

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care
Date:	28 June 2013
Title:	Single Tender Approval for older person's day services and permission for a competitive tender for older person's day services
Reference:	4877
Report From:	Director of Adult Services

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1. Executive Summary

1.1. **The purpose of this paper is to** seek Single Tender Approval (STA) for all externally contracted day care for older people. The contracts would be for the duration of 18 months from 1 July 2013 to 31 December 2014 with the option to review after one year. It also seeks approval for a competitive tender for all externally contracted day services for older people on a three year plus two year basis (3+2) with these contracts to commence upon termination of those awarded through the STA described above.

1.2. This paper seeks to

- Outline why the modernisation of day services is required
- Set out the key issues associated with the project.
- Set out the reasons why an STA is required.
- State the maximum value for the contracts
- Set out briefly the future direction of the project'

2. Contextual information

2.1 Day centres for older people were primarily developed post-war as community centres for older people. Since then they have remodeled in an ad hoc way to respond to changing budgets and populations to provide day care for people with social care needs. Given the twin demands of a projected radical increase in the number of older people and the national drive to promote early intervention and prevention, these services are being reviewed to ensure that they meet the vision and direction of the department and the future needs and aspirations of older people themselves.

- 2.2 Older persons' day services offer older people a range of activities and support, helping them to continue to live in their own home or with their family or carer. Services aim to provide access to activities, care and support that enable older people to remain resilient in the community. They aim to enable people to live longer in their own homes and to increase the amount of time that people spend in a state of independence and good health.
- 2.3 Despite the demographic pressures, more older people are choosing not to use the present services which are provided at various locations across the county. Changing aspirations on the part of older people have led to more older people opting, where possible, for a more personalised approach and services that support them to stay connected to and linked in with their local communities. Older people have told us that they want to continue to participate in activities they have always enjoyed and that are meaningful to them – activities which reflect them as individuals, their interests, needs and aspirations.
- 2.4 Therefore, and in line with the Departmental Vision, day opportunities for older people are being modernised to match personalised approaches, promote prevention and re-ablement and to improve cost effectiveness.
- 2.5 A strategic review of these services is underway and over the next 8 months there will be a consultation exercise with older people and other stakeholders. The results of this, along with the findings from the review of the pilot schemes, will be evaluated and will inform the next stage of development for these services.
- 2.6 As part of the short and medium term modernisation process, contracts for day services have previously been extended pending the outcome of the strategic review, consultation with older people and the development of the long term direction.

3. Financial Implications

- 3.1 Current day service opportunities for older people in Hampshire are provided by 27 contracts for 27 services. There are 9 provider organisations in total. Existing contracts were both put in place and then extended on a single tender basis and contracts are now due to expire on 30 June 2013. Total maximum annual value with these providers for day services contracts is £2,370,540. The total maximum value for 18 months is £3,555,810. The total maximum value for the five year tendered contracts is £17,779,050. This funding is already in the base budget funding day opportunities for older people, so no new or additional funding is required.
- 3.2 Please see Exempt Item 4 for details of individual contracts, values and provider organisations.

4. Legal Implications

- 4.1 Executive Member approval is required to enter into the interim proposed contracts to commence on the 1 July 2013 as the total value of the similar services when aggregated exceeds £1m.
- 4.2 In exercising its functions an authority must have due regard to the need to: eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act and advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

5. Contract Arrangements

- 5.1 In 2009 the Executive Member for Adult Social Care gave approval for Single Tenders for all contracted Older Person's Day Services. On 29 June 2012 approval was again granted for a Single Tender for contracted older people's day care from August/September 2012, depending on individual contracts, to 30 June 2013 at a value of £2,348,888. The contracts for current services therefore expire on 30 June 2013. Approval was also granted in the same report for a competitive tender process on a one year plus one year plus one year (1+1+1) basis. These contracts were intended to start 1 July 2013.
- 5.2 This competitive tender process was begun but was terminated for technical reasons. However, it clearly indicated that there were no new entrants to the market who met the basic quality criteria inherent in the pre-qualifying questionnaire at that time.
- 5.3 A Single Tender Approval is now sought as a further interim arrangement on the grounds that the service is currently being reviewed. The STA start and finish dates are 1 July 2013 to 31 December 2014 – a term of 18 months with the option of a contract review after one year. This model would allow for any potential adjustments to be made to the contract after one year, in line with the drive for continual improvements to the services and to ensure that cost and volume can be effectively monitored and reviewed. This will be reflected in the new contracts which will include a contract review process.

6. Equalities Impact Assessment

- 6.1 Day opportunities are and will continue to be integrated into their local community. They respond to, and are formed by local people. In order to ensure that all people are offered a suitable service, a pilot is presently being conducted with Nepalese residents to develop a service that is suitable for them. It will also seek to identify any wider social care needs within the community that may require a more tailored response.

7. Performance Implications

7.1 The modernisation of day opportunities for older people will enable the department to commission services in line with the national and departmental vision for improved early intervention and prevention. More people will be able to stay independent in their own homes and fewer people will be admitted to residential and nursing care as a result of this overall strategic direction.

8. Future service model and development

8.1 A review of older persons' day services is currently underway. Consultation on potential future models for day services has already taken place with service providers and other key stakeholders. Consultation with current service users as well as other groups representing older people in Hampshire concludes in August 2013. Additionally, there are three pilots of alternative models underway which will be evaluated. Results of both the pilot and consultation evaluation will inform the service specification for the tendered services.

8.2 The three pilots currently in operation are as follows:

a. Gosport Live-at-Home scheme

Based on the successful model of the volunteer-based Winchester Live-at-Home scheme, the pilot is establishing whether or not this model can thrive in an area with a different social composition. It provides daily activities, exercise classes linked to hospital discharge, pub lunches, outings, holidays, shopping, phone contact, one-off requests for transport.

b. Support for Carers of people using day opportunities

Primarily aimed at couples who support one another, with only one of the partners actually meeting eligibility criteria for funded social care, this pilot supports the other partner and links them in to other services for carers.

c. Older person's day opportunities in the Nepalese Community.

This is a very newly formed community and it is necessary for the department to gain a better understanding of the care needs of the older people within it. This service will enable us to engage more fully with older Nepalese people and work with them to develop services that are needed and valued by them.

8.3 The outcome of the review, including the viability of the pilots, and recommendations on future models of day services, is scheduled to be completed by January 2014. It is planned to involve potential service providers, service users and other stakeholders throughout the process of developing new models of service.

8.4 Therefore, there is an opportunity to transform day services in line with the review and consultation programme resulting in more personalised and community-focused approaches. Present project projections indicate that the

contracts should run for 18 months to enable the pilot projects to be evaluated and for an extensive consultation process to take place to determine the future model of service. Continuity of provision is ensured throughout the period of the contracts awarded through this STA. It will also be ensured that all existing users of these day services funded by Adult Social Care will continue to be offered a service throughout this period.

9. Interim measure, 1 July 2013 to 30 June 2014/31 Dec 2014

9.1 In order for the strategic review and the results of the pilot services to inform the new tender process, a single tender approval is requested for eighteen months, with the option to review after one year, so that current services may continue whilst the new tender takes place. It is hoped that the new model of service will attract new providers to the market, to enable new contracts to be put in place. The issue of new, short term contracts will enable service improvements to begin as the updated service specification can be used and the service is assured while the competitive tender takes place. This will also allow Adult Services to continue development work with providers in line with the Department's Vision for re-ablement, prevention and early intervention and developing the local market and market relationships. It is a key consideration that present service provision is not destabilised while this development work takes place.

10. Tender process, 1 July 2014/1 Jan 2015 for a maximum of 5 years

10.1 Executive Member approval for a competitive tender for the new services is sought for contracts to commence 1 January 2015 with a duration of 3 + 2 years and a developmental service specification. The maximum 18 month contract value would be £3,555,810 and the maximum total value for five years would be £17,779,050. The specification for this service would be drafted after completion of the evaluation of the pilots and the consultation process.

10.2 The consultation process will enable us to consult with service users and other key stakeholders and it is planned that this will take place for eight weeks from late September to late November 2013. Analysis should be complete by early January 2014. The information gained from the pilot projects and the consultation process will enable the department to tender for services that are both cost-effective and based on a model of provision that is fit-for-purpose for a new generation of older people. The tender exercise will commence following the review.

11. Summary

11.1 A single tender approval is requested to enable interim contracts for older persons day services to be issued from 1 July 2013 to 31 December 2014 with an option to review at 30 June 2014 – this is to secure ongoing service provision whilst a competitive tender is undertaken with resulting contracts to start 1 January 2015.

12. Conclusion

- 12.1 Approval for a Single Tender for externally contracted day services for older people is sought in order to maintain service provision while in in-depth consultation is conducted with older people. The results of this work will feed into a final model for provision which will be subject to tender to commence 1 January 2015.

13. Recommendations

- 13.1 That the Executive Member for Adult Social Care approves single tenders for externally contracted day services for older people as listed in Exempt Item 4 for 18 months with the potential to review after one year at maximum contract value for 18 months of up to £3,555,810.
- 13.2 That the Executive Member for Adult Social Care gives approval to go out to tender for externally contracted day services for older people on basis of three years with an option to extend for two years (3+2) with a maximum contract value over five years of £17,779,050.with contracts to commence upon termination of those awarded under the Single Tender Approval.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Enhance community engagement and partnership working – strengthening and empowering communities.	
Maximising well-being:	yes
Improve quality of life for all, particularly those who are vulnerable or disadvantaged.	
Enhancing our quality of place:	no
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title:</u> Permission to Tender for Older People's Day Care	<u>Reference</u> 3922	<u>Date</u> 29 June 2012
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 Day opportunities are and will continue to be integrated into their local community. They respond to, and are formed by local people. In order to ensure that all people are offered a suitable service, a pilot is presently being conducted with Nepalese residents to develop a service that is suitable for them. It will also seek to identify any wider social care needs within the community that may require a more tailored response.

<http://www3.hants.gov.uk/as-equality-ia-archive.htm>

2. Impact on Crime and Disorder:

- 2.1. the reconfiguration is not likely to have a large impact on crime, but will enable older people who are often the victims of crime to have the information, support and advice that they need in order to remain safer in their own homes.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

The increasing focus on localism across all services for older people will have a positive impact on the environment as people have their needs met within their own community, reducing the need for transport.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The work on older persons day services is linked to initiatives such as enabling older people to stay warm in winter through an efficient approach to fuel consumption