



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NOT FOR PUBLICATION – This report contains exempt information as described in paragraph 6 (Information relating to the financial or business affairs of any particular person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 C to N

Date of Meeting	31 January 2023
Report Title	Annual Procurement Work Plan (Social Care)
Report Number	HSCP23.002
Lead Officer	Sandra MacLeod, Chief Officer AHSCP
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Consultation Checklist Completed	Yes
Directions Required	Yes
Appendices	Non-Exempt: Appendix A1 - Annual Work Plan for 2023/24 Exempt: Appendix A - Annual Work Plan for 2023/24 Appendices C to N – Procurement Business Cases Appendix B – Direction to Aberdeen City Council



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1. Purpose of the Report

- 1.1. The purpose of this report is to present the Annual Procurement Work Plan for 2023/24 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 Direct Award, for a period of 5 years of a contract for a physical disability residential service, as is detailed in Appendices A1 and C,
- b) Approves the Direct Award, for a period of 5 years of a contract for a learning disability residential service, as is detailed in Appendices A1 and D,
- c) Approves the Direct Award, for a period of 4 years of a contract for a day service for young adults, as is detailed in Appendices A1 and E,
- d) Approves the extension for 6 months to the existing contract, and approves the recommendation to go out to tender for the provision of dementia advice and support services as is detailed in Appendices A1 and F,
- e) Approves the extension for 1 year to the existing contract, and approves the recommendation to go out to tender for the provision of care at home and housing support services as is detailed in Appendices A1 and G,
- f) Approves the extension for 1 year, of 25 National Care Home Contracts (NCHC) for residential services for older people, as is detailed in Appendices A1 and H
- g) Approves the Direct Award, for a period of 5 years of a contract for a supported living service, as is detailed in Appendices A1 and I
- h) Approves the Direct Award, for a period of 3 years of a contract for a Huntingtin's disease advice and support service, as is detailed in Appendices A1 and J



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- i) Approves the additional expenditure on the framework agreement for Adult Supported Living Services that commenced 01/09/2020, as detailed in Appendices A1 and K
- j) Approves the Direct Award, for a period of 5 years of a contract for a residential service for adults with neurodisabilities, as is detailed in Appendices A1 and L
- k) Approves the Direct Award of two care at home and housing support services contracts to one provider, for a period of three years, as is detailed in Appendices A1 and M
- l) Approves the recommissioning of the Pre-Paid Card Service and subsequent award of a 3-year contract with the option to extend by up to a further 2 years, as is detailed in Appendices A1 and N
- m) Makes the Direction, as attached at Appendix B and instructs the Chief Officer to issue the Direction to Aberdeen City Council.
- n) Notes the update to Individual Out of Area Placements at 3.8 and notes potential supplementary work plans at 3.4

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 by Aberdeen City Council 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



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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, 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 2023/24 annual work plan. Supporting procurement business cases are attached at Appendices C to N. The work plan comprises twelve (12) items, including the direct award of several contracts to provide continuity of care for service users, the extension of services for where ethical commissioning work is ongoing, and the annual NCHC extension. As noted in 3.3 regarding supplementary work plans, it is anticipated that we will submit up to two of these work plans containing up to five business cases (in total) within 2023. At this point, the service is not ready to proceed in terms of strategic direction and a suitable level of rigorous consultation. When the service is ready to proceed, and has budgetary confirmation, every intention will be to present the business cases at the IJB of March 2023.
- 3.5.** 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 aggregated value of these over the defined period. 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 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.
- 3.6.** With the country still managing the impact of the pandemic, there has been a considerable effect on service review and development for services and contracts coming to an end. Following consultation with service leads and managers, the Strategic Commissioning and Procurement Board (SCPB), along with the Chief Finance Officer, it is recommended 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.

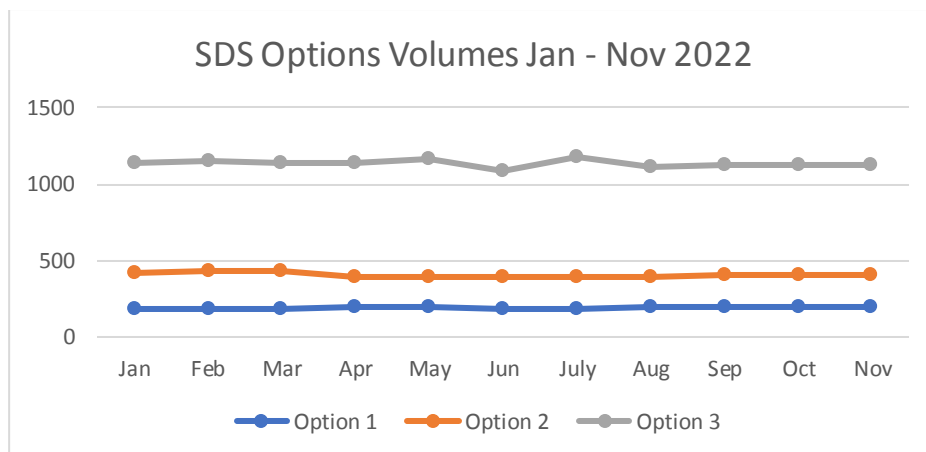


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- 3.7. The Self-directed Support PPC Business case seeks approval for the recommissioning of this provision given that the current contract expires in July 2023.

Self-Directed Support underpins the delivery of social care for adults and children. To facilitate these arrangements, the Social Care (Self-directed Support) (Scotland) Act in 2013 outlines four practical options that individuals or their legal representatives can choose from, including:

- Option 1 – Direct Payments
- Option 2 – Directing Your Support
- Option 3 – Local Authority Arranged Support
- Option 4 – Mix and Match



Option 1 offers individuals the greatest choice and control over their care delivery arrangements but also requires the greatest involvement from them. There tends to be little movement in option 1 volumes as individuals or their families believe that selecting a direct payment will provide them with more personalised benefits. Choosing an option 2 provider to meet needs and fulfil outcomes is dependent on provider capacity and also their responsiveness and flexibility towards individuals. Dissatisfaction with an option 2 provider can result in a different provider being chosen or a different option altogether being selected. Choosing option 3, the local authority care delivery arrangements (GCC), requires less involvement from the individual than the other options. Commissioning decisions will have a direct influence on option 3 provider capacity and this, together with service responsiveness can



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determine whether individuals remain an option 3 client or whether another option is chosen by them. It is possible for individuals to choose two or more options depending on their assessed needs and the outcomes that they wish to fulfil however data issues prevents us from reporting this option 4 figure accurately.

As of 1st December 2022, 196 individuals were in receipt of a Direct Payment and of these, 170 were choosing to use a pre-paid card to manage their monies. The use of a Direct Payment can be linked to all of the IJB's strategic aims and pre-paid cards in particular can be aligned with the 'Technology' enabling priority as they help individuals to manage their Direct Payments more effectively and purchase the goods or services that will meet their assessed needs and fulfil agreed outcomes.

- 3.8.** Out of Area or Cross Border Individual Placements. Residential: There are five (5) contracts for individual out of area placements which will expire in 2023. It is anticipated that direct awards will be made for these placements for a further three (3) years from 1 April 2023. Non-Residential: There are seven (7) contracts for individual out of area supported living placements which will expire in 2023. It is anticipated that direct awards will be made for these placements for a further five (5) years from 1 April 2023 to 31 March 2028. Approval for these placements will be sought from the Chief Officer.¹
- 3.9.** Whilst this expenditure signifies an additional investment, the risks of not making this investment reduce the ACHSCP's opportunity to continue to offer the highest quality services and, subsequently, the achievement of outcomes for individuals.
- 3.10.** Links with Strategic Commissioning

The procurement of works, goods and services is driven by strategic aims. 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 and outcomes, in line with the Commissioning Cycle. Throughout the year, the SCPB has

¹ In accordance with Clause 15.5.2 of the Aberdeen City Council Procurement Regulations



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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** - As noted in the Business Cases, Health Inequalities Impact Assessment (HIIA) are being carried out by review teams as part of wider estate reviews or have been completed. There are no specific equality or health implications from this report. Nor is there any direct implication for our Fairer Scotland Duty.
- 4.2. **Financial** - In estimating the contract values, we have assumed no change in demand for services, and have allowed between 3% and 5% uplifts for 2023/24 to accommodate an annual national increase including the Real Living Wage (RLW). Uplifts have been applied to some business cases over each future year. The national negotiation on the NCHC has not yet concluded so the final outcome is not known; 5% uplift has been allowed for. The initial value of these contracts' forms part of the recurring base budget of the IJB and the uplift percentages have been taken into account when calculating future budget requirements within the Medium Term Financial Framework
- 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. In respect to direct awards, the IJB will need to weigh the risk between strictly following procurement regulations against a person's human rights and their right to choose, along with the practicalities of property ownership where services are offered and the unique nature of some contracts where there is only one provider being available to provide the support. Each Business Case has



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been considered and no risk significant enough to warrant a halt to proceeding has been identified.

4.6 Covid-19 – There are no specific implications linked to Covid-19 arising from the recommendations in this report.

4.7 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.

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.