



DERBY CITY COUNCIL

COUNCIL CABINET
3 JULY 2007

Cabinet Member for Adult Services

East Midlands Centre of Excellence High Cost Placement Project (EMCE)

SUMMARY

- 1.1 The Council is one of the 9 partners in the EMCE High Cost Placement project. This is a regional commissioning project designed to commission approximately 100 placements over three years across the partnership, for adults with learning disabilities. The intention is that people who are currently placed at high cost elsewhere could have a service commissioned through this process, resulting in some efficiencies.
- 1.2 The partnership has completed the planning work which scoped the service specification and agreed the types of need this service will meet. A procurement exercise is now underway to secure one or more providers. This is being undertaken by the Eastern Shires Purchasing Organisation (ESPO).
- 1.3 Work is also beginning in Derby to develop an Approved Provider List of learning disability providers so that we are in a position to quickly and effectively commission services in response to need for people who are not part of this project.

RECOMMENDATIONS

- 2.1 To authorise the sharing of information across partner organisations in order to meet the project objectives.
- 2.2 To agree progression to the next stage of the project whereby the Council commits to placing a number of individuals over a three year period through this project, on the understanding outlined in 3.2 below.

REASON FOR RECOMMENDATIONS

- 3.1 This EMCE project has been in the planning stage for over a year, and this has gone well, resulting in a procurement process that is now underway. The tender is being undertaken by the Eastern Shires Purchasing Organisation (ESPO) on behalf of the partnership.
- 3.2 The tender advertised for providers that are able to provide approximately 100 places for adults with learning disabilities over a three year period. If divided equally this would equate to approximately 11 places for Derby City, about 4 per annum. Our involvement is on the understanding that: the places will be for people who are currently placed at high cost elsewhere; the newly commissioned service will offer efficiencies and there are no additional costs.



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Report of the Corporate Director of Corporate and Adult Services

East Midlands Centre of Excellence High Cost Placement Project (EMCE)

SUPPORTING INFORMATION

- 1.1 The East Midlands Centre of Excellence (EMCE) was launched to support local government's response to the Efficiency Agenda and the National Procurement Strategy, supporting councils in the East Midlands (EM) region in the delivery of improved services for local people. The EMCE is owned and managed by local government and has been established with support from the Government (Department for Communities and Local Government) and Local Government Association (LGA).
- 1.2 The EMCE is the key delivery mechanism for improving efficiency, procurement, partnering and service delivery across local government in the EM region. The EMCE acts as the first line of support and guidance on all aspects of the efficiency agenda.
- 1.3 The EMCE is one of nine regional centres of excellence (RCEs) and coordinates its activity through a monthly meeting of Regional Directors Group and through meetings of the Chief Executives Taskforce, which takes place approximately every two months. The core composition of the Taskforce includes the Chief Executive of each of the host authorities of the nine RCEs.
- 1.4 In February 2006, representatives from our Adult Learning Disability Service attended a launch event for this regional commissioning project. The proposal was to develop a joint approach to managing the market in provision of high cost residential care. The lead for project management was placed with Leicestershire County Council. Partners to the project were agreed as:
 - Derby City and Derbyshire County Councils
 - Leicester City and Leicestershire County Councils
 - Nottingham City and Nottinghamshire County Councils
 - Northamptonshire County Council
 - Lincolnshire County Council, and
 - Rutland County Council.

- 1.5 Prior to the launch meeting, Leicestershire County Council submitted a bid on behalf of all of the partners to the East Midlands Centre of Excellence, for grant aid for the project. The application was initiated by the Association of Directors of Social Services (ADSS) and agreed by respective Heads of Finance across the region. The initial bid for £130,000 was unsuccessful. However EMCE subsequently agreed to provide £80,000 in funding for the project. All partner authorities are required to contribute toward the shortfall in funding. Derby City has been asked for a contribution of £4,000, which will be met through the Learning Disability Development Fund and spread over two financial years.

Aims, Objectives and outcomes of the project

- 1.6 The aim of the project is to develop and assess options for managing the market in provision of high cost residential care. Options may include

- Identification of a fair price for care
- Joint commissioning strategies
- Joint commissioning arrangements
- Review of regional in-house provision, and
- Development of strategic partnerships with providers.

- 1.7 Objectives of the project are to:

- Reduce existing expenditure on learning disability high cost care and to manage the increase in future expenditure through achieving a reduction in the number and unit costs of high cost placements
- Ensure that there is a clear outcome based framework agreed with providers for matching the needs of individuals with provision

- 1.8 Outcomes sought include the achievement of:

- A strategic picture of Learning Disability suppliers and spend across the region which can be used to improve contracting decisions
- Consistent, appropriate and sustainable placement costs for Learning Disability high cost residential care in the East Midlands
- An agreed, evidence based approach to commissioning such placements across the region

- 1.9 We have also agreed some internal outcomes for the project:

- A clearer rationale for relating price to need
- Costs related to outcome/need/quality

These will be linked into the regional project by the commissioning manager and implemented locally through the contracting and commissioning liaison group.

Project management arrangements and timescale

1.10 The project is due for completion towards the end of 2008. The process for deciding successful tenders is proposed as follows:

- ESPO will do an initial evaluation of the pre-qualifying questionnaire and advise the project group of any organisation it deems unsuitable
- All Authorities will participate in the evaluation of responses to the outcomes based specification and hopefully agree the shortlist to receive the final detailed specification
- Similarly then all will be involved in the final evaluation process.

This is not an exclusive contract and Local Authorities are not bound to using the appointed providers.

1.11 The Project Board is chaired by the Director of Adult Social Care and Health, Leicestershire County Council. A project group works to the Project Board. All Local Authorities have nominated a representative to attend the project group. For Derby this is the Commissioning Manager - Learning Disabilities.

Information sharing

1.12 In order for this project to be successful, local authorities will need to share financial, commissioning and contracting information across the region.

OTHER OPTIONS CONSIDERED

1.13 Local commissioning has also been considered alongside this project

For more information contact:
Background papers:

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Appendix 1 – Implications

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IMPLICATIONS

Financial

- 1.1 The initial project bid for £130,000 was unsuccessful, however EMCOE subsequently agreed to provide £80,000 in funding for the project. All partner authorities are required to make a contribution towards the shortfall in funding.
- 1.2 For Derby this represents a contribution of £4,000, which will be met through the Learning Disability Development Fund and spread over the two financial years 2006/07 and 2007/08.
- 1.3 The £130,000 is intended to cover the costs of project management, project support, general running costs (training, materials) and Consultancy to provide expertise in market management.
- 1.4 One of the principles that has been agreed by partners is that there should be no additional costs. The project should result in efficiencies.

Legal

- 2.1 In order for this project to be successful, local authorities will need to share financial, commissioning and contracting information across the region. Any information on individuals will be completely anonymised.
- 2.2 Legal advice is being provided by Leicestershire County Council's legal team.

Personnel

- 3.1 No implications. Project management team provided and funded from project budget.

Equalities impact

- 4.1 None immediate.

Corporate priorities

- 5.1 The modernisation programme supports the Council's objectives of healthy, safe and independent communities and furthers the priority of modernising social care, including adult home care.
- 5.2 Corporate Plan: Key outcome 3.2 - Improving the standard of social care for vulnerable adults and older people. One of the aims of the project is to ensure a link between quality and cost.