

Part I

Electoral Divisions affected:
All

Extension of the Learning Disability Preferred Provider Scheme

Contact for further information:

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Executive Summary

The current Preferred Provider Scheme for learning disability comes to an end in September 2014 and there is a need to review the scheme to inform the shape of any future similar scheme

The review will produce an option appraisal and detailed recommendations for ensuring the effective commissioning and procurement of good quality and affordable domiciliary care for people with a learning disability in Lancashire from January 2015. In particular, this work will need to determine the procurement arrangements which should be established to replace the current Preferred Provider scheme for people with a learning disability which ends on 1 September 2014. It is anticipated that this replacement scheme may take the form of a 'Framework Agreement'. There will be a need to extend the current Learning Disability Preferred Provider Scheme for a further three months to allow this review to be completed.

This is deemed to be a Key Decision and Standing Order 25 has been complied with.

Recommendation

The Cabinet Member for Adult and Community Services is recommended to:

- (i) Approve the extension of the current Learning Disability Preferred Provider Scheme from September 2014 to no later than 31 December 2014;
- (ii) Approve the review of the domiciliary care market for people with a learning disability in Lancashire, together with a consultation process to allow a new preferred provider scheme to be in place by January 2015 at the latest.

Background and Advice

The current Learning Disability Preferred Provider Scheme has been in place since 1 September 2010. The evaluation stage was completed in May 2010 with the scheme commencing from 1 September 2010. There are currently 66 Preferred Providers for people with a learning disability in Lancashire. The current Preferred Providers deliver domiciliary, residential and day time support services.

The County Council currently spends around £110m (net) on People with a Learning Disability of which approximately 68% is domiciliary care. This accounts for approximately 24% of the Adult Social Care budget and includes Supported Living and provider broker arrangements as well as services provided by the County Council's in-house services.

The provider base has remained steady in Lancashire in recent years and the number of domiciliary care providers active in Lancashire has remained static. The market however has also seen a number of mergers/takeovers between existing providers in Lancashire.

A significant number of non Preferred Providers have expressed an interest in moving into Lancashire.

Next Steps

A project group will undertake the necessary work to devise and consult upon a new Framework scheme.

It is anticipated a report will be submitted in July 2014, setting out an option appraisal and detailed recommendations for ensuring the effective commissioning and procurement of good quality and affordable domiciliary care for people with learning disability in Lancashire from January 2015.

Consultations

The review will seek to consult the people who use domiciliary care services and their families.

The County Council will also survey all current contracted learning disability domiciliary care providers.

Implications

This item has the following implications, as indicated.

Legal

The current Domiciliary Care Preferred Provider Scheme ends on 1 September 2014. When the current providers were approved as scheme participants an indication would have been given that a further exercise to appoint to the scheme would be conducted prior to this expiry date. The fact that it will not be completed until sometime after expiry gives rise to a risk of challenge from providers not

currently included in the scheme and therefore not able to deliver services at the present.

Given the very wide ranging review contemplated it would be impractical to conduct a substantial procurement exercise in order to refresh the preferred provider pool as our approach to the structure of service delivery is likely to significantly change following the review.

As the preferred provider pool is extensive and in place following a full procurement exercise, the proposed extension is unlikely to have a detrimental impact upon competition and choice in the area. This does not of itself render the proposal compliant with procurement requirements. However, it adds some balance to the perceived risk of a challenge as this is clearly not a case where we are contracting with a sole provider but with many different providers across a wide spectrum. A procurement exercise would necessarily create uncertainty for the large number of vulnerable service users using the service as well as the numerous provider staff delivering the service. Whilst undertaking such an exercise would be advisable to ensure strict compliance with procurement requirements, in the present circumstances there are cogent reasons for adopting the recommendation and accepting the limited risk of challenge.

Financial/Procurement

Net expenditure on Domiciliary Care for people with a Learning Disability in Lancashire is approximately £75 million and represents around 24% of the total Adult Social Care net budget. This primarily represents Supported Living and includes provider broker arrangements as well as services provided by the County Council's in-house services.

This is therefore a major area of expenditure for the County Council. The development of any new commissioning/procurement arrangements will have to be mindful of the need to ensure a balance between value for money, affordability and incentivising the market to deliver good quality, reliable care.

One Connect Ltd (OCL) concurs with the advice set out above by Legal Services regarding non-compliance with the European Union (EU) procurement regulations and due to this the limited risk of challenge. If a procurement exercise was undertaken to coincide with the current Preferred Provider scheme ending in September 2014, OCL would have the resources to support this however, if the recommendation to extend the scheme is approved, OCL will support the County Council to implement it based on the revised timeframe.

Equality and Diversity

An Equality Analysis will be undertaken as part of the review.

Risk management

A steering group has been established to oversee this review within the necessary timescales. This is important with a view to any replacement arrangements being in place for January 2015.

List of Background Papers

Paper	Date	Contact/Directorate/Tel
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Nil.

Reason for inclusion in Part II, if appropriate

N/A.