

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

2378

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Department:

Children and Families

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Subject:

Extra Care at Albany House and Woodvale

Total Value:

Estimated Value: £364,050 (Based on current care levels)
(Type: Revenue)

Decision Being Taken:

To dispense with Contract Procedure Rule 5.1.2 in accordance with Financial Regulation (3.29) (Operational Issues) to allow for 1. Agincare to take over as the Extra Care provider at Albany House until the end of the current contract. To agree to a minimum purchase of 75 hours per week at the rates detailed in the Exempt Financial Advice. The estimated value of this contract from April 2016 to the end of October 2017 is £97,936.

2. To extend the Extra Care contract with Agincare to continue to provide care at Woodvale for a period of one year from November 2016 until 31st October 2017 at an estimated total cost of £266,114. This will align the contract end dates for both Albany House and Woodvale.

Note: Approval to spend in relation to these contracts is through the Council's scheme of delegation for adults care packages.

Reasons for the Decision(s)

Asra have given notice on their contract to provide Extra Care at Albany House which expires on 31st March. This is a corporate decision by Asra as they wish to focus on housing management. They will continue to be the Landlord at Albany House and will continue to provide a concierge service which is funded through the service charge.

There are currently 16 Citizens with care packages, 10 funded by Nottingham City Council and 6 who are self funded. No residents are currently being provided with nightcare.

The notice period means that a new arrangement needs to be secured before 1st April 2016

Agincare are currently the Extra Care Provider at Woodvale. They have agreed to take over the contract at Albany House but in order to make this financially viable for them they have made the following requests:

1. that the hourly rate be increased to reflect the current rate being paid to Agincare at Woodvale. By allowing Agincare to take over as the Extra Care Provider citizens will be able to retain their current carers and will see minimal disruption by the changes. This will also allow the service to remain as an Extra Care scheme. There is currently no capacity for the care to be allocated through the current Homecare Framework as there is no lead provider for homecare in that area of the City. There are also in excess of 35 packages of care currently waiting to be allocated to a provider.

2. That there be a minimum purchase of 75 hours per week. Hours provided over recent months range from 80 to 90 hours of care on a weekly basis. There is a risk that the number of care hours being provided would fall below 75. As the level of care hours being provided is relatively low it is much more likely that the number of hours required would increase over the life of the contract. The contract would be regularly reviewed to ensure that the number of hours being delivered do not fall below the minimum purchase of 75 hours. Operational Teams will be made aware of vacancies as they arise on a weekly basis to ensure that citizens with a care need are prioritised for vacancies. The aim is to increase the number of people at the scheme with a care need, to help provide an alternative to residential care and a greater value for money model. If the minimum purchase level of 75 hours per week is not fully utilised then options to vary it down or change contractual arrangements would need to be explored.

3. That the contract end dates for Woodvale Extra Care scheme, which are currently being extended, be aligned to those for Albany House which ends in November 2017. There are two elements to the contract for Woodvale, the day service which is charged by the minutes and a block arrangement for nightcare. There is currently a DDM in process to request that these contracts be extended until November 2016 at which point they would be reviewed. Further approval is now being sought to dispense with financial regulations to directly award an additional contract to Agincare for a period of one year, provided the review concludes that this is a cost effective option. This would enable Agincare to continue to provide the care at Woodvale until 31st October 2017.

Aligning the contracts for both Albany House and Woodvale would enable them to be reviewed together. They could then be re-tendered as part of a single procurement during which providers could tender for one or both. This will deliver a more cost effective method of tendering for the services as it would allow for efficiencies across the two schemes and an element of shared services.

Benefits

1. Albany House would continue to be an Extra Care scheme
2. All packages are transferred together to a single provider with an existing staff team. The transfer should therefore be relatively smooth and unlikely to cause disruption to service users
3. The incoming provider will have access to facilities at Albany House and will be able to develop a relationship with Asra who will remain the landlord.
4. Service users should be able to retain their carers.

Other Options Considered:

<p>1 Do nothing. This is not an option as it will leave citizens without a service which we have a statutory requirement to provide.</p> <p>2 Re-procure the service through the existing Home Care Contract</p> <p>There are two options with regards to using this Framework:</p> <p>A - Tender as a LOT to Framework Providers. TUPE is likely to apply. Citizens would retain their carers but would also potentially create an additional cost which the Council would have to consider whether it was willing to pay for.</p> <p>Benefits</p> <p>All packages are transferred together to a single provider with the existing staff team. Service users should be able to retain their carers.</p> <p>Risks</p> <p>The Framework is currently at capacity and there are a number of packages waiting. Incoming Providers may be unwilling to take on the current staff on their existing terms and conditions. Providers may not bid for the work. It is likely that the cost of packages would increase with the inflationary rise in April 2016.</p> <p>B - Transfer packages individually to alternative Providers. Packages currently commissioned through the Albany House contract would be added to the Homecare transfer list. These would be picked up one by one by alternative providers when capacity arose to take them.</p> <p>Risks</p> <p>Service users are unlikely to retain their carers. Albany House would have a number of different providers delivering services, making it difficult for providers to build a relationship with Asra. The Care at Home framework is at capacity so there may be issues over transferring service users quickly. It will also have a resource implication for the Care Bureau.</p> <p>3 - Tender the whole service to a new provider. This is not felt to be an option as the process will take longer than the three month notice period</p>

Background Papers:

None

Published Works:

None

Affected Wards:

St Ann's, Wollaton East and Lenton Abbey

Colleague / Councillor Interests:

None

Any Information Exempt from publication:

Yes

Dispensation from Financial Regulations:

Yes

Exempt Information:

Description of what is exempt:	Commercially sensitive information in relation to contract value and hourly rates for providers named in this decision
	An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972
3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).	The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains commercially sensitive information regarding the paid rates to providers named in this decision
Documents exempt from publication:	Extra Care at Albany House and Woodvale - Exempt Financial Comments.doc
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	Not applicable
Equality:	EIA not required. Reasons: Decision does not relate to new or changing policies, services or functions.
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	18/03/2016
Advice Sought:	Legal, Finance, Procurement
Legal Advice:	This report raises no significant legal issues as the value of the direct award is below the EU procurement 'light touch regime' financial threshold. Any further extension would have to be considered in light of that threshold. The entitlement of service providers to terminate on three months' notice should be reviewed as to whether this puts the Council at risk of not having sufficient time to procure a replacement provider. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 22/01/2016.

Finance Advice:

This advice is exempt from publication and is contained within an exempt appendix Advice provided by Darren Revill (Finance Analyst) on 09/02/2016.

Procurement Advice:

Given the nature of this service it is important that options consider the well-being of the citizens already in the Albany House scheme and the importance of retaining the scheme as a potential option for citizens requiring care in the future. Awarding the remainder of the Albany contract to Agincare who already have a sucessful track record of providing Extra Care in Nottingham City, will help ensure that there is little or no impact on citizens and will help ensure continuity of service. Alternative options such as purchasing from the Care at Home Framework are likely to be disruptive to citizens and risk both the citizens being left without care and prices potentially increasing if care cannot be easily sourced and spot contracts have to be put in place. The service value falls well below the EU threshold as a 'light touch' service and as the Extra Care market is limited there is a low risk of challenge to this award. The introduction of a block to the contract will help ensure its viability, however it is important that Operational teams refer into the service wherever possible to ensure that the service continues to operate above the block value to avoid Financial risk to the Council.

Aliging the contracts for Albany and Woodvale Extra care schemes will be helpful from a procurement perspective as it will enable the two services to be tendered as part of the same procurement exercise. This may also help realise cost benefits if efficiencies can be realised across the two schemes. The contract will be reviewed in October 2016 as has always been the intention, and the viability of the Night block reviewd at that point. The contract will only be renewed beyond this date if it is shown to be achieving it's aims and realising value for money.

Given the importance of a smooth transfer for vulnerable citizens, and the risks related to other procurement options, dispensation from Contract Procedure Rule 5.1.2 in accordance with Financial Regulation 3.29 is therefore supported from a Procurement perspective in order to enable a direct award to Agincare for the Albany house contract and extend their existing contract at Woodvale for a further year.

Advice provided by Kate Lowman (Lead Procurement Officer) on 20/01/2016.

Signatures

Alex Norris (Portfolio Holder for Adults and Health)

SIGNED and Dated: 10/03/2016

Alison Michalska (Corporate Director for Children and Adults)

SIGNED and Dated: 10/03/2016

Theresa Channell (Head of Corporate and Strategic Finance) - Dispensation from Financial Regulations

SIGNED and Dated: 08/03/2016

Chief Finance Officer's Comments: