

DELEGATED DECISIONS BY CABINET MEMBER FOR ADULT SOCIAL CARE – 25 NOVEMBER 2014

Request for Exemption from Contract Procedure Rules for a Contract providing Residential Care Services for People with a Learning Disability provided by the Camden Society

Report by Director of Adult Social Services

1. Introduction

2. This request for exemption relates to a contract for the provision of three residential care services for fourteen people with a learning disability.
3. The Council originally tendered these services under a 1 year contract, with a one year extension clause. This extension ends at the end of February 2015. The value of the current contract to February 2015 is £1,638,337.96.
4. The decision to offer a 1+ 1 contract was made as the Council had hoped to de-register the services as residential care home during this period and then re-tender the services as supported living services under the Learning Disability Framework Agreement.
5. This work has been delayed due to the need to reassign leases from NHS Property services to the Council. This work has stalled because Housing Solutions Group (HSG) are simply not responding to any contacts. HSG receives guaranteed income from the leases - £45k each for Haven and Poplars, £28k approx. for Woodlands and it was envisaged that this revenue stream could be used to remodel the residential care home as the same amount would not be recoverable from housing benefit.
6. In light of the problems with HSG the Camden Society has now developed an alternative proposal that does not involve remodelling the existing properties and instead involves working in partnership with a specialist housing charity to identify alternative properties.
7. The contract with the Camden Society ends at the end of February 2015, so in order for this proposal to work the Council needs to seek an exemption from the contract procedure rules to enter into a contract for up to a two year period at which point the supported living services could be tendered under the Learning Disability Framework Agreement. The Council will still have the option of giving notice under the contract and retendering the service during this period.
8. The estimated value of a contract extension up until February 2017 is £1,598,337.96.

9. **Exempt Information**

10. Not applicable

11. **Reason for requesting exemption from Contract Procedure Rules**

12. There are four main reasons for seeking an exemption to the Council's Contract Procedure Rules which are set out below.

13. There have been unforeseen delays in developing the alternative supported living service as a result of the lack of engagement by a third party.

14. The proposals will ensure that an integrated approach will be developed as the Camden Society has secured the participation of a specialist housing provider.

15. The proposals will ensure that there is service continuity and provision for the 14 residents during the remodelling process. The Camden Society has developed a close working relationship with the service users and families and this trust will facilitate the remodelling process.

16. A tendering process at this stage will be disruptive to the service users and their families. The potential consequences of not requesting an exemption and re-tendering the services are detailed below, and are specific to this client group and the history around this service.

17. In addition there are a number of supplementary benefits to the extension. The Camden Society will provide charitable resources for the remodelling process. In addition the remodelling process itself will lead to a more efficient deployment of supported living staff, resulting in savings to the Council.

18. Due to the reasons described above, it is highly unlikely that any other provider would be willing and able to deliver the unique transitional service required.

19. **Potential Consequences of not requesting an exemption**

20. The potential consequences are outlined below:

21. If the contract is not extended, the residential care services will need to be re-tendered so that a new contract can be awarded to start from 1 March 2015. This will delay the work involved in remodelling the service.

22. There is a duty of care to the residents currently receiving this service and it is envisaged that this procurement process is likely to cause a great deal of anxiety for service users and family members, who have built a close working relationship with the Camden Society.

23. There is also some additional history relating to these services that is likely to add to the potential consequences described above. These services were initially provided by a failing Organisation. As a result of concerns relating to health and safety and safeguarding, the Camden Society took over these services in March 2012 as part of an emergency procurement. As this procurement was completed in an emergency situation, the services had to be re-procured again in 2012. This was done as a full procurement outside of the Learning Disability Framework. Family members and residents were fully involved in this process and unanimously decided to retain The Camden Society as their preferred provider. Because of their experiences with the failing provider, family members and residents were particularly anxious about any further changes.
24. As a result of this history, any procurement needs to be handled sensitively. Some of the residents have been living in the service since opening. The services have been relatively stable since The Camden Society became the preferred provider, and any potential changes are likely to increase anxiety, particularly if completed very quickly. Procurement at this stage will mean that the residents and their family members will have experienced uncertainty around their care provider four times during the period 2012-2015. This exemption will provide service continuity in the short-term, whilst giving residents and family members the opportunity to be involved and make decisions about their future service provider in the longer-term, when the service is tendered through the Learning Disability Framework Agreement following the remodelling process
25. **Financial and Staff Implications**
26. An exemption from Contract Procedure Rules is sought for up to two years, from 1 March 2015 to 29 February 2017 at the current contract value with the requirement to review the value as the service is being remodelled to identify any efficiency savings. The Council also reserves the right to tender the residential care service during the extension period in the event that the Camden Society is unable to deliver their proposals.
27. The exemption will allow the Council to align this contract with the Learning Disability Framework Agreement. This will reduce the costs of tendering as the supported living services can be called off from the Framework Agreement through a mini-competition rather than going out to a full tender.
28. **Legal Appraisal by County Solicitor**
29. The Legal Appraisal is attached at Annex 1.

30. **RECOMMENDATION**

31. **The Cabinet Member for Adult Social Care is RECOMMENDED to approve the exemption from the Council's Contract Procedure Rules in respect of a contract for Residential Care Services for People with a Learning Disability provided by the Camden Society.**

John Jackson
Director for Social & Community Services

Contact Officers:
Samantha Broadbent, Commissioning & Contracts Officer, Social & Community Services, Tel: 07917 534264
Mark Jermy, Strategic Procurement Officer, Social & Community Services, Tel: (01865) 323672

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