

**RM4159 – L0586; Support Provision under the Mutuals Support Programme  
Shared Lives, South Gloucestershire**

Value Statement - Consultancy

<b>Section 1 - Consultancy Value Statement: Value to be delivered</b>													
<b>Supplier Name</b>	Community Catalysts CIC												
<b>Title of Contract</b>	RM4159 L0586; Shared Lives, South Gloucestershire												
<b>Requirement Summary</b>	<p>Shared Lives (“the Potential PSM”) - a regulated Shared Lives Scheme providing community based alternatives to home care and care homes for adults – is seeking to spin out of South Gloucestershire Council (“the Parent Body”).</p> <p>In South Gloucestershire, the Potential PSM is supporting people with learning difficulties and has recently broadened its support offer to include people with dementia and physical disabilities.</p> <p>It is understood that as a larger independent scheme, the Potential PSM could offer: a greater focus on providing long term arrangements for adults across all customer groups (people from the learning difficulties service, mental health teams, clients with physical and sensory needs), as well as working across geographical boundaries, working with new customers (including those with dementia) and accepting new funding streams (Direct Payments and private clients).</p> <p>This mutualisation support package has the following objectives:</p> <ul style="list-style-type: none"> <li>• To develop an existing outline business case and financial plan which will allow the Potential PSM to demonstrate to the Parent Body the Potential PSMs viability and sustainability as an independent mutual organisation;</li> <li>• To enable the Potential PSM to develop appropriate mechanisms to transition and operate as a successful and sustainable entity during an initial incubation period and successfully spin out by Summer 2015;</li> <li>• To enable the Potential PSM to develop an initial business plan into a full robust 5 year business plan with accompanying detailed and updateable financial model;</li> <li>• To deliver a model of governance that services the needs of the Potential PSM (enabling staff, carers and service users to participate and contribute to the development of the Potential PSM);</li> <li>• To enable the Potential PSM to develop a clear understanding of business demand, commercial and financial requirements necessary for the business to grow and thrive; and</li> <li>• To capture and share key learning and experience for other Parent Bodies and mutualisation projects delivering Shared Lives schemes.</li> </ul> <p>The table below provides an outline of the deadline dates of the Deliverables:</p> <table border="1"> <thead> <tr> <th><b>Deliverable</b></th> <th><b>Deadline</b></th> </tr> </thead> <tbody> <tr> <td colspan="2"><b>PART 1</b></td> </tr> <tr> <td colspan="2"><b>Support Requirement 1: Business Case and Financial Plan</b></td> </tr> <tr> <td><b>Completion of overall requirement in full</b></td> <td>14 December 2014</td> </tr> <tr> <td colspan="2"><b>PART 2 (if directed in writing by the customer)</b></td> </tr> <tr> <td colspan="2"><b>Support Requirement 2: Legal and Governance</b></td> </tr> </tbody> </table>	<b>Deliverable</b>	<b>Deadline</b>	<b>PART 1</b>		<b>Support Requirement 1: Business Case and Financial Plan</b>		<b>Completion of overall requirement in full</b>	14 December 2014	<b>PART 2 (if directed in writing by the customer)</b>		<b>Support Requirement 2: Legal and Governance</b>	
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<b>Financial Value Statement</b>	The maximum contract value for this contract was £34,950																		
<b>Non-financial Value Statement</b>	<p><b>Part 1</b> – Work undertaken in Part 1 will focus on developing a report on the business case and financial plan to be presented to the Director for Children, Adults and Health Directorate for final approval to spin out.</p> <p>Support Requirement 1 – Business Case and Financial Plan</p> <p>Using the existing outline business case and financial plan, the Supplier is required to provide all technical and advisory support necessary, but not including project management support, interim resource or backfill, to enable the Potential PSM to develop a clear business case (which includes, making the case for an independent mutual organisation – benefits, confirming Parent Body costs to support the spin out of the Potential PSM and options for future growth - including viability of the services, market demand against Parent Body priorities - including support to verify demand amongst various client groups, funding requirements for the Potential PSM, marketing strategy including unit cost price and, understanding potential risk areas and how these might be addressed) and update the existing financial plan to be presented to the Director for Children, Adults and Health Directorate in December 2014. A competitor profile is not required at this time. This should be developed to the satisfaction of the Potential PSM and be completed in order to be submitted to the Directorate by 14 December 2014.</p> <p><b>Part 2</b> – Work undertaken in Part 2 will focus on developing existing work developed by the Potential PSM</p> <p>The Supplier should note that this Contract requires it to provide a range of support to the Potential PSM so that the Potential PSM is in a position to successfully operate during an incubation period and successfully spin out by Summer 2015. However, the Supplier is not required to support the Potential PSM for the duration of the incubation period.</p> <p>Support Requirement 2 – Legal and Governance</p>																		

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The Supplier is required to provide all technical and advisory support necessary, but not including project management support, interim resource or backfill, to test the suitability of a Community Interest Company (CIC) and to enable the Potential PSM to develop a clear understanding to select the most appropriate legal form going forward and, to develop an appropriate governance structure that suits the needs of the Potential PSM. This support should include, but should not be limited to, the implications of the following:

- Growth and investment opportunities
- Any skills gaps within the proposed governance structures and board
- Maximising staff, carer and service user involvement
- Tax and VAT implications of the new entity
- HR (including TUPE)
- Future pension arrangements
- Asset transfer
- Appropriate procurement routes to determine options for awarding the service contract for the new entity

**Support Requirement 3 – Business planning and Financial Modelling**

The Supplier is required to provide all technical and advisory support necessary, but not including project management support, interim resource or backfill, to enable the Potential PSM to update and develop the initial business plan into a 5 year commercial business plan with accompanying and updateable financial model. Support will test the viability of the Potential PSM and is to include, testing assumptions within the initial business plan and further financial modelling to determine the sustainability of the Potential PSM, identifying key financial risks and identifying future technology needs for the Potential PSM, including future costs for information systems and data requirements.

A key part of this support requirement is to ensure appropriate commercial and financial skills transfer to the Potential PSM and, to support any necessary negotiations with the Parent Body to ascertain assumptions in the business plan for, but not limited to assets and, service contracts and back office services (both purchased externally and internally from the Parent Body).

The Supplier is required to ensure compliance with all regulations, including state aid, and all support should be to the satisfaction of the Potential PSM.

**Support Requirement 4 – Transition Planning**

The Supplier will be required to provide advice and support to the Potential PSM on the suitability of operating in shadow form from 31 March 2015 until the intended go live date.

Building on Support Requirements 1, 2 and 3, the Supplier is required to provide all technical and advisory support necessary to support the Potential PSM to develop a detailed transition plan to ensure that the Potential PSM is ready to go live in Summer 2015. This should include details of all the activities required to transition to the agreed model, key dependencies, risks, mitigating actions, and any particular HR issues (e.g. future pension arrangements, managing the TUPE process, staff and stakeholder engagement), legal issues including any commercial arrangements between the Potential PSM and Parent Body and, financial issues.

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	<p>The detailed transition plan should take into account that the Supplier will be required to provide all advisory support necessary to enable successful implementation of the plan by the Potential PSM for their intended go live date.</p> <p>The Supplier is required to highlight on the transition plan for each identified activity, deliverable or work stream, whether:</p> <ul style="list-style-type: none"> <li>• the Potential PSM will be responsible for performing the activity with the Supplier acting in an advisory capacity;</li> <li>• the Supplier will itself perform the activity (with input from the Potential PSM as necessary) or;</li> <li>• the Potential PSM will itself be solely responsible for completing the activity</li> </ul> <p>The information must be provided with adequate detail to enable the Customer and Potential PSM to fully understand the proposed division of work between the Supplier and Potential PSM.</p> <p><b>Part 3</b> – Work undertaken in Part 3 will focus on implementation</p> <p>Support Requirement 5 – support to implement the transition plan to enable the Potential PSM to establish and operate as a new trading entity by Summer 2015. Although go live is not due to take place until Summer 2015, the Customer has agreed with the Potential PSM that all technical and advisory support will be completed by 31 March 2015.</p> <p>The Supplier will provide all technical and advisory support, but not including project management support, interim resource or backfill, to enable the Potential PSM to establish and operate as a new independent trading entity by April 2015. Technical and advisory support such as the following will be required:</p> <ul style="list-style-type: none"> <li>• Legal</li> <li>• Governance development/commercial</li> <li>• HR and Pensions</li> <li>• Finance</li> <li>• Back-office</li> <li>• Staff and stakeholder engagement</li> <li>• Marketing and Branding</li> </ul>
<b>Section 2 - Consultancy Value Statement: Actual Value Delivered</b>	
<b>Financial Value Statement</b>	The amount paid for support under this contract was £31,402.50.
<b>Non-financial Value Statement</b>	The majority of deliverables and objectives outlined above have been met for this contract.