

Item No: 11

Meeting Date: **Wednesday 21st March 2018**

Glasgow City Integration Joint Board

Report By: **Susanne Millar, Chief Officer, Strategy & Operations /
 Chief Social Work Officer**

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**REPLACEMENT OF THE 2015 FRAMEWORK AGREEMENT FOR
 SELECTED PURCHASED SOCIAL CARE SUPPORTS**

Purpose of Report:	To inform the IJB of the intention to proceed with an open tender to replace the 2015 Framework Agreement for Selected Purchased Social Care Supports when the current framework agreement expires in January 2019.
Background/Engagement:	The initial period of the 2015 Framework ended on 31 st January 2018. Agreement was reached at the IJB meeting on 20 th September 2017 (Item 15) to extend the 2015 Framework to 30 th January 2019, as provided for in the contract.
Recommendations:	The Integration Joint Board is asked to: <ul style="list-style-type: none"> a) note the recommendation to replace the 2015 Framework Agreement with a suitable alternative by 30.01.2019; and b) approve the commissioning of purchased social care services via a Framework Agreement developed by Glasgow City Council through an open tender for these services in summer 2018 to become operational on 30.01.2019.

Relevance to Integration Joint Board Strategic Plan:

The services delivered under the 2015 Framework Agreement for Selected Purchased Social Care Supports are a key factor in enabling the Partnership to deliver support at the right time, in the right place, and from the right person, and to provide health and social care services in local communities where possible. It supports the Partnership's key priorities of shifting the balance of care and enabling independent living for longer.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	Outcome 2: People, including those with disabilities or long term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community
Personnel:	None
Carers:	None
Provider Organisations:	Existing Providers are aware that the Framework is due to end in 2019 and that a new procurement exercise will be conducted later in 2018 to create a new Framework Agreement in January 2019.
Equalities:	An EQIA will be carried out as part of the tender process to inform the final tendering documents.
Financial:	The estimated value of in scope services is up to £79,396,700 per year.
Legal:	Legal Services are engaged in advising the Framework Tender Governance Group and supporting the development of the new contractual terms.
Economic Impact:	None
Sustainability:	The new Framework will be designed to promote the sustainability of services.
Sustainable Procurement and Article 19:	Article 19 is not considered to apply to these services.
Risk Implications:	This is a planned procurement exercise. Risk will be identified and managed through the procurement process and the Framework Tender Governance Group.
Implications for Glasgow City Council:	<p>The tender will be carried out in accordance with the Standing Orders Relating to Contracts 2016 and the Public Contract (Scotland) Regulations 2015.</p> <p>The Executive Director of Corporate Services will be required to conclude the contract on approval by the Council's Contracts and Property Committee.</p>

Implications for NHS Greater Glasgow & Clyde:	None
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Direction Required to Council, Health Board or Both	Direction to:	
	1. No Direction Required	
	2. Glasgow City Council	✓
	3. NHS Greater Glasgow & Clyde	
	4. Glasgow City Council and NHS Greater Glasgow & Clyde	

1. Purpose

- 1.1 The purpose of this report is to inform the IJB of the recommendation to go to open tender in summer 2018 for the establishment of a new multi supplier Framework Agreement which will commence at the point from which the current Framework Agreement expires on 30.01.2019.

2. Background

- 2.1 In addition to Glasgow City Council's statutory duty to assess care needs and establish eligibility for social care services, the Social Care (Self Directed Support) (Scotland) Act 2013 placed additional duties on Local Authorities to provide 4 Options for arranging social care support and making them available to eligible service users.
- 2.2 The last two years have seen a period of significant legislative and political change impacting on the purchased social care market. Purchased providers have been significantly affected by increases to National and Scottish Living Wage, changes in Case Law relating to sleepover payments and other changes to employer's liabilities e.g. travelling time, increased pension contributions etc. It is accepted that the context within which Providers are operating presents some sustainability challenges.
- 2.3 To support Providers with these, a total of 5.6% uplift on the overall provider contract value has been offered to all 2015 Framework providers from finance made available by the Scottish Government to support the application of the Scottish Living Wage. The longer the framework continues and providers are bound to the existing Framework rates, the more likely it is that some lower priced providers on the framework will be unable/decide not to accept new business. This raises the risk that it becomes more difficult to allocate new business via the Framework. It is also a risk that some providers are unable to deliver existing business at Framework rates and the business may need to be re-provisioned.
- 2.4 To take account of these and other issues, the recommended strategy is to re-tender the requirement rather than extend the 2015 Framework for a second period to January 2020.
- 2.5 The 2015 Framework contract is the mechanism through which the Council discharges its duties in terms of contracting for SDS Options 2 and 3 and aspects of option 4. When the current extension to the 2015 Framework terminates in 2019, a replacement will be required.

2.6 The current 2015 Framework Agreement applies to 3 types of services:

- Care and Support Services
- Day Opportunities Services
- Short Breaks/Respite Services

The services can be used to support people in 4 service user groups:

- People with Mental Health issues
- People with Disabilities
- Older People
- Children Affected by Disability

It is anticipated that the 2019 Framework will follow a similar pattern of service provision as described above.

2.7 The preferred strategy underpinning the Framework, is that the tender will cover all business, both existing and new and that providers will submit their own rates. GCHSCP is exploring the option of setting of a minimum rate to avoid the issue of providers submitting rates which could be potentially unsustainable in the longer term.

Service users individual budgets will not change and service providers will require to take cognisance of this when setting their rates. As a part of the care planning review process service users needs may change which can impact on individual budgets.

2.8 This is a clear and equitable strategy which will allow for the delivery of services at sustainable rates. We will develop a plan on the implementation of the new tender and the resourcing issues that will come from it.

2.9 A Framework Tender Governance Group has been set up by the Assistant Chief Officer for Adult Services and North West to oversee the development of the new 2019 Framework. This is chaired by a Head of Adult Services and will report to the IJB in line with normal governance arrangements for Contracts

2.10 Officers have been conducting a “lessons learned” exercise in relation to the 2015 Framework and will incorporate improvements into the planning for the new tender.

3. Recommendations

3.1 The Integration Joint Board is asked to:

- a) note the recommendation to replace the 2015 Framework Agreement with a suitable alternative by 30.01.2019; and
- b) approve the commissioning of purchased social care services via a Framework Agreement developed by Glasgow City Council through an open tender for these services in summer 2018 to become operational on 30.01.2019.

DIRECTION FROM THE GLASGOW CITY INTEGRATION JOINT BOARD

1	Reference number	210318-11-a
2	Date direction issued by Integration Joint Board	21 March 2018
3	Date from which direction takes effect	21 March 2018
4	Direction to:	Glasgow City Council only
5	Does this direction supersede, amend or cancel a previous direction – if yes, include the reference number(s)	No
6	Functions covered by direction	<p>The new 2019 Framework Agreement will apply to 3 types of services:</p> <ul style="list-style-type: none"> - Care and Support Services - Day Opportunities Services - Short Breaks/Respite Services <p>The services can be used by people assessed as eligible for service from the following service user groups:</p> <ul style="list-style-type: none"> - People with Mental Health issues - People with Disabilities - Older People - Children Affected by Disability
7	Full text of direction	Glasgow City Council is directed to proceed with the commissioning of purchased social care services via a Framework Agreement, as outlined in this report. This shall be carried out via an open tender in summer 2018 to become operational on 30.01.2019
8	Budget allocated by Integration Joint Board to carry out direction	The estimated value of the 2019 Framework is up to £79,396,700 p.a.
9	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.
10	Date direction will be reviewed	January 2019