

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Executive Lead Member for Children's Services
<b>Date:</b>	12 September 2018
<b>Title:</b>	Children's Services Procurement - Approval to Spend
<b>Report From:</b>	Director of Children's Services

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### 1. Recommendation(s)

Approval to spend is granted for:

- 1.1 Children's Residential Care up to a value of £132M over a 4 year framework term with a potential option to extend for a further 2 years totalling 6 years from October 2018 to be funded from existing revenue budgets.
- 1.2 Technology Enabled Care up to a value of £6M over a 5 year contract period with an option to extend for a further 5 years totalling 10 years from January 2019 to be funded from existing revenue budgets;
- 1.3 16+ Support and Accommodation Services up to a value of £15M over a 3 year initial term with an option to extend for a further 2 years, totalling 5 years from April 2019 to be funded from existing revenue budgets.

### 2. Executive Summary

- 2.1 The purpose of this paper is to gain approval to spend in relation to frameworks to enable contracts for services to be called off by Hampshire County Council's Children's Services department.
- 2.2 This paper seeks approval to spend for a Technology Enabled Care service, Children's Residential Care and 16+ Support and Accommodation Services, in accordance with the Council's Contract Standing orders and Constitution.
- 2.3 This paper seeks to:
  - Give relevant background information on the Council's obligations for providing these services
  - Consider the finance and the impact on the budget

- Highlight key issues
- Request approval to spend as set out in paragraph one of the report

### **3. Children's Residential Care**

#### **Contextual information**

- 3.1 The current framework for Children's Residential Care is due to end on 30 September 2018. Approval for a four year contract was agreed on 18 January 2017 (record 7966). Approval is sought to allow for the framework to be extended for a maximum term of six years (comprising a four year initial term with an optional two year).
- 3.2 The longer term will allow the Council to establish robust contractual relationships with providers and the opportunity to consider ways to encourage local provision to build sufficiency in Hampshire. This can be achieved by defining geographical zones or through block contracts, which will provide Hampshire the opportunity to manage vacancies more effectively and have greater input into placement planning with providers.

#### **Finance**

- 3.3 Based on current numbers of placements the annual value of the framework is estimated to be £22M. The total framework value could therefore be up to £132M and approval is sought to this maximum framework spend.

Whilst spend analysis shows that over the past four years spend on residential care placements has increased, it is anticipated that with the focus on reunification and effective management of step down from residential to foster care, the number of residential placements will begin to reduce. Closer working with residential care providers will facilitate more effective management of costs and capacity over time.

#### **Performance**

- 3.4 Provider performance will be monitored quarterly through collation of Key Performance Indicators and meetings with providers to address any issues and identify priorities for the next calendar quarter.

#### **Consultation and Equalities**

- 3.5 The Council has undertaken an equalities impact assessment as part of the commissioning process.

[Equality Impact Assessment - Replacement framework agreement for Children's Residential Care](#)

## **Other Key Issues**

- 3.6 The creation of a new framework will not impact on any children and young people currently in residential placements. Any placements already agreed will continue until they end naturally.

## **Future direction**

- 3.7 The implementation of Technology Enabled Care (TEC) will provide opportunities to negotiate how residential care is delivered, for example, in instances where children and young people have medical problems monitors and sensors can be used to eliminate the need for 1:1 overnight care. This will also increase independence for children and young people in residential care and in many cases will also help to improve their long term outcomes.

## **4. Technology Enabled Care (TEC)**

### **Contextual information**

- 4.1 TEC (formerly telecare) has been piloted with the Children with Disabilities cohort of Children's Services and has demonstrated improved outcomes for the children and their families. This success has come in hand with savings or cost avoidance for the County Council.
- 4.2 Other cohorts of children with eligible social care needs have been identified as potential growth areas to benefit from the use of technology enabled care.
- 4.3 Adults' Health and Care (AHC) are leading on the re-procurement of the TEC contract which will be in place in 2019.
- 4.4 As with the current arrangements, Children's Services will be able to utilise the contract via AHC to meet needs and demands within Children's Services.

### **Finance**

- 4.5 Based on potential growth over the next 10 years, it is estimated that Children's Services could spend up to £6million over the lifetime of the new TEC contract (up to 10 years).
- 4.6 Individual referrals under the new contract will need to be considered and approved at a service level to ensure they are meeting need, outcomes and any financial considerations.

### **Performance**

- 4.8 Provider performance will be monitored quarterly through collation of Key Performance Indicators and contract management meetings.

## **Consultation and Equalities**

4.9 The Council has undertaken an equalities impact assessment as part of the commissioning process:

[Equality Impact Assessment - Procurement of technology enabled care service](#)

## **Other Key Issues**

4.10 The Council will work closely with the successful provider to ensure that current service users are not negatively impacted by a change in provider.

### **Future direction**

4.11 The Council will be working with the successful TEC provider on how to promote the opportunity of TEC to the private market to enable families not known to social care to be able to benefit from the technology available on the market via private pay arrangements.

## **5. 16+ Support and Accommodation Services**

### **Contextual information**

5.1 The current contracts for 16+ Support and Accommodation Services are due to end on 31 March 2019. A tender process is to be undertaken in order to award contracts for a maximum term of 5 years (3 years initial term with a 2 year optional extension). This term will allow the Council to establish robust contractual relationships with providers to ensure appropriate provision for Care Leavers and other eligible homeless young people in Hampshire.

### **Finance**

5.2 The annual value of the future contract will be £3M total contract value is therefore anticipated to be up to £15M. It is anticipated that these new contracts will offer more appropriate placements therefore reducing spend on future frameworks for 16+ services and off contract spend.

### **Performance**

5.3 Provider performance will be monitored quarterly through collation of Key Performance Indicators and meetings. Regular monitoring of individual placements will be supported where necessary to improve services and address issues.

### **Consultation and equalities**

5.4 The Council is undertaking an equalities impact assessment as part of the commissioning process.

[Equality Impact Assessment - Supported Accommodation Services](#)

**Other key issues**

5.5 The Council will work closely with the successful provider(s) to ensure that current service users are not negatively impacted by a change in provider.

**Future direction**

5.6 The Council will have a mix of contracts and frameworks in place to deliver the service; establish best practice; and identify innovation and added value for these services.

**CORPORATE OR LEGAL INFORMATION:****Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	yes
<b>People in Hampshire live safe, healthy and independent lives:</b>	yes
<b>People in Hampshire enjoy a rich and diverse environment:</b>	no
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	yes

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
Executive Member for Adult Social Care and Health: Technology Enabled Care Partnership Arrangements Permission to Spend <a href="http://democracy.hants.gov.uk/documents/s21022/Report.pdf">http://democracy.hants.gov.uk/documents/s21022/Report.pdf</a>	25 July 2018
Executive Lead Member for Children's Services Decision Report for Residential and SEN Placements <a href="http://www3.hants.gov.uk/councilmeetings/advsearchmeetings/meetingsitemdocuments.htm?sta=&amp;pref=Y&amp;item_ID=7966&amp;tab=2&amp;co=&amp;confidential=">http://www3.hants.gov.uk/councilmeetings/advsearchmeetings/meetingsitemdocuments.htm?sta=&amp;pref=Y&amp;item_ID=7966&amp;tab=2&amp;co=&amp;confidential=</a>	18 January 2017
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

**Due regard in this context involves having due regard in particular to:**

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

### **Equalities Impact Assessment:**

Equality Statements have been completed for each project.

### **2. Impact on Crime and Disorder:**

None

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

n/a

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

n/a

<b>Project title</b>	<b>Contract / Framework term and start date</b>	<b>Anticipated County Council, Children's Services spend over term<sup>[1]</sup></b>	<b>Anticipated total value over term<sup>[2]</sup> (Collaborative Spend)</b>	<b>Approval required</b>
<b>Residential</b>	Contract start date: October 2018 Contract term: 4+2 years	£132,000,000	£147,000,000 (includes the potential for the Isle of Wight to use the framework)	Approval to spend
<b>Technology Enabled Care</b>	This is an Adults' Health and care Department contract. Contract start date: January 2019 Contract term: 5+5 years	£6,000,000	£67,410,000	Approval to spend for CSD element of service
<b>16+ Support and Accommodation</b>	Contract start date: 1 April 2019, Contract term: 3+2 years	£15,000,000	£15,000,000	Approval to spend

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<sup>[1]</sup> Hampshire County Council spend subject to budget approval.

<sup>[2]</sup> Collaborative spend subject to budget approval of the relevant local authorities and partners.