

**BRIEFING NOTE****Agenda Item no. 6**

**TO: Social Care and Inclusion Scrutiny and Performance Panel**  
**DATE: 20 February 2014**

**Process for the retender of Residential and Nursing Home Services****Purpose**

This is to provide an update on the tender of residential and nursing home services in Walsall

**Background**

In June 2013 Cabinet approved a procurement exercise for accommodation-based services comprising residential and nursing care home placements. The aim at that time was to renew the framework contract at the point at which the current framework contract expires at end of March 2014.

Preparation for this has continued including consultation with the provider market to update the service specification in preparation for going to tender and entry on to the new framework contract.

**Progress to date**

During the consultation process the advantages of reverting to individual service contracts instead of a framework was raised, leading to a further options appraisal of the strengths and weaknesses of each approach.

Individual Service Contracts would mean that each individual service agreement would be made up of an over-arching Agreement between the Council and the Providers with a common set of terms and conditions, a service specification, and details of care and support to be provided in the form of a support plan. The proposed fee rates would be published within the agreement. This would allow the council to retain some control over the market's provision of placements i.e. council funded placements and the use of standard documents and ability to monitor contract performance through the standard contract documents. The transparency of choice and selection of providers still remains with the service users and/or their families which still support the personalisation agenda.

One of the main problems with establishing a further framework agreement is the amount of commissioning capacity that is needed to simultaneously evaluate tender bids from a large number of care homes.

Following further legal and procurement advice it was recognised that the need to standardise a common set of terms and conditions and a common service specification for Individual Service Contracts does in effect mean that the approach is to be a renewal of the framework contract. The emergence of CQC as a more robust regulatory agency makes it possible to simplify the procurement process and thus reduce the commissioning capacity needed to evaluate tender bids. Therefore, the Council will proceed with re-establishing a framework contract.

## **Timescale**

The current aim is to complete the procurement exercise in time to award contracts from June 2014. This will require an extension to current contract arrangements from the end of March 2014.

## **Conclusion**

The service specification has undergone major consultation with key stakeholders i.e. Health, Providers and service users and is ready for the forthcoming tender exercise.

A key issue highlighted during the consultation was from providers who could see little benefit from the work needed by them to make a submission given there is no guarantee of future placements from the Council. They asked the Council to consider using an alternative contractual approach in the form of Individual Service Contracts instead of a framework contract.

This has been considered by the ASC&I Directorate working with corporate colleagues in finance, legal and procurement and it has been decided to proceed with re-establishing a framework contract.

## **Background papers**

Accommodation-Based Services Tender

Cabinet 19 June 2013

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