



# Doncaster Council

## Report

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Date: 27 March 2018

To the Chair and Members of CABINET

### ADULT HEALTH AND WELLBEING COMMISSIONING 2018/19

Relevant Member	Cabinet	Wards Affected	Key Decision
Councillor Blake		All Wards in Doncaster	Yes

#### 1. EXECUTIVE SUMMARY

- 1.1 Commissioning is at the heart of delivering the transformation of Adults, Health and Wellbeing (AHWb) for the citizens of Doncaster. The Commissioning Procurement Plan supports the delivery of the Adult Transformation Programme, Doncaster Growing Together and the Doncaster Place Plan which seeks to create more targeted and programmed arrangements for joint commissioning.
- 1.2 The purpose of this report is to seek Cabinet approval to implement the Commissioning Procurement Plan for 2018/19 set out at Appendix 1 which details the contracts due to expire in this financial year.
- 1.3 Where service reviews or procurement exercises are proposed to be undertaken, these will be comply with the following principles to:-
  - Deliver the Councils strategic objectives and support local business
  - Facilitate or deliver service transformation and priorities
  - Improve outcomes for service users, seek to deliver savings and continuity and stability of service provision
  - Deliver joint commissioning intentions
  - Ensure the delivery of quality, value for money services
  - Re-design or decommission services that no longer meet priorities or required outcomes.

#### 2. EXEMPT REPORT

- 2.1 Financial Information presented in **Appendix 1** to the report is not for publication as it refers to information which is exempt as defined within paragraph 3, (information relating to the financial and business affairs or any

particular person, including the authority holding that information) of Part 1 of Schedule 12A of the Local Government Act, 1972, as amended. Contains sensitive contractual information in the form of current contractor's bid values.

### **3 RECOMMENDATIONS**

3.1 To approve the:-

- Commissioning Procurement Plan for 2018/19 including the proposals and activity contained in this report and at Appendix 1.
- Delegation of authority to agree and sign off commissioning recommendations, to the Director of People, or nominated deputy, as the work plan is progressed.
- Delegation of award of contracts to the Director of People in consultation with the Cabinet Member for Adult Social Care.
- Development proposals in regarding social value and community commissioning as set out under paragraph 7 of this report.

### **4. WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

4.1 Effective commissioning and contract management is essential, to ensure the delivery of value for money, quality, effective and efficient services to the citizens of Doncaster. The Commissioning Procurement Plan supports the Adult Transformation Programme as well as the Doncaster Place Plan and Doncaster Growing Together.

### **5. BACKGROUND**

5.1 In November 2016, in the context of historic overspends and a need to improve services, the Council approved an overall transformation programme for Adults Health and Wellbeing to deliver a financially sustainable service, underpinned by changes in social care practice, technology, closer working with partners, and commissioning. The Adults Transformation Programme set out the requirements for a new strategic commissioning model.

5.2 Between March and August of 2017 there had been a number of breaches and waivers of the Council's Contract Procedure Rules (CPR's), ie where there had never been a contract in place, a contract had expired but the service continued to operate or requests had been made to extend existing contracts beyond their normal expiry date.

5.3 To improve compliance and performance, Audit Committee were requested to approve the development and implementation of:-

- A strategic review programme of adult social care commissioning activity;
- A corporately agreed and regularly updated procurement plan.

5.4 A four year Commissioning Procurement Plan was developed during the summer of 2017 and a Delivery Plan presented to Audit Committee on the

26<sup>th</sup> October 2017 which set out the improvements required to reduce the number of waivers and breaches to CPR's and the resource requirements needed to support delivery of the Plan.

- 5.5 At that time the team were under resourced to deliver the full requirements of the Commissioning Procurement Plan, compounded in October 2017, when three full time members of staff from the adults commissioning and contracts team left the service, securing new positions outside of the commissioning and contracts function. This, coupled with at least two unsuccessful recruitment drives and the continued vacancy at Head of Service level this meant that capacity in the team to deliver the commissioning and procurement priorities was severely reduced.
- 5.6 In the interim, a review of capacity was undertaken and changes made to staff reporting lines to maximise available capacity and focus that capacity on essential work priorities.
- 5.7 Additional internal capacity from the strategic procurement team and via the Clinical Commissioning Group was sought. However, due to capacity issues within those areas, it has not been possible to release capacity to the commissioning and contracts team.
- 5.8 The recruitment drive has continued and is now almost complete with new interim heads of service recruited. This together with the backfilling of other key posts will provide the additional capacity urgently required to support the delivery of service transformation, the proposed move towards integrated commissioning and the delivery of the Commissioning Procurement Plan.
- 5.9 The four year Commissioning Plan was finalised and formally presented to the Adult Directorate Leadership team in December 2017. The Plan set out the activity and capacity required, in adult commissioning and contracts, to support the delivery of the Directorate's improvement, commissioning and, transformation priorities.
- 5.10 In February 2018, a report was presented to Audit Committee detailing progress made by the adult commissioning and contracts team since October 17 for example the:-
  - Reduction of "off contract spend" (i.e. spend where no contract has been put in place or the contract has expired) by £2.1m i.e. from £5.4m to £3.3m.
  - Re-procurement of the Supported Living Service contract which is the highest value contract that is currently commissioned at circa £14m per year and involves 300 plus service users. As part of this process the Directorate has implemented a rigorous process of challenge and review involving all parts of the strategic commissioning cycle, including data, insight and intelligence, service delivery, finance, procurement, commissioning and programme management.
  - Re-procurement of a mental health floating support service supporting 250 units which has generated a savings over £100k per annum;
  - Commissioning of a new Carer Support Service across 4 localities in Doncaster to align with the Community Led Support model;

## **6. CURRENT POSITION**

- 6.1 The Commissioning Procurement Plan was implemented in January 2018, it is a working document which will change and evolve, driven by review outcomes that have leadership and / or political sign off.
- 6.2 Updates to the Commissioning Procurement Plan will be reported to the Directorate Leadership Team for consideration, approval and sign-off.
- 6.3 The contracts that are due to expire in 2018/19 are set out in Appendix 1. The proposed activity for each individual contract to facilitate or deliver transformation, improved outcomes for service users, achieve savings and deliver continuity and stability of service provision is contained within the appendix.
- 6.4 Adults Health and Wellbeing currently spend circa £90m with external Providers of which 97% is underpinned by a contract. This compares favourably with the Council average of 90%. The percentage of this spend with local Doncaster providers is 83% (AH&W) which exceeds the Council's average spend of 70% (as at the end of Q3).
- 6.5 Commissioners in adult social care continue to support local providers by way of training and market engagement events to maximise tender opportunities.
- 6.6. Commissioners in adult social care continue to support the Voluntary, Community and Faith sector to be more sustainable by helping the sector develop their business acumen.

## **7. DEVELOPMENTS**

- 7.1 Social Value – The Council is in the process of developing a social value strategy and toolkit informed by work undertaken by the Yorkshire and Humber Strategic Procurement Group with the Commissioning Academy. The Adult Commissioning and Contract team is working with the Councils Strategic Procurement team to build social value into the contracts to be re-procured during 2018/19.
- 7.2 Adults are also in the initial stages of developing processes to support community commissioning and social investment to underpin social value and locally based service delivery.

## **8. OPTIONS CONSIDERED**

- 8.1 **Option 1 - Do nothing:** There would be an inability to effectively support the delivery of the Commissioning Procurement Plan and priorities and the Adult's Transformation Programme. There would be a continual and potential increase in the number of contracts in breach. This would result in ineffective market management with services being at risk and the inability to meet the needs of individuals. The team would continue to work in a reactive manner rather than with a planned proactive approach.
- 8.2 **Option 2 - Agree the recommended approach outlined in the report.**

## 9 REASONS FOR RECOMMENDED OPTION

- 9.1 Option 2 is the recommended option to support the delivery of the Adult's Commissioning priorities and Transformation Programme to drive the necessary changes in culture, practice and delivery to enable and support modern, efficient and effective service delivery.

## IMPACT ON THE COUNCIL'S KEY OUTCOMES

10.

	<b>Outcomes</b>	<b>Implications</b>
	<p><b>Doncaster Working:</b> Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> <li>• Better access to good fulfilling work</li> <li>• Doncaster businesses are supported to flourish</li> <li>• Inward Investment</li> </ul>	<p>The proposals will benefit the local economy by increasing the opportunities for local providers and developing local markets.</p> <p>The proposals will help protect vital services by ensuring that resources are focussed on those most in need.</p>
	<p><b>Doncaster Living:</b> Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> <li>• The town centres are the beating heart of Doncaster</li> <li>• More people can live in a good quality, affordable home</li> <li>• Healthy and Vibrant Communities through Physical Activity and Sport</li> <li>• Everyone takes responsibility for keeping Doncaster Clean</li> <li>• Building on our cultural, artistic and sporting heritage</li> </ul>	<p>Commissioning activity is geared towards maximising the individual's independence and ensuring they remain safe</p>
	<p><b>Doncaster Learning:</b> Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> <li>• Every child has life-changing learning experiences within and beyond school</li> <li>• Many more great teachers work in Doncaster Schools that are good or better</li> <li>• Learning in Doncaster prepares young people for the world of work</li> </ul>	

	<p><b>Doncaster Caring:</b> Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> <li>• Children have the best start in life</li> <li>• Vulnerable families and individuals have support from someone they trust</li> <li>• Older people can live well and independently in their own homes</li> </ul>	<p>Commissioning activity will support vulnerable people, which in turn will strengthen communities.</p>
	<p><b>Connected Council:</b></p> <ul style="list-style-type: none"> <li>• A modern, efficient and flexible workforce</li> <li>• Modern, accessible customer interactions</li> <li>• Operating within our resources and delivering value for money</li> <li>• A co-ordinated, whole person, whole life focus on the needs and aspirations of residents</li> <li>• Building community resilience and self-reliance by connecting community assets and strengths</li> <li>• Working with our partners and residents to provide effective leadership and governance</li> </ul>	<p>Commissioning will support the delivery of modern, quality, value for money service delivery.</p> <p>Robust contract management processes will ensure that individuals remain safe and supported.</p>

## **RISKS AND ASSUMPTIONS**

11. The risks relate to a continued reduction in resources as this will impact on the team's ability to deliver business as usual, the delivery of the Commissioning Procurement Plan and support of transformation priorities. Further risk relate to the delivery of savings and lack of ability to take on new work.

## **LEGAL IMPLICATIONS [SRF Date 7/3/18]**

12. The Council is required to comply with EU Procurement Regulations and its own Contract Procedure Rules. Legal Services will provide ongoing advice and assistance on commissioning and procurement activity including TUPE. Any significant changes to commissioned services will require consideration of Equality Act implications and potentially the production of due regard statements and consultation with service users. The report author should keep this under consideration and seek further specific advice as and when appropriate.

## **FINANCIAL IMPLICATIONS [KAB 26.02.18]**

13. The total contracted budget in Adults Health and Wellbeing is circa £90m and there are opportunities to review and challenge current service delivery to reduce costs and deliver better value for money. The Directorate's budget proposals include specific saving targets to reduce contracted spend and the Commissioning Procurement Plan is joined up to help deliver these

budget proposals. The ongoing work identified within this report may well have financial implications but these will be reported appropriately as the individual areas of work progress.

#### **HUMAN RESOURCES IMPLICATIONS PM...Date...01/03/18]**

14. There are no specific Human Resource implications. HR will support if there is a need to recruit into temporary or permanent positions to support the delivery of the Commissioning Procurement Plan.

#### **TECHNOLOGY IMPLICATIONS [PW Date...07/03/18]**

15. In commissioning any new provider for the deliver of new Contract in Doncaster, due consideration needs to be given to:-
  - How information is shared between the Council and the provider and
  - Any IT systems requirements to support monitoring and tracking of Performance
  - Consider the impact on Charging Customers for services delivered
  - Paying of any providers through the Case Management System

The commissioning service should engage with ICT early in the process of identifying any new provider to consider any arising IT implications.

#### **HEALTH IMPLICATIONS [RS...Date ...20/2/18]**

16. All these contracts have the potential either to improve health and wellbeing, maintain health and wellbeing or slow any decline in health and wellbeing.

When deciding about commissioning decisions, decision makers should take into account the evidence of effectiveness of current services against relevant benchmarks and evidence base, the costs and benefits of any proposed model, and the opportunity cost of investing in any one intervention or service over any other. Where possible outcome based, person centred approaches should be co-designed with local people so it is clear how individual service activity, service quality and service outcomes contribute to wider population outcomes. Priority should be given to interventions that contribute to multiple outcomes and increase empowerment, social connection and community resilience. This may result in clustering of contracts that address similar outcomes and may make it clearer how these commissioning decisions are implementing wider policy decisions.

#### **EQUALITY IMPLICATIONS [DB 7/3/18]**

17. The Council is required to comply with the Public Sector Equalities Duty. Due regard will be considered prior to the renewal, redesign or decommissioning of the individual contracts set out in Appendix 1

#### **CONSULTATION**

18. Consultation will be undertaken with key stakeholders associated with individual contracts in pursuit of the delivery of commissioning priorities and to support the delivery of the transformation programme.

## **BACKGROUND PAPERS**

19. Individual contract reviews. Link to the Commissioning plan:

<http://intranet.doncaster.gov.uk/directorates/adults-health-wellbeing/commissioning>

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