

**Subject:** Shared Lives (Tender Contract)  
**Date of Meeting:** 11 July 2014  
**Report of:** Executive Director Adult Services  
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**Ward(s) affected:** All

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 To seek approval from Committee to tender and award a contract for the provision of the Shared Lives and Kinship scheme for three years from the 1st of April 2015, with the Council having an option to extend the contract period by a maximum of two years.

**2. RECOMMENDATIONS:**

- 2.1 That Committee approves the tendering of the Shared Lives and Kinship services through an approved procurement process during the financial year 2014-15 for the subsequent three to five years (i.e. contract period April 2015 to March 2018 with an option to extend by up to a further two years).
- 2.2 That delegated authority is granted to the Executive Director of Adult Services to approve the award of a contract to the successful bidders following recommendations of the tender evaluation panel and consultation with the Lead Member for Adult Social Care and Health.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 Brighton & Hove Adult Social Care personalisation agenda aims to give people greater choice and control. Shared Lives is a model of adult placements with the required flexibility to offer personalised services. Shared Lives schemes recruit, assess and support carers who offer accommodation or care and support in their family home to people who are unable to live independently. As a result, users are given the opportunity to remain in the community in a family environment, developing their independence and confidence in daily living.
- 3.2 Shared Lives follows national guidance presented in Putting People First (2007), The Care and Support White Paper (2012) and Caring for our Future (2012). This guidance focuses on people's wellbeing and the quality of the support offered to stay independent for as long as possible, ensuring services are of high quality and safe. The above guidance also stimulates the development of initiatives that help people share their time, talents and skills with others in their community.

3.3 One of the priorities for Adult Social Care is to commission accommodation options that help people to maintain their independence. This includes the expansion of Shared Lives across all care groups. This has been related to offering improved outcomes for service users, preventing premature admission to residential care, promoting choice and independence, in addition to the fiscal need to provide realistic alternatives to residential care. Shared Lives placements offer both a personalised service and represent value for money, when compared to costs in residential settings.

### 3.4 **Current contracts**

3.4.1 The Council currently has two contracts with a single provider (Grace Eyre Foundation) to support Shared Lives arrangements. Together the contracts support a total of 34 service users and 22 carers. Both contracts have been managed by ASC since April 2014.

3.4.2 One of the contracts is a block contract for 9 service users. The other is a rolling contract with no limit in the number of service users. Each contract payment rates and terms and conditions are significantly different to the other. There are historical reasons for the difference. We considered merging the contracts however legal advice confirms that this would amount to the award of a new contract to which the Council's contract standing orders need to be applied..

3.4.3 **Proposal:** The block contract is due to terminate at the end of March 2015. The rolling contract can be terminated on three months' notice. The intention is to end the rolling contract on the same date as the block contract, and procure a new contract to cover both sets of arrangements from 1 April 2015. This report asks Committee to grant permission to tender a single contract that will merge the current arrangements in the process

### 3.5 **Proposed Procurement Arrangements**

3.5.1 The Contract will be tendered via a single stage open procedure via Council's eTendering Portal, EU-Supply.

3.5.2 It is considered that the Transfer of Undertakings (Protection of Employment) Regulations may apply in the event that the service transfers to a new Contractor. Prospective tenderers will be notified of this consideration and all necessary processes will be undertaken to comply with the legislative requirements

3.5.3 Tender applications will be assessed by an evaluation panel comprised of the following positions:

- Shared Lives Project Manager
- Procurement Officer
- Contracts Officer
- Social Worker from Assessment Team
- In-House Shared Lives Carer (In-House is not able to bid in this tender process)

This evaluation panel will apply the following assessment criteria in their appraisal of the tenders:

### A. Price (35%)

The Tender price will be composed of two elements:

1. The Care Component – This represents the cost of the Shared Lives' Carers
2. The Management Component – This represents the cost of the Contractor's management of the Shared Lives Scheme.

Tender prices will be scored using the following formula:

$$\text{Score} = \frac{\text{Lowest Tendered Price}}{\text{Tender Price}} \times 35\%$$

That is, the cheaper tenderer will receive a full score of 35%, and each higher price will receive a portion of 35% proportional to the price difference between their tendered price and the lowest tendered price.

### B. Quality (35%)

Criteria	Sub-Criteria	Weighting
Meeting the Requirement of the Specification	<ul style="list-style-type: none"> <li>• Registration to the Care Quality Commission ('the CQC');</li> <li>• Provision of Training to Carers according to CQC requirements;</li> <li>• Equality Standards; and</li> <li>• Quality Monitoring</li> </ul>	17.5%
Experience and Skills in Providing Similar or Comparable Services	<ul style="list-style-type: none"> <li>• Person-centred support to carers and service users;</li> <li>• Working in partnership with statutory and private stakeholders</li> <li>• Outcome focussed</li> </ul>	17.5%

### C. Social Capital (30%)

Criteria	Weighting
Favouring Mutually Supportive Relationships in the Community	15%
Promoting Social Cooperative in Brighton and Hove	15%

### 3.6 Outcomes and value:

3.6.1 Tendering Shared Lives is an opportunity to both, attain a contractual coherence that will allow a strong service and to identify best value for money for its provision in Brighton & Hove.

3.6.2 The tendering process will focus on quality, cost and social capital, and will ensure the future expansion of Shared Lives to all service user groups in the city

(Shared Lives is currently provided mainly to service users with learning disabilities). As a result, vulnerable adults will have in their menu of support a personalised and solid alternative in the community to residential placements.

- 3.6.3 The development of Shared Lives will bring significant reduction of expenses. When compared with the costs of residential placements, the average savings from a Shared Lives placement are in the region of £17k per year for people with learning disabilities and £9K for people with mental health needs

#### **4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 There are two Shared Lives contracts with the same provider. As one contract is due to end it is timely to re commission the service as one

#### **5 COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 If Committee agrees recommendation as outlined in 2.1, work will be undertaken with Procurement in order to identify, engage and consult with stakeholders as appropriate

#### **6. CONCLUSION**

- 6.1 Tendering the Shared Lives & Kinship scheme will allow the merger of the contracts currently held with Grace Eyre Foundation in a transparent manner, respecting the principles of equality in market competition.
- 6.2 Following tendering, the resulting Contract will allow the growth and development of a strong provider in the city. This will allow further development of Shared Lives

#### **7. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

- 7.1 Based on the net spend of £0.630m against the Shared Lives and Kinship scheme for 2013-14, the proposed contract will have a value in the region of £1.9m across the 3 years. Shared lives placements represent a saving when compared to alternative forms of care and support in the community, particularly when compared to a residential setting. (The average net cost per week for a shared lives placement is £371. The average net cost per week for a residential placement ranges from £402 up to £933 depending on client group. For people with learning disabilities this is equivalent to approximately £17k per annum). The contract will allow for some growth in the number of placements which would contribute to the adults savings opportunities.

*Finance Officer Consulted: Name: Anne Silley*

*Date: 06/06/14*

##### Legal Implications:

- 7.2 The Shared Lives Scheme helps the Council to satisfy its statutory duty to provide care to people who are unable to live independently. As set out above, the proposed merger of the two current contracts constitutes the award of a new

contract in legal terms. The service is a Part B service for the purposes of the Procurement Rules, however it is considered that as there is no cross border market for this type of service. The procurement process will enable the Council to satisfy the requirements of the Council's contract standing orders (CSO's) and demonstrate value for money. Transitional arrangements will ensure that the rights of the individuals living in Shared Lives accommodation are fully protected.

*Lawyer Consulted: Jill Whittaker*

*Date: 08/06/14*

Equalities Implications:

- 7.3 An Equalities Impact Assessment will be carried out covering the scope of the proposed service. This Equality Impact Assessment is a live document that will cover all areas and of the project.

Sustainability Implications:

- 7.4 None

Any Other Significant Implications:

Corporate / Citywide Implications:

- 7.5 Shared Lives operates across the city and is an essential service in supporting people to remain in the community. Merging SP and ASC contracts and tendering the service would ensure a strong provider in the city and will promote the further development of the scheme. This will eventually have a positive impact on relieving pressure on residential placements.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

None

### **Documents in Members' Rooms**

None

### **Background Documents**

None