


REPORT TO CABINET

14 October 2020

Subject:	Award of Contracts for a Promoting Independence Care at Home Service
Presenting Cabinet Member:	Cllr Shaeen – Cabinet Member for Living Healthy Lives
Director:	Neil Cox - Director of Prevention and Protection
Contribution towards Vision 2030:	
Key Decision:	Yes
Cabinet Member Approval and Date:	Yes
Director Approval:	10/09/2020
Reason for Urgency:	Urgency does not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	This is a boroughwide initiative
Scrutiny Consultation Considered?	Scrutiny has not been consulted
Contact Officer(s):	Daljit Bhangal Operations Manager daljit_bhangal@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Cabinet:

1. Authorise the Council to award and enter into a contract with all successful bidders, on terms to be agreed with the Director of Prevention and Protection, for the provision of a Promoting Independence Care at Home Service to commence on 3rd February 2021 to 2nd February 2023 with the option to extend for a further 1 year from 3rd February 2023 to 2nd February 2024.
2. That the Director - Law and Governance and Monitoring Officer, or their designated representative, execute any documents necessary to give effect to the proposals in recommendation 1 for the provision of a Promoting Independence Care at Home Service.
3. Approve an exemption to rule 8.7 of Procurement and Contract Procedure Rules 2018-19, or subsequent amendment, to allow the Director of Prevention and Protection to award contracts to the successful tenderers in the event that the required minimum number of tenders are not received.
4. That Cabinet also approve variations to the Contracts up to a maximum of 10% of the contract value, should they be necessitated, and that authority to approve such variations be delegated to the appropriate Chief Officer in consultation with the relevant Cabinet Member, with a decision notice being published should a variation need to be enacted.
5. That Cabinet approves uplifts to the hourly rate in the proposed contract, and therefore increase to the aggregate value of the service per annum, as long as it continues to mirror the framework rate for Community Care, or akin uplift mechanism to rates in any future framework/contract for the purchasing of domiciliary care.
6. That Cabinet approves a 100% increase to the volume of hours being procured from the existing contracted service subject to the Director of Adult Social Care and the Director of Prevention and Protection being satisfied that the necessary funding commitments are in place to pay for it.

1 PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to seek approval to award contracts to all successful tenderers for a Promoting Independence Care at Home service thereby supporting admissions avoidance and managing the level of Delayed Transfers of Care (DToC).

- 1.2 Funding for these contracts has been approved and will be provided through the Better Care Fund.

2 IMPLICATIONS FOR SANDWELL'S VISION

- 2.1 The proposals contained within this report support the Council's vision 2030 as stated in Ambition 2, "Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for".
- 2.2 The Council and its health partners are committed to supporting admission avoidance and individuals' timely discharge from hospital and enabling them to live independent lives within their own communities. This provision is designed to provide individuals with timely care and support which they need to enable them to return back to their own homes, or avoid leaving their own homes for a stay in hospital.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The Promoting Independence Care at Home Service (domiciliary care) enables more timely response to referrals, assessment and discharge from hospital, or quick intervention to prevent an admission for vulnerable people for whom the Council has a statutory duty to assist. The expected service duration ranges from 24 hours to a maximum of six weeks, although in some cases six weeks can be exceeded. At the end of the six week period, the expectation is that if an individual requires a long-term package of care, this will be transferred to one of the Council's framework providers of Community Care.
- 3.2 As a result of the Promoting Independence Care at Home Service being time limited, it is not chargeable to the service user. Should a longer term package of care and support be needed after the short term service ceases, a financial assessment will determine if charges should be implemented.
- 3.3 The Council has had a Promoting Independence Care at Home Service in one form or another for extended contract periods over the years. Immediately prior to the current contracts, while there was provision in place for an 'early supported discharge service' with the Council's framework and approved providers of Community Care, it was on a spot basis with no levels of guaranteed activity. As a result of the lack of guaranteed hours, delays were common, and it could take days and even weeks for packages of care to start from the point of being brokered, which was an untenable position for people who needed care and support more urgently.
- 3.4 The Council also has an in-house service that supports timely discharge from hospital, and this service was expanded in 2019 to take hospital

discharges within a defined number, and therefore the focus of the Promoting Independence Care at Home Service procured from the independent sector was shifted, with the expectation that packages would be predominantly from the community, with some step down from hospital where the in-house service was up to capacity at any given point.

- 3.5 The NHS is required to notify relevant local authorities of a patient's likely need for care and support where the patient is unlikely to be safely discharged from hospital without arrangements, and to give at least 24 hours' notice of when it intends to discharge the patient. From 1 April 2015, if a local authority has not carried out an assessment or put in place care and support, and that is the sole reason for a patient not being safely discharged, the NHS body has a discretion as to whether to seek reimbursement from the relevant local authority for each day an acute patient's discharge is delayed. This situation is frequently referred to in the media as 'bed-blocking'.
- 3.6 The Council has consistently ranked in the top 5 nationally for having the least number of delays attributed against it for individuals medically fit and who can't be transferred due to social care reasons.

4 THE CURRENT POSITION

- 4.1 The current Promoting Independence Care at Home Service contract with three Providers commenced 3rd February 2020 and runs to 2nd December 2020, with an option to extend for an additional 2 months, in monthly intervals (3rd December 2020 to 2nd February 2021). It is contracted and remunerated on an 80% guaranteed (block) basis and 20% spot.
- 4.2 The providers who have a Promoting Independence Care at Home Service contract are: Sage Care, Diamond Homecare and Sevacare. The contract is predicated on each provider receiving on average 10 referrals per week, with an average of 14 hours per referral.
- 4.3 The existing block contracts have worked well in enabling packages of care to start more quickly. Based on the period 2nd March 20 – 29 July 20, usage against the 80% guaranteed block element of the contract for all three contractors has been:

Diamond Homecare: 95%

Sage: 101%

Seva Care: 98%

- 4.4 Given the very good performance, a tender process is underway to secure provision when the existing contracts end, and this will enable the Council to continue to support admissions avoidance, as well as meet its obligations around hospital discharge if the Council's in-house service is up to capacity. Approval has already been received in the May 2018 Cabinet for the procurement to take place, albeit there has been some delay in undertaking the tender exercise. This report is seeking authority to award contracts to the successful bidders following completion of the tender process.

Hospital Discharge Service: Policy and Operating Model

- 4.5 On 21 August 2020 the Government published its Hospital Discharge Policy and Operating Model which is effective from 1 September 2020. This Policy provides a clear direction around the requirements placed on commissioners to support transfers of care, with a 'Home First' ethos required. The expectation set out at the start of the pandemic by the Government remains, that 95% of people are expected to be discharged home, with some 45% of those requiring support. Further, 4% are expected to access a short-term bedded facility for intermediate care before returning home, with only 1% expected to access a care home direct from hospital.
- 4.6 The Policy directs that people without complex care needs should expect to go home on the same day they are judged to be clinically safe for discharge, and therefore it is expected that there is sufficient provision available to support delivery of this objective; the proposed contracts will enable this objective to be achieved.
- 4.7 For around half of the people being discharged, it is expected they will need a period of care, rehabilitation or reablement. This will be provided free for up to six weeks to promote independence and recovery, and until assessment for long-term care is undertaken. The proposed Promoting Independence Care at Home Service provides for up to 6 weeks free to enable a period of assessment to establish long term needs, if any.
- 4.8 Crucially, Councils are expected to be the lead commissioners of all post-discharge care and support, unless agreed otherwise locally.

- 4.9 Given the Home First approach that the Government has advocated within the new Hospital Discharge Service Policy and Operating Model, the hours procured for the proposed contracts will differ from the existing provision outlined in 4.2. Instead, to meet expected demand, the proposed contracts will seek to secure double the current capacity, with terms contained in the proposed contracts that allow a reduction in the block guaranteed payment should the expected demand not be realised and/ or funding is not secured for the additional volume post March 2021.
- 4.10 While the focus of the current Contract is predominantly for packages of care to people already in the community, some step down from hospital is expected, but with the new ethos of Home First, there will inevitably be more step down from hospital as the Council's in-house service will not have the capacity to manage all referrals, and therefore the service will support the Council's healthy Delayed Transfers of Care position and continue to contribute to the effective management of the DToC risk.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Commissioners have consulted with stakeholders across the health and social care system for their view on the provision and there is consensus that the loss of the service will jeopardise timely commencement of packages of care and support, as well as the favourable DToC position, and result in delays in transfer being potentially coded and charged against the Council.

6 ALTERNATIVE OPTIONS

- 6.1 The service has worked well in facilitating more timely start of packages and awarding new contracts when the existing ones end on 2nd February 2021, will enable that to continue, particularly given the requirements of a Home First ethos in the new Hospital Discharge Policy.
- 6.2 Not awarding the contracts following the procurement exercise will create a gap in provision. While there is a clause in the Community Care framework contract to provide this short-term service, it does not guarantee capacity because it is not paid for on a block basis, and invariably when there has been the absence of a block contract, delays occur in the start date for packages of care and support to commence, thereby creating an element of risk for individuals who have to wait for a service to start.
- 6.3 If the recommendation to approve the award of the proposed contracts is not approved, risks would include:
- Increased avoidable hospital admissions
 - Undermining delivery of enablement and independence

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The funding for a service that has the comparable number of hours to the existing service has been agreed via the Better Care Fund and mirrors the prevailing Community Care framework rate (£14.92), with an additional £50 paid as a one off payment per assessment that is payable for the additional work required by care and support providers to facilitate timely assessment and response (subject to the conditions for the one off fee being met).
- 7.2 As a result of the requirements announced by the Government around a Home First ethos referenced in 4.5 – 4.9, the volume of service to be procured will double until at least the end of March 2021. For people discharged from 1 September 2020, the Government has provided £588m nationally in this financial year to supplement existing CCG and council spend on post-discharge support to cover the cost of this care for up to six weeks. This funding covers only care that is additional to any provided before hospital admission. The Council has achieved in principle agreement from Sandwell and West Birmingham CCG to fund the additional volume of hours to be procured using the monies the CCG has received to support post discharge support.
- 7.3 Given the risk to the Council of awarding contracts to successful bidders for double the volume of hours than the existing contracts provide for, continued funding needs to be secured to pay for the additional 100% increase in service, and meetings will be held with SWBCCG before the end of March 2021 to ensure that this funding will be in place from 1 April 2021. A commitment to funding post March 2021 cannot be secured yet because the Government has made no announcements for the next financial year. The contract will be written to contain terms that allow the volume to be reduced at the end of March 2021 should the requirements change and/or funding commitment not be secured.
- 7.4 The current Community Care framework rate is £14.92 per hour and this is the rate that will be paid from 3rd February 2021 to 31st March 2021 should the approval be achieved to award contracts. There is a payment mechanism within the framework Community Care contract for calculation of the hourly rate in future years, which is paid from 1st April each year, and that takes into account cost of living increases, including increases to the National Minimum Wage. The proposed contracts will reference adherence to this payment mechanism and any subsequent amendments.

- 7.5 If the volume of service to be procured remains constant and does not reduce at the end of March 2021 as per 7.2, as a result of funding being secured to pay for the additional volume, the estimated aggregate value of the service is £1,220,000 per annum, and this will be split across all of the proposed contracts in the event approval is secured to award. However, Cabinet should note that this is based on an hourly rate of £14.92 in 20/21. However, as the uplift to the hourly rate from 1st April 2021/22, and years 22/23 and 23/24 is yet undetermined, the value of the service per annum will increase should rates be uplifted.
- 7.6 As the award of the proposed contracts is to meet partnership priorities around admission avoidance and management of DToC, services will be provided through external organisations resulting in no impact on the Council's workforce.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The service proposed to be contracted falls under the Light Touch Regime of the Public Contract Regulations (PCR) 2015 which allows for greater flexibility for how a procurement is run. However, while there is greater flexibility, the aggregate value of the Contracts will exceed the OJEU threshold, and therefore compliance with OJEU in relation to how the tender is run will be required because it is legally mandated.
- 8.2 The opportunity will be advertised on the Council's electronic procurement portal, in-Tend, and a fully compliant tender process will be undertaken in accordance with both the Council's Procurement and Contract Procedure Rules and the Public Procurement Regulations 2015.
- 8.3 The Council's Procurement and Contract Procedure Rules require Cabinet to approve award of contracts for the estimated value of the service and this paper seeks such authority.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment has been undertaken and the outcome of the same suggests there are no negative or adverse impacts on any protected groups.
- 9.2 There are no significant equality issues arising from this report. The commissioning of this provision will ensure that vulnerable people in need of care, including protected groups, will benefit from more timely support, and therefore there are benefits to some of the protected characteristics.

10 DATA PROTECTION IMPACT ASSESSMENT

10.1 Data protection will be addressed within the Council's contracts for the service.

11 CRIME AND DISORDER AND RISK ASSESSMENT

11.1 There are no implications from this proposal on crime and disorder.

12 SUSTAINABILITY OF PROPOSAL

12.1 It has been agreed that the funding required for the contract would be made available from the Better Care Fund. While the future value of the BCF remains uncertain, it now funds a substantial proportion of the services within Adult Social Care. If there were a significant reduction in the value of the BCF, the proposals within this report would be reassessed alongside the wider delivery of social care within Sandwell.

12.2 There is a risk to the Council if funding is not secured from SWBCCG for the 100% increase to the volume of service and meetings will be held with SWBCCG prior to the end of March 2021 to establish future funding commitment. This risk to the Council is mitigated as terms in the proposed contracts will allow a reduction to the volume subject to 7 days' notice to the contractors.

12.3 There are risks in relation to the proposal if the contracts are awarded including:

- if the successful contractors don't deliver against the contract
- sufficient bids are not received
- sufficient staff are not recruited, or the pandemic results in capacity being reduced
- the pandemic adversely impacting the ability of providers to tender

These risks have been assessed and mitigating actions identified in a separate risk assessment, and it is considered that sufficient mitigation is in place so that the proposed contracts deliver against the specification.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 To support the easing of pressure on acute hospitals during the pandemic through both admission avoidance and management of the DToC position, the Promoting Independence Care at Home Service is required to assist vulnerable people for whom the Council has a statutory duty through the provision of timely care and support.
- 13.2 Given the nature of the service and delivery of it to vulnerable people who reside in Sandwell, the successful organisations are very likely to employ people from the local area, supporting the local economy.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

- 14.1 There are no implications from this proposal on the Council's managed property or land.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 Agreement to award the contract aligns with the focus of both the Council and Sandwell and West Birmingham Clinical Commissioning Group to support admissions avoidance and the reduction of DToC.

16 BACKGROUND PAPERS

- 16.1 None.

17 APPENDICES

- 17.1 None.

Neil Cox
Director of Prevention and Protection