

<p>TITLE OF REPORT: Integrated Homecare for disabled children and young people</p> <p>CONTRACT APPROVAL</p> <p>Key Decision No. CACH R62</p>	
<p>CPIC MEETING DATE (2021/22)</p> <p>7 June 2021</p>	<p>CLASSIFICATION:</p> <p>Open with exempt appendix A</p> <p>By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 appendix A, is exempt because they it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p> <p>If exempt, the reason will be listed in the main body of this report.</p>
<p>WARD(S) AFFECTED</p> <p>All Wards</p>	
<p>CABINET MEMBER</p> <p>Cllr Caroline Woodley</p> <p>Families, Early Years, and Play</p>	

KEY DECISION

YES

REASON

- Affects two or more wards
- Spend

GROUP DIRECTOR

Anne Canning - Group Director Children & Education

1. CABINET MEMBER'S INTRODUCTION

- 1.1. The provision of Homecare has become an integral part of the services offered to disabled children and young people living in Hackney. It is an important part of the Council's service, which supports vulnerable children and young people with a range of complex needs. This contract is worth an estimated £2.56 million (including London Living Wage commitment) over a period of 26 months.
- 1.2. The Children and Families Act 2014 outlines guidance in working with disabled children and the Council is committed to providing services that are safe, that meet identified needs, support achievement of agreed outcomes, and that are cost effective. The aim is for children and young people to receive appropriate services that are designed to improve their wellbeing and quality of life. The Council is also committed to offering families as much choice as possible; this is in line with the Government's "personalisation" agenda.
- 1.3. It has been recognised and acknowledged that during the current COVID-19 pandemic the Homecare provision continues to be fundamental to the health and social care system.
- 1.4. The Council's current framework providers were able to provide additional capacity and flexibility around services during the first wave of COVID-19, as well as during the second and third wave and went beyond the call of duty in a number of circumstances.

- 1.5. The Framework Agreement expired on the 31st March 2020, an STA report was drafted, however due to the pandemic, the Council being subject to a serious cyberattack and changes to the governance process for STAs over a certain threshold, it was not possible to process this report. If these services are not extended, our children and families will be significantly affected as they will not have the essential structures needed to support their wellbeing.
- 1.6. The current service providers are committed to paying the London Living Wage which has a considerable positive local economic impact that supports the Council's Sustainable Procurement Strategy. Regular contract management meetings have been held with all the providers to ensure that all providers fully meet their respective obligations as efficiently and effectively as possible whilst also providing value for money.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1. This Report seeks approval to extend the current Framework Agreement for Integrated Homecare & Nursing to enable a service redesign and procurement; this work has been delayed due to the pandemic and the cyberattack but has now commenced.
- 2.2. The extension is required whilst the Children & Family Services undertakes a collaborative procurement with Adult Services for the provision of Homecare.
- 2.3. It is prudent that the existing Homecare providers on the Framework Agreement are given a suitable extension to help them to support our children and families, stabilise their organisations and ensure that they are sustainable in the longer term.
- 2.4. The Framework Agreement is meeting its objectives and providers are delivering an effective and timely service whilst trying to manage increased demand.
- 2.5. Regular consultation and feedback from parents, carers, children and young people and providers demonstrate that families are generally satisfied with the service. Families have built relationships with providers and their staff and feel confident accessing the service which in turn reduces family breakdown and crisis and funding pressures on other services.

- 2.6. Extension of the Framework for 26 months beyond the 4 year term is considered justified by the extenuating circumstances detailed in this report. This recommended course of action will ensure that effective contracts can be put in place to stabilise the market and to cover both existing and new packages of Homecare whilst recommissioning work is undertaken.

3. RECOMMENDATION(S)

- 3.1 Cabinet Procurement & Insourcing Committee is recommended to extend the Framework Agreement for the delivery of home care services with the 5 companies listed in Appendix A.**
- 3.2 Estimated annual expenditure under the Homecare Framework Agreement is an estimated £1.15 million. The total expenditure for this extension for the period of 26 months is estimated to be £2.56 million.**

4. RELATED DECISIONS

- 4.1 Award of Contract for Integrated Homecare for disabled children and young people presented to the Cabinet Procurement Committee 6 years ago (unable to retrieve this Award Report due to the cyberattack).

5. REASONS FOR DECISION/OPTIONS APPRAISAL

- 5.1 The Service provides support to disabled children and young people between ages 0-17 who have a range of additional needs.
- 5.2 A key focus of service provision is to maximise their ability to have 'the best life possible', experiencing activities in their community safely with competent and adequately trained staff to meet their individual needs.
- 5.3 To achieve this, the Council offers a range of support which responds flexibly to the changing needs of service users which include:
- Dressing.
 - Moving and handling disabled children and young people.
 - Support with feeding and mealtimes.
 - Bathing and washing.
 - Toileting:

- Help with getting up in the morning and support helping them to bed at night.
- Prompting with medication.
- Turning.
- Suctioning and oxygen support.
- Accessing the park and other local amenities.
- Structured play within the family home.
- Communication e.g. developing language and literacy skills.
- Daily Living e.g. preparing meals and cooking.
- Social Skills e.g. developing social contacts and friendships, organising social activities.
- Leisure and Recreation e.g. participating in fitness, sport, leisure groups and participation in community education.

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

- Enable families to sustain having a 'normal life' with appropriate support.
- Enable families to continue to care for their children at home and take part in everyday community activities.
- To deliver integrated personal care and nursing care support to streamline provision.
- Operate an outcome based approach to purchasing provision linked to the assessed needs of all eligible disabled children/young people and their families.
- Improve the quality of provision for disabled children and young people.
- Support the development of a wider range and greater volume of Home Care and Social Activity provision available, with regularity and/or flexibility more widely offered.
- Provide greater equitability in the availability of services, irrespective of children's age, impairment, language, culture and religion.
- Respect the dignity of the disabled child or young person and their family.
- Regular review of care packages to ensure the support received by disabled children/young people meets required needs as defined by relevant legislations, such as continuing care regulations.

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

5.6 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.

5.7 The current framework is structured as follows:

- The framework consists of two Lots:
 - Lot 1: Personal Care and Social Activities Service for Disabled Children.
 - Lot 2: Continuing Care in the Home for Disabled Children.

5.8 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.
- Provide a straightforward system for awarding new packages required during the extension period.

5.9 The Commissioning team has been, and will continue to be, engaging 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 engagement will avoid placing extra pressure on the market, which is working hard to support residents during the pandemic and smaller businesses in particular, are unlikely to have the capacity to continue to provide services during a pandemic whilst taking part in a tender process.

5.10 ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

Option	Advantages	Disadvantages
Extend Framework call-off contracts	<p>Enable CFS 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> <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</p>	<ul style="list-style-type: none"> - May present a lack of choice / options of provider for residents. - No formal mechanism for award of new packages of care, resulting in increased spot purchasing.

	<p>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"> - Service disruption to residents at this critical time of pandemic. - Any disruption to services could lead to significant safeguarding risks for some children. - Time constraints mean there is no time to complete a full tender process before the Framework expires. - Re-procurement may result in changes of providers and loss of continuity for service users, as well as risk around transfer of workforce. - 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.

<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"> - Limited time available for full negotiation and Governance process. - 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. - Risk of challenge if negotiating new contracts with existing providers without prior notification.
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6 PROJECT PROGRESS

6.1 Developments since the Business Case approval.

Not applicable.

6.2 Whole Life Costing/Budgets:

6.2.1 The whole life costing/budget is estimated which includes the LLW is £2.56 million for the two year period.

6.2.2 All of the providers on the framework have agreed to adopt the same hourly rate that takes account of the yearly uplifts that are based on the London Living Wages annual increase. See Exempt Appendix A for details.

6.3 SAVINGS

6.3.1 There are no savings required for these contracts.

7 SUSTAINABILITY ISSUES

7.1 Procuring Green

As part of the negotiation, organisations have been asked to work toward helping the Council meet its procurement green ambitions. This includes encouraging organisations to encourage staff to use public transport, walking or cycling between calls, central offices promoting recycling and energy efficient heating and lighting as well as having green policies.

7.2 Procuring for a Better Society

7.2.1 The contracts will have a positive impact on the local economy. It provides employment for Hackney residents, with the requirement to employ staff on LLW rates, with additional training and support. The proposed providers state that they will continue to generate meaningful employment for local people.

7.2.2 Apprenticeship targets are not in place for the extension period as the spend with individual suppliers is below £1M, however this will be a consideration in the re-procurement of the service.

7.3 Procuring Fair Delivery

As part of the negotiation of the extension we have ensured that the contract includes the need to have an Equality Policy for each provider and that this is reviewed annually. Organisations are also required to employ local staff which represent the diverse cultural and characteristic make-up of the local Hackney community.

7.4 Equality Impact Assessment and Equality Issues:

The Equality Impact Assessment has been completed and no concerns have been raised (EIA to be attached separately).

8 ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

See section 5.2 above.

9 TENDER EVALUATION

9.1 Not Applicable

9.2 Recommendation:

9.2.1 The recommendation is for the framework contract agreement to be extended with the five existing home care providers.

10 CONTRACT MANAGEMENT ARRANGEMENTS

10.1 Resources and Project Management (Roles and Responsibilities):

10.1.1 The contract will be managed by the Short Breaks Manager, a role that sits within the Disabled Children's Service Team.

10.1.2 The Service Providers shall submit Quarterly reports with updates of the achievements. These outputs and outcomes will be reported via a quarterly monitoring return, which the service provider will be expected to submit together with all other performance information.

10.1.3 Providers are also subject to CQC assessments and are required to maintain a minimum standard in order to continue to accept packages of care from the Council.

10.2 Key Performance Indicators:

Key Performance Indicators			
Objective	KPI	Target	Monitoring Frequency
1. Disabled Children and their Families receive services promptly.	1.1 Period of time between the date of Commissioning Letter/email by DCS and initial contact with family. 1.2 Length of time between issue of Commissioning Letter/email by DCS and delivery of first service hour/s.	95% in 2 working days. 95% in 10 calendar days.	Quarterly

<p>2. Disabled Children and their Families receive safe services.</p>	<p>2.1 Risk assessments completed for all new cases where services have not previously been delivered or not delivered for a period of time.</p>	<p>100% prior to commencement of service.</p>	<p>Quarterly</p>
<p>3. Disabled Children and their Families receive the correct amount of support hours.</p>	<p>3.1 Service hours delivered match the number of hours set out in the Commissioning Letter/email from DCS</p>	<p>100% of the cases match the service hours as set out or more.</p>	<p>Quarterly</p>
<p>4. There are few complaints about the service.</p>	<p>4.1 Number of complaints received in a quarter. 4.2 Percentage of complaints resolved within 10 working days.</p>	<p>No more than 1 per month. 100%</p>	<p>Quarter</p>
<p>5. Staff training and checks are sufficient to deliver a high-quality service,</p>	<p>5.1 Enhanced DBS disclosure completed prior to care workers starting with family. 5.2 Evidence of safeguarding training.</p>	<p>100% 70% compliance with scheduled training.</p>	<p>Quarterly</p>

<p>6. Disabled Children and their Families are happy with the service received.</p>	<p>6.1 Number of Surveys completed.</p> <p>6.2 Overall satisfaction score for respondents.</p>	<p>Minimum of 90% completion rate.</p> <p>85% are satisfied or very satisfied with the services delivered.</p>	<p>Annually</p>
<p>7. Outcomes for disabled children are met as far as possible.</p>	<p>7.1 Achievement of individual outcomes set out in the Commissioning Letter/email from DCS and measured by the Social Worker at the child/young person's annual review.</p>	<p>Benchmark to be set for Year 1 and targets agreed thereafter.</p>	<p>Annual at review.</p>

11 COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

- 11.1. The recommendation of this report is to agree to the extension of the framework agreement to provide homecare for disabled children by 26 months starting from 1st April 2020 (12 months in arrears). The aim is for a new contract to be commissioned together with Adult Services from June 2022. This will allow sufficient time for the procurement of the new service to be completed.
- 11.2. The total value of the extension is an estimated £2.56 million (including London Living Wage commitment) over a period of 26 months and will be funded from within the existing budget in Children Services. However, the Disabled Children Services homecare service incorporates other spot providers outside of this framework and together have built up significant budget pressures. Disabled Children Services has seen a significant increase in demand in the past two years for homecare services, which has contributed towards these budget pressures. Management actions need to be developed to mitigate these pressures within the service, and to ensure a sustainable financial solution for the service going forward.

12 VAT Implications on Land & Property Transactions

As we are undertaking this under a special legal regime (i.e. statutory duty), this is a non-business supply such that input tax on attributable costs is recoverable in full.

13 COMMENTS OF THE DIRECTOR OF LEGAL AND GOVERNANCE SERVICES

- 13.1. The current contracts for Homecare Services expired on 31st March 2020 and this Report sets out the reasons why it has not been possible to undertake a procurement process to continue service provision after such date. To undertake a procurement in order to appoint a short-term provider to commence the service immediately would be economically disadvantageous for the Council in terms of the price of tenders received and is unlikely to meet the needs of the Council. Therefore, it is proposed to extend the current contracts with providers whilst the Council undertakes a substantive procurement exercise for future service provision as well as confirm its proposals regarding in-sourcing some elements of the current service.
- 13.2. It should be noted that there is, therefore, some risk to the Council that a challenge to the award of the contracts could come from competitors the Council have not approached to undertake the services. If such a challenge were successful it is likely that the Council would be liable to pay the lost profits of a party who has successfully challenged as well as the costs of bringing such a challenge and potentially a fine from the government for a breach of the Regulations. This should be considered in the decision to approve the award in this Report. It is hoped that this risk can be minimised as all of the current providers will continue to provide services pending confirmation of future arrangements for a new contract.

14 COMMENTS OF THE PROCUREMENT CATEGORY LEAD

- 14.1. The total value of the Framework, including the requested extension, is above the relevant UK public procurement threshold (Social and Other Specific Services “light touch” regime), and not provided for within the original agreement. Written authorisation from the Director of Legal and Governance is therefore required to extend the agreement in line with the Public Contracts Regulations 2015.
- 14.2. The value of the estimated framework expenditure during the extension period is above the delegated authority of the Group Director. A written report setting out the justification for the variation, including comments on behalf of the Group Director of Finance and Director of Legal and Governance, is presented for approval by the Cabinet Procurement and Insourcing Committee in accordance with CSO 4.8.

- 14.3. The justification for extension of the Framework beyond the 4 year term is the impact of the COVID-19 pandemic which caused initial delays to the recommissioning project and identified new service design considerations which are being incorporated into the future proposals. This means that interim arrangements are required to allow time for a full re-procurement exercise.
- 14.4. There is some risk of challenge to extending this framework beyond the original term without an approach to the market. However, compared with the other contract award options explored, the proposal to extend the existing framework is supported as this will minimise the risks of disruption for both service users and the workforce and ensure some stability of cost and service quality during the current pandemic.
- 14.5. The commissioners have taken the opportunity to confirm suitable KPIs and sustainability objectives with the providers for the extension period, including ensuring continued payment of LLW.
- 14.6. This proposal is aligned with the approach taken by Adult Social Care Commissioning (key decision CACH R50). A business case for re-procurement is expected to be presented to CPC by July 2021, at which point procurement and/or insourcing activity will commence. The extension covers the period up to 31st May 2022, partially retrospectively. This will provide sufficient time to complete the recommissioning process following the appropriate Hackney Governance route, as set out in the timeline provided and is being fully supported by the Central Procurement Service.

APPENDICES

Exempt Appendix A: Providers - Hourly Rates.

EXEMPT

By Virtue of Paragraph(s) **Category 3** Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required

Description of document (or None)

None

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APPENDIX B

Recommissioning Timeline

Activities/ Tasks	Description	Indicative time required	Notes
Workshops and Consultation	Including project management, market engagement, financial and demand modelling, options appraisal	September 2020 -January 2021	Core/project working group and project board established and meetings monthly
Business Case	Draft BC for CPC	February-July 2021	Presentation to CPIC September 2021
Specification Design and Tender Documents drafting	Write specification(s) - develop tender documents and outline outcomes required	March-July 2021	To begin towards the end of the design phase and run concurrently with the governance process for approval of the Business Case
Tender Stage	Tender docs finalised and out to tender	June-October 2021	Anticipated two-stage (restricted) tender for multiple Lots or contracts
Contract Award	Write contract award for CPIC	September-December 2021	Presentation to CPIC January 2022
Mobilisation	Award of contract to selected providers and transition to new service arrangements	January 2022 onwards	Service start/transition to new providers from 01 April 2022