

CABINET

4 AUGUST 2020

GATEWAY 3 CONTRACT AWARD: SUPPORT TO LIVE AT HOME SERVICE – EXTRA CARE SERVICES

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

This report provides an overview of the tender exercise undertaken in respect of The Support to Live at Home Service following consideration at the Procurement Board on 15 July 2020 as a Category B high-risk procurement

The Support to Live at Home Service will replace the current Framework Agreements for the provision of Homecare and Extra Care services.

The retendering of the Extra Care element of this Framework has been required due to an inability to successfully appoint providers to the five Extra Care Schemes across Medway in January 2020.

This service will provide long-term and enablement Homecare and support to people 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 report seeks permission to appoint providers to the Support to Live at Home Service – Extra Care element of the contract. These are highlighted within Section 3.4 of the Exempt Appendix to the Support to Live at Home Service.

1. Budget and policy framework

- 1.1. The provision of Extra Care services is key to Medway Council achieving its strategy objective of ensuring adults maintain their independence in the community and live healthy lives.

- 1.2. A failure to facilitate a supply of good quality 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 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).
- 1.3. The Support to Live at Home Service will be funded from within Adult Social Care budgets. The re-commissioning of the service will be in line with the initial financial envelope and will not incur any further costs to Medway Council.

2. Background

Service information

- 2.1. Extra Care are housing schemes for older people that consist 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 24 hours a day, 365 days a year, to provide emergency care and ongoing daily support.
- 2.2. Medway has five extra care schemes; Atlas Place; Bellerophon House; Montgomery Court; Prospect Place and Rogallo Place. At present there are two providers delivering Extra Care in the five extra care schemes across Medway.

Background information

- 2.3. Medway Council tendered the Support to Live at Home Service in October 2019. It went live 1 April 2020, with a contract duration of four years. The existing Framework ended on 31 March 2020.
- 2.4. The Homecare element of the service was successfully awarded to nine providers, delivering Homecare within three localities across Medway.
- 2.5. Whilst the Homecare element of the Support to Live at Home Service was successfully awarded, the Extra-Care element was not. This was due to not being able to award contracts in line with the specification advertised. Medway Council extended the existing provision of Extra-Care for 12 months with the intention to re-tender and award within that time.
- 2.6. The Extra Care element of the Support to Live at Home Service was not successfully awarded due to a variety of reasons listed below:
 - National Minimum Wage increased by 6.8% in December 2019, rising by 2% more than anticipated at time providers submitted tenders. This had an effect not only on their hourly rates paid to care workers but also to their on costs

- The Waking Night Cover had been a separately financed element under the existing contract. This was not the case in the new contract. There was an assumption by the providers that the Waking Night Cover would continue to be paid as a separate element
- Providers were unable to absorb the cost of the Waking Night Cover into their business model despite it being remodeled

2.7 Medway Council has a statutory duty to provide care and support to eligible people to help meet their identified needs. The Support to Live at Home Service will replace the existing Extra-Care Framework agreements and forms a fundamental part of Medway Council's offer to meet this statutory duty.

2.8 At all times the intention has been to deliver a quality and cost effective service that offers all Service Users the ability to live as independent a life as possible, in their homes whilst maintaining their health and wellbeing.

Current Service Issues

2.9 In addition to the issues outlined above, the following issues have been previously identified in the way services have been 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 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 multiple providers effectively
- 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

2.10 Extra Care 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.

2.11 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.

Support to Live at Home - Service Vision

- 2.12 The purpose of the service 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.
- 2.13 Extra Care is a preventative service and will be commissioned in a proactive way to prevent blockages or bottlenecks in delivery. 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.
- 2.14 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.

Care and Support

- 2.15 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.
- 2.16 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.
- 2.17 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.

- 2.18 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.
- 2.19 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 trained 'A Better Medway' champion, with 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.
- 2.20 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.

Service Benefits

- 2.21 The Support to Live at Home service will ensure the following:
- Extra Care providers adopt an outcomes based approach.
 - Bottlenecks in service provision are addressed, especially in the nominations and placement of Service users within the five Extra Care Schemes
 - 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 can 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.

Urgency of Report

- 2.22 The current framework expired 31 March 2020, subsequently a 12-month extension to this has been agreed. The procurement process needs to be completed and contracts awarded by September 2020 to ensure the new service is in place by the end of the current contract period. 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 |
| New Service Specification | Finalise Tender Suite for Extra Care – Amended Specification, T&Cs, Tender Docs etc. | February 2020 |
| Re-submit Gateway 3 | GW3 CADMT | July 2020 |
| | GW3 Procurement Board | July 2020 |
| | GW3 Cabinet | August 2020 |
| | Contract Award | September 2020 |
| Contract Award | Mobilisation | September 2020 to November 2020 |
| Mobilisation | Service go Live | 1 December 2020 |

Funding/Engagement from External Sources

- 2.23 These services are funded from existing adult social budgets and within the current financial envelope for the Home Care and Extra Care Services. There will be no increase to funding required.

Parent Company Guarantee/Performance Bond Required

- 2.24 As set out within the Council's Contract Procedure Rules, a Parent Company Guarantee or Performance Bond is required for all Supplies (Goods), Services and Works contracts, over £250,000 unless otherwise agreed by the Council's Monitoring Officer in conjunction with the Council's Chief Finance Officer as part of the Procurement Gateway Process for Category B procurements.
- 2.25 Commissioners request that the requirement for a performance bond be waved for this procurement based on the additional costs to bidders who may be deterred from participating in the procurement process. A Parent Company Guarantee would be requested from any successful organisation that has a Parent Company.

3. Procurement Process

3.1. Tender Process

- 3.1.1 This service will be commissioned based on the establishment of a three year & four months contract. This will allow for both Home Care and Extra Care Services to be procured at the same time when the contract comes to an end on 31 March 2024.
- 3.1.2 The establishment of this Framework Agreement will be 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 undertaken in accordance with Medway Council's Contract Procedure Rules.

- 3.1.3 A contract notice was issued in the Official Journal of the European Union on 6 March 2020 under the open procedure and an invitation to tender published on the Kent Business Portal.
- 3.1.4 The deadline for tender submissions was 30 June 2020.
- 3.1.5 All bids have been assessed using the same evaluation criteria as with the original tender evaluations and as detailed below.

3.2 Evaluation Criteria

- 3.2.1 The evaluation criteria set within the invitation to tender document was the Most Economically Advantageous Tender (MEAT) based on a composite mixture of quality and price: weighting 70% for quality and 30% for price.
- 3.2.2 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 sought bidders' proposals to deliver the services in Medway.
- 3.2.3 As part Extra Care evaluations providers were scored in order of the highest first for each of the five [5] Extra Care Schemes.

3.3 Categories/Lots

- 3.3.1 The new Extra Care Framework is made of five [5] Categories/Lots as follows:

| Category/Lot | Service | Area/Location |
|--------------|------------|---|
| 1 | Extra care | Atlas Place - 37 unit scheme with a additional 25 shared ownership apartments on St Mary's Island. |
| 2 | Extra care | Bellerophon House - 41 unit scheme at Rochester Riverside |
| 3 | Extra care | Montgomery Court - 62 unit scheme at Wainscott |
| 4 | Extra care | Prospect Place - 60unit scheme at Gillingham Pier |
| 5 | Extra care | Rogallo Place - 38 unit scheme with and additional 25 shared ownership apartments in Horsted, Rochester |

3.4 Project Dependency

- 3.4.1 The proposed service model is dependent on the existence of a brokerage service that refers Extra Care packages to providers. The existing placement function within Medway Council is the Access to Resources Team (ART).
- 3.4.2 Appointed providers will be required to use an Electronic Call Monitoring system and submit service delivery data. In order for this information to be

used as provider invoices, Frameworki will be upgraded to Mosaic in 2020 and the procurement of a bolt on Provider Portal is being discussed as a future development.

- 3.4.3 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.
- 3.4.4 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.
- 3.4.5 The Adults Partnership Commissioning Team will establish a supplementary (approved) list of Extra Care providers who tendered but were not awarded an Extra Care Scheme. This will help address any future shortages in provision.
- 3.4.6 The capped rate applied to the tender was £14.38. These capped rates were determined based on the current financial envelope of Homecare and Extra Care services.
- 3.4.7 The single hourly rate for Extra Care will simplify payments to providers whilst enabling the use of the Basket of Hours and outcomes based methodology.

3.5 Statutory/Legal Obligations

- 3.5.1 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.
- 3.5.2 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.
- 3.5.3 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.
- 3.5.4 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.
- 3.5.5 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.

- 3.5.6 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.
- 3.5.7 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.
- 3.5.8 All Service Users living within Extra Care Schemes 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.
- 3.5.9 All Service Users living in Extra Care shared ownership properties, regardless of whether they have a care need or not, will be required to pay the weekly wellbeing charge (£12.50 p/w).
- 3.5.10 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.

4. Business Case

4.1 Procurement Project Outputs / Outcomes

- 4.1.1 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? |
|---|--|---|---|
| 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 |
| Appoint 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 | Partnership Commissioning Business and Intelligence Team Dedicated Project Manager Quality Assurance Teams | At tender evaluation and contract award fully explain the requirements of Provider(s) to engage with all of the success measures outlined |

| | | | |
|--|---|--|--|
| | compliance monitoring of service, service user surveys and feedback loops established. Improvement of quality and cost effectiveness of the service | Social Work Teams Providers | 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. |
| 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 |

4.2 Procurement Project Management

4.2.1 The commissioning process was led by the Adults Partnership Commissioning Team with support from Category Management.

- 4.2.2 The Adults Partnership Commissioning Team working in conjunction with Adult Social Care colleagues took responsibility for the design of a detailed service specification.
- 4.2.3 A panel of relevant internal stakeholders evaluated the tender submissions.
- 4.2.4 A panel of relevant internal stakeholders will evaluate the presentations of those providers chosen to proceed (if required). This will be undertaken based on the tendering process and on their achievements recognised via their PQQ and Answer Book submissions.

4.3 Post Procurement Contract Management

- 4.3.1 Medway Council will be responsible for contact managing the service.
- 4.3.2 The Project Manager will be reviewing data on a monthly (four weekly) / quarterly (13 weekly) and annual basis.
- 4.3.3 Partnership Commissioning will hold three monthly contract management meetings with providers.
- 4.3.4 The provider will be required to review each service user's progress against their desired outcomes. Data will be reported to Medway Council and will be reviewed at contract monitoring meetings to determine provider performance.
- 4.3.5 All providers are subject to quality monitoring through a set of Key Performance Indicators (KPIs) on a three monthly basis (13 weekly).
- 4.3.6 The Quality Assurance Team will carry out an annual visit to ensure and validate the performance of providers.

5. Market Conditions and Procurement Approach

5.1 Market conditions

- 5.1.1 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.
- 5.1.2 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.
- 5.1.3 Medway Council has awarded the following uplifts over recent years, bringing the rates paid more in line with regional averages:
- 2018/19 – 3.0%
 - 2019/20 – 4.9%

5.1.4 Despite the above, providers have expressed concern about the long-term financial viability of the services they provide in Medway, however this is not believed to be isolated to Medway.

5.2 Procurement Options

5.2.1 **Option 1 - Do Nothing:** The current contract expired on 31 March 2020. After the end of the 12-month extension there will be no contractual arrangement for the provision of Extra Care services if this procurement is not taken forward.

- **Disadvantage:** Medway Council will become reliant on 'spot purchase' providers. Spot purchasing services is likely to be more expensive and would result in bottlenecks in care delivery creating inefficiencies in the system.

5.2.2 **Option 2 - Recommission a new Extra Care Service in line with the Public Contracts Regulations 2015 (PCRs)**

Medway Council to re-commission a new Extra Care service called 'Support to Live at Home', in time for the expiration of the current extended Framework agreement. The new service model as described in Section 1.6 will be commissioned for a three-year four-month 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 care is commissioned in Medway and will take some time to embed
 - Contractual arrangements with providers, who are not appointed to deliver the new service, may end following contract award

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.

5.2.3 **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.

5.2.4 Preferred Option:

The preferred procurement route is Option 2. After careful consideration it was agreed that this option would achieve all the key aims and objectives. The contract and this option is 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.

5.2.5 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 have already have had to extend the existing Framework past March 2020, there is no option to extend further.

5.3 Procurement Process

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

5.4 Evaluation Criteria

5.4.1 The award of the contract will be awarded to the most economically advantageous tenders comprising of 70% quality and 30% price.

5.4.2 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.

6. Risk management

6.1 Risk Categorisation

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| 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.

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|--------------------------------|-----------------------------|-------------------------|
| 5. Risk Category: Legal | Likelihood: Very Low | Impact: Critical |
|--------------------------------|-----------------------------|-------------------------|

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.

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|---------------------------------------|-----------------------------|-------------------------|
| 6. Risk Category: Reputational | Likelihood: Very Low | Impact: Marginal |
|---------------------------------------|-----------------------------|-------------------------|

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.

7. Consultation

7.1 Internal (Medway) Consultation

- 7.1.1 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.
- 7.1.2 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.

7.2 External Consultation

- 7.2.1 In May and June 2019, a 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 providers specification.
- 7.2.2 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.
- 7.2.3 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.
- 7.2.4 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 given the recent uplifts paid to providers. In 2019, Kent had a wellbeing charge of £15.98 p/w.

8. Procurement Board

- 8.1 Procurement Board considered the Support to Live at Home Gateway 1 Report on 15 May 2019 and supported the recommendation to commence the procurement of the service, agreed by Cabinet on 11 June 2019.
- 8.2 The Gateway 3 report was considered at the Procurement Board on 15 July 2020. The Board supported the recommendation set out in section 11 below.

9. Service comments

9.1 Financial comments

- 9.1.1 The procurement requirement and its associated delivery as per the recommendations in Section 11 will be funded, from existing revenue budgets.
- 9.1.2 Further detail is contained within Section 2.1 Finance Analysis of the Exempt Appendix.

9.2 Legal Comments

- 9.2.1 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.
- 9.2.2 Bespoke terms and conditions required for this procurement by Legal Services were issued with the ITT.
- 9.2.3 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.
- 9.2.4 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.
- 9.2.5 The process described in this report complies with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.

9.3 TUPE Comments

- 9.3.1 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 September - December 2020.
- 9.3.2 TUPE will be required if the incumbent providers of Extra Care are not awarded contracts.

9.4 ICT Comments

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

9.4.2 There does not appear to be any involvement required from ICT.

9.5 Procurement Comments

9.5.1. To ensure value for money the requirement was tendered in accordance with the Public Contracts Regulations 2015.

10. Other considerations

10.1 Equality & Diversity

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

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

10.1.3 A Diversity Impact Assessment has been completed by the Adults Partnership Commissioning Team and is attached at Appendix 1.

10.2 Social, Economic, & Environmental Considerations

10.2.1 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.

10.3 Provider Award Scheme

10.3.1 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.

10.3.2 Category winners and providers will be given digital and paper recognition from Medway Council for providing high quality services.

10.3.3 This will be in the form of a Medway Council Excellence in Care logo to put on their paperwork and digital assets. This will identify them as having completed a number of audited actions and procedures to predetermined levels.

11. Recommendations

11.1 The Cabinet is requested to approve the appointment of providers outlined within Section 3.4 of the Exempt Appendix.

12 Suggested reasons for decision(s)

- 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 The recommended 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 – Financial analysis

Background papers

None