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Item No: 10

Meeting Date: Wednesday 23rd September 2020

Glasgow City Integration Joint Board

Report By: Susanne Millar, Interim Chief Officer
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Phone: 0141 287 2732

COMMISSIONING AND PROCUREMENT STRATEGY 2020-21

Purpose of Report:

To update the previous Commissioning and Procurement strategy and set out the strategic context within which Glasgow City Health and Social Care Partnership will continue to develop and apply our approach to procurement and commissioning.

Background/Engagement:

This report is presented following a previous request made by IJB members that a report on HSCP commissioning and procurement approaches would be presented to a future IJB Finance, Audit and Scrutiny Committee.

The Interim Chief Officer and Chief Officer Finance and Resources requested that this include an update on the existing Commissioning and Procurement Strategy.

Recommendations:

The Integration Joint Board is asked to:

- a) Note the contents of this report;
- b) Approve the Commissioning and Procurement Strategy for the IJB as outlined within this report;
- c) Approve the planned tender activity outlined in section 8.2; and
- d) Approve the proposal to delegate authority to the IJB Finance, Audit and Scrutiny Committee to approve and direct the Council to carry out tender activity at 8.2 for which full details are not currently available.

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Relevance to Integration Joint Board Strategic Plan:

Social Care commissioning and procurement are central to the delivery of the IJB Strategic Plan. This focus ensures that the IJB can safely secure, deliver and monitor all social care services and demonstrate that such activity is undertaken with full cognisance to our Best Value requirements.

In the commissioning of purchased social care service the achievement of securing the best quality services at the most advantageous price is essential. Within procurement practice this is referred to as MEAT – Most Economically Advantageous Tender.

The interpretation and application of this is one of several factors that differentiate health and social care commissioning and procurement apart from other procurement activity. This requires that the quality/ price split is considered carefully for each identified activity and that a financial evaluation approach is considered within the price evaluation element.

Implications for Health and Social Care Partnership:

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| Reference to National Health & Wellbeing Outcome: | 1, 2, 3,4,7,8 and 9 |
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|-------------------|-----|
| Personnel: | N/A |
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| Carers: | The provision of high quality and best value services are essential to ensure that GCHSCP can offer optimum service delivery which will contribute to their obligations under the Carer Act Legislation. |
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| Provider Organisations: | Provider organisations are equal partners within the commissioning of health and social care services. They will benefit from a clear understanding of commissioning and procurement approach. |
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| Equalities: | Effective commissioning and monitoring of purchased service provision will ensure full compliance under our equality responsibilities. |
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| Fairer Scotland Compliance: | The approaches identified within our commissioning and procurement strategy along with the associated program of work will support our design and delivery of health and social care services to ensure that the city supports the delivery of a Fairer Scotland. |
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| Financial: | The estimated spend for commissioned services is £272 million pounds for 2020/21. Full support from our finance and resource colleagues are required across all of the approaches and activities listed. Effective |
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| | commissioning and procurement will ensure best value across all of our services. |
| Legal: | Increased support will be required from Legal and Audit to ensure that we can continue and develop innovative approaches to commissioning and procurement whilst remaining fully compliant with all relevant legislation and Council Standing Orders. This may involve buying in external professional support as required. |
| Economic Impact: | Positive in securing and evidencing best value. |
| Sustainability: | The strategy and associated action plans will drive how the Partnership ensures service sustainability to continue to change the way in which we address health and support needs across the city. |
| Sustainable Procurement and Article 19: | This will be considered as part of all commissioning and procurement undertaken by GCHSCP. This is an area where an increasing focus is required to ensure Glasgow City HSCP's compliance with this area. Increased emphasis and requirements have been identified for the HSCP in both the Corporate Procurement and Commercial Improvement Strategy and associated action plans. |
| Risk Implications: | Without endorsement of this paper there is a risk that GCHSCP will not be able to provide high quality and responsive services and successful implementation of the strategic plan. There would be financial, reputational and legal consequences arising from this. |
| Implications for Glasgow City Council: | Impact on resources in respect of legal and audit both in terms of planned work and also unplanned requirements. |
| Implications for NHS Greater Glasgow & Clyde: | Impact on resources in respect of NHS procurement and legal in terms of planned work and unplanned requirements. |

Direction Required to Council, Health Board or Both

Direction to:

- | | |
|---|-------------------------------------|
| 1. No Direction Required | <input type="checkbox"/> |
| 2. Glasgow City Council | <input checked="" type="checkbox"/> |
| 3. NHS Greater Glasgow & Clyde | <input type="checkbox"/> |
| 4. Glasgow City Council and NHS Greater Glasgow & Clyde | <input type="checkbox"/> |

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1. Introduction

- 1.1 This paper sets out the strategic context and workplan that will enhance our approach to procurement and commissioning for Glasgow City HSCP. A growing number of internal and external pressures continue to impact on the work of the partnership and are captured within our dynamic commissioning workplan.
- 1.2 This paper was initially prepared for April 2020 IJB meeting however the onset of the COVID 19 pandemic delayed this. The information contained within this revised report has been adjusted to reflect the impact experienced across commissioned services and the role of the commissioning section as a whole.
- 1.3 Glasgow City IJB [Strategic Plan](#) 2019-22 continues to drive the work of the partnership and has clearly set out the Vision of the IJB and the key priorities for the delivery of integrated health and social care services across the City.
- 1.4 Key priorities are to support people to remain in their own homes for as long as they can, lead healthy lives and be supported within their community for as long as possible. This requires a significant cultural shift within Glasgow as we develop a relationship with citizens based on helping them to help themselves, where appropriate, and emphasises the importance of family, friends, community resources and technological innovation to allow us to achieve this.
- 1.5 The [Maximising Independence](#) work is critical to this and has a number of work streams that will influence the culture and development of supports that are required to bring about this change.

2. Glasgow City Health and Social Care Partnership Key Priorities

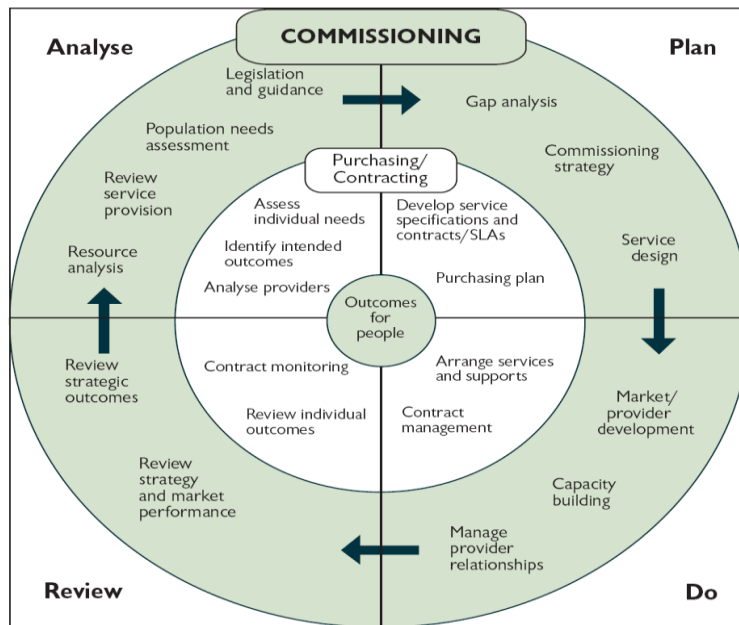
- Prevention, early intervention and harm reduction
- Providing greater self- determination and choice
- Shifting the balance of care
- Enabling independent living for longer
- Public protection

3. Strategic Commissioning and Procurement within the HSCP

- 3.1 Strategic commissioning is the key process for understanding, planning and delivering better health and wellbeing outcomes. Well-planned and executed commissioning offers the opportunity to increase the value and financial sustainability of care and support by making the most effective use of available resources by ensuring efficient, consistent and high quality support delivery.
- 3.2 The strategic commissioning cycle, as shown below, sets out the key areas of Analyse, Plan, Do and Review. Each action is equally important to ensure efficient and effective commissioning.

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3.3 Commissioning and procurement must operate within the context of the whole system which:

- Ensures the right balance between ensuring city-wide consistency whilst promoting and supporting innovation and consistency at a local level;
- Recognises the role commissioning and procurement plays in identifying agreeing and implementing service changes(s) that require an interplay of the functions of planning, operations and professional leadership;
- Understands that most effective organisations integrate planning, performance and commissioning resources to support the whole system;
- Is able to commission in partnership with other agencies when appropriate, working with others for improved outcomes and to avoid duplication;
- Understands and operates within clear business processes which include a range of aligned governance and decision making arrangements that operate at both a city wide and locality level.

Crucially strategic commissioning is seen as a core function within the remit of the Strategic Care Group Heads enacted through their structures with their respective Operational Leads. The HSCP commissioning activity includes both NHS and social care commissioning requirements. An action is noted to develop this relationship and activity within the incoming year. There is a need to refresh the current arrangements in respect of interfaces between care group Heads, operational leads and commissioning this will be undertaken during the life of this strategy and is identified within Section 8 commissioning action and development plan.

Increasing demand, reducing resources and legislative and policy initiatives e.g. fair work practice, sustainability, all contribute to an environment where dynamic and innovative commissioning solutions must be developed to meet such challenges and opportunities.

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3.4 The HSCP will continue to strive to be an exemplar of commissioning and procurement practice by achieving and exceeding:

- Compliance with procurement legislation and best practice guidance
- Procurement strategies of each parent organisations and key stakeholders
- Adherence to the EU treaty principles of transparency and fairness
- Co- production approaches across all relevant commissioning activity
- Pivotal role of commissioning in sustainability, community benefits and Fair Work practice
- Integrated health and social care commissioning and contracting approaches including contract monitoring activity
- Outcome based commissioning and contract monitoring and review
- Assessment and informed decision making in respect of Glasgow contracts versus national agreements.

4. Partnership Working and Collaboration within the HSCP

- 4.1 Effective partnership with our providers is key to ensuring that we can develop and deliver high quality, safe and innovative service provision across all areas of our work. Glasgow has a recognised track record of partnership working and continues to engage and support providers through local partnership events, dedicated commissioning officer support and through engagement with national bodies such as Scottish Care, Community Care Providers Scotland and Social Work Scotland standing group to ensure we continue to work in this way and contribute and learn best national practice.
- 4.2 The HSCP has continued to develop co-production approaches with key stakeholders (including Providers, Service Users and Operational Staff) in relation to strategic planning, design and the delivery of services that will improve outcomes for those in need of support. Shared learning from experience to date in delivering effective collaboration will inform a continuous improvement agenda going forward.
- 4.3 A critical element of this approach is collaboration with and the direct involvement of people who currently use or have experienced our services. Their engagement in the planning, design and delivery of tenders has influenced, informed and improved the approaches taken and service models delivered.
- 4.4 One recent example of this approach was the establishment of the Glasgow Alliance to End Homelessness which evidences the commitment and appetite of providers and service users to engage directly with the IJB and the Council to deliver innovation and new partnership ways of working.
- 4.5 The HSCP is committed to achieving ambitious transformational change across all service areas, it is clear that effective engagement and partnership working with 3rd and Independent sector providers is critical to our delivering success in this process. The sense of shared ownership and commitment to date from Providers to embrace the need for change and innovation gives confidence going forward that we will jointly deliver on these shared ambitions.

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4.6 It is recognised that to achieve all of the above the HSCP will require support from our colleagues within other support functions-crucially legal and audit services to support a risk based approach to our commissioning activity. Further work is required to develop the mutual support relationship with corporate procurement and ensure further alignment of relevant documentation, reporting and compliance with relevant legislation and initiatives.

5. National Contracting Arrangements

5.1 In addition to directly commissioned / procured services within Glasgow, the HSCP also works closely with Scotland Excel in supporting the development and delivery of National Contracts wherever appropriate. Currently these include Secure Care, Residential Schools and Specialist Residential Child Care, National Care Home Contract and the national framework for Residential Care Homes for Adults with a Learning Disability.

5.2 Commissioning and Care group managers met with Scotland Excel to explore the potential for joining the next National Foster Care Framework. Following consideration of this it was agreed that Glasgow should continue to manage its own fostering arrangements.

5.3 A quarterly meeting is held with Director of Scotland Excel, Corporate Procurement colleagues and commissioning managers to further develop relationships and ensure that any collaboration opportunities are identified.

6. Finance

6.1 There is currently significant investment made by the Council, under direction from the IJB in relation to purchased social care services. This finances a wide range of services and personalised support delivered by the third and Independent Sectors. It is however also acknowledged that we jointly face significant fiscal challenges given local and national budget pressures to achieve best value and use available resources effectively.

6.2 The HSCP is projected to procure social care services to the value of £272m in the current financial year (2020/21). This is shown in the table below.

| COMMISSIONED SERVICE VALUE – ANNUAL ESTIMATE 2020/21 | |
|---|-----------------|
| Adults | £111.86m |
| Older People / Physical Disability | £120.82m |
| Children & Families | £38.87m |
| Criminal Justice | £0.74m |
| Resources | £0.05m |
| TOTAL | £272.34m |

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7. Commissioning Action and Development Plan

| Action | Lead | Timescale |
|---|--|--|
| Develop significant relationships and supporting action plans with: | | |
| <ul style="list-style-type: none"> • Operational and locality services <ul style="list-style-type: none"> ○ Include relevant level of training awareness based on stakeholder assessments and reporting requirements | Head of Commissioning(HOC)/ Commissioning Managers HOC,CO, Learning and Organisational Development (LOD), Training | ON-GOING – concentrated approach in respect of forthcoming Ch & F intensive family support and purchased foster care tenders |
| <ul style="list-style-type: none"> • GCC & NHSGG&C Procurement and Legal section | HOC/Commissioning Managers | ON-GOING |
| <ul style="list-style-type: none"> • Providers | Commissioning Team | ON-GOING |
| <ul style="list-style-type: none"> • Third sector interface | HOC/Commissioning Managers | ON-GOING |
| Development of HSCP Commissioning Team | | |
| <ul style="list-style-type: none"> • Training needs analysis across team | HOC/LOD | End October 2020 |
| <ul style="list-style-type: none"> • Tailored LOD development plan <ul style="list-style-type: none"> ○ Individual ○ Team ○ Management ○ Section | | End December 2020 |
| <ul style="list-style-type: none"> • SWOT analysis of work and role demands across section, such work to consider <ul style="list-style-type: none"> ○ Changing landscape, working environment and legislation ○ Information from previous work on review of commissioning. ○ Outcome of TNA work. | GMC/HR/LOD | End October 2020 |

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| Further development of performance and reporting measures and reporting for commissioning. | | |
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| <ul style="list-style-type: none"> • Contracts Register | Head of Service (HOS) | End October 2020 |
| <ul style="list-style-type: none"> • Procurement Plan | Extended Com Management team | ON-GOING and end October 2020 |
| <ul style="list-style-type: none"> • Tailored reporting schedules | | End December 2020 |
| <ul style="list-style-type: none"> • Governance and Reporting arrangements <ul style="list-style-type: none"> ○ Spend and compliance with legislation ○ Annual reporting and comparison | CO Finance and resources/HOS/Commissioning Managers | End December 2020 |
| Further rollout and consistent use of supporting IT systems and Procurement documentation and reporting | | |
| <ul style="list-style-type: none"> • Contract Management Console and Carefirst literacy and usage, reporting and onward sharing | Principal Officer/HOS | Plan developed for end October 2020 |
| <ul style="list-style-type: none"> • HSCP procurement toolkit and reporting – synergy with Corporate procurement approaches and reporting | Extended Com Management team | April 2021 |
| <ul style="list-style-type: none"> • Regular reports to Core Leadership teams and SMT on commissioning activity and development. | Extended Com Management team | For third quarter of year |

8. Forthcoming Tender Activity

8.1 The table below outlines the forthcoming tender activity to be progressed by the Commissioning Team in 2020/21 (highlighted in red), subject to approval from the IJB. Where detail is currently unavailable within the table it is proposed that authority to approve tender activity and direct the Council to progress those tenders once full details are available is delegated to the IJB Finance, Audit and Scrutiny Committee.

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8.2 A report will be brought back to the IJB in 2021 to provide an update on tender activity carried out as part of the Commissioning Strategy, including that for which approval will subsequently be provided by Finance, Audit and Scrutiny Committee.

| Contract | Award Date (Projected) | Tender Date | Commissioning Lead | Contract Value (notional over 3 years) | Comments |
|---|-------------------------------|--------------------|---------------------------|---|--|
| Specialist Residential Support Service for people with LD | November 2021 | March 2021 | DM | £24.3m | Complexity requires extended planning time |
| Addiction Move On | 1 April 2021 | October 2020 | AD | £1.9m | Co-production |
| Intensive Family Support | 1 April 2021 | September 2020 | JMcW | £18m | Multi lot framework – encompassing various strands of existing Ch & F work |
| Intermediate Care Homes | 1 April 2021 | Oct 2020 | JT | £10m | Final year extension invoked April 2020 |
| Social Care Agency Staff | TBC 2021 | Late 2020 | TP | £9.6m | |
| Mental Health Community Service | TBC | Late 2021 | TP | TBC | Review required to inform future procurement work |
| Fostering Framework | September 2020 | 1 April 2021 | PC | £50m | Existing agreement extended under COVID 19 legislation |
| Advocacy Services | 2021 | 2021 | Adults | £2.7m | |
| Employability | Late 2020 | TBC | IP/TP | £1.6m | |
| Health Improvement | Various | N/A | FM | £7m | Various funding streams exist and one-off monies |

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| Re opening of 2019 Framework for Selected Purchased Social Care Supports | September 2020 | February 2021 | DM | TBC | NB: Relates to re-opening the framework to new applicants for SDS Option 2 (where service users chooses and Council contracts services on their behalf) and does not necessitate any specific or additional budgetary allocation. |
|--|----------------|---------------|----|-----|---|

8.3 In addition to the tender activity in the table above, the IJB is asked to note the work led by Scotland Excel in relation to the National Care Home Contract which is utilised by Glasgow City HSCP for purchased older people care home placements. The contract management arrangements are undertaken locally for these services.

| Contract | Award Date (Projected) | Tender Date | Commissioning Lead | Contract Value annual | Comments |
|----------|------------------------|-------------|--------------------|-----------------------|----------|
| NCHC | April 2020 | N/A | JT/SMcG | £67m | |

8.4 Members are also asked to note that the Alliance to End Homelessness tender was concluded in 2020 (notional value of £60m over three years) and is now operational.

9. Recommendations

9.1 The Integration Joint Board is asked to:

- a) Note the contents of this report;
- b) Approve the Commissioning and Procurement Strategy for the IJB as outlined within this report;
- c) Approve the planned tender activity outlined in section 8.2; and
- d) Approve the proposal to delegate authority to the IJB Finance, Audit and Scrutiny Committee to approve and direct the Council to carry out tender activity at 8.2 for which full details are not currently available.

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Direction from the Glasgow City Integration Joint Board

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| 1 | Reference number | 230920-10 |
| 2 | Report Title | Commissioning and Procurement Strategy 2020-21 |
| 3 | Date direction issued by Integration Joint Board | 23 September 2020 |
| 4 | Date from which direction takes effect | 23 September 2020 |
| 5 | Direction to: | Glasgow City Council |
| 6 | Does this direction supersede, revise or revoke a previous direction – if yes, include the reference number(s) | Yes (Supersedes) 200917-15-a |
| 7 | Functions covered by direction | Specialist Residential Support Services for people with Learning Disability; Addiction Move On services; Intensive Family Support services; Intermediate Care Homes; Social Care Agency Staff; fostering and; employability services. |
| 8 | Full text of direction | Glasgow City Council is directed to progress the tender activity highlighted for 2020/21 within section 8.2 of this report and provide and update report to the IJB in 2021 on all tendering activity referred to in section 8.2. |
| 9 | Budget allocated by Integration Joint Board to carry out direction | The budget to be allocated to carry out this Direction is £115.4m. |
| 10 | Performance monitoring arrangements | In line with the agreed Performance Management Framework of the Glasgow City Integration Joint Board and the Glasgow City Health and Social Care Partnership. |
| 11 | Date direction will be reviewed | 23 September 2021 |

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