

INDIVIDUAL CABINET MEMBER DECISION REPORT

Published on 30 October 2019

Enactment of the County Council's contractual obligations with Gloucestershire Care Partnership

Dates between which decision will be taken	Earliest date: 7 November 2019 Latest date: 11 November 2019
Adult Social Care Delivery	Cllr Kathy Williams
Key Decision	Yes
Background Papers	Cabinet Member Decision – "Authority to enter into Settlement Agreement and Release - 8 August 2017"
Location/Contact for inspection of Background Documents	http://glostext.gloucestershire.gov.uk/ieDecisionDetails.aspx?ID=981
Main Consultees	None
Planned Dates	N/A
Divisional Councillor	All
Officer	Any representations should be sent to: James Cawley, Lead Commissioner Adult Care Tel : 01452 583707 E mail: james.cawley@gloucestershire.gov.uk by 5.00pm on Wednesday 6 November 2019
Purpose of Report	To seek approval to enact the County Council's contractual obligations with Gloucestershire Care Partnership, including: (a) the results of the regular benchmarking exercise and, (b) invest in a programme of minor refurbishments across the council's older care homes in order to improve the conditions for residents.

<p>Recommendations</p>	<p>That the Cabinet Member: Adult Social Care Delivery delegates authority to the Director of Adult Social Care to enact the Council's contractual obligations with Gloucestershire Care Partnership by entering into and complying with a Settlement Agreement to:</p> <p>(a) implement the results of the regular benchmarking exercise and; (b) Invest in a programme of minor refurbishments across the council's nine older care homes in order to improve the conditions for residents.</p> <p>Appendices 1 and 2 are exempt from publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 and given that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>
<p>Reasons for Recommendations</p>	<p>To ensure that the Council meets its contractual obligations with Gloucestershire Care Partnership and to improve the standard of accommodation in the homes.</p>
<p>Resource Implications</p>	<p>Implementation of the results of the benchmarking exercise, and undertaking essential refurbishments across the nine older homes, will require additional revenue and additional capital investment above existing Adult Care budgets. This additional resource requirement will need to be incorporated into the 2020/21 budget due to be approved by Council in February 2020.</p>

MAIN REPORT CONTENTS

Background

1. In 2005 the Council entered into a 35 year contract with the Gloucestershire Care Partnership (GCP), a joint venture of the Orders of St John Care Trust and Bedfordshire Pilgrims Housing Association, to operate and develop the Council's care home estate. To date four care homes have been redeveloped by way of new buildings on the original sites and the remaining nine older care homes remain undeveloped. The Council owns the land and buildings which are leased to GCP. A list of all the nine older care homes and the refurbishment budget is set out at exempt Appendix 2.
2. As with any long term contract this one contains contractual terms which protect both parties from their isolation from market forces. The contract allows for the prices to be benchmarked against other similar providers on a five year basis. This type of contractual arrangement is used in long term contracts as the normal ability to re-align with the market in regular competition is not available. This also provides protection to the Council to ensure that the rates it pays do not move significantly above the rates paid to the market. The contract provides for this to be done on every fifth anniversary of the contract hence this is the benchmarking exercise for 2020 onwards.
3. The contract also allows for minor refurbishments up to a pre-agreed value. The costs of the refurbishment are then paid by the Council. Under this agreement, GCP will undertake a series of refurbishments at a cost of approximately £6 million over the next two years at the nine undeveloped homes. This will include new boilers, lighting and showers and substantially improve the conditions for current and future residents. The improvements will provide modern facilities for residents and allow the homes to be operated as high quality care homes well into the next decade. In addition the four care homes that have been developed will continue to be operated for at least a further ten years under the terms of the existing contract.
4. These discussions have resulted in GCP and the Council agreeing the terms which will be incorporated into a Settlement Agreement which will form an addendum to the contract. A summary of the relevant clauses and the cost attributable is included at exempt Appendix 1.

Options

5. There are two options:
 - a) Do nothing – The Council could choose not enter into the Settlement Agreement. This would mean that the homes are not refurbished and the GCP rates could fall behind the rest of the market with potential consequences for the level of care provided.
 - b) Do something – The Council could enter into the Settlement Agreement. This would involve refurbishing the homes and adjusting GCP rates to those of the market in accordance with the benchmarking exercise.

Risk Assessment

6. This is an extensive refurbishment programme across a number of homes. There is a risk that it is not carried out to time and quality. As such it will involve professional project managers and procurement staff from both GCP and the Council to ensure that the resultant works are for the benefit of residents and protect the Council as the ultimate owner of the assets.

Officer Advice

7. That the Council enters into the Settlement Agreement with Gloucestershire Care Partnership.

Equalities considerations

8. Whilst a DRS has not been produced, we have considered the protected characteristics of the existing service users and consider that the settlement agreement provides positive benefits by providing improved accommodation and care within the existing nine homes.

Consultation arrangements/feedback

9. Not applicable for this decision.

Performance Management/Follow-up

10. The performance of the Gloucestershire Care Partnership will be monitored, both in terms of both ongoing financial cost and operational performance, in accordance with its normal contract monitoring process.

Report Title	Enactment of the County Council's contractual obligations with Gloucestershire Care Partnership
Statutory Authority	The Care Act 2014
Relevant County Council policy	Older People's Care Home Strategy, June 2019
Sustainability checklist:	
Partnerships	A robust care market working in partnership with the Council supports the needs of older people.
Decision Making and Involvement	Where appropriate consultation is undertaken with residents and families on key decisions.
Economy and Employment	A sustainable older peoples' care home market will provide employment opportunities across Gloucestershire.
Caring for people	A sustainable older peoples' care home market will support the needs of older people.
Social Value	A vibrant and sustainable care home is an essential part of local communities.
Built Environment	N/A
Natural Environment' including Ecology (Biodiversity)	N/A
Education and Information	N/A
Tackling Climate Change	Carbon Emissions Implications? Neutral Vulnerable to climate change? No

Due Regard Statement	Has a Due Regard Statement been completed? No
Human rights Implications	N/A