

# Birmingham City Council

## Report to Cabinet

12<sup>th</sup> October 2021



**Subject:** CONTRACT EXTENSION REQUEST FOR THE COMMISSIONING OF BIRMINGHAM CARERS HUB

**Report of:** Professor Graeme Betts  
Director for Adult Social Care

**Relevant Cabinet Member:** Cllr Paulette Hamilton - Health & Social Care  
Cllr Tristan Chatfield - Finance & Resources

**Relevant O &S Chair(s):** Cllr Mick Brown - Health and Social Care  
Cllr Mohammed Aikhlaq - Resources

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 007923/2020		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential: Paragraph 3		

### 1 Executive Summary

- 1.1 The purpose of the report is to approve the extension of Birmingham Carers Hub (PO565) contract for one year from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023. The contract was originally awarded for a period of two years and nine months from 1st July 2019.

- 1.2 This service is vital in delivering against several Council priorities, which include corporate parenting, improved health and wellbeing, building resilient and independent communities and access to suitable and sustainable support.
- 1.3 Because of circumstances related to Covid-19 Birmingham Carers Hub had to adapt how services were delivered and were unable to fully imbed newly developed services such as dementia support groups involving face to face contact.
- 1.4 The current contract was awarded on 1<sup>st</sup> July 2019, following an open market procurement, for a two year and nine-month period and is due to expire 31st March 2022. Circumstances related to Covid-19 has impacted on both providers and users of the services. Carers and the people they care for are vulnerable due to their caring responsibilities or health issues such as a disability or poor mental health and during these challenging times priorities have changed. For example, carers felt more anxious and unable to leave their homes due to the fear of passing on Covid to the person they care for. Many carers have struggled to obtain their prescribed medication, shop for food and essentials or attend appointments. Birmingham Carers Hub have been working to address the gaps throughout Covid-19 lockdown for example collecting and delivering prescribed medication to carers, enabling access to food banks and providing emergency payments.
- 1.5 Birmingham Carers Hub is continually adapting services for example changing from face to face contact with service users to telephone support and more staff focusing on frontline delivery. This has meant many changes to services and it will take time to revert back once the pandemic has passed. Some changes are beginning to evolve with the offer of face to face support alongside virtual and telephone services. Therefore, to enable Birmingham Carers Hub to focus on carers during these challenging times and to provide the opportunity for the contract to fully deliver against what was commissioned, such as dementia group, the one-year contract extension would enable both a focus on current service delivery and in turn allow enough time for services to readapt and fully develop. In addition, it will mean refreshed timetables for the recommissioning of these services and therefore providers will not have to divert from front line services to writing bids. Birmingham Carers Hub was part of a joint procurement commissioning services for young and mental health carers. Both the Young Carers and Mental Health Carers contracts are seeking a two-year extension which would enable a joint procurement and true partnership working with Birmingham Children's Trust and Birmingham and Solihull Clinical Commissioning Group. A risk assessment can be seen at **Exempt Appendix 1**.
- 1.6 Legal and procurement advice has been sought. Legal advice was required regarding extending contracts under Public Contract Regulations to ensure the correct legislation and regulations were used, for which they provided the formal wording and agreed contracts could be extended. Procurement advice was to seek Cabinet approval to extend the contracts, for which a Procurement Risk

Assessment is provided (**Exempt Appendix 2**). Legal comments can be seen at 7.4

## **2 Recommendations**

2.1 That Cabinet approves:

- A one-year extension to Birmingham Carers Hub (PO565) contract from 1st April 2022 to 31st March 2023.

## **3 Background**

- 3.1 In July 2019 Birmingham Carers Hub (Hub) was commissioned, following an open market procedure, with a contract award until 31st March 2022. The intention was to evaluate the services, in particular new services moving across into the Hub and recommission during 2021/22.
- 3.2 The Hub was jointly commissioned alongside Young Carer and Mental Health Carer services with our partners Birmingham Children's Trust and Birmingham and Solihull Clinical Commissioning Group (CCG). There were individual Lots for Birmingham Carers Hub, Young Carers and Mental Health Carers and the CCG continued with their small grants and dementia services funded by the Better Care Fund for the first year of the commissioned services.
- 3.3 Birmingham Carers Hub contract was awarded to Forward Carers following an open market procedure using the delegated power awarded by the Cabinet report on 24th July 2018 approving consultation on Birmingham Carers Vision and Commissioning Strategy 2017+ and approval for the procurement strategy and subsequent award of BCC contracts to be delegated to the Corporate Director Adult Social Care and Health.
- 3.4 The next step was for the Council and the CCG to combine commissioned services and funding by transferring small grants and the dementia services into the Hub. During the first year BCC and the CCG worked closely with the Hub and as at July 2020 all funding and services for adult carers, including small grants and dementia, are delivered by the Hub.
- 3.5 In preparation for when the contract expired the Council has been evaluating the progress made by Birmingham Carers Hub and the impact of Covid.
- 3.6 Birmingham Carers Hub was performing at a high level and was well on the way to delivering the contractual requirements, in some instances delivering more and then Covid came. Covid had a huge impact on the Hub with registration numbers increasing each quarter as the Hub became the point of contact for carers seeking a vaccine. There was also an increase from carers approaching about the vaccine but going on to seek advice and support.
- 3.7 The Hub coped and adapted well and was able to provide services more virtually and in new emerging areas such as access to food banks. There has been good feedback in relation to the emergency payments provided and funded by the

Hub, which were being spent on basic essentials such as food and utilities. Although these additional payments ceased in July 2021 carers will still have access to Wellbeing Payments provided as part of the contract.

3.8 Throughout Covid services became flexible and adapted to circumstances, with positive feedback for online services such as yoga, and the Hub worked with families around keeping a routine during Covid. Covid meant that it was a difficult time to redesign and fully implement the dementia and small grants pathways providing many challenges, but good progress has been made.

3.9 The annual budget for Birmingham Carers Hub is £2.548m and it is intended to carry this over for the proposed contract extension.

3.10 Proposed changes:

3.10.1 The current contract is due to expire on 31<sup>st</sup> March 2022.

3.10.2 The intended recommissioning of Birmingham Carers Hub is no longer workable, and a one-year extension period is required to the existing contract.

3.10.3 At the current time with the impact of Covid-19 and the lifting of restrictions across the country providers of unpaid carer services are focused on ensuring carers can receive the support they require. Needs may now be new or different due to social isolation such as delivery of food or medication.

3.10.4 If the original procurement timetable is followed it would mean providers would have to divert valuable staff resources from the current pressures faced in adapting services as restrictions are lifted and evaluating and assessing how services should be delivered in a new environment to bid writing and consultation is likely to be a low priority for potential bidders at this time. The proposed new timetable is shown below:

Activity	Reason	When
Cabinet approval to extend current contract for one year.	Covid-19 and lifting of restrictions situation – to enable services to stabilise.	October 2021
BeHeard and other consultation including refresh of strategy and carers commitment	To consult on refresh of strategy and carers commitments.  To consult on commissioning proposals to inform procurement strategy.	October 2021 to January 2022  February 2022 to April 2022
Cabinet approval final commissioning plan (following consultation) procurement strategy and delegated authority to award contract.	To feed-back on consultation and gain approval to progress procurement and for delegated authority to award contract	April 2022

PROCUREMENT		
Invitation to Tender – Issue	To begin tender process	June 2022
Invitation to Tender – Return	Deadline for return of tender	September 2022
Evaluation Period	To evaluate and allow for any interviews to take place	October/November 2022
DPR Approval (Award)	To gain award contract	November 2022
Issue procurement letters and contracts	To formally notify successful and unsuccessful bidders.	December 2022
Mobilisation period including TUPE transfer	To enable services to settle in and staffing to be resolved.	1 <sup>st</sup> January 2023 - 30 <sup>th</sup> June 2023
New Contracts Start	To begin delivering services.	1 <sup>st</sup> April 2023

3.10.5 A risk assessment can be seen at **Exempt Appendix 1** and some of the impacts of deferring any commissioning plans including:

- All staff resources are currently still being diverted into front line duties.
- Impact of Covid-19 is likely to continue into the autumn.
- No resources to write bids.
- Option 2 of the Risk Assessment to extend the current contract for one year appears to be the best option as it incurs the lowest risk and supports providers at this time to cover critical provision.
- A one-year extension provides the opportunity for providers and carers to stabilise again. Due to the duration of the pandemic, associated impacts and further dialogue with the market this is now not workable within the available times scales and a one-year extension is required.
- Providers are managing to keep services and customers at safe levels at this stage, but it is uncertain what we will face in the future.
- Focus needs to be on reducing impact for city and NHS.

## 4 Options considered and Recommended Proposal

### 4.1 Option 1:

Procure and award before 1st April 2022. The procurement would usually take approximately one year and cannot take place without prior consultation which has been delayed as a result of the Covid-19 Emergency. The current timescale available is six months. While there is no requirement to go out to formal consultation, for these services, for completeness of the engagement process and best practice a short formal consultation should be considered to include a refresh of the strategy and carers commitments. The delays in the consultation and timescales now available mean that the procurement cannot be achieved

before the expiry date. It is unlikely that the market would be able to respond in a meaningful way to a procurement at this stage following Covid and associated impacts and the lifting of restrictions due to the impact on existing services. It is also likely that Covid-19 will impact future service delivery and this needs to be factored into the procurement. If the contract is not extended for a one-year period there would be an impact on services both current and in the future. Providers have had to adapt services to meet changing priorities in these challenging times with all staff focused on front line delivery. If the procurement was to go ahead as originally planned and the contract was not extended providers would need have to divert staff to bid writing and associated procurement activity reducing services available to some of our most vulnerable people. Service users would not have the level of service necessary and would begin to struggle with increasingly poor mental health and seeking basic provisions. Services need time to adapt to the changes but also to be able to revert to a more traditional service delivery once the pandemic has passed.

#### Option 2: Recommended Option

To extend the current contract for one year allowing the Hub time to transition services from the current situation and to focus on developing services that were unable to reach full potential such as dementia groups. This will provide a more informed picture of what services could look like in the future and will enable higher quality specifications and ITT documents resulting in more informed bids being received and the right services being delivered. A 60 day Be-Heard consultation can take place in alignment to refreshed timetabling requirements.

This recommended proposal will demonstrate an openness and desire to harvest any additional thoughts, views and opinions from service recipients, stakeholders and citizens. This will allow sufficient time for stakeholders and citizens to respond to the consultation taking into account their needs and vulnerabilities. By progressing the consultation in alignment to refreshed timetabling requirements citizens and stakeholders will be able to focus on the consultation at reflect their needs which may well be different at this current time than pre or post lockdown.

It is not possible to properly procure the contracts before the end date of 31st March 2022. A change in priorities related to Covid-19 has meant both providers and BCC commissioners having to reconsider and refocus service delivery. This has meant appropriate consultation has not been possible or co-design on recommissioned services. Therefore, a robust procurement strategy is not available and in addition there is not insufficient time to go out to market to ensure equity in the bidding process, this is pertinent-particularly if new providers want to express an interest.

Key benefits to the proposed extension include:

- Birmingham Carers Hub has performed well and adapted to the challenging circumstances presented by Covid. The contract will enable the good work so far to be further developed, such as dementia groups being able to meet in person and provide continuity and a clear pathway for Birmingham carers.
- Carers Statutory Assessments can continue with carers knowing where to go to apply and able to become familiar with the services offered by the Hub. Birmingham Carers Hub also offers Wellbeing Assessments for those carers who do not want a Statutory Assessment to ensure that all carers can access the help and support they need.
- There would be no disruption to carers as services adapt to new environments as restrictions are eased.
- Carers would be able to continue in their caring role saving considerable money for health, the economy and the public purse.
- New services that were affected by “lockdown” will be able to flourish and a hybrid of support, face to face alongside virtual, can be provided.
- Joint commissioning and partnership working across adult, young and mental health carers can continue.

## **5 Consultation**

- 5.1 Birmingham Children’s Trust and Birmingham and Solihull Clinical Commissioning Group have been consulted in both their role as joint commissioners and partners in delivering carer services across the city.

Alongside the proposed online consultation period, commissioning officers will be meeting with providers, key stakeholders and service users to refresh the strategy and carers commitments and help to refine commissioning principles.

## **6 Risk Management**

The risk management of this commissioning is overseen by the Social Justice Board. The Board is chaired by the Assistant Director of Commissioning Adult Social Care and has approved the proposal for a one-year extension.

## **7 Compliance Issues:**

### **7.1 How are the recommended decisions consistent with the City Council’s priorities, plans and strategies?**

- 7.1.1 The recommended decisions are consistent with the Council’s priorities, plans and strategies and supports the Vision and Priorities in the Council Plan 2018-2022 as agreed by Cabinet across four priority areas:

- Children – an aspirational city to grow up in: We will inspire our children and young people to be ambitious and achieve their full potential.

- Jobs and skills – an entrepreneurial city to learn, work and invest in: We will create opportunities for local people to develop skills and make the best of economic growth.
- Health – a fulfilling city to age well in: Citizens and communities will have choice and control over their care and improved resilience and independence.
- Housing – a great city to live in: We will work with our partners to build a fair and inclusive city for all.

7.1.2 The decision within this report will contribute and support the delivery of the following strategies:

- Vision and Strategy to Modernise Adult Social Care 2017+
- Health and Well-Being Strategy 2017+
- Homeless Prevention Strategy 2017+
- Financial Inclusion Strategy 2016+
- Domestic Abuse Prevention 2018+
- Transition Strategy 2018+

## 7.2 Legal Implications

7.2.1 The Care Act 2014 set out new legal guidelines relating to care and support for adults and the law to support carers. There are provisions to safeguard adults from abuse or neglect and care standards. In addition, it places clear legal responsibilities on the Local Authority and creates a single duty to undertake carers assessment based on need.

7.2.2 The Children and Families Act 2014 makes provisions for children, families and people with special needs. It seeks to improve services for vulnerable children and introduces new rights for young or parent carers to an assessment on need.

7.2.3 Birmingham Business Charter for Social Responsibility (BBC4SR) will be applied within the threshold of the Charter requirements and contract value. None identified for this proposed decision.

## 7.3 Financial Implications

7.3.1 The current funding for Birmingham Carers Hub is shown in Table one.

Table one

Fund	2019/20	2020/21	2021/22	Total
ASC	£1,394,427	£1,394,427	£1,394,427	£4,183,281
BCF	£1,191,000	£1,191,000	£1,191,000	£3,573,000
<b>Total</b>	<b>£2,585,427</b>	<b>£2,585,427</b>	<b>£2,585,427</b>	<b>£7,756,281</b>



### 7.3.2 The contract extension funding is shown in Table two.

Table two

Fund	2022/23	Total
ASC	£1,394,427	£1,394,427
BCF	£1,191,000	£1,191,000
<b>Total</b>	<b>£2,585,427</b>	<b>£2,585,427</b>

7.3.3 The BCF contribution is supported by Better Care Fund Commissioning Executive and all funding would be fixed for one year with no expectation of annual inflation or other funding increases.

7.3.4 To mitigate demand outstripping supply the funding is ring fenced across services within Birmingham Carers Hub for example Statutory Assessments, Dementia and Health Liaison project. This ensures that each service has appropriate funds to deliver the need presented which is based on trends over the past two years. There are mechanisms in place for Forward Carers to raise any concerns of demand outstripping supply. Commissioners can then address this and take appropriate action.

7.3.5 Polling completed with YouGov, which found a nationally representative estimate for the prevalence of caring amongst the population as well as the number of hours of care being provided estimates that in the Midlands since the pandemic carers have provided care worth £20.3 billion equating to £80 million daily. The public expenditure costs of carers leaving paid work have been estimated to be £1.3 billion a year. (UK Carers November 2020).

7.3.6 It is estimated there are 107,380 unpaid carers living in Birmingham and without the support and help provided by Birmingham Carers Hub the impacts for the public sector purse, economy and health would be immense.

Carers Statutory Assessments, delivered by Birmingham Carers Hub, are mandatory under the Care Act 2014 and one of the conditions of the BCF pool.

## 7.4 Procurement Implications

7.4.1 Public Contract Regulations (2015) (PCRS) regulation 72(1) permits the modification of contracts during their terms subject to certain criteria being met.

7.4.2 Regulation 72(1)(c) makes provision for the modification of a contract where (i) the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen; (ii) the modification does not alter the overall nature of the contract; (iii) any increase in price does not exceed 50% of the value of the original contract or framework agreement.

7.4.3 The need for modification has been brought about by the Covid-19 pandemic which the Council could not have foreseen and which applies nationally and not just to Birmingham. Furthermore, the overall nature of the contract will not be altered and any increase in price will not exceed 50% of the original value of the contract.

## **7.5 Human Resources Implications (if required)**

7.5.1 None identified

## **7.6 Public Sector Equality Duty**

7.6.1 A relevance test to decide whether the planned recommissioning and procurement of the vulnerable adults and housing support has any relevance to the equality duty contained within Section 149 of the Equality Act 2010 of eliminating unfair/unlawful discrimination and to promote equality and human rights commenced February 2019. The screening identified that there was no requirement to assess this further at this stage. As part of the re-commissioning the relevant risk logs will be maintained to allow further consideration which include contract award and mobilisation. The consultation will inform and help develop an Equality Assessment.

## **8 Exempt Appendices**

**Exempt Appendix 1 - Risk Assessment**

**Exempt Appendix 2 - Procurement Risk Assessment**