

	CHIEF OFFICER IN CONSULTATION WITH COMMITTEE CHAIRMAN DELEGATED POWERS REPORT
Title	Variation and extension of the Enablement Service contract
Report of	Executive Director, Adults and Health
Wards	All
Status	Public
Enclosures	None
Officer Contact Details	Anne Mbonu Health and Social Care Commissioner Anne.Mbonu@Barnet.gov.uk

Summary

This report requests the acceptance of a variation and extension to the council's existing contract with Your Choice Barnet (YCB) - part of the Barnet Group - for the provision of short-term enablement services.

YCB commenced delivery of enablement services on 22 November 2016; the existing contract allows for a four-year extension to 21 November 2021.

Authorisation is sought for an additional extension to 31 March 2022, in order to make the current contract coterminous with the Council's other contracts with YCB.

The contract value is £920,200.09 per annum, with a 5-year total contract value of £4,601,000.45. The value of the additional extension would be £327,735.24.

The total contract value for the 5-year term and the additional extension is £4,928,735.69; this is significantly lower than the authorised 5-year budget of £6,000,000 approved by the 2014-15 Annual Procurement Forward Plan.

Decisions

- 1. To approve a contract variation to purchase a guaranteed block of seven hundred and sixty-six (766) hours per week at the hourly rate of £23.04 effective from 1 June 2019.**
- 2. To approve an additional extension of eighteen weeks and four days to the five-year term of the contract, in order to make it coterminous with other Barnet Council contracts with Your Choice Barnet and align it to the financial year-end.**

1. WHY THIS REPORT IS NEEDED

- 1.1 This report is required in order to request authorisation for the changes to the contract with Your Choice Barnet to deliver an Enablement service to Barnet residents.
- 1.2 Barnet Council's Enablement service is an essential part of its preventative, early intervention and wellbeing provision, which promotes independence and reduces or delays the need for longer-term care and support. Enablement provides intensive, time limited and needs based care to eligible adults in order to help them attain an improved quality of life.
- 1.3 The current contract was authorised by the 2014-15 Annual Procurement Forward Plan and by the Chief Officer in consultation with the Chairman of the Adults and Safeguarding Committee through a Delegated Powers Report.
- 1.4 This contract to deliver 1000 hours of enablement services per week was awarded to Your Choice Barnet in 2016, following another service provider's failure to deliver the enablement service satisfactorily, which occurred despite a comprehensive procurement exercise and various remediation measures by the council.
- 1.5 The contract commenced on 22 November 2016, and the term of the contract is for one year with a four-year extension option. The authorised contract value is £6 million over a five-year term.
- 1.6 Contract monitoring and service review has demonstrated that the average hours of Enablement service delivery per week is consistently lower than the 1000 hours per week commissioned at contract commencement. This is the result of wider systemic service reconfiguration and pathway redesign within Adult Social Care, implemented to streamline services, which has reduced the demand for short-term enablement services without compromising service quality or resident outcomes.

- 1.7 In order to assure continued service sustainability, efficiency and value for money, the council recommends that the payment schedule be varied to £23.04 per hour for a block of 766 hours per week effective from 01 June 2019.
- 1.8 The current contract termination date is 21 November 2021. This report seeks authorisation to extend the Enablement contract by a further eighteen weeks and four days to 31 March 2022, in order to make the contract coterminous with other YCB contracts, and align the end date to the financial year-end.
- 1.9 The annual contract value is £920,200.09, and the five-year contract value is £4,601,000.45. The additional cost of the recommended extension is £327,735.24. Therefore, the global contract value from 22 November 2016 to 31 March 2021 would be £4,928,735.69.
- 1.10 This is within the budget approved by the 2014-15 Annual Procurement Forward Plan and contract award authorised by the Officer Chairman Delegated Powers Report for the original contract award in 2016.

2. REASONS FOR RECOMMENDATIONS

- 2.1 These decisions are recommended in order to ensure continued service quality and sustainability, effectiveness and efficiency, as well as value for money.
- 2.2 An options appraisal was carried out prior to the award of the Enablement contract award, which recommended contract award to Your Choice Barnet as a strategic partner.
- 2.3 The contract length is similar to other preventative service contracts, and ensures stability and high quality for service users by enabling the provider to establish the required capacity to deliver an effective outcomes-based Enablement service.
- 2.4 Furthermore, the extended contract would make the Enablement contract coterminous with the Council's existing contracts with your Choice Barnet, which facilitates contract administration whilst also providing sufficient time to develop and implement strategic decisions regarding the future of Enablement service delivery.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 To commence a new formal OJEU procurement rather than extend the existing contract with Your Choice Barnet. Whilst this would potentially provide an opportunity to evaluate the market offer objectively, the option was rejected due to the length of time required for a full procurement exercise with the instability inherent in any transition to a new service, which could lead to worsened outcomes for vulnerable adults.
- 3.2 Furthermore, the previous procurement exercise, though robust, resulted in provider failure within a short time of contract commencement, resulting in the decision to award the contract to Your Choice Barnet. Subsequently, the Council has worked closely and continues to work with Your Choice Barnet to build up the quality and capacity of the Enablement service for the benefit of service users. A transition to a new provider at this

time would likely result in an adverse impact on service users, potentially leading to a higher demand for other council commissioned services.

4. POST DECISION IMPLEMENTATION

- 4.1 The recommended changes if accepted will be formalised by way of a deed of extension and variation to the existing contract prepared and issued by HB Law.
- 4.2 The current service provider will continue Enablement service delivery and officers will continue to work closely with the provider to ensure high service quality and effectiveness.
- 4.3 The Care Quality Service will continue to support operational delivery of the service as required, as well as monitor the contract against the agreed key performance indicators and outcomes detailed within the performance framework.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Enablement service supports the delivery of the Corporate Plan for 2019 – 2024 goals of achieving great outcomes, delivering quality services and developing resilient communities, whilst prioritising its limited resources effectively.
- 5.1.2 Varying and extending the contract for the Enablement Service will ensure that capacity meets demand for the service supporting people to live safely and maximising their independence. This service is key to ensuring that older adults with eligible adult social care needs receive services, which enable them to live as independently as possible.
- 5.1.3 Approval of this report will also support the delivery of Barnet Council's Health and Wellbeing Strategy 2015 – 2020 through the provision of joined up services, continued emphasis on early intervention, prevention and wellbeing, as well as increasing individual responsibility and resilience whilst ensuring provision for people with complex and/or special needs.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The funding for the Enablement service is from the Adults budget. There is additional funding from the Clinical Commissioning Group (CCG) via the Better Care Fund (BCF). The Council's Enablement budget for 2018/19 is £771,000. The BCF contribution is £200,000. The amount is determined year on year and appropriate contract variations sought in line with contract procedure rules where appropriate and as necessary.
- 5.2.2 The 2014-15 Annual Procurement Forward Plan authorised a total contract value of £6 million over five years.

5.2.3 Annual contract value

Hours per week	Annual hours	Hourly rate	Annual contract value	5-year contract value	Contract value of additional extension*	Total contract value including extension*
766	39,939.24	£23.04	£920,200.09	£4,601,000.45	£327,735.24	£4,928,735.69

*18 weeks and 4 days (18.57 weeks)

5.2.4 The value of the additional contract extension is £327,735.24. Therefore, the contract value for the proposed variation and extension is within the budget authorised by the Procurement Forward Plan and within the agreed budget allocation.

5.3 Social Value

5.3.1 This contract promotes healthy and independent living, thereby ensuring a strong and safe community.

5.3.2 Furthermore, the delivery of this and other key council contracts by YCB supports the development of sustainable and viable community services through a key strategic partner.

5.4 Legal and Constitutional References

5.4.1 The contract allows for an extension. The Council's Contract Procedure Rule 11.1 states that Contracts that have been originally advertised with extension options, and which contain clear extension options, can be extended subject to acceptance under Article 1 – Table B of the Constitution and under Regulation 72 of the Public Contracts Regulations 2015. Certain amendments, and extensions or renewals of an existing Contract can be made without triggering a requirement for a new Procurement exercise, subject to submitting to financial limits.

5.4.2 Clause 4.1 of the Council's Contract Procedure Rules states that any procurement, including extensions and variations to contracts set out in the Annual Procurement Forward Plan and approved by the Policy and Resources Committee is deemed as authorised, irrespective of the contract value.

5.4.3 Clause 4.2 of the Council's Contract Procedure Rules states that any procurement, which has not been authorised as set out in Clause 4.1 must be authorised in accordance with Article 10 of the Constitution, Table B.

5.4.4 The Enablement services procurement was authorised by the Policy and Resources Committee in the Annual Procurement Forward Plan 2014-15 (Line 2 of Adults contracts).

5.4.5 In line with Article 10 of the Constitution, Table B and current practice, variation or extension acceptance and documentation for contracts with a value of over £500,000 must be authorised by a Full Officer Chairman Delegated Powers Report, provided it is within Budget.

5.5 Risk Management

5.5.1 The Council undertook a robust lessons-learned exercise following the previous provider failure post-contract award, with the findings built into a robust risk management approach with this new contract.

5.5.2 The Council's Care Quality Team will continue to work closely with the service provider to ensure that the Enablement service is delivered to a high standard of quality. This includes regular service reviews as part of proactive performance management.

5.6 Equalities and Diversity

5.6.1 An Equalities Impact Assessment was completed as part of procuring these services with the outcome that there is no negative or disproportionate impact on residents with protected characteristics.

5.7 Corporate Parenting

5.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. This decision has no implications in regard to the corporate parenting obligations of the council.

5.8 Consultation and Engagement

5.8.1 The Enablement service design and development, including the service specification and key indicators for performance management incorporated the ethos of co-production with service users. The council will continue to undertake other consultation and engagement activity as required, and in line with existing channels and protocols.

5.8 Insight

5.8.1 The Enablement service is consistent with the council's strategic objectives. The recommended contract variation and extension will ensure that the Enablement service continues to meet the needs of Barnet residents by supporting them to regain and maintain their independence, thereby enabling them to live fuller lives within the community.

6. BACKGROUND PAPERS

- 6.1 2014-15 Annual Procurement Forward Plan - line number 2
<https://barnet.intranet.moderngov.co.uk/documents/s20197/Appendix%201.pdf>
- 6.2 Barnet Council Contract procedure Rules -
<https://barnet.moderngov.co.uk/documents/s46518/18ContractProcedureRules.docx.pdf>
- 6.3 Cabinet Resources Committee 19 July 2010, Report to approve contract award for Enablement and Home and Community Support.
- 6.4 The Enablement Home Care Commissioning Strategy was agreed by Adults & Safeguarding Committee on 12 November 2015.
<https://barnet.intranet.moderngov.co.uk/documents/b26450>
- 6.5 Home and Community Support Strategy was agreed by Adults and Safeguarding Committee on 20th November 2015.
<https://barnet.intranet.moderngov.co.uk/documents/b24996>
- 6.6 The procurement of these services was agreed on the Procurement Forward plan on 4th November 2013.
- 6.7 Council, 14 April 2015 (Decision item 13.3) – approved Corporate Plan 2015-2020
<http://barnet.moderngov.co.uk/documents/s22529/Report%20of%20the%20Chief%20Executive%20-%20Corporate%20Plan%202015-20.pdf> and
<http://barnet.moderngov.co.uk/mgConvert2PDF.aspx?ID=22530&ISATT=1#search=%22corporate%20plan%22>
- 6.8 Barnet Council Constitution:
<http://barnet.moderngov.co.uk/ecCatDisplayClassic.aspx?sch=doc&cat=13581&path=0>
- 6.9 Barnet 2024 – Corporate plan 2019 - 2024:
https://www.barnet.gov.uk/sites/default/files/corporate_plan_-_barnet_2024.pdf
- 6.10 Urgency Committee, 17 October 2016, item 9, update on adult social care enablement service,
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=716&MId=9062&Ver=4>

Chairman:
Has been consulted

Signed

A handwritten signature in black ink that reads "Sachin Rajput". The signature is written in a cursive style with a long horizontal stroke underneath.

Date 18th April 2019

Chief Officer:
Decision maker having taken into account the views of the Chairman

A handwritten signature in black ink that reads "D. Walekar". The signature is written in a cursive style with a long horizontal stroke underneath.

Signed

Date 17th April 2019