

<b>Approval for Utilising Cambridgeshire County Council’s Dynamic Purchasing System (DPS) for Home and Communities Support Services for Homecare Contracts</b>
<b>Councillor John Howard, Cabinet Member for Adult Social Care, Health, and Public Health</b>
<b>March 2023</b>
<b>Deadline date: N/A</b>

Cabinet portfolio holder: Responsible Director:	Cllr John Howard, Cabinet Member for Integrated Adult Social Care, Health, and Public Health  Debbie McQuade. Executive Director People and Communities
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/13FEB23/02
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO
Is this a project and if so has it been registered on Verto?	NO

<b>RECOMMENDATION</b>
The Cabinet Member is recommended to:
<ol style="list-style-type: none"> <li>1. Authorise the future expected spend of £5,220,168 by procuring via the Cambridgeshire County Council’s Dynamic Purchasing System (DPS) for Home and Communities Support Services, until 1<sup>st</sup> March 2024, as an alternative way to meet the assessed needs of a Service User.</li> </ol>

**1. PURPOSE OF THIS REPORT**

1.1 This report is for the Cabinet Member to consider exercising delegated authority under paragraph 3.4.3 and 3.4.8. of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (a).

**2. TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	<b>N/A</b>
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### 3. BACKGROUND AND KEY ISSUES

#### 3.1 BACKGROUND

Homecare is considered any care and support a person might require in their own home, including preparing meals, taking their medication, and attending their personal care needs.

Peterborough City Council ([the Council](#)) has a closed framework arrangement for commissioning homecare, which was procured in accordance with the Public Contract Regulations 2015 in September 2018. Approval was granted by way of a CMDN in August 2018 (Personal Care and Support (Homecare) in Peterborough - [AUG18/CMDN/25](#)), with a duration of three years initially, and an option to extend up to seven years. First extension was invoked until 2nd<sup>nd</sup> September 2022. The framework includes two lots, one for general care and support, and another for more specialist care, such as learning disabilities or advanced dementia.

On 31st May 2022 it was approved to further extend the framework, for a period of 18 months, commencing on 3rd September 2022, to end 2nd March 2024, and also there is authority to extend up to a further 12 months to 2nd March 2025, should the need arise from unforeseen delays to the new framework procurement and implementation.

On July 2021 a CMDN (<https://democracy.peterborough.gov.uk/ieDecisionDetails.aspx?ID=1869>) gave authority for the future expected spend of £6,286,470 by procuring via the Cambridgeshire County Council's Dynamic Purchasing System (DPS) for Home and Communities Support Services, until 1st March 2023, as an alternative way to meet the assessed needs of a Service User (ref KEY/5JUL21/02). The reason for this is explained in 3.2 below.

#### 3.2 KEY ISSUES

At the point of award in 2018, there were 16 successful providers for Lot 1, however, there are now only 11 providers actively delivering the required service. This is due to providers no longer trading or being suspended by the Care Quality Commission due to quality issues. As a closed framework, it is not possible to add new providers and so the Council has seen a 31% decrease in the number of suppliers it can use.

When providers on the framework are not able to pick up a package of care, the Council must then approach providers outside the framework to ensure people's care needs are met. Failure to do so would leave individuals without care and put immense strain on families, informal carers and the wider hospital and social care system. This will also impact on the Council's statutory duty under the Care Act to meet assessed needs.

There continues to be extremely high demand for homecare in Peterborough following hospital admission. In order to support timely hospital discharges the council must ensure a plentiful supply of homecare now and in preparedness for winter pressures and the exceptional current capacity issues within the NHS.

In recognition of the issues identified, a review of the closed framework was undertaken in 2022. Commissioners worked with stakeholders to create a new approach which will resolve the supply issues we are currently facing. Contract Managers were also working with current framework providers to increase the supply available to the Council.

It is intended a new model for homecare commissioning will be designed, procured and implemented when the current framework expires in March 2024. This will enable the Council to best meet the needs of the residents of Peterborough requiring care at home. This will be designed through co-production with inclusion of internal and external stakeholders and will be supported by the Fair Cost of Care exercise whilst including business intelligence to support the use of zones. There will be 4 zones in the city and a sliding scale for rural rates.

3.3

### RECOMMENDATION

Until the new procurement model is in place in, the Council is required to use the closed framework as the main way to source care. Providers on the existing framework will be closely managed by the Contracts Team to ensure optimisation of their provision and work alongside providers to grow capacity to meet the increasing demand.

On occasions, when framework providers are unable to meet our supply requirements, it is imperative the Council has the ability to source care from other providers in a way that is fair and compliant with the Public Contract Regulations 2015. It is proposed the Council continues to purchase care via Cambridgeshire County Council's (CCC) Dynamic Purchasing System (DPS) for Home and Communities Support Services, where Peterborough's closed framework providers are unable to supply the required care.

The DPS, is a procurement tool and similar to an electronic framework agreement, but new suppliers can apply to join at any time, during its lifetime. The Council was named as an organisation who can use the DPS when it was originally put into place in 2017.

Use of the DPS will enable the contracts for packages of care to be awarded to providers, in an open and fair way, ensuring compliance with the Council's Contract Procedure Rules and the Public Contract Regulations 2015 and securing best value for the Council.

The maximum value of expenditure via CCC's DPS, for the period 2<sup>nd</sup> March 2023 to 1<sup>st</sup> March 2024, is recommended to be set at £5,220,168. This is based on current and forecasted future spend, with providers on the CCC's DPS and other off framework providers and assumes there is no change in the level of supply offered by current framework providers. This approach will allow the Council to continue to use its framework as it was intended, with the DPS to supplement it when the framework providers are unable to fulfil the demand.

In order to ensure the sustainability of homecare for the residents of Peterborough, the lack of capacity within the current framework must be addressed. This recommendation is the most effective method to solve it without compromising the quality of care, the ability to provide care quickly and efficiently, and protects reputation of the Council.

### CORPORATE PRIORITIES

The recommendation supports the *Our Places & Communities, Prevention, Independence & Resilience and The Economy & Inclusive Growth* corporate priority by:

- Managing supply and demand, which is limited within the rural areas in PCC.

- Supporting residents with care and support needs to stay longer in their homes.
- Enabling a range of options for support and maximising the choice and control people have in their day to day lives.
- Protect the safety and wellbeing of Service Users and Carers, including promoting a safe and caring environment.

#### Carbon Impact Assessment

Outcome from approved Carbon Impact Assessment showed no implications.

#### **4. CONSULTATION**

- 4.1 Discussion with internal stakeholders, including Commissioning, Contracts, Brokerage, Legal and Procurement were undertaken to propose this solution.

#### **5. ANTICIPATED OUTCOMES OR IMPACT**

- 5.1 The overarching outcome is that people continue to receive quality homecare without delay and in accordance with their wishes. Waiting lists for care are avoided, reducing stress on families and informal carers. People are not inappropriately placed into residential care due to a lack of homecare and people do not remain in hospital longer than necessary.

There will be no financial implications as an outcome of this report. The homecare budget for 2023-24 has already been agreed and accounted for. This report does not intend to spend any additional money but offer the Council the flexibility to purchase care via a different route (in a way that is fair and compliant) when it's closed framework is not able to supply care.

The providers who apply to join the DPS, relating to the services within the geographical area of Peterborough, will be requested to sign up to fixed rates, within the Council's ceiling rate of £17.80 per hour. This means the Council will have control over the cost of care and it will not be paying higher rates.

With current open provisions above the ceiling rate, applying the DPS rate of £17.80phr provide a cost avoidance of £315,266pa. New packages without the application and security of the CCC DPS would continue occurring extra costs and no saving, cost avoidance or security that packages can be placed with providers.

#### **6. REASON FOR THE RECOMMENDATION**

- 6.1
- To ensure the residents of Peterborough are supported to remain living in their own homes should they have any care needs.
  - To enable the Council to meet its duty under the Care Act to provide high quality care to the residents of Peterborough.
  - To ensure the supply of quality homecare in Peterborough by supporting the market.
  - To make any and all spend outside of the closed framework compliant, thus protecting service users, providers and the Council.
  - To enable the Council's operational teams to place packages of care quickly and effectively, reducing time and resources spent on sourcing and seeking an exemption.
  - Efficient sourcing of care will support the hospital discharge process, freeing capacity of beds within healthcare.

#### **7. ALTERNATIVE OPTIONS CONSIDERED**

- 7.1
- **Do nothing and rely solely on the current closed framework.**  
This option was discounted as the current framework is not able to meet the level of demand for homecare in Peterborough due to the change in the market and loss of Providers. It would result in significant waiting times for homecare, adversely impacting service users, their families and the wider health and social care system.
  - **Do nothing but source care directly from other providers.**  
This option was discounted for three reasons. Firstly, it does not provide a robust contractual basis upon which the Council can ensure quality and safety. Secondly, it may be interpreted by other providers as unfair and non-compliant with regulations and so creates a risk of challenge. Thirdly, individual exemptions would be required for every homecare package placed with providers not on the closed framework. The exemption process, given such volumes, would be slow and result in delays and waiting lists for care which would adversely affect service users, their families and the wider health and social care system.
  - **Procure another contract from which to call off the spot purchase of homecare.**  
This project is underway and plans to be in place by March 2024 with the support of the Fair Cost of Care exercise run by the Department of Health and Social Care. This option however will not be in place with enough time for the previous CMDN expiring in March 2023.

## 8. IMPLICATIONS

### Financial Implications

- 8.1 None. The spend has already been approved and budgeted.

### Legal Implications

- 8.2 The use of Dynamic Purchasing Systems is permitted under the Public Contract Regulations 2015 and Peterborough City Council is able to utilise CCC's DPS to award a contract to a provider to deliver the required care. By using this compliant method to procure, it will enable the Council to continue to fulfil its duties under the Care Act.

### Equalities Implications

- 8.3 None.

### Rural Implications

- 8.4 This recommendation will help us support our rural communities within Peterborough by managing supply and demand, which is limited within the rural areas in PCC.

### Carbon Impact Assessment

- 8.5 Outcome from approved Carbon Impact Assessment showed no implications.

## 9. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

- 9.1 None.

## 10. 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.

10.1 [Personal Care and Support \(Homecare\) in Peterborough - AUG18/CMDN/25](#)  
URL: [democracy.peterborough.gov.uk/ieDecisionDetails.aspx?id=1500](http://democracy.peterborough.gov.uk/ieDecisionDetails.aspx?id=1500)

10.2 [PCC Home and Support Framework and Contract](#)

**11. APPENDICES**

11.1 None