

The background of the slide features a large, faint, light blue watermark of the City of Vancouver coat of arms. The crest includes a crown with four maple leaves, a shield divided into four quadrants (top-left: a saltire, top-right: a stag's head, bottom-left: a sailing ship, bottom-right: an eagle), and a banner at the bottom with the motto 'CITY OF VANCOUVER' in Gaelic script.

## **Agenda Item 12**

### **Care Homes for Adults Under 65**

**Falkirk Council**

**Title:** Care Homes for Adults Under 65  
**Meeting:** Executive  
**Date:** 17 October 2023  
**Submitted by:** Health & Social Care Partnership

**1. Purpose of Report**

- 1.1 This report sets out the proposed contract strategy for the procurement of a new Framework Agreement for the Provision of Care Homes for Adults under 65 with Learning Disability (LD), Mental Health (MH), Physical Disability (PD), Drugs and Alcohol Related Brain Injury (ARBI) and Complex Needs and Challenging Behaviour for prior consideration by the Executive in line with Council Contract Standing Order 6.2(ii) relative to major contracts.

**2. Recommendation**

- 2.1 The Executive is asked:
- (1) to approve the contract strategy for the procurement of a Framework Agreement for the Provision of Care Homes for Adults under 65 with LD, MH, PD, Drugs and ARBI and Complex Needs and Challenging Behaviour with an initial term of 4 years and an option to extend for up to a further 3 years.

**3. Background**

- 3.1 The Falkirk Health & Social Care Partnership (HSCP) has been participating in the Scotland Excel (SXL) Framework Agreement for Care Homes for Adults with LD/ Autism which is a national collaborative framework agreement for care home services registered in Scotland who provide care home placements to Adults with LD/Autism. Unfortunately, the framework does not incorporate care homes who are registered to provide a care home placement to adults with MH, PD, Drugs & ARBI, and Complex Care and Challenging Behaviour. There is no local or national framework that covers all the other client groups.
- 3.2 The total annual (projected spend) for Falkirk HSCP across all Adults Care Homes placements (all care categories) for people under 65 is estimated at £16 million per annum. £4 million of this estimated spend is contracted under the SXL framework whilst the remaining £12 million is not covered by any framework nor has undergone a robust procurement route.

## **4. Consultation**

- 4.1 In developing the Contract Strategy the views of key stakeholders were sought and these are detailed below.

### Service-Users

- 4.2 A main driver in the development of the framework is to improve services for people who use them. It is therefore fundamental that the views and wishes of people who use the services and who have experience of living in a care home service is at the heart of this project.
- 4.3 People who currently live in a local care home and their family members and carers were invited to share their views completing an online survey on Citizen's Space. On site visits were also made available where supported people were offered assistance via low tech visual communication tools (talking mats) to complete the survey. The links to the survey and updates about the survey were shared with colleagues at Forth Valley Advocacy and the Carers Centre.
- 4.4 The responses showed overall positive experiences of care homes with a few negative views being noted. Feedback from the service user consultation will inform the service specification within the tender documents.

### Providers

- 4.5 Providers were invited to a consultation event on the 16 June 2023 where they were informed about Falkirk HSCPs plans to roll out a primary adult's care homes under 65 framework from 01.04.24 and about the purpose of this exercise, which is to ensure governance and capture all care categories under the one framework and improve overall standards via updated terms and conditions and service specifications.
- 4.6 Providers were given the opportunity, at the event and via a post event survey, to feedback their ideas and views on the framework proposals and Falkirk HSCPs plans to engage in more collaborative work with providers.
- 4.7 The feedback from providers was positive with most confirming they would be interested in participating in a future framework agreement. They welcomed the simplicity of the framework proposals and the opportunity to engage in more collaborative work with the HSCP.

### Key Statutory Organisations

- 4.8 Stakeholders from the Care Inspectorate, Scottish Care, the Joint Improvement Team and IRISS were all contacted to discuss the framework main purpose and objectives and to seek feedback on work to date and plans moving forward. Periodic updates will continue at key points in the

development of the framework to ensure links with strategic plans and processes across all agencies. Overall, responses from the statutory organisations were very positive.

## **5. Contract Strategy**

### Contract Period

- 5.1 During the consultation event, Providers stated they would welcome a long duration Framework Agreement and, with the Framework being open to new entrants throughout its duration, would support a term of 4 years with the option to extend up to a further 3 years. The Framework Agreement would include detailed contract change provisions to account for market or regulatory changes during this period.

### Estimated Contract Value

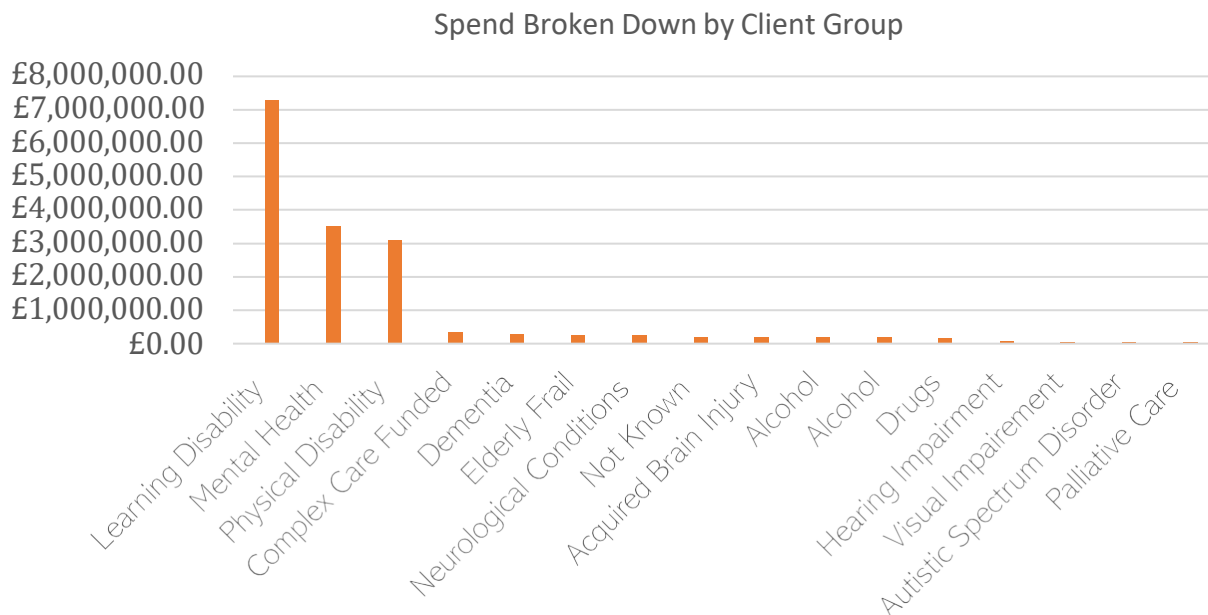
- 5.2 The estimated Framework Agreement value is the value used in the publication of the contract notice advertising the procurement. The current annual value is c£16m and considering estimated annual uplifts relating to the payment of the Real Living Wage, in accordance with Scottish Government guidance, the estimated Framework value is £80m over 4 years and £140m over the full 7 years.

### Key Principles

- 5.3 Through consultation with key stakeholders a set of key principles for the Framework Agreement were agreed and are set out below.
- Promotes Health and Social Care Standards.
  - A more co-ordinated approach to sourcing Adult Care Home placements which in turn will create efficiencies for HSCP staff.
  - Provide a mechanism for improving quality consistency in standards and outcomes for people using the service.
  - Gain a greater understanding of the nature of the services including training and specialisms through the tender process, leading to better informed decisions.
  - Incorporate the principles of Ethical Commissioning into the process.
  - Ensure spend undergoes a full procurement exercise and improves governance.
  - Enhance pricing transparency and minimise payment queries to improve quality data.
  - Maximise collaboration and enhance a Partnership approach in the market.
  - Stimulate interest in this area of work and create a wide choice of high-quality, person-centred services and control for people using services.
  - Ensure continuity of care and focuses on the achievement of personal outcomes.

## Lots

- 5.4 The table below details the spend by client group and highlights the key care categories for the new Framework.



- 5.5 Information gathered from the spend analysis was a main driver in informing how the service specifications are to be set out moving forward. Commissioning data also highlighted a gap in the market in relation to Drugs & ARBI and for people presenting with challenging issues.

- 5.6 It is intended that under the new framework, support services in care homes will be commissioned from the following four Lots:

1. Learning Disability/Autism
2. Mental Health
3. Physically Difficulties including Sensory and Impairment/Neurological
4. Drugs and Alcohol Related Brain Injury

- 5.7 The above lots will incorporate an option to include complex and challenging behaviour. It is proposed that within the pricing schedule, the provider will tick which particular care category they are registered to provide and if they are skilled and set up to provide care to complex and challenging people.

## Evaluation

- 5.8 The evaluation of Provider submissions to be accepted on to the Framework will be based on the following criteria.

### Minimum Compliance Requirements

- Care Inspectorate registration & required relevant grades.
- Insurance levels.
- Mandatory/discretionary grounds for exclusion via the Single Procurement Document (SPD).
- Fair Work first statement including confirmation of payment of the Real Living Wage.

### Quality

- 5.9 The minimum standard is to attain and retain a grade of four (4) or above in all key questions where applicable following the first inspection of the Provider by the Care Inspectorate.
- 5.10 Where the Provider is awarded a Care Inspectorate grade of three (3) in any key question and requires to be incorporated onto the Framework, they must demonstrate that they have a robust Service Improvement Plan in place and provide a copy of it. They must also provide a copy of the action plan that they are working on with the Care Inspectorate, Local Authority, and any other key stakeholders responsible for monitoring the care home. The two plans will then be analysed as part of the tender exercise. Once accepted onto the Framework the provider will strive to ensure the service is graded at a grade of four (4) or above for all key questions.

### Price

- 5.11 Bidders will be required to accept the following approach to pricing.

#### **For those care homes where the service is provided within the Falkirk HSCP area (In Area Care Homes)**

- Core Prices and additional services charges will be capped at the final 2023/24 rate for each care home to enable a transfer to the new Framework from 01.04.24.
- An increase for living wage and inflationary pressures will be applied to the final 2023/24 rate for 2024/25 in line with Scottish Government guidance and backdated to 01.04.24 once finalised. A further increase will be applied each subsequent year in line with Scottish Government recommendations and Falkirk Health & Social Care Partnership's budget process.

#### **For Out of Area Care Home Providers**

- Core Prices and additional services charges will be capped at the final 2023/24 rate for each care home to enable a transfer to the new Framework from 01.04.24.
- An increase for living wage and inflationary pressures will be applied to the 2023/24 rate for 2024/25 in line with Host Authority (HA)

arrangements and backdated to 01.04.24 once finalised. A further increase will be applied each subsequent year in line with the agreed Host Authority rate uplift.

## **Process**

- For clarity, Falkirk HSCP will agree all local adult care home rates and benchmark with the Host Authority for out of area placements for both the core price and additional services rates.

## **New Providers**

- Falkirk HSCP will conduct an affordability check and benchmark against the agreed HA rates for all prices.
- A further increase will be applied each year in line with Scottish Government and benchmarked against the Host Authority rates.

## Contract and Performance Monitoring

- 5.12 A programme of contract monitoring meetings and schedule of monitoring reports will be established.

## Contract Timetable

- 5.13 Reflecting the straightforward approach to evaluating bids, the tender timetable is set out in the table below.

Contract Notice Published	03/01/24
ITT Submission Deadline	05/02/24
Evaluate submissions	06/02/24 – 09/02/24
Governance & Chief Officer Reports	12/02/24
Issue Standstill & Unsuccessful Letters	20/02/24
Issue Award Letters	04/03/24
Contract Mobilisation	4 Weeks
Contract Start	01/04/24

## **6. Financial Implications**

- 6.1 Many of the people currently supported by Falkirk HSCP in care homes have been living there for a number of years and may have moved there when there were fewer other options available. Spend on the framework is therefore likely to be a combination of existing individual support arrangements and new individual support arrangements. Based on the information held to date, the total estimated annual spend for this framework is projected at £20 million per annum when incorporating annual uplifts for living wage and inflationary pressures.

- 6.2 The estimated Framework value is £80m over 4 years and £140m over the full 7 years.

## **7. Legal**

- 7.1 Care homes for people under 65 falls within the 'Social and Other Specific Services' as defined in Schedule 3 and subject to section 7 of the Public Contracts (Scotland) Regulations 2015. It is sometimes referred to as the "*Light Touch Regime*" and provides a more flexible approach to the tender process.

## **8. Risk**

- 8.1 To ensure that the requirements of stakeholders were met, and maximum compliance achieved, a User Intelligence Group (UIG) was established comprising representation from Chief Officers, Finance, Locality Manager, procurement and commissioning and the learning disability, mental health, and complex care teams.
- 8.2 In developing the Contract Strategy, the UIG assessed potential risks and mitigating actions which included the consultations with key stakeholders to ensure their views were taken into consideration and incorporated into the tender documents, where appropriate.
- 8.3 In addition, the flexible nature of the framework means that it can be re-opened throughout its duration and allowing new providers to join, ensuring a diverse range of services and providers are available to meet the varying needs of people, and promote choice for people who need support.

## **9. Equalities**

- 9.1 A full EPIA (Equalities & Poverty Impact Assessment) has been completed (reference number 00550). The outcome of the EPIA was that the new framework will have no negative impact upon individuals, only positive/neutral impact on those responsible for providing and receiving support.

## **10. Sustainability/Environmental**

- 10.1 The Scottish Government Sustainability Test tool highlights the national indicators which will be impacted by the development of this framework. Some of the areas impacted are:
- Payment of the Real Living Wage.
  - Commitment to Fair Work First.



- Contribution to Community Wealth Building.
  - Quality of care experience.
- 10.2 The new framework will promote and encourage the delivery of community benefits throughout the framework duration through a collaborative approach with Providers.
- 10.3 Social care has been highlighted as a significant area of risk for modern slavery and human trafficking. Tenderers will be required to commit to working collaboratively with HSCP and follow any national or local protocols to identify and eradicate the risk of modern slavery. The application of any agreed protocols and recruitment practices will be monitored through contract management processes.
- 10.4 A Training Consortium Working Group will be established where all providers can collaborate and agree the way forward with the aim of striving for excellence and improved standards for all.

## **11. Climate Change Impact**

- 11.1 The new framework will ensure a commitment from Providers to work collaboratively with the HSCP and aim to mitigate environmental risks including actions to reduce CO2 emissions and carbon footprint. This will be aligned with the National Performance Framework and monitored within contract management via the annual contract review with support from the Energy & Climate Change Team.

## **12. Conclusions**

- 12.1 This framework aims to reduce risks and improve the quality and consistency of support for adults under 65 who are assessed as requiring residential care by the development of a Falkirk HSCP primary adults' framework.
- 12.2 The intention of the framework is to maximise the number of providers capable of delivering high quality residential care for Falkirk residents. It seeks to stimulate further market interest in this area and potentially create more capacity and increase choice and control and improve lifestyles for all care groups/supported persons requiring a placement within an adult care home.
- 12.3 A framework with multiple providers is likely to provide a more coordinated approach to sourcing adult care home placements which in turn will create efficiencies for HSCP staff, alleviate pressures on current waiting lists, improve governance and procurement compliance and give families more choice and potentially provide better value for Falkirk HSCP.

- 12.4 The framework will ensure greater transparency around costs and to support the achievement of improved value for money outcomes. It also provides the opportunity for more collaborative working with Providers around the shape of future services to meet the aims of the Scottish Government “The Keys to Life” strategy and other local and national policy drivers.

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**Date:** 14 July 2023

**Appendices**

None

**Background Papers**

None