current and future provision of Mental Health services, including consultation with service users to assess their views. This project will make recommendations that will outline recommendations regarding the future of the services in line with best practice models for residential Mental Health Services.

3.2.5 Executive Board Sub-Committee is asked to extend the contract for residential care at Leahurst and Woodcrofts for a further year to March 2011.

4.0 Business Case for the Contract extensions Value for money and competition

4.1 The current review will include a benchmarking exercise of similar specialist services and a review of quality of care (Care Quality Commission standards) in these homes against similar registered services.

4.2 Transparency

The contract and award process are subject to Freedom of Information requests and annual external and internal auditing processes. They are also recorded in the Council's contract register accessible via the internet. This ensures that external agencies do

have some opportunity to examine contractual processes and outcomes.

4.3 **Propriety and Security**

The extension of contracts referred to in this report will be compliant with Halton Borough Council's procurement standing orders. Compliance with anti corruption practices will be adhered to and any of the contracts within the subject of this report will be terminated if there is any occurrence of corruption by any of the organisations or their staff.

4.4 **Accountability**

The contracts will be performance managed and quality assured by the Adult Social Care Contracts and Supporting People Team. Residential and care providers are subject to inspection by the Care Quality Commission.

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

These are Part B exempt services under the Contracts Regulations 2006 and do not need to be advertised in the OJEU although when a contract is awarded true OJEU must be notified within 48 days.

5.0 **POLICY IMPLICATIONS**

5.1 The recently published Government document Valuing People Now – a new three-year strategy for people with learning disabilities (2009) reaffirms the four guiding principles set out in Valuing People (2001) that people with learning disabilities: have the same human rights as anyone else, independent living, control of decisions made about their lives, and inclusion in all aspects of community. These rights are already embedded within contracted services for community support.

5.2 Over the next 5 years, personalisation will substantially affect the way in which people receive services. National indicator 130 has a target requiring 30% of people in receipt of community care to be purchasing them using an individual budget or direct payment by 1ST April 2011. Thus the Council must ensure it has flexible contracting arrangements in place to manage this.

6.0 **FINANCIAL IMPLICATIONS**

6.1 The estimated costs of the 12-month contract extension for residential care services is:

Residential Home	Estimated annual cost
Widecove	£231,410
Smithy Forge	£200,414
Leahurst	£159,980
Woodcrofts	£144,068

The re-provision of residential care services is not expected to add any costs and in the medium to long term as people become more independent there may be reduced support costs.

- 6.2 The estimated 12 month costs of the transferred residential services are:

Residential Home	Estimated annual cost
Glenwood	£588,909
Holmdale	£309,967
Bankfield	£185,229

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

7.1 **Children & Young People in Halton**

None identified

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

None identified

7.3 **A Healthy Halton**

These services offer a range of care and support to vulnerable people in the Borough and by promoting social inclusion have a positive impact on a person's self-worth and mental health.

7.4 **A Safer Halton**

None identified

7.5 **Halton's Urban Renewal**

None identified

8.0 **RISK ANALYSIS**

- 8.1 All contracts are monitored in accordance with the level of risk identified and in the event of non-compliance the contract will be reviewed immediately and necessary remedial action instigated.

9.0 **EQUALITY AND DIVERSITY ISSUES**

- 9.1 Agencies working under contract to the Council are 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.

- 9.2 Equality and Diversity will also form part of the social worker reviews for each person residing in the two learning disability care homes and supported by those services transferred from the PCT.

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

None under the meaning of the Act.