

CAMBRIDGE CITY COUNCIL

Record of Executive Decision

DITCHBURN PLACE CARE CONTRACT – COUNTY DECISION TO TENDER

Decision of: Councillor Price, Executive Councillor for Housing

Reference: 17/URGENCY/HS/7

Date of decision: 25/10/17 **Recorded on:** 03/11/2017

Decision Type: Key Decision

Matter for Decision:

- i. Cambridge City Council owns and manages the Ditchburn Place extra-care housing scheme, which currently comprises 36 of the 108 units on the site. For some years, care at the scheme has been provided by the City Council, and delivered in an integrated way alongside housing related support, housing management and premises management functions. .
- ii. From January 2011, the care service was the subject of a three-year contract, extended a number of times to July 2016, awarded to the Council by Cambridgeshire County Council following a formal tendering exercise in 2010. Since July 2016 the service has been delivered as part of a partnership arrangement with the County Council.
- iii. The City and County Council have extensively explored options for the continued delivery of care services on this basis, but this has proved impossible, and the County Council has now taken the difficult decision to formally tender the service.

Why the decision had to be made (and any alternative options):

Before taking the decision to tender the care service, the City Council and the County Council have explored a number of ways to continue to work in partnership to deliver these services, but the extra care and support contract sum of £554,600 (prior to inflation to 2017/18 prices) is well below what it costs the City Council to provide the service, which was estimated at £716,800 based upon 2016/17 budgeted costs, including all on costs and organisational overheads, but is still above the level of funding that the County Council has to continue the provision of care services on the site. The current price paid to the City Council is well above that paid by the County Council for similar schemes elsewhere in the region, and there is pressure on the County Council to further reduce costs.

The Executive Councillor's decision(s):

- iv. Approved that the authority formally decides not to submit a tender for the continued provision of care services at Ditchburn Place.
- v. Approved full co-operation with the County Council and prospective bidders for the contract, both during the procurement period and throughout the implementation and delivery of a new contract.
- vi. Approved that the authority begin discussions with existing employees who work as part of the care contract in relation to their potential TUPE transfer to another organisation, providing the appropriate support and advice to them throughout this process.
- vii. Delegated authority to the Strategic Director to undertake negotiations and agree the transfer of staff to a new care provider once the County Council has completed their procurement.

Reasons for the decision:

It has proved increasingly more difficult over the last 20 years to arrive at a contract sum for the provision of services which is within the budgetary constraints for the County Council, but which goes any way towards meeting the cost of the City Council providing the extra care services.

Scrutiny

The Chair and Spokesperson of Housing Scrutiny

consideration: Committee were consulted prior to the action being authorised.

Report: A report detailing the background and financial considerations is attached.

Conflicts of interest:

Comments: Councillor Todd-Jones agreed that the current situation was unsustainable but expressed concerns about the future quality of the services and staffing implications. Committee Vice Chair, Diana Minns, expressed similar concerns and stated that were she able, she would vote against this recommendation.