



Meeting of East Renfrewshire Integration Joint Board	Performance and Audit Committee
Held on	29 June 2016
Agenda Item	11
Title	Social Care Contracts Update
<p>Summary</p> <p>This report provides the Performance and Audit Committee with an overview of changes to East Renfrewshire Council Contract Standing Orders in relation to social care. It gives an update on social care procurement and contractual activity undertaken since the report in December 2015.</p>	
Presented by	Candy Millard, Head of Strategic Services
<p>Action Required</p> <p>Performance and Audit Committee is asked to note the update on arrangements for social care procurement and contracts.</p>	

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EAST RENFREWSHIRE INTEGRATION JOINT BOARD

PERFORMANCE & AUDIT COMMITTEE

29 June 2016

Report by Candy Millard, Head of Strategic Services

SOCIAL CARE PROCUREMENT AND CONTRACTS UPDATE

PURPOSE OF REPORT

1. This report gives the Performance and Audit Committee an update on the arrangements for social care procurement and contracts.

RECOMMENDATION

2. Note the update on arrangements for social care procurement and contracts.

BACKGROUND

3. East Renfrewshire Council and NHS Greater Glasgow and Clyde have delegated certain functions (integrated functions) to the Integration Joint Board (IJB) as set out in the Integration Scheme. The IJB has the responsibility for strategic planning, resourcing and ensuring delivery of all integrated services. The Strategic Plan will determine the budgets allocated to each partner for operational service delivery in line with the Plan. Through these arrangements any contracts for health or social care would be entered into by NHSGGC or East Renfrewshire Council rather than the IJB. The majority of this activity is likely to be contracts for social care.
4. At its meeting in December 2105 Performance and Audit Committee was informed of European and national changes to procurement regulations and guidance that were underway, which were to be reflected in changes to East Renfrewshire Council Contract Standing Orders. This further report gives and overview of implications of these changes for social care contracting in East Renfrewshire and updates on contractual and procurement activity.

REPORT

Changes to Council Contract Standing Orders

5. Under the new East Renfrewshire contract Standing Orders issued in April the Director of the procuring department may decide on the procedure to be used to award any contract or framework for "Social and other Specific Services." In particular, the Director will decide whether the contract requires to be advertised for competition. The HSCP must seek Best Value for the Council in all contract processes it starts. It must be able to demonstrate fairness and transparency to all parties having an interest in a contract.

6. For Contracts with a value in excess of £589,000, the HSCP must liaise with the Chief Procurement Officer to identify what formal notices, if any, require to be published before commencing the procedure.
7. The Director of the Health and Social Care Partnership (HSCP) may decide on the procedure to be used to award any contract or framework for social care services taking into account the specific nature of the services sought and the needs and requirements of the clients likely to use the services.
8. Any award of a contract or framework for social care services with a value in excess of £589,000 must be based on the best price quality ratio, taking into account the following criteria:
 - the need to ensure quality, continuity, accessibility, affordability, availability and comprehensiveness of the services;
 - the specific needs of different categories of users, including disadvantaged and vulnerable groups;
 - the involvement and empowerment of users; .
 - innovation; and
 - any other relevant consideration
9. The Director of the HSCP will keep a full written record of his/her position regarding the specialist nature of the services to be procured and/or the availability of appropriate providers and will retain the record with the contract. The Director of the HSCP must submit an annual report to the Council detailing the contracts awarded in relation to the provision of specialist social care services. This report will not identify the recipients of such services but will be submitted on an anonymised basis.

Current and Planned Social Care Procurement

10. A Care at Home Framework Contract to the value of £2.6 million per annum has subject to a formal tendering process under EU Procurement Directives. The procurement process was undertaken in accordance with East Renfrewshire Council's Procurement Procedures. The service specification was written by HSCP's Commissioning & Contracts Manager and Homecare Service Manager with support from East Renfrewshire's Programme Management Office.
11. Evaluation of the tenders was undertaken by an evaluation panel of officers from Health and Social Care Partnership and East Renfrewshire Council. The tenders were evaluated using a weighting of 60% for quality and 40% for cost. The technical (quality) evaluation considered
 - Service Delivery
 - Quality Assurance
 - Information Security
 - Sustainability
12. Following the completion of the technical evaluation the Commercial Envelope was opened which provided each providers submitted hourly rate. The Procurement Unit carried out a Post Tender Negotiation procedure with each provider to reduce submitted rates.
13. Following the above stages each home care organisation was invited to an interview. This gave the interview panel to ask specific questions relating to their tender submissions. The HSCP has approved award of contracts for the provision of care at home services to the following home care providers:

- Allied Healthcare Group
 - Careline Home Support
 - Christina's Home Care Services
 - Clyde Healthcare Ltd
 - Constance Care
 - HRM Homecare Services Ltd
 - Renfrewshire Care Services
14. A project has been established to develop a new tender for the care and support framework. The current framework contract for the provision of Care & Support ends in July 2016 with an option to extend for a further year. The framework was designed and has been used to secure a range of options for people requiring low to moderate levels of care and/or support through the use of mini-competitions with selected framework providers, an approach which has secured value for the HSCP and a range of options for people.
15. The current framework was put in place before recent discussions and directives regarding the living wage and fair work practices, and its rates do not reflect these new expectations. The process of preparing and agreeing a new framework is pivotal to reviewing contractual terms and costs. The current framework has been extended by agreement to allow time for the new framework to be developed and tendered. Letters to providers re the fair work practice funding for 2015/16 informed them of this decision.
16. It is envisaged that the new care and support framework will have 2 lots the first being tailored opportunities for individuals requiring care and/or support arrangements (including the redesigned individual supports for people with learning disabilities) and the second creating a purchasing framework for user directed arrangements (Self Directed Support Option 2).

Updates on Contractual Arrangements for Social Care

17. A national contract for the provision and purchase of care home beds is in place as result of a partnership between Scottish Care and Cosla. All East Renfrewshire care homes have been issued with the Minute of Variation for 2016/17.
18. Following on from the Care Finance implementation a Care First contract management module '*Commissioner*' is being introduced. This will bring together information about providers, contracts, services, payments, and outcomes in one central place supporting better understanding of purchasing patterns to inform market development and improve contract management.

CONCLUSIONS

19. There have been changes to East Renfrewshire Council Contract Standing Orders in relation to social care to reflect European and national policy and legislative requirements. These allow the HSCP greater flexibility in deciding the procurement route for social care contracts whilst continuing to seek Best Value. The HSCP must submit an annual report to the Council detailing the contracts awarded in relation to the provision of specialist social care services. It is suggested that Performance and Audit Committee receive a copy of the annual social care contractual report to Council.

20. Since the report on the position in relation to social care contracts in December 2015, a Care at Home Framework Contract to the value of £2.6 million per annum has been subject to a formal tendering process under EU Procurement Directives. Work is underway to develop a care and support framework tender to replace the existing multiplier framework and provide more contractually robust arrangements for Self-Directed Support Option 2.

RECOMMENDATIONS

21. Performance and Audit Committee is asked to note the arrangements and current position re social care contracts.

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BACKGROUND PAPERS

Contract Standing Orders

KEY WORDS

A report detailing current arrangements for social care contracts
Social care contracts, procurement, exception