

Agenda

Cabinet

Thursday, 18 June 2015, 10.00 am
County Hall, Worcester

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کوردی سۆزانی، ننگێر ناتوانی تێبگهی له ناوهرۆکی نهم بێلگهیه و دهستت به هیچ کس نایگات که و هههنگهه یهتوه بۆت، تکلیه تملظون بکه بۆ ژماره ی 01905 765765 و داوای رینۆونی بکه. (Kurdish)

ਪੰਜਾਬੀ। ਜੇ ਤੁਸੀਂ ਇਸ ਦਸਤਾਵੇਜ਼ ਦਾ ਮਸ਼ਹੂਰ ਸਮਝ ਨਹੀਂ ਸਕਦੇ ਅਤੇ ਕਿਸੇ ਅਜਿਹੇ ਵਿਅਕਤੀ ਤੱਕ ਪਹੁੰਚ ਨਹੀਂ ਹੈ, ਜੋ ਇਸਦਾ ਤਰਜਮਾ ਲਈ ਅਨੁਭਵ ਕਰ ਸਕੇ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਮਦਦ ਲਈ 01905 765765 'ਤੇ ਫ਼ੋਨ ਕਰੋ। (Punjabi)

DISCLOSING INTERESTS

There are now 2 types of interests:
'Disclosable pecuniary interests' and **'other disclosable interests'**

WHAT IS A 'DISCLOSABLE PECUNIARY INTEREST' (DPI)?

- Any **employment**, office, trade or vocation carried on for profit or gain
- **Sponsorship** by a 3rd party of your member or election expenses
- Any **contract** for goods, services or works between the Council and you, a firm where you are a partner/director, or company in which you hold shares
- Interests in **land** in Worcestershire (including licence to occupy for a month or longer)
- **Shares** etc (with either a total nominal value above £25,000 or 1% of the total issued share capital) in companies with a place of business or land in Worcestershire.

NB Your DPIs include the interests of your spouse/partner as well as you

WHAT MUST I DO WITH A DPI?

- **Register** it within 28 days and
- **Declare** it where you have a DPI in a matter at a particular meeting
 - you must **not participate** and you **must withdraw**.

NB It is a criminal offence to participate in matters in which you have a DPI

WHAT ABOUT 'OTHER DISCLOSABLE INTERESTS'?

- No need to register them but
- You must **declare** them at a particular meeting where:
You/your family/person or body with whom you are associated have a **pecuniary interest** in or **close connection** with the matter under discussion.

WHAT ABOUT MEMBERSHIP OF ANOTHER AUTHORITY OR PUBLIC BODY?

You will not normally even need to declare this as an interest. The only exception is where the conflict of interest is so significant it is seen as likely to prejudice your judgement of the public interest.

DO I HAVE TO WITHDRAW IF I HAVE A DISCLOSABLE INTEREST WHICH ISN'T A DPI?

Not normally. You must withdraw only if it:

- affects your **pecuniary interests OR** relates to a **planning or regulatory** matter
- **AND** it is seen as likely to **prejudice your judgement** of the public interest.

DON'T FORGET

- If you have a disclosable interest at a meeting you must **disclose both its existence and nature** – 'as noted/recorded' is insufficient
- **Declarations must relate to specific business** on the agenda
 - General scattergun declarations are not needed and achieve little
- Breaches of most of the **DPI provisions** are now **criminal offences** which may be referred to the police which can on conviction by a court lead to fines up to £5,000 and disqualification up to 5 years
- Formal **dispensation** in respect of interests can be sought in appropriate cases.

Cabinet

Thursday, 18 June 2015, 10.00 am, County Hall, Worcester

Membership: Mr A I Hardman (Chairman), Mr M L Bayliss, Mr A N Blagg, Mrs S L Blagg, Mr J P Campion, Mr S E Geraghty, Mr M J Hart, Mrs L C Hodgson and Mr J H Smith

Agenda

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1	Apologies and Declarations of Interest	
2	Public Participation Members of the public wishing to take part should notify the Head of Legal and Democratic Services in writing or by e-mail indicating both the nature and content of their proposed participation no later than 9.00am on the working day before the meeting (in this case Wednesday 17 June 2015). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed below.	
3	Confirmation of the Minutes of the meeting held on 21 May 2015 The Minutes of the meeting held on 21 May 2015 have been previously circulated.	
4	FutureFit: Commissioning of Learning and Achievement	1 - 14
5	Update on Commissioning of Adult Social Care Services	15 - 20
6	Syrian Vulnerable Persons Relocation Scheme	21 - 26
7	Resources Report - Post 16 Supported Living	27 - 28

NOTES

- **Webcasting**

Members of the Cabinet are reminded that meetings of the Cabinet are Webcast on the Internet and will be stored electronically and accessible through the Council's Website. Members of the public are informed that if they attend this meeting their images and speech may be captured by the recording equipment used for the Webcast and may also be stored electronically and accessible through the Council's Website.

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All the above reports and supporting information can be accessed via the Council's website.

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Cabinet
18 June 2015

4. FUTURE FIT: COMMISSIONING OF LEARNING AND ACHIEVEMENT

Relevant Cabinet Members

Mr J P Campion, Mr M L Bayliss.

Relevant Officer

Director of Children's Services

Recommendation

- 1. The Cabinet Members with Responsibility for Children and Families and Transformation and Commissioning recommend that Cabinet:-**
 - (a) notes the Council retains responsibility for outcomes for children and young people in Worcestershire's schools and settings;**
 - (b) approves the recommendation to appoint Babcock as the preferred supplier of those Learning and Achievement services for Worcestershire agreed to be in scope by Cabinet on 10 April 2014, subject to (c) and (d) below;**
 - (c) authorises the Director of Children's Services in consultation with the Cabinet Member with Responsibility for Children and Families to finalise the terms and enter into a contract with Babcock for the supply of Learning and Achievement services (other than in relation to Special Educational Needs and Disability (SEND) provision) after having conducted satisfactory contract discussions and due diligence; and**
 - (d) authorises the Director of Children's Services in consultation with the Cabinet Member with Responsibility for Children and Families to decide whether, and if so when, to contract with Babcock for SEND provision, and to take all necessary action in relation to any such decision.**

Background Information

2. The Council is on a journey to become an 'excellent commissioning authority' and to secure best value in the long-term for the residents and businesses of Worcestershire.
3. Learning and Achievement is a key priority for the Council. It contributes to the Children and Families strand of the Corporate Plan, as well as supporting the Council's

Open for Business strategy.

4. The commissioning of Learning and Achievement does not remove from the Council the overall responsibility for the maintenance and improvement of educational outcomes for the county's children and young people. Services delivered by Babcock would be done so on behalf of the Council. Learning and Achievement would retain a central strategic core to ensure effective support and challenge in their work with Babcock, and to directly lead on the Council's statutory duty to provide sufficient quality places for Worcestershire's children and young people of statutory school age.

5. The commissioning of Learning and Achievement services is in line with the principles of the operating model for the Council - realising the required savings whilst at the same time enabling transformational change and innovation in service delivery to achieve outcomes for Worcestershire residents and sustain or improve service delivery levels and quality.

6. The commissioning of Learning and Achievement services reflects the significant changes in the relationship between the Council and key stakeholders, for example the growth in the number of Academies and initiatives such as Teaching Schools leading to sector-led support and challenge.

7. In recent years there has already been a significant shift in focus of services to target areas of greatest need, principally for underperforming schools, and the needs of vulnerable groups of learners. Over this period educational outcomes have improved significantly for many young people and this improvement is also reflected in the improved profile of Ofsted inspection outcomes, with 88% of schools being judged as good or outstanding. The commissioning of Learning and Achievement would enable the Council effectively to maintain its overview of improving outcomes for learners through budget reductions, with a focus on key performance indicators. As a commercial organisation, Babcock would be able to develop their sold services in order to provide to schools and settings an increased range of services. They would be able to do this through leading in Worcestershire, but also through developing work in neighbouring authorities.

8. Alongside this there are significant savings required over the next three years in Learning and Achievement. A review has been undertaken to determine how Learning and Achievement can continue to meet required outcomes and Local Authority statutory duties within a significantly reduced budget. The 2013/14 controllable budget was £8.9 million (excluding Home to School Transport, and Dedicated Schools Grant (DSG) funding).

9. Savings of £1.8 million were allocated to the 2014/15 financial year and fully delivered in line with the savings plan. Subsequent savings are shown in the following table:

	£'000
2015/16	584
2016/17	1,495
2017/18	376
Total	2,455

with the corresponding split between savings from commissioning and savings to be made from retained core services (strategic place planning, the Virtual Headteacher for looked after children, and commissioning support linked to schools and settings):

	£'000
Retained Service savings	768
Commissioned Service savings	1687
Total	2,455

10. In April 2014 Cabinet approved:

- all services proposed to be in scope of the procurement process (Commissioned Service)
- all services out of scope of the procurement process to be retained in the Strategic Commissioning Function (Retained Service)
- the proposal to undertake one procurement process for all services, and
- the proposed approach to market engagement.

Members are referred back to that report setting out the detail.

Stakeholder and Market Engagement

11. Stakeholder engagement has been undertaken with a wide range of stakeholders from across the 0-19 spectrum during the commissioning process, including staff, schools and settings and recognised trade unions.

Stakeholder	Activity
Staff	Staff engagement sessions Staff briefings Staff newsletters Use of SID – (internal staff intranet)
Schools and Settings (inc. early years and childcare providers and child minders)	Member visits, including Scrutiny Panel Members, to schools. Regular stakeholder updates. Workshops set up for Schools and Settings to participate in the market

	engagement and service specification development. Meetings with executive Head Teacher groups.
Unions	Regular Union meetings
Governors	Via Governor Services
Members	Regular Member updates/briefings

The Tender Process

12. An open information session for all interested organisations was run to identify potential providers. This engagement was further enhanced by a series of one to one meetings between providers and officers and the collation of information through early due diligence work on the organisations engaged with to date.

13. Following the market engagement process a formal restricted procurement was undertaken, commencing in October 2014. The duration of the contract would be for 5 years with the possibility of extension for a further two years. The total value of the contract over 5 years would be £38.855m assuming DSG and Special Educational Needs and Disability (SEND) budgets remain as 2014/15. This excludes services funded from income from trading which the provider is expected to develop further over the contract period.

14. Following evaluation under the restricted procedure there were no tenders considered to be suitable, and the Council moved to a negotiated procedure in accordance with Regulation 14 of the Public Contracts Regulations 2006, and invited the companies which had been invited to tender to negotiate on commercial terms and conditions within the proposed contract. This procedure concluded with two best and final tenders being submitted for final evaluation.

15. The tenders were evaluated against the following criteria outlined in the tender document:

- Price
- 3 year outline business plan
- Detailed transition and transformation plan for year 1
- Digital systems
- Core values, principles and cultural ethos relating to Learning and Achievement.

Preferred Provider

16. Following formal evaluation of the tenders, the organisation which met the criteria and awarded the highest score was Babcock.

17. Babcock is the UK's largest provider of support services to schools, academies and multi-academy trusts. They currently work with over 50 local authorities across the UK

Transitional Arrangements

and they employ over 600 education specialists. In 2004 they created Babcock 4S – a joint venture with Surrey County Council to develop a new approach for improving local authority education support services and school effectiveness whilst reducing costs. In 2012 they created Babcock LDP with Devon County Council to bring together quality assurance expertise in the South West to raise education outcomes and deliver effective support to schools and academies.

18. Transition of Learning and Achievement services would take approximately three and a half months, if Cabinet approves the proposals, with the transfer date being 1 October 2015. A transition plan is in place to ensure adherence to this timescale, including the effective transition of services part way through an academic and financial year. It is expected that there would be a phased transition to ensure continuity, particularly for services directly to schools and settings.

19. The contract is expected to be awarded for a duration of 5 years with an option to extend for a further 2 years.

20. A detailed transition plan would be developed with the preferred provider to transfer the commissioned services. A separate timeline would be developed with the provider for the transfer of SEND services when the Council is confident that the provider is in a position effectively to deliver these services.

21. It is likely that all staff in scope would TUPE transfer to the new provider on 1 October 2015.

22. If approved, stakeholders and staff will be communicated with during the process both by the Council and the new provider to ensure they understand the process and how it impacts upon them. This will be done using a variety of media and face-to-face sessions using established forums.

23. If Cabinet agree the recommendations, the Council will maintain a performance management/quality assurance role as part of the Intelligent Client Unit, supported by the Commercial Team in commercial contract management through the central commissioning support functions. Measurement of contract performance will be outcome based and demonstrate return on investment and added value through benefit realisation and flexibility of approach through demand management.

Financial Implications

24. The total potential contract value for the 5 years is £38.855m as shown below, with further detail given in Appendix 1.

Funding Source	5 Year Value (£m)
WCC Base Budget	12.750
Services funded by DSG	20.805
Value prior to SEND services	33.555
SEND Services	5.300
Overall potential contract value	38.855

The funding for Special Educational Needs and Disability (SEND) are shown separately as Worcestershire County Council reserves the right to retain these services until it is confident that a Service Provider can deliver all requirements and statutory responsibilities of new legislation following SEND Reform.

25. The Dedicated Schools Grant (DSG) is a specific ring-fenced grant allocated from the Department for Education (DfE) to Local Authorities to fund schools, high needs providers, early years providers and associated central services. It is currently allocated on a historic basis in three unringfenced blocks for Schools, High Needs and Early Years. The expenditure that can be funded by the DSG is prescribed in the DSG conditions of grant and the School and Early Years Finance (England) Regulations. Some of the services in the scope of the Learning and Achievement commissioning will be funded by the DSG and as such the process must take account of these prescribed matters.

26. Assuming the same allocations as 2015/16, the value of the DSG included in the procurement of Learning and Achievement Services is approximately £20.8m over the 5 year contract term (£4.161 million p.a). This equates to 62% of the total contract value excluding SEND services (54% when SEND is included). DSG funded services consist of Specialist Teaching Services for Children, administration of schools admissions, specialist guidance and assessment for early years and the Virtual School.

27. Outside of the budget in scope for procurement are the DSG placement budgets which cover Early Years, High Needs Top Ups and places within the Independent Sector which budgets will remain with the County Council. The amount available can vary during each financial year and within financial years based on demand, cost of placements and availability of resources.

28. The Council will retain responsibility for payment of DSG funding to approved and relevant schools and other settings. The Council will also be responsible for strategic place planning. However, it will be the responsibility of the provider to work with the Council using relevant information regarding place planning school admissions, budget allocations available, pricing schedules and banding criteria to allocate children and young people into

the most appropriate placements based on their assessment of need and availability of resources.

29. The provider will need to work with the Council to allocate available resources based on each child's need; however, the responsibility for payments will rest with the Council. It will also be necessary for the provider to furnish the Council with the information required to assure itself that payments to be made to schools and other settings are accurate and eligible for DSG funding.

30. Contract years will be different to financial years, with each contract year commencing on 1 October. For contract year one (1 October 2015 – 30 September 2016) the full 2015/16 base budget allocation (£3.848m) will be paid subject to contractually agreed delivery of services. Increasing levels of savings are expected to be delivered over years 2 and 3 of the contract, rising to an annual saving of £1.678m.

31. For contract year 2, the provider will receive a part year value of each of the 2016/17 and 2017/18 decreased budgets, detail of which is given in Appendix 2. From then on, funding will be reviewed by the Council during the last quarter of each financial year and any change will be effective from the start of the next financial year. The provider will be expected to use this budget to deliver against the Key Performance Indicators in order to ensure the Council maintains oversight of outcomes for children and young people, and also cover the cost of transformational and organisational change.

32. The extra time taken in the commissioning process has had both financial and operational implications, resulting in a one-off pressure of £637,000 in 2016/17, however plans are in place to avoid this having an impact on the overall delivery of savings targets.

Legal Implications

33. Legal Guidance has been taken on which services or exercise of statutory discretion can be transferred to a private 3rd party provider to be undertaken on our behalf. Those that cannot be so transferred will remain with the Strategic Commissioning Function. This covers the duty to provide sufficient places for learners, the role of the Virtual Headteacher, and overall responsibility for the educational outcomes for children and young people.

Equality Implications

34. The findings from the Equality Relevance Screening indicated that a detailed impact analysis could be required as services provided by Learning and Achievement affect all learners.

35. A 'due regard' exercise was completed in respect of each of the 'in scope' areas both before and during procurement to determine and monitor the level of "due regard" which should be exercised in respect of the Public

Sector Equality Duty. Further Equality Impact Assessments will be undertaken as necessary in respect of SEN services.

36. Particular diligence was exercised regarding promoting improved outcomes in areas where service recipients have more than one of the Protected Characteristics (defined in the Equality Act) and where there is the potential for significant change as we increasingly focus resources on meeting our statutory responsibilities.

Information Technology

37. As part of the tender evaluation process it was agreed that the Council will continue to host and manage suppliers to maintain the main systems which support the service delivery, i.e. Capita One and Tribal systems. This will have a cost and staffing implication to continue to deliver the support to these systems. The financial implications have been mitigated against as part of the overall financial affordability and alternative opportunities identified to offset the inability to deliver savings in 2017/18 on the cessation of support to these systems.

Commercial Implications

38. The preferred provider has identified a significant income generation strategy, and how the risk of any shortfall will be managed.

39. Risk share arrangements relating to further budget reductions have been negotiated with the preferred provider for base budget and DSG funded activities only.

40. A gain share mechanism for the delivery of core services, in the form of a payment by results mechanism, is in place to ensure contract performance and profit share are linked to enable the re-investment of agreed profit levels into the delivery of core services.

Conclusion

41. The Cabinet is therefore recommended to approve the appointment of Babcock as the preferred supplier of those Learning and Achievement services for Worcestershire agreed to be in scope by Cabinet 10 April 2014, and authorise the Director of Children's Services, in consultation with the Cabinet Member with Responsibility for Children and Families, to finalise the terms and enter into a contract with Babcock for the supply of Learning and Achievement services (other than in relation to Special Educational Needs after having conducted satisfactory contract discussions and due diligence. Cabinet is also asked to authorise the Director of Children's Services, in consultation with the Cabinet Member with Responsibility, to determine whether SEND is commissioned.

Supporting Information

- Appendix 1 – Base and income funded budgets for the commissioned services
- Appendix 2 – Confirmed Contract Values

Contact Points

County Council Contact Points

Worcester (01905) 763763, Kidderminster (01562) 822511
or Minicom: Worcester (01905) 766399

Specific Contact Points for this report

John Edwards – Strategic Commissioner – Education
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Email: jedwards@worcestershire.gov.uk

Background Papers

In the opinion of the proper officer (in this case the Director of Children's Services) the following are the background papers relating to the subject matter of this report:-

Agenda and background papers for the meetings of Cabinet held on 21 June 2012, 8 November 2012 and 10 April 2014.

which are available on the Council's website at:

<http://www.worcestershire.gov.uk/cms/democratic-services/minutes-and-agendas.aspx>

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Appendix 1 - Base and income funded budgets for the commissioned services

2015/16	Services			Special Educational Needs			TOTAL		
	£000	FTE*	No. of Staff	£000	FTE *	No. of Staff	£000	FTE *	No. of Staff
Services funded by base budget	3,848	82	101	1,060	27	32	4,908	109	133
Services funded by income	1,328	46	71	-	-	-	1,328	46	71
Total services funded by non DSG	5,176	128	172	1,060	27	32	6,236	155	204
Services funded by Dedicated Schools Grant **	4,161	105	157	-	-	-	4,161	105	157
Dedicated Schools Grant**, anticipated income from Services	1,158	17	30	-	-	-	1,158	17	30
Total Services funded by DSG	5,319	122	187	-	-	-	5,319	122	187
Overall total Gross budget	10,495	250	359	1,060	27	32	11,555	277	391
Total income expected	2,486	-	-	-	-	-	2,486	-	-
Overall total Net Budget 2015/16	8,009	250	359	1,060	27	32	9,069	277	391

Services funded by base budget - 2016/17 ***	2,505
Services funded by base budget - 2017/18 ***	2,161

* FTE = Full-time Equivalent

** Dedicated Schools Grant

*** All other budgets are assumed to be the same as 2015/16 unless the bid submission determines otherwise, e.g. change in anticipated income levels

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Appendix 2

Worcestershire County Council Confirmed Contract Values – Learning and Achievement –1 October 2015 Start Date

This is the amount of Base Budget Funding which will be allocated to the contract over the 5 years. This excludes the element for DSG services, services which are covered by income and the SEND services.

Any costs of service delivery for income generating services are expected to be covered by the income generated by the selling of those services

	Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	TOTAL
	Oct 2015 - Sept 2016	Oct 2016 - Sept 2017	Oct 2017 - Sept 2018	Oct 2018 - Sept 2019	Oct 2019 - Sept 2020	
	£	£	£	£	£	£
Contract Value	3,848,000	2,419,000	2,161,000	2,161,000	2,161,000	12,750,000
Monthly value	320,667		180,083	180,083	180,083	
Monthly value Oct-June		208,750				
Monthly value July - Sept		180,083				

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Cabinet
18 June 2015**5. UPDATE ON COMMISSIONING OF ADULT SOCIAL CARE SERVICES****Relevant Cabinet Member**

Mrs S L Blagg

Relevant Officer

Director of Adult Services and Health

Recommendation

- 1. The Cabinet Member with Responsibility for Adult Social Care recommends that Cabinet:**
 - (a) notes the progress made on plans to commission adult social care services currently provided by the Council as agreed by Cabinet in July 2014; and**
 - (b) approves that the final decision for each service is delegated to the Cabinet Member with Responsibility for Adult Social Care in consultation with the Director of Adult Services and Health.**

Background Information

2. Over half of all adult social care in Worcestershire is funded and purchased directly by individuals. Those people who are eligible under the Care Act for Council funding for adult social care are given a personal budget in line with their needs and financial circumstances. Some of them take this as a direct payment and purchase services directly. Others rely on the Council to commission services on their behalf. Over 80% of adult social care services funded by the Council are provided by the independent and voluntary sectors.
3. There are a number of developments in commissioning of adult social care services. Firstly, the Council is working towards greater personalisation of services in line with the requirements of the Care Act 2014. This includes introducing a payment card to make it easier for people to use their direct payment in a flexible way, arranging independent advocacy to support people to make choices where necessary, and the ongoing development of an e-marketplace on the Your Life Your Choice website so that people can see what services are available.
4. Secondly, the Council will be reviewing the market for care to ensure that it is sustainable. The Council is also actively developing new services as alternatives to

residential care. Using capital monies from the Department of Health, the Council will be investing £5m in Extra Care and Supported Living so that approximately 440 people will have the choice of a more appropriate care environment.

5. Finally, in July 2014 Cabinet approved the commissioning of the Council's in-house adult social care services with a view to finding alternative providers. This approach is consistent with:

- the Council's intention to become a strategic commissioning organisation
- the Council's intention to promote greater personalisation of all services so that people have control over their personal budgets and can commission services from providers directly or with support
- the Council's duty under the Care Act to ensure a sustainable market for adult social care, thereby ensuring and increasing choice both for self-funders and those people who are eligible for Council funding.

Commissioning of In-House Services

6. In July 2014, the Cabinet approved a programme of commissioning and included in this specific dates by which decisions would be brought to Cabinet for final decision, with an ambition where possible for the transition of all in-house adult social care services to new providers to be completed or underway by April 2016. These dates were informed by market engagement events held in 2014 which indicated that there was a willingness in the market to consider becoming a provider of in-house services.

7. Commissioning activity since then has made some progress. However, a number of challenges have emerged that make this timetable difficult. These include changes in the market and inter-dependencies between services that make the commissioning more complex than was originally anticipated.

Shared Lives

8. In July 2014 Cabinet asked that the outcome of commissioning of the Shared Lives service should be reported in July 2015 with a view to deciding on a preferred provider. By April 2015, further market engagement work had been undertaken and the tendering process commenced. This identified three potential providers. However, the market situation changed during the final stages of the tendering process with the emergence of a Community Interest Company (CIC) made up of a significant number of current professional Shared Lives carers. As a consequence, the tendering process was halted. Discussions have commenced with potential providers including the CIC, and following these, tendering will recommence in September. The plan is to complete

Woodlands Supported Living

Residential Care for People with a Learning Disability

commissioning by April 2016.

9. Any decision around the future provision of supported living arrangements at Woodlands was dependent on the Community Housing Group's (CHG) plans for the accommodation that the Council currently leases from them. Extensive discussions have taken place with the CHG resulting in confirmation in April 2015 that they were willing for the Council to seek an alternative provider for Supported Living in their accommodation. Work has therefore just commenced on the options for commissioning. Market development and engagement events will be held in September 2015. These will seek views from providers as to whether it is preferable to commission this service in its own right, or whether better value and greater market interest could be achieved by combining this service with any new services which will be developed as part of the Council's plans to expand Supported Living. The plan is to complete commissioning by April 2016.

11. These services fall into two groups: those providing replacement care (formerly referred to as respite care) and those providing long-term care.

12. For replacement care, a review of all services commissioned by the Council, which includes the independent and voluntary sectors and Worcestershire Health and Care Trust (WHCT), has identified three issues:

- (a) the need for replacement care requires further analysis of numbers and type of need in order to accurately predict supply requirements;
- (b) the cost of replacement care appears to vary significantly across the different parts of the market, and this needs further analysis in order to have confidence in the supply and quality of provision;

13. In light of the above, further work is required before a commissioning strategy can be developed for replacement care and decisions made on the future of the Council's own provision. This will be completed by October 2016. It is recognised that changes to replacement care will have a significant impact on service users and carers – and in the case of the WHCT provision, on children and young people too. Similar to the development of day opportunities, this needs to be managed at a pace which recognises people's understandable anxieties, takes full account of service user and carer needs and ensures that provision continues to be high quality and timely. It is planned therefore, that the commissioning of the Council's residential replacement care provision will be completed by April 2017. Consideration will be given to arrangements for sustaining the services during the interim.

14. In terms of long-term care, the number of service

users has reduced since the Cabinet report of July 2014 as a consequence of people choosing Supported Living and Shared Lives instead of residential care. This means that the Council needs to re-establish what level of residential provision it requires before going out to the market to ensure sustainability and this will be undertaken by September 2015. It is planned that following this, these services can be commissioned by September 2016. Again, consideration will be given to arrangements for sustaining the services during the interim.

Older People's Day Services and Older People's Respite

15. The Cabinet decision to cease new admissions was enacted. All users have had their support plans reviewed and alternative services have been identified in the independent and voluntary sectors. All users have transferred to new providers. Staff working in these services have been redeployed where possible, although it was unfortunately necessary to make a small number of individuals redundant.

Home Care for People with Dementia (Side by Side)

16. The service specification for this service has been developed. However, constraints on capacity in the home care market, and the recent changes and pressures in urgent care, will require the Council to consider carefully the impact of commissioning this service from an alternative provider. Although separately managed, staff from this service are deployed as a provider of last resort where there is a failure in the independent sector, and are also frequently deployed to support hospital discharges at times of escalation.

17. The Council has embarked on a comprehensive independent review of the adult social care market, including home care, which will report by November 2015. It is proposed that the outcome of this report, as well as agreement about the future commissioning of Promoting Independence services (see below), needs to be taken into account before proceeding with a tender for Side for Side.

Learning Disability Day Services

18. Following extensive consultation with service users and carers, the Cabinet Member for Adult Social Care agreed in December 2014, February and March 2015 final arrangements for new buildings for the Connect and Resource Centres in the North and South of the County. Implementation of these decisions is completed in the North and will be completed in the South by March 2016 – in the latter case the timescale is due to the capital works required to adapt the new Centres.

19. Before commissioning can take place, it is considered necessary to allow the new arrangements time to 'bed-in' so that staff and service users have a period of consistency and confidence before any approach is taken to commission services from alternative providers. It is also relevant that the

number of people using personal budgets to purchase day opportunities is reducing which means it is necessary to gain a more realistic understanding of the potential business available to the independent and voluntary sectors.

20. This means that there will be no active tendering in the North of the County before Autumn 2015 and in the South before Summer 2016. In the meantime, the emergence of new potential providers, such as Mencap in Malvern, will continue to be encouraged and commissioners will explore whether individual centres can be commissioned or social enterprises established. The services at the Resource Centres and the Connect Hubs will continue as outlined in the delegated Cabinet Member Decision reports published in December 2014, February and March 2015.

Integrated Recovery Services

21. Integrated recovery services include Timberdine, Howbury and the Grange, the Council's Promoting Independence service, as well as related NHS services. These support older people to prevent admission and allow discharge from the acute hospitals. Collectively these are funded by the Better Care Fund and the Clinical Commissioning Groups (CCGs).

22. Work continues with the CCGs on the specification for integrated recovery services in the North and South of the County. Procurement of these services will be led by South and North Worcestershire CCGs with input from the Council's Integrated Commissioning Unit. It should be noted that decisions about the future of these services will require agreement by the Health and Well-Being Board and will be reported by the Cabinet Member with responsibility for Health and Well-being.

County Enterprises Workshop

23. Responsibility for strategic leadership and management of this function transferred to the Directorate for Business, Economy and Community from 1 April 2015 in line with the Cabinet decision. This ensures that the workshop, which provides employment to people with disabilities who are not eligible under the Care Act for support, is focused on developing a sustainable economic model.

Financial Implications

24. The total revenue for budget for in-house provider services is £15.1m comprising of £7.7m Council base budget and £7.4m income. There are no specific financial savings attached to any of the commissioning proposals agreed by Cabinet in July 2014. However, there is an overall savings target of £300,000 for 2016/17 as part of Future Lives programme attributed to this, which will be achieved through addressing the cost and over-supply of replacement residential care for people with a learning disability.

HR Implications

25. It is recognised that the timeline for commissioning is

Equality and Diversity Implications

Contact Points

Background Papers

having an impact on recruitment and retention. The Directorate will continue to review what staffing measures it needs to put in place to ensure that the services remain viable and safe pending commissioning to the independent sector.

26. The Council is mindful of the need to exercise a high level of Due Regard to the aims of the Equality Duty as we carefully plan future service design and delivery. Equality Impact Assessments will be conducted where relevant and findings will contribute to the commissioning process

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In the opinion of the proper officer (in this case the Director of Adult Services and Health) the following are the background papers relating to the subject matter of this report:-

Agenda and background papers for the meeting of the Cabinet held on 17 July 2014

Cabinet Member Decision reports – December 2014, February and March 2015

Cabinet
18 June 2015**6. SYRIAN VULNERABLE PERSONS RELOCATION SCHEME****Relevant Cabinet Member**

Mr A I Hardman

Relevant Officer

Director of Commercial and Change

Recommendations

1. **The Leader recommends that:**

(a) Cabinet recommends to Council that the Notice of Motion is not supported at this stage due to the financial implications, unquantifiable risks and that there is no guarantee of funding from Government beyond the first year and in the light of (b) below; and

(b) Cabinet agrees that the scheme continues to be monitored and the situation reviewed should the funding arrangements from the Home Office change and any decision to progress the scheme be delegated to the Cabinet Member with Responsibility for Transformation and Commissioning.

Background Information

2. On 12 February 2015, the Council referred the following Notice of Motion to Cabinet for advice:

"The County Council wishes to play its part in the humanitarian relief programme for Syria by responding to the UK Government's call for local authorities to host small numbers of refugee families – doing so by asking the relevant Cabinet Members with Responsibility to consider providing their support and expertise to a Malvern Hills District Council-led initiative to host up to twelve such families.

We would ask Cabinet Members with Responsibility to consider committing to working collaboratively with Malvern Hills District Council and other local agencies, initially to develop a support framework and strategy as the basis of an application to the Home Office's Syrian Vulnerable Persons' Relocation Scheme (and, if successful, to participate in the implementation of the strategy by receiving, welcoming and supporting Syrian families through their process of resettlement)."

3. The UN estimates that as of February 2015, 12.2 million people are in need of humanitarian aid within Syria. At least 7.6 million people in Syria have been forced to flee their homes and there are some 3.8 million refugees in neighbouring countries. On 29 January 2014, the Home Secretary made a statement to Parliament outlining the Government's intention to relocate to the UK some of the most vulnerable Syrian refugees, displaced to neighbouring countries by the ongoing conflict.

4. The Syrian Vulnerable Persons Relocation (VPR) Scheme runs in parallel with the Government's existing refugee resettlement programme – Gateway. However, those people relocated to the UK under the new scheme are in addition to those the UK resettles each year through Gateway. The Home Office are therefore seeking additional local authorities to participate in the VPR scheme.

5. This is the biggest refugee crisis for a generation and as a local authority we want to look at how we can play our part in supporting some of the most vulnerable individuals to rebuild their lives and integrate into local communities.

6. The scheme is based on need rather than being designed to meet a quota. The Home Office originally anticipated a total of 500 people over a period of three years. Within the first nine months of the scheme 143 Syrians were relocated to the UK.

7. Those who are accepted under the VPR Scheme are granted humanitarian protection giving them leave to remain for 5 years with full access to employment and public funds and rights to family reunion comparable to refugees. At the end of the 5 years, if they have not been able to return to Syria, they may be eligible to apply for settlement in the UK.

8. Local authorities take the lead in working with other key local partners, including primary and secondary healthcare providers and housing providers to ensure that arrivals are provided with suitable accommodation and the specific needs of these vulnerable individuals are met. They will need to bring in specialist support providers subject to individuals' specific requirements.

9. In advance of the first arrivals local authorities and their partners will receive a briefing from the Office for Security and Counter-Terrorism's Prevent Unit and other regional and local Prevent leads particularly to raise awareness of potential signs of radicalisation.

10. Local authorities are required to provide the Home Office with a number of families they would be willing to receive. There is no minimum on how many families a local authority can pledge to receive, but the Home Office recognise that it may not be cost effective for local authorities unless they

Arrivals

The role of Local Authorities in this scheme

Funding

receive a certain number.

11. Central Government will meet the costs of the arrivals in terms of orientation support, health and education costs for the first year from arrival.

12. Central government funding will cover a range of measures to assist the support and orientation of this group for one year only including travel, one-off cash, £600 towards primary care costs, education and social care.

13. Particularly given the specific requirements of this group, this list is not definitive and local authorities would need to negotiate more funding if they consider there are other elements not covered here that would require funding.

14. Not included with this funding will be any initial costs for co-ordinating efforts of all partners before commencing the scheme. For example, one officer employed on scale PO1 working 20 hours per week for a period of six months would be in the region of £11,000.

Financial Implications beyond initial 12 months

15. The makeup and needs of each family will differ from case to case and therefore it is difficult to accurately forecast costs incurred following the initial Home Office funding.

16. There is a Government expectation that future costs will need to be covered through mainstream funding and welfare benefits.

17. As many of these refugees and families will have gone through a traumatic experience, it is widely anticipated that the Syrian refugees will require substantial support for health, social care and education well beyond the first 12 months after their arrival.

18. Based on demographics of families that have been supported by the scheme we have been able to make some assumptions on indicative costs that are likely to be incurred.

19. The following example additional costs have been based on receiving twelve families:

- Provision of additional integration and orientation support for a further 12 months. This includes one full time social worker (level 3) and one area manager (PO4) based on 2015/16 figures for adult social care posts. Total cost is approximately **£100,000**
- Early Help Assessment: It is estimated a minimum of two assessments may be required which would total about **£5,000** for 6 month assessments.
- It is estimated that two individuals may require

services related to mental Health. Figures taken from the Unit Cost Database show that this could come at a cost to the authority of **£5,000** and increase for more complex needs.

20. Although difficult to quantify, it is therefore estimated that the cost for supporting the scheme ongoing could be between **£100,000 - £150,000 per annum** which would significantly increase if families turn out to have more complex needs than anticipated.

21. The costs for the County Council may significantly rise if any individuals need to be placed in a care setting. For example, the average fiscal cost to the local authority across different types of care setting of a child taken into care is in excess of £45,000 per year. This figure could be as high as £200,000 should external agency residential placement be required. There will also be financial implications for partner organisations, for example where housing support is required beyond the initial 12 months or where additional health provision is required for individuals who have long-term medical needs. In addition, there is likely to be ongoing costs for ESOL (English for speakers of other languages) provision and/or interpreting services which will need to be funded.

22. Partner organisations such as the South Worcestershire CCG have indicated that they would be supportive of the scheme but would struggle to fund any additional costs. Likewise Worcestershire Health & Care NHS Trust whilst supportive of the scheme, have concerns about the level of health need – particularly in relation to mental health services given the potentially traumatic experiences that some of the families may have been exposed to. The Trust would not be able to respond to this level of need beyond a very small number of individuals without some additional funding and/or support from the CCGs without which would limit their ability to respond. Malvern Hills District Council has resolved to play a part in this initiative however at this moment there is no financial commitment from the council to support the scheme.

Risks

23. Supporting the scheme has an element of financial risk that is difficult to quantify at this stage. This could be potentially mitigated to some extent by only agreeing to accept families that pose the lowest risk to needing long-term social care; however, given the criteria for admission, this would be difficult to predict due to the vulnerable nature of the families resettled through the scheme.

24. There are currently no guarantees that any costs to the local authority and other service providers will be funded beyond the first year and therefore funding would need to be found from within existing budgets.

Conclusion

25. It has been reported that some local authorities feel that the current package of support provided from the Government is insufficient and that the full cost implications over the longer term aren't being acknowledged. They have expressed that more funding guarantees are needed before they can agree to take on the refugees. We will therefore continue to review the willingness of Government to cover the full costs and risks.

26. There are significant financial implications for the Council and other local public sector organisations in participating in the scheme. Individuals are granted humanitarian protection giving them the leave to remain for a minimum of 5 years. Funding is only provided by Government for the first year of the scheme, with the exception of certain medical cases, and there is no financial support beyond this.

27. Evidence suggests that substantial support will be required well beyond the first 12 months after their arrival which will need to be met from within existing budgets. These costs are estimated to be significantly higher during the second year of the scheme as a result of the continued orientation support that will need to be provided.

28. There is a likelihood that additional costs for social care will need to be met beyond the second year; however it is difficult to determine at this stage to what extent without undertaking additional assessments of the individuals during the first year.

29. It is important to acknowledge the plight of the Syrian refugees. In the current financial climate it is however difficult to justify signing up to an unquantifiable financial risk that could have long-term implications. Participating in the scheme also should not be to the detriment to our existing residents who need to remain our first priority.

30. On this basis it is therefore recommended that Council does not support the Notice of Motion at this stage. However, it is recommended that we continue to monitor the scheme and review our position should the funding arrangements from the Home Office change.

Contact Points

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Background Papers

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In the opinion of the proper officer (in this case the Chief Executive) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meeting of County Council held on 12 February 2015

Cabinet
18 June 2015

7. RESOURCES REPORT – POST-16 SUPPORTED LIVING

Relevant Cabinet Member

Mr A I Hardman

Relevant Officer

Chief Financial Officer

Recommendation

1. The Deputy Leader and Cabinet Member with Responsibility for Children and Families recommend to Cabinet that Council is requested to approve the addition of £1 million to the Capital Programme for the development of in-house Post-16 Supported Living Accommodation within Children's Services to be funded by revenue savings from the project.

Introduction

2. This report outlines a proposal to add a project to the Council's capital programme.

Addition to the Capital Programme – In House Supported Living Accommodation – Children's Services

3. The County Council currently provides a range of post-16 supported living options to a cohort of 83 young people. Some of these young people are subject to a Care Order, some are accommodated and some have been assessed as Children in Need and requiring provision from Children's Social Care. The services are mostly bought-in from the external market for a total annual cost of around £2.5m.

4. Following an assessment of cost and quality, the Council could offer a significantly better service at reduced cost, compared with some of the external provision, if it had direct access to its own property for post-16 supported living. Alongside this there will be a re-tender seeking cost/volume contracts with a small number of external providers with the aim of having a mix of high quality internal and external provision.

5. It is recommended that a sum of £1 million is included in the Capital Programme for the purchase of a diverse property portfolio to provide a suitable service, with the capital investment being funded by a revenue contribution from the savings achieved by project. As this project is self-financing there is no impact on the Council's borrowing.

6. The types of properties being explored include 1 and 2 bed flats, as well as 3 and 4 bed houses. The 4 bed properties will need to have a facility for on-site staff presence. They will be spread across the county to meet the need of the specific young people placed.

7. The revenue savings and cost reductions will be generated by allocating in-house supported living placements to young persons who are either already placed in a more expensive provision or whose placement would have cost more in alternative provision.

8. Based on current service volume and usage, estimated gross cost reductions are in the region of £0.492 million per annum, which would equate to a 2 year payback of the initial capital sum. In practice, the capital would be repaid over a longer period of time for financial management purposes.

9. Investment into the new service would be required for staffing and property maintenance, repairs and cleaning. This investment would also be funded by the project savings. The overall net saving is therefore estimated at £0.312 million per annum and would contribute to reducing cost pressures on the Looked After Children placement budgets.

Contact Points

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Background Papers

In the opinion of the proper officer (in this case the Chief Financial Officer) the following are the background papers relating to the subject matter of this report:-

Previous Cabinet Resources reports