

EXECUTIVE

13th January 2022

Report Title	Procurement of a Short-Term Home Care Service
Report Author	David Watts, Executive Director of Adults, Communities & Wellbeing (DASS)
Executive Member	Councillor Helen Harrison, Executive Member for Adults, Health and Wellbeing

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	Not applicable

List of Appendices

Appendix A - Options Appraisal

1. Purpose of Report

- 1.1. The purpose of this report is to seek agreement from the Executive to re-procure a Short-Term Hospital to Home Care Service.

2. Executive Summary

- 2.1. The “Hospital to Home” home care service is a 12-month pilot, directly awarded via a waiver, to a Northamptonshire Homecare Framework provider. Expanding on an initial 6-month pilot, the contract expires on 18th July 2022.
- 2.2. The current annual value of the contract is £368,754 however further investment in the service is required to meet demand. The proposed five-year (4+1) contract value is £6,115,200.

- 2.3. Review of the current provision and engagement with both the wider market and stakeholders have been conducted in preparation for the procurement. In addition, benchmarking of both cost and service model has been undertaken with neighbouring Local Authorities and Councils nationally.
- 2.4. It is proposed an expanded Short-Term Home Care Service is procured for North Northamptonshire. Procurement via an open tender will maximise competition from a range of experienced providers, ensuring the service secured operates effectively, flexibly and efficiently.
- 2.5. Following a full and compliant procurement process including comprehensive and impartial evaluation and moderation will be undertaken for all compliant bids received. The most economically advantageous tender will be accepted following evaluation against service quality, model, sustainability, and capacity.

3. Recommendations

- 3.1. It is recommended that the Executive:
 - a) Approves an open tender procurement of a Short-Term Home Care Service to expedite hospital discharge and provide rapid response home care for those in crisis and at risk of admission to either hospital or residential care.
 - b) Delegates to the Executive Member for Adults, Health and Wellbeing, in consultation with the Executive Director of Adults, Communities & Wellbeing (DASS), the authority to take any further decisions and/or actions required to conclude this procurement and award of the contract.
- 3.2. Reasons for Recommendations:
 - a) The recommended course of action is the most cost-effective way of supporting hospital discharge for those with care and support needs and enables the Council to make informed decisions about its medium-term financial plan.
 - b) The recommended model encompasses a Discharge to Assess function which ensures the Council is compliant with the statutory "Hospital Discharge Service Policy and Operating Model 2020" and the "Local Government Association's High Impact Model 2015".
 - c) The recommended approach delivers maximum benefit to individuals, the Council and other key stakeholders.

4. Report Background

- 4.1 National policy recognises that hospital is not the optimum environment to make long-term decisions about an individual's ongoing care and support needs. Home First and Discharge to Assess models enable assessments to be completed at home with families, carers, or advocates, following a period of inpatient care or community based reablement or rehabilitation.
- 4.2 The Government's Hospital Discharge Service Policy and Operating Model 2020 mandated the introduction of Discharge to Assess services within an individual's own home. In line with this, Northamptonshire County Council commissioned a 6-month "Hospital to Home" pilot which commenced in December 2020.
- 4.3 The service provides personal care and support with daily living activities for up to 6 weeks to support an individual's discharge from hospital.
- 4.4 The provider works alongside Adult Social Care colleagues ensuring the long-term needs of the individual are assessed and the appropriate service identified and brokered.
- 4.5 Following the Unitary split, North Northamptonshire Council agreed a waiver of its Contract Procedure Rules to allow a further 12 months of delivery following the end of the initial pilot while it considered the results of the trial and potentially conduct a transparent procurement in the event the scheme was a success and recommended for re-commissioning. The purpose was to allow sufficient time to review the findings and inform any potential recommissioning.
- 4.6 A multi-disciplinary project group was established by the Council to review the effectiveness of the pilot and current delivery and identify North Northamptonshire's future needs. The project group undertook a range of fact-finding activities including:
 - a) a review of current provision including capacity and demand mapping
 - b) benchmarking with other Local Authorities (including service model and value)
 - c) engagement with current providers
 - d) wider market engagement with specialist providers not currently operating in Northamptonshire
- 4.7 Analysis of demand by the project group demonstrated that the 400 hours per week currently commissioned is not sufficient to meet current demand from the hospital.
- 4.8 Individuals unable to be picked up by the service due to capacity were supported either through:
 - a) the purchase of spot agreement home care support
 - b) temporary residential placements
 - c) support brokered through an external agency

- 4.9 Based on the service review, benchmarking and learning from the pilot, it is proposed the new service is commissioned to deliver a flexible Short Term Homecare service based on a minimum of 800 hrs per week, increasing over the life of the contract to meet ongoing demand.
- 4.10 Benchmarking and engagement with the market identified £24 as the market hourly rate for similar services in other areas. Using this and forecast demand over the 5-year period, a fixed price of £6,115,200 will be advertised to the market for a total contract term of 5 years. This will consist of a 4-year contract with the option to extend for a further year.
- 4.11 Due to the fixed price nature of the contract, bids will be evaluated based on 100% quality however value for money will be ascertained through providers competing on the number of hours to be delivered, quality of provision, service development and sustainability.
- 4.12 A report has been presented to the Purchasing Gateway Group in line with North Northamptonshire's procurement governance process. In addition, the proposed service is supported by the Corporate Leadership Team.

5 Issues and Choices

- 5.1 Due to limited capacity, the current service is unable to meet demand and cannot offer the flexibility in provision to meet the range of needs presented by both individuals and the system.
- 5.2 As a result of stakeholder feedback, the Short-Term Home Care Service will be procured to deliver care to prevent individuals being admitted to hospital in addition to supporting discharges. The service will be expected to provide an enabling approach that promotes self-care and independence, reducing reliance on both informal and formal care.
- 5.3 The options open to the Council are as follows:
- a) Procure a Short-Term Home Care Service from the open market
 - b) Deliver the service via in-house provision
 - c) Call-off from the current Home Care Framework
- 5.4 The recommendation to procure via the open market is a direct result of the limited interest received amongst current providers as part of a market testing exercise. In addition, there is limited capacity within in-house services to provide a Short-Term Home Care service alongside existing provision.

- 5.5 To secure a service start date of 19 July 2022, the proposed service will be advertised for tender on 24 January 2022. There is no option to extend the current contract.

6 Next Steps

- 6.1 The following timeline is proposed for the procurement if authorised by the Executive:

Tender Published	24 January 2022
Evaluation	14 th March 2022
Contract Award	28 April 2022
Contract Start Date	19 July 2022

7 Implications (including financial implications)

7.1 Resources and Financial

- 7.1.1 The Contract value will be advertised as £6,115,200 for the full 5-year term of the contract.
- 7.1.2 It is anticipated the Council will make savings in expenditure on temporary residential placements and more complex permanent home care packages whilst improving individual outcomes and ensuring compliance with national policy. The estimated saving per individual accessing the Short-Term Home Care Service rather than temporary residential care is £1,235.75.
- 7.1.3 National Discharge Funding currently funds the first 4 weeks of care post discharge. This means the Council can recharge an element of the costs to this funding stream. Should National Funding cease at any point during the contract an application to the Health & Wellbeing Board will be made for Better Care Fund/improved Better Care Fund funding due to the system benefits of this Service

7.2 Legal and Governance

- 7.2.1 There is no option to extend the current contract within the existing terms and conditions.
- 7.2.2 The procurement will follow a compliant procurement process, in line with the requirements of the Public Contracts Regulations 2015, and the Council's Contract Procedure Rules and Constitution.

7.2.3 The Legal team have been engaged throughout the procurement to ensure a full and appropriate contract is prepared to meet the requirement.

7.2.4 The proposed service will ensure compliance with:

7.2.4.1 the Government's Hospital Discharge Service Policy and Operating Model (2020) which requires services to be available to support rapid discharge once an individual is medically optimised and no longer has a need to reside in hospital.

7.2.4.2 The Local Government Association High Impact Change Model (2015) – Managing Transfers of Care which focuses on a year-round approach to supporting timely hospital discharge resulting in quality outcomes for people.

7.3 Relevant Policies and Plans

7.3.1 The recommended service promotes and supports North Northamptonshire's corporate vision of: "A place where everyone has the best opportunities and quality of life", with priorities centring on Active, fulfilled lives, and connected communities.

7.3.2 Furthermore, the service is aligned with Northamptonshire Health and Care Partnerships Vision of "a positive lifetime of health, wellbeing and care in our community".

7.4 Risk

7.4.1 There is a risk of delay to the service start date if commencement of the procurement process is delayed. Such a delay could result in a break in service provision and consequent non-compliance with Government policy.

7.4.2 Should investment in the service not be agreed there will be limited interest from the market. Growing costs associated with increases in the National Living Wage and pension contributions are impacting on providers ability to operate a viable service. The proposed model has attempted to mitigate this risk through regular market engagement, ensuring the service and contract is viable for bidders.

7.4.3 The contract length and associated high value will be mitigated by the inclusion of appropriate break clauses in the contract. These will allow the Council to terminate the contract due to poor performance or policy amendments that may result in material changes to the service or pathway.

7.4.4 If the decision is made not to proceed with the procurement, in addition to being non-compliant, the Council will experience increased expenditure on alternative

services. This will not only be more costly to the Council but also does not deliver the best outcomes for individuals leaving hospital.

7.5 Consultation

- 7.5.1 Market engagement has taken place with both providers delivering comparable services in other Local Authority areas and those currently on the Home Care Framework.
- 7.5.2 A range of internal stakeholders including Adult Social Care, Procurement and Finance, are members of the project group. This has ensured the tendered service specification will meet the operational and corporate requirements of the Council while reflecting the feedback and needs of the provider market.

7.6 Consideration by Executive Advisory Panel (EAP)

- 7.6.1 Following discussion with the Chair of the Health, Wellbeing and Vulnerable People EAP by the Executive Director for Adults, Communities and Wellbeing, it was not felt necessary for this proposal to be considered by the panel as the proposal is not of a contentious nature and is cognisant of the council's priorities.
- 7.6.2 Of more interest to the EAP will be the council's strategic approach to market development and sustainability and the EAP would want to consider appropriate proposals such as the Market Position Statement and Commissioning Intentions when these are due to be reviewed.

7.7 Consideration by Scrutiny

- 7.7.1 The procurement process and/or any part of the requirement may be selected for consideration by Scrutiny.

7.8 Equality Implications

- 7.8.1 In line with the Equality Act (2010) an Equality Screening Assessment has been undertaken and included as part of the report to the Procurement Gateway Group.
- 7.8.2 The Equality Screening Assessment identifies the service will not adversely impact individuals with protected characteristics.
- 7.8.3 The service has been specified to ensure delivery across all localities in North Northamptonshire enabling coverage in both urban and rural/isolated areas.

7.9 Climate Impact

7.9.1 The provider will be required to deliver the service in a way that maximises fuel efficiency and limits impact on the climate and environment. The provider will work with North Northamptonshire Council to continuously review the service delivery model over the lifetime of the contract to benefit from new technologies or ways of working to further reduce environmental impact.

7.10 Community Impact

7.10.1 The Council will work with the provider to maximise employment opportunities within the local community.

7.10.2 The service will work collaboratively with the Voluntary, Community and Social Enterprise sector to deliver joined-up and holistic care and support to individuals accessing service.

7.11 Crime and Disorder Impact

7.11.1 No implications identified.

8 Background Papers

8.1 Procurement Gateway Group report

8.2 Hospital Discharge Service Policy and Operating Model 2020

8.3 Local Government Association's High Impact Model 2015.