

Forward Plan reference number: not applicable

Report title: Extension of Contract for Managed Care Technology Service in South Essex	
Report to: Nick Presmeg Director Adult Social Care	
Report author: Rebecca Lawrence commissioning Manager Adult Social Care	
Date: 23 May	For: Decision
Enquiries to: Rebecca Lawrence Commissioning Manager	
County Divisions affected: Basildon, Brentwood, Castle Point and Rochford	

1. Purpose of Report

- 1.1 To seek approval to extend the contract for the Managed Care Technology Service in South Essex with the recommended provider under the ESPO Framework (Telecare and Telehealth Products and Services).

2. Recommendations

- 2.1 Approval to extend the contract for the Managed Care Technology Service in South Essex to PA Consulting Services Ltd for a period of 9 months until the end of May 2020 at an additional cost of £740,000.

3. Summary of issue

- 3.1 Essex County Council, (ECC), funds Care lines through an historic arrangement with multiple providers, (largely district or borough councils), to deliver Care Technology across the County.
- 3.2 ECC commissioned 2 diagnostic reports; the latter conducted by PA Consulting and published in 2017. The report found that the current careline arrangements were fragmented, achieving poor outcomes and losing the council £889,000 per year.
- 3.3 In 2018, a business case was approved to commission PA Consulting to deliver a managed care technology service in South Quadrant as a test and learn. The reason for testing in a locality was to better understand the impact of an end to end pathway both financially and non-financially, before committing to a large scale roll out.
- 3.4 The original contract was for 12 months with a 9 month extension built in. During the first 9 months, PA have exceeded the projected savings and continue to develop the service offer to better understand the potential benefits. Whilst the initial findings are positive, the pathfinder has only been running for 9 months; extending the contract by a further 9 months will ensure the Pathfinder is able to continue running in conjunction with the current care line model, and enable ECC to use the insight gathered to inform and shape a longer term ambition for Care Technology.
- 3.5 The contract sources as a call off without competition under the ESPO Framework 203_15 Telecare and Telehealth Products and Services

- 3.6 A project has kicked off to develop and design the future model for Care Technology and preferred commissioning approach. The intention is for this model to go live June 2020.

4. Options

- 4.1 The recommended option is to extend the contract for nine months for the Managed Care Technology Service to PA Consulting Services Ltd.
- 4.2 The Council could decide not to award the extension however this would leave a gap in provision whilst a procurement to redesign services is completed. If the Pathfinder is not extended to align with this, there is not only a high risk of demand increasing on Adult Social Care, (ASC), but increased risk of destabilising the work of the Pathfinder both within the system and internally across the ASC workforce.

5. Issues for consideration

- 5.1.1 The Council will work with key stakeholders and service users to develop, redesign and procure the care technology offer throughout Essex.

5.2.1 Financial implications

- 5.2.1 The estimated contract extension cost with PA Consulting is £740,000 and will be funded via the Adult Social Care Digital Programme.
- 5.2.2 The pathfinder is outperforming the agreed target with a gross financial benefit of £246,000 realised to the end of February 2019, £44,000 ahead of the target. Much of this benefit is cost avoidance rather than cash reduction to existing packages.
- 5.2.3 Based on installations as at end of February gross financial savings over the 12 months pathfinder (to end of August 2019) are estimated to be £1.014m (£264,000 (35%) ahead of the target).
- 5.2.4 By extending the contract the Council can expect further savings with total estimated gross financial savings of £1.8m in 2019/20 which will contribute towards the £3m modern technologies savings target with the ASC budget.

5.3 Legal implications

- 5.3.1 The ESPO Framework 203 (Telecare and Telehealth Products and Services) was established in March 2016 and is available to all public sector bodies to use up until February 2020. In awarding this contract ECC have followed the call off requirements under the ESPO Framework.

6. Equality and Diversity implications

- 6.1.1 The equality impact assessment was conducted as part of the original procurement and here are no alterations at this time.

7. List of Background Papers

7.1 Transforming Care Technology in Essex

I approve the above recommendations set out above for the reasons set out in the report.



Nick Presmeg Director Adult Social Care

Date

13/6/19

