

From: Richard Smith, Corporate Director of Adult Social Care and Health

To: Clair Bell, Cabinet Member for Adult Social Care and Public Health

Subject: **Decision 21/00078** - Urgent Decision for the retender and appointment of a new provider to deliver 100 places at Princess Christian's Farm

Classification: Unrestricted

Past Pathway of Paper: **None**

Future Pathway of Paper: None

Electoral Division: All

Summary: The Council currently commissions 100 places which are delivered by North Kent College, under licence from Hadlow College. North Kent College intend to stop providing services from October 2021. This report sets out the considerations and the urgent decision which is required to maintain services for the current service users.

Recommendation(s): The Cabinet Member for Adult Social Care and Public Health is advised to take an urgent decision to agree to the updated service specification for the provision and to the procurement of a replacement provider, using the Urgent Procurement processes to deliver services at Princess Christian's Farm and authorise the Corporate Director for Adult Social Care and Health to enter into the necessary contracts following the procurement process and the Director of Infrastructure to finalise the terms of any necessary legal documents including the termination and granting of lease/s to facilitate the service provision at Princess Christian's Farm.

1. Introduction

- 1.1 Princess Christian's Farm is a Day Service contracted by Kent County Council adult social care that has been run historically by the former Hadlow College over many years.
- 1.2 Due to the financial and operational difficulties, that saw Hadlow College go through a process of Educational Administration in 2019-2020, the Farm was transferred to the control of North Kent College as part of the administrative handover.
- 1.3 A decision has been taken by North Kent College to concentrate the new Hadlow College's efforts on the provision of education. As such a decision

has been made to pull back from additional aspects with which the former Hadlow College was previously involved, many of which were no longer financially viable and / or aligned to the revised direction of North Kent College. One of these has been the decision to not renew the sub-contract for Princess Christian's Farm. The college have indicated that they intend to withdraw the service from the end of October 2021.

- 1.4 The Farm and the land are owned by Kent County Council and are leased to Hadlow College with a Social Care service contract (block arrangement) in place for the delivery of the support to those attending. The Lease and the Service contract are currently aligned.

2. Strategic Statement and Policy Framework

- 2.1 This project supports the strategic outcomes of the Council through a support service which works with people to identify their aims and aspirations, and deliver activities that promote wellbeing and reduce social isolation.
- 2.2 The proposal will enable the Council to meet its duties under the Care Act 2014 by promoting wellbeing for individuals and their carers, through the provision of support and through supporting market sustainability.

3. The Report

- 3.1 Princess Christian's Farm is a popular resource for both those who attend (approximately 70 individuals), their families and with the local community in Hadlow. The current provision is day support (which also provides Carer respite) for those with a learning disability and or autism.
- 3.2 Following notification that the current service provider wishes to withdraw the following options have been considered:
 - 3.2.1 Option 1 - Discontinue the service and identify alternative placements for the provision of services to the users. This option will cause significant challenge for those attending the Farm due to the length of time to allow any change in support, and following a review of other provision locally there is limited or no capacity, due to the ongoing effects of COVID.
 - 3.2.2 Option 2 - seek a new provider to provide the service. This option provides least disruption for the service users and their families / carers.
- 3.3 Following consideration of the options and the service impact it is recommended that KCC seek a new provider to deliver the service.

- 3.4 A Prior Information Notice (PIN) was placed at the end of July so as to gauge market appetite and explore whether finding a new provider would be viable. Sixteen providers responded to the PIN.
- 3.5 Interested providers have been involved in the development of a new service specification and lease agreement on the Farm.
- 3.6 The future service provision contract will no longer be linked to the Lease agreement on the Farm, which will allow more flexibility on the successful provider and for the Council.
- 3.7 Swift engagement with colleagues across Children’s and Adult Social Care and Commissioning teams has also taken place to inform the future specification of the service contract, to evolve the service from that of predominantly a social care support service to one that also includes potential for educational and employment outcomes for those attending the Farm. While opportunity to develop and improve the service is welcome, the focus and primary driver for taking an urgent decision at this time remains the need to maintain core service provision and avoid negative impact on potentially vulnerable people through cessation of a valued service.
- 3.8 An open competitive procurement will now be progressed utilising the Procurement Urgency Procedure. This will allow the procurement to proceed within the minimum allowable timescale to enable a transition when the current arrangements come to end for service users.
- 3.9 Proposed project / procurement timeline is as follows:

Project Area / Procurement Task:	Dates:
<i>Develop Tender Documentation</i>	August 2021
<i>Issue Contract Notice</i>	<i>03/09/2021</i>
<i>Return of ITT</i>	<i>21/09/2021</i>
<i>Evaluation of ITT by</i>	<i>01/10/2021</i>
<i>Contract award approval by</i>	<i>08/10/2021</i>
<i>Contract start date</i>	<i>1 November 2021</i>

- 3.10 As well as an officer lead evaluation panel for the procurement, a panel of family members / attendees of the Farm will have presentations to them from those submitting bids, to ensure the voice of those affected by the change of provider is heard and taken account of.

4. Property Considerations

- 4.1 As part of the tender process KCC will work with the provider to develop the appropriate lease/s terms to support the continuation of the service with a new provider. These will be aligned to the service contract.
- 4.2 It is likely that some capital works will be required to the buildings dependant on the proposals that come forward. The extent and treatment of these will be considered as part of the tender discussions.
- 4.3 The Farm also includes livestock and plant and machinery assets, the transfer of which will be considered as part of the tender process.

5. Financial Implications

- 5.1 The full extent of the financial implications is currently being established, but the initial analysis suggests that taking account of the both the revenue and capital implications any new arrangements may exceed £1million through a mix of one-off and recurring costs. The full financial assessment, including charging related implications, will be undertaken alongside the tender process, taking account of both service and property considerations.
- 5.2 There is a £440k revenue budget available over 2 years to maintain a block contract arrangement similar to that which is currently in place.
- 5.3 There are also a number of 'spot purchase arrangements with the current provider for additional places above the places available through the block contract. The costs of these additional placements are currently being determined.
- 5.4 Any unbudgeted revenue or capital costs, will need to be addressed as part of the budget management process for the current year and in the medium term financial plan for future years.

6. Key Risks

- 6.1 The procurement process is unsuccessful.
If the procurement is unsuccessful in finding a new provider, the service will need to close. Social Care Teams have been speaking with individuals and their families / carers regarding possible alternative support. As highlighted previously this is a risk in itself as following a review of other providers locally there is limited or no capacity to take all those that attend the Farm.
- 6.2 Not enough time to complete the procurement.
There are ongoing negotiations with North Kent College for an extension to their licence to run the farm to the end of December 2021. This extension is dependent on the procurement timetable put forward by the Council. It is recommended to continue with the urgency route to offer assurance to and sustain co-operation with the current provider.
- 6.3 Costs from a new provider are higher than anticipated.

The proposed fixed price block contract is set at the same costs and financial envelope as the current service. Measures will be put in place to ensure the block contract is utilised effectively. Additional costs are unlikely, and expansion or more students attending could be covered through the utilisation of Direct Payments.

7. Governance and Legal Implications

- 7.1 The decision to select and appoint a new provider is likely to incur capital and revenue expenditure over £1million.
- 7.2 The implementation of the decision will require the Council to enter into the necessary contractual and property documentation and to bring to an end the current arrangements and enable the new service contract to be put in place. The transactions may include the TUPE transfer of staff currently providing the service and the transfer of assets such as livestock and machinery. Legal advice will be sought in conjunction with General Counsels Office.
- 7.3 **Reason for Urgency** - A key decision will need to be taken via the Statutory Urgency Process because:
- The current provider's licence to run the service is due to expire on 31st October 2021. Urgent procedures are required to ensure enough time is allowed to award a contract and allow TUPE transfer negotiations before the new provider can take over running of the service.
 - Awaiting results of the survey to know if the Farm was viable for procurement. There was uncertainty on the state of the Farm buildings and whether this could have an impact on interested providers. Therefore the results of the survey were required before KCC would be in a position to take an informed decision, with procurement viability having been successfully confirmed.
 - It was unclear of market interest in taking over the provision / Farm. Going to market without gauging interest from the market would have been high risk, especially on the potential impact of those attending the Farm, should a new provider not be found.

8. Equality Implications

- 8.1 The service at Princess Christian's Farm is attended by those living with a learning disability and or autism and so any decisions related to the service provision will affect those individuals and or their families/carers.
- 8.2 The service is mainly attended by those living in the West Kent area, although there are a few individuals that travel from further afield in Kent or from outside the County.
- 8.3 An Equality Impact Assessment was undertaken on the proposed decision. As the decision is to replace the service with like for like there will be no negative implications.

8.4 Should the service close there will be significant impacts on people with a learning disability and their family / carers. With the lack of capacity in other provision locally this could mean extended journey times to alternative support. This could put extra pressure on Family and Carers which could lead to family / carer breakdown which could add to further pressures on services and Adult Social Care.

9. Conclusions

9.1 It is necessary to run a competitive process to appoint a new provider to deliver and to ensure the continuity of service for service users following the withdrawal of the current provider. The timescales do not allow for a key decision to be taken in line with the Councils normal governance processes.

10. Recommendation(s)

10.1 Recommendation(s): The Cabinet Member for Adult Social Care and Public Health is advised to take an urgent decision to agree the updated service specification for the provision and to the procurement of a replacement provider, using the Urgent Procurement processes to deliver services at the Princess Christian's Farm and authorise the Corporate Director for Adult Social Care and Health to enter into the necessary contracts following the procurement process and the Director of Infrastructure to finalise the terms of any necessary legal documents including the termination and granting of lease/s to facilitate the service provision at Princess Christian's Farm.

11. Background Documents

12. Contact details

Report Author

Simon Mitchell
Senior Commissioning Manager
03000 417156
simon.mitchell@kent.gov.uk

Relevant Director

Richard Smith
Corporate Director Adult Social Care and Health
03000 416838
richard.smith3@kent.gov.uk