

# **THE CARELINE PARTNERSHIP – AN UPDATE**

## **ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE**

**2<sup>ND</sup> JUNE 2015**

### **1. Background**

- 1.1. Careline is the Council's 24 hour call monitoring service delivered primarily to elderly and disabled people, responding to calls for assistance and assisting them to remain living independently in their own homes.
- 1.2. This service is part of, and complements other housing solutions delivered by the Council, for example sheltered housing with on-site Scheme Managers and floating support delivered by Support Officers.
- 1.3. The service is provided across tenure with approximately 1200 customers funded by Derbyshire County Council and approximately 1500 customers paying for the service themselves (self-funders).
- 1.4. For many years the service has been provided by Chesterfield Borough Council to the Derbyshire County Council funded customers under contract to Derbyshire County Council.
- 1.5. In 2011 Derbyshire County Council reviewed all their support contracts and announced that they were intending to tender for the contracts, with the new contracts coming into effect from January 2012.
- 1.6. At that time only four of the Derbyshire District and Boroughs provided a call monitoring service directly – the other four having outsourced the service.
- 1.7. These four Councils were Chesterfield Borough Council, Bolsover District Council, South Derbyshire District Council and High Peak District Council. Shortly afterwards, High Peak District Council outsourced their service.
- 1.8. Discussions took place between the three in-house service providers and Derbyshire County Council regarding the potential

for the three to form a Consortium and to provide services to Derbyshire County Council for the whole of Derbyshire County Council's funded customers in Derbyshire.

- 1.9. Derbyshire County Council was open to this suggestion and discussions commenced.

## **2. Operating Principles**

- 2.1. One of the key principles throughout the project has been that the three Councils will retain their Careline centres and staff, and that an ICT solution would be procured, which would enable the three to work as one centre, taking calls in real time for the whole of Derbyshire (these solutions are available).
- 2.2. Economies and efficiencies would be achieved by streamlining operations, for example only one centre being open at night, specific back office functions being delivered centrally etc.

## **3. Procurement**

- 3.1. The ICT solution is just about to be procured via the Northern Housing procurement framework, with an envisaged contract start date of August 2015, enabling time to design and build the solution, transfer data, test etc.

## **4. Contracts/Formation of Companies**

- 4.1. It was originally envisaged that Derbyshire County Council would contract directly with the Consortium (made up of the three District and Borough Councils) without going through any procurement process; however Derbyshire County Council were advised that this was in breach of procurement rules and therefore a different solution needed to be found.
- 4.2. On advice, it was concluded that the way to enable Derbyshire County Council to avoid having to go through procurement procedures would be to form a Teckal Company (so named after a

challenge in the EU Courts regarding the awarding of work to a publicly established consortium).

- 4.3. The EU Court held that EU procurement rules need not be complied with where the service provider is –

*Controlled by the awarding authority/authorities in a manner 'similar to that which it exercises over its own departments – structural control.*

- 4.4. Based on this advice it was agreed that a Teckal Company would be formed which would include the Derbyshire County Council funded customers and that a separate Trading Company would be formed which would include the current self-funded customers and would provide the ability to trade and provide services to customers wishing to pay for the service across Derbyshire and potentially further afield.
- 4.5. This new method of operating has led to the Consortium now evolving into a partnership between the three Districts and Borough Councils and Derbyshire County Council.

## **5. Governance**

- 5.1. Regular reports have been and will continue to be presented to Cabinet at key points in the project, for example to date the Business Case, formation of the two companies and the necessary finance have been approved.

## **6. Legal Issues**

- 6.1. Specialist separate legal advice is in place for the three District and Borough Councils and the County Council regarding the formation of the companies, collaboration agreements, share holdings etc.

## **7. Current Position**

- 7.1. Following protracted discussions and negotiations with Derbyshire County Council, the project is now well underway with a start date of April 2016.
- 7.2. It is envisaged that shadow boards will be formed (potentially in Autumn 2015) prior to the Companies beginning to operate in April 2016 and that the Board Member will be the Executive Member for Housing.

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