

<b>DECISION-MAKER:</b>	CABINET		
<b>SUBJECT:</b>	DOMICILIARY CARE RECOMMISSIONING		
<b>DATE OF DECISION:</b>	20 <sup>TH</sup> JANUARY 2015		
<b>REPORT OF:</b>	CABINET MEMBER FOR HEALTH AND <a href="#">ADULT</a> SOCIAL CARE		
<b><u>CONTACT DETAILS</u></b>			
<b>AUTHOR:</b>	<b>Name:</b>	Kate Dench	<b>Tel:</b> 023 8083 4787
	<b>E-mail:</b>	kate.dench@southampton.gov.uk	
<b>Director</b>	<b>Name:</b>	Stephanie Ramsey	<b>Tel:</b> 023 8029 6941
	<b>E-mail:</b>	Stephanie.Ramsey@southampton.gov.uk	
<b>STATEMENT OF CONFIDENTIALITY</b>			
<p>Appendices 2a – 2e and 3 of this report are not for publication by virtue of Paragraphs 3 and 7A of the Council’s Access to Information Procedure Rules. It is not in the public interest to release this information as it would prejudice the Council’s ability to contract with third parties and obtain best value when entering into competitive tenders with the market.</p>			
<b>BRIEF SUMMARY</b>			
<p>This report seeks approval from Cabinet for the award of contracts to provide Domiciliary Care provision following a tender process. Tenders have been evaluated according to the most economically advantageous criteria, taking into consideration the criteria of quality and price. The services will be delivered from Framework Agreements which fall into five lots.</p>			
<b>RECOMMENDATIONS:</b>			
(i)	To approve the award of the contracts which make up the domiciliary care provision to the providers and on the key terms and conditions set out in Confidential Appendices 2a – 2e and 3.		
(ii)	To delegate authority to the Director, People, following consultation with the Head of Finance and IT and the Head of Legal & Democratic Services to do anything necessary to give effect to the recommendation above.		
<b>REASONS FOR REPORT RECOMMENDATIONS</b>			
1	<p>Due to its size and importance in terms of meeting service user needs and enabling the city to meet its strategic requirements, it is essential that domiciliary care provision achieves high standards of delivery, quality and value for money. Currently the service is variable, not sufficiently flexible to meet increasing demands and relies heavily on spot purchase. A framework agreement is advantageous because it offers a structured legal framework to contract over a 4 year period. This provides stability to the successful providers enabling officers to work with them to build capacity within the market. The framework would therefore also provide:</p> <ul style="list-style-type: none"> <li>• Increased flexibility with changes in demand.</li> <li>• Support of personalisation and Individual Service Fund (ISF)</li> </ul>		

	<p>approaches, thereby creating more choice and control for users.</p> <ul style="list-style-type: none"> <li>• Offers better value for money provision.</li> </ul>
2.	<p>Cabinet supported the following recommendations in December 2013:</p> <ul style="list-style-type: none"> <li>(i) To approve the pre-tender considerations and the criteria to be used to evaluate tenders.</li> <li>(ii) To delegate authority to the Director, People to invite tenders and evaluate them in accordance with the recommended evaluation criteria.</li> <li>(iii) To note that the award of the contract will be considered by Council or Cabinet as appropriate as detailed in the procurement timetable (listed in Section 13 of the December 2013 report).</li> </ul>
3	<p>Following this resolution the domiciliary care tender commenced in 2014 as part of a joint commissioning exercise between Southampton City Clinical Commissioning Group and Southampton City Council. The tender was advertised in May 2014 and the Invitation to Tender (ITT) stage completed in December 2014. This tender supports the Council and Southampton City Clinical Commissioning Group (CCG) to improve quality and maximise efficiencies.</p>
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
4	<p>Not re-tendering would mean that we are not working within the Council's Contract Procedure Rules which requires an opportunity to be given to potential providers, to apply to undertake this work.</p>
5	<p>To undertake a cost and volume contract would not be in line with the personalisation agenda, nor would it provide the flexibility to meet the additional capacity and needs identified.</p>
<b>DETAIL (Including consultation carried out)</b>	
6	<b>Background</b>
6.1	<p>Snapshot data provided in July 2013 identified that the domiciliary care market within Southampton provides care for approximately 1,810 people in any given week (1,750 SCC and 60 SCCC). There are currently up to 75 providers (65 spot purchased and 10 framework providers contracted) working in the city and delivering care packages on behalf of SCC and the CCG</p>
6.2	<p>The Framework Agreement will provide a platform for the delivery of domiciliary care and reablement services for adult and children services in Southampton City Council (SCC) and Continuing Health Care for Southampton City CCG (SCCC).</p>
6.3	<p>Due to its size and importance in terms of meeting client needs and enabling the city to meet its strategic requirements, it is essential that domiciliary care provision achieves high standards of delivery, quality and value for money. Currently the service is variable and not sufficiently flexible to meet increasing demands. The tender supports four main outcomes:</p> <ul style="list-style-type: none"> <li>• To improve quality within domiciliary care services</li> <li>• To ensure the best value available within the market</li> <li>• To ensure services are able to respond to changing needs and demands</li> <li>• Support the development of personalisation across the city</li> </ul>
6.4	<p>The model of provision has been designed to address areas of</p>

	<p>improvement by offering:</p> <ul style="list-style-type: none"> <li>• Greater flexibility and capacity, whilst still maintaining the geographical focus which recognises the issue of travel time</li> <li>• Clearer quality standards and performance indicators (KPIs) linked to contract terms and conditions which will support the drive for quality</li> <li>• A more streamlined system as outlined in the service specifications with a strong emphasis on promoting personalisation and independence</li> <li>• A requirement to deliver outcome based support using flexible care plans that shift away from minute by minute calls</li> <li>• A more generic approach focussing on need rather than diagnosis which addresses individual circumstances</li> <li>• The tender will reduce the number of providers we work with, thereby providing an opportunity to proactively work with a targeted number of agencies to share best practice and work with them to provide solutions to market issues, such as capacity and workforce.</li> </ul>
7	<b>Framework</b>
7.1	<p>The lots for the Framework include:</p> <p><u>Lot 1 – Adults</u>  Providers awarded onto this Lot will provide domiciliary care services to adults over the age of 18 who meet the respective Council’s eligibility criteria for funded support in their own home. This lot will cover the following care groups:</p> <ul style="list-style-type: none"> <li>• People with physical disabilities</li> <li>• People with learning disabilities</li> <li>• People with mental health problems</li> <li>• Older people</li> <li>• Acquired brain injury</li> </ul> <p><u>Lot 2 – Accommodation with Care and Support</u>  Providers awarded onto this Lot will provide domiciliary care services to adults in care schemes for instance extra care and supported living services.</p> <p><u>Lot 3 – Continuing Healthcare</u>  Providers awarded onto this Lot will provide continuing health care services to those meeting CHC eligibility criteria. This Lot will also include providers who can provide case management and the option of BiPAP (Bilevel Positive Airway Pressure) alongside continuing health care if required.</p> <p><u>Lot 4 – Children and Young People</u>  Providers awarded onto this Lot will provide services to children or young adults from 0-25 years. This Lot is proposed to support effective transitions into adult services and deliver the principles set out within the Children and Families Bill/Southampton’s service structures.</p>

	<p><u>Lot 5 – Reablement</u></p> <p>Providers awarded onto this Lot will provide, if required, reablement provision. The increasing demographic changes and the emphasis on recovery, reablement and prevention within the city’s transformational change programme, requires a service focussed on enabling clients to regain or achieve an optimal level of independence. This Lot forms a foundation to support the sourcing of further reablement support services should it be identified that meeting demand and improving outcomes will be more effectively achieved through this arrangement. Currently the majority of provision is delivered internally within the council. During the lifetime of this Framework the council’s position may change. If it does we may seek to commission such services from this lot.</p>
8	<b>Tender Process</b>
8.1	The framework agreement has been created following a two stage restricted tender process, in accordance with the Council’s Contract Procedure Rules and the Ethical Procurement Policy.
8.2	<p><u>Stage 1: pre-qualification stage:</u></p> <p>Shortlists were drawn up in accordance with the Council’s Contract Management Guidelines by a pre-qualification questionnaire (PQQ). The pre-qualification tested the capacity and capability, including quality, of potential bidders as well as potential bidder eligibility to take part in the Procurement. This included the following:</p> <ul style="list-style-type: none"> <li>• Subcontracting/consortia arrangements</li> <li>• Professional conduct</li> <li>• Economic and financial standing</li> <li>• Insurance</li> <li>• Resources</li> <li>• Health and safety</li> <li>• Quality assurance</li> <li>• Equality</li> <li>• Environmental</li> <li>• Sustainability</li> <li>• Carbon policy</li> <li>• Business continuity</li> <li>• Previous experience and references</li> <li>• Child Protection and Safeguarding Adults</li> <li>• Policies</li> </ul> <p>The outcome of this stage presented a list of pre-qualified bidders for the Procurement and a short-list of bidders to be invited to tender.</p>
8.3	<p><u>Stage 2: Invitation to Tender stage:</u></p> <p>Tenders have been evaluated on the basis of the most economically advantageous tender in order to award providers onto the framework agreement using the following criteria:</p>

	<ul style="list-style-type: none"> <li>• Quality</li> </ul> <p>Quality consisted of 40% of the evaluation weightings. The quality assessment was evaluated using a range of criteria. Providers had to score at least 50% of the quality scoring to be eligible for award onto the contract. Any providers that did not meet the requirements of 50% of the quality scoring failed this stage in the process. The quality assessment was evaluated using the following criteria:</p> <ul style="list-style-type: none"> <li>• Meeting the needs of the individual and customer focus</li> <li>• Approach to safeguarding, performance and safe environment</li> <li>• Approach to staff recruitment, retention and training</li> <li>• Mobility and capacity building</li> <li>• Business Continuity Planning</li> <li>• Information systems and its use for monitoring service provision</li> <li>• Approach to partnership working with the Council and others</li> </ul> <ul style="list-style-type: none"> <li>• Price</li> </ul> <p>Price consisted of 60% of the evaluation weightings.</p> <p>Differing weightings were given to each individual evaluation criteria and were stated in the tender documentation.</p>
<b>9</b>	<b>Consultation</b>
9.1	<p>A market event to stimulate domiciliary care provision was held in February 2014. Included in this event was a Tender Ready session for potential providers. The Integrated Commissioning Unit (ICU) are sending out monthly email updates to providers about issues related to the sector, including any relevant tender information and timescales. There is an email address which we encourage providers to use, if they are not tendering, so we can support the market with potential changes.</p>
9.2	<p>In February and March 2014 the ICU led twelve focus groups with adult clients (including Continuing Healthcare), with approximately 70 people: all adult care groups were covered as some groups were mixed. The reports of the Buzz Network Short Break Event, Children’s Domiciliary Care Needs Analysis and SCC’s Complaints (April 2012 – October 2013) were also analysed to inform the five specifications and key questions that the ICU used to test potential providers.</p> <p>The requirements that were most important to clients were:</p> <ul style="list-style-type: none"> <li>• good communications skills between provider staff (office &amp; care workers) and clients;</li> <li>• provider staff that have an attitude fit for the job;</li> <li>• provider staff are provided with the training to have the functional skills and professional competencies to meet the needs of clients;</li> <li>• provider staff are consistent and reliable, but flexible;</li> </ul> <p>Providers have:</p> <ul style="list-style-type: none"> <li>• good organisational systems;</li> <li>• high staff retention;</li> </ul>

	<ul style="list-style-type: none"> <li>• range of staff to match appropriately to client's;</li> <li>• a key worker system;</li> <li>• realistic rotas that take into account travel and needs of clients;</li> <li>• care plans are outcome focused, and understood by all;</li> <li>• clients are in control of their care.</li> </ul> <p>The full Report of Domiciliary Care Service Stakeholder Engagement and Report Analysis 2014 is located in Appendix 1.</p>
9.3	<p>The ICU has begun a programme of work with clients, informal carers and families regarding potential changes to the provision. From the 29<sup>th</sup> September 2014 – 8<sup>th</sup> October 2014 we held four information events across the city where we used a Frequently Asked Question (FAQ) presentation format, with time for additional questions, to provide information about the forthcoming potential changes and hear any feedback that individuals have. We have sent a newsletter out to all clients recorded as receiving domiciliary care support using the FAQ format. There is another newsletter planned for the end of February 2015. Additionally there is an email address where clients, informal carers and families can contact the ICU directly, if there is any other feedback about potential changes.</p>
9.4	<p>Pending the cabinet decision, an implementation plan will be developed to support the outcomes of the tender including joint work with care management teams to ensure continuity of care for individuals meeting the criteria for domiciliary care services.</p>
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
10.1	<p><u>The revenue budget for Domiciliary Care held within Health and Adult Social Care in 2014/15 is £14,510,000. The Southampton City Clinical Commissioning Group also hold a budget of £6,883,000 for Domiciliary Care. The combined budget from which activity purchased under any Framework Contract is £21,393,000 for 2014/15. The approximate current annual spend for the combined elements of the framework agreement is £20M, therefore the combined value over the 4 year framework agreement is estimated to be £80M less any efficiencies that can be achieved..</u></p>
10.24	<p><u>As part of the 2014/15 revenue budget process a saving proposal of £360,000 was agreed at Council in February 2014. This saving will increase to £420,000 in 2015/16. It is anticipated, through modelling of clients in September 2014, that this saving will be achieved through efficiencies gained under the new framework contract in 2015/16. Through more efficient and effective commissioning and improved clarity with providers there is a potential for savings to be released through this tender. This has been modelled and the target saving for 15/16 is £420k. This figure is based on figures identified in September 2014.</u></p>
10.3	<p><u>The Domiciliary Care provision purchased through the framework will be funded from within the existing budgets as highlighted above.</u></p>
<b><u>Property/Other</u></b>	
12	Not applicable
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	

13	<p>The Care Act 2014 requires local authorities to prepare for implementation of the Act in April 2015 and April 2016. The award supports moving to a more personalised service approach ensuring greater compliance with the Care Act.</p> <p>The Act though places various duties and responsibilities on Local Authorities about commissioning appropriate services. Local authorities must ensure their commissioning practices and the services delivered on their behalf comply with the requirements of the Equality Act 2010 and should encourage services that respond to the fluctuations and changes in people's care and support needs.</p>
14	<p>The design and the running of this procurement is in accordance with the authority's Contract Procedure and Financial Procedure Rules. Due to the size, value and complexity of this project, the appropriate procurement rules, with the necessary Governance outlined in the above has been followed. The procurement of these contracts has been run in accordance in the requirements outlined within The Public Contracts Regulations 2006 and the EU Procurement Directives 2006.</p>
<b>Other Legal Implications:</b>	
15	<p>The contract has been tendered and managed by the Council through the Integrated Commissioning Unit. SCCCG will be referenced in the contract, and this provides an enabler for SCCCG to have access to the contract. Requirements will be set out within the Call off Contract Process to ensure that SCCCG has a contractual relationship with the providers</p>
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
16	<p>These proposals are aligned to the following priorities set out in the Council Plan 2014 -2017:</p> <ul style="list-style-type: none"> <li>• Prevention and early intervention.</li> <li>• Protecting vulnerable people.</li> <li>• A sustainable council.</li> </ul>

<b>KEY DECISION?</b>	Yes
<b>WARDS/COMMUNITIES AFFECTED:</b>	All
<b><u>SUPPORTING DOCUMENTATION</u></b>	
<b>Appendices</b>	
1.	Report of Domiciliary Care Service Stakeholder Engagement and Report Analysis 2014
2a – 2e	Domiciliary Care Shortlist Reports Confidential
3	Domiciliary Care Price Evaluation Confidential
<b>Documents In Members' Rooms</b>	
1.	

2.		
<b>Equality Impact Assessment</b>		
Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.		Yes
<b>Other Background Documents</b> <b>Equality Impact Assessment and Other Background documents available for inspection at:</b>		
Title of Background Paper(s)		Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.		
2.		