

**On behalf of** Tony Hill Director of Public Health

Report to: Cllr Mrs S Woolley

Date: 24<sup>th</sup> May 2011

Subject: UBU Supported Housing Contract

Decision Reference: 01883

Key Decision? ☐ Yes ☒ No

**Summary:**

The Executive Councillor is being asked to authorise a decision made by the Supporting People Officers in partnership with Adults & Children's Commissioning Officers. Due to reconfigurations of both the Supporting People Commissioning Body Constitution and the Lincolnshire County Council Senior Management Team, it is acknowledged that this paper is being signed retrospectively.

Whilst Officers acknowledge that the expiration date for this contract was 31 March 2011, in signing this non-key decision notice on Tuesday 24 May 2011, Executive Councillor Mrs S Woolley recognises that approval of this contract extension from the Lincolnshire Supported Housing Partnership Commissioning Body has been granted and that every effort would be made to ensure that the provider is in receipt of payment and a contract variation in a timely manner.

The Supporting People team has undertaken a piece of work to remodel the way in which supported housing services for people with Learning Disabilities are delivered within Lincolnshire.

The new model is based on a community support method of delivering support services and will incorporate housing related support, care and in the future health services.

In order to realise the full potential of the services and contracts while

achieving efficiencies, the team has undertaken the work in partnership with commissioning partners in Adult Social Care which has unfortunately led to a delay in the commencement of the new model.

The approved provider process is currently being finalised with a view to advertising the framework agreement in July 2011. It is envisaged that this process will take around three to four months to complete and the new framework contract will commence in November 2011.

In order for some further work to be undertaken in relation to the future contracts, a six month contract extension is initially required. This extension will allow for a robust plan to be put into place and for the Supporting People partnership to determine if the timelines in relation to the community support project are feasible as the team is fully aware that a procurement process is required in relation to the contracts and that there should not be further extensions.

If during the six month extension period it is determined that there may be slippage in the timescales within the community support project, or if the timescales will not allow for the Supported Housing contracts to be included within the project at this stage, a further six month extension may be requested. This will ensure that the provider is given adequate notice on the contract and for the Supported Housing team to undertake a procurement process in relation to the contract. Thus an efficiency will be achieved as it is a requirement for all Supported Housing contracts awarded through a tender process to be in line with the cost funding model.

**Recommendation(s):**

In order for the approved provider process to be finalised and for the framework agreement to be advertised and implemented or for an alternative procurement route to be considered, it is recommended that a six month extension is initially awarded. The value of the contract during this period will total £104,769.60.

**Alternatives Considered:**

It has been agreed by the Supported Housing partnership that the Learning Disabilities contracts/services will form part of the Community Support project to ensure that service users receive a robust service that is also value for money and will achieve the efficiencies within the contracts required.

Currently there is no other option to consider for these contracts. However, should the timescales in relation to the project slip the team will be in the position to commence a procurement process in relation to the contracts.

Should the extension not be awarded, the vulnerable service users will be left without a service and the provider will not be able to put robust exit strategies

in place for the service users as the contract will expire during March 2011.

**Reasons for Recommendation:**

To ensure that the remodelling work that has been undertaken can be implemented in line with commissioning partners, by using a robust procurement process while achieving value for money and to allow for a contingency to be implemented if the timescales of the project are not achievable within the next financial year.

**1. Background**

The Supporting People Learning Disability contracts have been extended to allow for the remodelling of services to ensure that the service users have more choice in relation to the services they receive and to ensure that the services are of high quality and value for money.

Since the remodelling of the services commenced a key decision to include the services in the Community Support Service model has been taken and therefore the team is linking in with colleagues in Adult Social Care who are taking the lead on the project.

Therefore, in order for the procurement of future services to fit into the project timeframe and for the team to be able a one year contract extension is required, thus enabling the development of an approved provider process, the advertising of the framework agreement and the transfer of services to new providers where required. This will also allow for TUPE implications and for exit strategies to be put into place by providers who do not wish to form part of the framework agreement.

By issuing an initial six month contract extension the team will also have a contingency to commence an alternative procurement process if the needs arise due to slippage in the timeframes of the Community Support Service project.

**2. Conclusion**

If a six month contract extension is granted the remodelling work can be finalised and a robust and thorough process can be followed to ensure that a quality service providing value for money is sought.

**3. Legal comments:**

The renewal of contracts must usually follow the appropriate procurement

route as set out in the Constitution dependent on the value. However, if circumstances arise where exceptions to that route are required they can be approved. In view of the value of this contract this should be by Executive Councillor .

The report sets out that these are Part B Services for the purpose of the Public Contract Regulations and why publication is not required to meet the requirements of the EU Treaty Obligations.

This decision is lawful and within the remit of the Executive Councillor .

**4. Executive Director of Resource and Community Safety comments:**

Financial regulations relating to Rules in Relation to Contracts exist to ensure value for money is achieved and that governance arrangements are adequately followed. In this particular case, the contract is one of several that form part of a new service model which will look to combine service provision across Adult Social Care and Supporting People, however the business case for this model has not yet been approved and therefore a formal procurement process cannot yet take place. It therefore seems sensible to continue with the existing provider for a further six months during which time work to seek approval on the business case and to start the procurement process can continue from April 2011 with a commitment to achieve long term best value through the newly designed contractual arrangements at the point in which the extension expires and a new contract starts. However it should be noted that further delays may have an adverse impact on the reputation of the authority and its ability to deliver best value in the short to medium term.

It is therefore recommended that a project plan is produced demonstrating how any new contract will be in place following the period of this six month extension. Delivery of this plan will need to be monitored and reported to DMT on a regular basis given the risks involved.

**5. Consultation**

**a. Has a Local Member Been Consulted?**

**b. Has the Executive Councillor Been Consulted?**

**c. Scrutiny Comments:**

**d. Policy Proofing Actions Required:**

## 6. Appendices

These are listed below and attached at the back of the report

## 7. Background papers

Document title	Where the document can be viewed
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