



## Report to Executive

Meeting Date – 17/09/2024

Key Decision – Yes

Is the matter included in the Forward Plan – Yes

Public/Private – Public

Portfolio – Adults and Community Health

Directorate – Adult Social Care and Housing

Report Author – Chris Jones-King, Director Adult Social Care and Housing

**Title – Permission to procure and subsequent delegated authority to appoint a Specialist Consultancy Service to act as a Strategic Partner to develop and deliver the Transformation and Service Improvement Plan for Adult Social Care and Housing**

### **Brief Summary:**

The paper seeks permission to procure a contract to appoint a Strategic Partner to develop and deliver the Transformation and Service Improvement Plan for Adult Social Care and Housing by calling off from Lot 4b (Social Care – Adults) of the Eastern Shires Purchasing Organisation (ESPO) Framework Agreement (FA) 664\_21- Consultancy Services. It also seeks to delegate the award of the contract to the Director of Adult Social Care and Housing.

### **Recommendations:**

It is recommended that Executive agrees:

- 1.To commence a regulated procurement exercise to call-off a contract for a Strategic Partner to develop and deliver the Transformation and Service Improvement Plan for Adult Social Care and Housing, through a mini competition , on Lot 4b (Social Care – Adults) of the Eastern Shires Purchasing Organisation (ESPO) Framework Agreement (FA) 664\_21- Consultancy Services, for a period of 18 months, with effect from November 2024, with option to extend for a further 18 months, for a total contract value of £2.8million.
- 2.To also grant delegated authority to the Director of Adult Social Care and Housing to award the contract for a Strategic Partner to develop and deliver the Transformation and Service Improvement Plan for Adult Social Care and Housing to the successful provider.

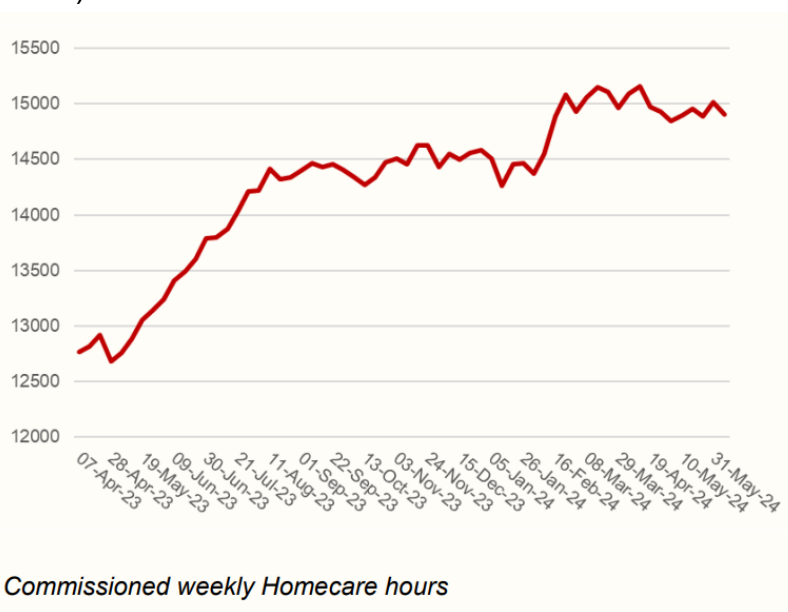
## Tracking

Executive:	17/09/2024
Scrutiny:	
Council:	

## 1. Background

1.1. The Adult Social Care and Housing Directorate (ASCH) is a vital part of Cumberland Council's statutory and non-statutory service offering to our residents. The Directorate currently faces a number of pressures, including:

- Demographics and rising demand for ASCH services:
  - Demand for services generally continues to rise year-on year, with demand for 2024-25 predicted to rise (from 2023-24 baseline) by 5% for community support at home services, 4% for nursing care services, and 2% for supported living services. Demand for homecare, for example, has risen by over 2,000 hours per week over the last 12 months to May 2024 (as per figure below).



- Cumberland has what is described as a 'super-ageing' population. This is because the proportion of people aged 65 or over is growing whereas the proportion of people aged 18 - 64 is shrinking. Currently, we have a higher proportion of older adults than in England as a whole and this is set to rise even further by 2043. This will have a large effect on our services; one particular effect is on the number of people aged 65+ who will be unable to manage at least one activity on their own, which is projected to **rise by over 35% by 2040**. Similarly, the number of older adult hospital admissions caused by falls is projected to **rise by 37%** and the number of people living with dementia is expected to **rise by 39%** by 2040<sup>1</sup>.
- The number of people living with learning disabilities or autism is projected to increase slightly by around 0.4% by 2040. This increase will likely be people aged 65+ as it is expected that the number of people with learning disabilities or autism aged 18 - 64 will decrease by around 8 - 9%. As people with learning disabilities or autism live longer, many will require some form of

<sup>1</sup> Projecting Older People Population Information System Crown copyright 2020

care at some point as anyone else would. Therefore, it is likely that traditional services will need to adapt to their specific needs and changing demographics.

- Workforce challenges - The Adult Social Care workforce in Cumberland, as in many areas, is facing major challenges. There is a limited pool of staff available across the Cumberland footprint and this is further impacted by significant competition for staff from the hospitality and retail sectors. A recent survey of care home providers in Cumbria found the use of agency staff across care homes in Cumberland is currently at 12.9% of the workforce. The vacancy rate for independent care staff is 12.8% compared to the England average of 11.2%. The turnover rate is 44.1% for independent care staff compared to the England turnover rate of 33.3%.
- Financial pressures - our 24/25 ASCH net budget is £83.493m with target savings included in this budget of £11.532m.

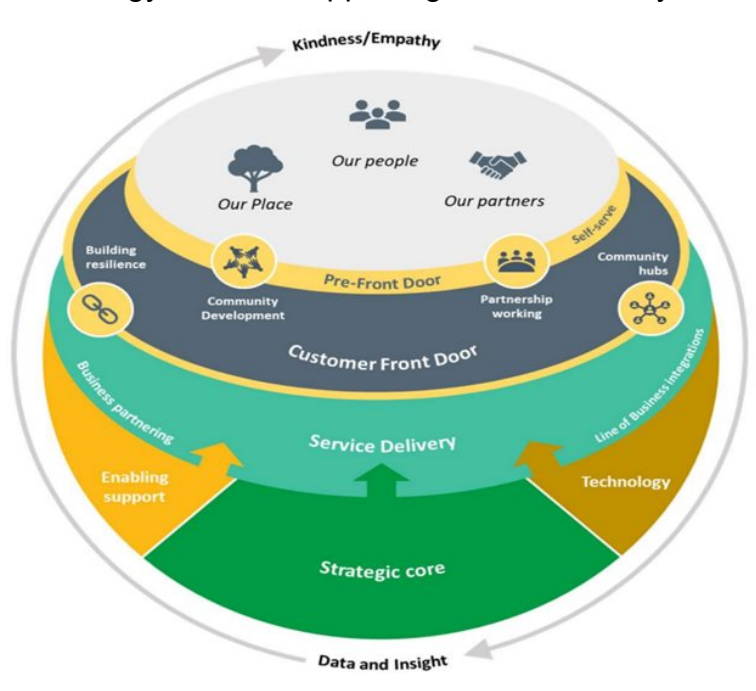
1.2. The Directorate also recognises a number of presenting opportunities, including:

- Maximising the use of the Exceptional Financial Support agreed with Government post- Local Government Reorganisation to transform services.
- Increasing digitisation of services with support from wider initiatives such as tech-enabled care training support for staff through North East ADASS, and building on successful pilots of virtual care systems.
- Opportunities to support people to increase their independence and 'self-serve' more around social care needs, by linking in with wider transformation programmes in the Council around our pre-front door and front door services.
- The opportunity to implement learning about what is working well in the department, and what can improve, through recent learning exercises including the LGA Peer Review, CQC Self-Assessment, and knowledge-sharing visits to other Authorities.

1.3. In order to respond to the identified pressures, and build on the opportunities available, Adult Social Care and Housing has developed a draft Transformation and Service Improvement Plan for 2024-26 (see Appendix 1). The plan was developed collaboratively during a planning session in July 2024 with 65 staff including practitioners, managers and senior managers from across the Directorate, as well as staff from Enabler Services including colleagues from finance, HR, commissioning, and performance. This plan builds on the existing Transformation Plan which is in place for 2023-26 and seeks to capture work in progress as well as additional priority activities to take place across the Directorate over the next two to three years.

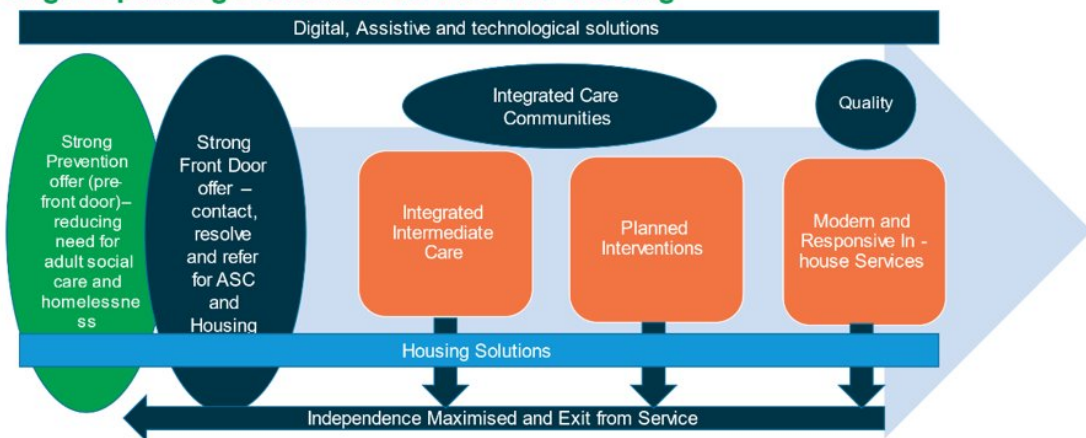
1.4. The ASCH Transformation and Service Improvement Plan seeks to respond to key pressures and take opportunities as outlined above. It also seeks to:

- Support the Council's priority of putting health and wellbeing at the heart of everything we do by maximising prevention and earlier intervention, and improving services, pathways, and outcomes for people.
- Embed ASCH into Cumberland Council's Operating Model (see figure below), by improving the information, advice and guidance we offer to customers at our pre-front door, to enable them to identify suitable solutions more readily for themselves; by transforming our presence at the front door to offer more opportunities to self-serve, and aiming to resolve queries and issues more quickly and at a lower level for people, reducing waiting times and workload on practitioners; ensuring that technology is better supporting service delivery.



- Embedding the Target Operating Framework for ASCH (see figure below) which will bring us closer to the Operating Model and support our work with partners.

### Target Operating Framework for ASC and Housing



- Identify further savings in addition to those identified in the 2023-26 Transformation Plan to relieve further cost pressures on the Directorate and the Council as a whole due to predicted increasing demand for services.

- 1.5. Implementing the Plan is now critical to improving ASCH services in line with the Council's ambitions. We also recognise that the Council needs to develop its practices, processes and systems due to upcoming CQC inspection; as a newly regulated authority, we must ensure services are fit for purpose in line with the expectations of our regulators and ensure we are meeting our statutory duties. Having identified areas for improvement, it is now fundamental that we are able to demonstrate that we are taking immediate and impactful action and provide people with the highest standards of care.
- 1.6. To provide the required capacity and expertise to implement the plan, it is recommended to appoint a specialist Consultant to act as a Strategic Partner to the Adult Social Care and Housing Directorate, using a specialist consultancy Framework (ESPO Lot 4B- Social Care - Adults) for an initial period of 18 months, commencing November 2024, with the option to extend the contract for a further 18 months, for a total contract value of £2.8million.

## **2. Proposals**

**2.1** It is recommended that permission to procure is granted to undertake a call off award via mini-competition through Lot 4b (Social Care – Adults) of the Eastern Shires Purchasing Organisation (ESPO) Framework Agreement (**FA**) 664\_21- Consultancy Services, for a Strategic Partner to develop and deliver the Transformation and Service Improvement Plan for Adult Social Care and Housing, for a period of 18 months, with effect November 2024, with the option to extend for a further 18 months. It is also recommended to grant delegated authority to the Director of Adult Social Care and Housing to award the contract to the successful provider.

2.1.1. To fund this project for the initial 18 month contract period, it is proposed to draw down £1.4million of the Exceptional Financial Support available to Cumberland Council, profiled as £0.4m in 2024-25 and £1m in 2025-26. This has been set aside for use by ASCH as part of the MTFP in March 2024, although the profile of this investment was slightly different with more planned for this year (£1m) and less in 2025-26 (£0.4m).

2.1.2. It is also proposed to include in the contract a potential extension of a further 18 months for a further cost of £1.4million, bringing the total contract value to £2.8million, however this would only be feasible if it came with a corresponding plan for increased savings. There is currently no funding earmarked to support the contract extension, and the extension would only be agreed if business need dictated and if further funding could be found.

2.1.3. The partner we are seeking is a specialist in Adult Social Care and Housing, who we plan to procure using a specialist Social Care (Adults) Framework, rather than a generic consultancy framework.

2.1.4. It is expected the Partner would be able to bring extensive experience of designing service improvements, technical knowledge, and familiarity of what has worked for other local authorities in their Adult Social Care and Housing service transformation. They would bring expertise on the reshaping of service offers, modelling of efficiencies, and identify further efficiencies that can be achieved through the reshaping of service offers. They would bring expertise in performance, insight, research and benchmarking with other comparator authorities, to support our Performance team to ensure our projects are evidence based and in line with our statistical neighbours. The Partner would work closely with enabler functions including PMO to help to devise projects which would then be delivered by PMO, with strategic and technical support from the Partner.

2.1.5. The successful Partner will be expected to work closely with other Transformation programmes currently in development and delivery across the organisation, to avoid duplication but support service redesign and delivery, including the work around the Customer and Front Door, and the Our Future Cumberland programme.

2.1.6. The successful Partner will be required to focus on three key areas:

2.1.6.1. **Phase 1 - Review and develop the Plan** (Nov-Dec 2024) – the Partner will be required to review the Transformation and Service Improvement Plan for Adult Social Care and Housing 2024-26 and provide expert feedback on whether this will meet the Council's objectives and support the Target Operating Model. They will support with modelling potential efficiencies from the priority activities identified and which will be undertaken in 2024-26 (see point 2 below), and provide further suggestions for how the plan can be improved and identify any further opportunities that can be harnessed to improve services or maintain financial sustainability. The Partner will provide support with sequencing and scheduling of the Plan, and confirming key priority areas for short-, medium- and long-term action.

2.1.6.2. **Phase 2 - Supporting the delivery of the Transformation and Service Improvement Plan for ASCH** (Dec 2024-May 2026) – The Council requires a partner who can provide delivery capacity, capability, and technical knowledge to develop identified complex key priority areas of the ASCH Plan, working with colleagues across the organisation including PMO to ensure these key priority areas are translated into deliverable projects and achieve the desired benefits for the organisation. The partner will support with modelling the efficiencies to be generated in each of these areas (see point 1 above) and develop monitoring and evaluation programmes. We expect the key priority areas to provide the £0.5million savings identified in the current Transformation Plan for ASCH in 2024-25 and £0.5million in 2025-26, as well as contributing to the wider delivery of £11.5million savings for the department as a whole over 2024-27. These key priority areas may include:

- 2.1.6.2.1. Adult Social Care Transformation – supporting with the redesign of the Adult Social Care service offer, to ensure we can deal with existing demand, look at how we develop processes and procedure to address the future predicted rise in demand, and achieve financial efficiencies through structural reform and improving workflows. The customer experience would be improved and waiting lists reduced through better management of demand by improving assessment processes, dealing with more enquiries at an earlier stage, and implementing interventions earlier.
- 2.1.6.2.2. Mental Health Service Transformation – transforming the service offer to ensure customers receive a timely service, manage increasing demand, improve efficiency of services, work with partner agencies, and achieve financial efficiencies.
- 2.1.6.2.3. Cumberland Care Review – including performance, insight and analysis to support the review areas together with technical and commercial support to deliver the planned service transformation to the ambitious timelines which are in place. This additional technical expertise and capacity will enable us to run multiple projects simultaneously and ultimately deliver the transformational savings to timescale.
- 2.1.6.2.4. Discharge and Intermediate Care – supporting work with NHS partners to improve system flows and admission avoidance - achieving efficiencies for the system and cost avoidance through ensuring customers receive rehabilitation and reablement to reduce need, and improving outcomes for customers.
- 2.1.6.2.5. Maximising reablement - providing better outcomes for people at a lower level of care by maximising reablement, through the use of better rostering, moving towards a therapy-led service with a focus on independence, and increased use of the reablement service.
- 2.1.6.2.6. Develop the Adult Social Care plan to focus on promoting healthy lifestyles and focus on prevention – supporting us to ensure our longer term plans around building back prevention are robust and achievable.
- 2.1.6.2.7. Review of Day Opportunities – supporting a full-scale review of the day opportunities model for Cumberland to ensure this is fit for purpose, provides more, positive outcomes for users of the service, and achieve efficiencies through the use of more personalised and innovative services.
- 2.1.6.3. **Embedding a Transformation culture in ASCH** – support us to work with staff to ensure a culture of embracing positive change is embedded in ASCH (throughout)
- 2.1.7. It is considered that the above resources are necessary to bring additional capacity, expertise, and momentum to our Transformation and Service



Improvement journey. A lot of good work is already ongoing, but the Directorate is challenged by a lack of capacity in enabler services and amongst ASCH staff, who are limited to the amount of time they can dedicate due to service demands. We would also benefit from expertise in what has worked well in other Local Authorities.

2.1.8. The cost of the Partner Support would be approximately £0.4million for 2024-25 (assuming contract commencement in November 2024 for consultancy) and £1million for 2025-26, for a total of 18 months. This would require a reprofiling of the initial agreed Transformation investment as per the MTFP, as detailed below. An extension of 18 months would cost another £1.4million, funding for this has not yet been identified.

2.1.9. The Partner will be required to support delivery across the key priority areas of the Transformation and Service Improvement Plan (see Appendix 1) described in paragraph 2.1.6.2 above to achieve the identified savings (below) across ASCH in 2024-25 and 2025-26. It is expected that as new activities are developed and profiled a further set of achievable savings for 2025/26/27 will be identified.

Saving Description	Investment (£000s)			Savings (£000s)		
	24/25	25/26	26/27	24/25	25/26	26/27
Development and delivery of ASCH Transformation and Service Improvement Plan	1.000	0.400	0	0.500	0.500	0
				Savings to be achieved through new Transformation and Service Improvement Plan activities (as per point 2.8.2) – yet to be profiled as part of this project	We expect this to increase from £0 as activities are profiled as part of this project	

2.2. The Partner will also be expected to support the delivery of the wider £2.4million savings target for the programme in 2025-26 and 2026-27.

### 3. Alternative options considered.

<p><b>Option 1:</b> Do Nothing / No Contract for Supply</p>	<p>Do not procure Partner support. This would risk the delivery of the ASCH Transformation and Service Improvement Plan, which would not deliver identified benefits for customers and the organisation, and would risk services becoming increasingly stretched as demand rises and no mitigating action is taken.</p>
<p><b>Option 2:</b></p>	<p><b>This is our preferred option due to the following reasons:</b></p>

To procure through a framework managed by a Public Sector Buying Organisation (PSBO)	<ul style="list-style-type: none"> <li>• This offers competitive pricing, allied to effective management of risk. Utilising their expertise means we can manage risk</li> <li>• Using the PSBO Eastern Shires Purchasing Organisation (ESPO) will allow us to benefit from a lot that specialises in Adult Social Care Services.</li> </ul>
<b>Option 3:</b> To bring the service in house	This is not considered appropriate due to the following reasons: <ul style="list-style-type: none"> <li>• Direct recruitment of appropriate specialist roles would be out of the scope of the funding available to fulfil this project and would not provide the pace and likely experience we are seeking.</li> </ul>
<b>Option 4</b> To go to the Market using an Open Procedure.	<ul style="list-style-type: none"> <li>• A national Framework is already in place</li> <li>• It would be more resource intensive and time consuming to conduct an open procurement</li> </ul>

#### 4. Reasons for recommendations

4.1 To grant permission to use Lot 4b (Social Care – Adults) of the Eastern Shires Purchasing Organisation (ESPO) Framework Agreement (**FA**) 664\_21- Consultancy Services, for a Strategic Partner to develop and deliver the Transformation and Service Improvement Plan for Adult Social Care and Housing for a period of 18 months, with effect November 2024, with option to extend for a further 18 months.

4.2 Grant delegated authority to the Director of Adult Social Care and Housing to award the contract, for a Strategic Partner to develop and deliver the Transformation and Service Improvement Plan for Adult Social Care and Housing to the successful provider.

#### Implications:

#### Contribution to the Cumberland Plan Priorities –

This project will directly contribute to Cumberland Council’s vision of taking a ‘fresh approach to the delivery of inclusive services that are shaped by our residents and communities’ by revisiting some of our core customer journeys, aiming to improve workflows and customer experience, and enabling customers to do more for themselves and access a wider range of suitable solutions for their needs. It contributes to our vision of ‘enabling positive outcomes for

health and wellbeing’ by focusing on improving the pace and scale at which these changes can be implemented and better outcomes for people achieved.

The project absolutely supports the Council Plan’s aim to ‘improve the health and wellbeing of our residents. It is at the heart of everything that we do. We want them to be happy, healthy and safe throughout their lives. We will promote independence, but also make sure we provide help early when needed. When people are vulnerable, our services will support them to live well.’

This project aims to support our values of being compassionate by seeking to improve people’s access to timely, appropriate care and support; being innovative by ensuring a wider range of digital solutions are available to people in Cumberland, and looking creatively at ways to improve our workflows and customer journeys to improve wait times and provide a better customer experience; being empowering by exploring ways for customer to self-serve and rely less on the availability of professionals; being ambitious by seeking to achieve reviews of these complex areas to high pace and scale; and being collaborative by underpinning all our activities with a robust co-production plan.

**Relevant Risks and explain how risks can be mitigated –**

Type of risk	Description	Impact	Mitigations
Financial	There is a risk that savings are not achieved despite investment in additional capacity from partners, leading to continued financial pressures for the Directorate and the Council	Significant	Develop a detailed requirements specification to ensure support meets needs of the business. Develop ambitious transformation and service improvement plan which meets Cumberland Council’s needs. Recruit partner with extensive specialist experience in Adult Social Care and Housing.
Procurement	There is a risk that an appropriate Partner is not identified and the project cannot go ahead	Moderate	Work with procurement to identify appropriate specialist framework to appoint a suitably qualified Partner organisation

Demand	Demand may continue to rise beyond the level of any mitigating activities put in place, leading to continued pressures on service delivery	Significant	Recruit a Partner with suitable ASCH experience and ability to help identify and profile activities which will have the most impact on service delivery and customer experience
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**Consultation / Engagement –**

We plan to underpin all activities in the Transformation and Service Improvement Plan with a robust Co-Production Plan which will enable the voice of residents, service users, families, carers, staff, fellow professionals and partner organisations to be sought and heard on a project-by-project basis.

**Procurement**

Given the estimated total value of the contract a regulated procurement under the Public Contract Regulations 2015 needs to be carried out.

A call off, through a mini competition, from The Eastern Shires Purchasing Organisation (ESPO) Framework for Consultancy Services (Lot 4b Social Care – Adults) should be done in accordance with the set call off mechanism to ensure compliance with the PCR 2015. Any deviation from the call off process would mean the resultant procurement would be non-compliant.

**Legal**

As the estimated value of the proposed contract for consultancy services exceeds £250,000, in accordance with rule 5.23 of the Council’s Contract Procedure Rules (as amended) (CPRs), the decision to commence the procurement exercise is a decision for the Executive.

Due to the estimated value exceeding the relevant threshold (£214,904 including VAT) the services must be procured in compliance with the Public Contract Regulations 2015 (PCR). Procuring via a PCR compliant framework would be a PCR compliant route to market, provided that the framework rules for calling off via mini competition are followed. Legal Services have not reviewed the terms of the framework in accordance with Rule 6.16 of the CPRs, which specifies that consultation with Legal Services on the terms of an external framework agreement is deemed to have taken place where the framework has been created by a long standing pan buying organisation with a strong track record of robust compliance and which creates a direct relationship between the provider and the Council. The call-off contract terms and conditions will have been established as part of the framework and officers should review these in accordance with Finance comments below.

The Executive is also responsible under rule 6.33 for the award of the contract but may delegate authority to award contract to the Director Adult Social Care and Housing under paragraph 1.4 of Executive Procedure Rules, part 3 section 2 of the Constitution.

## **Finance**

The Strategic Partner will play a key role in the development and delivery of the Transformation and Service Improvement Plan for Adult Social Care and Housing. The MTFP savings attached to this work are anticipated to deliver £0.500m in 2024/25 and a further £0.500m in 2025/26 (a net reduction / budget saving of £1.000m per annum).

It is anticipated that the funding for the Strategic Partner will come from the Exceptional Financial Support (EFS) funding and while the overall anticipated cost of £1.400m for the project has been set out in the MTFP agreed at Council in March 2024, it is requested that the profile of these savings is amended from £1.000m 2024/25 and £0.400m 2025/26, to £0.400m 2024/25 and £1.000m 2025/26, due to the time it will take to appoint the Strategic Partner.

It must be noted that EFS funding has not been agreed for 2025/26 at this stage. While this poses an issue for this project, much of the ASC & Housing savings and transformation journey requires this support from the Strategic Partner. Consideration to break clauses in the contract may need to be given.

This permission to procure also notes the potential for a further extension to the contract. If this is to be the case, further transformation and savings benefits over and above those already set out in the transformation plan will need to be identified in order to offer best value for money and affordability. At this stage, funding for the extension of £1.4million would also need to be identified as part of the business case for the extension.

**Information Governance** – no implications directly arising from this report.

## **Impact Assessments** –

Have you completed an Impact Assessment.

If no, please state why.

If yes, please provide a summary of key findings.

No – impact assessments will take place as required for each project which forms part of the Transformation and Service Improvement Plan, on a project-by-project basis.

## **Lead Officer Contact details:**

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## **Background papers:**

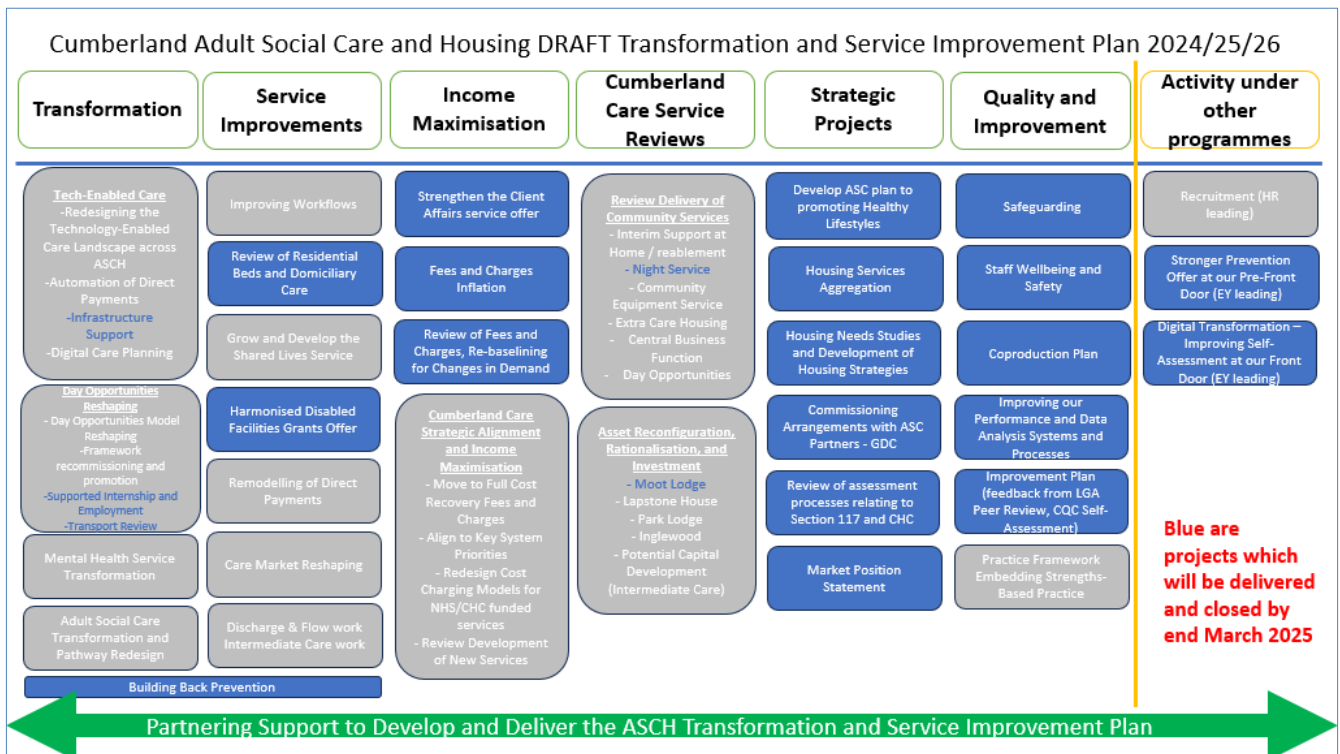
Note: in compliance with section 100d of the

Local Government Act 1972 the report has been prepared in part from the following papers:

**Appendices attached to report:**

- Appendix 1 – Draft Adult Social Care and Housing Transformation and Service Improvement Plan 2024-2026

# Appendix 1



This plan is currently in draft form and is being shared with staff across ASCH with a view to finalising the plan in October 2024.