

DECISION TITLE: Award of Personal Care and Support Services Contracts
COUNCILLOR FITZGERALD, CABINET MEMBER FOR ADULT SOCIAL CARE
DECEMBER 2013
Deadline date: N/A

Cabinet portfolio holder: Responsible Director:	Cllr Wayne Fitzgerald, Cabinet Member for Adult Social Care Jana Burton, Executive Director Adult Social Care, Health and Wellbeing
Is this a Key Decision?	YES If yes has it been included on the Forward Plan : Yes Unique Key decision Reference from Forward Plan : KEY/06SEP13/03
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	YES There is an Exempt Annex to the report which is not for publication in accordance with Paragraph 3 of Schedule 12A of Part 1 to the Local Government Act 1972. The information contained in the Exempt Annex should not be disclosed because the information: relates to the financial or business affairs (past or present) of a particular person (including the Council); The public interest test has been applied to this information and it is considered that the need to retain this information as exempt outweighs the public interest in it because: The information contained in this annex is considered commercially sensitive. The Council is retaining this information as exempt because it could impact on its ability to achieve value for money from future procurement exercises. It could also have a negative impact on the unsuccessful bidder's market position and reputation.
Is this a project and if so has it been registered on Verto?	NO

RECOMMENDATIONS

The Cabinet Member is recommended to:

1. Authorise the award of the Personal Care & Support Framework Contract to the organisations listed in Annex 1 of this report.

1. SUMMARY OF MAIN ISSUES

- 1.1 This report seeks the Cabinet Member for Adult Social Care's approval to award contracts to the organisations listed in Annex 1 in accordance with the Council's Contract Rules rules from 6th January 2014 to 5th January 2016 with the option to extend for two further 12 month periods.
- 1.2 The organisations will provide a range of community based personal care and support services that will support the Council meeting its statutory adult social care duties.

2. PURPOSE OF THIS REPORT

- 2.1 This report is for the Cabinet Member for Adult Social Care to consider exercising delegated authority under paragraph 3.3.3 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph 3.10 (b).

3. **TIMESCALE** (If this is not a Major Policy item, answer **NO** and delete second line of boxes).

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	N/A
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4. DETAILS OF DECISION REQUIRED

- 4.1 Peterborough City Council operates a Framework Agreement with a range of community social care organisations to provide support in people's homes and within the community. The support provided is intended to meet need and mitigate risk in a range of areas including supporting personal care activities, nutrition, managing medication, shopping and paying bills. These services support the Council discharging its statutory duties with regard to the National Assistance Act 1948 and subsequent related legislation.
- 4.2 The contracts proposed within this report will form part of a new Framework Agreement, this means that the Council will have agreed contractual terms and conditions alongside service requirements and outcomes with a range of organisations and will be able to call off services as required. The framework also provides the opportunity to develop new services with pre-approved providers listed on the framework as required. As the services for personal care and support are categorised as Part B services under the European Union procurement rules, there is sufficient flexibility for an option to open the framework to new providers at a future date. The Council could use this option should additional capacity or new services be required.
- 4.3 The new Framework Agreement is anticipated to commence on the 7th January 2014 for a period of two years with an option to extend for a further two 12 month periods subject to satisfactory performance, delivery of outcomes, funding availability, price and the continuing need for the service.
- 4.4 The Framework is closed for additional new entrants during the contract period unless the Council determines that there is a shortfall in service provision. Providers on the

Framework can apply at quarterly intervals to be included on additional specialist areas – a maximum of 3 attempts to pass the relevant ITT specialist submission applies.

- 4.5 The Framework was tendered with the intention of incorporating additional related service areas such as Extra Care (personal care & support only) provision, Rapid Response and Transitional Care & Supported Living, allowing the successful Framework providers to mini-tender for any additional personal care and support requirements during the life of the contract
- 4.6 The new service provision will be an outcome-based contract using the regionally agreed Eastern Region Association of Directors of Adult Social Services (ADASS) contract terms and conditions and East of England Service Outcomes and Standards of Care for Provision of Community Based Personal Care & Support Services.
- 4.7 The development of personal care and support services and the decision to move to outcome based service specifications supports the delivery of the Adult Social Care Transformation Programme and has the following key objectives:
- 4.7.1 To achieve an outcome based Framework which ensures that providers are 'working with' and not 'doing for' service users; providing personalised support that meets the needs of the individual and supports choice and control. Providers will actively seek to increase levels of independence and access to universal community services.
- 4.7.2 To 'mainstream' care and support services. Only those individuals whose needs exceed the capabilities of the mainstream providers will receive care and support from an appropriate 'specialist' provider.
- 4.7.3 To engage a number of suitably experienced organisations who can demonstrate a commitment to delivering high quality personal care and support services and improving outcomes for vulnerable people, whilst retaining costs within available budgets and providing value for money for Peterborough City Council.
- 4.7.4 Create flexibility and partnership working within the contractual arrangements to be able to grow and enhance service delivery, whilst also proactively seeking efficiencies and innovation.

PROCUREMENT PROCESS

- 4.8 The procurement process to select organisations to be part of the Framework is compliant with the Council's Contract Rules. Although no volume or value of work is guaranteed to any provider through the framework it is anticipated that actual contract values may exceed European Union thresholds: an Open tender process compliant with European Union legislation was used and a Part B Voluntary OJEU notice was published.
- 4.9 The tender process consisted of two stages:
- Potential providers were required to demonstrate they meet the Council's standards in relation to organisational credibility, stability and competence. Providers demonstrating they met the required standard and passing the Pre-Qualification threshold of 50% were then evaluated based on their submitted tender response.
 - Tender submissions were then evaluated against the advertised tender criteria with those providers submitting proposals to deliver specialist services having first been evaluated against the generic core personal support criteria.
- 4.10 Following the tender evaluation process 27 organisations were successful in meeting the Council's quality and cost requirements. This will provide an anticipated 22,965 hours of

capacity per week, this volume is above the Council's current requirements for personal care and support.

- 4.11 The maximum hourly rate set through the procurement process for personal care and support is £15 per hour, this is below the current maximum rate whilst still offering fair reimbursement to provider organisations. Providers can offer support at rates below the £15 per hour rate, the average rate across the 27 providers is £13.20 per hour which is in line with regional and national rates.
- 4.12 During the evaluation of the homecare bids a number of common areas for quality improvement were identified, specifically relating to policy and procedure in connection with safeguarding and mental capacity. As part of the award to each of the 27 providers, and in order to ensure that personal care is of high quality locally, improvement areas will be identified and the contract monitoring team will work with providers to agree plans and confirm that progress towards improvement goals is occurring in acceptable timescales. Linking providers in to the Council's ASC workforce development programme will form part of this work.
- 4.13 Quality Monitoring will be of the utmost importance once the Contract with the successful Providers comes into force following receipt of the award decision. This will be achieved in the following ways :
- Contracts and Procurement will work closely with Commissioners and successful Providers to develop and enhance their model of delivery and ensure standards are achieved through ongoing partnership working during the term of the contract
 - ADASS Eastern Region Contract and Service Specification
 - ADASS Eastern Region Performance Monitoring workbook
 - Monthly Management Information Returns
 - Annual Inspection
 - Regular spot checks & thematic inspections (such as medication, safeguarding etc)
 - Close monitoring of CQC concerns and inspections
 - Ensuring Providers receive opportunities to take up required training
 - Compulsory completion of the NMDS (National Minimum Dataset)
 - 4 weekly Electronic Call Monitoring Returns

5. CONSULTATION

- 5.1 Equality Impact Assessments were carried out with some of the affected service users. As the nature of the services to be provided under the new framework are substantially the same, there will be no negative effect on the service users.
- 5.2 Market engagement and consultation was undertaken with existing providers prior to starting the procurement exercise.
- 5.3 Consultation has been undertaken through the Older People's Partnership Board, the Learning Disability Partnership Board and the Mental Health Stakeholder Group.

6. ANTICIPATED OUTCOMES

- 6.1 The key outcome will be the implementation of a framework of providers delivering high quality and outcome focussed personal care and support. The framework will ensure that value for money and strategically relevant community support services are available and that these services support the Adult Social Care transformation programme and personalisation agenda.

7. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION

- 7.1 The proposed approach will support the Council in meeting its statutory duty under the National Assistance Act 1948 to meet assessed eligible adult social care need by ensuring a range of support is available within the community and with people's homes.
- 7.2 The framework is compliant with contract legislation and the Council's Contract Rules.
- 7.3 The framework provides sufficient flexibility to allow for other community support services to be included in future as need arises.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 Procuring block purchased homecare was considered but rejected as this could lead to the purchase of homecare supply above the Council's requirements and would not comply with the Council's duty of assuring value for money. The framework agreement sets out the Council's requirements and expectations in terms of quality standards and how these standards will be monitored. The framework also provides an approach to ensure best value by managing unit cost for personal care and support services.
- 8.2 Setting up a fully closed framework was considered but was rejected as this could restrict the development of support capacity and the development of new services. Retaining the option to open the framework to new providers and to develop new service specifications will mean that future needs could be met through the framework.

9. IMPLICATIONS

9.1 Financial

All providers will join the framework on a call off basis, in this way there is no financial commitment from the Council to a certain volume of work or an annual contract value. Unit costs for calling off personal care and support against the framework have been agreed as part of the tender process which will support management of adult social care placement costs and will offer value for money. It is estimated that in a full year savings arising from implementation of the new Framework will be in the region of £1.6m from an expected spend of £17.5m for 2014/15.

9.2 Legal

The framework will support the Council complying with its statutory duties under the National Assistance Act and subsequent legislation.

9.3 Human Resources

Current providers who have not been successful in achieving a place on the framework or who did not tender for a place on the framework will be part of a managed transition process. Service Users receiving services from these providers will be given the option to take a Direct Payment and remain with their current provider if they wish.

In the majority of cases it is not anticipated that TUPE will apply as individual care workers do not in general fall under the banner of an organised grouping, workers are generally sent wherever there is a need and are not attached solely to a specific individual only, the only area where there is a stronger argument for an organised grouping are those areas of supported living where only a specific group of care workers attend the individual. The transition of service users will be carefully managed allowing identification of any areas where there may be a potential concern or risk. There are a number of new providers who

will be entering Peterborough under the framework so there will be opportunities for any displaced workers to obtain work with other providers.

9.4 Procurement

The procurement exercise undertaken to set up the framework complies with value for money requirements and with national and European procurement legislation.

9.5 Risk management

Please see the attached risk log (attached as Appendix 2 of this document).

10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

Declarations by any cabinet member consulted by the decision maker and any dispensation granted by the Audit Committee or Head of Paid Service (Chief Executive). Note, the Audit Committee grants dispensations where the member concerned has a pecuniary interest, whereas the Chief executive may grant a dispensation for these purposes to any cabinet member consulted on these proposals whether by an officer or another individual cabinet member where there is a common law conflict of interest that may not amount to a pecuniary interest under the Regulations.

None

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985 and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

ITT and supporting documents for Personal Care and Support (Home Care) Tender Ref: LH0001.