

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Councillor Ben Coleman, Deputy Leader (and Cabinet Member for Health and Social Care)

Date: 14/04/2023

Subject: Direct Award for Day Opportunities to Nubian Life and the Alzheimer's Society

Report author: Laura Palfreeman (Commissioning Programme Lead)

Responsible Director: Lisa Redfern (Strategic Director Adult Social Care)

SUMMARY

The purpose of this report is to approve a Direct Award to both Nubian Life to the total value of £229,442.50 and the Alzheimer's Society to the total value of £335,444.20.

For both services, the contract ends on the 31 March 2023 and to ensure service continuity as well as planning a co-production project and tender in order that on the 1 June 2024 a revised service will be put in place. There are a range of day opportunities in Hammersmith & Fulham, including three in-house day centres / outreach programmes designed to meet the diverse need of residents. The in-house services are Imperial Wharf (SW6), a day service for residents over 18 but mainly used by residents over 65years, Ashchurch for residents of all ages with a learning disability and Ellerslie outreach service for residents with mental health support needs. The commissioned day opportunities include Nubian Life, a cultural centre for the African and Caribbean residents aged 65+, Alzheimer's Society for residents with dementia, and Elgin Resource Centre (W12) for older residents (65+) in the north of the borough. These services are provided free of charge to residents although Nubian Life do ask for a small contribution towards meal costs. The direct award allows time to review all services collectively and look at the day opportunity offers in the 3rd sector, to understand how the needs of residents can be best met with the right services available.

RECOMMENDATIONS

1. To approve a Direct Award to both Nubian Life to the total value of £229,442.50 and the Alzheimer's Society to the total value of £335,444.20. This award starts on the 1 April 2023 and will end on the 31 May 2024.
 2. To approve the development of a co-produced strategy leading to a procurement within the timeframe of 14 months.
-

Wards Affected: (Give the Wards directly affected, or "None" or "All")

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	The providers work in partnership with other community groups and agencies to provide / support a range of activities
Creating a compassionate council	Day opportunities provide a vital service to older residents who are isolated or lonely, providing a warm and friendly environment to engage in fun activities and socialise who otherwise do not have access to their local community, so no one is left behind. They also provide respite to live in carers.
Doing things with local residents, not to them	As part of the redevelopment of day opportunities there will be an in-depth coproduction exercise, working with residents and their families to develop future services that meet their needs.
Being ruthlessly financially efficient	We need to review all day opportunities across the borough to ensure value for money and a whole system approach rather than looking at services in silo.
Taking pride in H&F	Day opportunities help enrich the lives of residents, reducing social isolation and supporting carers / their families with respite.
Rising to the challenge of the climate and ecological emergency	Day opportunities can support residents to access and enjoy green spaces through planned activities, including trips and gardening. Residents are supported to attend through use of a shared bus.

Financial Impact

The cost of extending the current day service contracts for 14 months is £564,887 as outlined in the Table 1.

Table 1 - Cost of Day Service Contracts 2023-25

Service	Year 1 (Assumes 5% inflation on 22-23 contract values)	Year 2 (31st May 2024)	Total (14 months)
Alzheimer's	287,523.60	47,920.60	335,444.20
Nubian	196,665.00	32,777.50	229,442.50
Sub Total	484,188.60	80,698.10	564,886.70

Day services are building based and provide a hot meal and range of activities on site or visits to local attractions. Most of the residents attending the centres require transport to take them to and from the centres. The transport costs are inclusive in

the contract price and are a significant challenge for providers. Other costs include the staffing and running of the building. The services operate Monday – Friday with the exclusion of bank holidays and the cost per placement is outlined in Table 2.

Table 2 - Cost per placement per Service Contract (based on 2023-24 price)

Service	Daily capacity	Annual capacity	Average daily cost per placement £
Alzheimer's	16	4160	69.12
Nubian Life	15	3120	63.03

Current utilisation and future demand

Services have been running under capacity since they reopened following their closure for safety reasons during the pandemic. This was initially due to implementing social distancing and a lack of new referrals to the service during the pandemic. The aim is now to increase utilisation of the services through a review of referral procedures for both organisations and increasing awareness with social work teams and wider stakeholders to ensure value for money and that in line with our Dementia Strategy and work across the H&F Health and Care Partnership Campaigns, we are supporting older residents, those with dementia and their carers to access a range of services and support .

Table 3 shows the current average daily attendance at the centres. Alzheimer's Society receive all of their referrals from the NHS Memory Clinic who refer residents who have been newly diagnosed or attending the Clinic and who would benefit from the service, they receive a small but regular number of referrals and on average accept 4 new referrals a month. Nubian Life receive referrals from adult social care teams and they have (as at March 2023) four referrals pending assessment and four referrals which are on the waiting list and unable to attend due to ill health.

Table 3 – Average attendance and number of registered users

Service	Ave. daily attendance	Capacity utilised (%)	Registered unique attendees
Alzheimer's	13	81	49
Nubian	11	73	17

It is anticipated that demand will increase for day services as the older population grows and the diagnosis rates for Alzheimer's increases. One of the priorities of the dementia strategy is to have good availability and choice of day services, short breaks and overnight respite to support people with dementia, their families and carers.

The Census 2021 data showed an increase of residents living in the borough aged 65 and over of 15.2%, as these residents get older the need to access such services increases as the average age of attendees is 80+. It is also a priority in the Dementia Strategy to increase the rate of diagnoses of Alzheimer's' as it is believed to be widely under reported with many more local residents needing assessment and support.

- The recommendation above to award a direct contract to the Alzheimer's Society and Nubian day centres for the period 1 April 2023 to 31 of May 2024 will cost a total of £564,887 over the 14-month period.

This will give rise to part year effects of £484,189 in 2023-24 and £80,698 in 2024-25.

The above commitments can be met from the current Third Sector Commissioning day centre budget in each respective year.

Please note the total contract value quoted assumes a 5% inflationary increase on the 2022-23 values.

Comments by Cheryl Anglin-Thompson, Principal Accountant, Telephone: 07776 672 473, cheryl.anglin-thompson@lbhf.gov.uk

Verified by Prakash Daryanani Head of Finance, Head of Finance, Telephone: 07795127329, prakash.daryanani@lbhf.gov.uk

Legal Implications

The Council has the power to provide these services under the Care Act 2014.

These services fall within the definition of "social and other specific services" under regulation 74 of the Public Contracts Regulations 2015. Each contract falls below the threshold for these types of service (currently £663,540). There are therefore no statutory provisions governing the award of these contracts.

These are high value contracts under the Council's Contract Standing Orders. This would normally require a competitive tendering process to take place. However, waivers have been granted of the relevant standing orders so that a direct award can be made.

The award of these contracts are key decisions under the Council's constitution. They therefore need to be included in the key decision list on the Council's website.

*John Sharland, Senior solicitor (Contracts and procurement)
24 March 2023*

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Proposals and Analysis of Options

1. Both Nubian Life and the Alzheimer's Society Day services support older residents and those with dementia who are living independently in the community.

2. **Option 1 – Directly Award the contracts for two years. (Recommended)**
It is proposed to direct award the current provision for 14 months, from 1 April 2023 – 31 May 2024. This will allow time for a coproduced redevelopment of day opportunities in the borough and engage in a procurement exercise.

This will ensure residents continue to benefit from the current day services offer while new services are developed which support the council's independent living vision and dementia strategy.

In eight months of the contract the focus will be on coproduction, including establishing a project group consisting of council staff and residents to develop, review and agree options for the future of day services. In this period, we will also conduct a benchmarking exercise and gather intelligent data to understand the current and future demand for day opportunities. In the remaining 6 months of the contract the focus will be on the governance and procurement of the co-produced procurement strategy.

3. **Option 2 – Extend contracts for one year**
Extending the contracts for one year risks a shorter coproduction period to meet the governance and procurement timetable for contracts to start in March 2024. Establishing a cohort of residents for the project group, providing training, and setting out the scope is estimated to take four months, then reviewing options, designing, and developing the new offer will take another six months. Once the preferred option has been agreed this needs to go through the governance process which can take at least three months, followed by a procurement, evaluation and implementation which will take approximately four months
4. **Option 3 – Do not extend contracts, provision ends 31 March 2023**
This option is not recommended as the residents using the service may experience increased loneliness, detrimental effects on their mental and physical health, and create extra stress for family carers. It would also go against the dementia strategy.
5. **Option 4 – Competition for day service**
This option is not recommended. As part of any new service, a co-production approach is essential and required. As part of the direct award, a co-production project will be established for one year and afterwards the day services will be tendered. As limited co-production as has taken place, competition would be detrimental to the current service delivery.

Reasons for Decision

6. Nubian Life and the Alzheimer's Society Day services were key stakeholders in co-producing the Hammersmith and Fulham Dementia Strategy 2021-2024 and are actively engaged in implementation of the Strategy, specifically to address:
- availability and choice of day services, short breaks and overnight respite to support people with dementia, their families and carers

- A range of dementia-specific and dementia-inclusive activities that give choice and control, reduce social isolation, and promote equality
7. Day opportunities help the council fulfil their statutory requirements under the Care Act 2014 by:
- Promoting individual wellbeing e.g. their physical and mental health and emotional wellbeing
 - Preventing needs for care and support e.g. by reducing isolation which can lead to deterioration in physical and mental health, such as dementia
 - Providing care and support in the community

Equality Implications

8. Day services make a positive impact for those who are elderly (65+), and in particular with Nubian Life with a cognitive impairment such as dementia and a relevant cultural background. For the Alzheimer society the service positively impacts on those with dementia. No other protected characteristics have been identified as impacting people of these commissioned services.

Social Value Implications

9. H&F Councils' social value policy requires that all spend over £100,000 needs to achieve a social value return of 10%. All two contracts are above this threshold and the Table below demonstrates the social value % commitment for each contract.

Organisation / Contract	Annual Contract Value (£)	Social Value: % of the total contract value	Highest commitment summary
Nubian Life	196,665	61.5%	HF1 – x4 (WTE = 3.1) local residents employed
Alzheimer's Society	287,523	82.7%	HF1 – 6.1 WTE local residents employed

Risk Management Implications

10. The report recommends making a direct award for two contracts to provide continuity of service with the existing providers while a robust coproduction process is commenced to enable a full procurement of the contracts in future. Being clear with the market that this is the Council's intention should mitigate the risk of procurement challenge. Continuity of service to vulnerable residents is important and supports the objective of being a compassionate council.

David Hughes, Director of Audit, Fraud, Risk and Insurance, 22 March 2023

Climate and Ecological Emergency Implications

11. The two services offer building-based activities and occasionally support residents to access activities in the community through organised day trips. The services have use of a minibus to transport residents to and from the centre, and to use for day trips. The bus helps reduce use of single passenger vehicles on the road which might otherwise be used to transport residents to and from the centre due to their limited mobility.
12. No further implications identified. The services are already up and running in the borough and have access to small gardens utilised by the attendees, including for the use of activities and enjoyment such as gardening.
13. A review of energy use can be asked for as to minimise use of electricity (e.g. LED lighting and motion sensors) if this is within the control of the tenant.

Verified by: Jim Cunningham, Climate Policy & Strategy Lead, 31 March 2023

LIST OF APPENDICES

none