

Brighton & Hove City Council

Adult Social Care and Public Health Sub- Committee

Agenda Item 23

Subject: Care Homes Contract Extension

Date of meeting: 10th January 2022

Report of: Executive Director, Health and Adult Social Care

Contact Officer: Name: Alex Saunders
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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

1.1 The purpose of this report is to describe the current provision of Care Homes in Brighton & Hove and to seek approval from the Adult Social Care and Public Health Sub-Committee to extend the existing Care Homes Contracts for a further nine months to enable the recommissioning process to take place.

2. Recommendations

2.1 That Committee delegates authority to the Executive Director, Health and Adult Social Care to extend the current Care Homes Contract for a period of nine months.

3. Context and background information

3.1 Brighton & Hove City Council currently commissions Care Home (including Residential and Nursing Home) beds via a spot purchase arrangement. A recommissioning process is currently underway to facilitate a long term, strategic approach to the Services.

3.2 The Current Care Homes Contract expires on the 30th June 2023. The original contract ran from 5th September 2016 until 4th September 2020, but we have extended it twice more, by letter to providers.

3.3 The Contract was advertised and awarded via a Contract Notice, enabling extension of the Contract up until September 2024.

3.4 Unfortunately, through error or omission, the delegation required to use the extension of the Contract was not explicitly provided for in the committee report for the Services.

3.5 The purpose of this report is therefore to request agreement to delegate the power to extend the contract already advertised, to remedy this omission.

4. Analysis and consideration of alternative options

4.1 Option 1 – Delegate Authority to Extend

4.2 Further time is required to run a complete recommissioning process, which is currently anticipated to be complete in late 2023. Therefore, we need to extend the existing contract by a further nine months, until 31st March 2024. We will include a variation to the termination clause which will give three months' notice to terminate, should the new contracts be in place earlier.

4.3 The extension option has already been advertised via a PCR-compliant process.

4.4 Option 2 – Do Not Delegate Authority to Extend

4.5 Not extending the Contract will place the Council in an untenable position of having to recommission the Care Homes Contract before June 2023, risking the continued provision of Care Homes, an essential Service to Brighton & Hove.

5. Community engagement and consultation

5.1 Specific consultation for this extension is not planned as part of this extension process as an extensive community engagement and consultation process is currently away as part of the larger Care Homes Recommissioning.

6. Conclusion

6.1 The Care Homes Contract enables the provision of essential Services to the City of Brighton & Hove.

6.2 Delegation of the power to extend the already advertised Contract is required to facilitate continued provision whilst the larger Care Homes Recommission takes place.

6.3 It is therefore recommended that the Adult Social Care & Public Health Sub-Committee delegates authority to the Executive Director, Health and Adult Social Care to extend the current Contract until the 31st March 2024.

7. Financial implications

7.1 There are no direct financial implications from the proposal to extend the current care home contracts by 9 months as it will not affect fees paid to providers. The overall projected annual spend for external care home provision in 2022/23 is £64m, and therefore extending the contract by 9 months would cost approximately £48m. This level of spend is accounted for in the Council's Medium Term Financial Budget Strategy.

Name of finance officer consulted: Sophie Warburton Date consulted:
15/12/2022

8. Legal implications

- 8.1 Regulation 72(1)(e) of the Public Contracts Regulations 2015 permits contracts to be modified without a new procurement procedure where the modification is not substantial within the meaning given to the term substantial set out in Regulation 72(8) of the Public Contracts Regulations 2015. Committee is asked to delegate authority to the Executive Director to further extend the current Care Homes Contract for a further period of 9 months to enable the recommissioning of the care homes block bed contract, which has been delayed due to awaiting the outcome of the Fair Cost of Care process to inform the new recommissioning pricing mechanism.
- 8.2 The contracts have previously been extended until June 2023 in accordance with the Council's Contract Standing Orders as the Council is required to comply with its statutory duties under s.2 Care Act 2014 to provide services, facilities or take steps to prevent or delay the development of care and support needs of adults in its area and must have regard to, and make use of services, facilities and resources already available to it.
- 8.3 The Council's Constitution provides that where under the Scheme of Delegations an Officer is authorised to discharge a particular function, they shall not be precluded from placing the matter before the relevant Committee for consideration if they consider it appropriate.

Name of lawyer consulted: Farida Amin Date consulted (16/12/22):

9. Equalities implications

- 9.1 A specific EIA for this extension is not planned as part of this extension process as an updated EIA has been agreed and signed off in July 2022 as part of the larger Care Homes Recommissioning.

10. Sustainability implications

- 10.1 Sustainability is covered in the existing Contracts under Section E.6 and broader sustainability goals are being considered as part of the larger Care Homes Recommissioning Project.

11. Other Implications

Social Value and procurement implications

- 11.1 Social Value is also being considered as part of the larger Care Homes Recommissioning Project. For example, the tender process will include Quality submissions based on questions relating to Social Value and Sustainability. These are likely to be included as part of future KPI monitoring.

Public health implications:

- 11.2 Care homes play a vital role in ensuring people are discharged from hospital in a timely manner, either as a stepping-stone towards their return home or as part of a long-term care plan. The system is already overstretched and under enormous pressure; anything that risks adding to these challenges should be avoided if possible.

Supporting Documentation

None.