

Cabinet Meeting Resolution

**Executive
Forward Plan
Reference**

E3362

HCRG Care Group Options Appraisal

Date of Meeting	26-May-22
The Issue	Cabinet on 11th November 2021 considered a report “Virgin Care Contract-Options Appraisal” (E3324). It agreed a recommendation for a three-year extension of Virgin Care’s joint commission to provide adult community health and social care services, children’s health services and some public health services. The full decision is set out here . Following the acquisition of Virgin Care Services Ltd by Twenty20 capital, cabinet will receive an update report on this contract. As these services are jointly commissioned with the CCG, the CCG Governing Body will also receive an update report on 26th May 2022.
The decision	<p>(1) To allow the contract to end with no contract extension beyond 31 March 2024.</p> <p>(2) To delegate to Suzanne Westhead, Director Adult Social Care (DASS), in consultation with Cllr Alison Born, Cabinet Member for Adult Services, authority to proceed with the agreed option and to undertake any appropriate risk mitigation.</p>
Rationale for decision	<p>The benefits of allowing the contract to end with no contract extension beyond 31 March 2024 are:</p> <ul style="list-style-type: none"> • not extending the contract beyond its current end date could provide an opportunity to align contracts with neighbouring commissioners providing economies of scale when going to market • opportunity to bring the Adult Social Care inhouse with greater control over how services are delivered. This potentially removes procurement risk from B&NES Council • allows commissioners greater flexibility and control to adapt community services to changing demands and priorities • allows commissioners to work with HCRG Care Group to deliver a revised list of previously agreed transformation priorities for the remainder of the contract term (Year 2023/24) • allows greater integration between the NHS and the Council to plan the new operating model for the future • both strategic and operational Safeguarding will be directly managed by the council whereas previously this was a delegated function to the provider. There will be an improved line of sight which will benefit the new CQC Inspection

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Framework

- streamline of IT systems ensuring better oversight of performance of the Adult Social Care Services
- workforce stability as the staff will be directly managed by the NHS and the council with the associated remunerations
- the council will directly commission Public Health and the third sector contract with the ability to align to NHS and Council priorities.

Other options considered

An Options Appraisal Workshop was undertaken to gather views and opinions from Commissioner senior managers from both organisations to conduct an options appraisal of the Contract based on the following four options:

Option 1 - Extend the contract term for the 3-year period (until 2026/27)

Option 2 - Extend for an alternative period

Option 3 – Allow contract to end with no contract extension beyond 31 March 2024

Option 4 –Termination of the contract before 31 March 2024

The options were put forward for consideration by the Commissioners to review the matters identified in the Bevan Brittan LLP advice of February 2022.

The workshop was structured to enable the review and discussion of each option, including an evaluation of benefits and disbenefits with associated risks. The output was to inform an agreed joint recommendation from key stakeholders.

Options 2 and 4 were dismissed by Commissioners as they were considered too high risk.

A joint review of service delivery models will be undertaken by the newly formed Bath, Swindon and Wiltshire Integrated Care System and the council. This will be undertaken irrespective of which option is agreed by Cabinet. Future delivery models will include consideration of the in-sourcing of adult social care services and council commissioned services.

The Decision is subject to Call-In within 5 working days of publication of the decision