

LONDON BOROUGH OF CROYDON

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STATEMENT OF EXECUTIVE DECISIONS MADE BY THE CABINET MEMBER FOR FAMILIES HEALTH AND SOCIAL CARE ON 12 DECEMBER 2016

This statement is produced in accordance with Regulation 13 of the Local Authorities (Executive Arrangements) Meetings and Access to Information) (England) Regulations 2012.

The following apply to the decisions listed below:

Reasons for these decisions: are contained in the **attached** Part A report

Other options considered and rejected: are contained in the **attached** Part A report

Details of conflicts of Interest declared by the Cabinet Member: none

Note of dispensation granted by the head of paid service in relation to a declared conflict of interest by that Member: none

The Leader of the Council has delegated to the Cabinet Member the power to make the executive decisions set out below:

CABINET MEMBER'S DECISION REFERENCE NO. 75.16.FHSC

Decision title: Extension of Adult Social Care Preventative Third Sector Contracts

Having carefully read and considered the Part A report and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the reports, the Cabinet Member for Families, Health & Social Care in consultation with the Cabinet Member for Finance & Treasury

RESOLVED to:

1. Agree the use of Regulation 29 of the Council's Tenders and Contracts Regulations for the reasons set out in the report; and
2. Following the approval of Regulation 29, to approve the 21 extensions and awards of the 21 preventative third sector contracts for an additional term of 2 (1+1) years for a maximum collective contract value of £899,500.

Date: 14 December 2016

REPORT TO:	Cabinet Member for Families, Health & Social Care 12th December 2016
AGENDA ITEM:	Background paper to Investing in our Borough report
SUBJECT:	Extension of Adult Social Care Preventative Third Sector Contracts
LEAD OFFICER:	Barbara Peacock Executive Director People
CABINET MEMBER:	Cllr Louisa Woodley Cabinet Member for Families, Health & Social Care. and Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT</p> <p>Adult social care preventative support services play a significant role in relation to the following priorities of the Independence Strategy</p> <p>Priority 1 – Empower individuals and communities to be better able to take more responsibility for themselves and each other.</p> <p>Priority 2 – Enable residents to make informed choices about how to meet their needs, and how to live healthy lives, through the provision of high quality information, advice and guidance.</p> <p>These services will enable service users to receive information, advice, low level advocacy and a range of support services that reduce social isolation, increase health and wellbeing and prevent people needing to access statutory services.</p> <p>The Care Act 2014 set out the responsibilities of local authorities to ensure that people have access to a wider range of services to improve individuals' wellbeing and give them more control and personal choice over their care. In addition to this, Croydon's Joint Strategic Needs Assessment and the Opportunity & Fairness Commission report clearly set out priorities to support people to live independently within their community, promote social inclusion and support residents towards better times. Commissioning these services will support the Council to meet the requirements set out in the Act whilst supporting our own corporate priorities.</p>	
<p>AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS</p> <p>The Preventative contracts for Adult Social Care sets out our commissioning priorities and puts delivery of outcomes at the heart of the decision making process. The Preventative Contract will support the following outcomes of the Community Strategy 2016-2021.</p>	

The Community Strategy is the overarching strategy for the borough. It sets our overall Strategic direction, the outcomes and priorities we will focus on.

- a place of opportunity for everyone through better education, health promotion, supporting independence and resilience, and tackling poverty deprivation and homelessness
- a place with a vibrant and connected community and voluntary sector through enabling communities to connect, collaborate and take responsibility where they see a need and have the capacity and commitment to provide for it.

FINANCIAL IMPACT: Extending the 21 existing preventative third sector contracts as detailed in this report for an additional term of 2 years each, on a 1+1 year, basis, which will have a maximum collective contract value of £899,500.

KEY DECISION REFERENCE NO.: *this is not a key decision*

The Leader of the Council (decision reference no. 32.16.LR) has delegated to the Cabinet Member for Families, Health & Social Care in consultation with the Cabinet Member for Finance and Treasury and either the Leader or the Deputy Leader (Statutory), the power to make the decisions set out in the recommendations below

RECOMMENDATIONS

The Contracts & Commissioning Board is asked to recommend to the Director of Strategy, Communities and Commissioning (SCC) to:

1. Agree the use of Regulation 29 of the Council's Tenders and Contracts Regulations for the reasons set out in this report; and
2. Following the approval of Regulation 29, to approve the 21 extensions and awards of the 21 preventative third sector contracts for an additional term of 2 (1+1) years for a maximum collective contract value of £899,500.

2. EXECUTIVE SUMMARY

2.1 Options have been considered to ensure stability within the sector and continuity of the services between the existing Preventative contracts ending 31st March 2017 and the full implementation of the new OBC over 65s Model of Care.

2.2 It is recommended that an extension of 1+1 years by way of variation of the Existing Preventative contracts is agreed with the existing Preventative providers below to ensure continuity of service. The Deed of Variation would not amend the terms of the Preventative contracts save in order to give effect to the extension.

Project name	Description	Current Contract cost per annum	Total Contract Cost (for 3 years)	Additional 2 Year extension cost	Maximum Total Contract Costs(including 2 year extension)
St Edmunds Caring Group	Lunch club, befriending, entertainment/outings, hospital transport, shopping	£1,350	£4,050	£2,700	£6,750
Shirley Neighbourhood Care Scheme	Lunch club, hospital transport, befriending	£3,500	£10,500	£7,000	£17,500
Croham Hurst Good Neighbours	Lunch club, social outings, befriending	£4,000	£12,000	£8,000	£20,000
Sanderstead Neighbourhood Care	Lunch club, befriending, home visits, hospital transport	£4,000	£12,000	£8,000	£20,000
South Croydon Centre for the Retired	Lunch club, befriending, carers respite, exercise/outings, activity classes, home visits, transport	£5,000	£15,000	£10,000	£25,000
Topcare Network	Lunch & activities club, mental health support, carers support, volunteering opportunity	£8,500	£25,500	£17,000	£42,500
Easter Oasis Luncheon Club	Lunch club, befriending, exercise classes, transport	£10,000	£30,000	£20,000	£50,000
Age UK	Café & activities	£10,000	£30,000	£20,000	£50,000
Old Coulsdon Centre for the Retired	Lunch club, activities and escorted transport for those with limited mobility.	£10,000	£30,000	£20,000	£50,000
Selsdon Centre Trust	Lunch club, exercise classes, transport, entertainment/outings	£13,500	£40,500	£27,000	£67,500
Selsdon Contact	Lunch club, visiting/befriending, library trips, carer support, transport	£14,000	£42,000	£28,000	£70,000
Croydon African Caribbean Family Organisation (CACFO)	Lunch club, activity groups, day trips	£15,000	£45,000	£30,000	£75,000
Croydon Vision	Lunch club, counselling, IT classes	£15,000	£45,000	£30,000	£75,000
Addiscombe Neighbourhood	Lunch club, activity classes, transport	£16,000	£48,000	£32,000	£80,000

Care Association (ANCA)					
Purley & Coulsdon Clubs for the Elderly (PACE)	Lunch club, transport	£22,000	£66,000	£44,000	£132,000
South Norwood and Woodside Community Association	Lunch club, entertainment/outings, activity classes, library service, transport	£32,000	£96,000	£64,000	£160,000
New Addington Good Samaritans	Lunch & coffee Club, activities	£36,000	£108,000	£72,000	£184,000
Upper Norwood Association for Community Care	Lunch club, exercise classes, letter writing, carer support, shopping service, befriending	£36,900	£110,700	£73,800	£184,500
Alzheimer's Society	Support & Dementia Cafés	£52,000	£156,000	£104,000	£260,000
Westbury Community Project	Lunch club, befriending, home visits, entertainment/outings, meals on legs	£69,000	£207,000	£138,000	£345,000
The Parchmore Centre	Lunch club, activity classes, computer classes	£72,000	£216,000	£144,000	£360,000
	Total	£449,750			

CCB Approval Date	CCB ref. number
3 rd November 2016	CCB1180/16-17

3. DETAIL

- 3.1 The Council is entering into an Alliance Agreement with the CCG and providers awarding a 10+2 year Outcome-Based contract for the delivery of health and social care to people over 65 in Croydon. The current Preventative service contracts referred to in this report are in scope for the maximum affordable OBC budget and will form part of the new care model.
- 3.2 The ageing population and increased prevalence of chronic disease requires a strong reorganisation. It requires a move away from the current emphasis on acute care, toward one of prevention, self-care, consistent standards of primary care, and care that is well co-ordinated and integrated. The introduction of the Alliance is an opportunity to tackle some of the very real challenges facing health and social care in Croydon and make a real difference to people's lives. The Alliance vision is to transform services from a focus on illness and crisis intervention, to services that enable individuals to manage their own health and social wellbeing, develop personal resilience, and become independent.
- 3.3 The voluntary sector and community group organisations have an important contribution to make in developing new models of care. The result would be to

make the prospect of receiving of care closer to home a reality and reduce the inappropriate use of acute hospitals.

- 3.4 The Alliance has been working hard to develop a new care model that will transform health and social care so that it is centred on promoting independence. Doing so will make sure that as many people as possible are able to stay healthy, delaying or avoiding the need for statutory services.

New Model of Care

- 3.4.1 To take forward the ambitions and introduce a whole system transformation the Alliance has established a Programme that will be ongoing throughout the term of the contract. Work has been undertaken over the past 8 months to develop the Programme which is described in the following five initiatives.

- i. Integrated Community Networks
- ii. My Life Plan
- iii. Personal Independence Coordinators (PIC)
- iv. Point of Access and Information to Voluntary Sector, Health and Council
- v. Living independently for everyone

- 3.5 The Alliance has been working with the current Preventative services to develop Targeted Preventative Services that will provide an effective solutions to promoting health and wellbeing, support people over 65 to remain as independent as they can.

- 3.6 The current preventative contracts are due to end in March 2017. The funding for these services will form part of the overall Alliance budget. The Alliance agreement is due to be signed December 2016 with an anticipated start date of April 2017, therefore the Alliance requires an interim arrangement until the commissioners and providers Alliance is in a position to re-design the services.

- 3.7 The Alliance requires time to work with Preventative Services to co-design and develop the integrated Community Networks.

- 3.8 The Council is working towards all third party contracts committing to pay Staff at least the London Living Wage, therefore all new contract variations will also include this commitment. The agreement will be monitored as part the Councils contract management process.

4. CONSULTATION

- 4.1 The options and proposal have been considered with Adult Social Care commissioners and service leads, Internal legal, Head of Adults, Health & Integration, and representatives from the Accountable Provider Alliance.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1

1 Revenue and Capital consequences of report recommendations [NOTE: do not split table over 2 pages]

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Revenue Budget available				
Expenditure	449	449	449	
Income				
Effect of decision from report				
Expenditure	449	449	449	
Income				
Remaining budget	<u>0</u>	<u>0</u>	<u>0</u>	<u></u>
Capital Budget available				
Expenditure				
Effect of decision from report				
Expenditure				
Remaining budget	<u></u>	<u></u>	<u></u>	<u></u>

2 The effect of the decision

The existing Contracts have a total contract value of £449,750 per annum. The contract extension is anticipated to be at the same annual value which will be within budgeted amount currently available, from the Adult Social Care budget

3 Risks

The risk that extending the Preventative contracts may be subject to procurement challenge, is regarded as a low one given that, the current provider market is small and unlikely to attract alternative providers in the geographical areas who could deliver the services required.

4 Options

Option 1: Re-tender the services using the third sector procurement route before the Alliance is established April 2017

Implications

- i. The Alliance is due to start fully implementing the Model of Care in April 2017. Part of the model of care is to redesign the targeted preventative services in line with the GP networks. Therefore the Services would start to be re-commissioned again in- line with the new model 12 months following contract award, which would be costly to the Council and frustrating for the providers;
- ii. Croydon has both a growing and ageing population, placing increased pressures on the health and social care system. Over 65s represent nearly 13% of Croydon's total population, and this number is growing. There is the potential for Croydon to improve its outcomes in achieving

independence for older people through preventative services. Evidence suggests that an outcomes based approach will help to drive value and better outcomes for older people in Croydon. The current timeframe does not allow time for the Alliance to develop an outcomes based approach.

- iii. The timeframe also does not allow time to work with the providers and users groups to co-design the new services;
- iv. The procurement will likely include providers that are small voluntary groups who are often run by volunteers, and therefore will require adequate lead-in time before the procurement process starts in order to understand the process.

Option 2: Extend the current contracts from 1st April 2017 for 2 year period (1+1 years) and reinforce groups working together. This will ensure

Implications

- i. Existing terms and conditions would be extended to the contracts;
- ii. The existing contracts does not allow for an extension beyond the 3 year term. Therefore, each Provider would need to formally agree to the contract being extended beyond the initial term by signing a variation letter. The letters of variation will need to be signed by both the Provider and the Council prior to the expiry of the existing arrangements;
- iii. The extension will allow the commissioners time to work with Providers to co-design service redesigns leading to better value services and better outcomes for the people using the services, under the Alliance.

Recommended option– Option 2

It is recommended that an extension of 1+1 years by way of variation of the existing providers is the best option to ensure continuity of essential service for the 150 plus service users.

The 1+1 year's extension, will allow adequate time to work with local community groups to co-design preventative service in-line with the Model of Care.

5 Future savings/efficiencies

The extension will allow for current service provision to continue while providing time for services to be re-designed for future years. Any services re-design will be expected to include budget savings which are anticipated to be released under the OBC Alliance agreement.

(Approved by: Mirella Green – Senior Management Accountant for Adults)

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 The Acting Council Solicitor comments that the variations and extensions

detailed in this report and risks associated with the approaches are accepted by the relevant officers in a bid to seek to support the Council's duty to achieve Best Value pursuant to the Local Government Act 1999.

Approved for and on behalf of Jacqueline Harris-Baker Acting Council Solicitor & Acting Monitoring Officer.

7. HUMAN RESOURCES IMPACT

7.1 There are no direct Human Resources implications arising from this report for Council employees. As work continues with the Alliance to develop a new care model, further HR advice must be sought to consider any potential HR implications to ensure that we follow the Council's normal policies and procedures.

(Approved by: Debbie Calliste, HR Business Partner on behalf of the Director of Human Resources)

8. EQUALITIES IMPACT

8.1 An initial EA had been undertaken and on the basis of this, the decision was that a full EA is not necessary.

9. ENVIRONMENTAL IMPACT

9.1 N/A

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 N/A

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The reasons are contained in the body of this report.

12. OPTIONS CONSIDERED AND REJECTED

12.1 The options considered are contained in the body of this report.

CONTACT OFFICER:

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BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972 –

Initial Equality analysis

APPENDIX None
