

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: The Executive Director of People's Services in consultation with the Deputy Leader (formally deputising for the Cabinet Member for Health and Social Care)

Date: 17/02/2025

Subject: Direct award a contract for the provision day opportunities

Report author: Jessie Ellis, Programme Lead

Responsible Director: Katharine Willmette, Director of Adult Social Care

SUMMARY

In developing our approach to Independent Living and Placement Sufficiency, a review of day opportunities will be undertaken to understand the current offer and gaps in services to support our most vulnerable residents. The review will align all day opportunities contracts and redesign the wider offer to ensure the best possible use of resources to meet the needs of adults in our communities.

Alzheimer's Society have agreed to continue provision until the wider review and procurement of day opportunities takes place. Therefore, this report requests approval to direct award a contract to Alzheimer's Society for the provision day services at St Vincent's.

RECOMMENDATIONS

1. The Executive Director of People's Services in consultation with the Deputy Leader (formally deputising for the Cabinet Member for Health and Social Care) approves the direct award to Alzheimer's Society for the provision of day services at St Vincent's from 1st May 2025-31st August 2026 for the cost of £402,034.45.

Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Corporate Plan and the H&F Values
Building shared prosperity	The wider day opportunities re-procurement address gaps in services to support our most vulnerable residents to live well and age well.
Creating a compassionate and inclusive council	The day centre provides essential support to older adults with dementia,

	while also offering respite for carers. All residents with dementia receive personalised care and support, fostering a sense of community and belonging.
Doing things with local residents, not to them	Weekly dementia carers meeting held and hosted by Alzheimer's Society.
Being ruthlessly financially efficient	Day centres serve as preventative services that enhance the wellbeing of vulnerable older adults through social interaction, engaging activities, and nutritious meals. These centres help residents live and age well, reducing the need for more complex and costly care. By investing in these services, we ensure both the health of our community and the efficient use of resources.
Taking pride in H&F	The day centre is accessible to all residents with a dementia diagnosis and fosters a sense of community and belonging. By doing so, it contributes to building a stronger, safer, and kinder borough.
Rising to the challenge of the climate and ecological emergency	Keeping services local reduces transport emissions for residents travelling into the service.

Financial Impact

1. The recommendation in paragraph one above to award a 16-month direct award to the Alzheimer's Society, with an effective period from 1st May 2025 to 31st August 2026, will cost £301,525.83 per annum and £402,034 over the proposed contract term.
2. The contract will give rise to part year effects of £276,399 in 2025/26 and £125,636 in 2026/27.
3. The costs are commitments against the 2025-6 and 2026-7 Adults Social Care commissioned services general fund budget but will be subject to the budget approval in both respective years.

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Verified by James Newman, AD Finance, 28 January 2025

Legal Implications

This report recommends that the SLT Member approves a direct award of a contract for the provision of day care services from 1st May 2025 to 31st August 2026 to The Alzheimer's Society. The value of the contract is below the threshold for light touch services. A direct award is therefore permissible under the Public Contracts Regulations 2015. The award is also permissible under the Council's Contract Standing Orders provided a waiver has been approved by the Assistant Director Procurement and Commercial of the advertising requirements at CSO 19.1.

The appropriate decision maker is the SLT Member.

The decision is a Key Decision (see Article 12 of the Constitution) and the report must be submitted to Committee Services for publication on the Council's website.

Angela Hogan, Chief Solicitor (Contracts and Procurement) 21st January 2025

Background Papers Used in Preparing This Report

DETAILED ANALYSIS

Reasons for Decision

1. Under the Care Act 2014 local authorities have a statutory duty to provide care and support to those with eligible needs. Day centres like Alzheimer's Society play a crucial role in fulfilling this duty.
2. Alzheimer's Society is a popular service with residents averaging 100% daily capacity (16/16 spaces). Through feedback collected in 2023/24 the residents, carers and families said they were very happy with the services and complimentary about staff. The team won the 'compassionate award' from Alzheimer's Society in 2022 for their work during the pandemic, which included visits to residents doors.
3. The day centre shares St Vincent's building with the Memory Clinic and Care UK's dementia care home. This ensures a seamless transition from diagnosis to ongoing care and support for residents with dementia. A direct award will ensure continuity of service, avoiding disruptions that could negatively impact residents with dementia.
4. A review of day opportunities will be undertaken to understand the current offer and gaps in services to support our most vulnerable residents. The review will align all day opportunities contracts and redesign the wider offer to ensure the best possible use of resources to meet the needs of adults in our communities. A direct award of 16 months is needed while re-procurement takes place.

Proposals and Analysis of Options

1. Option1- direct award a contract to the incumbent provider for the provision of day services at St Vincent's for 16 months- recommended

A direct award ensures continuity of service, avoiding disruptions that could negatively impact residents. This allows time to understand residents' needs and coproduce services aligned with the Independent Living Strategy. Aligning the direct award with the broader re-procurement timeline minimises risks and allows for a well-integrated transition to the new service model. This option is recommended.

2. Option 2- go out to procurement immediately- not recommended

This option is not recommended as the contract would lapse while a procurement is undertaken. This would result in the Council not meeting its statutory duties and potentially using high-cost out-of-borough provision.

Time is needed to understand the needs of the residents and coproduce services in line with the Independent Living Strategy. Going out to tender immediately increases the risks associated with transitioning to the new service model.

3. Option 3- do nothing- not recommended

This option is not recommended as it would allow the contract to lapse, resulting in the Council not being able to meet its statutory duties or potentially using high-cost out-of-borough provision to do so.

Equality Implications

5. Day Centres promote equality by providing accessible and inclusive services tailored to the people with dementia. They also provide social inclusion and support for caregivers, fostering a more inclusive community.

Risk Management Implications

6. There is programme risk that the Alzheimer's Society shall, despite assurances, withdraw support as it contravenes their strategy and costs of withdrawing support may exceed those of maintaining the service.

It is therefore recommended that steps are taken to identify a new supplier for both short-term and long-term engagements. Not doing so would contravene the LBH&F value of 'Creating a compassionate and inclusive council'.

Jules Binney, Risk and Assurance Manager, 22nd January 2025

Climate and Ecological Emergency Implications

7. Keeping services in-borough reduces transport emissions as residents don't have to travel further to access the service. Local services also support users to use low-carbon or active transport, by using one-two buses to collect and drop-off all residents.

Approved by Hinesh Mehta, Assistant Director Climate Change, 21/01/2025

Procurement implications

8. Contract Standing orders (19.1) require all procurement for high Value Contracts to be competitively tendered. The service has identified genuinely exceptional circumstances where this requirement is not practical. This contract is an element of an overall commissioning redesign process, and all elements need to be co-terminus. This means the short duration of the award period would not be palatable to the market in its current form, particularly due to TUPE obligations. Therefore, a waiver request has been submitted separately from this report.
9. Contract standing orders also require that any contract in excess of £5,000 be recorded on the Council's Contract Register in order to comply with our Transparency Duties and in addition we are required under Public Contract Regulations to publish Contract Award Notice with the details of all contracts in excess of £30,000 (£25,000 ex VAT) on the governments Contract Finder website.
10. Officers, on completion of the necessary contract documentation must create a project using the using the Council's capitalEsourcing eProcurement portal and then create a contract entry (and upload a copy of the contract) they must also create and publish the Contracts Finder notice via CapE. A named contract manager must be allocated to the contract.

Joe Sardone Category Lead – People. Procurement and Commercial 22nd January 2025