

## **SLOUGH BOROUGH COUNCIL**

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| <b>Report to:</b>                   | Cabinet  |
| <b>Date:</b>                        | 20 December 2021   |
| <b>Subject:</b>                     | Adult Social Care Transformation Update and<br>Procurement |
| <b>Chief Officer:</b>               | Alan Sinclair, Executive Director for People (Adults)      |
| <b>Contact Officer:</b>             | Alan Sinclair  |
| <b>Ward(s):</b>                     | All  |
| <b>Portfolio:</b>                   | Cllr Natasa Pantelic, Social Care and Public Health        |
| <b>Key decision:</b>                | Yes  |
| <b>Exempt:</b>                      | No   |
| <b>Decision subject to call in:</b> | Yes  |
| <b>Appendices:</b>                  | None   |

### **1. Summary and Recommendations**

- 1.1 This report seeks to update Cabinet on the progress of the Adult Social Care transformation programme and to seek approval to procure external support to ensure the delivery of phase 2 of the transformation programme through the direct award of a new contract with Peopletoo Limited for a period of six months plus six months with a maximum spend of £450,000.
- 1.2 The Adult Social Care transformation programme aims to deliver £9,121,000 in savings across 3 years (2021-2024) while increasing efficiency and best value through a range of improvement projects across Adult Social Care operations and commissioning.
- 1.3 Adult Social Care has worked successfully with Peopletoo Limited on phase 1 of the transformation programme since October 2020. Peopletoo's continued support for phase 2 will continue to bring capacity and expertise at a delivery and strategic level to ensure savings from the transformation programme phase 2 are achieved.

#### **Recommendations:**

Cabinet is requested to:

1. Note the good progress on the delivery of the Adult Social Care transformation programme and the planned phase 2.
2. Approve the procurement of external support to deliver phase 2 of the Adult Social Care transformation programme.

3. Approve the direct award of a new six month contract to Peopletoo Limited to provide this support for phase 2 of the Adult Social Care transformation programme at a cost of £215,000, with the possibility of a six month extension following that for an expected maximum total of £450,000.
4. Delegate authority to the Executive Director for People (Adults), following consultation with the Lead Member for Social Care and Public Health, to commence formal procedures to procure the contract with Peopletoo Limited.

### **Reason:**

1. To understand progress on the transformation programme to date, including the planned phase 2.
2. To support the Adult Social Care transformation programme phase 2. This will increase efficiency and best value for Adult Social Care and help deliver £9,121,000 in savings across 3 years (2021-2024). While the section 114 report concluded that Adult Social Care appears to function well, this is in acknowledgement of the Adult Social Care transformation programme. Support is needed for phase 2 to ensure delivery of the improvements and savings. Doing the transformation in house without external resources would create additional pressures while the Directorate is fully engaged with responding to Covid-19 and carrying a number of key vacant posts. This would result in increased risks in the implementation of phase 2 and could negatively impact the ability to deliver the savings and to provide best value and improved efficiency. External support would bring capacity and experience at a delivery and strategic level, thereby reducing risks in the implementation of phase 2 and ensuring the savings are delivered.
3. To continue the support for phase 2 of the transformation programme from Peopletoo Limited, who were previously selected using the ESPO Framework Agreement 664\_21 (Consultancy Services) in 2021 for seven months from March 2021 – September 2021 to support phase 1 of the transformation programme. Peopletoo have supported Adult Social Care to deliver £1,058,000 in savings as of October 2021 for the 2020/2021 financial year and are on track to deliver £1,030,000 more by the end of the financial year. They have good working knowledge of Slough Adult Social Care and have developed links with key partners across the organisation. Peopletoo will be providing support for phase 2 through their expertise at a delivery and strategic level and by bringing additional capacity.
4. To provide authority to undertake procurement activities for the contract with Peopletoo Limited.

## **2. Report**

### **Introductory paragraph**

2.1 The Adult Social Care transformation programme phase 2 is looking to deliver £9,121,000 in savings across 3 years (2021-2024). This is being delivered through a range of improvement projects across Adult Social Care operations and commissioning. This report requests approval to procure external support for phase 2 of the transformation programme and to procure a contract with Peopletoo Limited for six months plus six months, to provide this support and deliver this transformation programme and the savings.

2.2 Adult Social Care began working with Peopletoo in October 2020 as part of a diagnostic to identify areas for savings. Adult Social Care then procured a seven month contract with Peopletoo to support phase 1 of the transformation programme from March 2021 to September 2021. As of 1 October 2021, Adult Social Care are working under an implied arrangement with Peopletoo and now seek approval to formalise this arrangement and procure a new contract for six months until 31 March 2022, with the possibility of a further six month extension following that from April 2022.

2.3 The external support requested in this report will help Adult Social Care meet the following objectives and priorities:

Slough 2040 Vision

Slough will be a place of lifelong learning and aspirations for all.

Slough will be a healthy town, where people are supported to live empowered lives.

Slough Five Year Plan

Outcome 2 – Our people will be healthier and manage their own care needs.

Outcome 4 – Our residents will live in good quality homes

Recovery and Renewal

Deliver £9,121,000 in savings across 3 years (2021-2024).

## **Options considered**

Option 1: Do not procure a new contract for support

A new contract will not be procured and only services already provided will be paid for. This will leave Adult Social Care without external support to deliver phase 2 of the transformation programme. Doing the transformation in house without external resources creates additional pressures given the Directorate is fully engaged with Partners to coordinate a response to Covid-19 and is carrying a number of key vacant posts. As a result of this, there would be increased risks in the implementation of the transformation programme, which could have a negative impact on Adult Social Care's ability to deliver the £9,121,000 savings and to provide best value and improved efficiency.

Option 2: Direct award a new contract to Peopletoo, to support the delivery of the Adult Social Care transformation programme phase 2 (Recommended)

Peopletoo have delivered savings for the current financial year and were involved in the development of the transformation programme. They have good working knowledge of Slough Adult Social Care and have developed links with key partners across the organisation. This will result in reduced risks in the implementation of the transformation programme and support the delivery of the £9,121,000 savings, best value, and more efficient Adult Social Care. The direct award of a new contract to Peopletoo can be done using the same ESPO framework agreement as the previous contract and will achieve the same effect as an extension. This new contract will be for six months from 1 October 2021 to 31 March 2022 and will cost £215,000. If required, the contract may then be extended for a further six months from April 2022.

Option 3: Do not direct award a new contract with Peopletoo but begin a new procurement process to procure new support

A new contract with Peopletoo will not be procured and only services already provided will be paid for. A new procurement process would begin to procure new support from alternative consultants through a competitive process. This would result in a delay in support while the competitive procurement process takes place and would result in extra

time being needed to bring new consultants up to speed on what has already taken place in the transformation programme. There is also a risk of there being no interest from new businesses, given the initial term of six months, to take on the new contract and a risk of the budget not being sufficient for a new contract.

## **Background**

The Adult Social Care transformation programme aims to increase efficiency and value for money through a range of improvement projects within Adult Social Care operations and commissioning. The programme also aims to deliver £9,121,000 in savings across 3 years (2021-2024).

Efficiencies in social care are part of a wider integrated vision for harnessing community assets, promoting a strength-based approach and targeting interventions to achieve greatest impacts. There has been a history in SBC of focusing savings on short term efficiencies rather than part of a cohesive vision for changing the model of provision and reducing reliance on statutory support, this typically leads to unsustainable change and risks impacting negatively on performance against outcome measures.

As part of delivering a robust and sustainable transformation programme, that supports the recovery from the pandemic, six key workstreams are being delivered, each dedicated to delivering a critical aspect of the transformation programme.

The six workstreams are:

1. Strengths-Based Practice
2. Market Management
3. Preparing for Adulthood
4. Targeted Interventions
5. Digital
6. Communications and Engagement

Three of these workstreams (Strengths-Based Practice, Market Management, and Targeted Interventions) are being worked on as a priority to deliver the savings.

The programme overall is being delivered with the principle of co-producing solutions, engaging and encouraging staff across the Council's Adult Social Care departments, in-house provider services, and partners such as those in Children's Services, Health and Housing.

Peopletoo began working with Slough Borough Council in October 2020 as part of a diagnostic to identify areas of savings opportunity. Following approval by Members, Adult Social Care procured a seven month contract with Peopletoo Limited to support the transformation programme and the programme began in March 2021. Peopletoo supported and delivered the mobilisation and implementation of financial improvement projects across Adult Social Care. The leadership and operational teams recognise the ongoing need for support from Peopletoo to continue the implementation of the Adult Social Care transformation programme phase 2, due to Peopletoo's expertise in Adult Social Care transformation delivery, programme management, project management, and implementation expertise. Additionally, external support brings capacity and experience at a delivery and strategic level to ensure the transformation programme and savings are achieved.

Below is the scope of Peopletoo's support for phase 2 of the transformation programme.

| Area of scope                           | Scope  |
|---|--|
| <b>Programme support</b>                | <ul style="list-style-type: none"> <li>• Preparation and support for board and meetings</li> <li>• Updates for transformation board, Resolving and support with Actions from Transformation Board</li> <li>• Supporting Stakeholders, attending stakeholder meetings</li> <li>• Programme coordination, risk management, plan management, Interdependency management</li> <li>• Finance Tracking and benefits realisation</li> <li>• Producing Highlight Reporting</li> <li>• Project team management &amp; project planning</li> </ul>  |
| <b>ASC Ops Project Management</b>       | <ul style="list-style-type: none"> <li>• Project updates, risk and mitigation, and escalation</li> <li>• Following up on, and escalating actions with SBC project owners</li> </ul>  |
| <b>Provider Services</b>                | <ul style="list-style-type: none"> <li>• Support with HR processes &amp; consultation</li> <li>• Focussed risk management support, working to de-risk throughout</li> </ul>  |
| <b>Reablement Review</b>                | <ul style="list-style-type: none"> <li>• Diagnostic of Reablement service, including benchmarking and opportunity identification</li> <li>• Working to support the delivery of improvements and skill sharing.</li> </ul>  |
| <b>Shared Lives</b>                     | <p>Based on agreed route forward:</p> <ul style="list-style-type: none"> <li>• Work with partner to deliver shared lives offer</li> <li>• Project managing (plan, risks, escalation, and financial benefits tracking) the delivery of a Shared Lives scheme.</li> </ul> <p>Shared Lives is a scheme that supports adults with learning disabilities, mental health problems, and other needs. It matches the person with needs with an approved carer, who will provide care and support while also sharing their family, community, and home life with the person. Some people with care needs move in and live with their carer, others visit regularly.</p> |
| <b>Provider Services Market Support</b> | <ul style="list-style-type: none"> <li>• Market support and developing alternative provision</li> </ul>  |
| <b>Accommodation with Support</b>       | <ul style="list-style-type: none"> <li>• Develop and iterate plan on range of schemes</li> <li>• Support with Specifications development of schemes</li> <li>• Work with Adult Social Care Operations to ensure reviews delivered thorough range of teams to identify cohorts</li> <li>• Hands on procurement support, identifying and procuring housing providers</li> <li>• Project managing the delivery of this activity</li> </ul>  |
| <b>Target costs</b>                     | <ul style="list-style-type: none"> <li>• Rethinking the approach and how we can do this</li> <li>• Redevelop the business case to consider the new factors such as staffing crisis and current market environment</li> <li>• Commissioning capacity and support to deliver cost reductions through target costs</li> <li>• Working with neighbouring authorities to review block contracts.</li> </ul>   |

|                  |  |
|------------------|--|
|                  | <ul style="list-style-type: none"> <li>Review out of borough placements and other contracted spend</li> <li>Support with review of care home contracts</li> </ul>      |
| <b>Brokerage</b> | <ul style="list-style-type: none"> <li>Supporting the potential development of brokerage within Learning Disabilities and Mental Health to embed the model.</li> </ul> |

Peopletoo will provide support for phase 2 of the transformation programme through their experience in the design and delivery of Adult Social Care transformation programmes and the additional capacity they will bring. They have delivered over 100 Local Authority transformation programmes and have expertise in financial management, providing best value for money, and developing a strengths-based approach to Adult Social Care that builds resilience and best outcomes for people. They will bring all of this knowledge and capacity to support the quick implementation of Slough Borough Council's Adult Social Care transformation programme and the £9,121,000 in savings.

Below is a breakdown of the expected savings (in £000s) as of November 2021.

| <b>Savings Description</b>  | <b>Total Saving</b> | <b>21/22</b> | <b>22/23</b> | <b>23/24</b> |
|---|---------------------|--------------|--------------|--------------|
| Provider Services   | 1154                | 300          | 854          |              |
| LD Residential Costs  | 156                 | 78           | 78           |              |
| LD Nursing Costs  | 242                 | 182          | 60           |              |
| Accelerated Shared Lives  | 204                 | 54           | 150          |              |
| Target Costs achieved on Older People Residential Placements                          | 137                 | 40           | 97           |              |
| Provision Changes - Change in Care Purchasing Behaviours Cost Avoidance               | 2076                | 692          | 692          | 692          |
| Provision Changes - Identify Alternative Provision for Existing Clients Actual Saving | 123                 | 45           | 39           |              |
| Target Care Costs   | 2650                | 0            | 1400         | 1250         |
| Joint Funding Protocol  | 450                 | 150          | 150          | 150          |
| Diverting Demand at the Front Door  | 393                 | 131          | 131          | 131          |
| Client Contributions  | 1300                | 300          | 1000         |              |
| Virtual Review Team   | 236                 | 116          | 120          |              |
| <b>Totals</b>   | <b>9121</b>         | <b>2088</b>  | <b>4771</b>  | <b>2223</b>  |

Earlier business cases estimated the savings to total around £7 million, but these have developed over the past few months to the current estimated total savings of £9,121,000.

Of the £2,088,000 savings target for this financial year 2020/2021, the transformation programme has delivered £1,058,000 to date in October 2021 and is on track to deliver the remainder by the end of financial year.

Summary of progress from the 8<sup>th</sup> November 2021 highlight report:

- Cabinet approval to close down council run day Provider Services was given in September 2021 and clients are being reassessed prior to new services being set up.
- Reablement are currently reviewing performance and operations prior to agreeing a new operating model for future delivery.

- Target costs have identified the challenges with the block contracts and a dialogue has started.
- Data is being developed for Provision Changes, reviews and joint funding workstreams.
- Client Contributions is exploring specific system and process issues.
- Strengths Based Practice workstream:
  - Saved £997,000 to date.
  - Data is being collated on the panel decisions to assess the impact of a more structured pathway to care. This should support identification of the provision changes savings.
  - Client charging is working effectively and have identified potential additional clients where assessments haven't been completed. To date circa £727,000 has been invoiced since the beginning of the project.
  - A new analysis of the front door performance has been completed and a working group will be developed in the next month to push forward the work.
  - Achieved £78,000 against Joint Funding Packages (please note this figure is currently in the process of being updated).
- Market Management workstream:
  - Analysis of the block contract occupancy and utilisation has been completed and identified significant impact on the spend.
  - Rapid review team is operating and identifying specific care costs and providers to target.
  - Shared Lives Business Case Completed.
- Targeted Interventions workstream:
  - Staff consultation has commenced and is on track.
  - The reassessments of clients in services has commenced, all residential clients have been assessed.
  - A working group focussing on the re-assessment of clients has been setup and is running weekly. This assess the timescales against the target, the workstream is currently on track.
  - Alternative provisions for day services have been identified and will be utilised as part of the support planning process.
  - Reablement service has been process mapped and explored alternative delivery models following analysis of demand.

## **Commissioners Comments**

“Commissioners note that this report is one of two where contractual arrangements have expired and the work has continued without authority and retrospective approval is now being sought to firstly regularise the position and secondly continue with the contract arrangements without a proper process. There does not appear to be an acceptable reason in the report for the failure to report to the first available Cabinet. This is an unacceptable way for contract standing orders to be complied with by officers no matter what the justification and it further emphasises the need for long lasting cultural change to ensure that the basic norms of good local government are followed.

Cabinet should carefully consider whether to permit any option for a further extension to be dealt with under delegated powers and to require a compliant process to be followed. Cabinet should also seek more explicit deliverables to be identified as part of the conditions for approving the recommendations.”

### **3. Implications of the Recommendation**

#### 3.1 Financial implications

3.1.1 The cost of procuring a new contract with Peopletoo Limited for six months will be £215,000. If required, the contract may then be extended for a further six months for an expected maximum total of £450,000. The cost of this service will be met through the Transformation fund and has been forecasted in the accounts.

3.1.2 The Adult Social Care transformation programme is looking to deliver £9,121,000 in savings across 3 years (2021-2024).

#### 3.2 Legal implications

3.2.1 The Care Act 2014 sets out the statutory framework governing how care needs are to be assessed and how provision is to be made to meet eligible needs. The duty to assess if someone has care needs is set out at s9 and the duty to make provision to meet eligible care needs is set out in s18 of the Act.

3.2.2 A Care Act assessment can be reviewed and updated as circumstances change, but care planning should be agreed as far as possible with the service user.

3.2.3 The Care and Support Statutory Guidance at paragraph 6 emphasises that the assessment and eligibility process must be person-centred throughout, involving the person and supporting them to have choice and control.

3.2.4 Eligibility for service provision is determined by the application of a national eligibility criteria, and the process of determining the provision to be made in the care plan should be person centred, and involving and taking all reasonable steps to agree the plan with the person.

3.2.5 The charging regime that allows a local authority to charge for care services is set out in the Care and Support (Charging and Assessment of Resources) Regulations 2014.

3.2.6 Services that cannot be charged for include some reablement services and services provided under s117 of the Mental Health Act 1983.

3.2.7 The prevention duty under s2 of the Care Act 2014 mandates that a local authority must provide or arrange for the provision of services, facilities or resources, or take other steps, which it considers will contribute towards preventing or delaying the development by adults in its area of needs for care and support and for carers in need of support, and to reduce the needs for care and support of adults in its area and reduce the needs for support of carers in its area.

3.2.8 The wellbeing duty in section 1 of the Act requires the local authority, in carrying out assessments and care planning functions, to promote the individual's well-being.

3.2.9 The council had entered into a contract with Peopletoo Ltd under the ESPO framework agreement 664\_17 (Consultancy Services), this agreement had no provision for extension and ended in September 2021 meaning the contract cannot be lawfully extended as the proposed value of the extension is £215,000.

3.2.10 The threshold for services of these kind (transformation services) is £189,330 and a new lawful procurement process must take place to ensure compliance with the Public Contracts Regulations 2015 (PCR 2015).

3.2.11 A new direct award to Peopletoo Ltd should be made under the same ESPO framework agreement 664\_21 (Consultancy Services) creating a new contract for the duration required, this will comply with the requirements of the PCR 2015.

3.2.12 A new contract will achieve the same effect as an extension. There will be a requirement for new terms and conditions but these should be the same as the previous contract terms and conditions due to the use of the same framework.

3.2.13 An exemption to the normal contract procedure rules can be used here under 15.9 (e) of the CPRs, that being the award is service imperative and is being undertaken in circumstances that are exceptional.

### 3.3 Risk management implications

3.3.1 Anticipated savings may not be achieved, although this will be mitigated through robust monitoring and financial oversight which allow for early identification and remedial actions to be taken.

3.3.2 The transformation programme has its own risk register to manage risks and mitigation measures.

### 3.4 Environmental implications

3.4.1 There are no environmental implications.

### 3.5 Equality implications

3.5.1 There are no direct equality implications as a result of the decision requested, to direct award a new contract to Peopletoo Limited.

3.5.2 There may be equality implications in the future as a result of work on the Adult Social Care transformation programme. Full equality impact assessments have been undertaken for all aspects of the Adult Social Care transformation programme.

3.5.3 S.149 of the Equality Act 2010 requires public bodies to have due regard to the following aims when exercising their functions:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

The strength based practice model in particular seeks to advance equality of opportunity between persons with a disability and those without by focusing on what an individual can do and promoting independence to remove or minimise disadvantages and meet needs.

### 3.6 Procurement implications

3.6.1 The Council previously procured Peopletoo Limited in March 2021 through a direct award under the ESPO Framework Agreement 664\_21 (Consultancy Services) for a seven month contract from 1 March 2021 – 30 September 2021, which has now ended.

3.6.2 Following authorisation to proceed, Adult Social Care will work with procurement to procure the contract with Peopletoo Limited and ensure this is done in compliance with Procurement's processes.

### 3.7 Workforce implications

3.7.1 There are no direct workforce implications as a result of the decision requested, to direct award a new contract to Peopletoo Limited.

3.7.2 Certain proposals of the transformation programme will have workforce implications and correct procurees will be followed. The workforce implications of the Provider Services proposal were set out in the September cabinet report.

3.7.3 The wider ASC transformation programme will require support from other areas of the Council to deliver its full ambition. The main service areas that are anticipated to be impacted are:

- Customer Contact Centre: increase in training & supervision to divert people from statutory services appropriately.
- Housing development / Planning: increased access to general housing, and development of accommodation with support properties.
- Data / Performance: Requirement to develop a dashboard that enables tracking of provision.
- To deliver increased income through financial charging, ASC will need the Corporate Operations Directorate to have this as a priority and ensure there are sufficient staff to deliver this action.
- The Integrated Care System (ICS) and other East Berkshire councils will need to work collaboratively in developing and agreeing for shared care protocols.
- ICS & Co-production Network: The programme is being designed with the principles of co-production and engagement at the core. The ICS and the co-production network are part of the Delivery Board, and Communication and Engagement is a dedicated workstream to ensure we continually recognise and address the need for clarity, collaboration, and a shared purpose.

### 3.8 Property implications

3.8.1 There are no direct property implications as a result of the decision.

3.8.2 If any property implications arise as a result of the transformation programme, correct procedures will be followed. Any surplus property assets will be managed as part of the wider asset disposal programme. The property implications of the Provider Services proposal were set out in the September cabinet report.

## **4. Background Papers**

None