

# **AGENDA ITEM**

**11**



**Title/Subject:**        **Homecare and Community Care Contract**  
**Meeting:**            **Integration Joint Board**  
**Date:**                **4 August 2017**  
**Submitted By:**    **Head of Procurement and Housing Property**  
**Action:**             **For Noting**

**1.     INTRODUCTION**

- 1.1    The purpose of this report is to provide an update on the proposed contract strategy principles, to facilitate the delivery of the new Homecare and Community Care Services framework contract.

**2.     RECOMMENDATION**

The Integration Joint Board is asked to:

- 2.1    note the contract principles, as outlined in paragraph 4.3;
- 2.2    note the contract timetable and associated stakeholder consultation
- 2.3    note that a further report will be submitted to the IJB meeting on 6 October 2017 to approve the finalised contract strategy.

**3.     BACKGROUND**

- 3.1    Currently the Homecare and Community Care Services are separate framework contracts, structured around individual lots. The individual lots cover the whole Falkirk area and all providers who passed the selection process were admitted onto the framework.
- 3.2    A summary of each contract is outlined in Table 1 below:

Table 1: /



Table 1:

<b>CARE AT HOME</b> <b>Annual Spend £6.5 million – 18 contracted providers</b>	<b>COMMUNITY CARE</b> <b>Annual Spend £16.5 million – 46 contracted providers</b>
<p>Includes the provision of personal care, domestic support and is generally provided in the service user's own home.</p> <p>Care at Home Services may assist service users with all aspects of their daily lives, enabling them to continue living in their own homes for as long as possible.</p> <p>There are 3 Lots:</p> <ul style="list-style-type: none"> <li>• Ad Hoc;</li> <li>• Crisis Care;</li> <li>• Ongoing.</li> </ul> <p>Over 50% of care is provided by 4 providers, with 14 providers delivering the remainder.</p> <p>Currently c900 service users receive homecare services from external providers.</p> <p>In 2016/2017, around 415,000 hours of care were delivered through the framework.</p>	<p>Includes the provision of personal care, domestic support and/ or housing support and may be provided in the service user's own home, or in other locations as required.</p> <p>There are 5 Lots:</p> <ul style="list-style-type: none"> <li>• Physical Disabilities, including Sensory Impairment;</li> <li>• Learning Disabilities, including Autism Spectrum Disorder;</li> <li>• Mental Ill Health;</li> <li>• Older People, including those affected by Dementia;</li> <li>• People who are, or have been subject to the Criminal Justice system.</li> </ul> <p>Only 36 of the 46 contracted providers are delivering care. Over 80% of care is provided by 12 of these providers, with 24 providers delivering the remainder.</p> <p>Currently c750 service users receive Community Care Services from external providers.</p> <p>In 2016/2017, around 870,000 hours of care were delivered through the framework.</p>

- 3.3 The framework value at £23m per year requires that the new tender process aligns with the legislative and regulatory requirements of the Procurement Reform (Scotland) Act 2014 and relevant EU Directives.

3.4 On 3 February 2017, the IJB agreed the following contract strategy principles for the delivery of the new Homecare and Community Care Services contract.

- A single framework is established, structured into lots to recognise specialisms and the 3 locality planning areas;
- Fair Working Practices are embedded into the contract evaluation and award process;
- The framework supports the purchase of block hours where best value can be achieved;
- Selection and award criteria are established so as to appoint a maximum number of providers to the framework;
- The framework is redesigned so it is more flexible, responsive and aligned to outcomes;
- Terms and conditions of contract are specified relating to the use of technology to manage contract performance and to support service users;
- The framework supports the commissioning of Self Directed Support (SDS), options 1, 2, 3 and 4;
  - Option 1 – Direct Payment
  - Option 2 – Manage own support and budget to meet agreed outcomes
  - Option 3 – Council arranged support
  - Option 4 - any combination of the first 3 options to meet agreed outcomes using the allocated budget.
- The framework reflects lessons learned from an evaluation of Discharge to Assess (D2A) models of care.

#### **4. CONTRACT TIMETABLE AND STRATEGY**

4.1 Since the IJB meeting in February 2017, the opportunity has been taken to implement an extension clause in the current contract. As such, the current contract will now end on 31 March 2018. This has enabled further development and engagement work on the tender strategy to be undertaken.

4.2 To allow for a period of contract mobilisation and pre-start meetings with providers, there is a need to have the tender issued in November 2017. Table 2 below outlines the key stages leading to the contract going live in April 2018.

Table 2/:

Table 2:

Stage	2017			2018			
	Oct	Nov	Dec	Jan	Feb	Mar	Apr
<b>Finalise Consultation, Contract Strategy and Documentation</b>							
<b>Report Contract Strategy to IJB meeting 6 October 2017 for approval</b>							
<b>Issue and Return of Tenders</b>							
<b>Evaluate Returned Tenders and Complete Award Process (Falkirk Council Contract Standing Orders)</b>							
<b>Mobilisation Meetings with Successful Providers</b>							
<b>Contract Start</b>							

- 4.3 In terms of work to date, further consideration of the key principles previously reported has been undertaken. A number of changes to the existing framework structure flow from this work, which will help guide and inform the work to finalise the contract strategy. The IJB are, therefore, asked to note the proposed changes outlined in Table 3 below. The changes are designed to establish a framework which is sustainable, flexible, aligned to outcomes and meets current and future projected demand.

Table 3/:

Table 3:

Current Structure	Proposed Change	Link to Falkirk Integrated Strategic Plan 2016-2019 and Market Facilitation Plan 2016-2019
Separate Framework Agreements with individual lots covering the whole Falkirk area.	<p>A single framework with multiple lots. A dynamic purchasing system will allow providers to be added to some lots to improve service user choice and increase capacity.</p> <p>Framework structured into lots to recognise specialisms and the 3 locality planning areas.</p>	<p>With a single contracting model, we can have a more co-ordinated approach to providing care. This will help improve outcomes for people, their carers and families.</p> <p>We will better support locality planning structures within the three local areas agreed which will align with the Community Planning Partnership.</p>
Maximum 4 year Contract Period.	To give flexibility and to adapt to change, it is proposed the framework is for an initial 2 year period with an option of 2 x 12 month extensions.	Flexibility will help ensure future decision making is responsive, based on reliable information and evidence based good practice.
Living Wage is in place from 1 <sup>st</sup> October 2016, by negotiation, for all providers.	Fair Working Practices will be embedded into the contract evaluation and award process.	Providers with a well-motivated, well led and skilled workforce, will be better placed to support people to live safely.
No block purchase of hours within current frameworks.	<p>Framework supports the purchase of block hours where best value is achieved.</p> <p>Improved planning and co-ordination with internal services will be developed to support more effective commissioning.</p>	<p>When commissioning services, we build sustainable capacity within the sector.</p> <p>In addition, services will be more responsive and available consistently throughout the year.</p>
Separate block contract in place for purchase of reablement services such as through a Discharge to Assess (D2A) model of care.	A separate contract may be maintained for D2A. If required D2A can be added to Framework at a later date through mini competitions.	Services encourage independence by focusing on reablement, rehabilitation and recovery.

Table 3/:

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Current Structure	Proposed Change	Link to Falkirk Integrated Strategic Plan 2016-2019
No limit on the number of providers to be contracted across both frameworks.	Selection and award criteria will be agreed to establish a smaller fixed term framework. This would include the highest ranked providers and would be for new cases commissioned through SDS option 3.	With a more compact framework, contract management can be strengthened to increase confidence that risk is managed effectively.
Framework is for commissioning SDS Option 3 only.	<p>The framework will have separate lots to support the commissioning of services under SDS options 1, 2, 3 and 4.</p> <p>There will be dynamic purchasing arrangements so allowing new providers to be added over the term of the framework for commissioning of services under SDS options 1, 2, and 4.</p>	<p>We will ensure consistent high quality services are delivered, informed by a robust evaluation framework. This wider network will support choice and is not intended to make recommendations or give direction to service users.</p> <p>Support continuity of care unless it is not in the best interest of the IJB or service user.</p>
Individual service contracts are primarily based upon a fixed number of weekly hours commissioned that are based upon time and task.	<p>The new framework will be clear around the different requirements in relation to commissioning based upon hours of care and commissioning based upon reablement and review against outcomes.</p> <p>There will be a focus on a different model for the more complex adult Care at Home requirements. This will help develop collaborative and sustainable solutions which will evolve over time.</p>	<p>Services encourage independence by focusing on reablement, rehabilitation and recovery.</p> <p>People have timely access to services, based on assessed need. Services improve quality of life and are joined up to make best use of available resources.</p> <p>More clearly align levels of care to need, supported by appropriate review processes.</p>
Providers must have a Care Inspectorate grade of 3 or above in care and support to be accepted onto the Framework.	It is proposed that providers must have a grade of 4 or above in care and support to be accepted onto the new Framework for commissioning SDS option 3 services.	We drive up quality and build strong local provision that will see SDS option 3 commissioning based around a partnership approach and localities.

Table 3/:



Table 3:

Current Structure	Proposed Change	Link to Falkirk Integrated Strategic Plan 2016-2019
Limited, although growing use of technology in the delivery of services.	Framework terms and conditions are specified to relate to the use of technology to manage provider performance and to support service users.	We support investment in Technology Enabled Care as an effective and appropriate way to support care.

- 4.4 In supporting the work to develop the contract strategy, a number of staff briefing sessions have been held and will continue as the strategy is finalised. They have been attended by staff from across Home Care and Community Care. Engagement with Scottish Care and providers from the private, independent and voluntary sectors will also continue so they can provide input into the process.
- 4.5 A key piece of work is also to provide opportunities for the views of service users, carers and their representative groups to be heard and ensure that these are reflected in the final contract strategy. Engagement will be in line with the principles and approaches set out in the HSCP Participation and Engagement Strategy. Following recent engagement with Falkirk Carers Centre, further work is planned which will see wider consultation to establish key priorities in terms of what is important to service users and carers who are in need of care and support. A presentation and discussion took place with the Strategic Planning Group on 14<sup>th</sup> July 2017 and this feedback will inform the process including a request to ensure that the contract strategy supports the delivery of community benefit. Consultations with these groups will take place over the coming months.
- 4.6 A multi-disciplinary project team has been established. The team comprises representatives from Procurement and Commissioning, Home Care, Learning Disability Team, Occupational Therapy and the Community Care Teams. Over the next 3 months the project team will work to finalise the overall contract strategy. The final strategy will be reported to the IJB in October 2017 for approval.

## 5. CONCLUSIONS

- 5.1 Work is progressing and a timetable set to have the new framework contract operational by April 2018. Stakeholder consultation is on-going and a project team has been established. A range of contract objectives is proposed and the final contract strategy shall be reported back to the IJB for approval.
- 5.2 **Resource Implications**  
The total annual spend across the contracted services is estimated at £23,000,000. For the purpose of the contract notice in Public Contracts



Scotland, the framework value over the potential 4 year contract period will be advertised at £100,000,000.

**5.3 Impact on IJB Outcomes and Priorities**

The contracts will be structured to support the Partnership's agreed vision and the 5 local outcomes.

**5.4 Legal & Risk Implications**

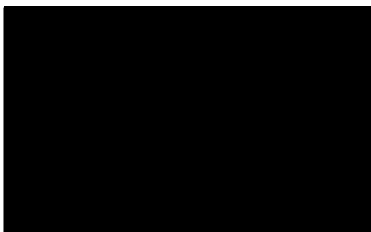
Compliance with Falkirk Council's Contract Standing Orders will minimise risks inherent with high value complex public procurement projects. Other risks will be managed through the development and maintenance of an appropriate risk register.

**5.5 Consultation**

Consultation has taken place across teams in Social Work Adult Services, with Scottish Care and the private, independent and voluntary sectors. Further consultation with these groups and with service users and carers is planned.

**5.6 Equalities Assessment**

For the purposes of the Equality Act 2010, an Equalities Impact Assessment will be completed prior to the contract strategy being finalised.



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**List of Background Papers:**

Report to Integration Joint Board 3 February 2017 – Homecare and Community Care Contract