

Approval of Contract Award: Lyons Gardens (Hereward Care Services Ltd)

Councillor Wayne Fitzgerald, Cabinet Member for Integrated Adult Social Care and Health

MARCH 2020

Deadline date: May 2020

Cabinet portfolio holder: Responsible Director:	Cllr Wayne Fitzgerald, Cabinet Member for Integrated Adult Social Care and Health Wendi Ogle-Welbourn, Corporate Director for People and Communities
Is this a Key Decision?	YES If yes has it been included on the Forward Plan: Yes Unique Key decision Reference from Forward Plan: KEY/16MAR20/02
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	YES

R E C O M M E N D A T I O N S

The Cabinet Member for Integrated Adult Social Care and Health is recommended to:

1. authorise the award of a 12-month contract to Hereward Care Services Ltd to run from 1 May 2020 to 30 April 2021 for the contract sum of £787,456.56 in consultation with the Executive Director of Adult Social Services (“DASS”) and the Executive Director of Strategic Resources with an option to extend for a further 12 months subject to funding approval from both parties.
2. authorise the Council to enter into a Section 75 agreement with the Peterborough & Cambridgeshire Clinical Commissioning Group to fund up to 50% of the contract sum for a 12 month contract (and option to extend for a further 12 months) recommended in paragraph 1 above.

1. SUMMARY OF MAIN ISSUES

- 1.1 This Cabinet Member Decision Notice is for the Cabinet Member for Integrated Adult Social Care and Health to consider awarding a contract to a current provider Hereward Care Services Ltd (“Hereward”) to provide respite services for adults with learning disabilities by entering a new 12month contract. The desired contract will begin 1 May 2020 and conclude 30 April 2021 with the option to extend for a further 12 months.

1:2 From inception, the existing contract with Hereward has been 50% funded by the Peterborough & Cambridgeshire Clinical Commissioning Group (PCC & CCC CCG). There are ongoing discussions with the CCG around continued funding, although those discussions have not been concluded. If the CCG funding is not forthcoming the Council will underwrite the value of the new 12 month contract.

2. PURPOSE OF THIS REPORT

2.1 This report is for the Cabinet Member for Adult Social Care to consider exercising delegated authority under paragraphs 3.4.3 and 3.4.8 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (b).

2.2 The attached appendix is NOT FOR PUBLICATION in accordance with paragraph (s) 5 of Schedule 12A of Part 1 of the Local Government Act 1972 in that it contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. The public interest test has been applied to the information contained within the exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it so as to safeguard client and legal confidential communications.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO
---	-----------

4. BACKGROUND

4.1 Respite services for health and social care were amalgamated in 2005 which resulted in the creation of Lyons Gardens (11 bed Adult respite service).

4.2 This service has provided a continuous respite, emergency respite, admission avoidance and hospital discharge service for adults with Learning Disabilities across Peterborough.

4.3 The Council has a current contract with Hereward to provide the services in Peterborough which will expire on 30 April 2020.

4.4 The current contractual cost for the service is £787,456.56 per annum. This cost is managed with a 50/50 split between health and social care. The health element is included in the section 75 agreement.

4.5 In readiness for the expiry of the existing contract, the Council plans to undertake a procurement exercise with Cambridgeshire to jointly commission the provision of services more widely across Peterborough and Cambridgeshire. The time required to undertake the joint procurement will be approximately 12 months, which period will exceed the expiry deadline of the current contract. Therefore, the Council requires a new 12 month contract with Hereward to continue to provide the services in the interim period until the joint procurement exercise is undertaken and concluded.

4.6 While the Council is committed to re-procuring the contract from 1 May 2020, the impact which the Coronavirus may have on the procurement timescale is currently unknown and it is considered prudent to make additional provision for an extension of 12 months on the same terms to provide for continuity of care.

4.7 The annual cost of the new contract will remain at the current price £787,456.56. The risk remains that should the CCG withdraw funding, the full cost will need to be underwritten by

the Council. The CCG have agreed funding until September 2020. October 2020 until March 2021 will be reviewed by the CCG on the terms of the s75 agreement.

- 4.8 CQC inspection ratings awarded a Good for all 5 requirements.
- 4.9 Quality monitoring continue to support commissioning with the required detail around the performance of the service.
- 4.10 All people are reviewed on a 12-monthly basis.
- 4.11 Commissioning and Operational colleagues continue to receive positive feedback from those using the service. This opinion will be clarified via the forthcoming consultation.
- 4.12 Any future contract will have clear quality & performance indicators, which will be reviewed on a 12-monthly basis by commissioners and contract monitoring officers.

5. CONSULTATION

- 5.1 Healthwatch have initiated the consultation, which goes live by the 8th November. The report to be completed by mid-December.

6. ANTICIPATED OUTCOMES

- 6.1 The award of a new contract for Lyons Gardens (Hereward Care Services Ltd) for 12months from the 1 May 2020 plus an option to extend for a further year, thereby avoiding a disruption to the services until the Council is able undertake a procurement of the services for wider delivery in the long term..

7. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION.

- 7.1 The current contract ends 30 April 2020
- 7.2 The use of this service for emergency support for people with a learning disabilities, has reduced risk of harm to this vulnerable cohort of people. It has also provided the Council with an opportunity.
- 7.3 Supports carers.
- 7.4 Enables people to remain in their own home for longer.
- 7.5 Without this service there is a caveat of increased cost to the service.
- 7.6 Where there is any historical claim under the current contract, the Council will (subject to Hereward's agreement) enter the new contract on the terms that Hereward agrees to waive any claims they may have arising under the current contract.
- 7.7 Bridges the gap between Children's services and Adult Services.

8. IMPLICATIONS

8.1 Financial

- 8.1.1 The annual Clinical Commissioning Group (CCG) contribution is £399,000

8.1.2 A withdrawal of this funding will leave PCC liable for the full cost. The mitigation for this additional spend is to recharge the CCG for any person accessing the service with a health contribution.

The CCG have agreed to fund the full 12 months of the contract 1 May 2020 – 30 April 2021 at a cost of £399,000. No agreement has been reached to include the additional 12 months at this stage.

8.1.3 The current annual cost breakdown at this point is:

CCG	£399,000
PCC	£388,000
CCC	£0

8.2 Legal

8.2.1 Section 5 of the Care Act 2014 places a general duty on the Council to promote the efficient and effective diversity and quality of the provision of services. The Council must have regard to the matter set out in section 5(2) Care Act 2014 and in particular, the need to ensure that the Council is aware of the current and likely future demand for the services and to consider how providers might meet that demand, the importance of ensuring the sustainability of the market and have regard to the importance of promoting the well-being of adults in its area with care and support. The Council must also have regards to the need to ensure that sufficient services are available for meeting the needs for care and support of adults in its area and the needs for support of adults in its area and the needs for support of carers in its area. The council has been meeting its duties under the Care Act through its existing contract with Hereward. The existing contract was originally entered into by Peterborough Primary Care Trust (PPCT) in 2005. The contract was novated from the PPCT to the council on 20 November 2012. The contract will automatically expire on 30 April 2020 unless extended by mutual agreement.

8.2.2 Where the Council awards a contract (either via an extension or a new contract) the council is under a duty under the procurement regulations to run a procurement to award the contact where the contract value exceeds the EU contract value threshold. The EU threshold for health services £615,000. The award of a new 12-month contract to Hereward requires a procurement, and the Council has been advised that the procurement regime applies. However, the time required to undertake a viable procurement for the new contract, or to undertake a joint procurement to commission the services in the long term for wider delivery across Peterborough and Cambridgeshire will exceed the expiry date of the existing contract in April 2020. Unless the Council extends the existing contract or enters into a new contract for the services in the interim period pending a viable procurement exercise, the council will not have a contract in place to deliver the services and/or meet its obligation under the Care Act following the expiry of the existing contract.

8.2.3 There are no state aid implications.

8.3 Equalities Implication

8.3.1 An equality impact assessment has been completed. There are no equality impact implications.

8.4 Carbon Climate Assessment

The assessment indicated a negligible impact to carbon emissions.
Carbon impact assessment completed and forwarded to Charlotte Palmer.

9. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED.

9.1 None

10. BACKGROUND DOCUMENTS

10.1 None

11. APPENDICES

11.1 Exempt Appendix 1