

READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR OF ADULT CARE & HEALTH SERVICES

TO:	ADULT SOCIAL CARE, CHILDRENS SERVICES & EDUCATION COMMITTEE		
DATE:	21 OCTOBER 2019	AGENDA ITEM:	15
TITLE:	CARE AND SUPPORT FRAMEWORK - REQUEST FOR DELEGATED AUTHORITY		
LEAD COUNCILLOR:	CLLR TONY JONES	PORTFOLIO:	COMMISSIONING
SERVICE:	COMMISSIONING	WARDS:	BOROUGHWIDE
LEAD OFFICER:	MELISSA WISE	TEL:	74945
JOB TITLE:	ASSISTANT DIRECTOR OF TRANSFORMATION & PERFORMANCE	E-MAIL:	MELISSA.WISE@READING.GOV.UK

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The report outlines the intention to procure supported living and domiciliary care services by establishing two frameworks for each but having all providers under the same terms and conditions. There will be no restrictions initially to the number of the providers; however the framework will close after the initial procurement. The framework will only open again if the market requires more capacity or service user specific providers. The framework will operate a 2-tier system based on quality
- 1.2 The report seeks delegated authority for the Executive Director of Adult Care & Health Services to ensure the result of the procurement can be enacted efficiently, enabling the aims of the procurement to be enacted as soon as possible. Specifically, at the stage of contract award (currently estimated to be at the end of Quarter 4 2019/2020) the Executive Director would be empowered to award a place on the frameworks to those providers who had satisfied the requirements of the procurement process.

2. RECOMMENDED ACTION

- 2.1 That delegated authority be granted to the Executive Director of Adult Social Care and Health Services in consultation with the Lead Councillor for Adult Social Care to enter into a contract with the successful tenderer(s) for the support/care services to be provided through the above framework agreement, at the stage of contract award (close of Q4 2019/2020).

3. POLICY CONTEXT

3.1 In the process of delivering the “Supporting Our Future” strategy for Adult Social Care, the Council outlined a potential intention to deliver a Home Care framework that “focuses on enabling people and putting them in control” and a potential intention to ensure the provision of “individualised support to regain independence”. Through providing frameworks for Supported Living and Home Care that will last 4 years (with an option to extend beyond that) and require providers to support service users’ ability to live healthy independent lives at home, the Council will be meeting this strategic priority alongside other aims expressed in “Supporting Our Future”, such as:

- Fewer people will need access to residential or nursing care services
- Most people will stay living independently at home
- Develop more cost effective ways in delivering social care
- Ensure a Team Reading approach to work together and efficiently with our providers, and creating an ambition to make a positive difference in people’s lives who receive services from the council.

4. THE PROPOSAL

Current Position:

4.1 Home Care is currently procured within a Home Care framework (HCF); Supported Living is currently procured within a Supported Living Accredited select List Framework (SLASL). Both frameworks were awarded in 2015 with the current contracts running until April 2020, at which point these need to be re-procured according to the Council’s Standing Orders.

4.2 At the time of writing, the proposed operating model for the replacement frameworks has been established. This framework agreement will be an arrangement between the council and an unspecified number of providers. All providers will be signed up to the same terms and conditions and contract terms. Price and quality standards will have been agreed as part of the framework agreement. Support/care packages are commissioned as and when required and only offered to those on the framework agreement. All providers on the framework will be able to bid for individual care/support packages and service users will be offered the choice from these bids. As a result there will be minimal spot purchase contracts.

4.3 The framework will operate a quality 2-tier system; those providers on tier 1 will be assessed as having the best quality and will be offered to the service user first. The providers on tier 2 will have met the minimum quality standards for the council and will be offered work that is unable to be picked up by the tier 1 provider. Tier 1 providers will have first refusal of any new work and a ‘Gold Standard’ stamp next to their online listings.

4.4 Other points to note are that:

- There will be separate frameworks for home care and supported living services but both will be based on the same principles and terms and conditions.
- There will be no limit to the number of providers accepted onto the framework at the time of the procurement, however after that the framework will cease to accept new providers unless capacity or quality indicate a need.
- Current providers entering the frameworks will keep their existing packages of care. Packages of care left with providers who do not enter the new frameworks will be migrated to framework providers unless the service users choose to take a Direct Payment.
- There will be two tiers within each framework, based on quality (if there is a declared rate) or both quality and price (if there is a range).

4.5 Through this approach, the Council aims to:

- Provide a range of good quality, sustainable care and support to residents of Reading
- Ensure value for money through competitive rates
- Ensure that all providers we work with are under the same contractual terms and conditions
- Ensure that we can select the providers we work with based on quality and price
- Allow the Council the flexibility to adapt the way it works according to the needs of the population of Reading, new innovations, market forces and provider quality.
- Create the mechanism for facilitating a dynamic purchasing system - whereby outcomes-based care plans are aligned to the level of support provided by a service, which then reduces as regular reviews conclude that outcomes have been met (thereby potentially driving cost savings).

Option Proposed:

- 4.6 That delegated authority is given to the Executive Director of Adult Social Care and Health Services in consultation with the Lead Councillor for Adult Social Care, the Assistant Director of Legal & Democratic Services and the Executive Director of Resources to enter into a contract with the successful tenderer(s) for the support/care services to be provided through the above framework agreements at the stage of contract award (at the close of Q4 2019/2020, with a commencement date of April 2020).

Other options considered:

- 4.7 To go through the full decision-making process to get permission to award the tender to the successful bidders, after the tender process has been completed.
- 4.8 However as an estimate that this could add approximately 3 months to the tender process, it would delay the start of the new framework. This would in turn delay the implementation of a new operating model that facilitates outcomes-driven working (and any potentially linked cost savings).

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 It will contribute to the strategic aim of “Safeguarding and protecting those that are most vulnerable” as those providers who provide care in the community & achieve a place on the framework will be signed up to the same terms and conditions. This includes applying the same quality process and using the tier system to push up the quality of the providers.
- 5.2 In addition it will contribute to the aim of “Remaining financially sustainable to deliver these service priorities”. This proposal will build on the work from the previous frameworks to ensure that the market remains stable and the council is working to ensure services provided offer value for money and the market is financially stable.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 Approximately 70% of the home care and supported living providers have been consulted with individually and their feedback sought on the proposed operating principles for the new frameworks. All of them are positive about the approach outlined and we are consequently confident that this approach will help to ensure the continued existence of a sustainable market that supports innovative new ways of working (such as outcomes-driven work).

7. EQUALITY IMPACT ASSESSMENT

- 7.1 We are not proposing any changes to how care packages are tendered individually and are anticipating minimal impact on services users. However we will not know the full impact on service users until the outcome of the tender process; in the event that providers with whom we currently do business with are not awarded a place on the framework, their service users may need to be transferred to providers who do win a place on the framework. At that point we may need to consider an Equality Impact Assessment.
- 7.2 No particular group has an increased likelihood of being discriminated against, and officers are confident that existing measures to ensure dignity in care is working well.

8. LEGAL IMPLICATIONS

- 8.1 It is intended to run this as one procurement process that is compliant with the Council's Contract Procedure Rules. Two separate frameworks will operate with similar terms and conditions.
- 8.2 The procurement will be conducted in accordance with the light-touch regime of the 2015 Public Contracts Regulations.
- 8.3 The underlying terms and conditions for each of the framework agreements will be supplemented by template call-off agreements for use when commissioning individual support/care packages.

9. FINANCIAL IMPLICATIONS

- 9.1 Reading Borough Council is currently commissioning £4.626m of home care and £6.607 of supported living services in 2019/20 at 2018/19 hourly rates. This is funded from the placements budgets within the Adults Services Operations service area.
- 9.2 The paper recommends an hourly rate for home care of £18.50 per hour from the 1st April 2020, this leads to a cost increase of £158k per annum from the 2019/20 rates. The paper also recommends a range of rates for supported living between £15.20 and £16.75 per hour from 1st April 2020. If all providers sign up to the framework and all hours were commissioned at the mid-point of the range (£15.98) this would lead to an annual cost increase of £171k.
- 9.3 Both of these cost increases have been factored into the budget setting process for the Directorate and are in line with inflationary increase.
- 9.4 To note the current and proposed rates have been benchmarked and are in line with rates paid in other similar or geographically neighbouring authorities.

10. BACKGROUND PAPERS

- 10.1 Supporting Our Future - Adult Social Care Strategy