

CABINET

17 DECEMBER 2019

GATEWAY 3 CONTRACT AWARD: SUPPORT TO LIVE AT HOME SERVICE - HOME CARE AND EXTRA CARE FRAMEWORK

Portfolio Holder: Councillor David Brake, Portfolio Holder for Adults' Services

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SUMMARY

This report provides an overview of the procurement exercise undertaken in respect of The Support to Live at Home Service.

The Support to Live at Home Service will replace the current Framework Agreements for the provision of Homecare and Extra Care services, which ends on 31 March 2020.

This service will provide long-term and enablement Homecare and support to people in their own home and to those living in the five Medway Extra Care schemes across Medway.

'Support to Live at Home' will place emphasis on maintaining and improving health and wellbeing, through enablement based care practices, supporting people to live as independently as possible for as long as possible. The design of the service will coordinate care provided by local care workers, in a cohesive way with health and social care teams, utilising community assets to provide person centered care and support.

This Gateway 3 report has been approved for submission to the Cabinet after review by members of the Children and Adults Directorate Management Team on 28 November 2019 and the Procurement Board on 3 December 2019.

The Children and Adults Directorate Management Team has recommended that this project be approved as a Category B high-risk procurement.

This report seeks permission to appoint the providers(s) highlighted within Section 3.4 of the Exempt Appendix to the Support to Live at Home Service. This includes appointing providers to the three [3] Homecare Localities and five [5] Extra Care schemes across Medway.

1. BACKGROUND INFORMATION

1.1 Budget & Policy Framework

- 1.1.1 The provision of Homecare and Extra Care services are key to Medway Council achieving its strategy objective of ensuring adults maintain their independence in the community and live healthy lives.
- 1.1.2 A failure to facilitate a supply of good quality Homecare and Extra Care Services could result in a high number of admissions to residential and hospital care, with subsequent higher social and financial costs. A lack of Homecare and Extra Care would also affect the ability to discharge patients from hospital in a timely manner, leading to an increase in delayed transfers of care (DTC).
- 1.1.3 The Support to Live at Home Service will be funded from within Adult Social Care budgets.

1.2 Service Information

- 1.2.1 Medway Council commissioned the current Homecare and Extra Care Framework Agreements in April 2016, for a period of four years.
- 1.2.2 Homecare services provide care and support to eligible vulnerable individuals to enable them to remain within their own home and community. Homecare is provided where there is an assessed need for the service and a financial assessment made to determine the contributions towards the cost of care payable by the service user. At present Homecare packages are allocated to the most suitable provider following a referral being sent to all providers on the framework.
- 1.2.3 Extra Care is a housing scheme for older people that consists of self-contained apartments owned or rented by qualifying individuals or couples. Extra Care schemes allow for the provision of care and support in a safe, community-based setting. Tenants or shared owners are able to retain their independence within their own home with the reassurance of having staff on site twenty-four [24] hours a day, three hundred and sixty-five [365] days a year, to provide emergency care and ongoing daily support.
- 1.2.4 Homecare Service

There are currently eighteen [18] providers who were appointed a place on the current Home Care Framework. Of these, three [3] have never provided services, one [1] no longer has a presence in Medway, and one [1] provider has their contract terminated. At present there are thirteen [13] active

providers operating under the framework agreement. Medway Council also commissions Homecare with an additional sixteen [16] providers on a spot purchase basis. These providers deliver long term and enablement homecare services.

1.2.5 Extra Care Service

At the time the current Extra Care Framework was commissioned, Medway had three [3] extra care schemes; Bellerophon House; Montgomery Court and Prospect Place. One [1] provider was appointed to deliver care within these three [3] schemes. Four [4] other providers were appointed a place on the Extra Care Framework for the purpose of future service delivery.

1.2.6 Since 2016, two [2] new Extra Care Schemes have been completed and are now delivering care at:

- Rogallo Place – Maidstone Road, Rochester opened in September 2018.
- Atlas Place – St Mary's Island Chatham, opened in March 2019.

1.2.7 A mini competition was conducted in July 2017 and one [1] provider was appointed to deliver care within the two [2] additional schemes.

1.2.8 At present there are two [2] providers delivering Extra Care in the five [5] extra care schemes across Medway.

1.3 Background Information

1.3.1 It was proposed in the Gateway 1 Report that Medway Council would be working in partnership with Medway NHS Clinical Commissioning Group (CCG) to procure a network of providers to deliver the service across Medway.

1.3.2 Due to a change in local strategic and national priorities governing NHS delivery of services this was not possible. As this new strategy became evident, Medway Council is recommended to proceed with the procurement of the 'Support to Live at Home Service' without Medway NHS Clinical Commissioning Group (CCG) .

1.3.3 This decision was taken based on the need to ensure continuity of service for all current and future service users in Medway. In particular to ensure there was a sustainable service as of 01 April 2020, when the current framework ends.

1.3.4 At all times the intention has been to deliver a service that, as closely as possible, resembles the proposed boundaries Medway CCG are moving towards in establishing Primary Care Networks (PCNs).

1.3.5 This has largely been achieved, however providers will experience some cross over between Localities. Providers and partners have been made aware of this during the procurement process.

1.3.6 The Access to Resources Team (ART) is responsible for the management of referrals following assessment of service users. The rate of referrals managed by the Access to Resources Team (Adults) has remained relatively stable during the first six months of 2019, averaging 94 per month.

Number of referrals	Month/Year
104	April 2019
94	May 2019
80	June 2019
89	July 2019
95	August 2019
104	September 2019

1.4 Current Service Issues

1.4.1 The following issues have been identified in the way current services are designed/commissioned:

- There is no incentive for providers to invest in the recruitment of carers, particularly in challenging areas, as there is no certainty that they will secure packages of care in those areas.
- The majority of care workers are recruited on zero [0] hour contracts. During holiday periods such as Easter, summer and Christmas, providers have high levels of staff leave which impacts on capacity and their ability to take on new care packages. This creates bottlenecks throughout the wider system.
- During seasonal periods a high number of care workers leave the sector altogether to secure higher rates of pay, such as in the retail sector.
- The current training for care workers does not include specific training on how to adopt a basket of hours approach and how to adopt a successful social prescribing methodology.
- Medway Council does not have the resources to quality assure and contract manage twenty-nine [29] providers effectively.
- As packages of care are not designated based on area, carers spend increasing amounts of time travelling across Medway. This increases providers' costs and creates inefficiencies.
- The commissioning of homecare is currently time and task focused and does not provide flexibility in the scheduling of care workers. This drives capacity gaps at the most popular times of the day e.g. 08:00, 12:00, 17:00, and 20:00.

1.4.2 Homecare providers have expressed the need for greater certainty about the volume of care to be commissioned in each area, which in turn would increase their ability to employ a salaried workforce to address these challenges.

1.4.3 Providers also highlight the need for more flexibility in the way care is commissioned. This would enable providers to adapt the care as required ensuring the service continues to be provided in a way that best meets the individual's needs.

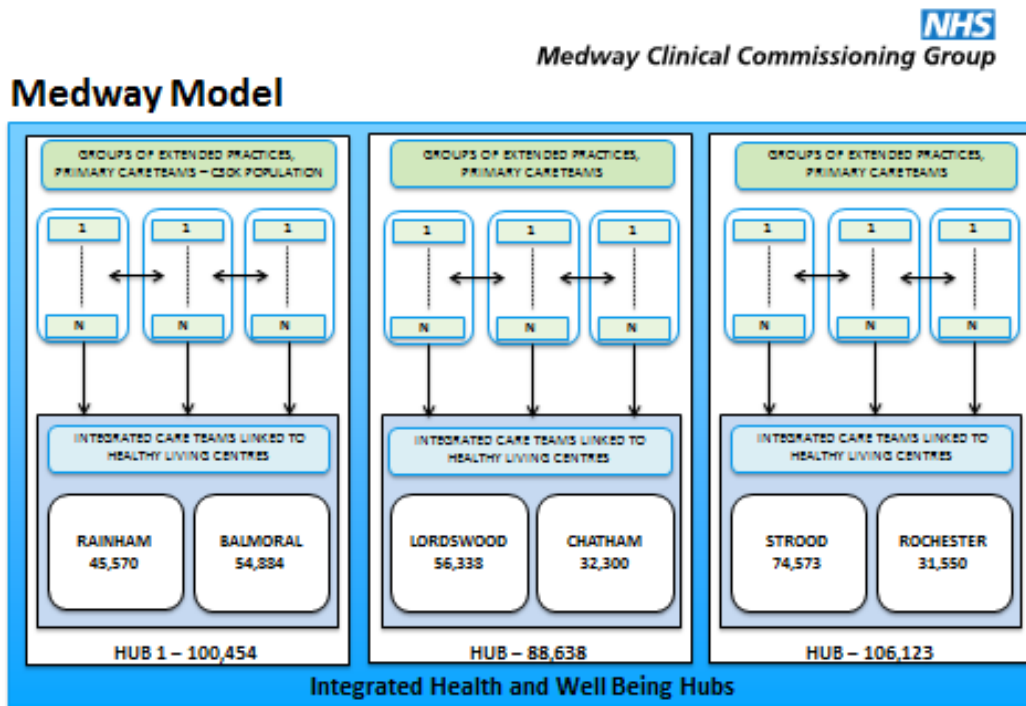
1.5 Support to Live at Home - Service Vision

1.5.1 The purpose of Homecare is to improve an individual's health, their wellbeing and enable independence for as long as possible. Local care workers will deliver the Support to Live at Home Service in a more joined-up way with social work teams, local healthcare services, voluntary community services, health and lifestyle and social prescribing services to provide a holistic person-centred coordinated package of care and support.

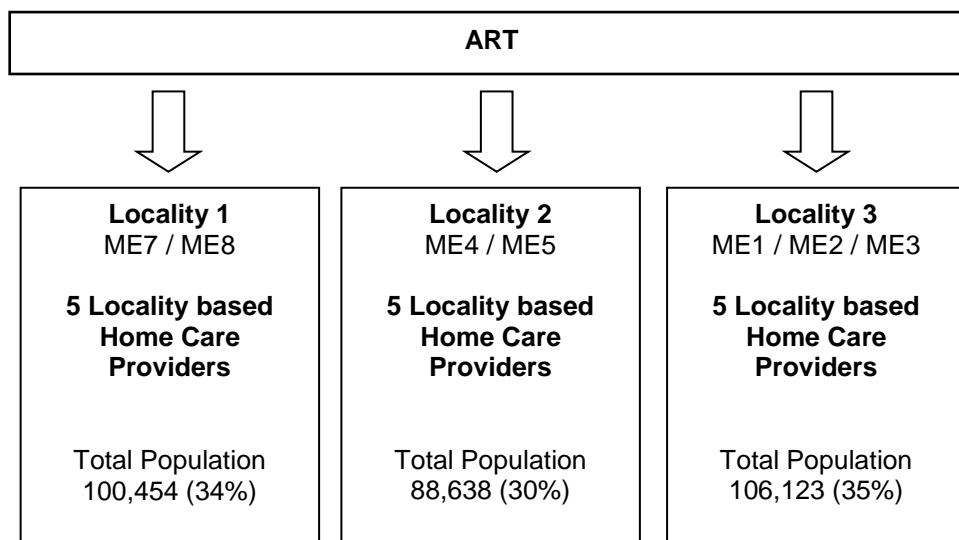
- 1.5.2 Homecare and Extra Care are preventative services and will be commissioned in a proactive way to prevent blockages or bottlenecks in delivery. Homecare and Extra Care providers are to offer choice to individuals as to how services will be offered and delivered. This could be through direct payments, Individual Service Funds or through commissioned care packages.
- 1.5.3 The aim is to work with fewer providers to enable efficiencies through increased economies of scale and improved integrated working across multi-agencies, resulting in a better quality services.
- 1.5.4 The key objectives to be achieved through this procurement exercise are:
- Improve the overall life experiences of service users
 - Be proactive in enabling service users to achieve the 'lifestyle' they want to live
 - Reduce inefficiencies across the whole system
 - Improve service standards of homecare
 - Improve transparency in care delivery
 - Increase independence and reduce reliance on long term care
 - Improve the health and wellbeing of service users, positively impacting on the health economy across Medway
 - Empower the service user via a 'Basket of Hours' to have greater control over the care they receive to achieve their desired outcomes
 - Ensure capacity in the market meets future demand
 - Ensure Medway has a sustainable model of care that stimulates the local market, pays a fair price for care and gives the best possible outcomes for all key and partner stakeholders.

1.6 New Service Design – Model

- 1.6.1 The Support to Live at Home service will be commissioned on a locality-based model mirroring the Medway Model and closely matching the proposed new Primary Care Networks (PCN's). This is in line with structure of Adult Social Care and the planned structure of community health services.



- 1.6.2 One objective behind the move to a locality-based model is to facilitate the greater integration of health and social care services, as outlined in Medway CCG's General Practice Forward View. This will allow health and social care to be closer to home, support people to become independent, enable better care planning and provide a single point of access. Having Homecare services aligned to this model will support the achievement of these key objectives.
- 1.6.3 Five providers will be appointed to Localities 1, 2 and 3 to deliver homecare services.



- 1.6.4 Whilst five [5] providers will be appointed in each locality, a total of nine [9] providers will be appointed to the framework agreement to deliver Homecare services. This number is in line with forecast number of providers at Gateway1.
- 1.6.5 A provider(s) will be appointed to deliver all care within each of the five [5] Extra Care schemes, either on an individual scheme basis or (if tender submissions allow) across all five [5] schemes collectively.
- 1.6.6 The providers appointed to each Locality and each Extra Care scheme are outlined within Section 3.4 of the Exempt Appendix.

1.7 Care and Support

- 1.7.1 The Support to Live at Home service will put service users desired outcomes at the forefront of how care is designed. Care will be delivered utilising a 'basket of hours' approach.
- 1.7.2 Adult Social Care will understand the service users desired outcomes during assessments. The individual in receipt of care will drive these outcomes with consideration and input from family and non-paid carers. Service user outcomes will form the basis of the information sent to providers ensuring care is delivered in a way that enables the individual service user to achieve them.
- 1.7.3 A 'basket of hours' will give providers a weekly number of hours to meet the service users desired outcomes, rather than a prescriptive time, duration and task. This will place emphasis on the provider to work with the individual to plan when care is needed and when it is delivered. This approach will allow providers to provide care in way that is responsive, enabling and meets the changing needs of the individual.
- 1.7.4 Providers will be required to operate an Electronic Call Monitoring (ECM) system. ECM systems provide real time data about the care provided through the logging of care calls and provide the ability to track and monitor outcomes. The information collected by providers will be submitted to Medway Council to evidence service delivery.
- 1.7.5 Appointed providers will be required to provide care in accordance with the Making Every Contact Count approach (MECC) and Brief Intervention (BI) approach and have at least one [1] trained 'A Better Medway' champion and sixty [60]% of staff trained in MECC and BI in year one. This will help to achieve better public health outcomes through the care provided, e.g. an individual's desired outcomes may be closely linked to, weight loss, smoking cessation, healthy eating, personal or oral health as well as increasing activity levels.
- 1.7.6 A cultural change across the Authority and by providers will be required in adopting these new ways of working. A programme of consultation, education, and promotion will take place prior to the service go live date to ensure effective implementation.

1.8 Service Benefits

1.8.1 The Support to Live at Home service will ensure the following:

- Homecare providers adopt an outcomes-based approach.
- Bottlenecks in service provision are addressed, especially in remote and hard to recruit areas.
- More flexibility and service user choice in the way care is provided through the adoption of a basket of hours approach.
- Improved transparency in care delivered using Electronic Call Monitoring Systems and regular provider data monitoring.
- Accurate payments based on actual care delivered.
- Service Users get greater choice around how care is delivered, and managed, through direct payments, personal health care budgets, Individual Service Funds or commissioned packages of care.
- An increased number of service users are able to continue to live independently and have improved health and wellbeing.
- An increase in the independence of service users across all sectors of care.
- A reduction in the social isolation of service users.
- Recruitment of skilled and professional homecare workforce to meet the needs of service users, including those with very complex needs.

1.9 Urgency of Report

1.9.1 The current framework is due to expire 31 March 2020. The tender process needs to be completed and contracts awarded January 2020 to ensure the new service is in place by the end of the current contract period.

1.9.2 The project timetable is outlined below:

Project Phase	Action	Date
Gateway 1	Consultation – Internal	February 2019
	GW1 CADMT	March 2019
	GW1 JCMG	April 2019
	GW1 Procurement Board	May 2019
	GW1 Cabinet	June 2019
Service Specification	Consultation - Provider Event	June 2019
	Finalise Tender Suite – Specification, T&Cs, Tender Docs etc.	August 2019
Tender Stage	Issue ITT	September 2019
	Tender Evaluations	November 2019
Gateway 3	GW3 CADMT	December 2019
	GW3 Procurement Board	December 2019
	GW3 Cabinet	December 2019
	Contract Award	January 2020
Contract Award	Mobilisation	January 2020 to March 2020
Mobilisation	Service go Live	01 April 2020

1.10 Funding/Engagement from External Sources

1.10.1 These services are funded from within existing Adult Social Care budgets.

1.11 Parent Company Guarantee/Performance Bond Required

1.11.1 The requirement for a performance bond was agreed to be waived for this procurement at Gateway 1. This was based on the additional costs to bidders who may have been deterred from participating in the procurement process. A Parent Company Guarantee would be requested from any successful organisation that has a Parent Company.

2. PROCUREMENT PROCESS

2.1 Tender Process

2.1.1 This service will be commissioned based on the establishment of a four-year [4] framework for Homecare and Extra Care services.

2.1.2 The establishment of the Framework Agreement was subjected to a formal tendering process under EU Public Contract Directives as the total financial value of this service exceeds the Official Journal of the European Union (OJEU) threshold of £181,302. This procurement was also undertaken in accordance with Medway Council's Contract Procedure Rules.

2.1.3 A contract notice was issued in the Official Journal of the European Union on 15 October 2019 under the open procedure followed by an invitation to tender on the Kent Business Portal.

2.1.4 The deadline for tender submissions was 17:00 on 15 November 2019. Twenty-three [23] bids were received by the prescribed date and time required by Medway Council. Four [4] of the twenty-three [23] bids were excluded for being incomplete and/or non-compliant.

2.1.5 The seventeen [17] remaining bids were assessed using the evaluation criteria detailed below.

2.2 Evaluation Criteria

2.2.1 The evaluation criteria set within the invitation to tender document was Most Economically Advantageous Tender (MEAT) based on a composite mixture of quality and price: seventy [70] % for quality and thirty [30] % for price.

2.2.2 The first part of the procedure sought to assess bidders' suitability and capability to deliver the requirement as per the service specification. The second part considered bidders' proposals to deliver the services in Medway.

2.2.3 As part of the Homecare and Extra Care evaluations providers were scored in order of the highest first for each Locality and Extra Care Scheme. Consideration has been afforded to current service volume and capacity in determining the final number of providers in each locality.

2.2.4 The Adults Partnership Commissioning Team will establish a supplementary (approved) list of Homecare providers who tendered but were not awarded a Locality. This will help address any future shortages in provision as a result of the ongoing recruitment and retention issues experienced across the sector.

2.2.5 The capped rates applied to the tender of £16.72 for Homecare and £13.96 for Extra Care were agreed by CADMT prior to advertisement. These capped rates were determined based on the current financial envelope of Homecare and Extra Care services.

2.2.6 The single hourly rate for both Homecare and Extra Care will simplify payments to Providers whilst enabling the use of the Basket of Hours and outcomes based methodology.

2.3 Categories/Lots

2.3.1 The new Home Care & Extra Care Framework procured is made of eight Categories/Lots as follows:

Category/Lot	Service	Area/Location
1	Homecare	Locality 1 - Rainham and Balmoral. ME7 and ME8
2	Homecare	Locality 2 - Lordswood and Chatham. ME4 and ME5
3	Homecare	Locality 3 - Strood and Rochester. ME1. ME2, ME3
4	Extra care	Atlas Place - thirty-seven [37] unit scheme with an additional twenty-five [25] shared ownership apartments on St Mary's Island.
5	Extra care	Bellerophon House - forty-one [41] unit scheme at Rochester Riverside
6	Extra care	Montgomery Court - sixty-two [62] unit scheme in Wainscott
7	Extra care	Prospect Place - sixty unit [60] scheme at Gillingham Pier
8	Extra care	Rogallo Place - thirty-eight [38] unit scheme with and additional twenty-five [25] shared ownership apartments in Horsted, Rochester

2.4 Project Dependency

2.4.1 The proposed service model is dependent on the existence of a brokerage service that refers homecare and extra care packages to providers. The existing placement function within Medway Council is the Access to Resources Team (ART).

2.4.2 Appointed providers will be required to use an Electronic Call Monitoring system and submit service delivery data. For this information to be used as provider invoices, Frameworki will be upgraded to Mosaic and the procurement of a bolt on Provider Portal is being discussed.

2.4.3 The Service Specification requires providers to operate in the above way from day one of the contract. Clauses have been added to the contract to ensure providers adopt automated processes if the Provider Portal becomes available.

2.4.4 The Project Manager will take control of monthly (4 weekly / quarterly 13 weekly) data recording and analysis. This will include ECM data and how it relates to invoice claims with regards to call duration, cancelled or missed calls and outcomes achieved.

2.5 Statutory/Legal Obligations

- 2.5.1 The Council has a range of statutory duties and powers to provide services to vulnerable adults such as older people, people with learning disabilities, physically disabled people, and people with mental health conditions.
- 2.5.2 The Care Act 2014 and statutory guidance forms the basis of statutory duties for Local Authorities, replacing the National Assistance Act 1948, the Chronically Sick and Disabled Persons Act 1970, and the NHS and Community Care Act 1990.
- 2.5.3 A fundamental principle of the Care Act 2014 places emphasis on promoting an individual's wellbeing by ensuring the care and support provided meets the individuals identified outcomes.
- 2.5.4 Supporting people to live as independently as possible, for as long as possible, is a guiding principle of the Care Act. Under that Act, local authorities can provide or commission services in a variety of ways, including through a Direct Payment, to meet the needs of those it assesses as eligible for services.
- 2.5.5 When arranging services, local authorities must ensure commissioning practices and the services delivered comply with the requirements of the Equality Act 2010, the Mental Capacity Act 2005, and the Human Rights Act 1998.
- 2.5.6 Homecare and Extra Care is only provided where there is an assessed need for the service and a financial assessment is made to determine the contributions towards the cost of care payable by the service user. The assessments are in line with Medway Council's eligibility criteria.
- 2.5.7 Extra Care Housing is available in Medway through third party providers. The Council undertakes its statutory obligation in respect of the care delivered to each tenant living within the scheme.
- 2.5.8 All Service Users living within Extra Care will be financially assessed to determine their ability to pay the weekly wellbeing charge (12.50 p/w). Service Users will be invoiced by Medway Council four [4] weeks in arrears for their assessed contribution.
- 2.5.9 All Service Users living in Extra Care shared ownership apartments, will be required to pay the weekly wellbeing charge (£12.50 p/w).
- 2.5.10 For the owners of shared ownership apartments, the Provider will be responsible to collect this charge on a four [4] weekly basis. The cumulative amount of the collected charges should then be deducted from the total invoice value submitted four [4] weekly to Medway Council. This will need to be clearly shown on the invoices.

3. BUSINESS CASE

3.1 Procurement Project Outputs / Outcomes

As part of the successful delivery of this project, the following outputs/outcomes within the table below have been identified as key and will be monitored as part of the procurement project delivery process and through the ongoing monitoring of the service.

Outputs / Outcomes	How will success be measured?	Who will measure success of outputs/ outcomes	When will success be measured?
Appoint homecare providers that can deliver the service requirements	Monthly targeted performance data collated and analysed, ad-hoc compliance and performance confirmation visits, quarterly provider reports, annual compliance monitoring of service, service user surveys and feedback loops established. Improvement of quality and cost effectiveness of the service	Partnership Commissioning Business and Intelligence Team Dedicated Project Manager Quality Assurance Teams Social Work Teams Providers	At tender evaluation and contract award fully explain the requirements of Provider(s) to engage with all of the success measures outlined within the contract document. Attend all Monthly, Quarterly and Annual post contract award meetings as agreed during the mobilisation period KPI's agreed during the mobilisation period Service Users remaining in their own homes and maintaining their independence
To encourage and maximise Service User independence	Providers should be able to evidence they are continuously promoting Service User independence through personalised care, treatment and support. Evidence will be required from Provider(s) about the range of care offered and	Partnership Commissioning Business and Intelligence Team Dedicated Project Manager Social Work Teams Providers	Service level: Quarterly (13 weekly) through outcomes reported by providers Individual level: At the point care is reviewed by social worker Monthly / Quarterly data returns

	the cost savings in terms of improved desired outcomes, reduction in BoH, clients remaining independent for longer and the potential health economy savings to be made in the future		
A service that meets the needs of Service Users	Evidence that providers take Service Users views, requests and preferences into account during the design of how care and support is provided Providers' performance in dealing with complaints, service user feedback	Social Work Teams – To determine that care has been provided in a way that meets the service user's needs. Partnership Commissioning Dedicated Project Manager Quality Assurance Team Providers	At the point of review Annually through a quality assurance visit and at the six monthly contract management meetings Monthly (4 weekly) / Quarterly (13 Weekly) data returns
A service that enables service users to achieve their desired outcomes	Evidence submitted by providers including ECM data The provider will be required to submit data to indicate the progress service users make against their desired outcomes	Business and Intelligence Team Partnership Commissioning. Dedicated Project Manager Social Work Teams – At the point of review Providers	Quarterly - Provider three monthly (13 weekly) outcome data submissions At contract management meetings – six monthly review of overall performance At intervals as set out during the mobilisation period
Extra Care To provide an alternative to residential care	Measuring the number of service users placed in residential care settings	Partnership Commissioning Dedicated Project Manager Providers	Six (26 weeks) monthly reviews Monthly (4 weekly) / Quarterly (13 weekly) data returns

3.2 Procurement Project Management

- 3.2.1 The commissioning process was led by the Adults Partnership Commissioning Team with support from Category Management.
- 3.2.2 The Adults Partnership Commissioning Team working in conjunction with Adult Social Care colleagues took responsibility for the design of a detailed service specification.
- 3.2.3 A panel of relevant internal stakeholders, evaluated the tender submissions.
- 3.2.4 A panel of relevant internal stakeholders, evaluated the presentations of those providers chosen to proceed with the tendering process based on their achievements recognised in their PQQ and Answer Book submissions.

3.3 Post Procurement Contract Management

- 3.3.1 Medway Council will be responsible for contact managing the service.
- 3.3.2 The Project Manager will be reviewing data on a monthly (four [4] weekly) / quarterly (thirteen [13] weekly) and annual basis.
- 3.3.3 Partnership Commissioning will hold three [3] monthly contract management meetings with providers.
- 3.3.4 The provider will be required to review each service user's progress against their desired outcomes at weekly, quarterly [13], twenty-six [26], thirty-nine [39] and fifty-two [52] weeks. Data will be reported to Medway Council and will be reviewed at contract monitoring meetings to determine provider performance.
- 3.3.5 All suppliers are subject to quality monitoring through a set of Key Performance Indicators (KPIs) on a three [3] monthly basis (13 weekly).
- 3.3.6 The outcome of the monitoring process can be used to influence the position of the provider on the Framework. Whilst this approach does act as an incentive for providers to improve quality, this is a time intensive activity on the part of the Access to Resources Team and the Project Manager. The above-mentioned data reporting by providers will help to reduce the intensiveness of this activity.
- 3.3.7 The management strategy includes opening up the agreement on an annual basis to allow new suppliers to gain a place on the Framework and allow existing suppliers to maintain their position or be replaced by another supplier in the event agreed performance criteria are not met as outlined in improvement action plans.
- 3.4 The Quality Assurance Team will carry out an annual visit to ensure and validate the performance of providers.

4. MARKET CONDITIONS & PROCUREMENT APPROACH

4.1 Market Conditions

- 4.1.1 A report published by the United Kingdom Home Care Association (UKHCA) in October 2018 indicates that Medway Council is the second lowest paying local authority in the South East.
- 4.1.2 Kent County Council (KCC) increased their Homecare rates significantly in 2017/18 and as a result, we have seen providers shift their capacity to cover the surrounding areas of Kent rather than Medway. This rate increase by KCC has also made it more challenging for Medway providers to retain their workforce and attract new care staff.
- 4.1.3 Providers continue to express concerns about the long-term financial viability of the services they provide in Medway. The comparatively low rates Medway Council pays for homecare has an adverse effect on its ability to source services.
- 4.1.4 Over the last two years, eleven [11] new care agencies have registered with the Care Quality Commission in Medway. Despite the increase in the number of providers, this is unlikely to yield a net increase in total capacity. The main reason for this is that the domiciliary care sector typically employs a transient workforce, meaning the workforce will become more thinly distributed amongst providers, rather than lead to a net increase in the number of care workers.

4.2 Procurement Options

- 4.2.1 **Option 1 - Do Nothing:** The current contract will expire 31 March 2020, after which there will be no contractual arrangement for the provision of homecare and extra care services if this procurement is not taken forward.
- **Advantage:** Continue to collate activity/finance data to inform the design of an improved service in the future.
 - **Disadvantage:** Medway Council will become reliant on 'spot purchase' providers. Spot purchasing homecare services is likely to be more expensive and would result in bottlenecks in care delivery creating inefficiencies in the system.
- 4.2.2 **Option 2 - Recommission a new homecare service in line with the Public Contracts Regulations 2015 (PCRs)**

Medway Council to Commission a new homecare service called 'Support to Live at Home' in time for the expiration of the current Framework agreement. The new service model as described in Section 1.6 will be commissioned for a four-year period. Providers will be appointed through a competitive tender process.

- **Advantages:**
 - Legally compliant service in line with PCRs.
 - Consolidation of supplier base leading to greater efficiency in service delivery and contract management.
 - Model will support the further integration of health and social care services.
 - The new service will move away from a time and task based approach to a 'basket of hours' and outcomes focused approach.
- **Disadvantages:**
 - The proposed service is a shift in the way homecare is structured and delivered in Medway, this would take some time to implement.
 - Contractual arrangements with a number of providers, who are not appointed to deliver the new service, will end post March 2020.

Intelligence from other local authorities that have adopted similar models suggests that unsuccessful providers have taken the opportunity to diversify or focus on specialist areas. This has resulted in an increased variety of services in their area and has resulted in few providers leaving the sector.

4.2.3 **Option 3 - Joint procurement with NHS Medway CCG**

Medway Council will lead the procurement of the service working in partnership with NHS Medway Clinical Commissioning Group (CCG).

The same advantages and disadvantages will be achieved as with Option 2. The additional advantages and disadvantages with this option are outlined below:

- **Advantages:**
 - Model will support the integration of health and social care services.
 - Medway Council and Medway CCG homecare services will be delivered more in parallel, both in terms of price and practice.
 - Future Medway wide changes that impact on homecare services will be easier to implement and adopt.
- **Disadvantages:**
 - There may be instances where this arrangement makes managing providers and the service provided more complex.
 - Both Medway Council and Medway CCG will be reliant on the same providers to deliver services. In the main, this is the case at present however; risks are explored concerning this further in section 5.

4.2.4 **Preferred Option:** The preferred procurement route was Option 3, however after it became clear Medway CCG were required to move towards PCN's, Option 2 became the required option.

After careful consideration Option 2 is recommended as it would still achieve all the key aims and objectives. The contract and this option is still an investment in a preventative service that allows for the further integration of health and social care services promoting independence at home in the community.

4.2.5 **Other considerations:**

- **Procurement via an EU Compliant Framework**
This option has been considered, however there are no known Frameworks for the provision of Homecare Services.
- **Contract Extension:** Commissioners considered the possibility of extending the existing Framework past the March 2020 expiration deadline however, this was not possible within the contracting regulations. This is a four-year [4] Framework agreement with no option to extend.

4.3 **Procurement Process**

4.3.1 The route to market for this procurement project was an Open Procedure in accordance with the Public Contracts Regulations.

4.4 **Evaluation Criteria**

4.4.1 The award of the contract was awarded to the most economically advantageous tenders comprising of 70% quality and 30% price.

4.4.2 Evaluation criteria included an assessment of the suitability and capability of providers to deliver the service as well as their understanding of the service as set out in the specification of requirements.

5. RISK MANAGEMENT

5.1 Risk Categorisation

1. Risk Category: Service Model	Likelihood: Medium	Impact: Critical
Outline Description: The model will see a reduction in the number of contracted providers. This could destabilise the market and unintentionally create gaps in provision.		
Plans to Mitigate: Existing providers were consulted via an engagement event held in June 2019. In particular this looked at the model and providers had the opportunity to feed into the service design. Medway Council will not actively seek to change a person's care provider and will allow for the natural cessation of care packages or seek to transition services at the point of review. This will allow providers increased time to adjust to the change in the system. Existing providers will be retained on a spot purchase basis, which will also ensure gaps in provision are met.		
2. Risk Category: Procurement Process	Likelihood: Very Low	Impact: Critical
Outline Description: Failure to attract sufficient successful bids.		
Plans to Mitigate: The provider market were kept informed of the Council's commissioning intentions and timelines. A consultation period was set out and a market engagement event held on 10 June 2019 for providers to capture their input and address any concerns they may had about the procurement.		
3. Risk Category: Financial	Likelihood: Medium	Impact: Critical
Outline Description: Suppliers may submit low prices and compromise service quality, or, suppliers may bid at a high price meaning the cost of the service increases significantly.		
Plans to Mitigate: Price caps were set guided by the financial information gathered by Medway Council, which included the evaluation of the Council's current and future financial profile. Also, other financial and operational information was gathered from other Local Authorities providing intelligence relating to the cost of care. A robust financial review of tender submissions was undertaken to ensure that best value and high quality was achieved.		
4. Risk Category: Contract delivery	Likelihood: Medium	Impact: Critical
Outline Description: Provider may fail to fulfil contractual obligations.		

Plans to Mitigate: The Project Manager appointed will look at all aspects of the delivery, finances, and quality of this contract. Commissioners and the Project Manager will work in partnership with providers to ensure early identification of issues from the beginning of the mobilisation period through to contract go live dates. Contract management will be robust and performance reviews will be conducted regularly on a monthly / quarterly basis. Any provider not achieving the agreed standards will be issued with an improvement notice and subsequently managed until these standards are achieved or replaced. Other stakeholders including social workers and the Business & Intelligence Team will support the management of the service.

5. Risk Category: Legal	Likelihood: Very Low	Impact: Critical
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Outline Description: Unsuccessful bidders slowing down the process by challenging award decision

Plans to Mitigate: Robust procurement process in line with best practice and Public Contracts Regulations 2015.

6. Risk Category: Reputational	Likelihood: Very Low	Impact: Marginal
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Outline Description: The service fails to deliver the quality outcomes set, therefore affecting community, and stakeholder perception of the Council.

Plans to Mitigate: Regular contract management, performance reviews, improvement plans and scrutiny of their effect as well as set monthly and quarterly meetings with all providers. In addition, the three [3] month mobilisation period will ensure that compliance is reached quickly with the agreement of the providers.

6. CONSULTATION

6.1 Internal (Medway) Consultation

6.1.1 An outline service model was designed in partnership with internal stakeholders. This was developed and further expanded upon through continued consultation with internal stakeholders prior to the publication of the tender advert.

6.1.2 A steering group was established to review current processes and to further develop the outline service specification. This included, Adult Social Care, Partnership Commissioning, Systems, Business & Intelligence, Public Health, Quality Assurance and ART.

6.2 External Consultation

6.2.1 Home Care

Medway Council continuously consults with providers regarding the current service. This takes place through individual provider meetings and the Provider Forum held bi-monthly.

6.2.2 Consultation with providers was undertaken to discuss rates and the future service model. The engagement sessions were an opportunity to capture the input of the provider market. The market engagement provided an opportunity for providers to feed into the design process.

6.2.3 A consultation exercise was undertaken with service users to help inform the service specification and played a big role in the design of the new contract specification. Consultation included a series of face to face sessions held at Libraries across Medway as well as online and postal surveys.

6.2.4 Research shows that other authorities commission home care based on framework models, geographical locations and block contracts with additional spot purchase capacity. Neighbouring authorities have moved towards a geographical model over recent years.

6.2.5 Extra Care

In May and June 2019, a period of consultation was held with the tenants in the five [5] Extra Care schemes. Tenants were informed of the potential change to the on-site provider and how their involvement in the process will help design the future provider's specification.

6.2.6 Specific consultation will need be undertaken to resolve any outstanding issues with the 'wellbeing charge' at Bellerophon House, Montgomery Court, and Prospect Place. This will include the tenants and housing associations. The wellbeing charge will be used to contribute towards the on-site presence of staff during the night to respond to emergency calls.

6.2.7 During consultation it was found that the 'wellbeing charge' is not being consistently collected. At present this charge of £12.50 p/w is not collected at two [2] extra care schemes.

6.2.8 Consultation will continue around the 'wellbeing charge' to ensure the consistent collection across all five schemes as of 01 April 2020. This consultation will also review the current rate in light of the increased cost of the night time service. In Kent, this charge is currently set at £15.98 p/w.

7. PROCUREMENT BOARD AND CABINET

7.1 Procurement Board considered the Support to Live at Home Gateway 1 report on 15 May 2019 and recommended Cabinet agree the commencement of a procurement exercise to commission the Support to Live at Home service.

7.2 Cabinet considered the Gateway 1 Report on the 11 June 2019 and agreed the recommendations (decision no. 72/2019 refers).

7.3 The Procurement Board considered this report on 3 December 2019 and supported the recommendation in section 11 below.

8. SERVICE IMPLICATIONS

8.1 Financial Implications

8.1.1 The procurement requirement and its associated delivery as per the recommendations in section 11 will be funded, from existing revenue budgets.

8.1.2 Further detail is contained within Section 2.1 Finance Analysis of the Exempt Appendix.

8.2 Legal Implications

8.2.1 This is a level 4 high-risk category B procurement and therefore the decision to award is for Cabinet. Level 4 (High Risk) Procurement Process are prescribed by the Monitoring Officer, in consultation with the Procurement Board with recommendations for the decision-making associated with the Gateway 1 Report and subsequent Gateway 3, 4 and 5 Reports being made to the Cabinet.

8.2.2 Bespoke terms and conditions required for this procurement by Legal Services were issued with the ITT.

8.2.3 The Public Services (Social Value) Act 2012 gives the Council a statutory duty to consider at the pre-procurement stage of any service contract:

- How, what is proposed to be procured, may improve the economic, social, and environmental well-being of their areas.

- How the Council may act with a view to securing that improvement in conducting the process of procurement.

8.2.4 Medway Council has the power under the Local Government (Contracts) Act 1997 and the Localism Act 2011 to enter into contracts in connection with the performance of its functions.

8.2.5 The process described in this report complies with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.

8.3 TUPE Implications

8.3.1 TUPE applies to the Extra Care element of this procurement process. Information regarding affected staff has been obtained from the existing providers and issued with tender documents. TUPE will be addressed though the three-month mobilisation period Jan – March 2020.

8.3.2 TUPE will be required if the incumbent providers of Extra Care are not awarded contracts.

8.4 ICT Implications

8.4.1 ICT implications are explored within the main body of this report. The Frameworki (FWi) Systems Team are part of the internal project group.

8.4.2 There does not appear to be any involvement required from ICT. ICT recommend the use of FWi/Mosaic be discussed and agreed with the manager of The FWi Systems Team.

9. OTHER CONSIDERATIONS

9.1 Equality & Diversity

9.1.1 Providers' diversity and equality policies and procedures will be reviewed to ensure that they meet necessary requirements.

9.1.2 Additionally, Commissioners will work with appointed providers to achieve conformity to Medway Council's Equality and Diversity Strategy and Safeguarding Children and Vulnerable Adults Procedures.

9.1.3 A Diversity Impact Assessment has been completed by the Adults Partnership Commissioning Team, as attached at Appendix 1.

9.2 Social, Economic, and Environmental Considerations

9.2.1 The Public Services (Social Value Act) 2012 requires all public bodies to consider how the services they commission might improve the economic, social, and environmental wellbeing of the area. As part of this procurement, social value themes, outcomes, and measures will be set out in the service specification and tender documents. Provider

commitments will be captured in tender responses and verified through performance monitoring.

9.2.2 The new Service design will allow Providers to target and employ local people within localities in Medway. This will ensure local carers are employed, which in times of bad weather for example will ensure the continuation of as far as possible.

9.2.2 Providers are required to use an Electronic Call Monitoring System to record call times and delivery durations. This allowed Medway Council to set a single capped hourly rate. This ensures that Medway Council only pays for the care delivered.

9.2.3 Within the tender documentation and process, specific questions were posed regarding environmental impact. This included specific questions on Single Use Plastic and how Providers propose to reduce their carbon footprint.

9.2.4 Most Providers indicated that they have made progress in the reducing their carbon footprint. The list below is indicative of the responses but not exhaustive, of the answers given to the panel during the Provider presentations and question and answer sessions.

- Reduction in the use of paper through smart technology, Electronic Call Monitoring Systems, Electronic Care Plans, Electronic MAR charts
- 'Live' Technology that records data in real time that can be remotely reviewed. They can be set to ensure that medications have been given at the correct times, certain tasks have been completed and in what timed order
- Portals for Service Users and their families to view care documentation in real time
- Use 'walking carers' and 'walking rounds', reducing vehicle emissions
- Shared transport with specific drivers in certain areas to support carers
- Increased use of public transport
- The use of technology in developing the most efficient care rounds
- Use of bikes, electric bikes and electric cars
- Reduction in the use of Single Use Plastic
- Staff being given water bottles, china cups and plates and knives and forks supplied in offices
- Purchasing sustainable Personal Protective Equipment (Gloves, Aprons etc.).

9.2.5 All of the above issues will have a potential to improve Service Users, Social, Economic and Environmental outcomes. Benefits will be achieved and reported monthly by Providers to Medway Council.

10. OTHER CONSIDERATIONS

10 Provider Award Scheme

- 10.1 An awards scheme will be developed and introduced, to ensure that providers gain recognition for their work. This will be a graded award and will award for both good practice and excellent care.
- 10.2 Category winners and providers will be given digital and paper recognition from Medway Council for providing high quality services.

11. RECOMMENDATION(S)

- 11.1 The Cabinet is asked to approve the appointment of providers outlined within Section 3.4 of the Exempt Appendix for the provision of the Support to Live at Home service for a period of four years.

12. SUGGESTED REASONS FOR DECISION

- 12.1 The procurement of the Support to Live at Home Service will deliver a Homecare and Extra Care service that will enable the following:
- **High Quality** – enhanced service for Medway residents.
 - **Basket of Hours** – greater flexibility for the service user in the way care is planned and delivered.
 - **Outcomes Focused Care** – to ensure the care received meets the service users' desired outcomes.
 - **Ongoing Development** - the ability to develop the service, in line with innovative approaches
- 12.2 These providers have demonstrated the ability to deliver services at, or exceed, the minimum standard required. They have also demonstrated the ability to deliver services at cost effective rates within the price cap published as part of the tender exercise.

LEAD OFFICER CONTACT

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APPENDICES

Appendix 1 – Diversity Impact Assessment
Exempt Appendix

BACKGROUND PAPERS

The following documents have been relied upon in the preparation of this report:

Description of Document	Location	Date
Gateway 1 Report	https://democracy.medway.gov.uk/ielssueDetails.aspx?Id=25510&Opt=3	11 June 2019