

## MUNICIPAL YEAR 2012/2013 REPORT NO. 103

### MEETING AND DATE:

Cabinet 14<sup>th</sup> November 2012

### REPORT OF:

Director of Health, Housing &  
Adult Social Care (HHASC)

Key Decision No: KD 3556

Agenda – Part: 1

Item: 10

**Subject: Proposal for the extension of Home Based Support Service contracts.**

**Wards: All**

**Cabinet Member consulted: Councillor McGowan**

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### 1. EXECUTIVE SUMMARY

- 1.1 The Home Based Support Service Framework Contracts are the most significant social care contracts that are let by the Council with a projected value during 2012/13; in excess of £4,000,000, currently providing homecare services to approximately 650 service users. In addition there over one thousand service users receiving a Direct Payment all of whom are contracting with other care providers or purchasing their own care assistant.
- 1.2 The contracts are based on a 3-year period with an option to extend for a further two years. The current contracts are due to expire in June 2013 and this report seeks approval to take up the contractual option to extend the current contracts for two years. These contracts do not guarantee any levels of work and are based on a flat rate irrespective of evening, weekend or bank holiday working.
- 1.3 Extension of the current contracts will enable service users to receive consistent service delivering stability of care whilst future contracts for care and support services are reviewed in the context of government policy around expanding self directed care options including Individualised Budgets and Direct Payments.
- 1.4 With the expansion of Individualised Budgets and Direct Payment the level of work with the contracted providers is likely to significantly decline.
- 1.5 The Part 2 report later on in this agenda will include details of savings and efficiencies generated during the contract period and during the proposed extension period consistent with the Council's budget framework along with confidential contract related issues.

## **2. RECOMMENDATIONS**

- 2.1 That Members note the contents of this report and the need to review over the next two years Home Based Support Services in light of the agenda around self directed care.
- 2.2 That Members consider, review and approve exercising the current contract clause option to extend the contract for a further two years.

## **3. BACKGROUND**

- 3.1 In 2009/2010 a competitive tendering process with extensive consultations took place. These discussions involved; customers and their families, Adult Social Services Scrutiny Panel, senior managers and officers across Health and Adult Social Care (HASC); NHS Enfield colleagues, the third sector; a broad range of suppliers and other Local Authorities.
- 3.2 82 organisations expressed an interest, 47 pre qualification questionnaires (PQQ) were returned and eventually 16 organisations were short-listed and invited to tender.
- 3.3 Tender bids were assessed on the basis of most economically advantageous tender, measured against:
  - Price (weighting 30%)
  - Quality (weighting 70%)
- 3.4 This weighting responded to the nature of this highly personal service, which is provided directly in the homes of some of the most potentially vulnerable members of our local community. It also reflects the extensive work by the Scrutiny function in previous years and Members' along with other key stakeholders' desire to ensure that the weighting favours quality issues as being of paramount importance in this vital service area.
- 3.5 The original contract allowed up to £12 million annual expenditure. However the new contracts preclude no minimum commitment. Over the last 3 years the actual value of business has reduced. For 2011/12 actual spend across the four Providers is £3.2 million. This is as a result of Personalisation and increasing numbers of service users taking up Direct Payments.
- 3.6 At the Cabinet meeting on 24.3.2010 Members approved the recommendations to award contracts, for Council commissioned services, to four service providers who through the tender process, demonstrated

the ability to meet or exceed all of the evaluation requirements, comply with the requirements of the service specification and provide outcome focussed, personalised services at affordable rates to the Council.

- 3.7 The contracts were let in a number of contract areas, configured in ward clusters in order to facilitate efficient care worker rota planning and service providers may provide specialist services beyond their allocated areas in order to meet specific demand. The awards of contracts are as follows:

<b>CONTRACT AREA</b>	<b>SERVICE PROVIDER</b>	<b>WARDS</b>
Areas 1 & 2	London Care	Turkey Street, Enfield Lock and Enfield Highway
		Ponders End, Jubilee and Lower Edmonton
Areas 3 & 4	Westminster Homecare	Haselbury and Edmonton Green
		Bowes, Palmers Green and Upper Edmonton
Areas 5 & 6	Saga (formerly Goldsborough Homecare)	Southbury, Grange and Bush Hill Park
		Southgate, Southgate Green and Winchmore Hill
Areas 7 & 8	Mears	Chase and Cockfosters
		Highlands and Town

- 3.8 The award of these contracts has enabled the Council to ensure that appropriate and robust contractual and monitoring arrangements are in place and have allowed for:

- high quality, safe services to all members of the community
- flexible outcome focused delivery of care
- services delivered to a detailed and quality assured service specification
- the capability to address dementia, stroke, end of life care needs and promoting re-ablement as a key feature of the service.

- 3.9 Services are provided to all care groups. Older People (those over 65) constitute the majority of customers (89%) followed by younger adults with physical disabilities (10%) and younger adults with learning difficulties (1%). A small number of people with mental health needs also use the service. Home Based Support Services are provided to meet a wide variety of care needs ranging from basic support with personal care tasks to complex double-handed care packages that require specialist training.

- 3.10 The contracts are managed by the Procurement and Contracting Team which has developed robust processes to ensure that quality of service provision experienced by service users and their carer is maintained at the highest level possible. These include: regular contractor liaison meetings; quarterly analysis of comprehensive Key Performance Indicators; announced and unannounced site visits to validate performance monitoring information submitted; customer satisfaction surveys and telephone monitoring. Additionally, the Council and the four current providers have invested into an electronic monitoring system. This system adds new dimensions to performance monitoring through the capture of real time data of care being delivered and to ensure that call times are being adhered to.
- 3.11 The contractors have achieved positive inspection reports from the Care Quality Commission with evidence that good standards of care are being delivered in accordance with National Minimum Standards, that service users are satisfied with the service provided and feel that they are 'treated with respect'.
- 3.12 However, the introduction of recent policies from central government e.g. 'Our Health, our care, our say' and the development of the Directorate's Joint Commissioning Intentions and Strategies require us to review future development of support in people's own homes. This is led by the personalisation of services which is shaped by users themselves and driven by a focus on individuals and the outcomes they seek. Personalisation of care provision is seen as the key to success with choice as an underlying theme. Users will have a voice and will be empowered to take responsibility for risk and manage their own conditions as appropriate.
- 3.13 These contracts provide choice to customers accessing care services, (including self directed support, Direct Payments) to deliver new and innovative services that add to the high quality services currently being delivered, at more competitive rates. Where existing customers expressed the wish to either remain with their existing service provider at the end of the last tender process or as a new customer wishing to exercise choice and control over who and how their care is provided, this has been facilitated through the use of direct payments and individual budget arrangements with support provided by the Council. To date there are over one thousand service users self directing their own care packages in Enfield.
- 3.14 In line therefore with national policy and performance targets, there will be an increase in the take up of Direct Payments, the development of Individualised Budgets and other self directed care options. It will therefore be necessary for future social care contracts to be developed in the context of this agenda.

- 3.15 The contracts are due to expire in June 2013; in order to maintain a period of stability for all stakeholders, preserving a consistent service throughout a period of review of home based support services and to ensure that our unit costs remain comparative to other Local Authorities. Negotiations are currently in progress with the contractors to seek their agreement to extend the current contracts for a two-year period. The caveats attached to this offer will be that throughout the extension period performance will continue to improve, current rates paid to contractors are frozen and that quality is sustained.
- 3.16 Confidential contract related and financial issues are detailed in the accompanying Part 2 report later on the meeting agenda

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 Allow the contracts to expire in June 2013 and revert to spot purchasing arrangements. This would result in increased process and transaction costs to manage and monitor multiple providers; higher unit cost to the Council; an un-stabilised market rate, diminished control on service quality and the inability to guarantee sufficient supply.

#### **5. REASONS FOR RECOMMENDATIONS**

- 5.1 The extension of the current contracts will:
- enable the Council to ensure that appropriate contractual and monitoring arrangements are in place whilst services are reviewed in the context of the Personalisation Agenda
  - stabilise market rates and give greater control on service quality
  - ensure continuity of care and where possible care staff for vulnerable service users already receiving a service
  - help stabilise the homecare market by limiting staff migration from one agency to another
  - provide a robust platform to continue the promotion of self directed support
  - permit the Council to focus resources on other major re-tendering and procurement projects to deliver savings and efficiencies

## **6 COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **6.1 Financial Implications**

6.1.1 Please refer to part of 2 of this report.

### **6.2 Legal Implications**

6.2.1 Under Section 29 of the National Assistance Act 1948 the Council has the power to provide care services to persons in the area who are substantially and permanently disabled by illness, injury or by some other disability. Under the National Health Service and Community Care Act 1990 (Section 47 (1)), the Council has a duty to assess the need of any person for such services and decide whether it should provide such services based on that assessment. Further, Section 45 (3) of the Health Services and Public Health Act 1968 allows the Council to employ an organisation for the purposes of providing support services to promote the welfare of elderly people. In addition Section 111 of the Local Government Act 1972 gives a local authority power to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions.

6.2.2 The existing three year contracts may be extended by written notice to the service providers for a further period of 2 (two) years subject to satisfactory performance. Written notice must be given to the contractor no later than 12 (twelve) weeks before the existing contract period expires on the 30<sup>th</sup> June 2013.

6.2.3 The written notice will be in the form as approved by the Council's Assistant Director of Legal Services.

## **7 KEY RISKS**

7.1 Failure to secure agreement of all providers – this could result in the need to reconfigure contract areas and ensure that service users' continuity of care is maintained

## **8 IMPACT ON COUNCIL PRIORITIES**

### **8.1 Fairness for All**

8.1.1 Extension of the Home Based Support contracts will ensure high quality, affordable and accessible services for all

## **8.2 Growth and Sustainability**

8.2.1 All four of the current providers since the start of the contract have undertaken local recruitment drives in order to employ local people, bringing growth and opportunities to the borough.

## **8.3 Strong Communities**

8.3.1 Through contract performance monitoring and user satisfaction surveys these services listen to the needs of local people to inform service delivery and improvement.

## **9 EQUALITIES IMPACT IMPLICATIONS**

9.1 An equalities impact assessment has not been undertaken in support of this recommendation as it does represent a change of circumstance for service users and key stakeholders.

9.2 The advantage of extending current home care contracts will allow existing high quality services that meet assessed needs of customers to be continued to be provided. No customers will be adversely affected by this recommendation. This will allow time for developments related to the Personalisation Agenda to be fully considered and addressed.

## **10 PERFORMANCE MANAGEMENT IMPLICATIONS**

10.1 Homecare services contribute significantly to the improvements in the balance of care seen in Enfield over the last 5 years. The reduction in residential & nursing admissions has meant that more people with ever more complex needs are being cared for longer within their own homes. Ensuring adequate & stable supply of provision that is of suitable quality to meet these new & changing needs is integral to meeting the modernisation of services agenda with an increasing focus on re-enablement and outcome focused care planning for service users.

10.2 Direct payments & individual budgets will also be key drivers within the empowerment & choice agendas so more & more people will be procuring homecare services for themselves. Again, if we are to enable people to make informed choices, supply of appropriate, high-quality homecare services will be key.

10.3 Extending this contract enables the Council to retain that appropriate and robust contract monitoring arrangements that are in place and consistent with quality standards and the Essential Standards of Quality & Safety as regulated by the Care Quality Commission.

10.4 The Home Based Support Contract continues to be closely monitored by the Performance and Contracting Team and involves:

- Site visits and the checking of files
- Quarterly returns of performance information
- CM2000 performance information
- Complaints and issues monitoring
- Sample telephone monitoring

There are then regular meetings with the providers to resolve issues and improve quality and performance

10.5 Changes in the continuity of service may impact upon the local indicator NI 133 – (timeliness of the social care packages following assessment) and the statutory customer satisfaction survey.

## **11 PUBLIC HEALTH IMPLICATIONS**

11.1 This will target and support vulnerable people. Looking to the future contracted providers could possibly support Public Health in campaigns such as smoking cessation.

### **Background Papers**

None in Part 1