

## **CABINET**

**15 JULY 2014**

### **GATEWAY 4 REPORT: PLATTERS FARM LODGE**

Portfolio Holder: Councillor David Brake, Adult Services

Report from: Barbara Peacock, Director of Children and Adults Services

Author: Preeya Madhoo, Head of Category Management – People

#### **SUMMARY**

This report reviews the progress of the contract currently delivered through the supplier(s) as highlighted within 1.1 of this report.

This Gateway 4 Report has been approved for submission to Cabinet after review and discussion at Children and Adults Directorate Management Team and Procurement Board.

#### **1. BACKGROUND INFORMATION**

##### **1.1 Contract Background Information**

- 1.1.1 On 1 April 2013 the Council transferred the services provided at Platters Farm Lodge to Strode Park Foundation, a Kent-based charity. The contract was for two services: respite and rehabilitation residential-based care and day care services.
- 1.1.2 The contract duration for the respite and rehabilitation services is 25 years with 5-year break clauses.
- 1.1.3 The contract duration for day care services is 3 years with an option to extend for a further 2 years, if the Council so wishes. The contract has now been in place for one year. This Gateway 4 paper outlines the performance of the service during that time.
- 1.1.4 Approval for contract award was provided by the Cabinet on 15 January 2013.

## **2. STATUTORY/LEGAL OBLIGATIONS**

### **2.1 Statutory/Legal Obligations**

- 2.1.1 The Council has a range of statutory duties and powers to provide services to vulnerable adults such as older people, people with learning disabilities, physically disabled people, people with mental health needs, drug and alcohol misusers and carers. Duties and powers are contained within the National Assistance Act 1948, the Chronically Sick and Disabled Persons Act 1970, the NHS and Community Care Act 1990, the Mental Health Act 1983 together with other statutes and regulations. These services include residential care and day care.
- 2.1.2 Care Homes are subject to Section 23(1) of the Health and Social Care Act 2008, which requires the Care Quality Commission (CQC) to produce guidance for providers of health and adult social care, to help them comply with the regulations within the Act that govern their activities. The guidance is used to decide whether to register individual providers and also when monitoring their services afterwards to check that they are continuing to comply with the regulations. CQC also refer to this guidance when using their powers of enforcement.

### 3. BUSINESS CASE

#### 3.1 Procurement Project Outputs / Outcomes

The following procurement outcomes/outputs identified as important at Gateway 1 to the delivery of this procurement requirement and identified as justification for awarding the contract at Gateway 3, have been appraised in the table below to demonstrate how the procurement contract and corresponding supplier(s) has delivered said outcomes/outputs.

Outputs / Outcomes	How will success be measured?	Who will measure success of outputs/ outcomes	When will success be measured?	How has contract award delivered outputs/outcomes?
1. Quality and service improvements	As set out within the Key Performance Indicators (KPIs) for contract monitoring	Partnership Commissioning Team, closely working with Performance and Intelligence colleagues	At least quarterly intervals as set out in the contract	<ul style="list-style-type: none"> <li>Contract compliance visits have been undertaken, reviewing policies and procedures and work practices to ensure quality service delivery. These visits have included speaking directly to staff and service users to achieve a well rounded view of the service</li> <li>Contract management meetings have also taken place between Strode Park Foundation and Council Officers as required by the contract</li> </ul>
2. Service user satisfaction	As set out within the Key Performance Indicators (KPIs) for contract monitoring	Partnership Commissioning Team, closely working with Performance and Intelligence	At least quarterly intervals as set out in the contract	<ul style="list-style-type: none"> <li>Service satisfaction surveys have been undertaken and responses from service users and relatives have generally been positive. Response rates have also been very high – this</li> </ul>

		colleagues		is largely due to the surveys being given to families at the point of discharge
<b>3. Retaining and recruiting excellent, high quality staff</b>	As set out within the Key Performance Indicators (KPIs) for contract monitoring	Partnership Commissioning Team, closely working with Performance and Intelligence colleagues	At least quarterly intervals as set out in the contract	<ul style="list-style-type: none"> <li>Staff retention levels have been good with only 7 staff leaving in the last monitoring period. Of these staff, four were due to retirement and change in personal circumstances.</li> </ul>

#### 4. RISK MANAGEMENT

**Risk Categorisation** – The following risk categories have been identified as having a linkage to the procurement contract at this Gateway 4 stage.

<b>1. Risk Category: Service delivery</b>	<b>Likelihood: Significant</b>	<b>Impact: Critical</b>
<b>Outline Description:</b> The current satisfaction with the service levels may not be maintained if the contract monitoring is not sufficiently robust.		
<b>Plans to Mitigate:</b> Regular reporting of key performance indicators, regular contract monitoring and unannounced compliance visits		
<b>2. Risk Category: Financial</b>	<b>Likelihood: Significant</b>	<b>Impact: Critical</b>
<b>Outline Description:</b> The Council must maintain best value in terms of managing the annual price review		
<b>Plans to Mitigate:</b> The annual price review clause reflects the fact that the Council will give due regard to the costs of care and shall be limited to the percentage increase permitted by the Council to all other service providers in the same category of care as the service provider for the relevant financial year		
<b>3. Risk Category: Reputational / Political</b>	<b>Likelihood: Significant</b>	<b>Impact: Critical</b>
<b>Outline Description:</b> As part of approving the decision to outsource the Linked Service Centres, Cabinet agreed that service user concerns should be taken into account as part of the tender evaluation		
<b>Plans to Mitigate:</b> A key performance indicator monitoring the satisfaction of service users with the quality of service is an integral part of the quarterly contract monitoring meetings		

## **5. POST PROJECT APPRAISAL/PERMISSIONS REQUIRED**

### **5.1 Post Project Appraisal**

5.1.1 This procurement post project appraisal and its subsequent review is within the Council's policy and budget framework and ties in with all the identified Core Values, Strategic Priorities, Strategic Council Obligations and Departmental/Directorate service plans.

### **5.2 Permissions Required**

5.2.1 This report provides Cabinet with a post project appraisal and to asks Cabinet to agree that a further gateway 5 report be submitted at the next anniversary of the contract in 2015.

5.2.2 This request is on the basis that whilst this contract has fulfilled requirements in accordance with the service specification, associated contract terms and conditions and review of Key Performance Indicators, there are further developments and improvements associated with this contract. Should performance of the service be maintained at the current levels at the next anniversary, it will be recommended that only further gateway 5 reports be submitted to review, in advance of the date for exercise of the recurring 5-yearly break options.

## **6. CONTRACT MANAGEMENT**

### **6.1 Contract Management**

6.1.1 The contract management of this procurement contract will continue to be resourced for the remainder of the contract through the following contract management strategy.

6.1.2 The service commenced on 1 April 2013. On 1 December 2013, an 8 bedded Dementia Respite service was opened to provide care in addition to the residential, respite and day care provision already in place at Platters Farm Lodge.

6.1.3 Occupancy levels were slow to increase at the point of transfer although this has improved over the last 6 months. However, day care numbers continue to remain low.

6.1.4 The key aims of this contract were to sustain the high quality of care by retaining good staff and ensure that staff training continued to be available to ensure a well-trained workforce. These key areas have been maintained, with a small number of staff leaving over the last 12 months and staff training levels being maintained. Service user satisfaction was also a key area and satisfaction levels are good, with an excellent response rate.

6.1.5 The Key Performance Indicators (KPIs) have been reported on a quarterly basis by the provider and verified by Partnership Commissioning through site visits. The method of reporting these KPIs

changed mid year to ensure that they were more easily interpreted. These indicate that whilst the delivery of the service has been in line with the requirements of the contract and service specification, there are further developments and improvements to be made. These are outlined within appendix 1 to the report.

- 6.1.6 To ensure the delivery of this service is maintained, enhanced performance monitoring on a monthly basis will take place, in addition to the current regular compliance visits. These will continue to be both announced and unannounced to ensure that service quality is maintained.

## **7. CONSULTATION**

### **7.1 Internal (Medway) Stakeholder Consultation**

- 7.1.1 As part of this on-going procurement contract management, continued close dialogue and working has been maintained with Service Managers and Care Managers.

### **7.2 External Stakeholder Consultation**

- 7.2.1 External stakeholders are regularly consulted during site visits.

## **8. PROCUREMENT BOARD**

- 8.1 The Procurement Board considered this report on 18 June 2014 and supported the recommendation set out in paragraph 10 below.

## **9. SERVICE COMMENTS**

### **9.1 Finance Comments**

- 9.1.1 The procurement contract and its associated delivery will be funded from existing revenue budgets.
- 9.1.2 Further detail is contained within Section 2.1 Financial Analysis of the Exempt Appendix.

### **9.2 Legal Comments**

- 9.2.1 There are no legal implications arising from this report or the recommendation as Cabinet is asked to note the report.

### **9.3 Procurement Comments**

- 9.3.1 There are no procurement implications for this GW4 report. The services covered by this contract are Part B services and therefore not strictly subject to the OJEU notice procedure. However, the Public Contracts Regulations 2006 still impose a requirement that the procurement process comply with the requirements of equal treatment, non-discrimination and transparency. This means that the opportunity to bid must be adequately advertised. It was considered that this

required the OJEU procedure to be followed and so a compliant open procurement exercise was conducted.

#### 9.4 ICT Comments

9.4.1 This procurement requirement does not have any ICT implications.

### 10. RECOMMENDATION

10.1 The Cabinet is requested to note the performance of the contract during its first year and agree to a Gateway 5 report being submitted at the next anniversary of the contract in 2015, with subsequent gateway 5 reports only being brought back to review in advance of the 5 year break dates.

### 11. SUGGESTED REASONS FOR DECISION

11.1 The contract continues to meet the strategic aims and statutory obligations of Medway Council and service users as outlined in the Gateway 3 report and has delivered to the quality requirements of the contract.

#### LEAD OFFICER CONTACT

<b>Name</b>	<b>Preeya Madhoo</b>	<b>Title</b>	<b>Head of Category Management, People</b>
<b>Department</b>	<b>Category Management</b>	<b>Directorate</b>	<b>Business Support Department</b>
<b>Extension</b>	<b>1042</b>	<b>Email</b>	<a href="mailto:preeya.madhoo@medway.gov.uk">preeya.madhoo@medway.gov.uk</a>

#### BACKGROUND PAPERS

The following documents have been relied upon in the preparation of this report:

<b>Description of Document</b>	<b>Location</b>	<b>Date</b>
GW3 Report	Cabinet <a href="http://democracy.medway.gov.uk/mglssue/HistoryHome.aspx?Id=9850">http://democracy.medway.gov.uk/mglssue/HistoryHome.aspx?Id=9850</a>	15 January 2013



**Platters Farm Lodge**

**Set out below is the last 6 months performance reporting of the contract**

KPI	Numerator	Denominator	
<b>1 - Staff retention</b>	X = number of permanent staff who left Strode Park employment during the reporting period	Y = number of posts in Strode Park structure for this contract	Quarterly
	5	51	January - March 2014
	2	49	October - December 2013
<b>2 - Staff training</b>	X = number of staff who have a: <ul style="list-style-type: none"> <li>• QCF Level 2 qualification (or above) in Health and Social Care.</li> <li>• Safeguarding Vulnerable Adults Training</li> <li>• Mental Capacity Training</li> </ul>	Y = Number of staff working for Strode Park	
	Level 2 Qualification: 25	51	January - March 2014
	Safeguarding: 49		
	Mental Capacity: 29		
	Level 2 Qualification: 26	49	October - December 2013
Safeguarding: 41			

	Mental Capacity: 30		
<b>3 - Admissions refused</b>	X = Number of Council funded admissions refused within 28 days, during the reporting period including number disputed between Strode Park and council	Y= Number of admissions during the quarter	
	8	87	January - March 2014
	2	116	October - December 2013
<b>4 - Dealing with complaints</b>	X = Number of complaints investigated and completed / resolved within 28 days, during the reporting period	Y= Number of complaints received during reporting period	
	1	1	January – March 2014
	1	1	October - December 2013
<b>5 Service User Satisfaction Surveys</b>	X = Number of service users who are satisfied with the service provided.	Y = Number of service users surveyed	
	19	19	January - March 2014
	19	19	October – December 2013

<b>6</b> <b>Regaining independence / rehabilitation</b>	X = Number of new admissions during period for rehabilitation / regaining independence who improved due to accessing the programme & activities within the service.	Y = Number of new referrals	Quarterly
	19	28	January – March 2014
	20	42	October – December 2013
<b>7</b> <b>Achievement of planned outcomes</b>	X = Number of service users who have achieved their planned outcomes during the reporting period	Y = Number of service users resident during the reporting period	6 monthly
	76	87	January – March 2014
	103	116	October – December 2013

<b>8</b> <b>Number of falls</b>	X = Number of service users who have had a fall during the reporting period	Y = Number of service users resident during reporting period	Quarterly
	18 service users	87	January – March 2014
	20 service users	116	October - December 2013
<b>9</b> <b>Number of pressure sores</b>	X = Number of service users who have had a pressure sore during the reported period to be recorded with tissue viability grade	Y = Number of service users resident during the reporting period	Quarterly
	2	87	January –March 2014
	3	116	October 2013 - December 2014