
PRE DECISION SCRUTINY OF: ADVICE AND SUPPORT RECOMMISSIONING

Appendix G of this report is exempt from publication because it contains information of the kind described in paragraph 16 of Part 4 of Schedule 12A to the Local Government Act 1972.

Purpose of Report

1. To give Members background information to aid the scrutiny of the draft report to Cabinet entitled 'Advice and Support Recommissioning.' The full draft report is attached at **Appendix 1** and has six appendices:
 - **Appendix A** – Breakdown of current providers
 - **Appendix C** – Report on Consultation
 - **Appendix D** – Equality Impact Assessment (Floating Support)
 - **Appendix E** – Equality Impact Assessment (Gender Specific Services)
 - **Appendix F** – Equality Impact Assessment (Advice Services)
 - **Appendix G** – Legal Advice – confidential, exempt from publication, as set out at the start of this report.
2. Members should note that **Appendix G** of the report attached at **Appendix 1** is exempt from publication. Members are requested to keep this information confidential. Members will be able to ask questions regarding this Appendix during closed session.
3. The Cabinet is scheduled to consider the report and its recommendations regarding recommissioning Advice and Support Services at their meeting on 15 September 2016. At this committee meeting Members will have the opportunity to hear from internal and external witnesses and will then be able to decide what comments, observations or recommendations they wish to pass on to the Cabinet.

Scope of Scrutiny

4. The scope of this scrutiny covers:
 - a. The principles underpinning the recommissioning proposals;
 - b. The process for recommissioning, including consultation;
 - c. The proposals for recommissioning, including phasing and timetable;
 - d. The proposals for generic floating support services;
 - e. The proposals for older people floating support services;
 - f. The proposals for gender specific, including domestic violence, support services; and
 - g. The proposals for advice services.

Structure of Scrutiny

5. The recommissioning proposals cover four distinct areas and it is proposed that the scrutiny be structured accordingly; this report is therefore arranged to reflect this, with specific sections on the proposed recommissioning process and recommissioning proposals for generic floating support, older people floating support, gender specific floating support and advice services.
6. The meeting will be in two parts; an open session, where Members will be able to ask questions on the issues and papers that are in the public domain; and a closed session, where members of the public will be excluded, where Members can ask questions that pertain to Appendix G of the Cabinet report attached at **Appendix 1**.

Background

7. With regard to floating support, the funding comes from the Government's Supporting People grant, which has been cut over the last few years. Local authorities have been advised to plan for further funding cuts in 2017/18, of between 5%-10%. Previous scrutiny by this Committee of the Supporting People Local Commissioning Plan¹ highlighted that the Council was working with providers to see how best to achieve the cuts and that it was likely that there would be reductions in floating support. In 2016/17, there has been some

¹ 2 December 2015 and 2 March 2016, Community & Adult Services Scrutiny Committee

realignment to better reflect the need to provide preventative services, particularly for Older People, such as Community Alarm, as well as to provide more 24 hour supported living for younger people, which was a Corporate Plan commitment last year.

8. With regard to Gender Specific Services, the Integrated Partnership Strategy, What Matters 2010-20, includes a work stream to reduce domestic and sexual violence. The City of Cardiff Council's Corporate Plan 2016-18 builds on this with a commitment to *'Implement a fully re-commissioned domestic violence support service to meet the requirements of new legislation which ensures more integrated provision by March 2017'*². The South Wales Police and Crime Commissioner's Plan³ also contains a commitment to tackle violence against women and girls.

9. With regard to Advice Services, in October 2013 the Cabinet agreed proposals to procure an Advice Package, using a standstill budget of £570,523. This decision formed part of a number of decisions taken via the review of Council Grant Funding. The Advice Package ran until March 2016, when the contract was extended till March 2017 to enable recommissioning; the contract was also varied by removing Home Visits and Outreach Services, as demand for these could be met by the Council's own advice services.

Proposed Recommissioning Process

10. The report to Cabinet proposes a three phase recommissioning process, as set out at **point 11, Appendix 1**, to take 3 years to complete. The first phase covers the areas being scrutinised at this meeting, followed by supported housing and specialist support services in phase two, and homeless hostels in phase three. It is proposed that new floating support contracts would commence in spring 2017 and new gender specific services contract would commence in summer/ autumn 2017.

² Priority 2, Supporting Vulnerable People, Corporate Plan 2016-18

³ South Wales Police and Crime Reduction Plan 2016-21

11. The report to Cabinet states that '*a number of principles have been set in taking forward this recommissioning*'; these are listed at **point 13 of Appendix 1**. The report also contains details of the consultation process, at Appendix C of **Appendix 1**, which shows that a number of workshops have been held with existing providers and stakeholders and that there are proposals to hold networking events facilitated by Cardiff Third Sector Council (C3SC). The report at Appendix C also outlines the comments made by attendees at the workshops and the decisions made following these, including changes that have been made to proposals as a result of the consultation process. There has also been some service user consultation, which is outlined in Appendix C.

Generic Floating Support Proposals

12. There are currently 713 units delivered by 14 providers via 17 contracts to the value of £2.9 million. The Cabinet report states that it is '*proposed to commission two large generic floating support contractors for non-specialist generic floating support, It is envisaged that bidders will only be able to deliver one contract, as the aim is to have two separate contractors to ensure resilience.*' (**Point 22, Appendix 1**).

13. The report to Cabinet goes on to state that '*Due to the current excess supply of floating support services and the potential for economies of scale, it is envisaged that the value for each contract will be £1 million per annum*' (**Point 26, Appendix 1**). This delivers a saving of £908,000, which achieves the 5% predicted savings required.

14. The report to Cabinet states that:

- a. the tender documentation will make the contract price clear along with the minimum number of units;
- b. the assessment of tenders will be 50% quality and 50% price/ value;
- c. the contract will run for four years with the option to extend for a further two years;
- d. there will be an option to amend if there should be a change in grant funding arrangements; and that

- e. there will be an opportunity to award further work should more funding be available.

Older People Floating Support Proposals

15. There are currently 162 units delivered by five providers via seven contracts to the value of £250,000. The Cabinet report states that it is *'proposed to commission one contract for Older Persons support services and retain the current funding level.'* (**Point 30, Appendix 1**). The report to Cabinet sets the same procurement criteria as set out above in paragraph 14.
16. The report to Cabinet states that during the consultation process some concerns were expressed that, *'with only 2 contracts for generic floating support and 1 for older persons services, there would be a risk if one of the contractors failed. There was also some concern that the expertise required to support clients would be compromised'* (**Point 36, Appendix 1**). The report highlights that, as there would also be specialist support providers operating in Cardiff, there would be a broader supply chain available.

Gender Specific Support Services Proposals

17. There are currently 67 gender specific floating support units delivered by two providers and 68 gender specific accommodation units delivered by five providers. In addition, there are a number of non-supporting people funded services, such as advisers and key workers. Details of these are provided in **Appendix A to Appendix 1**.
18. The report to Cabinet highlights that the duties of the Violence Against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015 means that demand for current services is likely to increase and that additional services will be required. The report states that *'It is proposed to commission a comprehensive service under one contract'* (**Point 41, Appendix 1**).
19. The report to Cabinet states that *'it is envisaged that the contract will be for a fixed price; however, the amount of funding available is still uncertain at present and discussion is ongoing with a number of organisations that fund services,*

including Welsh Government and the Police and Crime Commissioner' (Point 44, Appendix 1).

20. It is proposed that a longer term contract would be awarded, possibly for 5 years with the option to extend for a further two years; there will be an option to amend if there should be a change in grant funding arrangements. The report to Cabinet does not specify the weighting that will be applied to quality and value/cost in the assessment of tenders.

Advice Services

21. With the current contract for Advice Services, worth £440,000 per annum, due to end in March 2017, a review of advice provision has been carried out. This has found that a single contract for advice services has worked well and that there is *'an opportunity to make better use of resources if a partnership working approach is taken'* (Point 59, Appendix 1).

22. The Cabinet report states that it is *'proposed that an Advice Partner is commissioned who will work with the Council to provide complementary services.'* (Point 60, Appendix 1).

23. The report to Cabinet states that it is proposed that *'the funding provided under the contract reduces on a phased basis to £300,000, making a saving to the General Fund of £140,000 over 5 years'* (Point 61, Appendix 1). A longer term contract is proposed of five years with the option to extend for further two years. The report states that it is *'proposed to let bidders know the value of the contract and the minimum level of service required – the value will be measured by the amount of services that can be provided over this minimum'* (Point 64, Appendix 1). The report to Cabinet does not specify the weighting that will be applied in the assessment of tenders.

24. The report to Cabinet states that during the consultation process some concerns were expressed *'about the reduction in funding for services when demand is increasing due to welfare reform'* (Point 65, Appendix 1). The report goes on to

state that, *'with the redirection of resources within the Council's own team, the same level of provision will be available and no impact on service users is anticipated.'*

Proposed Recommendations to Cabinet

25. The report to Cabinet contains the following recommendations:

- a. *'Agree the phased approach to recommissioning Supporting People Programme grant funded services as set out above, and agree the use of direct awards as appropriate to facilitate the phased approach to the recommissioning.'*
- b. *'Agree the approach to recommissioning phase 1 services: generic floating support services, older persons floating support services, and gender specific services (including domestic abuse) as set out above.'*
- c. *'Agree the approach to Advice Services as set out above, including the recommissioning of services.'*
- d. *'Delegate authority to the Director of Communities, Housing and Customer Services in consultation with Councillor Susan Elsmore (Cabinet Member for Health, Housing and Wellbeing) and Councillor Dan De'Ath (Cabinet Member for Safety, Engagement and Democracy), the Council's Section 151 Officer , and the Director of Law and Governance to:*
 - (i) *Deal with all aspects of the recommissioning of floating support services, both generic and older persons, gender specific services and advice services as set out in the report, up to and including the award of contracts and*
 - (ii) *Deal with all ancillary matters which pertain to the recommissioning proposals set out in this report, including, without limitation, making decision as to any direct award of contracts that may be required until the recommissioning arrangements for all phases are in place.'*
- e. *'To note that it is intended to submit further reports to Cabinet to seek authorisation to commence the procurement processes for those Services to*

be recommissioned as part of phases 2 and 3, a and when the detailed procurement strategies are developed.'

Previous Scrutiny

26. This Committee has carried out various scrutinies over this administration on the areas covered in this report, including:

- a. Annual scrutiny of the proposed Supporting People Local Commissioning Plan, most recently in December 2015 and March 2016;
- b. Recent scrutiny of work on Domestic Services recommissioning, most recently in December 2015 and March 2016, when Members scrutinised the SafeLives report; and
- c. Special Meeting on Advice Services Contract – November 2012.

27. In addition, the Policy Review and Performance Scrutiny Committee scrutinised the review of Council Grant Funding in October 2013, including the Advice Services Contract.

28. With regard to Supporting People funding, following their meeting 7 January 2015, Members noted:

'..the difficulties facing the Council, other social landlords and providers in dealing with the reduction in available funding'

'..that a strategic approach is essential, particularly as providers are clear that further 'salami- slicing' is not an option as many schemes have reached tipping point and will not survive further cuts. Members received the clear message that providers feel they are at the 'thus far and no further' point. Given this, it is clear that strategic prioritisation is needed. Members also note that competitive tendering will be considered as part of the strategic review; we re-iterate our concerns about the need to avoid competitive tendering leading to a 'race to the

*bottom', by ensuring specifications are correct and avoid unintended consequences.*⁴

29. In December 2015, following scrutiny of progress on both the Supporting People Local Commissioning Plan 2016/17 and recommissioning of domestic violence services, Members queried how a '*race to the bottom*' could be avoided and noted '*the responses that this can be avoided by having a good specification that places quality on an equal footing with value for money*'.⁵

30. Following the scrutiny of the SafeLives report, Members recommended that a systematic gap analysis be carried out, building on the work in the SafeLives report, to inform re-commissioning. This recommendation was accepted by Councillor De'Ath, in his letter dated 31 May 2016. Members also highlighted the need to ensure that '*under-represented groups regarding domestic abuse are heard from, such as (in this context) older people, LGBT service users and Ethnic Minorities service users*'. Members also noted that Cardiff Council is looking to work sub regionally with the Vale of Glamorgan Council, that a strategic group has been established to work at the sub regional level and that a South Wales Board is due to be established to share the lessons from the various sub regions.

Way Forward

31. The item will be in two parts; an open session, where Members will be able to ask questions on the information in the public domain; and a closed session, where members of the public will be excluded, where Members can ask questions that pertain to Appendix G of the Cabinet report attached at **Appendix 1**.

32. The open session will be in two parts: the first part will cover the proposals relating to floating support and gender specific support services; the second part will cover the Advice Services recommissioning. At the beginning of the open session, Councillor Daniel De'Ath (Cabinet Member – Skills, Safety, Engagement

⁴ Letter from the then Chair, Councillor Groves to Sarah McGill, Director, dated 9 January 2015

⁵ Letter from the Chair, Councillor McGarry to Councillor De'Ath and Councillor Elsmore, Cabinet Members, dated 3 December 2015

and Democracy) will be invited to make a statement⁶. Sarah McGill, (Director of Communities, Housing and Customer Services) and Jane Thomas (Assistant Director of Communities and Housing) will be in attendance. Members will be able to ask questions relating to the information in the public domain. The questions will be taken in the following order:

- a. Generic floating support proposals
- b. Older people floating support proposals
- c. Gender specific support services proposals.

33. In the second part of the open session, focusing on Advice Services recommissioning, officers will give a presentation that outlines the evidence for a single contract, including client satisfaction levels. Members will be able to ask questions relating to the information in the public domain.

34. Following the above, the meeting will move into closed session so that Members can ask any questions they have that pertain to Appendix G of the Cabinet report attached at **Appendix 1**.

35. In order to assist Members in this scrutiny, officers from Legal Services and Commissioning and Procurement have been invited to attend the meeting.

36. External witnesses from the areas covered by the recommissioning proposals have been invited to give evidence to the Committee, either in writing or by attending the meeting.

Legal Implications

37. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations

⁶ Councillor Susan Elsmore, (Cabinet Member - Health, Housing and Well Being) has sent her apologies as she is on leave.

for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

38. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

39. The Committee is recommended to:

- a. consider the information in the report, appendices and at the meeting;
- b. decide whether they would like to make any comments to the Cabinet on this matter in time for its meeting on 15 September 2016; and
- c. decide the way forward for any future scrutiny of the issues discussed.

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01 September 2016