



**ADULTS AND COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE**  
**6 SEPTEMBER 2021**

**COMMISSIONING AND PROCUREMENT OF HOME CARE SERVICES**

**REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES**

**Purpose of report**

1. The purpose of this report is to update the Committee on progress made on the procurement of home care services following notifications to award.
2. The report summarises the outcome of the recent tender for integrated home care services in partnership with the Leicestershire Clinical Commissioning Groups (CCGs) to create a new framework of providers with effect from 1 November 2021. This will replace the current Help to Live at Home (HTLAH) framework that expires on 5 November 2021.

**Policy Framework and Previous Decisions**

3. The Committee received reports and commented on proposals regarding the re-procurement of home care services (post November 2020) at its meetings in September and November 2019 and January 2020.
4. The Cabinet approved the procurement of a new Home Care Service for Leicestershire at its meeting of 7 February 2020.
5. Due to the impact of the Covid-19 upon business continuity within the health and social care market all activity to procure a new framework was paused from April 2020.
6. On 23 June 2020, the Cabinet approved a proposal that the procurement of a new Home Care Service for Leicestershire be deferred for 12 months.
7. The Committee received a report on 18 January 2021 detailing progress made on the procurement of home care services following the pause in procurement activity and re-profiling of timelines due to Covid-19.

**Background**

8. All existing HTLAH arrangements will be ending 31 October 2021 through a notice to terminate.
9. HTLAH will be replaced by Home Care for Leicestershire (HCfL); a new home care service being jointly commissioned by Leicestershire County Council and the County CCGs. HCfL will provide ongoing care, following reablement by the Homecare

Assessment and Reablement Team (HART), where this is assessed as being appropriate. This service will commence from 1 November 2021 which enables a short transition period before HTLAH ends.

10. The HCfL model of service delivery is based upon an open framework of providers who have bid to work in Leicestershire. The County has been strategically divided into 14 geographic areas of service provision called zones, each requiring at least two providers but having no upper limit. This differs from the existing contract which split the County into 18 lots with a lead provider in each lot, supported by a range of supplementary and contingency providers.
11. As a part of the quality evaluation, providers were asked to identify those areas in Leicestershire that they wanted to operate in (see paragraph 20 below).

### **Evaluation**

12. Invitation to tender (ITT) documents were published on 14 April 2021. At the closing date of 21 May 2021, 142 bids had been received from a range of existing providers (currently contracted to the County Council through HTLAH) and new businesses (not contracted to the County Council).
13. Quality evaluations of seven Method Statements, covering the key elements of the Service Specification, were undertaken by the evaluation and moderation team between 22 May and 7 July 2021. These tested a range of responses against the requirements defined in the Service Specification, from how providers proposed to deliver the service to evaluation of their person-centred support planning and safeguarding process and practices.
14. As part of the due diligence work carried out, the outcome of the financial evaluation was applied to ensure those applicants passed the method statement evaluations. The Department's Senior Quality Manager reviewed the Care Quality Commission's (CQC - the independent regulator of health and social care in England) status of the bids to ensure that there were no concerns with the CQC categories of either Safe or Well Led.
15. General Data Protection Regulation (GDPR) criteria within the standard selection questionnaire were assessed by the Council's Information Governance Team, who confirmed that none of the bids passing the financial evaluations, CQC and method statement quality checks raised sufficient concerns to prevent an award. Those bids identified as failing any of the 14 GDPR checks will be followed up by the Contract Managers as part of the post-award/pre-contract checks.
16. Notification to award/not award letters were sent on 2 August 2021, followed by a 10 day stand still period from 9 August. This was subsequently extended to 19 August 2021 due to queries received during the initial stand still period.

### **Proposed Award Summary**

### **Home Care Service Only**

17. A total of 49 providers passed all the selection criteria and quality of which 32 are existing providers and 17 are new providers. Of the existing providers the initial analysis suggests that all seven of the current lead providers will join the Framework along with eight of the 11 supplementary providers, 16 of the 38 contingency providers and one exception provider.

### **Continuing Health Care (CHC)**

18. CHC packages are commissioned by the Council on behalf of the Leicestershire CCGs via a Section 75 funding agreement. Fifteen agencies have bid successfully to provide these CCG-funded, CHC packages of care for people assessed as having a primary health need.
19. This represents a reduction on the existing number of CHC providers, but we are working with CCG colleagues to determine the standards/checks required for the process of assessing and adding further CHC capacity during the contract mobilisation period. Rather than waiting until the Framework re-opens to add any additional CHC providers, the final HCfL contract will be amended to clarify that, as well as Framework providers being offered the opportunity to demonstrate capacity to move into additional zones, they will also be able to demonstrate their ability to deliver CHC if not successful in the initial tender. This will include 18 care agencies that successfully bid to provide the core Home Care Service on the new framework but did not meet the additional CHC requirements.

### **Summary of Coverage by Existing and New Provider Type**

20. The table below provides a summary of successful bids by existing provider type, new providers and zone:

	<b>Total</b>	<b>Lead Providers</b>	<b>Supplementary Providers</b>	<b>Contingency Providers</b>	<b>Exception Providers</b>	<b>New Providers</b>
<b>Zone</b>						
<b>ASHBY AND COALVILLE</b>	18	2	3	5	0	8
<b>CHARNWOOD NORTH</b>	16	4	3	2	0	7
<b>CHARNWOOD SOUTH</b>	22	5	3	6	0	8
<b>WEST LEICESTER</b>	27	3	4	9	0	11
<b>OADBY AND WIGSTON</b>	26	4	4	8	1	9
<b>HINCKLEY</b>	20	2	2	6	0	10
<b>MELTON</b>	8	2	2	2	0	2
<b>SOUTH LEICESTERSHIRE</b>	24	3	3	7	0	11
<b>MARKET HARBOROUGH</b>	12	1	1	1	0	9
<b>CASTLE DONINGTON</b>	5	0	0	0	0	5
<b>LUTTERWORTH</b>	10	1	1	2	0	6
<b>BOTTESFORD</b>	2	0	0	0	0	2
<b>WEST LEICESTERSHIRE RURAL</b>	13	1	2	5	0	5
<b>HARBOROUGH RURAL</b>	3	0	0	0	0	3

### **Initial Review of Potential Coverage**

21. There is interest of between two and 25 bids in all of the zones: the popular areas being urban zones such as Oadby and Wigston and Loughborough, with lowest levels in Bottesford (2) and Harborough Rural (3).
22. Isolated areas where it is currently difficult to source care from existing contracted providers have attracted interest from new providers in the Bottesford, Castle Donington and rural Harborough areas.
23. Until Contract Managers have mobilisation meetings with new providers, there will not be a precise picture of capacity in these areas, based on any existing work or workers but this will inform provider capacity and readiness ratings. As part of the implementation workstream these zones will be reviewed to ensure current packages with existing providers are covered sufficiently by contract extension arrangements.

### **Next steps**

24. Those service users who are currently receiving packages of care from providers who have not been appointed to HCfL may continue to receive services from those providers where it is in the best interest of the service user to receive continuity of care from their current provider.
25. The HCfL framework has been set up to allow the admission of additional providers after 1 November 2021. The Council will work with providers not on the framework to facilitate the admission of more providers.
26. In conjunction with this, introductory meetings during August and September will include checks on new and existing providers' customer numbers and workforce capability in the zones they have selected to operate in, in order to assess actual capacity rather than capacity referred to in their tenders. This will be combined with a review of growth and recruitment plans and commitments in the tender and local authority reference checks for those operating outside the County as requested in the tender.
27. Key milestones to go-live for the new framework are as follows:

<b>Key Milestone</b>	<b>Start</b>	<b>End</b>
Publish Outcome Issue Intention to Award letters	2 August 2021	2 August 2021
Standstill (10 days from the issue of amended award notifications on 9 August following queries)	2 August 2021	19 August 2021
Post-standstill letters issued to successful and unsuccessful providers	23 August 2021	25 August 2021
Issue Contracts	1 September 2021	8 September 2021
Contract Mobilisation Period	23 August 2021	29 October 2021
New Framework commencement date	1 November 2021	1 November 2021

### **Resource implications**

28. The price bands set for the new contract have been determined to reflect the different operating costs across the County. There are no resource implications for overall spend on home care packages due to the implementation of the new contract prices as the rates were set such that the overall cost would be the same as under HTLAH, should volumes remain the same.
29. However, the authority has had significant growth in demand for home care since the start of the pandemic, in terms of both numbers of new service users and increasing service needs. This has led to home care expenditure under HTLAH being significantly higher than budgeted in 2020/21 and to date in the current financial year.
30. The core project team is resourced from within the Department and the corporate Transformation Unit. Relevant subject matter expertise is resourced jointly between the County Council and the CCGs from the following areas Care Pathway; Strategic Commissioning and Contracting; Finance and Social Care Systems; Legal; Commissioning Support; Communications; and Review.
31. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

### **Risks and Issues**

32. There is risk that current providers who were unsuccessful or who did not bid may seek to hand back packages of care before the new Framework start date, requiring the Council to transfer the care to a new provider before the framework start date. The Council will use existing contractual arrangements to bridge any such gap, and where possible using current providers who have also been appointed to HCfL.
33. Furthermore, there is a risk that exiting providers will leave a gap in market capacity in the event that new providers are unable to sufficiently mobilise by 1 November 2021 and beyond, as well as limiting overall capacity on the Framework. To mitigate this risk, and manage variation to future demand, the Agreement is worded in such a way as to focus on the County Council's discretion in deciding when to invite new bids and enables the Council to consider zone-specific requirements, as well as wider emerging issues, such as providers failing to demonstrate readiness to commence operating at the start of the contract.

### **Conclusions**

34. This report describes the process undertaken to date for the procurement of the new HCfL approved by the Cabinet in February 2020. This report provides assurance of the steps taken to ensure successful implementation and mobilisation of the new Framework.
35. The Project is undertaking further analysis to ensure that there is sufficient market capacity to meet current and future demand across all zones.

### **Background papers**

- Report to Adults and Communities Overview and Scrutiny Committee: 2 September and 11 November 2019 and 20 January 2020 – Domiciliary/Home Care Service: Post November  
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1040&MId=5689&Ver=4>  
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1040&MId=5690&Ver=4>  
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1040&MId=6167&Ver=4>
- Report to Cabinet: 7 February 2020 - Commissioning and Procurement of Home Care Service Post-November 2020  
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5992&Ver=4>
- Report to Cabinet: 23 June 2020 – Commissioning and Procurement of Home Care Service Post-November 2020  
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5996&Ver=>
- Report to Adults and Communities Overview and Scrutiny Committee: 18 January 2021 – Commissioning and Procurement of the Home Care Service  
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1040&MId=6460&Ver=4>

### **Circulation under the Local Issues Alert Procedure**

36. None.

### **Equality and Human Rights Implications**

37. A draft Equality and Human Rights Impact Assessment (EHRIA) has been undertaken in tandem with the design process and this was shared with the report that went to the Committee in January 2020. This will allow integration of actions to mitigate any potential equalities issue throughout the process (including during workshops and co-production). The main findings from this assessment are:

- There will be no negative equalities impact on any particular groups;
- The proposed service model will address current geographical issues, improving the quality, sustainability, responsiveness and consistency of the service and improving service user outcomes;
- The proposed service model will ensure that service users will get the right level of support and maximise their independence;
- A focus on achieving individual outcomes will support equality and inclusivity of the service delivery.

### **Other Relevant Impact Assessments**

#### **Environmental Implications**

38. Following the declaration of a climate emergency at the County Council meeting in May 2019, targets for carbon reductions have been set, which the Department will need to meet during the period of the new Home Care Service. Potential impacts on the environment and climate will come from the activities of both the Department and its service providers. Whilst this impact is largely unknown at present, it is likely to be significant given the number of journeys made on a day to day basis. The work described above to realign and optimise the delivery lots and zones, across geographical operational areas, will play a key part in reducing this impact.

39. The Department is developing an action plan which includes actions aimed at:

- Reducing the amount of waste produced;
- Increasing the level of recycling across County and departmental sites;
- Reducing the amount of paper used within the Department;
- Reducing the amount of business mileage;
- Working with providers to reduce their environmental impact;
- Increasing the number of staff that have completed Environmental Awareness E-Learning and implementing any mitigation measures identified in the Corporate Climate Change Risk Register;
- Providers attending the provider engagement events have been made aware of the Council's service requirements and strategic aims, which will form part of the ITT required response.

### **Partnership Working and Associated Issues**

40. Health colleagues from East Leicestershire and Rutland and West Leicestershire CCGs continue to be fully engaged with the project to ensure that both health and social care needs of service users living in Leicestershire are met.

### **Officer to Contact**

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