



INTEGRATION JOINT BOARD

NOT FOR PUBLICATION – This report contains exempt information as described in paragraph 6 (Information relating to the financial or business affairs of any particular person (other than the authority)) and paragraph 9 (Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services) of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973, enacted by the Local Government (Access to Information) Act 1985. This is applied in this case because, in view of the nature of the business to be transacted or in the nature of the proceedings, if members of the public were present, there would be disclosure to them of exempt information as defined in the Schedule.

Not exempt: Covering report, Appendix A1

Exempt: Appendix A, Appendices B to I

Date of Meeting	25 January 2022 (moved to 10/03/2022)
Report Title	Annual Procurement Plan
Report Number	HSCP.21.128
Lead Officer	Sandra MacLeod, Chief Officer AHSCP
Report Author Details	Name: Neil Stephenson Job Title: Strategic Procurement Manager Email Address: NeStephenson@aberdeencity.gov.uk Phone Number: 07766 133528
Consultation Checklist Completed	Yes
Directions Required	Yes
Appendices	Non-Exempt: Appendix A1 - Annual Work Plan for 2022/23 Exempt: Appendix A - Annual Work Plan for 2022/23 Appendices B to H – Procurement Business Cases Appendix I – Direction to Aberdeen City Council



INTEGRATION JOINT BOARD

1. Purpose of the Report

- 1.1. The purpose of this report is to present the Annual Procurement Work Plan for 2022/23 for expenditure on social care services, together with the associated procurement Business Cases, for approval.

2. Recommendations

- 2.1. It is recommended that the Integration Joint Board:

- a) Approves the extension for 1 year, of 24 National Care Home Contracts for residential services for older people, as is detailed in Appendices A1 and B,
- b) Approves the extension of 1 contract for residential service for 1 year as is detailed in Appendices A1 and C,
- c) Approves the extension for 2 years, of 3 contracts for suicide prevention services as is detailed in Appendices A1 and D,
- d) Approves the Direct Award, for a period of 3 years of 6 contracts for learning disability residential services, as is detailed in Appendices A1 and E,
- e) Approves the extension for 1 year, of a contract for dementia services as is detailed in Appendices A1 and F,
- f) Approves the Direct Award, for a period of 3 years of 1 contract for substance misuse services at Wernham House, as is detailed in Appendices A1 and G.
- g) Approves the Direct Award, for a period of four years of contracts to seven Training & Skills Development Services, and the extension of two contracts for one-year in relation to registered day care services as is detailed in Appendices A1 and H.
- h) Makes the Direction, as attached at Appendix I and instructs the Chief Officer to issue the Direction to Aberdeen City Council.
- i) Notes the update to Individual Out of Area Placements at 3.6



INTEGRATION JOINT BOARD

3. Summary of Key Information

- 3.1. The Integration Joint Board (IJB) directs Aberdeen City Council (ACC) to purchase and enter into contracts with suppliers for the provision of services in relation to functions for which it has responsibility. ACC procures services through the Commercial and Procurement Shared Service (CPSS) in accordance with ACC's Scheme of Governance.
- 3.2. ACC Powers Delegated to Officers includes, at delegation 1 of section 7, that the Chief Officer of the Aberdeen City Integration Joint Board (also referred to and known as the Chief Officer of the Aberdeen City Health and Social Care Partnership (ACHSCP)) has delegated authority to facilitate and implement Directions issued to ACC from the IJB, on the instruction of the Chief Executive of ACC and in accordance with the ACC Procurement Regulations.
- 3.3. These Regulations require the submission of an annual procurement work plan prior to the commencement of each financial year detailing all contracts to be procured in the coming year with a value of £50,000 or more, to relevant Boards/Committees. In the case of adult social care services, this is the IJB. The Regulations also require that procurement business cases to support items on the work plan are brought to the IJB prior to any tender being undertaken or contract awarded directly. Although the intention is that all procurement should be planned in advance, there may be occasions where this is not possible and supplementary work plans and/or business cases may be required.
- 3.4. This report presents the 2022/23 annual work plan. Supporting procurement business cases are attached at Appendices B to H. The work plan comprises seven (7) items, including the extension of several contracts to provide continuity of care for service users, the extension of services for residents at Wernham House to allow a period for transitioning to a new build, and extensions for three suicide prevention services.

Each entry on the work plan describes a contract or grouping of contracts that are due to expire in the coming financial year, together with the



INTEGRATION JOINT BOARD

aggregated value of these over the defined period of time. For example, there is one entry relating to all the contracts for residential care homes for older people, rather than multiple entries. The value of the contracts is made up of the cost of all of the individual placements in residential care establishments, or the cost of all the individual care and/or support arrangements in the case of non-residential or community-based services.

With the country remaining in the grasp of a pandemic, this has had a considerable effect on service review and development for services coming to an end. The intention was to consider all expiring contracts with detailed and extensive partnership working with all relevant people to redesign and redevelop to meet strategic direction. However, with the Partnership's focus on ensuring the safety and wellbeing of service users and staff, there has simply not been the time nor opportunity in these exceptional times to work together with service providers and those with lived experience in any meaningful consultation processes and service redesigning in a number of areas. Following consultation with service leads and managers, the Strategic Commissioning and Procurement Board (SCPB), along with the Chief Finance Officer determined that a number of services should be extended, and contracts directly awarded to a) ensure continuity during vulnerable times; b) maintain the service's focus on managing a pandemic; and c) manage resources to ensure service user safety and wellbeing. The SCPB has a detailed work plan and is confident that further extensions/direct awards for the services detailed in the business cases will not be required beyond their new end dates. The SCPB and service can give the reassurance to the IJB that there are continued connections with the providers and that on the whole we are content with the services they are currently offering, and will continue to work in partnership until we take the time to review

- 3.5.** Training & Skills Development services. Despite considerable efforts from the project group, work has not been finalised on the refresh of the current training and skills development services. The twenty-six collaborative contracts for the provision of training and skills development services subsist until 30 June 2022. Aberdeen City Council are the counterparty to contracts linked to nine services within Aberdeen and also purchase from services located in Aberdeenshire. ACHSCP have engaged with providers of training and skills development services to co-produce a Market Position Statement



INTEGRATION JOINT BOARD

for the provision of these services from 2022 to 2026. This activity has been supported by joint working with Aberdeenshire Health and Social Care Partnership and responds to the agreed outcomes of the local strategies. A flexible, responsive, and progressive model is anticipated, and the changes required to support a shift to this model are identified in the Market Position Statement, as are the measures to evaluate the effectiveness of the new model. The Market Position Statement will help to inform the service specification for the requirement and also the performance indicators; but the procurement strategy and route to market has yet to be agreed. It is anticipated however, that collaborative contract styles will continue to be relevant. An indication of the funding involved has been included in the procurement plan for information. Once the work has been completed, a supplementary work plan will be submitted to the IJB for approval.

*Addendum 3.5

Further developments in the calendar year include the completion of review and market engagement activity and the publication by the Aberdeen City Health and Social Care Partnership of the co-produced Market Position Statement that informs its strategic commissioning intentions. The engagement has also assisted in the development of performance measures to assess the impact of spend and that seek to capture the lived experience of individuals using services alongside numerical data about activity. It is anticipated that the outputs of the Market Position Statement will inform the service specification in order to develop a progressive model of support, embedded in local communities, that will effectively meet outcomes. Option appraisal to inform a procurement strategy was undertaken in January. To mitigate against the risks of a competitive tendering process in this immature and non-homogenous market a direct award process is recommended in the business case included as an additional item in the workplan. This commissioning approach is consistent with Scottish Procurement Policy advice on the commissioning and procurement of social care services during the transition toward a National Care Service for Scotland. The direct award of contracts is compliant with the ACC Procurement Regulations; and responds to Feeley's 'collaborative, participative and ethical commissioning framework for adult social care services...squarely focused on achieving better outcomes for people using these services and improving the experience of the staff delivering them'. In light of the work and



INTEGRATION JOINT BOARD

developments, we are ready to seek approval for the direct award of contracts to seven Training & Skills Development Services to subsist for four years, and the extension of two contracts for one year until 31 March 2023 in relation to registered day care services.

- 3.6.** Out of Area Individual Placements. There are five (5) contracts for individual out of area placements which will expire in 2022. It is anticipated that direct awards will be made for these placements for a further three (3) years from 1 April 2022 to 31 March 2025. Approval for these placements will be sought from the Chief Officer¹

- 3.7.** Links with Strategic Commissioning

The procurement of works, goods and services is driven by strategic commissioning intentions. The ACHSCP has established a Strategic Commissioning and Procurement Board (SCPB) to create a clearer link between the programmes of work, the associated budgets, and the procurement work plan, in line with the Commissioning Cycle. Throughout the year, the SCPB has considered the items on this Annual Procurement Work Plan and determined that the services are required to support the delivery of strategic intentions.

4. Implications for IJB

- 4.1. Equalities, Fairer Scotland and Health Inequalities** - An equality impact assessment is not required at this point because the report is simply for the IJB to approve a work plan and does not have a differential impact on any of the protected characteristics. The recommendations in this report will have a positive impact on service users and the wider community. As noted in 3.4 (paragraph 3), we are looking for approval to direct award/extend some existing contracts where work has not been concluded in terms of service redesign/redevelopment. We are reviewing these contracts in a wider strategic context including the need for impact assessments. For example, an impact assessment has been carried out for Business Cases C & E as part of the redesign work and will continue to be developed as the work progresses. All further reviews will include impact assessments.

¹ In accordance with Clause 15.4.2 of the Aberdeen City Council Procurement Regulations



INTEGRATION JOINT BOARD

- 4.2. Financial** - In estimating the contract values, we have assumed no change in demand for services, and have allowed for 5% uplift for 2022/23 to accommodate an annual national increase. Where applicable, contract values include the winter social care staff pay uplifts. The national negotiation on the National Care Home Contract (care homes for older people) has not yet concluded so the final outcome is not known; 5% uplift has been allowed for.
- 4.3. Workforce** - There are no specific implications for the Council's or Partnership's workforce arising from this report.
- 4.4. Legal** - The procurement of care and support services is a complex area, it is given special consideration under procurement legislation, with specific statutory guidance and best practice guidance issued by The Scottish Government. Because of this special consideration, there is a discrete team within the CPSS to support and manage the commissioning, procurement and contract management of care and support services, and the Work Plan for these services is presented separately to other reports
- 4.5. Covid-19** – There are no specific implications linked to Covid-19 arising from the recommendations in this report.
- 4.6. Other** - none

5. Links to ACHSCP Strategic Plan

This report links to Strategic Aim 3 Personalisation “Ensuring that the right care is provided in the right place and at the right time when people are in need”. It also links to Enabler 7.2, Principled Commissioning, and the commitment that all commissioned services enhance the quality of life for people and their carers.

6. Management of Risk

6.1. Identified risks(s)

There is a risk that the IJB does not get assurance and accountability for all the money that it spends on services provided by external bodies.





INTEGRATION JOINT BOARD

6.2. Link to risks on strategic or operational risk register:

These proposals are linked to Risk 2 on the Strategic Risk Register “There is a risk of IJB financial failure and projecting an overspend, due to demand outstripping available budget, which would impact on the IJB’s ability to deliver on its strategic plan (including statutory work).”

6.3. How might the content of this report impact or mitigate these risks:

By maintaining formal contractual arrangements and robust processes to monitor contracts with external organisations the IJB has assurance not only that it is getting best value but also that this expenditure is aligned to their strategic priorities and is reviewed regularly.

Approvals	
	Sandra Macleod (Chief Officer)
	Alex Stephen (Chief Finance Officer)