

# North Tyneside Council

## Report to Cabinet

### Date: 30 November 2020

#### Title: Procurement of Adult Social Care Services – Various Contracts

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<b>Portfolio(s):</b> Adult Social Care	<b>Cabinet Member(s):</b> Councillor Gary Bell
<b>Report from Service Area:</b>	Health, Education, Care and Safeguarding
<b>Responsible Officer:</b>	Jacqui Old (Tel: (0191) 643 7317)
<b>Wards affected:</b>	All

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#### PART 1

##### 1.1 Executive Summary:

This report sets out a requirement and seeks authority to put in place contractual arrangements for a range of adult social care services. This follows on from a report that was presented to Cabinet on 29 June 2020 with regard to Adult Social Care Action Plan and set of commercial arrangements to support this and ensure services are in place to secure longer term market sustainability and offer an appropriate social care offer to meet the needs of residents.

The purpose of the report is to seek Cabinet approval to undertake procurement exercises for the award of contracts for the following adult social care services:

- Extra care for older people; and
- Day services for all client groups (older people, learning disability, mental health and physical disability).

These are all services that are currently in place and the current contracting arrangements will end over the course of the forthcoming year, the details are set out in the main body of this report. New contracts and framework agreements for each of the above services will need to be procured to ensure continuity of service and provision to support people in the community and in care home placements.

In accordance with Contract Standing Orders 8(4), this report requests approval to proceed with the procurement exercises as the aggregated value of the contracts to be procured will exceed £500,000.

## 1.2 Recommendation(s):

It is recommended that Cabinet authorise the Head of Health, Education, Care and Safeguarding in consultation with the Head of Law and Governance and the Head of Resources to:

### Extra care

- 1.2.1 Undertake a procurement exercise to put in place a framework agreement of providers who are able to deliver the identified services, as outlined in section 1.5.2 of this report; and
- 1.2.2 Following the procurement exercise carried out in accordance with 1.2.1 above, to proceed with the award of contracts to the preferred bidders.

### Day services

- 1.2.3 Undertake a procurement exercise to put in place a framework agreement of providers who are able to deliver the identified services, as outlined in section 1.5.3 of this report; and
- 1.2.4 Following the open procurement exercise carried out in accordance with 1.2.3 above, to proceed with the award of contracts to the preferred bidders.

## 1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 16 September 2020.

## 1.4 Council Plan and Policy Framework

This report relates to the following priorities contained within the 2020-2024 Our North Tyneside Plan.

Our People will:

- Be listened to so that their experience helps the Council work better
- Be healthy and well – with the information, skills and opportunities to maintain and improve their health, wellbeing and independence, especially if they are carers
- Be cared for, protected and supported if they become vulnerable including if they become homeless
- Be encouraged and enable to, wherever possible, to be more independent.

Our Places will:

- Offer a good choice of quality housing appropriate to need, including affordable homes that will be available to buy or rent

## 1.5 Information:

### 1.5.1 Background

The Care Act 2014 gave local authorities, the NHS and the CQC (Care Quality Commission) clear legal responsibilities for managing different elements of the adult social care market. These include:

- Developing the quality and range of services that local people want and need
- Integrating commissioning of services from the care market with key partners, including the NHS and housing, and ensuring a diverse range of services, so people have choice.

The Authority currently commissions a range of adult social care services from the independent sector to meet the needs of individuals deemed to be eligible in accordance with the Care Act 2014 following a Care Act assessment.

The Authority does not deliver these services internally and needs to have robust and proper arrangements in place for services to be procured and available. There are arrangements in place at present for these services and these are coming to an end, there is, therefore, a need to put new arrangements in place and this report sets out proposals and recommendations for new contracts to be put in place. This is to ensure there is sufficiency and continuity of supply to ensure the needs of eligible individuals and the wider population can be met.

The report covers the following services / service areas:

- Extra care;
- Day services.

New contracts will put in place a range of services and providers to support individuals and ensure there is sustainability of supply and provision over the period the contract is in place. The contracts will also need to ensure value for money is achieved and also that client outcomes are deliverable and a key focus of the service.

All contracts will be in line with the strategic objectives and the commercial context in which the services operate and these were set out in the Cabinet report on 29 June 2020. For Adult Social Care, these stem from the Our North Tyneside Plan which sets our priorities for supporting vulnerable people to be healthy and well and also that they are cared for, protected and supported. The services support people to be and remain independent and that good quality affordable housing is integral to the extra care offer.

### Strategic Objectives

**Need** – meeting our assessment of need in line with our statutory duty and Joint Strategic Needs Assessment

**Sustainability** – support a sustainable care market which can treat its staff and customers well, and

**Value for money** – ensure there is transparent value for money for the local tax payer and can be accommodated within the Medium Term Financial Plan

### Commercial Context

**Required outcomes** – identifies needs to be met, outcomes required and services to meet those needs and outcomes

**Current market assessment** – the range of providers currently engaged and their characteristics

**Current commercial assessment** – how many providers the Authority contracts with, what is paid and how that compares nationally and locally

**Social value** – the Authority's current social value policy and how that applies to the care market

## **Our strategic plans and values** – how providers and the market will contribute to the strategic goals

### 1.5.2 Extra care

This service supports people to live independently in their own homes within designated extra care schemes across North Tyneside and delivers a range of home care / personal care tasks to individuals based on their assessed and eligible needs. Whilst this service is primarily aimed at older people and people with dementia, it does provide support to other client groups as well.

The current extra care schemes in North Tyneside include:

<b>Scheme</b>	<b>Location</b>
Edith Moffatt	North Shields
Homeside Lodge	Wallsend
Linskill Park	North Shields
Rowan Croft	Killingworth
Sandringham Court	North West
Thomas Ferguson Court	North Shields
Fontburn Court	North Shields
Weetslade Court	Wideopen
Crossgates	Wallsend

There are approximately 320 people in receipt of extra care support across the borough with approximately 3,500 hours of care and support delivered per week. This equates to an average of 11 hours per person per week.

The on-site care and support service is currently being delivered by three different service providers. There are variable arrangements in place across these different extra care schemes / services and the proposal here is to set up a framework of providers under one framework agreement.

All extra care providers are registered with the Care Quality Commission as a registered home care agency and are subject to the CQC regulatory process and this includes undertaking inspection visits and publishing inspection reports. The Authority works closely with CQC on all matters relating to service quality and delivery.

The Authority is seeking to undertake a procurement exercise to put in place a new framework agreement from 2021 to 2024 with one option to extend for a further 12 months to 2025. Through the procurement exercise, tenders will be invited and these tenders will be evaluated against quality criteria. The Authority sets the price for this service and all tenderers will be required to comply with the Authority's price as part of the evaluation and award process.

The overall estimated cost of this service over the contract period will be in excess of £500,000 and requires Cabinet approval. Gross spend for 2019/20 was over £3.5 million, which equates to approx. £210 per person per week.

This report seeks authority to establish a new framework agreement of approved providers to deliver home care / personal care services within an extra care scheme and to award contracts to providers that meet the required criteria. Services at each extra care scheme can then be commissioned from this framework as appropriate.

### 1.5.3 Day services

Day services are targeted at supporting people who are not suitable for universal services and those where an individual's main carer is a close family member (often their spouse/long term partner). Many of the people who would attend these services may be at risk of admission to long term care and/or are at risk of carer breakdown. The day service offers support to the individual but often also it gives the main carer a break to allow them to continue their caring role.

Day Services are a cost-effective way of supporting people to maintain social contact and prevent isolation; as well preventing carer breakdown and access to more intensive, more costly services.

The Authority is seeking to procure and operate a framework agreement for the provision of day services in the borough from August 2021 to July 2024, with an option to extend to 2025. Some providers of this service will be expected to offer a service to people who have complex needs.

Until recently there were five older people day service providers delivering services over seven sites; however, one provider has recently served notice on the contract. Services are building based and provide carer respite and also an opportunity for the clients who attend to socialise in a stimulating environment. Providers report that the number of people requiring significant support is increasing, as is the number of people with dementia. Prior to procuring a new framework the Authority will review its requirements and the demand for day services and will also review the numbers and locations of day services so that the structure of the new framework will enable the Authority to commission services to meet these needs and requirements.

People of working age who have a physical, mental health problem or learning disability are supported by fifteen providers who offer building-based services; outreach and one to one support as required. The framework will include support to people with more complex / behavioural needs and will include an element of additional support to meet their individual and specific needs.

Day services are not required to be registered with CQC, however quality monitoring visits are undertaken by the Commissioning Team to assess quality of provision and identify areas for improvement.

The overall estimated cost of this service over the contract period will be in excess of £500,000 and requires Cabinet approval. Gross spend for 2019/20 was around £1.8 million.

This report seeks authority to establish a new framework of approved providers and to award contracts to providers that meet the required criteria.

## 1.6 **Decision options:**

The following decision options are available for consideration by Cabinet

### Option 1

Agree the recommendations set out at section 1.2.

## Option 2

Not agree the recommendations set out at section 1.2 and propose that officers consider other options for delivering this provision.

Option 1 is the recommended option.

### **1.7 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

- (a) Current contracts and contracting arrangements are due to expire or have expired and are subject to annual carry forward and could be leaving the Authority subject to financial risk, new arrangements will need to be in place to ensure continuity of service for individuals accessing those services;
- (b) Ensure compliance with procurement regulations, undertake competitive procurement exercises for the various services identified above;
- (c) To ensure commissioning arrangements are current, effective and ensure value for money is in place with those contracts and framework agreements;

### **1.8 Appendices:**

There are no appendices to this report.

### **1.9 Contact officers:**

Scott Woodhouse, Strategic Commissioning Manager Adults, Tel. (0191) 643 7082  
David Dunford, Principal Accountant (Business Partner), Tel. (0191) 643 7027

### **1.10 Background information:**

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) Report to Cabinet dated 29 June 2020 – Adult Social Care Action Plan

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

The commissioning and procurement of Adult Social Care services will need to take full account of the resources and funding available to meet the needs of the target population. The contracts / framework agreements that will be put in place will then have a number of clients linked to them and the cost associated with the contract will be linked to the assessed and eligible needs of the individual and the agreed support plan that is put in place.

Spend for each client group and for each service type will be linked to specific budget lines within the overall Adult Social Care budget. There is provision within the overall Adult Social Care budget and contingencies for these.

Spend against these budgets will be managed through the normal budget monitoring process and reported to Cabinet bi-monthly as part of the financial management reporting of the Authority.

The tenders for the contract for the Day Services service will invite prices to be submitted against the terms of the contract and the specification and the evaluation will take account of the price received. The award of the contracts will therefore be based on price and quality.

Any financial support in relation to the coronavirus pandemic will be subject to separate regime.

Where appropriate, the Provider will be required to work with the Authority to manage the overall demand and service levels that are in place.

The Care Act 2014 provides that when commissioning services, the Authority should be assured and have evidence that contract terms, conditions and fee levels for care and support services are appropriate to provide the delivery of the agreed care packages with agreed quality of care. This should support and promote the well-being of people who receive care and support and allow for the service provider to meet their statutory obligations to pay at least the national minimum wage or the national living wage and provide effective training and development of staff. The Authority should have regard to guidance on the minimum fee levels that are necessary to provide this assurance, taking account of the local economic environment.

## **2.2 Legal**

The contracts and contracting arrangements that will be in place for each of the services included in this report will ensure Authority will comply with the Public Contract Regulations 2015 and the Authority's Contract Standing Orders when procuring each of these services and will seek to achieve value for money in the procurement process.

The Authority also has a duty under the Care Act 2014 to ensure the assessed and eligible needs of individuals are met and this will include meeting those needs via services being commissioned or put in place as set out in this report. The Care Act also places a general duty to promote diversity and quality in the care and support provider market with a view to ensuring that any person in its area wishing to access services in the area has:

- (a) Variety of providers to choose from who (taken together) provide a variety of services;
- (b) Variety of high-quality services to choose from;
- (c) Sufficient information to make an informed decision about how to meet the needs in question.

## **2.3 Consultation/community engagement**

### **2.3.1 Internal Consultation**

The process of establishing a detailed specification for each of the services / service areas included in this report will be undertaken in close conjunction with key colleagues across the Authority.

The process of tender evaluation for the award of contracts / framework agreements will be completed alongside colleagues with specialist knowledge, experience and expertise across the Authority.

### 2.3.2 External Consultation/Engagement

There is continuous engagement with care and support providers, service users and family carers of those who access the services and the NHS for each of the services / service areas identified in this report.

Comments and feedback from individuals with specialist knowledge, experience and expertise will be fed into the procurement process.

As part of the commissioning / procurement process an engagement and communications plan will be developed to include internal and external stakeholders.

### 2.4 Human rights

The proposals contained in this report relate to the following human rights:

- Right to liberty and security;
- Right to respect for private and family life;
- Freedom of thought, belief and religion;
- Freedom of expression;
- Protection from discrimination.

### 2.5 Equalities and diversity

The Adult Social Care contracts stipulate that the Provider(s) will ensure compliance with the 2010 Equality Act and Public Sector Equality Duty and therefore will not unlawfully discriminate against employees or service users with protected characteristics.

The contract also stipulates that the Provider(s) must ensure that its workforce receives appropriate training in order to understand their roles and responsibilities under the Equality Act e.g. implementing Equal Opportunity requirements, and to promote equality and prevent discrimination.

This will be monitored through the quality monitoring arrangements for each of the services.

### 2.6 Risk management

Risks have been considered and evaluated. Actions that could be taken to mitigate identified risks have been identified. During the process of contracting, risks will be discussed, evaluated and actioned as appropriate.

Risks that are specific to service delivery will be identified and included in the service specification.

Any risks associated with the process of putting new contracts in place have been mitigated through the use of the NEPO portal as the mechanism to ensure that an open and transparent procurement process is in place.

### 2.7 Crime and disorder

There are no crime and disorder implications directly arising from this report.

## 2.8 Environment and sustainability

There are no environment and sustainability implications directly arising from this report.

### PART 3 - SIGN OFF

- Chief Executive  x
- Head(s) of Service  x
- Mayor/Cabinet Member(s)  x
- Chief Finance Officer  x
- Monitoring Officer  x
- Head of Corporate Strategy and Customer Service  x