

CABINET	AGENDA ITEM No. 5
12 FEBRUARY 2024	PUBLIC REPORT

Report of:	Stephen Taylor, Executive Director of Adult Social Care & Commissioning	
Cabinet Member(s) responsible:	Councillor Saqib Farooq, Cabinet Member for Adults and Health	
Contact Officer(s):	Ayesha McKechnie, Commissioning Manager	Tel. 07500 024742

APPROVAL ON SPEND VIA CAMBRIDGESHIRE COUNTY COUNCIL'S DYNAMIC PURCHASING SYSTEM (DPS) FOR HOME AND COMMUNITY SUPPORT SERVICES

RECOMMENDATIONS	
FROM: Stephen Taylor, Executive Director of Adult Services	Deadline date: 29 February 2024
<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> 1. Authorise the continuation of method of procuring and future predicted spend of up to £11,672,606 by procuring care at home support for Peterborough City Council Clients via Cambridgeshire County Council's Dynamic Purchasing System (CCC's DPS) for Home and Community Support Services, from 2nd March 2024 through to 31st October 2027, as an alternative way to meet the assessed needs of a Service User when the existing closed framework of providers is unable to meet demand. 	

1. ORIGIN OF REPORT

1.1 This report is submitted to Cabinet following a referral from CLT on 23 January 2024.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to propose future predicted home care spend via Cambridgeshire County Council's Dynamic Purchasing System on behalf of Peterborough City Council.

2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.5:

To make decisions on actions relating to the awarding, assigning and termination of contracts over £500k, and waiving or granting exemptions to Contract Regulations where contracts are over £500k, with the exception any time-critical, operational, or routine decision, which may be determined by the relevant portfolio holder.

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
---	-----------	----------------------------------	------------

4. BACKGROUND AND KEY ISSUES

4.1 Background

Homecare is considered to be any care and support that a person might require in their own home, including preparing meals, taking their medication, and attending their personal care needs. This includes 24-hour live in care where this is an assessed need.

Peterborough City Council (the Council) has a closed framework arrangement for commissioning homecare, which was procured in accordance with the Public Contract Regulations 2015 and commenced on 3rd September 2018.

Approval was granted by way of a CMDN in August 2018 (Personal Care and Support (Homecare) in Peterborough ([AUG18/CMDN/25](#)), for an initial term of three years (to 2nd September 2021), with the option to extend for up to seven years to 2nd September 2028.

The framework includes two lots, one for general care and support, and another for more specialist care, such as learning disabilities or advanced dementia.

4.2 The first extension of Peterborough's framework was invoked for one year, until 2nd September 2022.

On 31st May 2022 approval was granted to further extend the framework, for a period of 18 months, commencing on 3rd September 2022, to end 2nd March 2024.

The Council wishes to extend the contract period of the framework again, up to a further 12 months, i.e., to 2nd March 2025 to enable the commissioning and procurement of a new care at home service model to go live from 3rd March 2025 (proposals to be put forward).

4.3 In July 2021 a CMDN ([AUG21/CMDN/25](#)) gave authority for the future expected spend of £6,286,470 by procuring via the Cambridgeshire County Council's Dynamic Purchasing System (CCC's DPS) for Home and Community Support Services, until 1st March 2023, as an alternative way to meet the assessed needs of a Service User when the closed framework of providers cannot meet demand.

In April 2023, a CMDN ([APR23/CMDN/108](#)) gave further authority for the future expected spend of £5,220,168 by procuring via CCC's DPS for Home and Communities Support Services, until 1st March 2024, as an alternative way to meet the assessed needs of a Service User when the Council's closed framework of providers is exhausted. This was to enable the Council to utilise the CCC DPS whilst its care at home Framework was live.

The Council is authorised to utilise CCC's DPS until the end of its lifetime on 31st October 2027.

4.4 Key issues

At the point of award in 2018, there were 35 successful providers for Peterborough's closed framework. However, there are now only 20 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 invite new providers to tender and so the Council has seen a 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 health (including hospitals) and social care system. This would also impact on the Council's statutory duty under the Care Act 2014 to meet assessed needs.

One solution when the framework providers cannot meet demand is utilising the permissions within CCC's DPS to source off framework care. This ensures quality of care as a result of the

due diligence and contract monitoring undertaken during the onboarding process for the DPS. It also ensures all placements are within the PCC ceiling prices, as providers cannot go above PCC's ceiling on the DPS.

- 4.5 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 would resolve the supply issues we were 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 2025. This will enable the Council to best meet the needs of the residents of Peterborough requiring care at home. This is being designed through co-production with inclusion of internal and external stakeholders and will seek to draw on specialisms from the market in relation to the primary support needs of people in Peterborough.

4.6 **Recommendation**

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

- 4.7 On occasions, when framework providers are unable to meet our supply requirements, it is imperative the Council can 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 CCC's DPS for Home and Community 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; however, under a DPS, new suppliers can apply to join at intervals throughout its lifetime. The Council was named as an organisation who can use the DPS when it was originally put into place in 2017. As a result, we are able to utilise this DPS until the end of its lifetime on 31st October 2027.

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. As providers must pass a quality threshold to be accepted onto the DPS, we are provided with a level of assurance and an ongoing mechanism to monitor and manage quality.

- 4.8 It is anticipated that the commissioning of a comprehensive model in Peterborough to meet the needs of all residents, will significantly reduce the need to use CCC's DPS going forward.

Therefore, it is proposed that new packages of care cease to be commissioned via CCC's DPS, except in exceptional circumstances, from 2nd March 2025, once the new service is live (service proposals to be put forward). Any care package already commissioned via CCC's DPS will remain in place until the end of its agreement.

- 4.9 The maximum value of expenditure via CCC's DPS from 2nd March 2024 through to 31st October 2027 (the end of the lifetime of the DPS) is recommended to be set at £11,672,606.

This is based on current and forecast future spend with providers on CCC's DPS and other off framework providers. This also uses the assumption that that there is no change in the level and quality of supply offered by current framework providers from March 2024 to March 2025 and that from March 2025 onwards, supply via the Council's own formally commissioned arrangements will increase. This approach will allow the Council to continue to use its framework until March 2025 as it was intended, with the DPS used to supplement it when its framework

providers are unable to fulfil the demand and thereafter to rely on its own framework for newly commissioned packages of care.

- 4.10 The proposed off-framework spend from March 2024 to October 2027 is calculated in part by consideration of the attrition rate of packages of care being approximately 50% in year, whereby it is expected that at least 50% of existing packages end within a year.

This will be bolstered by service users being encouraged to move onto a new framework provider, if not already. Packages will also end if the person is admitted into hospital and has a change in need as they will then be able to access the new framework provision upon discharge. It is also highly likely that any provider who successfully tenders for the new framework is already on CCC's DPS, so many packages would automatically transfer to the new contract without the need for the person in receipt of care changing provider.

The Council will always put the person at the centre of decision making and ensure they are empowered to make choices in their own care, respecting their preferences for provider, in line with the Care Act 2014.

- 4.11 Therefore, agreement is sought to spend £11,672,606 via CCC's DPS over the next 4 years, to the maximum length of this DPS, giving commissioners the flexibility to end packages of care under CCC's DPS at the pace of people drawing on support.

- 4.12 While Peterborough's home care framework is meeting the need for care and support of residents in the city in most cases, there continues to be a shortfall, hence the need to continue use of Cambridgeshire's DPS as outlined in this paper. To ensure the sustainability of homecare for the residents of Peterborough, this recommendation is the most effective method to ensure an alternative solution is available without compromising the quality of care, the ability to provide care quickly and efficiently, and protects reputation of the Council.

5. CORPORATE PRIORITIES

- 5.1 The recommendation supports the Our Places & Communities and Prevention, Independence & Resilience corporate priorities by:

- Ensuring our communities are safe and that vulnerable people are protected from harm.
- Supporting and caring for our older residents and our residents with long-term care and support needs, by providing imminent help and support and by ensuring long-term care and support, when needed, is personalised and keeps people connected to their communities.

The Carbon Impact Assessment suggests that the carbon impact of this proposal is neutral as this is a continuation of spend via an existing service.

6. CONSULTATION

- 6.1 Discussion with internal stakeholders, including Commissioning, Contracts, Brokerage, Legal and Procurement were undertaken to inform the proposed solution.

- 6.2 Has this recommendation been considered by the below? If not, please provide reasoning.

- Corporate Leadership Team (CLT) - 23 January 2024
- Cabinet Policy Forum (CPF) - 29 January 2024

7. ANTICIPATED OUTCOMES OR IMPACT

- 7.1 The overarching outcome is that people continue to receive quality homecare without delay and in accordance with their wishes and identified needs. 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 for longer than necessary.

- 7.2 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 which is currently £19.65 per hour. This means the Council will have control over the cost of care and it will not be paying higher, market driven rates.

8. REASON FOR THE RECOMMENDATION

- 8.1
- To ensure the residents of Peterborough are supported to remain living in their own homes for as long as possible, should they have or develop any care needs.
 - To enable the Council to meet its duty under the Care Act 2014 to provide high quality care to the residents of Peterborough.
 - To ensure the supply of quality homecare in Peterborough by supporting the market through formally commissioned services.
 - To make all spend outside of the closed framework compliant, thus protecting service users, providers, and the Council.
 - To enable the Council's operational teams to agree packages of care quickly and effectively, reducing time and resources spent on sourcing and seeking an off-framework agreement.
 - Efficient sourcing of care will support the hospital discharge process, freeing capacity of beds within healthcare.

9. ALTERNATIVE OPTIONS CONSIDERED

- 9.1
- **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 increasing 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.

10. IMPLICATIONS

Financial Implications

- 10.1 There will be no financial implications as an outcome of this report. The homecare budget for 2024-25 has already been agreed and accounted for and future spend will continue to come out of the individual spot purchase budget. 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) at times when its closed framework is not able to supply care. Providers on CCC's DPS are paid at the same rate as providers on Peterborough's closed framework and therefore care purchased via CCC's DPS should never result in an increased spend.

Legal Implications

- 10.2 The use of Dynamic Purchasing Systems is permitted under the Public Contract Regulations 2015 and Peterborough City Council is authorised 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 2014.

Equalities Implications

- 10.3 The service is targeted at a group who are recognised by the Equalities Act. By not extending this provision there would be a negative impact on adults with protected characteristics in Peterborough.

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 11.1 Previous CMDNs
JCB paper
Homecare contract

12. APPENDICES

- 12.1 Not applicable.