



**Report of:** Executive Member for Health and Wellbeing

Meeting of:	Date	Agenda item	Ward(s)
Executive	16 July 2015		All

Delete as appropriate	Exempt	Non-exempt
-----------------------	--------	------------

**SUBJECT: Covering note relating to the Amendment to the “Approval of the Procurement Strategy for a Contract for a Single Advocacy Service (Adults)” Report**

## 1. Details of the amendments

- 1.1 The contract values proposed in the report have been revised downwards from a proposed £450,000 - £750,000 p.a. to £350,000 p.a. to £650,000.
- 1.2 Details of current spending on services have also been revised from c. £620,000 p.a. to c. £429,000 p.a.
- 1.3 Estimated statutory advocacy activity has been reduced from 11000 hours to 7715 hours.
- 1.4 Estimated spending based on current activity levels has been clarified to make clear this includes the provision of non-statutory advocacy.

## 2. Reasons for the amendments

- 2.1 It has been identified that the figure quoted for out of borough provision of Independent Mental Capacity Advocates (IMCA) and Deprivation of Liberty Safeguards paid Relevant Persons Representatives (DOLS RPRs) also included the cost of the contractual arrangements for the current in borough IMCA service; which also include sums recharged to LB Camden and LB Hackney for the provision of the current service in these boroughs through joint arrangements.
- 2.2 This means the total budget required for this service was over estimated by £115,000.
- 2.3 The error was spotted only at when full year data for 2014/15 was confirmed and analysis showed activity levels were lower than expected.

- 2.4 The total cost of current spending also included the cost of providing NHS Independent Complaints Advocacy. This was a drafting error as it was decided following procurement board that this service would not be included in the contract. This figure was not corrected in the original draft. However, the contract does include contingency for this service to be delivered by the contract if existing arrangements fail. The value of this service is £76,000 p.a. and explains the rest of the difference between levels of current spending originally quoted and now revised.
- 2.5 The financial envelope originally proposed accounted for the absences of the NHS Independent Complaints Advocacy.

### **3. Implications of the amendments**

- 3.1 No change is required to the procurement strategy proposed other than the financial envelope for the service will be reduced by £100,000 to account for overestimation of the budget required for the Service.
- 3.2 Paragraph 3.3 has been amended to reflect the maximum potential risk of a cost pressure caused on the adult social care budget created by this contract. The wording of this paragraph has been amended so that it reads more clearly.
- 3.3 The report author would like to express his apologies to the Executive that this error was not identified at an earlier stage.