

# WIRRAL COUNCIL

## CABINET

7 NOVEMBER 2013

|                                      |   |
|--------------------------------------|---|
| <b>SUBJECT:</b>                      | <b><i>REABLEMENT AND DOMICILIARY SUPPORT PROCUREMENT - CONTRACT AWARD</i></b> |
| <b>WARD/S AFFECTED:</b>              | <b><i>ALL</i></b>   |
| <b>REPORT OF:</b>                    | <b><i>DIRECTOR OF ADULT SOCIAL SERVICES</i></b>                               |
| <b>RESPONSIBLE PORTFOLIO HOLDER:</b> | <b><i>COUNCILLOR CHRISTINE JONES</i></b>                                      |
| <b>KEY DECISION?</b>                 | YES   |

### 1.0 EXECUTIVE SUMMARY

- 1.1 The subject of this report is set within the continuing transformation of adult social care services and the procurement of market capability and capacity to enable people to remain at home through the provision of high quality Domiciliary Support Services and reablement at home support services that seek to maximise independence and continued self care with appropriate levels of support.
- 1.2 The Council has taken steps to transform the market by tendering for more flexible and responsive domiciliary and reablement services, which provide value for money taking into account the increasing integration of service delivery and commissioning between the Council and its partner organisations, especially Health.
- 1.3 The tender exercise promotes and supports the principles of the ethical charter to drive quality and standards within both the domiciliary and reablement services.
- 1.4 The report confirms the outcome of the Invitation to Tender and the tender process to establish a Contract Agreement (the contract) for the provision of Domiciliary Support Services and Reablement at Home Care Services. This process has identified successful Providers to deliver the services as specified through the procurement process and this report recommends ratification of this outcome.
- 1.5 Appendix 1 (exempt from public report) confirms the details of the providers recommended for awaiting contracts and as such is exempt from the open part of the public report, due to commercial sensitivities.
- 1.6 The report confirms that the provision of Reablement at Home Care Services are part of a wider service configuration to develop and implement with Health partners a comprehensive Intermediate Care Service. This will include a dedicated number of Intermediate Nursing Care Home beds and Intermediate Care Multi-disciplinary Team(s) complementary in nature to reablement at home care services to enable maximisation of people's potential for independence and the prevention of inappropriate long term residential/nursing care home placements. It is envisaged that this comprehensive range of intermediate care services will be fully implemented and effective from April 2014.

1.7 Domiciliary Support (also known as Home Care), is the support and help with personal care and household tasks for those that are frail and/or those with long term care needs. Domiciliary Support makes it possible for individuals to remain in their own home, enabling them to maintain personal independence within their local community. Homecare reablement seeks to support people to maximise their level of independence and appropriately minimise their need for ongoing homecare support, as such this service runs hand in hand with the provision of domiciliary care support services and explains the joint tender process.

## **2.0 BACKGROUND AND KEY ISSUES**

2.1 The subject of this report is set within the comprehensive and complementary commissioning framework as outlined within the overarching strategy approved by Council entitled 'Shaping Tomorrow' to ensure the principles of personalisation and the transformation of adult social care.

2.2 This framework provides the context for three complementary Commissioning Plans covering Early Intervention and Prevention, Targeted Support Services and Learning Disabilities, together with a refreshed Carers Strategy, recognising the cross cutting nature of support provided by carers.

2.3 The Council has implemented a renewed dialogue on market capability and capacity with both health commissioners, partners and adult social care providers to identify together, where pressure points exist and to decide on how innovation and best value can be achieved. The Council has instituted a range of measures to work with providers to develop a diverse and active market where innovation is encouraged and rewarded and where poor quality is actively discouraged.

2.4 The above has been supported by regular Provider Forums and these meetings have informed the development of the Wirral Market Position Statement containing intelligence, information and analysis for social care providers. It describes current and potential future demand and supply and outlines models of care the Council wishes to encourage.

2.5 Overall, the market re-shape will see a reduced reliance on bed based capacity and groups of domiciliary and reablement services.

2.6 The Council recognises that change needs to take place within the adult social care market place to meet future requirements. The Market Position Statement will support market transformations and new service configurations to enable:

- A strategic shift to better support people at home and reduce reliance on bed based capacity.
- Further development of enablement, reablement and intermediate care services.
- Enhanced Domiciliary Support capacity and capability with a same-day responsiveness to new packages of support.
- The ability to mobilise support to people in crisis, including a mobile night's service.
- Investments in Assistive Technologies, equipment and adaptations.

All of which are subject to the contents of this report and to –

- Develop early intervention and prevention services.
- Increased housing with support options, including extra care for all needs groups.
- A range of day opportunities or support to access mainstream community venues.
- Services that stimulate and promote self direction/personal budgets.
- Brokerage services to enable individual procurement of services.
- A range of respite services for both adults and older people.
- The development of a range of carer related support services.

2.7 The population of Wirral is set to increase by just over 5% by 2030, with a marked increase in the population of older people. It is predicted the over 65 population will increase by 16% over the next ten years with the sharpest increase in the over 85's. The West of Wirral has a higher population of older people compared with the East. This will have a considerable impact on Health and Social Care Services, as the number of older people presenting with health related problems increases. Older people will have increasingly complex needs, highlighted by an increase of 14% by 2020 of the number of people requiring support with domestic and personal care needs. Wirral mirrors the national picture with regards the number of people forecast to have dementia set to increase by 50% by 2030. There will be a steady increase of 19% by 2020 with a steeper increase between 2020 and 2030.

2.8 During 2011/12 approximately 14,000 people received a package of care funded by the Council. The majority of people supported with commissioned packages, receiving support at home in the form of personal care and/or equipment and adaptations in order to remain at home. Wirral currently has 70 accredited personal support providers, reflecting an approach to procurement of individual support, based upon 'spot purchase' rather than a delivered number of block contracts to secure service provision. There have been problems commissioning packages within West Wirral, with providers unable to take these packages on. Investigation and engagement with current providers of services has identified a number of logistical challenges which include: recruitment and retention, individual contracts and conditions of service (e.g. zero hour contracts), travel costs, downtime, and a lack of local carers. As a consequence, many older people are placed within a short stay residential placement, losing skills and delaying the opportunity for them to return home, with support.

2.9 The Council recognises that the application of spot purchase contracts has potentially impeded market developments. The use of spot purchasing has afforded no certainty to providers to build capability and capacity to enable timely and flexible responses to need and demand for services. Analysis of how Wirral is performing across a range of linked service supports, spanning residential and nursing care home care, hospital discharges and intermediate care and reablement services, would indicate inappropriate service user outcomes and a skewed market for care. Notably an over reliance on bed based provision, as an alternative to reablement or Domiciliary Support. The market for Domiciliary Support is further skewed by a number of Health and GP commissions allied to Rapid Access and admissions prevention services which incentivise services leading to providers prioritising responses and impacting upon generic domiciliary care support services available capacities. There is a commitment to improve joint working with Health Commissioners to achieve coherence in meeting health and social care needs, and work collaboratively to re-shape the market.

2.10 The Council has taken steps to incentivise providers by –

- Requesting a local office
- Awarding contracts based on a 60/40 weighting and assessment of quality and price, which will include how providers:
  - Pay Living Wage.
  - Consider travel finance.
  - Minimise and move away from zero hour contracts.
  - Move away from 15 minute calls where inappropriate.
  - Intend to commit to the ethical care charter.
  - Develop their workforce to ensure they have the required skills and values.
  - Invest in dementia training.
  - Implement robust recruitment selection.
  - Ensure continuity of care.
  - Ensure timely responsiveness and ability to meet demand.

2.11 The tendering process has followed the established procurement timetable incorporating the following to assure robust governance and objectivity of decision making –

|  |  |
|--|--|
| Invitation to Tender Issue date                | 7 <sup>th</sup> August   |
| Invitation to Tender Return date               | 18 <sup>th</sup> September   |
| Notification of bidders through to Stage 2     | 27 <sup>th</sup> September   |
| Stage 2 Presentations                          | W/C 3 <sup>rd</sup> , 7 <sup>th</sup> and 14 <sup>th</sup> October |
| Successful and unsuccessful bidders informed   | After Cabinet Approval   |
| Start of mandatory standstill (Alcatel) period | W/C 11 <sup>th</sup> November (TBC)                                |
| End of mandatory standstill (Alcatel) period   | (TBC)  |
| Anticipated contract award date                | 11 <sup>th</sup> November  |
| Contract Start Date                            | 14 <sup>th</sup> November  |

2.12 The Council is seeking to appoint accredited Organisations for the Provision of Domiciliary Support Services, including Dementia (Lot One) and Reablement Support at Home (Lot Two), the contracts will run for an initial 3 year period from 1 January 2014 subject to annual review, with an option of two 12 month extension periods. Rates quoted in the Tender documents shall remain fixed until 31 December 2017 and thereafter revised annually in accordance with Clause 13.0 of Schedule A, Terms and Conditions, Conditions of Contract.

2.13 Lot One – general domiciliary support, including people with dementia, dementia domiciliary support is a service predominantly for older people but also for any adult with a physical or learning disability or mental health needs and will cover the hours between 7.00am and 11.00pm, 365 days a year. Wirral will be divided into 4 geographical zones – Birkenhead (CH41, 42 and 43), Wallasey (CH44, 45 and 46), Wirral South (CH60, 62 and 63) and Wirral West (CH47, 48, 49 and 61). Current indication of hours across all 4 zones is approximately 16,790 hours per week. Contracts will be awarded to deliver the service across a complete zone or combinations of zones. Payment will be for actual hours delivered on a pro-rata basis. This is split across the geographical zones as follows:

| Zone         | Hours 18-64 years | Hours 65 plus years | Total weekly hours |
|--------------|-------------------|---------------------|--------------------|
| Birkenhead   | 1070              | 2930                | 4000               |
| Wallasey     | 950               | 3590                | 4540               |
| Wirral South | 720               | 3320                | 4040               |
| Wirral West  | 780               | 3430                | 4210               |

2.14 Lot Two – Reablement at Home again is predominantly for older people, but also for any adult with a physical or learning disability or mental health needs and will cover the hours between 7.00am and 11.00pm, 365 days a year. Wirral will be divided into two zones for this Lot, blocking the four above zones as follows:

| Zone                        | Hours |
|-----------------------------|-------|
| Birkenhead and Wirral South | 460   |
| Wallasey and West Wirral    | 700   |

2.15 The tender process has been designed to engage a range of Providers and to ensure a diverse and sustainable market. The tender process was carried out under OJEU regulations – Part B. The intention is to award zones as follows:

- Tier 1 Provider – Main Provider
- Tier 2 – Back-up Provider (only where Tier 1 cannot fulfil requirements).

Each of the zones have been evaluated and awarded separately. The Council has considered various mixes of zones to ensure best value as outlined in the tender documents. It should be noted that the Council cannot guarantee that all indicative will be transferred to a successful bidder as a Service User may choose to utilise their personal budget in ways other than a Council Commissioned service.

The tenders were evaluated as follows:

Lot 1 – General Domiciliary Care

- Price – 40%
- Quality – 60%

The evaluation consisted of two stages:

- Stage 1 – ITT submission, represented 90% of the overall score and 100% of the price score.
- Stage 2 – Presentation, represented 10% of the overall quality score.

## Lot 2 – Reablement

- Price – 0%
- Quality – 100%

The evaluation consisted of two stages:

- Stage 1 – ITT submission, represented 90% of the overall quality score.
- Stage 2 – Presentation, represented 10% of the overall quality score.

### **3.0 RELEVANT RISKS**

- 3.1 The Council has undertaken extensive analysis of current business activities and profiled trends, demand for and utilisation of current service configurations and demographic implications to inform the Wirral Market Position Statement and to overlay this with comparative performance indices. This has evidenced a need to reshape the current market to enable and support people to remain living at home and prevent and avoid inappropriate long term residential and nursing care home placements. This strategy is a combined approach with Wirral Clinical Commissioning Group (CCG) and will maximise and make best use of available resources and deliver better outcomes for people.
- 3.2 We do recognise that the awarding of contracts will involve a potential movement of people, either as they choose personal budgets to retain current providers or that they transfer to a different provider given the outcome of the tender process. We have allowed a transition period to enable the necessary adjustments to ensure the safe handover of potential support arrangements for individuals so that care arrangements are maintained with minimum disruptions. Individuals will have the option to remain with their existing provider via Direct Payments if they wish.
- 3.3 The Council has endeavoured to maintain a balance between cost and quality, we are seeking to ensure quality standards, to bring to bear learning and knowledge regarding previous service challenges, whilst at the same time best value is obtained. Significant focus and weighting has been given to those agencies demonstrating commitment to the ethical care charter.

### **4.0 OTHER OPTIONS CONSIDERED**

- 4.1 Not applicable, in that the proposal within this Report will reshape the current market position and deliver better outcomes for people whilst making better use of available resources.

### **5.0 CONSULTATION**

- 5.1 The Tendering of Domiciliary Support Services and Reablement at Home Services has been embedded within the established programme of regular Provider Forums that are now scheduled by Adult Social Care to assure communication, engagement and co-ordination of market developments to give meaning and purpose to the Wirral Market Position Statement.

5.2 The Forums have provided an opportunity for Council Officers to share information and intelligence regarding trends, activity and demands relating to needs and services and to explore with providers rationales for proposed actions to be progressed. This has been an interactive and transparent process that has been subject to challenge by providers but equally early warning and readiness for the changes that are now taking place. In essence this has brought the Wirral Market Position Statement alive and represents a dynamic and positive dimension to on going Provider engagements.

## **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 There are no direct implications for voluntary, community and faith organisations.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

7.1 The cost of the new contract at existing service levels can be contained within the current 2013-14 budget allocations of £10.517m for independent domiciliary care and £0.860m for independent reablement.

7.2 Any additional use of the contracts in 2014-15 and later years will be offset by reductions in other categories of community care packages.

7.3 A detailed impact analysis is included within Appendix 1 (exempt from public report).

## **8.0 LEGAL IMPLICATIONS**

8.1 The Invitation to Tender (ITT) and the process to establish a Contract Agreement is a competitive procurement conducted in accordance with EU Procurement Directives and as implemented in English Law in the Public Contracts Regulations 2006 (SI 2006 No.5) and such other UK regulations implementing its provisions as may be made from time to time.

## **9.0 EQUALITIES IMPLICATIONS**

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and impact review is attached.

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/adult-social-services>

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 None.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 None.

## **12.0 RECOMMENDATION/S**

12.1 It is recommended that Cabinet approve the granting of contracts to those Providers that have been successful in relation to the tendering process as identified in Appendix 1 (exempt from public report).

12.2 In making the recommendations in Appendix 1, the council has given consideration to the following factors and interdependencies:

- Ability to achieve the required market shift at the pace required.
- Monitoring market stability.
- Ensuring robust responsiveness to meet the changing demand in the market place.
- Ability to achieve good outcomes and experience for individuals.
- Ability to drive quality, continuity of care and support the principles of the ethical care charter.
- Healthy market competition.

### **13.0 REASON/S FOR RECOMMENDATION/S**

13.1 The Council is committed to maximising and maintaining peoples potential for independent living and preventing and avoiding inappropriate long term residential and nursing care home placements to ensure better outcomes and best use of available resources. The tendering of domiciliary support service provision and reablement at home will contribute to this key objective and will be further enhanced with the implementation of a comprehensive health and social care intermediate care service effective from April 2014.

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### **APPENDICES (EXEMPT)**

**Appendix 1 – Strictly Confidential and not for Circulation**