

## ABERDEEN CITY COUNCIL

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COMMITTEE	Finance & Resources	DATE 28 <sup>th</sup> January 2010
DIRECTOR	Fred McBride	
TITLE OF REPORT	Tendering for ACC Services	
REPORT NUMBER:	SCW/10/009	

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### 1. PURPOSE OF REPORT

This report provides further information on the proposal to explore the potential for tendering some of our current in-house services thereby making savings from the Social Care and Wellbeing budget.

### 2. RECOMMENDATION(S)

It is recommended that the Committee:

2.1 Note the contents of this report and

2.2 Asks that the Director of Social Care and Wellbeing bring forward a report detailing an individual unit that would have the potential for re-tendering in this way.

### 3. FINANCIAL IMPLICATIONS

It is anticipated that this could make savings in Social Care and Wellbeing depending on the scope and the scale of the exercise.

### 4. SERVICE & COMMUNITY IMPACT

Aberdeen City Council is committed to providing support for vulnerable people throughout the city. This will continue to contribute to the creation of a flexible care market which provides services at the best cost and the best value for the city.

### 5. OTHER IMPLICATIONS

There are potential implications for staff who currently work in these units but this would be part of the Business Plan approach and would take consideration of transfer to other organisations.

### 6. REPORT

6.1 Aberdeen City Council currently runs and supports services for older people, adults with disability and children in-house. It is considered that

the costs of the delivery of these services can be reduced by the private and voluntary sector taking over these particular services and units. It has been suggested that the private and voluntary sector can provide significantly lower unit costs for these services due to the reduced overheads, the different terms and conditions for staffing and the ability to bring in funding from other areas.

- 6.2 A service specification will be drawn up for each of the Aberdeen City Council provided services. This will include the consideration of how to present the capital issues around buildings and may include the requirement to re-provision. It will be helpful to explore the possibility of exchange of lands (excambion) to provide new builds which will improve the quality of accommodation for service users. Legal advice will be sought to ensure covenants will be in place to secure the services for the future for ACC. These service specifications would be made available through a tender exercise and would be run by the Commissioning and Contracts Section of Social Care and Wellbeing.
- 6.3 The definition of success in an exercise of this nature would be included in the tender and would be that the quality of the service and outcomes for service users will improve, the overall costs will reduce and the services are secured for people with a range of needs in the city for the future.
- 6.4 The decision to outsource these services would only be made on the above criteria.
- 6.5 It is anticipated that by carrying out an exercise of this nature with one of our units will provide a market test and will determine whether this is an approach that can be reasonably used in the future.

## 7. REPORT AUTHOR DETAILS

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## 8. BACKGROUND PAPERS