



Meeting of East Renfrewshire Health and Social Care Partnership	Performance and Audit Committee
Held on	25 September 2019
Agenda Item	10
Title	Contracts and Exceptions Update to June 2019
<p>Summary</p> <p>This report provides Committee with information about direct spend through the Health and Social Care Partnership's two framework contracts. The report also provides the Committee with information in relation to exceptions to East Renfrewshire Council Contract Standing Orders along with the business reasons for such exceptions.</p>	
Presented by	Lesley Bairden, Head of Finance and Resources
<p>Action Required</p> <p>The Performance and Audit Committee are asked to note and comment on the contents of the report.</p>	

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EAST RENFREWSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP

PERFORMANCE AND AUDIT COMMITTEE

25 September 2019

Report by Julie Murray, Chief Officer

CONTRACTS AND EXCEPTIONS UPDATE TO JUNE 2019

PURPOSE OF REPORT

1. The report provides Performance and Audit Committee with information about direct spend through the HSCP framework contracts; grant activities; non-framework spend together with spend activity on national framework agreements.
2. The report also provides the Committee with information in relation to exceptions to ERC Contract Standing Orders along with the business reasons for such exceptions.

RECOMMENDATION

3. Performance and Audit Committee members are asked to note and comment on the contents of the report.

BACKGROUND

4. In October 2016 the HSCP approved a framework of providers designed to be compliant with the Scottish Government's living wage policy and to provide greater choice and options to support individual's choice with social care support.
5. A replacement framework for Care and Support is currently being prepared by the national procurement agency Scotland Excel. This will be in place from late February 2020.
6. Care at home providers: we have 4 providers with an interim agreement to cover the period from June 2019 when the current contract expired. This will provide purchasing certainty until the new national framework is confirmed in 2020.
7. It was agreed with the Chief Officer and her management team that wherever reasonably practicable we should only use framework providers to arrange care and support under option 3 of the Social Care (Self-directed Support) (Scotland) Act 2012.
8. All exceptions to this are to be agreed with the relevant operational Head of Service and Chief Financial Officer, with operational arrangements to be agreed to ensure a workable approach across the operational functions of the HSCP.
9. Exceptions can occur for a range of reasons including provider capacity requiring recruitment processes to be taken forward; provider contract compliance and other quality of care related matters. Often these arrangements can be of short duration and care arrangements can be moved to a suitable framework provider as soon as possible.

10. This report also covers those historical arrangements where services were commissioned around particular needs some time ago. The HSCP has a proactive plan to review and ensure appropriate contractual arrangements are implemented in due course. Arrangements might include competitive tendering or direct negotiation with current service providers (see below).
11. The report shows spend for purchased care for the 12 months from June 2018 to June 2019.

REPORT

12. **Care at Home** – £2.378 million total expenditure with £2.281 million through framework providers and £0.097 million off framework.
13. **Care and Support** – £10.328 million total expenditure with £6.480 million through framework providers and £3.848 million off framework.
14. **Nursing and Residential Care Contracts** – the total expenditure for both nursing and residential placements was £10.867 million
15. **Quick Quotes** – The value of quick quotes in the reporting period in question was zero. A quick quote value is between £10,000 and £49,999.
16. **Direct Awards** – The HSCP received approval to make 2 direct awards during the reporting period in question, working through the corporate procurement unit and legal services jointly. Both awards were in the area of children's services and reflect the specialist nature of the purchasing activity.
17. **Grant Payments** - the HSCP issued a number of grant payments to a number of organisations totalling £1.047 million.
18. **Scotland Excel Frameworks** – the HSCP makes use of a range of nationally procured social care frameworks and we use:
 - a. Secure Care
 - b. Fostering & Continuing Care Services
 - c. Children's residential care and education including short breaks
 - d. Agency Workers (Social Care)

CONCLUSIONS

19. Exceptions to contract standing orders within this report are taken from a snap shot of commitments at the end of the financial year showing costs outside of a contractual framework. We will explore reasonable procurement options within the light touch procurement regime, including where direct awards can be made. New social care frameworks should begin to mitigate the non-framework activity as they develop over 2020. Workforce shortages, notably within care at home services continue to present delivery challenges.

RECOMMENDATIONS

20. Performance and Audit Committee members are asked to note and comment on the contents of the report.

REPORT AUTHOR AND PERSON TO CONTACT

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18 September 2019

Chief Officer, IJB: Julie Murray

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BACKGROUND PAPERS

PAC Paper 27 June 2019: Contracts and Exceptions Update

<https://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=22722&p=0>

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