

**DIRECT AWARD CONTRACT FOR ELECTRONIC CALL MONITORING TO DISABILITY
COMMUNITY CARE AND SUPPORT PROVIDERS**

Cabinet Date	27 September 2017
Vulnerable People and Commissioning	Councillor Roger Wilson
Key Decision	Yes
Background Documents	<i>Cabinet report 11.9.2013 – Roll out of Electronic Call Monitoring to Disabilities Supported Living Providers in Gloucestershire</i>
Location/Contact for inspection of Background Documents	http://glostext.gloucestershire.gov.uk/mgDelegatedDecisions.aspx?bcr=1&DM=117C
Main Consultees	Internal support services
Planned Dates	27 September 2017 – seek Cabinet approval 19 December 2017 – new contract in place
Divisional Councillor	All
Officer	<i>Jane Reid Tel. no: 01452 328635 Email address: Jane.reid@gloucestershire.gov.uk</i>
Purpose of Report	To seek approval to undertake a direct award process under an Eastern Shires Purchasing Organisation (“ESPO”) framework agreement (using the council’s own Service Specification requirements), for the continued delivery of an Electronic Call Monitoring (ECM) system and agree delegated officer authority to Commissioning Director (Adults) to award the contract.
Recommendations	It is recommended that Cabinet authorise the Commissioning Director (Adults) to: - Conduct a legally compliant direct award process under the Eastern Shires Purchasing Organisation (“ESPO”) framework agreement (in accordance with the rules of that Framework and the Public Contracts Regulations 2015) for the award of a 5 year 3 months Electronic Call Monitoring contract with an estimated maximum spend of £480k, resulting in an expected 5 year net saving of between £2 and £3 million across the community based care and support sector.

<p>Reasons for recommendations</p>	<p>The Council has successfully implemented an Electronic Call Monitoring system which ensures that vulnerable service users receive the services commissioned for them. In addition, the system measures quality indicators such as punctuality of the carer, the consistency of the carer and flags missed visits. Using the system we ensure that the Council pays only for the services it has actually received.</p> <p>The direct award of a new contract under the ESPO Framework Agreement will ensure business continuity and continuation of increased efficiencies. Furthermore, it enables alignment of the duration of the ECM LD and Older Persons Domiciliary Care contracts so they can be jointly reviewed in 2023.</p>
<p>Resource Implications</p>	<p>The total maximum cost for this contract (over a 5 year 3 month period) is estimated at £480k, this can be managed within existing resources. This is broken down as a recurring annual cost of 90k (paid on a monthly basis at £7.5k per month).</p> <p>This will provide a minimum expected 5 year saving of between £2 million and £3 million based on current data. Cumulative efficiency savings for the period April 2015 to March 2017 inclusive were £2,214,000. However, we do not expect savings to continue at this level across the five year period and this was anticipated at the start of the original contract. This is because the re-assessment of packages may result in a reduction of commissioned hours. Therefore, the potential for under-delivery over time may be lessened.</p>

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Background

1. Vulnerable adults receive an assessment of their needs and services are commissioned through external care providers. Prior to Electronic Call Monitoring, commissioners had no means of ensuring that service users received the support and care that has been commissioned for them.
2. ECM is a system that records the attendance of support staff at a service user's home using a landline telephone or simple alternatives such as using a mobile where a landline is not available or support takes place outside of the home. With ECM we can now see what services have been provided in real time. Missed visits, late visits and inconsistent delivery can now be highlighted and corrected; ensuring service users receive the care we commission for them.
3. ECM can also aid the streamlining of financial processes, removing much of the administrative burden and expense of timesheet management and billing, alongside strengthening the contract monitoring agreements and offering additional safeguards for both service users and staff.
4. Gloucestershire County Council (GCC) currently spends circa £24m per year on Learning Disability (LD) community based care support services. Prior to the introduction of ECM, the Council could not easily substantiate the support hours provided and was therefore potentially paying for commissioned hours rather than the actual hours provided. The LD Commissioning team identified ECM as an opportunity to achieve several benefits, including efficiency savings under the Council's Meeting the Challenge 2 (MtC2) programme.
5. Following a competitive tender exercise in November 2014, under the ESPO Framework (in accordance with the rules of that Framework and the Public Contracts Regulations 2015) Care Monitoring 2000 (CM2000) were selected as the successful supplier to provide the ECM system (CallConfirmLive! (CCL!)) for Gloucestershire County Council. In 2015/16, the Council introduced the use of CCL! within the All Age All Disabilities settings at which point the Support Services contracts, between GCC and the providers, were amended to include the requirement and the terms and conditions for use of an ECM system.
6. Following separate contract negotiations under the ESPO Framework (in accordance with the rules of that Framework and the Public Contracts Regulations 2015) Care Monitoring 2000 were also awarded a contract to provide the ECM system for Older Persons Domiciliary Care. That contract commenced on 1st April 2016 and is due to run for seven years. It would be beneficial to align the duration of the ECM LD and Domiciliary Care contracts so they can be jointly reviewed in 2023.
7. The MtC2 savings target of £1.75m has been achieved and exceeded. The savings target of £1.2m for 2017/18 is currently on course to be met.
8. The ECM LD contract is due to expire on 18 December 2017 and approval is sought to direct award a new contract to the existing provider (CM2000) to commence no later than 19th December 2017.

Options

1. Direct award a new contract to existing service provider (CM2000) to continue services until March 2023 (a term of 5 years and 3 months)

Advantages

- Although CM2000 are not the only relevant supplier in the ESPO Framework Agreement, there is no other provider in the market who can provide this specific service, to the standard and complexity we need for this contract, for example when monitoring shared care. CM2000 is the exclusive provider to all England councils who use this service.
- Under the requirements of the ESPO Framework we have established that based on pricing and complexity of requirements CM2000 are the only provider who can meet our requirements.
- No set up costs as those were covered in initial tender. This equates to a saving of c.£85,000
- No implementation of new process and no training requirements for providers.
- Service providers will continue to be paid by BACS using actual delivery data. BACS enables us to consistently pay providers within 14 days. This supports business sustainability particularly for smaller care providers.
- Service Providers will not have to alter their established pattern of working and invoicing through ECM.
- Service Users will see no difference in service delivery.

Disadvantages

- No notable disadvantages

Costs

- The total maximum cost for continuing this contract (over a five year 3 month period) is estimated at £480k, which can be managed within existing resources. This is broken down as a recurring annual cost of £90k (paid on a monthly basis of £7.5k per month).

2. Tender for a new contract for ECM LD provision

Advantages

- One potential advantage would be to explore whether something similar could be achieved at more competitive running costs.

Disadvantages

- Other providers may appear to have more competitive contract running costs but we expect from our observations of the market that they would not offer the necessary complexity to monitor shared care.
- New set up costs.
- New training costs.
- Service providers would have to adapt to a new system.
- Potential for disruption due to implementation of new IT system.

Costs

- The cost would significantly increase due to set up and training costs, and potential development work to enable a new provider to offer the functionality we need.

Risk Assessment

- No notable risks for awarding contract in accordance with the rules of the ESPO Framework Agreement. The Framework allows Direct Award in circumstances where the supplier meets the Councils requirements in terms of pricing and ability to meet the complex requirements of the contract.
- To not award means returning to payment of commissioned hours, which does not offer efficiencies and reduces confidence in service delivery because there is no ability to know that service users are receiving the support they have been assessed for.

Officer Advice

It is recommended that Cabinet approves the implementation of Option 1.

- The direct award of a new ECM LD contract to the existing provider (CM2000). This will ensure business continuity and continued savings, which will result in the alignment of the duration of the ECM LD and Older Persons Domiciliary Care contracts so they can be jointly reviewed in 2023.

Equalities considerations

There will be no negative impacts for Service Users with protected characteristics and this is explained in the Due Regard Statement.

Cabinet Members should read and consider the Due Regard Statement in order to satisfy themselves as decision makers that due regard has been given.

Consultation feedback

Consultation on renewing the contract for Electronic Call Monitoring to disability community care and support providers was undertaken with internal GCC services who supported the proposal.

Performance Management/Follow-up

The performance management of the Care & Support contract will be managed by the existing ECM officers who will manage the ECM system and ensure contract compliance by community based care and support Providers. Monitoring and inspection programmes will be in place to ensure financial contract compliance.

Report Title	Direct award contract for Electronic Call Monitoring to disability community care and support providers
Statutory Authority	
Relevant County Council policy	Building Better Lives; Value for Money Policy
Resource Implications	<p>The total maximum cost for this contract (over a 5 year 3 month period) is estimated at £480k, this can be managed within existing resources. This is broken down as a recurring annual cost of 90k (paid on a monthly basis at £7.5k per month).</p> <p>This will yield an expected 5 year saving of between £2 million and £3 million based on current savings data. Cumulative savings for the period April 2015 to March 2017 inclusive were £2,214,000. However, we do not expect savings to continue at this level across the five year period and this was anticipated at the start of the original contract. This is because the re-assessment of packages may result in a reduction of commissioned hours. Therefore, the potential for under-delivery over time may be lessened.</p>
Sustainability checklist:	
Partnerships	Gloucestershire Clinical Commissioning Group (GCCG), 2gether Trust.
Decision Making and Involvement	Internal decision-making processes.
Economy and Employment	Continuity of this contract will support the disability care market by allowing providers to continue using an established system. This ensures market stability.

Caring for people	Service Users receive the services commissioned for them. Consistency of Care Workers can be monitored and missed visits can be flagged.
Social Value	The introduction of ECM has meant that the council can pay providers electronically in a much more timely manner than was previously possible through paper invoicing. This helps small businesses
Built Environment	N/A
Natural Environment' including Ecology (Biodiversity)	N/A
Education and Information	Continuing information available to both Providers and LD Commissioners on commissioned services.
Tackling Climate Change	Carbon Emissions Implications? Neutral Vulnerable to climate change? Neutral
Due Regard Statement	Has a Due Regard Statement been completed? Yes A copy of the full Due Regard Statement can be accessed on GLOSTEXT via http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1 Alternatively a hard copy is available for inspection from Jo Moore, Democratic Services Unit, e-mail: jo.moore@gloucestershire.gov.uk .
Human rights Implications	N/A
Consultation Arrangements	Consultation on renewing the contract for Electronic Call Monitoring to disability community care and support providers was undertaken with internal GCC services who supported the proposal.