

ADULT SOCIAL CARE AND HEALTH COMMITTEE

Monday, 18 January 2021

REPORT TITLE:	REVIEW OF DAY SERVICES CONTRACT FOR PEOPLE WITH A LEARNING DISABILITY
REPORT OF:	GRAHAM HODKINSON, DIRECTOR OF CARE AND HEALTH

REPORT SUMMARY

Wirral Council's budget has reduced overall due to lower levels of grant funding being available to the Council from Government. This has in turn led to the requirement for adult social care to deliver effectively within the resources available to it, and within the context of increasing demand due to a significantly ageing population.

The Council continues to spend a comparatively higher amount of its social care resource for people with learning disabilities than other Councils and continues to have a comprehensive day service offer alongside other services. Day care offers a valued service to people with disabilities and their carers which improves their quality of life.

Wirral Evolutions was created to expand the customer base and to increase income opportunities outside of the social care contract. Subsequently Wirral Evolutions has retained a block contract with the Council to deliver Day Services for People with a Learning Disability since 2015.

In February 2020, the Adult Care and Health Overview and Scrutiny Committee requested that a review should be conducted to explore all available options for future provision of day services for people with a learning disability, including the potential for bringing services back 'in-house' to address the financial challenges currently facing the service.

Wirral Evolutions have delivered the contract for five years, and costs have continued to increase, and therefore the Council is reviewing whether the service should stay in the same format. A financially sustainable service model for day services is required. An internal review was conducted over a three-month period from October 2020 to December 2020 and it is proposed that the Council should continue to commission day services from Wirral Evolutions.

The Council has commenced the formal budget process, as set out in the constitution and in accordance with the legal requirements to set a balanced and sustainable budget for

2021 to 2022. The Council have formally commenced consultation on the budget in relation to the Contract for Day Services for People with a Learning Disability, with the intention of removing an over contract spend amounting to £0.5m. This will be used to set the annual contract value in line with the budget allocation to social care a value of £5.015m for 2021 to 2022. The Council has a responsibility to ensure that public money is used to deliver cost-effective sustainable outcomes. Commissioned services must provide value for money and deliver good outcomes for residents.

The Policy and Resources Committee must recommend a 2021 to 2022 balanced Budget proposal to the Council for its meeting in March 2021. It is good practice for the residents of Wirral to have their say on budget proposals therefore the proposal to remove an over contract spend amounting to £0.5m will go to public consultation. It is imperative that the Council works in partnership with Wirral Evolutions and people who access their services and their family members throughout the consultation period.

The Council's Budget supports the delivery of the Wirral Plan and is key to ensuring the Council is financially stable. Our residents and businesses expect to be informed and consulted about how services are going to be run and how their money is going to be raised and spent.

RECOMMENDATIONS

The Adult Social Care and Health Committee is recommended to:

1. Agree that the Council should continue to deliver Day Services through the current contract with Wirral Evolutions.
2. Invite Wirral Evolutions to present to the Adult Social Care and Health Committee the company's proposals to modernise the current operating model and reduce the operating costs to ensure delivery of the service within the existing contract at the current contract price of £5.015m for 2021 to 2022.
3. Invite Wirral Evolutions to present to the Adult Social Care and Health Committee quarterly reports to update the Committee on its progress, with a six-month formal review of progress against allocated spend under the contract.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATIONS

- 1.1 Our current day service offer for people with a learning disability is primarily building based and follows a traditional “day centre” model that provides services for adults. Wirral Council commissions Wirral Evolutions to deliver day services for people with a learning disability. There are no concerns about the quality of current service, and the Council does not want to cause unnecessary upset to people who access services or their family members however it is clear that the current way of commissioning day service is very traditional and is not financially affordable or sustainable to the Council at the current time.
- 1.2 Wirral Evolutions have submitted a proposal to the Council to bring the operating costs back in line with the contract value which the Council supports as part of the Budget consultation process.
- 1.3 Wirral Evolutions delivers day services across nine venues which are owned by the Council, which is higher in comparison to neighbouring Councils who utilise less council assets and have a reduced building-based day services offer. There has been a significant shift from the over concentration on building-based day services towards more personalised community-based day opportunities which offer more activities in settings such as workplaces, colleges, sports and leisure centres and community centres or local hubs based within local communities. This in turn can enable people to develop more independent living skills.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 A range of options have been explored as part of the service review:
 - Option 1 - Continue to commission with Wirral Evolutions.
 - Option 2 - Bring the Day Care Service Inhouse.
 - Option 3 - Go to external procurement to commission with market (competitive tendering).
- 2.2 The primary purpose of the options appraisal is to help develop a value for money solution for the Council by making comparisons of different options. Good decision-making for local government interventions is facilitated by a robust appraisal of the options available. As part of the review, an option appraisal was conducted to assist the Council in taking the right decisions by ensuring that the service review explores advantages and disadvantages of each option against the critical success factors.

- 2.3 Wirral Council and Wirral Evolutions have discussed a range of options to modernise the current operating model, to align the operating costs to the budgeted amount of £5.015m for 2021 to 2022.

3.0 BACKGROUND INFORMATION

- 3.1 In February 2020 the Adult Care and Health Overview and Scrutiny Committee requested that the Cabinet explore all available options for future provision of day services, requesting that work commenced as soon as practicable to understand how this could be achieved within a reasonable timeframe. The review was delayed due to the COVID-19 outbreak and commenced from October 2020 to December 2020.
- 3.2 Wirral Council conducted a review of the Contract for Day Services for People with a Learning Disability in Wirral. The scope of the review relates to the main Service Provider named Wirral Evolutions, who holds a block contract with the Council to deliver Day Services for People with a Learning Disability.
- 3.3 The Council previously delivered Day Services to People with Learning Disability inhouse until Wirral Evolutions was created and awarded the contract on 1st December 2015, and the staff transferred from the Council to Wirral Evolutions.
- 3.4 Wirral Evolutions Ltd was incorporated in 2015 as a private company limited by shares and trading as a Local Authority Trading Company (LATCo) to provide personalised day services and opportunities for adults with a wide range of learning and physical disabilities.
- 3.5 It should be noted that there are no concerns about the quality of service delivered by Wirral Evolutions however the cost of delivering Day Services for People with a Learning Disability has continued to increase over the previous five years and is no longer financially sustainable to continue in its current form.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The Council continues to face huge financial pressures, resulting from a combination of reduced national funding, the COVID-19 pandemic and the continually increasing demand on services.
- 4.2 As part of the Budget Proposals the Council intend to reduce the Contract overspend for Day Services for People with a Learning Disability by £0.5m to an annual budget of £5.015m for 2021 to 2022. Wirral Evolutions had a saving proposal in 2020 to 2021 that was delayed by COVID-19 and has therefore been presented for public consultation alongside the 2021 to 2022 proposals.

- 4.3 The table shows the previous year's funding made available by the Council for the provision of Day Care Services by Wirral Evolutions and the proposed forthcoming budget for 2020 to 2021.

Year	Income Amount funding by Wirral Council
Year 6 – 2020 - 2021	£5.015m
Year 5 – 2019 - 2020	£5.41m
Year 4 – 2018 – 2019	£5.20m
Year 3 – 2017 – 2018	£5.14m
Year 2 – 2016 – 2017	£4.90m
Year 1 - 2015 - 2016 Commenced 01/12/2015	£1.80m

- 4.4 The contract with Wirral Evolutions also included a commitment to buy back support services from the Council. The value of these support services is £0.78m per annum.
- 4.5 As the Landlord, Wirral Council is responsible for maintaining the nine venues currently used, which includes all the additional building maintenance costs.

5.0 LEGAL IMPLICATIONS

- 5.1 The following legislation will be relevant to the service review:

- Local Authorities (Goods and Services) Act 1970
- Local Government Act 1999
- Local Government Act 2003
- Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE)
- Localism Act 2011
- Care Act 2014

- 5.2 Wirral Council do not have a legal duty to provide day services but do have a legal duty to meet the assessed needs of adults requiring care and support.

- 5.3 It is essential, as a matter of prudence, that the financial position continues to be closely monitored. Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered, and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.

- 5.4 The consultation process, including the Council's consideration of the responses, is required to comply with the following overarching obligations:

- Consultation must be at a time when proposals are at a formative stage.
- The proposer must give sufficient reasons for its proposals to allow consultees to understand them and respond to them properly.
- Consulters must give sufficient time for responses to be made and considered.

- Responses must be conscientiously taken into account in finalising the decision.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Wirral Council and Wirral Evolutions have discussed a range of options to modernise the current operating model, to align the operating costs to the budgeted amount of £5.015m for 2021 to 2022. Wirral Evolutions has submitted a proposal as part of the service review to restructure the service.
- 6.2 The Communications team will deliver the consultation exercise as part of their usual work plan.

7.0 RELEVANT RISKS

- 7.1 The Council will mitigate risks by developing a multi-functional project team that gains insight into all areas of risk and puts mitigating actions in place to reduce the impact of risk.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 A communication plan will be developed to ensure all key stakeholders are fully engaged for the consultation period. The Council will set up a range of engagement activities/approaches to seek the views of those individuals who access Wirral Evolutions services as part of the review and consultation process.
- 8.2 The Council is very mindful of the support needs of the people who access the Day Services commissioned through the existing contract with Wirral Evolutions, and the Council will fully engage with individuals and their family members to ensure they have a strong voice when designing the new service model to be implemented in 2021.
- 8.3 It is proposed that formal consultation commences with people with a learning disability and their Carers, including all other key stakeholders in relation to removing a contract overspend of £0.5m for Day Services. It is also extremely important that we work with people with a learning disability and their carers at a reasonable and supportive pace to ensure that future models of support are firstly what they want, and secondly that they really work. The Council will commence the formal budget consultation and is keen to engage with Wirral Evolution Staff, Wirral Evolution Board Members and Management Team, People who access services and Families and Parent Carer Groups, Advocacy Groups, Elected Members and Trade Union Officials and other key stakeholders.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone.
- 9.2 Wirral Evolutions has an equality, diversity and inclusion policy in place and promotes the rights of people living with a disability.
- 9.3 An Equality Impact Assessment will be conducted once the formal consultation period has been concluded.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 Wirral Council is committed to carrying out its work in an environmentally responsible manner, and Wirral Evolutions will consider environment and climate implications associated with delivering Day Services across multiple venues in Wirral. The Day Services currently operates from nine Council owned buildings, that are rented by Wirral Evolutions. The review considered how the buildings utilised for Day Services can be more efficient by reducing carbon emissions, waste and energy use.

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APPENDICES

BACKGROUND PAPERS

- Adult Care and Health Overview and Scrutiny Committee - February 2020

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Adult Care and Health Overview and Scrutiny Committee	February 2020
Adult Social Care and Health Committee	19th November 2020
Standards and Constitutional Oversight Committee	26th November 2019
Policy and Resources Committee	18 th December 2020