

ABERDEEN CITY COUNCIL

COMMITTEE	Strategic Commissioning
DATE	13 th September 2018
REPORT TITLE	Bon Accord Care Business Plan – Annual Report
REPORT NUMBER	COM/18/103
DIRECTOR	Frank McGhee
CHIEF OFFICER	Craig Innes
REPORT AUTHOR	Alison Watson
TERMS OF REFERENCE	Purpose 1 and 7 and remit 4.1 and 4.4.

1. PURPOSE OF REPORT

This report presents the annual reporting of the Bon Accord Care Business Plan.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 approves the Bon Accord Care Business Plan Annual Report appended to this report for the Council's interests;
- 2.2 notes that the Integrated Joint Board issued a Direction to the Council instructing it to make arrangements for Bon Accord Care to continue to provide a range of services which are currently being delivered by Bon Accord Care for a period of 6 years from 1 August 2018 until 31 July 2024 and notes that this will be undertaken in accordance with the Powers Delegated to Officers; and
- 2.3 instructs the Head of Commercial and Procurement Services to implement a standard annual performance report template which BAC will be required to submit annually containing information on their performance against the outcomes set out in the revised SLA.

3. BACKGROUND

- 3.1 Bon Accord Support Services (BASS) and Bon Accord Care (BAC) are Arm's Length External Organisations (ALEOs) owned by Aberdeen City Council (ACC). For operational purposes Bon Accord Care is used as a collective term to refer to both companies. BAC was set up in 2013 and the Funding and Service Provision Agreement in place with the Council was due to expire on 31 July 2018.

- 3.2 At its meeting on 22 May, the Integrated Joint Board directed the Council to put in place arrangements for BAC to provide a range of services which are currently being delivered by them for a period of 6 years from 1 August 2018 until 31 July 2024. The IJB has the legal power to direct the Council to renew the BAC contract as it is a strategic commissioning decision which they have delegated power to decide. This extension is being progressed in two stages, firstly a 7-month contract extension commencing 1 August; and secondly, a new contract for 5 years and 5 months which will have new outcome based specifications and robust contract management measures. This is being undertaken in accordance with the Powers Delegated to Officers, namely the delegation to the Director of Commissioning: - “To approve (or to 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 estimated value of the contract is of or above £50,000 (supplies/services) or £250,000 (works), subject to the approval of the Chief Officer – Finance and the Head of Commercial and Procurement Services.”
- 3.3 A summary of the annual performance report which is appended to this report shows performance metrics in relation to efficiency and quality of service delivery. The Care Inspectorate, which is the scrutiny body which looks at ways to ensure that care in Scotland meets high standards has graded 98% of BAC’s services as either good or very good. The inspection report states: -

“The care and support that we saw during our inspection was of a very good standard and all of the people we spoke to praised the high standard of care.”

4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications arising directly from the recommendations of this report. Core funding to Bon Accord Care for 2018/19 paid under direction from the Integration Joint Board is £26,750,000. Funding for 2019/20 will be determined as part of the Integration Joint Board budget setting process.
- 4.2 The Integration Joint Board has also commissioned Bon Accord Care as provider of last resort to provide services at Kingswells Residential home. It is anticipated that this will cost approx. £2.4m in 2018/19 and will be met from the Adult Residential Services and Transformation budgets.
- 4.3 Similarly, other services may be directly commissioned from Bon Accord Care, both under Direction from the Integration Joint Board or other Council services and would be met from within the appropriate existing budgets. Such purchases would remain outside the SLA that governs use of the Core funding.
- 4.4 The information from the annual report will be considered by officers in the budget setting process.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations of this report. Extension of the BAC contract is being undertaken following a Direction from the IJB and in accordance with the Delegated Powers of the Director of Commissioning as detailed above.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	No risk arising from this report as annual budget is set by Council as part of the budget-setting process.	N/A	N/A
Legal	Risk of delay or no agreement as regards the proposals to revise the SLA.	L	Proposals have been discussed at length with BAC and a partnership approach has been taken to re-designing the SLA. This process is progressing well.
Employee	N/A	N/A	N/A
Customer	Risk of poor service provided to customers.	L	Amendment of the BAC SLA with revised outcomes and more robust contract management should contribute to customer satisfaction by ensuring delivery of a high standard of services to the customer.
Environment	N/A	N/A	N/A
Technology	N/A	N/A	N/A
Reputational	Poor performance by BAC/not performing in accordance with their business plan could impact on the Council's reputation.	L	Amendments to the BAC SLA with revised outcomes should ensure good performance by BAC.

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	The annual report evidences contribution by BAC towards the LOIP theme of prosperous economy.

	Review of the existing SLA with BAC to ensure that it is outcomes-focused and contains robust contract management measures will ensure that it links directly to the LOIP outcomes for a prosperous economy.
Prosperous People	The annual report evidences contribution by BAC towards the LOIP theme of prosperous people. Review of the existing SLA with BAC to ensure that it is outcomes-focused and contains robust contract management measures will ensure that it links directly to the LOIP outcomes for prosperous people.
Prosperous Place	The annual report evidences contribution by BAC towards the LOIP theme of a prosperous place. Proposals to review the existing SLA with BAC to ensure that it is outcomes-focused and contains robust contract management measures will ensure that it links directly to the LOIP outcomes for a prosperous place.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required for this report.
Privacy Impact Assessment	Not required for this report.
Duty of Due Regard / Fairer Scotland Duty	Not required for this report.

9. BACKGROUND PAPERS

None.

10. APPENDICES (if applicable)

Bon Accord Care Business Plan – Annual Report

11. REPORT AUTHOR CONTACT DETAILS

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