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Meeting	Cabinet Resources Committee
Date	2 April 2014
<b>Subject</b>	<b>Increase in contracted enablement hours</b>
Report of	Cabinet Member for Adults
Summary of Report	This report is seeking authorisation of a contract variation with Housing 21 to agree a permanent increase in the number of hours per week of the enablement service.

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Officer Contributors	John Mason, Commissioning Lead / Enid Coleman, Senior Category Manager.
Status (public or exempt)	Public
Wards Affected	All
Key Decision	Yes
Reason for urgency / exemption from call-in	N/A
Function of	Executive
Enclosures	N/A
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## **1. RECOMMENDATION**

- 1.1 That Cabinet Resources Committee agree a contract variation for a permanent increase in the enablement hours within the block contract with Housing 21 from 1200 hours to 1400 hours a week. This is to meet the increased demand for enablement packages following re-design of services across health and social care.

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 Cabinet Resources Committee, 19 July 2010 Item 5 (Contract Award for Enablement).

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The service supports Barnet Council's Corporate Plan priorities 4, 5 and 6:
  4. To sustain strong partnership with the local NHS, so that families and individuals can maintain and improve their physical and mental health.
  5. To promote a healthy, active, independent and informed over 55 population in the borough to encourage and support our residents to age well.
  6. To promote family and community well being and encourage engaged, cohesive and safe communities.
- 3.2 This is achieved through supporting people to regain their independence; enabling residents to delay or reduce the need for support from statutory social care services, supporting people to be discharged from hospital at the earliest opportunity, reducing the need for hospital admissions and delays and also reducing the need for residential care.

## **4. RISK MANAGEMENT ISSUES**

- 4.1 The contract has rigorous performance standards and is monitored by Council Officers including the Senior Category Manager. Formal contract meetings take place quarterly to review performance data, discuss any contract issues and any emerging issues and risks.
- 4.2 Operational meetings take place quarterly between Housing 21 and the Council. These meetings focus on developing partnership working and manage relations at practitioner level and improve/develop processes.
- 4.3 The increase in hours is required currently to meet demand, however each year the number of hours is reviewed. Therefore, if in future less hours are required, due to a drop in demand, the number of hours will be reduced. This change enables the Council to manage the risk of not having enough capacity to meet demand. Without access to timely enablement there is the risk that people become more dependent and require additional social care services.
- 4.4 Housing 21 has a business continuity plan in place which has been approved by the council to address any issues that may jeopardise service delivery. The contract sets out actions to be taken by the Council in the event of concerns regarding service delivery. This includes processes and procedures for the

issue of default notices and remedial actions as well as suspension and termination of the contract if necessary.

- 4.5 In addition to the Council's monitoring role, Housing 21 as a registered care provider is regulated by the Care Quality Commission (CQC) in respect of quality of service delivery. CQC publish regular inspection reports on the service and work in partnership with the Council to support any required improvements to ensure the quality of services. The latest CQC inspection undertaken in August 2013 showed that Housing 21 met all 5 standards of service:

- Treating people with respect and involving them in their care.
- Providing care, treatment and support that meet people's needs.
- Caring for people safely and protecting them from harm.
- Staffing.
- Management.

## **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 The Equality Act 2010 places a duty on public authorities to have due regard to eliminating unlawful discrimination, advancing equality and fostering good relations in the context of age, disability, gender reassignment, pregnancy and maternity, religion or belief and sexual orientation.
- 5.2 Housing 21 as a registered care and housing provider is required to be compliant with equalities legislation. This requires them to operate an equalities policy, observe Codes of Practice issued by the Commission for Equality and Human Rights and give appropriate consideration to each customer's race, nationality, cultural or ethnic background, marital status, age, gender, religion, sexual orientation and disabilities. Equalities requirements are met through the person centred service that they deliver, responding on an individual basis to each person's needs identified through their personal support plan.

## **6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

- 6.1 The Adults and Communities Delivery Unit currently funds the enablement services delivered by Housing 21 from the Council's revenue budget. Resources have been identified to meet the costs of the additional block contract hours from within the Adults and Communities budget, from Section 256 funding.
- 6.2 Enablement services are costed on an hourly rate and payments under the contract are based on a schedule of rates, submitted by Housing 21 when the service was procured. These form the Pricing Schedule within the contract.
- 6.3 The cost of the additional 200 enablement hours per week is at a rate of £17.94 an hour. Therefore 200 hours a week at £17.94 equals £3,588 a week. this sum multiplied by 52 weeks equals the increase in the contract value per annum at £186,576
- 6.4 At the commencement of the contract, the projected total contract value to September 2015 was £5,853,120. Following the increase in the contracted

hours this is projected to increase to £6,491,784 following the contract variation. This is an increase of £638,664 over the lifetime of the contract and an increase in the value of 11%.

- 6.5 This investment will result in savings for LBB and Barnet CCG in the longer term through a reduction in ongoing home care support and by delaying or reducing the need for people to be placed in residential care.
- 6.6 Current performance data shows that 70% of the people who receive an enablement package do not have an ongoing homecare package at the end of their enablement period.
- 6.7 The enablement contract is managed by a Senior Category Manager and the contract has rigorous performance standards and is monitored by Council Officers including the Senior Category Manager. Formal contract meetings take place quarterly to review performance data and discuss any contract issues and any emerging issues and risks.
- 6.8 The increase in block hours of an additional 200 hours to 1400 hours a week was part of delivering the frail elderly pathway and to support the work of the acute hospitals to minimise delays in hospital discharge.
- 6.9 Since then the service has continued to be closely monitored and capacity has been reached on a number of occasions. It is therefore considered that the increase to 1400 hours is needed to be a permanent contract variation in order to continue to offer an effective enablement service to those who require the service.

## **7. LEGAL ISSUES**

- 7.1 The contract with Housing 21 allows for an increase or decrease in service hours dependent on the needs for the service.
- 7.2 Paragraph 14 of the council's Contract Procedure Rules allows a contract variation all of which are met here whereby:
  - The initial contract was based on a Contract Procedure Rules compliant competitive tender or quotation process.
  - The value of the variation added to the value of the original contract does not exceed the original Authorisation threshold as defined in Appendix 1, Table A.
  - The variation has an approved budget allocation.
  - The variation is in accordance with the terms and conditions of the existing contract.
- 7.3 The variation requires CRC approval under Appendix 1 Table A of Contract Procedure Rules.

## **8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)**

- 8.1 Council Constitution, Responsibility for Functions – section 4.6 details the responsibilities of the Cabinet Resources Committee which includes agreeing a contract variation as part of the Contract Procedural Rules.

- 8.2 Council Constitution, Contract Procedure Rules Appendix 1, states that any variations or extension acceptance for total contract values over £500,000 must be approved by Cabinet Resources Committee.

## 9. BACKGROUND INFORMATION

- 9.1 Enablement provides up to 6 weeks free support in a persons home to enable the person to regain their independence following either discharge from hospital or to prevent hospital admission. It is provided to eligible service users qualifying under the Fair Access to Care Services (FACS) policy and is non-chargeable.
- 9.2 The current contract started in September 2010 for 5 years and is due to end in September 2015. The total value at the start of the contract was £5,853,120 and the annual contract value was £1,170,624. The additional hours cost £186, 576 per annum. The additional costs have been accounted for within Adults and Communities budgets with the use of Section 256 funding. The total projected contract value is now £6,491,784.

Hours per week	Rate per hour	Weekly Payment	Annual Payment
1200	£18.76	£22,512	£1,170,624.
200	£17.94	£3,588	£186,576
<b>Current annual contract value</b>			<b>£1,357,200</b>
September 2010 - March 2011		£22,512	£675,360.
April 2011 – March 2012		£22,512	£1,170,624
April 2012 – March 2013		£26,100	£1,357,200
April 2013 – March 2014		£26,100	£1,357,200
April 2014 – March 2015		£26,100	£1,357,200
April 2015 – September 2015		£26,100	£574, 200.
<b>Total projected contract value to September 2015</b>			<b>£6,491,784</b>

- 9.3 The enablement service supports residents to remain as independent as possible in their own homes. It enables residents to delay or reduce the need for support from statutory social care services, supports people to be discharged from hospital at the earliest opportunity, reduces the need for hospital admissions and delays and reduces the need for residential care.
- 9.4 The increase in the demand of enablement hours is because of the increase in referrals from the Intermediate Care Team at the Acute Hospitals. This has followed from work with the hospitals on admissions avoidance and timely discharge of patients. London Borough of Barnet has also been reviewing care packages where there is a request for additional resources and where appropriate providing an enablement service.

## 10. LIST OF BACKGROUND PAPERS

None.

<b>Cleared by Finance (Officer's initials)</b>	<b>JH/AD</b>
<b>Cleared by Legal (Officer's initials)</b>	<b>SD</b>