
**FRAMEWORK AGREEMENT – DAY OPPORTUNITIES FOR ADULTS AND OLDER
PEOPLE WITH MENTAL HEALTH NEEDS**

**Responsible Cabinet Member - Councillor Veronica Copeland,
Adult Services Portfolio**

Responsible Director - Murray Rose, Director of People

SUMMARY REPORT

Purpose of the Report

1. The purpose of this report is to recommend to Cabinet the procurement strategy for a Framework Agreement to provide day opportunities for those adults and older people with mental health problems.

Summary

2. The current agreements in place for Adult Social Care day services and Supporting People housing related support for adults and older people with mental health needs will end on 30 September 2011. A procurement process is planned to commission a range of new opportunities in line with national and local policy.
3. This procurement exercise is a key shift for the Council in the move from block contracts to commissioning for outcomes. An integral element of the commissioning process has been the development of outcome indicators to measure both organisational and individual outcomes. An example is provided in **Appendix A**.
4. A review of current adult block contracts has highlighted a number of issues:-
 - (a) The contracts for people under 65 years of age have proved difficult to monitor as under the current block contract referrals to the “drop-in” element of the services come from a wide range of sources including health professionals or self referral. As a consequence, the data available is patchy and is sourced through the providers as opposed to the Council’s own records.
 - (b) A significant number of people are receiving considerable amounts of social care support through this contract without formal assessment and are not subject to the Council’s eligibility criteria and consequently do not make a financial contribution.
 - (c) Dementia Day Service is part funded by the County Durham and Darlington Primary Care Trust (CDDPCT). However, it is providing a social care service. The PCT will no longer fund this element.

(d) Some housing related and floating support services overlap with Supporting People contracts. This is now incorporated into Lots 3&4 which are Supporting People contracts and a saving on Adult Social Care budgets.

5. It is important to note that the new contracts to be awarded through this procurement process will be targeted at people with eligible needs and is a change to current service provision. To ensure that people are not disadvantaged by the new contracts it is proposed to maintain the current budget but assign 20% to improved evidence based preventative support, this is being developed jointly with CDDPCT through a separate procurement process.
6. There is an expectation that service/support providers will be able to evidence how the support they offer is co-produced and how service users play a role in both the management and development of the support they receive.
7. The tender documents have been divided into four lots to reflect the different nature of the support to be provided:-

Lot 1	Provision of Day Opportunities for Adults with Mental Health Needs
Lot 2	Provision of Day Opportunities for Older People with Mental Health Needs
Lot 3	Provision of Floating Support and Accommodation Advice Service for People who have Mental Health Problems
Lot 4	Provision for a Floating Support Service and Accommodation Advice Service for People who have Complex Mental Health Problems

8. Successful tenders will be invited on to a Framework Agreement from which services will be “called off” on a spot purchase basis.
9. Lot 1 & 2 will appoint up to three providers, from which individual support will be called off from the framework, taking into account the ability of the provider to meet the assessed needs of the individual. This supports more flexible services and choice for people eligible for Adult Social Care day support and ensures value for money for the Council.
10. Lot 3 & 4 will appoint one provider to each of the Lots; housing related support is to be focussed on short term support funded through Supporting People. Value for Money is achieved through commissioning outcome focussed support.
11. The change to spot purchasing presents an element of risk to providers especially as the current providers are third sector organisations. Meetings are taking place with providers to ensure the risks, including TUPE implications are understood. There is also an opportunity for the framework contracts and preventative services to run alongside each other, maximising resources of smaller organisations.

Recommendation

12. It is recommended that Cabinet approves the procurement strategy for the proposed Framework Agreement.

Reasons

13. The recommendation is supported by the following reasons:-

- (a) Meets local and national drivers for the development of day opportunities for adults and older people with mental health needs.
- (b) Provides a sound platform for future service/support design that is in line with the personalisation agenda and looks to secure value for money.

Murray Rose
Director of People

Background Papers

Think Local, Act Personal, Department of Health January 2011

“No Health Without Mental Health”, Department of Health February 2011

Redesign of Mental Health Day Opportunities Report to Health and Well Being Scrutiny Committee on 24 August 2010

Mark Humble Extension 3821

S17 Crime and Disorder	Enables local vulnerable adults and older people to remain safe and secure in their homes.
Health and Well Being	Optimises independent living for local vulnerable people and reduces the incidence of hospital and care admissions.
Carbon Impact	There are no specific carbon impact issues contained within this report.
Diversity	Service is targeted at vulnerable adults and older people with assessed needs.
Wards Affected	All.
Groups Affected	Adults and older people with mental health needs
Budget and Policy Framework	This falls within the Councils Budget and Policy Framework.
Key Decision	This is a key decision.
Urgent Decision	This is an urgent decision.
One Darlington: Perfectly Placed	Contributes to a number of key themes: Healthy, Aspiring, Safer and Prosperous Darlington.
Efficiency	There is no direct saving linked to this work. However, over term of the contracts, with the move to outcome focussed specifications and framework agreements, better value for money and efficiencies should be achieved.

MAIN REPORT

Information and Analysis

14. This procurement is deemed to be strategic and a strategic procurement strategy has been developed by Services for People and brought to Cabinet for approval.
15. Darlington average for those with a severe and enduring mental health problem who are under the age of 65 is approximately 0.82% of the population; the national average in 2008/09 was 0.7%. Current predictions would suggest that this figure will remain consistent over the next 10 years. The service reviews indicate that there are approximately 300 people under 65 currently using social care mental health provision not all are known to adult social care, this indicating a more targeted approach is needed to ensure the right level of support for this client group.
16. This procurement is also focussed on meeting the needs of those older people with specialist or challenging mental health problems, including dementia, which cannot be met through mainstream support. Evidence indicates that approximately 1,000 people in Darlington will have dementia by 2015. It is therefore important that both mainstream older people's support and specialist support is available for people with dementia and also provision is made for older people with ongoing mental health needs.
17. The numbers of adults who will meet the eligibility criteria is not entirely clear as a review of the criteria is subject to a budget efficiency proposal. Approximately 300 people attend a long term service, however, the Single Needs Assessment 2010-11 indicates that there are potentially 1,000 Darlington residents with a degree of mental health problems.
18. The review identified total spending, but as described in 4(a), it is difficult to attribute spending to specific activity or outcomes. To ensure that people are not disadvantaged by the new contracts it is proposed to maintain the current budget but assign 20% to improved evidence based preventative support, this is being developed jointly with CDDPCT through a separate procurement process.
19. The table below demonstrates how the Framework Agreement budgets will be allocated.

(a) Adults

A proportion of the current under 65 years of age adult budget is proposed to be reallocated to meet the shortfall in dementia funding and for remodelled preventative services. The existing budget will be divided as above, between Lots 1 & 2. The Council, however, makes no guarantee that orders will be placed under the Framework Agreement to this amount as some people may choose personal budgets. To this extent, mental health services will be demand driven.

Mental Health Budgets	Budget 2010-11	PCT Funding	Proposed Contract Value
Adults Housing support (DISC)	23,198	0	0 subsumed within Supporting People Lots 3&4
MIND Rehab and Outreach and	117,761	0	

Reflections (Mental Health Matters)	206,253	0	243,048
Dementia Care	160,253 (including PCT)	23,696 (plus support to St. Hildas directly)	171,278 includes 10% top sliced from overall Mental Health Adults budget.
Total Contract Value			414,326
Preventative / support	Drop-in provided	0	69,442 =20% of ASC Mental Health Day Services Budget held back for a joint approach with Health.
Total Budget Allocated in 2011-12 MTFP			483,768

- (b) Supporting People have identified a slightly reduced budget as efficiencies will be made by focussing on short-term support.

Mental Health Budgets	Budget 2010-11	PCT Funding	Proposed Contract Value
Housing related Support services	£371,415	0	£361,400

20. Service users, professionals and providers have been asked what they would want from day opportunities. People who used the day services were reviewed by Darlington LINK who heard nothing but positive comments about the services currently provided by MHM, DISC and Darlington MIND. The only negative comments received referred to the process leading up to the clients' attendance at the organisations.
21. For service users the peer support offered was high on the list of priorities. They found the drop-in service to be very useful and were always welcomed into a friendly, safe environment. The dedication of the staff when including service users in their staff meetings was a positive and useful tool for keeping the clients involved with their support. When asked about services in the future the overwhelming response was that service users hope organisations will be open evenings and weekends as at the moment these are 'lonely times'. Service users would welcome a 24/7 drop in venue and or telephone line to use at times when they are feeling vulnerable and have nowhere to go. The benefits of such a venue or service would in the opinion of service users, eliminate or reduce calls and admissions to the crisis team. In most situations, where this service would be called upon, this early intervention would prevent the situation from escalating to crisis point. Another request heard on numerous occasions was a service offering more manual activities aimed at the male population, e.g. woodwork, metal work, mechanics etc. The other recurring theme was social activities.
22. The specification has been developed to include a comprehensive range of support provision designed to promote recovery, rehabilitation, social inclusion and self-determination, and to decrease social isolation for adults and older people with mental health needs. Feedback in relation to the preventative and "drop in" support will be used in the development of prevention services. New pathways for referrals will also be implemented alongside the new contracts.

Specification and Purpose

23. The specification will comprise of four individual lots to meet the needs of adults and older people with mental health problems.

Lot 1	Provision of Day Opportunities for Adults with Mental Health Needs
Lot 2	Provision of Day Opportunities for Older People with Mental Health Needs
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24. It will also provide a range of day opportunities designed to promote recovery, rehabilitation, social inclusion and self-determination and will decrease social isolation for adults and older people with mental health needs. This is in line with national and local policy including, the NHS County Durham and Darlington 5 year strategic plan, the Council's Strategy for Later Life in Darlington – "Joint Action for those with a Mental Health Problem 2009 -2012", the Council's overarching Adult commissioning strategy as set out in "Commissioning for Citizenship" and the national strategies and objectives set out in "No Health Without Mental Health", "Putting People First", and "Act Local, Think Personal".
25. The Service specification will outline outcomes to be achieved that will have to be realised and met by providers, assisting in the evaluation and monitoring of the Framework Agreement. These outcomes will relate to a number of key areas including:-
- (a) Increased community participation
 - (b) Developing social networks
 - (c) Access to employment
 - (d) Access to education and training
 - (e) Improved physical health
 - (f) Improved mental wellbeing
 - (g) An increase in independent living
 - (h) Increased individual choice and control
 - (i) Evidence of user satisfaction
 - (j) Evidence of increased user involvement
 - (k) Evidence of increased diversity
26. It is proposed that successful providers are appointed onto a Framework Agreement which will run for two years with the option to extend for a further one or two years. A Framework Agreement will enable us to contract with a range of providers, while offering no obligation to purchase support from any of the providers on the Framework.
27. Tenderers will have to demonstrate within the tender process through their methodology statements that they can meet the aims, objectives and outcomes of the specification and that they offer and can evidence both quality and value for money.
28. Successful providers will be appointed onto a Framework Agreement from which an appropriate provider will be called off on a spot purchase basis, based on cost, availability and evidence that the provider can meet identified assessed need, and that staff are appropriately skilled and trained to meet the needs of the individual in a way that the

individual has chosen.

29. The advantages that a Framework Agreement offers is that there are no guaranteed hours and consequently offer a low financial risk to the Council. The Framework will stimulate quality and a range of support as providers will need to demonstrate good quality support in order for services to be called off the Framework Agreement. The Framework Agreement will provide a sound platform to meet the demands linked to the wider personalisation agenda.
30. In line with the Personalisation agenda, providers will need to evidence how the support they provide is in line with the self directed model, is person centred and offers opportunity for individuals to use a personal budget to buy the support on offer.

Risk

31. Officers from legal and procurement have met with the project team to discuss risks within the procurement process specifically in relation balancing the need to offer choice, achieve value for money and comply with procurement rules and other legal requirements. This process identified a number of risks inherent within this type of process. A number of actions have been identified to manage the risk which are captured in the procurement process described below.
32. The change to framework agreements will present an element of risk to providers especially as the current providers are third sector organisations. In order to minimise the potential risk to these organisations, officers have held individual meetings with the current providers to ensure the risks, including TUPE implications, are understood and as far as possible prepared for. There is also an opportunity for the framework agreements and preventative services to run alongside each other, maximising resources of smaller organisations.
33. Current providers have submitted their staffing costs associated with current contracts to Council officers to inform the evaluation process.
34. The risk to the Council is that the cost of TUPE may prevent potential providers and new organisations entering the market. The framework arrangements will minimise the risk of provider failure.

Procurement

35. The Framework Agreement will commence on 1 October 2011 and will run for two years and will include the option to extend for either one or two years.
36. The Council will conduct an open tender.
37. The evaluation of the individual lots within the tender will be based on a 70/30 quality/price split.
38. The 70% quality element will be broken down into 100 points as follows:-
 - (a) Methodology Statement – aims objects and outcomes (60 points)
 - (b) Added Value for Money (5 points)
 - (c) Quality Assurance (15 points)

- (d) Safeguarding Adults (5 points)
- (e) Personalisation (5 points)
- (f) Workforce (10 points)

Criteria (a) will attract the greatest proportion of the points allocated to quality.

39. The price will attract 30% of the score and evidence will be required that potential TUPE costs are included.

40. An aggregate rating on both quality and price will be calculated on the following basis:-

$$\text{Price score} + (\text{quality score multiplied by } 0.7) = \text{Aggregate Score.}$$

41. Evaluation panel will consist of representatives from:-

- (a) Development and Commissioning Team: Services for People, Darlington Borough Council
- (b) Adult Services in Services for People
- (c) Corporate Procurement - Darlington Borough Council

42. As a comparatively high value has been placed on the outcomes and quality of provision, interviews will also be held with potential providers. The interview panel will be as in 40 but also include:-

- (a) Family carers
- (b) Experts by experience

43. It is proposed that for Lots 1 and 2 the three highest scores and for Lot 3 & 4 the highest score for each lot will be awarded a place on the Framework.

44. Tenderers awarded a place on the Framework Agreement will be required to have enhanced CRB checks undertaken by the Council prior to take up of the contract, that is the person signing the contract and the manager of the service.

45. A risk log is attached at Appendix A.

46. The proposed timetable for the remaining process in the procurement chain is as follows:

Advert to Tender	Friday, 21 March 2011
Completed Tender Documentation to be returned to Town Hall	Friday, 15 April 2011
Evaluation	Monday, 18 April 2011 – 29 April 2011
Report to Cabinet outcome of evaluation and request permission to award places onto the Framework Agreement	Provisional date: Tuesday, 7 June
CRB checks to be undertaken	June 2011
Transition period should there be any TUPE issues, transfers of undertakings and to allow for service user reviews.	July, August, September 2011

Outcome of Consultation

47. Two public consultation events have taken place with key stakeholders. A generic stakeholder day took place on the 19 October 2010 in the Dolphin Centre where attendance included users and carers, professionals, providers and other key stakeholders. The event identified five key areas for development:
 - (a) The important role that day opportunities play in providing respite for carers
 - (b) There should be joined up provision/services with choice that is user led and in partnership
 - (c) Essential information should be mapped and made available
 - (d) Support should be more personal to the individual
 - (e) Services and support needs to be flexible outside of 9.00am – 5.00pm, Monday to Friday
48. The second event took place on the 4th November 2010 at the Arts Centre and involved a wide range of service providers. A key focus of this event was how providers would meet the five key recommendations from the stakeholder event. The notes from both events are available.
49. The Local Involvement Network (LINK) also undertook some consultation with a number of individuals currently using existing services. Key themes that emerged included the value of a drop in facility and overwhelmingly a request for support available beyond traditional 9.00am – 5.00pm Monday to Friday office hours.
50. A Disability Equality Impact Assessment has also been undertaken.