

# Extension of the current Overarching Agreement for placement of people in a residential or nursing home (Scheme ID: DN339954).

Date: March 2024

Report of: Head of Commissioning

Report to: Director Adults & Health

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## Brief summary

In February 2023, the Interim Director of Adults and Health approved a decision to vary the Overarching Agreement (Framework) Scheme ID: DN339954 (“the Overarching Agreement”) for the provision of older people’s residential and nursing care homes in the City from the 1<sup>st</sup> April 2023 to the 31<sup>st</sup> March 2024 with the option to extend the contract for a further period of up to 12 months (the Extension Period) if necessary (Decision reference D56091).

This report seeks approval to use 6 months of the pre-approved Extension Period to allow further time for Commissioners to consult with the care home market in the City.

## Recommendations

The Director of Adults and Health is recommended to:

- a) To approve a 6-month extension to the Overarching Agreement from the 1<sup>st</sup> April 2024 to 30 September 2024 as permitted under the contract terms.
- b) To use delegated authority to enter into Care Home Individual Service Agreements (CHISA) for each placement made under the Overarching Agreement.
- c) To note the Commissioning Programme Leader will oversee implementation of the contract variation in conjunction with colleagues from Procurement and Commercial Services, with the service being subject to robust contract monitoring in line with the provisions set out in the Overarching Agreement.

## What is this report about?

- 1 The report requests a 6-month extension from the 1st April 2024 to 30 September 2024 of the Overarching Agreement which is currently due to expire on 31st March 2024. This would enable

the continued placement of people in residential/nursing homes, which is necessary while the consultation with the independent sector care home providers is carried out.

- 2 The Overarching Agreement allows the council to place a person in a residential or nursing care home without the need to issue a full set of contract documents relating to that placement. When the council makes a placement in a care home all three parties (the council, the care provider and the resident) will enter into Care Homes Individual Service Agreement (CHISA) which forms part of the Overarching Agreement. The completion of the CHISA will create the contractual relationship between the three parties.
- 3 There are currently 92 independent sector care homes for older people in the Leeds City Council boundary and currently 93% of those homes are signed up to the Overarching Agreement. Participation in the Overarching Agreement is only open to Care Quality Commission registered care homes who are located in the Leeds City Council boundary. To participate in the Overarching Agreement, care home providers are required to go through a simple application process that is facilitated by Procurement and Commercial Services. Following due diligence checks, providers sign up to the agreement and can then accept individual placements through the CHISA. The application process remains open during the life of the contract and providers can apply to join at any time.
- 4 By signing up to the Overarching Agreement this does not place any obligations on providers to accept a local authority placement in their home. Where a care home provider has chosen not to participate in the Overarching Agreement and where a person has made a choice to go to that home the Council will offer a spot placement with that home based on the same terms and conditions.
- 5 Given the significant financial challenges the Council faces, it is necessary to review the terms of the current Overarching Agreement to meet these challenges. The extension of the contract for 6 months will allow commissioners to consult with the providers on any changes before any new contract is put in place.

### **What impact will this proposal have?**

- 6 By extending the contract for a period of a further period of 6-months from the 1st April 2024 to 30 September 2024, it will allow the continuation of care home placements, through the CHISA, to be made with care home providers who have signed up to the Overarching Agreement.
- 7 During the Extension Period Commissioners will be able to consult on changes to Overarching Agreement to ensure it meets current best practice and legislation and will be able to ensure the new document is consulted on in line with normal commissioning practice.
- 8 The extension of the Overarching Agreement will allow contract managers in Adults and Health to continue to monitor the care being provided in the care homes to ensure that quality services are being delivered and take the necessary action where this is not the case.

### **How does this proposal impact the three pillars of the Best City Ambition?**

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 9 Under the Care Act 2014 (the Care Act), the Council has a statutory responsibility to meet a person's care and support needs where they have been assessed (needs and financial) as requiring a particular type of accommodation. The Care Act also places a duty on the Council to facilitate a care market that offers a diverse range of high-quality and appropriate services. By extending the current Overarching Agreement, it will allow the Council to meet both these statutory duties by ensuring care home placements are available for people who have been assessed as needing one and ensuring contracts can be managed and monitored to maintain high quality services available to citizens.
- 10 By ensuring contracts are managed through robust contract monitoring, this will contribute to a key outcome of the Health and Wellbeing strategy 2023 – 2030 in ensuring the people will live in healthy, safe and sustainable places.

### **What consultation and engagement has taken place?**

Wards affected:

Have ward members been consulted?       Yes       No

- 11 The impact of this proposal will have a benefit across all wards within Leeds therefore the Executive Member for Adult Social Care, Public Health and Active Lifestyles has been kept apprised of the need to extend this contract.

### **What are the resource implications?**

- 12 The overall Adults and Health budget for older people's care homes in 2024/25 is £82.5m. The extension of the of the current Overarching Agreement will have no direct financial implications however, each CHISA will contribute to the spend against the overall budget. The cost of a placement in non-specialist care homes based on 24/25 framework prices ranges from £36,088 to £44,408 depending on the type of care being provided.
- 13 Each April, the council sets it's framework rates (fees) for local authority placements being made in independent sector care homes. This is done as part of the Overarching Agreement. The rates are set for each care category in older people's care homes i.e., residential, residential dementia, nursing, nursing dementia. The setting of fees for care homes for 2024/25 is subject of a separate report to the Director of Adults and Health.

### **What are the key risks and how are they being managed?**

- 14 As mentioned in paragraph 9 above, The Care Act places a duty on the authority to facilitate a care market that offers a diverse range of high-quality and appropriate services. There are significant risks to the local authority and more importantly to the service uses should care providers fail to provide high quality services at a care home. Under the terms of the Overarching Agreement the council is able to undertake robust monitoring of the service through announced and unannounced visits to ensure quality standards required by the contract are being maintained. Where standards within the home are not being maintained the Overarching Agreement allows the Council to put in place remedial actions for the provider such as improvement action plans and also allows the council to suspend any further placements in the home until improvements have been achieved.

### **What are the legal implications?**

- 15 This is a Significant Operational Decision as a direct consequence of the decision to vary the Overarching Agreement and is therefore not subject to call-in.
- 16 Residential and nursing care contracts are deemed “Exempt” contracts under the Council’s internal Contract Procedure Rules as the Council has a duty to provide such services under the Care Act and the recipient of care has a personal choice in the matter, however, compliance with The Public Contracts Regulations (PCR) 2015 is still required.
- 17 As paragraph 12 of this report confirmed, the proposed extension of the of the current Overarching Agreement will have no direct financial implications to the Council.
- 18 A simple application process is used for providers to sign up to the Overarching Agreement, rather than a formal procurement process. The application process will remain open for all care homes within the Leeds City Council boundary to apply during the extension period.
- 19 An Equality Impact Screening Tool has been completed for this decision and is included as Appendix 1.
- 20 The Director of Adults and Health is recommended to approve the Extension Period proposed to the Overarching Agreement which represents best value to the Council in terms of providing a continued service to uphold their statutory duties implied under the Care Act.

## **Options, timescales and measuring success**

### **What other options were considered?**

- 21 There were no other options considered at this stage.

### **How will success be measured?**

- 22 Success will be measured by ensuring a sufficient number of care homes sign up to the Overarching Agreement for the extension period.

### **What is the timetable and who will be responsible for implementation?**

- 23 The Commissioning Programme Leader will oversee implementation of the Extension Period to the Overarching Agreement in conjunction with colleagues from Procurement and Commercial Services. Care providers will be asked to agree to the Extension Period prior to the current Overarching Agreement expiring on the 31<sup>st</sup> March 2024.

## **Appendices**

- Appendix 1 - Equality Impact Screening Tool.

## **Background papers**

None.