

**Report of: Head of Policy, Performance & Improvement**

**Report to: Interim Director of Adult Social Services**

**Date: 11<sup>th</sup> December 2014**

**Subject: Recommendation to Waive Contract Procedure Rules (CPR's) 9.1 and 9.2 using the authority set out in CPR 1.3 to enter into a contract with Purchasing Index Ltd without seeking competition, for the fixed fee of £55,000, to provide the Council a general reporting and analysis tool and to facilitate regular integrated business intelligence.**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. A report to waive Contract Procedure Rules 9.1 and 9.2 using the authority set out in CPR 1.3 to enable Adult Social Care to enter into a contract with Purchasing Index Ltd (PI), for the fixed fee of £55,000, in order to provide the Council with general reporting and analysis tools and to facilitate regular integrated business intelligence reports from data generated by the Council and from external database systems held by partners. These will inform the Council of the impact that joint commissioning and health and social care agency activity are having upon the local health and social care market. The service will include cleansed and mapped data and general reporting and analysis tools for the Council in relation to its jointly commissioned services with its health partners.

### Recommendations

2. The Interim Director Adult Social Services is recommended to waive Contract Procedure Rules 9.1 and 9.2 using the authority set out in CPR 1.3 and enter into a contract with Purchasing Index Ltd without seeking competition, for the fixed fee of £55,000.
3. This contract will be implemented by the Head of Policy, Performance & Improvement (ASC) on the 12<sup>th</sup> December 2014

## **1 Purpose of this report**

- 1.1 The purpose of this report is to seek authority from the Interim Director Adult Social Services, to waive Contract Procedure Rule 9.1 and 9.2 using the authority set out in CPR 1.3 and to enter into a contract with PI without seeking competition, for the fixed fee of £55,000, to provide the Council a general reporting and analysis tool and to facilitate regular integrated business intelligence which will inform the Council of the impact that joint commissioning and health and social care agency activity are having upon the local health and social care market.
- 1.2 The contract will enable the Council and its health partners to work with PI to provide analysis and report preparation from data generated by the Council and external database systems and to provide support for the service including on-site training for management and staff, and general reporting and analysis design in consultation with the Council and sector experts.

## **2 Background information**

- 2.1 The Council has established a city-wide agreement between Health and Social Care partners to work together to increase the quality and innovation and productivity of its Health and Social Care services through a multi-partner transformation programme. This programme is designed to bring key organisations together to identify and deliver sustained improvements in quality while substantially reducing the overall cost in the Leeds health and social care economy. These changes will improve the health and well being of local people; reduce health inequalities and social exclusion and achieve savings and cost reductions.
- 2.2 Health and social care organisations are increasingly taking an integrated approach to looking at how services can meet the needs of older people and those with long-term conditions more effectively, as a key part of the overarching Leeds Health and Social Care Transformation Programme. Working in a more integrated way will help health and social care agencies to minimise service delays, reduce duplication or fragmentation of services, reduce the number of different professionals who need to be involved and ensure that information is shared between different professionals more effectively to create a smoother, more streamlined experience for the individual.
- 2.3 These new innovative forms of service delivery require flexible integrated business intelligence in order to inform programme development and to monitor impacts throughout the health and social care business system. A key element of this has been establishing effective activity and finance measures which are able to evidence people being diverted from hospital and long-term care; reductions in A&E attendances and number of acute hospital admissions; overall financial impact and the development of community capacity to support people with long term conditions.
- 2.4 Health and social care staff who are working more closely in the new multi-professional teams need to have better information. Staff will require integrated

business intelligence to enable them to identify local gaps in services and to formulate new solutions for doing things better in the interests of the people they support.

### **3 Main issues**

- 3.1 In order to fully understand not only the current situation but also the impact of future actions, especially in the current challenging financial environment, the Council needs the ability to compile information and intelligence in an easy, understandable form. Social Care is renowned for being an extremely data-rich industry. For the Council to be able to make intelligent decisions to cater to the needs of the changing population, it is imperative to have tools available which can provide an analysis of the necessary data drawn from a broad range of health and social care sources and can provide an answer to the questions in real time. Should the establishment of a new contract not be approved it would be extremely difficult to make appropriate integrated business intelligence available to senior managers within the transformation programme and this could add significantly to the financial risks to the Council of the integration programme. Care Trak is already in use with our local health partners and as such offers a common tool for the analysis of increasingly integrated systems. There are significant advantages in both efficiency and accuracy that both health and the Council are jointly using the same tool despite their individual organisational requirements.
- 3.2 CareTrak is a proprietary data enhancing software package that manages the care and health information flow, analyses current data and trends, and helps users become more effective in their roles. It is a locally tailored, dynamic, interactive decision-support tool that is designed to inform key tactical and strategic action within Social Care and will support the Council and their Health Partners to make cashable efficiency savings. During the past year it has enabled the Council to access previously unavailable information relating to integrated health and social care systems and joint activity, particularly those relating to the 'Intermediate Tier' drawing on core data from the Council's and Health Partner's systems. The Leeds Care Commissioning Groups and Leeds Community Health Trust have made pseudonymised data from their services available in order to facilitate whole systems information around the intermediate tier and to enable market and whole systems business intelligence.
- 3.3 Leeds originally contracted with PI in October 2012 for 1 year and again in October 2013 for a further year. Since then they have engaged with the Council and its Health Partners to develop and install reporting and analysis software tailored to the functional requirements agreed with the Council from data generated by the Council and external database systems.
- 3.4 Should the establishment of a new contract not be approved it would be extremely difficult to make appropriate integrated business intelligence available to senior managers within the transformation programme and this could add significantly to the financial risks to the Council of the integration programme. Care Trak is already in use with our local health partners and as such offers a common tool for the analysis of increasingly integrated systems. There are significant advantages in both efficiency and accuracy that both health and the Council are jointly using the same tool despite their individual organisational requirements. The first stages of the transformation programme are currently being implemented and intelligence

is now required. PI have an established product which is significantly improving the availability of business intelligence within the Council. PI have established working relationships with business intelligence officers within Adult Social Care and NHS Leeds who are engaged in this work.

- 3.5 It has been used to inform multimillion pound council investment in new integrated services such as the South Leeds Independence Centre and broader strategies such as assessing the impact of integrated health and social care teams, or assessing the business cases for Better Care Fund projects. Without its capacity the council would be unable to assess the value of the outcomes of new integrated services and would risk making inappropriate investments. The fixed fee for this third year is £ 55,000 and will run for 12 months from point of renewal. Funding has been identified to meet this fee through the Better Care Fund (REABLEMENT) – scheme number 1. It was not possible to complete negotiations for this funding before the expiry of the current contract however due to the financial constraints currently in place with the Council it was felt to be advantageous to the authority to pursue this source of funding. A consequence of this was that the contract expired on 31<sup>st</sup> October 2014.

**Summary of Annual Terms:**

- Integration of all Social Care, CCG SUS data, LCH Community and Beds Services, Out of Hours and Minor Injuries data, mapping and design and on-going maintenance
- Subscription of 5 super user licenses
- Monthly updates of data
- Development of product to the specifications of the Council and its partners

**Total fee now due Year 3: £55,000**

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 There are no specific consultation and engagement requirements in connection with the implementation of a new contract for CareTrak. The Leeds CCGs and Leeds Community Health Trust have agreed to share pseudonymised data available to them relevant to providing intermediate tier business intelligence.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 Equality Impact Assessment screening has been completed and has indicated that the CareTrak software can be used to provide intelligence about the differential experience of health and social care pathways by people within different communities. This is appended to the report

### **4.3 Council Policies and City Priorities**

4.3.1 The business intelligence provided under this report will contribute to the Transformation Programme which is a major component of the Health and Wellbeing City Priority Plan

### **4.4 Resources and Value for Money**

4.4.1 The fee for the completion of the first work stage is fixed at £55,000. Funding has been identified to meet this fee through the Better Care Fund (REABLEMENT) – scheme number 1.

4.4.2 The fee is considered to represent value for money for the work to be undertaken, due to the efficiencies to be achieved by using sophisticated analysis of management and statistical information in the development of new models of service. It has been used to inform multimillion pound council investment in new integrated services such as the South Leeds Independence Centre and broader strategies such as assessing the impact of integrated health and social care teams, or assessing the business cases for Better Care Fund projects. Without its capacity the council would be unable to assess the value of the outcomes of new integrated services and would risk making inappropriate investments. Care Trak has been used to inform multimillion pound council investment in new integrated services such as the South Leeds Independence Centre and broader strategies such as assessing the impact of integrated health and social care teams, or assessing the business cases for Better Care Fund projects. Without its capacity the council would be unable to assess the value of the outcomes of new integrated services and would risk making inappropriate investments.

### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 The decision taken will be a significant operational decision and is therefore not subject to call in. There are no grounds for keeping the contents of this report confidential under the Access to Information rules.

4.5.2 Awarding contracts directly to the providers identified above in this way could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent. In terms of

transparency it should be noted that European case law suggests that contracts of this value should be subject to a degree of advertising if it is considered that it would be of interest to contractors operating in another Member State. It is up to the Council to decide what degree of advertising is appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc.) and the geographical location of the place of performance.

4.5.3 The Interim Director of Adult Social Services has considered this and, due to the nature of the services being delivered and the requirement to be physically located in the City of Leeds, is of the view that the scope and nature of the services is such that it would not be of interest to other EU member states.

4.5.4 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.

4.5.5 Although there is no overriding legal obstacle preventing the waiver of CPR 8.1 and 8.2, the above comments should be noted. In making their final decision, the Interim Director of Adult Social Services should be satisfied that the course of action chosen represents Best Value for the Council.

## **4.6 Risk Management**

4.6.1 The continued engagement of CareTrak will impact upon Directorate and Corporate risks. It will improve the capacity and quality of the adult social care business intelligence within the authority identified as Risk 16 in the Directorate risk register. It will also support the management of the Adult Social Care budget risk. CareTrak will also provide information which will reduce the risks and increase the opportunities in major transformation programmes within Adult Social Care Directorate including the Integration Programme.

## **5 Conclusions**

5.1 Given the speed with which the transformation programme is being developed, the requirement for business intelligence relating to the finance and activity interface between Health and Adult Social Care has become pressing. The availability of CareTrak will greatly assist the directorate and its NHS partners to acquire knowledge of the impact of strategic developments upon activity and finance within the health and social care system.

5.2 Should the establishment of a new contract not be approved it would be extremely difficult to make appropriate integrated business intelligence available to senior managers within the transformation programme and this could add significantly to the financial risks to the Council of the integration programme. Care Trak is already in use with our local health partners and as such offers a common tool for the analysis of increasingly integrated systems. There are significant advantages in both efficiency and accuracy that both health and the Council are jointly using the same tool for their individual organisational requirements.

## **6 Recommendations**

- 6.1 The Interim Director Adult Social Services is recommended to waive Contract Procedure Rules 9.1 and 9.2 using the authority set out in CPR 1.3 and enter into a contract with Purchasing Index Ltd without seeking competition, for the fixed fee of £55,000.
- 6.2 This contract will be implemented by the Head of Policy, Performance & Improvement (ASC) on the 12th December 2014

## **7 Background documents <sup>1</sup>**

- 7.1 None

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.