

Meeting: Strategic Commissioning Board			
Meeting Date	01 March 2021	Action	Receive
Item No		Confidential / Freedom of Information Status	No
Title	Persona Care and Support Limited - Contract Renewal 1 <sup>st</sup> April 2021 - 31 <sup>st</sup> March 2031		
Presented By	Will Blandamer, Executive Director of Strategic Commissioning		
Author	Julie Gonda, Director of Community Commissioning (DASS)		
Clinical Lead	-		
Council Lead	Cllr Simpson, Communities and Wellbeing		

Executive Summary
<p>The purpose of this report is to outline the proposal to renew the contract between Bury Council and Persona Care and Support Limited from 1<sup>st</sup> April 2021 for a 10-year tenure until 31<sup>st</sup> March 2031.</p>
Recommendations
<p>It is recommended that the Strategic Commissioning Board:</p> <ul style="list-style-type: none"> <li>• Receive (information), the report presented to the Executive Board on 15<sup>th</sup> February 2021 proposing the renewal of the contract between Bury Council and Persona Care and Support Limited for a period of 10 years commencing on 1<sup>st</sup> April 2021.</li> <li>• Note the Executive Board approved the proposal on 15<sup>th</sup> February 2021.</li> <li>• Note the report will be presented to Health Scrutiny on 2<sup>nd</sup> March 2021.</li> <li>• Note the report will be presented at Cabinet on 24<sup>th</sup> March 2021</li> </ul>

Links to Strategic Objectives/Corporate Plan	Choose an item.
Does this report seek to address any of the risks included on the Governing Body / Council Assurance Framework? If yes, state which risk below:	Yes
<i>Add details here.</i>	

Implications						
Are there any quality, safeguarding or patient experience implications?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>

Implications						
Has any engagement (clinical, stakeholder or public/patient) been undertaken in relation to this report?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Have any departments/organisations who will be affected been consulted?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Are there any conflicts of interest arising from the proposal or decision being requested?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Are there any financial implications?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Are there any legal implications?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Are there any health and safety issues?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
How do proposals align with Health & Wellbeing Strategy?	The proposals to renew a contract with our Local Authority Trading Company focused on providing high quality care aligns to the Health and Wellbeing strategy.					
How do proposals align with Locality Plan?	The proposals to renew a contract with our Local Authority Trading Company focused on providing high quality care aligns to the Locality Plan.					
How do proposals align with the Commissioning Strategy?	The proposals align to the commissioning strategy well as the main objective is to deliver an 'outcomes' focused contract. Supporting the future ambition to innovate service delivery and meet the changing needs of partners and customers. The benefit of this approach will give the Council, Persona and our wider partners a more sustainable commissioning platform on which to develop new and innovative services, sustain a quality and committed workforce and allow opportunities for external funding, broader business development and build on community assets, realising social value, which in turn will benefit the customers and the people of Bury whilst delivering value for money.					
Are there any Public, Patient and Service User Implications?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
How do the proposals help to reduce health inequalities?	Persona like any care provider in Bury are focused on delivering the best quality care and support to those who need it. This is based on a person's needs and aspirations, putting the person at the heart of delivery is important to Persona. Also working across the neighbourhood footprint and where possible linking in to community groups to help support and develop communities in order to reduce health inequalities is important to Persona.					
Is there any scrutiny interest?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
What are the Information Governance/	Persona have appropriate information governance					

Implications						
Access to Information implications?	standards in place and this is detailed in the contract requirements.					
Is an Equality, Privacy or Quality Impact Assessment required?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
If yes, has an Equality, Privacy or Quality Impact Assessment been completed?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
If yes, please give details below:						
If no, please detail below the reason for not completing an Equality, Privacy or Quality Impact Assessment:						
Are there any associated risks including Conflicts of Interest?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Are the risks on the CCG /Council/ Strategic Commissioning Board's Risk Register?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Additional details						

Governance and Reporting		
Meeting	Date	Outcome
Executive Board	15/02/2021	Approved
Community Commissioning Management Team (CCMT)	02/02/2021	Recommended

## Persona Care and Support Limited - Contract Renewal April 2021-March 2031

### 1. Introduction

- 1.1 The purpose of this report is to outline the proposal to renew the contract between Bury Council and Persona Care and Support Limited. The main objective is to deliver an outcome based 10 year contract from 1st April 2021. This will set out the status of existing services provided by Persona and alongside our Innovation and Savings programme for 2021-2023 (set out in a separate paper) will capture our future ambition to innovate service delivery, ensure value for money and meet the changing needs of the partners and customers.

### 2. Background

- 2.1 Persona Care and Support Limited (Persona) was incorporated as a private limited

company on 10<sup>th</sup> August 2015 and officially 'stepped out' of the Local Authority on 1<sup>st</sup> October 2015 as Bury Council's arms-length trading company or Local Authority Trading Company (LATCo). Persona provides a range of adult social care services, some of which were previously in-house services of the Council, to people who are vulnerable due to age or disability. These include; Day services, Short Stay Services; Supported Living Services; Extra Care and Shared Lives.

- 2.2 Work has been ongoing between Persona and the Council and with the onset of Covid-19, the partners have come together in more innovative ways to manage the pandemic and meet the challenges faced. This has meant working in different ways and the positive outcome of this has realised a shared approach to change, develop and innovate services. What has emerged is a changing relationship and opportunities which we want to build upon for the future.

### **3. Interim Partnership Agreement**

- 3.1 In July 2020 we set out this new approach in an Interim Partnership Agreement which described the nature of the relationship between Persona and the Council. It provided a framework within which both parties could address strategic issues of mutual interest and set out our shared ambition, agreed concept of engagement and key objectives, describing both partner's shared values and strategic principles for effective joint working.
- 3.2 The agreement reflected a strong commitment by partners to shared values and common purpose. It outlined the joint approach of how we would work together to promote effective partnership working on the review and refresh of an outcomes based sustainable contract with a 10-year ambition and with sufficient flexibility to be both strategic and tactical, developing and responding to local needs and changes in our economy.

### **4. Future Vision**

- 4.1. The main objective is to deliver an outcome based 10-year contract commencing on April 1<sup>st</sup> 2021. This will set out the status of existing services provided by Persona and alongside our Innovation and Savings programme for 2021-2023 will capture our future ambition to innovate service delivery and meet the changing needs of the partners and customers.
- 4.2. The benefit of this approach will give the Council, Persona and our wider partners a more sustainable commissioning platform on which to develop new and innovative services, sustain a quality and committed workforce and allow opportunities for external funding, broader business development and build on community assets, realising social value, which in turn will benefit the customers and the people of Bury.
- 4.3. The Contract will be flexible enough to allow for national policy change which may result in local changes in direction and/or financial restrictions that may be required in

response to any such change. Together we need to be able to demonstrate value for money, quality of provision and continuous development and innovation. The overarching principles in the agreement between partners will minimise any emerging risks and provide reassurance to all parties.

- 4.4. This work aligns to the strategic ten-point recovery plan especially the health and care recovery and transformation elements, focussed on the immediate priorities for the next 12 months beyond March 2021. Persona are leading on the Learning Disabilities supporting programme under the community-based health and care pillar of this work. As the name suggests this programme of work is not just centred on recovery post Covid-19, but building back better and the partnership focus between Persona and the Council will enable us collaboratively to 'build back better'.
- 4.5. The Bury 2030 strategy and vision, clearly sets out the need to work across a neighbourhood footprint, generating thriving places and creative ideas, putting our communities, people and customers at the heart of what we do. Recognising people as experts in their own lives and conditions, seeing people as assets and enabling them to reach their own potential, focussing on 'what matters to you' and helping connect people into their community (formal and non-formal services).
- 4.6. The role of Persona as a strategic partner in the market, co-designing, exemplifying and driving the type of reforms described, such as asset-based commissioning, deployment of new technology, all age perspective and neighbourhood focused is a significant benefit to the Council and wider system partners. Having Persona as a strategic partner is in part an ability to test, demonstrate and embed reformed practice that can positively influence the rest of the provider market in Bury. The 10-year approach allows us to build upon the strategic partnership with confidence.
- 4.7. Persona is well placed with a physical footprint in four of the five Bury neighbourhoods. With established and developing links with other local services in each of those areas, this will foster a different approach to the way we work: developing 'step up' 'step down' services, looking at how alternative community support services can complement the Persona delivery offer and working collaboratively to deliver differently. In addition, Persona are working with the Council to consider the current gaps in service provision, in particular supporting more complex individuals who otherwise would go out of our borough to be supported.
- 4.8. A piece of work to review the skills required at Persona Board in light of the future direction of travel is currently underway. This will provide the opportunity to ensure that future Persona Board members are selected based on their experience and skill set to support the next phase of the journey. Key skills around health and social care integration, partnership development and neighbourhood working will be of increased importance.

## **5. 10 Year Contract**

- 5.1. A 10-year block contract will bring about an opportunistic change in the way we work together, moving away from being service specific and counting activity and instead moving towards developing an outcome based, flexible collaboration which is person centred and innovative in its approach, fostering continuous development and learning.
- 5.2. The contract will set out clear outputs, measures and accountability and provide stability to Persona, enabling them to explore other business opportunities, which over time will reduce the reliance on Council funding. We will together agree enough flexibility in the contract to respond to the changing landscape and build an environment for Persona to mobilise resources as they see fit to manage demand and move funds/assets around within the block contract to deliver the right care and support, at the right time and in the right place.
- 5.3. In addition, it is also envisaged that Persona will retain the status of provider of 'first choice and last resort', which in cases of emergency or market failure will allow the Council to fulfil its statutory duty of care.
- 5.4. The contract value will be reviewed and set annually taking into account outcomes, performance, demand management and any further savings pressures on the Council. The contract value will be reduced by £1million for the financial year 2021/22 and a further £1.5million for the financial year 2022/23.
- 5.5. Reducing the contract value will be enabled by transforming services and developing new ways of working to realise efficiencies, and in some cases it will mean the potential reduction or closure of services. This will impact on staffing levels however every possible action will be taken to minimise this impact and due process will be followed ensuring staff are appropriately engaged and consulted with. The ten year contract will help Persona develop new business opportunities which could help to reduce any staff impacts.

## **6. Innovation and Savings**

- 6.1. The partners acknowledge that as with all commissioned services we will need to ensure value for money and demonstrate innovation and efficiencies through smarter ways of working and service delivery, in line with the Council's overall savings programme. Persona, in partnership with the Council, have already identified key areas for savings for 2021-2023 and we are confident through our collaboration that savings will be realised and will be enabled through new and smarter ways of working. The new relationship has strengthened the savings conversation and on an annual basis, specific innovation and savings will continue to be identified in line with the Council savings requirement.

- 6.2. Innovation and savings will continue to be delivered in a number of ways, such as cost avoidance as we develop new ways of working. An example of this would be avoiding individuals transitioning from Children's to Adult services and being placed out of borough due to a lack of appropriate local provision. We could avoid this together by looking flexibly at the needs of the customer and the gap in current local provision i.e. too complex/challenging behaviours and determine ways in which we can bridge this gap enabling more customers to be supported locally by Persona.
- 6.3. There may also be cost efficiencies delivered in other services rather than directly in Persona's baseline, however still as a by-product of the repurposed Persona work. For instance, innovating prevention and early intervention into the model, developing Dementia and LD hubs, linking in with the wider community offer, which may reduce the need for the more specialist and costly frontline services in health and social care.
- 6.4. In other areas Shared Lives schemes have been proven to be more effective as an alternative to other more costly accommodation-based provision or Supported Living services, minimising voids in accommodation may produce savings in other areas of the Council.

## **7. Financial implications**

- 7.1 The current Persona contract is in place until March 2021, with a contract value for 2019/2020 of £12,393,408. The 10-year contract would commence on 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2031. The contract value will be reviewed and set annually taking into account outcomes, performance, demand management and any further savings pressures on the Council.
- 7.2 Innovations and savings between Persona and the Council have already been set for the first two years of the new contract. Year one, 2021/22 will see a reduction in the baseline contract value of £1million and a further £1.5million in year two, 2022/2023. Subsequent years would be subject to an annual review and an agreed efficiency target by the partners.

## **8. Legal implications**

- 8.1 The benefits to a 10-year contract between the Council and Persona (LATCO) will give the partnership stability and longevity and will be important to deliver the transformation and innovation of provision and enable the efficiencies and savings outlined.
- 8.2 The contract will have sufficient flexibility to be both strategic and tactical, developing and responding to local needs and changes in national or local policy. It will allow for any changes in our local economy, taking account of financial stability and reform.
- 8.3 The current contract between the Council and Persona permits either partner to terminate on 12 months' notice without cause. The existing clauses will be retained in the new 10-year contract, this is a positive provision for both parties as opposed to other more rigid terms such as a 6 year, plus 2 year, plus 2 year contract which provides

a long initial period that does not allow for annual changes or early termination.

- 8.4 The contract value over the 10-year period would be over £100million subject to agreeing a year on year baseline. Under the LATCO/*Teckal* exemption the Council can go directly to Persona to provide services. Persona is a company wholly owned by the Council over which the Council has retained extensive management controls as sole shareholder under its Articles of Association.
- 8.5 The 10-year contract would be subject to an annual review to determine the value of the contract each year. Any material changes to the specification of services or intention to decommission a specific service would be subject to agreement by both parties and varied under an existing clause (53).

## **9 Actions Required**

9.1 The Strategic Commissioning Board (SCB) is required to:

- Receive the proposal to renew the contract between Bury Council and Persona Care and Support Limited commencing on 1<sup>st</sup> April 2021 for a period of 10 years until 31<sup>st</sup> March 2031.
- Note the approval of the proposal by the Executive Board on 15<sup>th</sup> February 2021.
- Note the report will be presented to Health Scrutiny on 2<sup>nd</sup> March 2021.
- Note the report will be presented to Cabinet on 24<sup>th</sup> March 2021.

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February 2021