


## PROCUREMENT BUSINESS CASE

 <b>ABERDEEN</b> <small>CITY COUNCIL</small>	For proposed procurements where the total estimated expenditure exceeds £50,000 (supplies/services) or £250,000 (works)
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<b>Procurement / Contract Title and start date</b>	Grant funding for Voluntary organisations, 1 <sup>st</sup> April 2025		
<b>Procurement Ref No.</b>	TBC		
<b>Current contract in place?</b>	Yes. There is currently an agreement in place for the above service until 31 <sup>st</sup> March 2025		
<b>Function</b>	Aberdeen City Health and Social Care Partnership (ACHSCP)	<b>Cluster</b>	Social Care Commissioning
<b>Lead Officer</b>	Shona Omand-Smith, Commissioning Lead, Aberdeen City Health & Social Care Partnership (ACH&SCP)	<b>Date prepared:</b>	3 <sup>rd</sup> March 2025
<b>Business Case Author</b>	Shona Omand-Smith, Commissioning Lead		

### 1. Recommendation

A request is made to Aberdeen City Integration Joint Board (IJB) to approve three year grant funding with up to 3% annual inflationary uplifts.

It is recommended that the IJB:

- a. approves the expenditure of up to £1,354,252 to provide grant funding to four counselling services, THiNC Transport and Aberdeen Council of Voluntary Organisations (ACVO) as detailed in the directions in appendix C.
- b. agrees to no longer provide grant funding to Scottish Care,
- c. makes the direction as attached at appendix C and instructs the Chief Officer to issue the direction to Aberdeen City Council (ACC) to award the grant for the services.

Grant funding arrangements have been in place for several years for four counselling services, a transport service and booking service, ACVO and Grampian Society for the blind.

There is increased need for counselling services across the city due to the increasing pressure on individuals and families owing to, in part, the increase in the cost of living. These services have been identified as essential front line services and require grant funding to ensure that the service they provide can be maintained and delivered to the people who need support. Some of the people these services support are some of the most vulnerable people in the city.

Transport to Healthcare Information Centre (THiNC) provide a booking service for over 400 journeys to enable people who would otherwise not be able to attend health and social care appointments. This

is due, mainly, to their disabilities. With a reduction in disability accessible taxis there is even more demand on the Dial-a-bus service.

ACVO's are the third sector interface for Aberdeen City's voluntary organisations. Their strategic aims outline their commitment to championing the voices of the third sector, building organisational resilience and promoting sustainable practices across the city. These aims are closely aligned to the refreshed Vision and Values of the HSCP as detailed in the, at time of writing, yet to be approved, Strategic Plan for 2025-2029. The proposed ACHSCP vision is to '*empower communities to achieve fulfilling and healthy lives*' with our values detailing how we will deliver on the vision of taking a HOPE approach, *Honesty, Empathy, Respect and Equity*. The strategic aims and priorities of ACHSCP which detail two strategic aims: *Shifting our focus towards prevention and early intervention and the Modernising the approach to service delivery*. ACVO will be a key partner in driving the strategic priorities and ensuring that third sector are engaged at all levels of the delivery of the strategic priorities, aims, visions and work with the HSCP to uphold their values.

The money provided by IJB, over the period from April 2023 until March 2025, was to enable Scottish Care to support the further development and embedding of Integration between the independent sector and ACHSCP, this work has now concluded so the funding is no longer required. Scottish Care is a membership organisation and as such have an elected board member to represent the members voices. This support and representation of the sector will be maintained through their membership arrangements.

It is therefore proposed that the following awards are approved for the next three years:

<b>Provider/ service</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
ACIS	167,164	172,179	177,344
Avenue Confidential	16,083	16,566	17,063
Grampian Rape Crisis	16,391	16,883	17,390
Cairns Counselling	29,115	29,988	30,888
THInC booking service	28,723	29,584	30,472
Buchan Dial-a-bus	79,568	81,955	84,413
ACVO	87,418	90,041	92,742
Grampian Society for the Blind	13,679	14,090	14,513
<b>Total</b>	<b>438,141</b>	<b>451,286</b>	<b>464,825</b>
<b>Total value for 3 years</b>			<b>1,354,252</b>

**Compare significantly:**

Is the spend from a national or regional framework and if not, what is the justification for the spend to be off contract?

There is no national or regional framework from which services can be purchased.

There is evidence from the current use of these services that there is a real and growing need for these services to continue through grant funding.

<p><u>Gateway 2:</u> Is this spend connected with an identified budget option/service redesign? If not what is the justification for the contract?</p>	<p>The budget for THinC and Buchan Dial-a-bus is aligned to the Strategy &amp; Transformation team (budget code S57314 6111) and the budget for counselling grants (ACIS, Avenue, Grampian Rape Crisis and Cairns Counselling is aligned to the Directorate (budget code S64190 and account codes 65111 and 68166). The grant budget for ACVO is sitting in the Directorate (budget code S64190 68166) The budget aligned to Grampian Society for the blind is (budget code S58410 and account code 68166).</p> <p>There is ongoing work to explore how counselling services could operate in a more joined up way to reduce costs and promote efficiencies to ensure best value.</p>
<p><u>Gateway 3:</u> Does the spend support outcomes associated with the LOIP and/or the Council's associated commissioning intentions?</p>	<p>The services delivered under these contracts relate directly to the following:</p> <p>LOIP Key Driver 11.1: "Supporting vulnerable and disadvantaged people, families, and groups.</p> <p>ACH&amp;SCP Strategic Plan 2025-2029</p> <p>Personalisation: Provide the right care in the right place at the right time</p>
<p><u>Gateway 4:</u> Have officers concluded all processes to avoid the demand associated with the external spend?</p>	<p>All processes have been concluded and there is a will to continue with this grant funding.</p> <p>One of the main strategic objectives of the ACHSCP is to increase the proportion of the total care and support commissioned by the ACHSCP to be delivered in the community rather than hospitals and other secondary care settings (Shifting the Balance of Care).</p>
<p><u>Gateway 5:</u> Are the performance measures to assess the impact of the associated external spend robust and appropriate?</p>	<p>Annual income and expenditure accounts, and a recent statement of cash balance will be made available and will be approved by a person independent of the day-to-day operational running of the organisation.</p> <p>Scheduled progress reports and meetings will be held with each provider and a member of the Social Care Contracts team to measure the performance and progress of the programmes of work.</p> <p>An annual report will be submitted detailing the measurements against the performance which will be presented to the Strategic Commissioning and Procurement Board in 2026.</p>
<p><u>Gateway 6:</u> Are the managerial and governance reporting arrangements against these performance measures robust and appropriate?</p>	<p>There is a formal annual review of the services, which will entail a review of progress against each of the key milestones and how this will be delivered over in the coming three months.</p> <p>There are scheduled meetings between the providers and the social care contracts team as well as an annual report which is presented to the Strategic Commissioning and Procurement Board.</p>
<p><b>2. Risk</b></p>	
<p>What risks are associated with this procurement?</p>	<p>Not proceeding with these grants would mean that those currently being supported by the service would lose provision and the ACHSCP would be at risk of not being able to meet strategic outcomes, in particular:</p> <ul style="list-style-type: none"> <li>• Explore opportunities for working with those on waiting lists to help support them while they wait, or divert them from the list</li> <li>• Develop and implement a volunteer protocol and pathway with a view to growing and valuing volunteering within the health and social care system</li> <li>• Continue to support initiatives supporting staff health and wellbeing</li> </ul>

	<ul style="list-style-type: none"> <li>Seek to expand the use of Technology Enabled Care (TEC) throughout Aberdeen</li> </ul>
<b>3. Consultation</b>	
	There will be consultation with people who use the services as part of the ongoing support and management of the grants as per Following the Public Pound guidance on managing grants.
<b>4. Legal</b>	
Does the proposal comply with all relevant legal provisions?	<p>The provision of a grant to these providers will enable them to further develop the aims of their organisations in supporting the sector to grow and engage in specific pieces of work in line with the ACHSCP Strategic plan.</p> <p>The following is from Aberdeen City Council's Procurement Regulations (June 2023):</p> <p><b>8.3 Grants</b></p> <p>8.3.1 The award of grants is a means by which the Council provides subsidies or funding to external bodies (including individuals, businesses and third sector organisations) to further the aims of those external bodies. Grants must not be used to procure supplies, services, or works which the Council would otherwise have to procure in accordance with these Procurement Regulations.</p> <p>8.3.2 Whilst an award of a grant by the Council may not be subject to these Procurement Regulations, it is essential that the Council's procedures on Following the Public Pound are considered.</p> <p>8.3.4 Purchase of supplies, services, or works in relation to grant funding awarded to the Council will be carried out in accordance with the provisions within these Procurement Regulations, as per the values within Regulation 4.1.</p> <p><b>4.1.1.5 Expenditure Approved by the Integrated Joint Board</b></p> <p>Notwithstanding Procurement Regulation 4.1.1.2, the Director of Commissioning can approve (or nominate a person as having authority to approve) any procurement or contract, as a result of a Direction from the Integration Joint Board to the Council and/or a relevant business case, where the Contract Value of the contract is above £50,000 (supplies/services) or £250,000 (works) or £4.5m (concessions), subject to the approval of the Chief Officer – Finance and the Head of Commercial and Procurement without the need for the approval of any other Committee</p>
<b>5. Finance</b>	
Budget including all revenue and on costs	Agreed contract value
Budget Type	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital <input type="checkbox"/> Common Good
Budget Code(s)	S57314 65111 S64190 65111
Estimated Spend	£1,362,904
Reviewed by	Finance Officer:
Is budget sufficient for procurement?	Yes

6. Governance	
Health Inequalities Impact Assessment (HIIA)	Impact assessment ongoing by Service (ACHSCP)
Approved by Director / Chief Officer	Name: Fiona Mitchelhill Date: 06/03/2025
Approved by Legal:	Name: Jess Anderson & Stephen Inglis Date: 06/03/2025
Approved by Finance:	Name: Amy McDonald Date: 07/03/2025
Approved by Commercial and Procurement:	Name: Neil Stephenson Date: 10/03/2025
Discussed at Strategic Commissioning Programme Board	Date: No SCPB meeting has been held within the timeframe of the completion of this report
Presented to IJB:	Date: 18/03/2025