



REPORT TO SOCIAL WORK AND HOUSING COMMITTEE - 10 NOVEMBER 2016

CONTRACTS FOR SOCIAL CARE SERVICES Awarded under Financial Regulation 5.3.29

1 Recommendations

The committee is recommended to:

- 1.1 **Note the details of contracts awarded for social care services under the Social Work Exception regulation during the 2015/16 financial year.**

2 Background / Discussion

- 2.1 Financial Regulations provide the framework for managing the Council's financial affairs, and Section 5.3 covers the Procurement of Works, Goods or Services. The Regulations include reporting requirements. It should be noted that Financial Regulations are in the process of being reviewed and updated to reflect changes to procurement legislation, the integration of Health and Social Care and resulting changes to directorates, however, this report is written in order to comply with existing Financial Regulations.
- 2.2 The Commissioning, Procurement and Contracts Team has operational responsibility for the procurement, contract issue and contract management of social care services purchased by Aberdeenshire Council. On 1 February 2016, the team became an integral part of Commercial and Procurement Services. All the contracts that are managed by the team are published in the Council's contracts register.
- 2.3 Paragraph 5.3.29 of Financial Regulations describes the Social Work Exception (SWE), which gives the Director of Housing and Social Work delegated authority to make a direct award of contract or extend an existing contract without competition or further competition, where the requirement falls within the Health and Social Services classification designated within Schedule 3 in the Public Contracts Scotland Regulations 2012 and under the following circumstances.
 - i. Where the director is satisfied that the requirement of the contract is unique and, after research, only one suitable source of supply can be identified;
 - ii. When, for reasons of extreme urgency or risk to life or health and wellbeing, brought about by events unforeseen by the Council, the other procurement procedures cannot be complied with;
 - iii. Where, for example in the case of certain residential or supported living services, there are only limited spaces for a specific type of care and those spaces only become available occasionally and at short notice;

- iv. Where the Council is instructed by a Children's Hearing or Educational Tribunal to place a child in a particular setting.

It should be noted that adult social work is now within the remit of the Integration Joint Board and is delivered by the Health and Social Care Partnership. This is reflected in the proposed Scheme of Governance before Full Council in November and is as a result of legislative changes. It should also be noted that references to the Public Contracts Scotland Regulations 2012 have been superseded by Public Contracts (Scotland) Regulations 2015. A review of the Council's Financial Regulations is in progress and will be updated in due course.

- 2.4 Two additional conditions have been proposed for consideration in the review of Financial Regulations, these are:
- Where an individual has a right to choose and direct their own accommodation and /or support (ie under Choice of Accommodation Directions, or Self Directed Support legislation)
 - Where the Director is satisfied that the risk to service user(s) outweighs the benefits of advertising the requirement and awarding the contract or framework following competition (so that a change of service provider is not forced upon service users where current services are operating well)
- 2.5 In relation to services for Adults, at the end of the financial year 2015/16, there were 128 contracts in place that have been awarded under the SWE. The majority of these are ongoing contracts for residential or supported living placements that fall under either circumstance iii, limited places available at short notice, or circumstance i, only one suitable source of supply. Contracts awarded under circumstance i includes those for care homes for older people; given that individuals have the right to choose their own care home under Choice of Accommodation Directions 1983, and from that perspective, the care home is the only suitable source of supply for each individual.
- 2.6 During the financial year 2015/16, three contracts awarded under the SWE were ended. All of these were contracts for out of area placements which were terminated when the residents died or moved to a different establishment.
- 2.7 Twenty three new contracts were awarded. Nine of these are for residential placements for people with learning disabilities, outwith Aberdeenshire; the SWE grounds being only one suitable source of supply to meet the needs of the individual, and/or limited spaces that only become available at short notice. Eleven contracts are for residential placements for older people under the same grounds. One contact is for a service that was formerly a care home but re-registered as a supported living service and therefore required a different contract; again, the SWE grounds are that people have chosen to remain in the service and therefore it is the only suitable source of supply for them. Two contract were issued for additional training and skills development services which people have chosen to access; again the SWE grounds are choice of individuals, although it should be noted that this type of service is likely to be procured as a framework once the market had developed further.
- 2.8 In relation to services for Children, at the end of the financial year 2015/16, there were 13 contracts in place that have been awarded under the SWE. The majority of these are ongoing contracts for residential placements that fall under either circumstance iii, limited places available at short notice, or

circumstance i, only one suitable source of supply; or support services that fall under circumstance ii, risk to wellbeing of people being supported.

- 2.9 During the financial year 2015/16, three new contracts were awarded under the SWE. Two of these were contracts for individual out of area placements, the SWE grounds being only one suitable source of supply to meet the needs of the young person. The other contract was for short term additional support to a young person placed out of area, again, there was only one suitable source of supply in a remote area; this contract was terminated during the same financial year.
- 2.10 Appendix 1 gives details of individual contracts awarded under the SWE during the 2015/16 financial year for services for Adults. Appendix 2 gives details of individual contracts awarded under the SWE during the 2015/16 financial year for services for Children.
- 2.11 It should be noted that contract values are estimates, as, due to the changing nature of demand for these services, it is not possible to make exact predictions. It should also be noted that there are acknowledged challenges in relation to the way data is recorded in and extracted from systems that have different purposes; none of the systems are designed for the principal purpose of determining spend by contract.
- 2.12 The Head of Finance, the Monitoring Officer within Business Services, The Head of Commercial and Procurement Services and the Head of Human Resources and Organisation Development have been consulted on the contents of this report and their comments have been incorporated.

3 Equalities, Staffing and Financial Implications

- 3.1 An equality impact assessment is not required because this report is to inform the Committee about contracts already awarded in compliance with financial regulations; there is no impact on anyone with a protected characteristic.
- 3.2 There are no staffing implications associated with this report.
- 3.3 There are no specific financial implications arising from this report; funding and rates in individual contracts are managed within Service budgets.

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Appendix 1

Provider Name	Service Type	Client Group	Start Date	End Date	Estimated Annual Value	Comments	
Cornerstone Community Care	Residential	Learning Disability	01/04/2015	31/03/2018	87,061	Residential placements for people with learning disabilities, outwith Aberdeenshire. Only one suitable source of supply to meet the needs of the individual, and/or limited spaces that only become available at short notice	
Oakview Estates Ltd	Residential	Learning Disability	01/04/2015	31/03/2018	273,078		
Oakview Estates Ltd	Residential	Learning Disability	12/01/2016	31/03/2018	42,120		
Guthrie Court Ltd	Residential	Learning Disability	04/05/2015	31/03/2018	160,988		
Richmond Fellowship Scotland Limited (The)	Residential	Learning Disability	01/04/2015	31/03/2018	33,968		
Garvald Home Farm Ltd	Residential	Learning Disability	01/04/2015	31/03/2018	66,136		
National Autistic Society	Residential	Learning Disability	16/06/2015	31/03/2018	174,463		
National Autistic Society	Residential	Learning Disability	01/04/2015	31/03/2018	453,264		
Partnerships In Care	Residential	Learning Disability	01/04/2015	31/03/2018	172,020		
Hollybank Residential Care Home	Residential	Older People	09/04/2015	31/03/2018	21,071		Residential placements for older people, outwith Aberdeenshire. Only one suitable source of supply to meet the needs of the individual, and/or limited spaces that only become available at short notice.
Barchester Healthcare Limited	Residential	Older People	20/11/2015	31/03/2018	4,695		
Plymouth House Nursing Home (Mr & Mrs Ursell T/A)	Residential	Older People	23/12/2015	23/12/2018	2,775		
Maria Mallaband Limited	Residential	Older People	04/03/2016	31/03/2018	1,316		
Stone Gables Care Limited	Residential	Older People	18/03/2016	31/03/2018	747		
Meallmore Limited	Residential	Older People	31/03/2016	31/03/2017	28,621		
Integrated Nursing Homes	Residential	Older People	01/04/2015	05/06/2016	21,034		
Brain Injury Rehabilitation Trust	Residential	Physical Disability	01/04/2015	31/03/2017	316,207		
Living Ambitions Limited	Residential	Physical Disability	06/04/2015	31/03/2017	50,688		
Bupa Care Homes (Cfhcare) Limited	Residential	Physical Disability	01/04/2015	31/03/2018	25,666		
Brain Injury Rehabilitation Trust	Residential	Physical Disability	11/11/2015	31/03/2018	87,750		
Milltown Community Limited	Supported Living	Learning Disability	15/10/2015	31/03/2017	68,107	Formerly a care home, new contract issued following re-resitration as a supported living service. Individuals have chosen to remain in the service and therefore it is the only suitable source of supply for them.	
Howford Training (Claire Gregg)	Training and Skills Development	Learning Disability	01/10/2015	31/03/2017	18,724	New services for training and skills development that individuals have chosen to access	
Grampian Opportunities	Training and Skills Development Service	Learning Disability	01/10/2015	31/03/2017	3,694		

Appendix 2

Provider Name	Service Type	Client Group	Start Date	End Date	Estimated Annual Value	Comments
Snowdon School Limited	Residential	Children's Services	01/05/2015	31/03/2018	82,800	Residential placements outwith Aberdeenshire. Only one suitable source of supply
Inspire Scotland	Residential	Children's Services	01/03/2016	31/03/2019	21,000	
Action For Children (Scotland) Ltd	Support Service	Children's Services	01/08/2015	10/08/2016	1,001	Short term additional support to placement outwith Aberdeenshire. Only one suitable source of supply