

	<h2>CHIEF OFFICER IN CONSULTATION WITH COMMITTEE CHAIRMAN DELEGATED POWERS REPORT</h2>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Extension and variation of Dementia Support Services contract</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Adults and Communities Director</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>All</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>None</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>Anne Mbonu Health and Social Care Commissioner <a href="mailto:Anne.Mbonu@barnet.gov.uk">Anne.Mbonu@barnet.gov.uk</a></p>

## Summary

This report requests authorisation to extend Barnet Council's existing contract with the Alzheimer's Society for the provision of Dementia Community Support Services as follows:

- Extend the contract for one year from 01 April 2019 to 31 March 2020 (Contract value £216,000 for 2019/20)
- Subject to satisfactory performance by the provider extend the contract for a further year from 01 April 2020 to 31 March 2021 (contract value £218,000 for 2020/21)

The original contract value from 1 April 2016 to 31 March 2019 was £950,931 and included the option to extend the contract by a further two years. The total global contract value including extension over the five-year period is £1,384.931.

The extension agreed is based upon variation to the current contract delivering a reconfigured model of service delivery, which optimises service delivery at a reduced contract value. The specification has been updated to reflect changes agreed. The reconfigured service model includes an enhanced core service provision by Dementia Advisors to include enablement and outreach, dementia-specific training to local organisations, dementia-friendly community networking events, and supporting further development of self-sustaining peer support groups. Additionally, the Provider will continue

to support adults affected by dementia through the Day Support Service.

## Decisions

1. To approve the agreed variations to the current contract and an extension to the contract for a further year 1 April 2019 until 31<sup>st</sup> March 2020 and then subject to satisfactory performance, for another year from 1 April 2020 until 31<sup>st</sup> March 2021.

### 1. WHY THIS REPORT IS NEEDED

#### INTRODUCTION

- 1.1 This report recommends the variation and extension of the current contract with the Alzheimer's Society for Dementia Support Services, which will otherwise end on 31 March 2019.
- 1.2 This report complies with the council's Contract Procedure Rules, and Article 10, Table B of Barnet Council's constitution, which requires a Chief Officer in consultation with Committee Chairman delegated powers report as authorisation for the extension and/or variation of a contract, which is within budget, where the value exceeds £181,301 per annum.
- 1.3 The proposed value of this contract will be £216,000 per annum in 2019/20 (year one of the extension period), and £218,000 per annum in 2020/21 (if the contract is extended for a further year subject to satisfactory performance).
- 1.4 Following a review of the available options, a decision was made to retain the contract with the Alzheimer's society with a reduction to the annual contract value, and extend it for up to a further two years, adopting proposals from the Alzheimer's society to reconfigure the service model to deliver improved performance and outcomes.

#### BACKGROUND

- 1.5 Barnet Alzheimer's Society was initially awarded the contract for dementia support services from 1 April 2014 to 31 March 2015, with the option to extend for a further year subject to review. On 21 July 2014, the Policy and Resources Committee agreed to extend the contract for one year to 31 March 2016.
- 1.6 The current contract award followed a competitive procurement process, which was authorised by the Procurement Forward Plan 2015 – 16 and the Policy and Resources Committee on 13 January 2015.
- 1.7 The procurement was OJEU compliant, conducted in line with the council's procurement procedures and overseen by a project board comprised of senior management and experienced operational members of staff.
- 1.8 The procurement was divided into two separate lots; however, this report pertains only to the contract award to the Alzheimer's society for Lot 1, the Dementia Support Services.

- 1.9 Despite initial expressions of interest from several organisations to the invitation to tender in 2015, only one bid was received by the closing date. This bid was from the Alzheimer's society, which was the incumbent provider at the time.
- 1.10 Nevertheless, the single tender was rigorously evaluated to provide a sound basis for contract award, to ensure good outcomes for service users, determine whether the contract was economically advantageous to the council whilst delivering value for money for tax payers.
- 1.11 There was a 4-stage evaluation process based on financial and quality criteria, and a subsequent clarification period, following which the project board recommended contract award to the Alzheimer's society.
- 1.12 The original contract award was for three years from 1 April 2016 to 31 March 2019 with the option of a two-year extension provided for in the Delegated Powers by Officer Report dated 29th January 2016.
- 1.13 The approved annual contract value was £316,977 per annum for 2016/17, £296,719 per annum for 2017/18 and £294,746 per annum for 2018/9. The total contract value over the three-year period was £950,931. The total contract value from 1<sup>st</sup> April 2016 to 31 March 2021 following negotiations with the Provider to reduce the annual contract value is £1,384,931.
- 1.14 The 2015 – 16 Annual Procurement Forward Plan approved a total 5-year contract value of £2.5m.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 This report proposes extending the existing contract with the Alzheimer's Society for the provision of dementia support services. This recommendation is based on a review of the contracts' performance to date and the subsequent contract negotiations, which have occurred with the provider to inform reconfiguring the service for the extension period (effective from 1<sup>st</sup> April 2019).
- 2.2 Dementia is a significant challenge for both health and social care with over 4,000 people within the borough estimated to have dementia. To ensure that resources were being utilised effectively, the Council reviewed its prevention and wellbeing contracts with service providers in December 2017, seeking opportunities to streamline and improve service delivery, and deliver savings whilst still meeting residents' needs. The findings of this review have helped inform reshaping of the service for the purpose of the extension period.
- 2.3 The review in 2017 of prevention and wellbeing contracts found that for this contract various service elements within the contract, particularly the CrISP and Day Opportunities was significantly lower than expected and that usage of the service did not reflect excellent value for money. The review also highlighted that there was an opportunity to deliver the Dementia Cafes being provided as part of the contract at nil cost; reducing the need for funded premises, as well as opportunities to maximise the use of volunteers to deliver self-facilitating peer support group to empower service users with a co-production focus. The

review also found that since the start of the contract, a wide range of alternative dementia community support had been established by other organisations within the borough including dementia cafes, dementia reading groups and dementia friendly cinema screenings.

- 2.4 The council prioritised the retention of the Dementia Advisor (DA) and Day Care elements of the Dementia Support Services contract when considering extension of the current contract based on performance to date. Therefore, the council asked the Provider to present proposals for delivering a more efficient service without compromising service quality, which would deliver improved outcomes and represent better value for money.
- 2.5 The variation to the current contract agreed has resulted in a reduction in the contract value for the extension period whilst mitigating any adverse impact on residents by ensuring that residents will continue to receive the same level of specialist, information, advice and community advice support.
- 2.6 These Dementia Community Support services support the council's Corporate Plan 2019-2024 and the Joint Health and Wellbeing Strategy 2015 – 2020.
- 2.7 Barnet Council and Barnet Clinical Commissioning Group are committed to supporting people with dementia to live a full and active life, enabling them to live at home for longer and ensuring that their carers are empowered and supported in their daily lives. The council commissions dementia support services focusing on early and timely diagnosis, improving information and supporting people with dementia and their carers in the early stages. The services focus on providing support in the community and comprise a Dementia Advisor Service, Dementia Day Opportunities Service and Carer Support, Dementia Cafés and Dementia-Specific Programmes for Carers.
- 2.8 The dementia support services are an important part of the Barnet Dementia Care Pathway, working together with the Memory Assessment Service run by Barnet, Enfield and Haringey Mental Health Trust. The dementia support services are a key component of the council's prevention and early intervention initiatives, forming important components of Tier 2 of the integrated health and social care model being implemented through the Barnet Better Care Fund Plan. The services also play a key role in implementing the Dementia Manifesto for Barnet.
- 2.9 The council's contract with the Alzheimer's society for the provision of dementia support services ends on 31 March 2019, and there is a need to ensure the continuation of services.
- 2.10 Retaining the contract with the Alzheimer's society is recommended because as the incumbent provider with several years' experience of delivering the service, they have developed strong links with key stakeholders to support adults with dementia and their carers including adult social care and the Memory Assessment Service delivered by Barnet, Enfield and Haringey Mental Health Trust (BEHMHT).
- 2.11 Furthermore, it was likely that another provider could not be commissioned in a timely fashion to avoid service disruption, since the contract was renegotiated in-year, with a reduction to the contract value, and bearing in mind that the original invitation to tender

attracted only one bid, which was from the Alzheimer's society (also the incumbent provider at the time),

- 2.12 Moreover, the council has comprehensively reviewed and clarified the performance-monitoring framework, and included robust and measurable key performance indicators to ensure improved service user outcomes.
- 2.13 Additionally, the Alzheimer's society has restructured the staffing resources deployed to deliver this contract, and will provide access for service users to the resources available from the national body.
- 2.14 Therefore, the proposed contract variation and extension will deliver value for money and significant social value.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Consideration was given to allowing the existing contract with the Alzheimer's society to end, and subsequently recommissioning the service through competitive procurement. However, this option is not recommended as the core service provision delivered via the current Provider through the Dementia Advisors and day care support service is good and the current contract allows further extension for up to two years. Therefore, the option to extend with variation to the current contract to enhance this provision of delivery via the current Provider and reduce the contract value was the preferred option.

### **4. POST DECISION IMPLEMENTATION**

- 4.1 The contract variation will be formalised by way of a deed of extension and variation prepared and issued by HB Law.
- 4.2 The provider will undertake actions including service user communications and service transition planning to ensure that the reconfigured services commence delivery from 1 April 2019. The Alzheimer's society has provided an exit plan to commissioners, and internal and external communications are ongoing.
- 4.3 To ensure that performance meets requirements set out in the performance framework, the council will monitor the contract. The performance framework has been reviewed and updated to align with the new service deliverables.
- 4.4 The council will consider the option to extend the contract for a further year in November 2019, which is 6 months post commencement of the initial one-year extension period. As stated within the contract, any extension would be subject to satisfactory performance as indicated by contract monitoring. If an agreement is reached to extend the contract for the second year, the decision would be made by December 2019 and the extension would be implemented from 01 April 2020.

### **5. IMPLICATIONS OF DECISION**

- 5.1 Corporate Priorities and Performance
  - 5.1.1 The dementia support services support the council's 2015 — 2020 Corporate Plan in relation to:

- Its vision of adult social care focused on personalised, integrated care with more residents supported to live in their own home.
- Its strategic objective of Barnet being a place where people are helped to help themselves, recognising that prevention is better than cure.
- Its objective for health and social care of making a step change in the council's approach to early intervention and prevention as a means of managing demand for services.
- The dementia support services form a key demand management initiative, reducing demand on other services by enabling individuals to keep well and live more independently. Early diagnosis, treatment and support for people with dementia allows them to continue to live good quality lives, An important factor affecting the ability of people with dementia to remain living in their own home is the availability of sound support in the community.
- The services support the Joint Health and Wellbeing Strategy 2015 - 2020 in its aims of helping people to keep well and promoting independence, aligning with the strategy's emphasis on prevention and early intervention. The strategy recognises the role of the dementia support services in meeting strategic priorities by providing early and timely diagnosis, improving information and supporting people with dementia and their carers in the early stages.
- The dementia support services are critical to implementing the Dementia Manifesto for Barnet, as approved by the Health and Wellbeing Board on 12 November 2015 and as cited within the Health and Wellbeing Strategy 2015 - 20.
- The services also support the delivery of the Corporate Plan for 2019 – 2024 goals of creating successful places, achieving great outcomes, delivering quality services and developing resilient communities, whilst prioritising its limited resources effectively.

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

**5.2.1 Finance**

5.2.2 The original contract was funded the Adults social care budget and the Better Care Fund. The funding for this contract variation and extension will come from the Adults social care budget.

5.2.3 The table below provides financial details of this contract. To summarise, if extended for the full two-year period (2019 – 2021), this contract variation will deliver total savings of £155,492 as shown in the table below.

	2016/17	2017/18	2018/19	3-year subtotal		2019/20	2020/21	2-year subtotal	5-year total
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Original annual contract value associated to the contract	£359,466	£296,719	£294,746	£950,931		£294,746	£294,746	£589,492	£1,540,423
Annual contract value following variations to the contract	£359,466	£296,719	£294,746	<b>£950,931</b>		£216,000	£218,000	<b>£434,000</b>	£1,384,931
SAVING	NA			SAVING (2019-2021)	£78,746	£76,746	<b>£155,492</b>		

5.2.4 The table below provides a summary of the contract value in 2019/20 and 2020/21:

Year	2019/20	2020/21	2-year subtotal
Annual contract value	<b>£216,000</b>	<b>£218,000</b>	<b>£434,000</b>

### 5.3 Value for money

- 5.3.1 The contract provides value for money by maintaining a high level of service delivery despite the reduced contract value. This has been accomplished by retaining the Dementia Advisor and Day Care services as core delivery elements, whilst also enhancing the Dementia Advisor service to deliver enablement and outreach, dementia specific training to local organisations, and deliver a minimum of two dementia-themed events per year.
- 5.3.2 Dementia Advisors will support the development of self-facilitating carer and service user support groups, and carers will continue to access information and advice through Dementia Advisors and Day Care service.
- 5.3.3 Trained volunteers will support the delivery of both core service elements, which bolsters service capacity.
- 5.3.4 Service users and carers will be supported to access other dementia cafes and prevention and wellbeing services available within the borough.
- 5.3.5 The variation to the contract will have no adverse financial impact on the adult social care budget and will not result in shifting demand to adult social care.

## 5.4 Social Value

- 5.4.1 The Alzheimer's society will maintain its services at the Dementia Hub, where the Day Care service is based.
- 5.4.2 The contract will deliver significant social value through progressing work on developing Barnet as a dementia friendly community, including by collaborating with the Dementia Action Alliance, and other voluntary and community sector (VCS) organisations.
- 5.4.3 The Alzheimer's society as a leading VCS provider of dementia services will also provide expertise and access to additional resources for people with dementia and their carers, through its national body.

## 5.5 Procurement

- 5.5.1 The council's Contract Procedure Rules (CPR) have been adhered to, authorisation of the original and current contract award was obtained through the Annual Procurement Forward Plans for 2014-15 and 2015-16, which were approved by Policy and Resources Committee on 21 July 2014 (CPR 7.1), and on 13 January 2015 respectively.

## 5.6 Legal and Constitutional References

- 5.6.1 The Contract allows for an extension. Clause 5.2 of the current Contract states The Council shall have the option to extend the contract by a period or periods up to two years from the Expiry Date (the "Extension Period") at the full discretion of the Council. The Expiry Date is 31 March 2019.
- 5.6.2 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 financial limits.
- 5.6.3 As the total contract value, including the extension and variation is greater than £500,000 and within budget, acceptance is by the Relevant Thematic Committee.
- 5.6.4 Clause 7.2 of the Contract states any variation to this Contract, including variations to the specifications shall be of no effect unless agreed in writing and signed by the Parties.
- 5.6.5 The deed of variation and extension to the contract will be prepared and executed by HB Public Law.



## 5.7 Risk Management

- 5.7.1 This contract extension and variation mitigates the risk of the significant and growing number of people with dementia in Barnet and their carers not receiving the support they need. The services work towards meeting the need for greater and earlier social care, and mitigate the risk of vulnerable older people at home having a poor quality of life. The services support people to remain at home in the community for longer and delay admission to residential care.
- 5.7.2 The contract will be monitored within the council's contract management framework. A performance framework will be agreed prior to service commencement based on performance and outcome measures included in the service specification.
- 5.7.3 Payments will be made in accordance with usual contract management procedures and subject to performance and outcome monitoring.
- 5.7.4 The Alzheimer's society has presented an exit plan to commissioners, detailing its strategy for transitioning service users to alternative provisions within the borough, and communicating key service changes to stakeholders. The council's delivery unit is working with the Alzheimer's society to ensure that any impact on service users is minimised.
- 5.7.5 Any other risks arising will be monitored and managed through the council's established processes and pathways.

## 5.8 Equalities and Diversity

- 5.8.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:
- 5.8.1.1 Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010; advance equality of opportunity between people from different groups; and foster good relations between people from different groups.
  - 5.8.1.2 The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion and belief, sex and sexual orientation.
- 5.8.2 An Equalities Impact Assessment has been conducted on the procurement of the dementia support services. This shows a positive impact for residents and service users.
- 5.8.3 The contract for the services will include explicit requirements fully covering the council's duties under equalities legislation, and requiring the dementia support services are compliant with the 2010 Equality Act.

## 5.9 Consultation and Engagement

- 5.9.1 The provider will undertake communication activities as part of the extension of contract, to inform service users of the changes to the services. The Provider has supported users to transition to other services where needed and has worked with partners to take over delivering elements of their service which they are no longer managing such as the dementia cafes.
- 5.9.2 The provider will continue to promote their service to residents, professionals and relevant organisations and will promote the wider support offer for adults with dementia and their carers. .
- 5.9.3 The Council's Joint Commissioning Unit has presented the service changes to the Adults and Communities Senior Management Team, and circulated a document detailing the changes to key stakeholders.
- 5.9.4 The council will undertake other consultation and engagement activity in line with their existing channels and protocols

## 5.10 Corporate Parenting

- 5.10.1 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 regards to the corporate parenting obligations of the council.

## 5.11 Insight

- 5.11.1 The proposed model of delivery provides an opportunity for the council to ensure that the Dementia Support Services meet the needs of Barnet residents with dementia and their carers, and that Barnet progressively becomes a dementia-friendly borough, in line with the identified needs within the council's strategic objectives.

## 6. BACKGROUND PAPERS

- 6.1 Policy and resources committee; 13 January 2015: Procurement Forward Plan 2015/16 – Recommendation “That approval be given to officers to proceed with procurement activity as set out in the Procurement Forward Plan 2015/16 - <http://barnet.moderngov.co.uk/mgConvert2PDF.aspx?ID=20193&ISATT=1#search=%22procurement%20forward%20plan%202015%22>
- 6.2 Annual Procurement Forward Plan 2015-16: Line 1 (Adults) <http://barnet.moderngov.co.uk/mgConvert2PDF.aspx?ID=20197&ISATT=1#search=%22procurement%20forward%20plan%202015%22>
- 6.3 Cabinet Members for Adults decision on 10 April 2013 to award contract for prevention services to the Alzheimer's Society for one year from April 2013 to March 2014, with the

option to extend for a further year:

<http://committeepapers.barnet.gov.uk/ieDecisionDetails.aspx?ID=5228>

- 6.4 Minutes of Policy and Resources Committee meeting 21 July 2014 at which there was agreement to: extend the contract for prevention services with the Alzheimer's Society to 31 March 2016 authorise the procurement of dementia support services through competitive tender  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7860&V>
- 6.5 Minutes of Health and Wellbeing Board meeting 29 January 2015 at which it was resolved to ratify the Barnet Better Care Fund Plan  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=177&MId=7784&Ver=4>
- 6.6 Minutes of Health and Wellbeing Board meeting 12 November 2015 at which the Joint Health and Wellbeing Strategy 2015 2020 and the Dementia Manifesto for Barnet were approved: <http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=177&MId=8387&V>
- 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](https://www.barnet.gov.uk/sites/default/files/corporate_plan_-_barnet_2024.pdf)

Chairman:

Has been consulted

Signed: Chairman of the Adults and Safeguarding Committee

Date: 5 April 2019

Chief Officer:

Decision maker having taken into account the views of the Chairman

Signed: Director of Adults and Communities

Date: 5 April 2019