LESSONS LEARNED – DOM CARE TENDER 2014

Following a series of 7 Provider forums between 17/12/12 and 5/7/13, Wirral Council invited all its accredited Providers of personal support to tender for this contract on 7 August 2013 with the resultant decisions being approved by Cabinet on 7 November 2013.

It followed a review of the provision of Domiciliary Care and Reablement (home care) services which aimed to improve the quality, flexibility and responsiveness of the service, and deliver improved value for money.

The Department recognised that spot or single contracts were leading to a fragmented care market with over 70 accredited care providers in the local market supporting 1,400 people. This was leading to problems in relation to consistency, capacity and capability.

Although these problems did not apply to all providers, it was clear that improvements were needed so we took the decision to re-tender for a reduced number of providers based on four geographical zones, organised by constituency.

There are a number of lessons we can learn from the process i.e.:

TUPE Issues
Whilst some changes to providers were unavoidable as a result of this process, we sought to minimise any disruption by setting up a project group for the duration of the transitional phase with the aim of promoting and helping facilitate the TUPE transfer of staff to new providers. We also offered all clients a direct payment so they could choose to keep their current provider or carer if they chose to. This required a substantial investment of staff by Wirral Council including social workers who were required to undertake a huge number of reviews

In addition, some care staff remained employer loyal and refused to move to new Provider whilst others left to take up new employment with little notice - zero hour contracts enabling them to do this. Both these factors led to capacity problems from the off for some providers

As such, should we have to re-tender, it would be preferable for current providers to be able to retain their current client base and recognition should be made of the minimum no of clients required to breakeven i.e. 2000

Fee Rate
Tenderers were asked to submit a standard hourly rate between £12.00 and £12.40 for domiciliary care, though not reablement, which resulted in the evaluation having to include a % element for price i.e. Price – 40% / Quality – 60%

Given the tightness of the scores from the ITT stage, this led to the final scores being influenced by price which was not the key driving factor.

As such, I recommend we set an hourly rate for any future tender processes and have a 100% Quality evaluation criteria i.e. ITT submission - 90%/ Presentation - 10% of the overall quality score

Provider Terminations
Whilst there was a series of provider forums on the run up to the tender, there was no real consultation over the fee rate and it was the fee rate which led to 2 providers i.e. Warren Care and Mears Care terminating their contracts with the Council between June and July 2016.

This was quickly followed by the biggest market provider, Local Solutions, terminating their contract in August 2016, citing their intention to concentrate all their efforts on their Liverpool operation having recently received a dreadful CQC report.

If it wasn't for Premier Care as tier 2 Provider being able and willing to TUPE all staff over, this would most certainly have led to market collapse, though this came at a substantial cost to Premier both financially and regulatory i.e. CQC conducted an inspection of Premier in November 2014 knowing that many LS staff/care plans hadn't transferred over to Premier which inevitably led to them having to invoke 6 month voluntary suspension for any new packages of care, which in turn led to a serious lack of capacity in the market.

Moving forward, we need to ensure a provider has the capacity and financial acumen to take on any new work before awarding any further contracts in order to avoid a repetition of this scenario.

Ethical Care Charter (ECC)
A core aim of this tender exercise was for Providers to agree to promote and support the principles of the Ethical Care Charter in order to drive quality and standards and to secure better conditions for the care workforce; one recommendation of which was for Providers to pay staff the living wage where possible but the fee rate only took account of the minimum wage requirement, not the living wage.

As such, we need to ensure that the fee rate adequately reflects any regulatory/desirable requirements such as ECC compliance and we also need to continue working closely with Providers in order to meet the Charter's recommendations regarding 'Seeking agreements with existing providers'.

Looking for savings

- Are Providers rostering efficiently – for example are there cases of workers travelling long distances to clients when there are more local workers who could take over these calls?
- How much is staff turnover costing providers in recruitment and training costs?
- How much are falls and hospital admissions amongst homecare clients costing the NHS and could some of these be prevented by longer calls and higher quality care?
- Are there opportunities for economies of scale by providers collaborating around the delivery of training and networking/mentoring for workers?
- Are there opportunities for collaboration between providers to achieve savings on procurement of mobile phones, uniforms and equipment for workers?

Local Factors
Whilst the ITT requested confirmation that the Providers had a Wirral base, there was not enough emphasis on Providers having to demonstrate any previous history of working in Wirral using a locally sourced workforce and keeping the Wirral £ in Wirral.

As such, any future tender process must include this as a requirement.