

**LONDON BOROUGH OF HACKNEY**  
**CABINET PROCUREMENT COMMITTEE**

**Monday, 8 March 2021**

**RECORD OF DECISIONS TAKEN**

This document outlines the decisions taken at the above Cabinet Procurement Committee meeting.

Unless otherwise indicated, executive decisions listed in this document will come into force and may then be implemented 5 working days after publication of this document unless the decision is called in. During that period the Director of Legal & Governance

may call-in a decision for scrutiny if so required by no fewer than 5 Members of the Council ( Part 4 of the Council's Constitution; Scrutiny Procedure Rules: Call-in Procedures).

**Date of Publication:**

9 March 2021

**Last Date for Call-In:**

16 March 2021

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**8. Home Care Framework Extension to Support Re-Tender Process - Contract approval - Key Decision No. CACH R50**

**RESOLVED:**

**That approval be given to the extension of the Framework Agreement for the delivery of home care services with the 8 companies detailed in exempt Appendix A of the report, and the estimated total expenditure under the home care framework being £14.2 million for a one year period, with an option to extend for a further one year (1 + 1 years) noting that the total forecasted spend for the extension period would be between £28.7 million to £29.3 million.**

**RELATED DECISIONS**

Award of Contract for Outcome based Homecare Services presented to Cabinet Procurement Committee on 4th April 2016.

## **REASONS FOR DECISION/OPTIONS APPRAISAL.**

The Service provides support to adults aged 18+ who have a range of adult social care needs. A key focus of service provision is to maximise and/or maintain independent living within the community.

To achieve this, the Council has an **outcomes based homecare service** offering a range of support which can respond flexibly to the changing needs of service users and can:

- Promote reablement, enablement and independence;
- Reduced and prevent social isolation;
- Deliver the health and well-being principles in line with the duties of the Care Act 2014<sup>1</sup>
- Contribute in the delay and reduction of the care and support needs of Adults and Carers in Hackney.

The specification for the outcomes based homecare service are aligned to the:

- The Care Act 2014,
- Department of Health's "Transparency in Outcomes" Framework,
- Public Health Outcomes Framework
- Adult Social Care Commitment Statement<sup>2</sup>

Providers are required to deliver services in accordance with the following key requirements of the the service specification:

- Person centred and flexible service that meets the needs of the service user.
- Outcomes based support planning, that is aligned to the care and support plan that is developed by the health and social care practitioner;
- Promoting the use of telecare/assistive technology
- Providing information to service users and signposting to universal or targeted preventative services

Since the framework was let, a number of changes and initiatives have taken place which have impacted on how these services can be delivered in the future. These include (but not limited to):

- The development of neighbourhood working
- The new hospital discharge policy 2020: Home First

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<sup>1</sup> Care Act 2014, S1(1-4)

<sup>2</sup> <http://www.hackney.gov.uk/Assets/Documents/Adult-Social-Care-Services-commitment-statement.pdf>

- Lessons learnt from COVID response
- Integration agenda and NHS changes
- The changing nature of the health and social care market
- The sustainability of the homecare market

The agreement to extend the current Framework will allow commissioners to look at designing new home care services to meet the changing needs of the system, providers and service users and their families, to ensure the service is future proof, while offering value for money, and choice. A high-level timeline for this work and subsequent procurement exercise is provided as Appendix B.

The future business case will also explore the viability of insourcing home care services, either fully or partially. The extension will provide time to conduct comprehensive benchmarking around the contract and service delivery models, and undertake a SWOT analysis of the options available.

The current framework is structured as follows:

- The framework consists of three Lots :
  - Lot One - Generic Homecare, split into 4 geographical quadrants (sub-lots)
  - Lot Two - Culturally specific care for Turkish/Kurdish community
  - Lot Three - Culturally specific care for Orthodox Jewish community
- The awarded “Tier One” provider for each Lot (or sub-lot) is expected to aim to deliver all call-off requirements.
- In the event that the Tier One provider cannot meet a requirement the tier two provider is approached
- There are currently eight providers on the framework. This is following two of the original ten providers exiting the homecare market in Hackney.

The advantages of extending the Framework will be to:

- Ensure continuity of existing provision for service users, which is particularly important at this critical time;
- Avoid short term TUPE transfers of care workers to new providers;
- Avoid potentially inflated prices seen in an external framework option (See options considered and rejected below).
- Provide a straightforward system for awarding new packages required during the 12 month period.

This Contract Award report also seeks an option to extend for up to a further 12 months, in particular as the landscape for service delivery is critical at the moment. Should the pandemic exacerbate or take a new and unexpected development, this will impact Adult Social Care in Hackney and will continue to affect the Home Care Market as well as the wider health and social care system.

5.1.10 The Commissioning team has been and will continue to engage with Providers throughout the recommissioning process in order to make an informed decision as to the ability of the market to respond once the tender is ready to be

published. This will avoid placing extra pressure on the market, which is working hard to support residents during the pandemic and which could disadvantage smaller businesses in particular, without the capacity to continue to provide services during a pandemic or take part in a tender process.

**ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)**

Option	Advantages	Disadvantages
<p>Use of the NHS “Any Qualified Provider” Framework</p>	<p>Compliant route to market, with minimal procurement resource requirement for Hackney</p> <p>Mechanism for awarding new packages of care, and possibility of retaining existing packages where current providers are successful in joining the Framework</p>	<ul style="list-style-type: none"> <li>- Not available to access immediately, as we are not named as a contracting authority until the retendering of the Framework is complete</li> <li>- Inflexible rates due to the costing model tool that is used combined with Hackney’s requirement for payment of LLW to staff</li> <li>- May result in changes of providers and loss of continuity for service users, as well as risk around transfer of workforce, where current providers are not on the Framework</li> </ul>
<p>Extend Framework contracts</p>	<p>Enable Adult Social Care to have stability to ensure response to COVID and Cyber and Vaccines is prioritised.</p> <p>Continuity of provision for service users and the workforce in relation to existing care packages.</p> <p>Avoid short term TUPE transfers of care staff to new providers</p>	<ul style="list-style-type: none"> <li>- May be lack of choice / options of provider for residents</li> </ul>

	<p>Some stability of pricing compared to use of an external framework or a wholly new procurement exercise, due to the ability to use the current framework rates as the basis for negotiations.</p>	
<p>Procure immediately via competitive tender</p>	<p>Fair and robust process compliant with Public Contracts Regulations 2015</p> <p>Ability to build in a mechanism for awarding new packages of care during the contract period</p>	<ul style="list-style-type: none"> <li>- Service disruption to residents at this critical time of pandemic.</li> <li>- Time constraints mean there is no time to complete a full tender process before the Framework expires.</li> <li>- Re-procurement may result in changes of providers and loss of continuity for service users, as well as risk around transfer of workforce</li> <li>- The Specification remains the same pending full redesign of the service, only minor operational changes are sought during the recommissioning period. Therefore a full reprocurement process would not be expected to add any real value.</li> <li>- Wider Adult Social Care department is responding to hospital discharges and need to support care homes and care provider stability in Hackney.</li> </ul>

<p>Direct negotiation new contracts with existing Framework providers</p>	<p>Ensure continuity of existing provision for service users</p> <p>Avoid short term TUPE transfers of care staff to new providers</p> <p>Ability to build in a mechanism for awarding new packages of care during the contract period</p>	<ul style="list-style-type: none"> <li>- Limited time available for full negotiation and Governance process</li> <li>- The Specification remains the same pending full redesign of the service, only minor operational changes are sought during the recommissioning period. Therefore a full procurement process would not be expected to add any real value.</li> <li>- Risk of challenge if negotiating new contracts with existing providers without prior notification.</li> </ul>
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**9. Telephony and Contact Centre Cloud Solution - Contract approval - Key Decision No. FCR R 42**

**RESOLVED:**

**i. that the Digital Marketplace G Cloud procurement process used for the procurement of ‘Telephony and Contact Centre Cloud’ solutions be noted;**

**ii. That approval be given to progress the award of a contract to Supplier 2 to provide two products: (i) Communications as a Platform, and (ii) Contact Centre Software. The contract will be for a period of 2 years with a Council option to extend for two further one year periods (2+1+1); and**

**iii. That the comprehensive summary of the evaluation of the individual bids as detailed in exempt Appendix 2 to the report and including the names of all the bidders for each lot be noted.**

**RELATED DECISIONS**

Business case and Risk Assessment (Medium Risk) approved by CPC (November 2020) prior to commencing the procurement.

Request for Information (RFI) under Network Services 2 (NS2) Framework Lot 10 and Lot 13 was undertaken in October - November 2020. Notification was sent to a total of 31 cross lot suppliers with details of our draft requirements and suppliers were asked to identify any service offers they may have listed that they believe could meet our requirements. Suppliers were also asked to provide indicative costings to help a budget budget for the project.

A total of 8 suppliers from cross-lot Network Service 2 responded to the RFI, the responses came from a mix of resellers and telecommunications companies.

From this exercise, we learnt the following:

There were no clear benefits associated with buying a solution either directly or via a reseller

We weren't able to identify the Communications as a Platform offerings that we anticipated and wanted

The offerings were at a higher price point than anticipated with less clarity around the structure of the pricing models than we wished

Three of the companies responding did not have a service offering that would meet our requirements on the NS2 eMarketplace.

Therefore, we decided not to proceed with the procurement via the NS2 eMarketplace and to evaluate service offerings identified during the RFI process

## **REASON FOR DECISION/OPTIONS APPRAISAL.**

The Council currently has three telephony contracts:

With Centiant, a 'systems integrator' currently costing £883,000 per annum which provides:

- a. A cloud-based VoIP communication system provided by NFON
- b. A cloud-based customer contact centre system provided by Puzzel
- c. A voice-activated switchboard provided by Netcall, hosted on-premise
- d. A mobile telephony service provided by NFON and backed off to Mobile Network Providers

A contract with for telephony used by Hackney Education

Legacy telecommunications such as ISDN and private wires provided by Daisy and BT costing £95,000 per annum

This procurement relates to 1a, 1b, 1c and 2 (which must be fully interoperable). There is already a contract providing mobile phone SIMs (1d).

Security and privacy aspects have also been considered and all the major platforms have clear GDPR, ISO27001 and PCI Data Security Standard compliance statements and certifications. These requirements were reflected in the UK Government's Technology Code of Practice previously adopted by the Council.

## **ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)**

The 'unified communications as a service (UCaaS)' contract was considered. UCaaS is a single ready-made platform through which organisations access

different services, such as phone, video calling, call recording and so on. This option was rejected because we believe that a unified approach would:

- a) Involve greater compromises of how the solution meets specific user needs (eg. some UCaaS providers excel at contact centre solutions, others at telephony);
- b) Increase the risks associated with vendor lock-in;
- c) Reduce our overall agility - whether operational flexibility or adaptability to changing technology and;
- d) Require us to develop skills in a single solution and therefore the skills would be less transferable.

**10 . Information Item - Update in respect of the long term contract for provision of statutory, testing, inspection, repair, and maintenance services in preparation for competition and potential insourcing of service elements**

**That the information report be noted.**

**Exempt Items 14 & 15**

The exempt appendices detailed in Items 14 & 15 in relation to Items 8 & 9 above were noted and agreed without discussion.

Duration of meeting - 17.00hrs - hrs. - 17.45hrs