


London Borough of Hammersmith & Fulham	
	CABINET
12 OCTOBER 2015	
CARERS' HUB SERVICE – EXTENSION AND VARIATION OF CONTRACT	
Cabinet Member for Health and Adult Social Care - Councillor Vivienne Lukey	
Open Report	
Classification - For Decision	
Key Decision - Yes	
Wards Affected: All	
Accountable Executive Director: Liz Bruce – Executive Director of Adult Social Care	
Report Author: Janet Dawson - Procurement and Contracts Officer, Adult Social Care	Contact Details: Tel: 020 8361 3223 E-mail: janet.dawson@rbkc.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. This report seeks agreement to vary and extend the contract between London Borough of Hammersmith and Fulham (the Council) and Carers Network for the provision of a carers' hub service for a maximum period of up to 17 months from 1 December 2015 to 30 April 2017 with a three month termination clause. The total value of the contract with Carers Network for a carers' hub service, including the proposed seventeen month extension, is £784,453.
- 1.2. Officers' also seek approval to be able to vary the contract in the extension period, up to a maximum value of £80,000 per year, in the event that the Council requires the Carers' Hub Service to carry out additional work to ensure compliance with the requirements of the new Care Act 2014 which came into effect in April 2015.
- 1.3. Carers Network is a local/London based charity specialising in support and information for unpaid carers i.e. people who provide support to someone else who cannot manage on their own. Carers Network was awarded the contract for the provision of a carers' hub service in Hammersmith and Fulham, following a competitive tender, in 2013.

- 1.4. The Council's current contract with Carers Network for a carers' hub service started on 1 December 2013. The contract is for an initial period of two years ending on 30 November 2015, with provision in the contract terms and conditions to extend for a further 18 months. The annual value of the Carers Hub service is £229,596 per year.
- 3.1. Extending the contract will ensure service continuity whilst enabling the Council to undertake a comprehensive service review to design a future service model that can meet the changing needs of carers in particular in the light of the impact of the implementation of the Care Act from 1 April 2015, which has not yet been fully realised.
- 1.5. A 17 month extension to 30 April 2015 will also align the contract end with those for carers' services in neighbouring boroughs and allow time for a joint re-procurement or single borough procurement, whichever is the preferred option with a view to a new service being awarded from May 2017.

2. RECOMMENDATIONS

- 2.1. To agree to extend the Carers Hub contract with Carers Network from 1 December 2015 to 30 April 2017 on existing terms and conditions with a three month termination clause for the value of £325,261. The total value of the contract, including the recommended contract extension, will be £784,453.
- 2.2. To agree that the Cabinet Member for Health and Adult Social Care may vary the contract from the 1 December 2015 and during the extension period in the event that the Council requires additional carers assessment work to be carried out by the service in relation to the Care Act 2014 up to and not exceeding £80,000 per annum, subject to the necessary budget approvals. The pricing schedule will be based on national models for the costing of carers' assessments.
- 2.3. To agree to delegate the authority to the Cabinet Member for Health and Adult Social Care to extend the contract by a further one month (i.e. up to the maximum 18 months extension period allowed for in the terms of the contract) should an additional period be required to meet the timetable of a future re-procurement of the service.

4. REASONS FOR DECISION

- 4.1. These decisions will allow for the continued provision of a carers' hub service whilst allowing time for a comprehensive review of the service in consultation with carers, service providers and all relevant internal and external stakeholders. This will enable future service needs to be more accurately specified in order to meet the needs of carers, as well as taking into account the impact of implementation of the Care Act 2014 from 1 April 2015 which is not yet known.
- 4.2. The contract extension will also allow time for the service to be re-procured, either jointly with neighbouring boroughs, or through single borough procurement, whichever is the preferred option. This would be with a view to a new service being awarded from May 2017.
- 4.3. Officers also recommend a three month termination clause to give the flexibility to re-let this service sooner if needed.

- 4.4. The implementation of the Care Act 2014 from April 2015 is expected to have the effect of significantly increasing the number of carers presenting to Adult Social Care for assessment and support, over time. The purpose of any variation will be for Carers Network to undertake additional carers' assessments in order to support the Council to comply with its obligations under the Care Act 2014. The decision will allow officers the flexibility to increase the number of carer assessments in the meantime if needed to meet any increasing demand before any new service model is procured.

5. BACKGROUND

National Picture for Carers

- 5.1. Carers undertake a significant amount of support to adults with social care needs. It is widely recognized that supporting carers to continue in their caring role reduces the cost of support for those they care for which would otherwise fall on health and social care services saving up to £119 billion per year
- 5.2. The role of carers has been increasingly recognised in legislation. The Carers (Recognition and Services) Act 1995 established the right of carers who provided substantial care on a regular basis to request an assessment of their ability to care. The Carers (Equal Opportunities) Act 2004, which came into effect in April 2005, built on legislation by placing a duty on Councils to inform carers of their right to request an assessment and to take into account their wishes regarding employment, leisure and life-long learning.
- 5.3. The Care Act 2014, much of which came into effect from 1 April 2015, replaces all previous legislation relating to adult social care including carers. It also includes new rights for carers and how local authorities support them. Whilst previous legislation states carers must be providing "a substantial amount of care on a regular basis" in order to qualify for an assessment, the Care Act gives local authorities a responsibility to assess a carer's needs for support, where the carer *appears* to have such needs. Over time this is likely to significantly increase the number of carers presenting for an assessment and support.

Number of Carers in Hammersmith and Fulham

- 5.4. According to the 2011 census there are 12,334 adult carers in the London Borough of Hammersmith and Fulham providing at least one hour of unpaid care a week, with 4,391 carers providing 20 hours or more of care a week.

Carer Hub Service in Hammersmith and Fulham

- 5.5. The Council recognises, and values, the crucial and demanding role that carers take on to support vulnerable adults and children with social care needs. It therefore has long-established local arrangements for a carers' service to support carers living in Hammersmith and Fulham to continue in their caring role.
- 5.6. Prior to the current contract starting in December 2013 the Council's carer support service was being provided in-house, as a temporary/interim arrangement, following an unsuccessful tender in 2010.
- 5.7. The advent of a shared Adult Social Care service in 2012 provided the opportunity for a joint tender for a range of services for adult and young carers

across the boroughs of the London Borough of Hammersmith and Fulham, Westminster City Council and the Royal Borough of Kensington and Chelsea. However, the adult carers' hub service was apportioned and awarded as a single borough contract as the Council wanted the service to maintain a local focus and give opportunity for smaller providers to bid.

- 5.8. Following the 2012/13 joint procurement, London Borough of Hammersmith and Fulham agreed to award a contract to Carers Network for a Carers Hub Service for a two year period from 1 December 2013 to 30 November 2015, with provision for a further extension of up to 18 months. The contract award involved two members of staff transferring under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) from the Council to Carers Network.
- 5.9. Carers Network is a Carers Network is a local/London based charitable organisation, affiliated to the Princess Royal Trust for Carers, which specialises in support for unpaid carers i.e. people who provide support to someone else who cannot manage on their own. The organisation was formed in 1991 in Westminster, and provides carers' advice, information, signposting and support. Following the award of the Hammersmith and Fulham contract in 2013 Carers Network also set up a local office in the Borough.
- 5.10. The services offered in the borough by Carers Network include:
 - identifying new and hidden carers
 - providing telephone and one to one drop in advice sessions
 - running support groups
 - carrying out carers' assessments on behalf of the Council
 - administering the small grants scheme on behalf of the Council and assisting carers to apply for one-off small grants to help with caring duties
 - referring to other specialist organisations if it is needed
 - assisting carers to set up an emergency care plan producing quarterly newsletters
 - providing information about carers' rights and services locally
 - maintaining an up to date website for carers
 - raising awareness of carers' needs and services
- 5.11. Carers Network has also been successful in raising income from other sources to use for the benefit of carers in the borough. For example they are currently running an 'End of Life' project, using external charitable funding, which supports carers who are over 65 and caring for someone at the end of their life.

6. PROPOSAL AND ISSUES/RISKS

Impact of the Care Act 2014

- 6.1. Officers are unable to accurately specify the future requirements for carers' services because the full impact of the implementation of the Care Act from 1 April 2015 on carers' services is not yet known.
- 6.2. There are around 940 carers known to Adult Social Care and an additional number will also be known to Carers Network within the borough. The Care Act broadens the criteria for carers' assessments and it is anticipated that, over time, its implementation from 1 April 2015 may increase the number of carers

presenting to Adult Social Care for an assessment and personalized support by 800 to 900 carers per annum.

- 6.3. The Carers' Hub service currently provides significant support to Adult Social Care in carrying out carers' assessments and officers have reviewed and revised assessment tools and processes to conform to Care Act requirements. It is likely that that the Council will require more and different support from carers' hub services in future in terms of carrying out assessments.
- 6.4. There are ongoing discussions with care management and carers' services in relation to this. This will be a key consideration in the strategic review of existing services and any future service model.
- 6.5. In the meantime, the Council may require Carers Network to undertake additional work to help meet any increase in demand for assessments. Therefore officers are also requesting the flexibility to vary the contract to commission this work during the contract extension period in the event that it is needed.
- 6.6. The Association of Directors of Adult Social Services (ADASS) model notes the minimum cost of carrying out an assessment at £106. Officers propose that in the event that this funding be required that they will be able to present a detailed pricing schedule for any additional work to the relevant finance officer and the Director of Adult Social Care and Health. If additional funding is required, the cost would need to be met from additional money made available to Adult Social Care to implement the Care Act.

Procurement options appraisal and timetable

- 6.7. Using the initial data received from the 2014 national carers survey commissioners undertook an options appraisal as part of a joint Local Authority and NHS Community Commissioning Group's (CCG) process to review the procurement options for future carers' services for the London Borough of Hammersmith and Fulham for the 2015-16 and 2016-17 financial years.
- 6.8. A review of the existing service identified that there will be an increasingly high demand for carers assessment and support services within Hammersmith and Fulham as outlined in 5.2 above. The review also found that the service provided by Carers Network, in the main, responded to the needs of carers within Hammersmith and Fulham.
- 6.9. As a result the review concluded that in order to procure a service that comprehensively addresses the needs of a growing and diverse range of carers, a seventeen month contract extension was the best option to:
 - align the contract to carers' services in neighbouring boroughs
 - give the Council time to evaluate the impact of the statutory legislative changes required by the Care Act 2014
 - monitor the impact and implementation of internal and external service provision, referral pathways, and resource allocations which will help shape the future service redesign and contract specification.
- 6.10. A draft timetable for the proposed strategic review and re-procurement of the carers hub service is as follows:

Task	Target Completion
Work with existing services during the implication of the Care Act from 1 April 2015	April – September 2015
Review the impact of the Care Act on Carers Services and undertake a strategic review of Carers Hub services	September 2015 - March 2016
Commissioning and procurement strategy recommendations approved/authority to tender	April 2016
Prepare tender	July 2016
Issue tender	August 2016
Receive final submissions (tender closes)	October 2016
Evaluate tenders	November 2016
Contract award approved	January 2017
Implementation Period including 30 day TUPE consultation period	February – April 2017
Contract(s) start Date	1 May 2017

Contract performance

- 6.11. The contract is monitored on a quarterly basis by officers from Adult social Care Commissioning and Procurement teams. From a contract management perspective Carers Network is making steady progress in delivering upon the outcomes in the contract.
- 6.12. A survey of carers in July 2015 found that 89 per cent of respondents said they would rate the service they receive from Carers Network as good, very good or excellent. 85 per cent said that they would be likely to recommend Carers Network to another carer.
- 6.13. However, throughout the contract a small group of carers have raised repeated concerns relating to the service and the change in provider. These concerns have been addressed through detailed action plans developed in conjunction with the Cabinet Member, and where necessary the service has been reconfigured as expediently as possible to meet carers expressed needs (for example the outsourcing of specialist support group provision).
- 6.14. Continuous service improvements and robust performance management will therefore need to continue to be a key feature of this contract through the extension period to ensure that it meets carers' needs. More explicit key performance indicators are being developed relating to engagement, coproduction, consultation, and improved working with health and minority groups to ensure a wider cohort of carers are reached and supported. The contract monitoring is being extended to include officers and strategic leads from health and care management, and random quality audits are being introduced, to strengthen quality assurance.
- 6.15. Officers will continue to obtain the voice of carers through the regular meetings the Cabinet Member and senior officers hold with carers, as well as through the Carers Partnership Board and the Carers Forum.

Efficiencies and savings

- 6.16. Supporting carers to continue in their caring role is considered to reduce the cost of support for those people they care for. In terms of efficiencies and savings there has been no uplift to the contract value over the last two years and, based on current activity, there will not be any uplift in the proposed extension period.
- 6.17. In the new contract period there is likely to be a further increase in the volume of substantive work carried out by Carers Network as a result of the impact of the Care Act. This represents a saving to the department.
- 6.18. The strategic review of carers' services, to be undertaken during the extension period, will look at value for money and market rates, including addressing whether the budget can meet the needs of an increasing number of carers. Officers will also consider any opportunities for joint commissioning and funding of carers services with the Clinical Commissioning Group.

Other risks

- 6.19. The analysis of the options at section six sets out any risks associated with those options.
- 6.20. The legal and procurement comments at sections 9 and 10 respectively set out any risk associated with those aspects of this decision.

7. OPTIONS AND ANALYSIS

Option one: Decommission the service.

- 7.1. The Council could be in breach of its duty under the Care Act to support carers who meet the eligibility criteria for services, as the Carers Hub is the main vehicle for carer support in the Borough.

Option two: Extend the contract for a minimum period, for example six months, and re-let the service through competitive tender as soon as possible.

- 7.2. A quick re-procurement of the service would not allow time for a strategic review of the service. It is therefore unlikely that the service would be able to be accurately specified to meet future needs, for exemplifying in terms of the impact of the Care Act and increasing numbers of carers seeking support.
- 7.3. If this was done as an interim measure pending a full service review and further re-procurement this would be disruptive to the service and customers. Adult Social Care services do generally not benefit from frequent retender.

Option three: Extend the Carers Network contract for a carers' hub service for 17 months until 30 April 2017.

- 7.4. This is the recommended option as this extension meets all the objectives with regards to allowing time for the future service requirements in the light of the Care Act and the future needs of carers to be understood and accurately specified prior to a re-procurement, either shared or single borough.

8. CONSULTATION

- 8.1. Consultation with the market, service users and other stakeholders took place during the pre-procurement stage of the 2012/13 competitive tender.
- 8.2. Every two years there is a national requirement for local authorities to undertake a carers' survey. The survey is aimed at carers who have been assessed by the local authority in the previous year. The survey asks about carers' satisfaction and a number of questions about their quality of life. The latest survey took place between November 2014 and January 2015. The Council wrote to 455 carers and received responses from 39%. The results of the survey were reported to the Council's Health, Adults Social Care and Social Inclusion Policy and Accountability Committee on 29 April 2015.
- 8.3. A strategic review of carers' services will be carried out during the proposed contract extension period and will include consultation, engagement, and coproduction with carers groups, service providers and internal and external stakeholders.

9. EQUALITY IMPLICATIONS

- 9.1. Equalities have been given due consideration. Carers come from all groups and all walks of life and there will be a positive impact on groups of all protected characteristics (i.e. age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation) by providing and continuing to improve access to information and support for carers through mainstream health and social care pathways.
- 9.2. Equality considerations are included in outcomes and contract monitoring for the Service. One of the aims of the Carers' Hub service is to provide an equitable service across the borough to all carers and to improve the identification of hidden carers. Hidden carers are those who are not receiving support to sustain their caring role.
- 9.3. In line with equalities legislation the equalities impact will be assessed throughout the life of the project in order to address any issues arising.

10. LEGAL IMPLICATIONS

- 10.1. It is noted that it is recommended to extend the Council's contract with Carers Network by a period of 17 months from 1 December 2015. This extension is permissible under the terms of the contract.
- 10.2. Although this contract was let under the Public Contract Regulations 2006, the provisions of the new Public Contracts Regulations 2015 apply to any variation made to any contract after 26 February 2015. The value and nature of the services means that the varied contract would be governed by the light touch regime under the 2015 Regulations.
- 10.3. Under the 2015 Regulations, a variation to a contract is permitted in two scenarios which would appear to be relevant to the circumstances described in this report:
 - (i) Where the variation is for additional services (not included in the initial procurement) which have become necessary and are not more 50% of the value of the original contract and where and a change of contractor

either (i) cannot be made for economic or technical reasons (such as requirements of interoperability the existing services) or (ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority.

- (ii) Where (a) the need for the variation has been brought about by circumstances which a diligent contracting authority could not have foreseen, (b) the variation does not alter the overall nature of the contract and (c) the increase in price for the variation does not exceed 50% of the value of the original contract.

Whichever of the above provisions are relied upon the variation must be notified to the EU Publications Office for publication in the OJEU.

- 10.4. In the event that the total value of the variation is less than 10% of the initial contract value, (and where it does not alter the overall nature of the contract), the variation would be permitted under the 2015 Regulations without the requirement to publish a notification of the variation.
- 10.5. **Legal Implications provided by:** Cath Tempest, Senior Solicitor (Contracts) tel. 020 8753 27674

11. PROCUREMENT IMPLICATIONS

- 11.1. The Council has discretion within the terms and conditions of the contract to extend the contract period by any number of periods up to an aggregate of eighteen months.
- 11.2. The recommended contract extension of seventeen months will allow officers a suitable and sufficient length of time to undertake a strategic review of services and a competitive tender process.
- 11.3. Section 1.12.1 of the Contract Standing Orders requires that consideration should always be given to whether sharing procurement exercises with other councils and/or public bodies would be of mutual benefit to all parties concerned. The recommendation in this report will align the contract with those for similar services in neighbouring boroughs and facilitate a joint procurement exercise to be considered for the future re-let of this service if required.
- 11.4. This decision to extend and vary the contract is subject to the approval of full Cabinet, on the recommendation of the Contract Approval Board.
- 11.5. Section 1.7 of the Contract Standing Orders requires a Cabinet Key Decision (KD) for all contracts that have a total value of £100,000 or greater. Section 20.3(c) of the Contract Standing Orders requires that where there will be an increase in the contract value of £100,000 or greater the decision is reserved to the Cabinet.
- 11.6. The Shared Services Procurement Code applies as the value of the whole life contract is greater than £300,000.
- 11.7. The decision to vary the contract should also be referred to the Director of Law and the Director for Procurement & I T Strategy as required by Section 20.1 of the Contract Standing Orders for any reports that seek variations to either a Regulated or Unregulated contract that equates to a proposed change in value of +/-10% or more if it relates to a service or supply.

11.8. **Implications verified by:** Sherifah Scott, Head of Adult Social Care Procurement and Contracts, tel. 020 7641 8954.

12. FINANCIAL AND RESOURCES IMPLICATIONS

12.1. The recommendation in paragraph 2.1 above to extend the existing contract with the Carer Network for a 17 month period from 1st December 2015 to 30th April 2017 will cost £325,261 in total with full year costs of £229,596 per annum in 2016/17 and part year effects of £76,532 and £19,133 in 2015/16 and 2017/18 respectively. This can be funded from the current general fund revenue budget for Carers within Commissioning. Please refer to table of financial implications below.

12.2. The recommendation in paragraph 2.2. above to vary the contract will cost a maximum of £113,332 over the proposed extension period with full year effects limited to £80,000 in 2016/17 and pro-rata part year effects of £26,666 and £6,666 in 2015/16 and 2017/18 respectively. These additional costs will be funded by contributions from health (CCG) and from the authority's Care Act Implementation Fund. Please refer to table of financial implications below.

12.3. Table of Financial Implications

		2015/16		2016/17		2017/18		Total	
<i>Revenue implications</i>		Confirmed budget figure £	Costs of proposal £	Confirmed budget figure £	Costs of proposal £	Confirmed budget figure £	Costs of proposal £	Total budget £	Total cost of proposal £
Council Revenue budget		76,532	76,532	229,596	229,596	19,133	19,133	325,261	325,261
External funding sources, e.g. CLCCG S75.									
SUB TOTAL		76,532	76,532	229,596	229,596	19,133	19,133	325,261	325,261
Funding sources, to implement the Care Act variation if needed	CLCCG S75.	13,333	13,333	40,000	40,000	3,333	3,333	56,666	56,666
	Care Act Implementation Fund	13,333	13,333	40,000	40,000	3,333	3,333	56,666	56,666
SUB TOTAL		26,666	26,666	80,000	80,000	6,666	6,666	113,332	113,332
TOTAL		103,198	103,198	309,596	309,596	25,799	25,799	438,593	438,593
SAVINGS		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

12.4. **Implications verified/completed by:** Cheryl Anglin-Thompson, Principal Accountant, Planning & Integration Team LBHF (Adult Social Care), tel. 020 8753 4022

LOCAL GOVERNMENT ACT 2000

LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
	None		

Director name: Selina Douglas

Director title: Director for Adult Social Care Strategic Commissioning and Enterprise

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List of Appendices: None