

**Report to:** EXECUTIVE CABINET

**Date:** 24 August 2022

**Executive Member:** Councillor John Taylor – Executive Member Health, Adult Social Care, Homelessness & Inclusivity

**Reporting Officer:** Stephanie Butterworth, Director of Adult Services

**Subject:** **CONTRACT EXTENSION HELPING PEOPLE TO LIVE AT HOME AND EXTRA CARE SERVICE AND HOME CARE FRAMEWORK**

**Report Summary:** On 27 October 2021 Strategic Commissioning Board initially approved a tender process to commence in May 2022 with a contract go live date for 1 November 2022 for both the 'Helping People to Live at Home' contract and the 'Home Care Framework'. Unfortunately given the unprecedented circumstances of the pandemic, along with the provider's ability to respond to a tender exercise and the need to ensure a stable care market for the impending winter period it was recommended that the tender exercise be aborted. The current contracts do not have sufficient provision for a further extension and therefore this report seeks approval for a direct award of contract to extend the service provisions for a period of 7 months to 31 May 2023 given the exceptional circumstances described. Should approval be granted it is intended to reschedule the tender exercise to begin in August 2022 let the new contract with a 1 June 2023 start date.

**Recommendations:** That the Cabinet be recommended to approve subject to STaR ensuring compliance with the law that:

- (i) A contract extension of the Helping People to Live at Home and Extra Care Service contract to 31 May 2023
- (ii) An extension of the Home Care Framework to 31 May 2023
- (iii) A tender exercise for the above contracts to cover the period 1 June 2023 to 31 May 2029

**Financial Implications:**  
(Authorised by the statutory S  
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<b>Budget Allocation (if Investment Decision)</b>	Funding for these services is currently within Budget allocation
<b>CCG or TMBC Budget Allocation</b>	TMBC and ICB
<b>Integrated Commissioning Fund Section – s75, Aligned, In-Collaboration</b>	Section 75
<b>Decision Body –Executive Cabinet/ local integrated care arrangements</b>	Cabinet & local integrated care arrangements
<b>Value For money Implications – e.g. Savings Deliverable, Expenditure Avoidance, Benchmark</b>	
<b>Additional Comments</b> This report is not asking for any additional funding, but to extend the contract further due to procurement delays. The financial impact to delay the decision would only have been quantified	

through the procurement process which would have been the lost opportunity to tender at a cheaper cost to the council to deliver the home care services.

**Legal Implications:**

**(Authorised by the Borough Solicitor)**

As set out in the main body of the report the tender exercise has not been concluded as expected leaving the service in a position where there is no provision to extend the contract further under the existing terms of the contract to ensure the continued delivery of the provision. The project officers are engaging with STaR to ensure that there is a robust procurement process and that any risks are mitigated wherever possible.

**How do proposals align with Health & Wellbeing Strategy?**

The proposals align with the Living Well and Working Well and Aging Well programmes for action

**How do proposals align with Locality Plan?**

The service links into the Council's priorities :-

- Help people to live independent lifestyles supported by responsible communities.
- Improve Health and wellbeing of residents
- Protect the most vulnerable

**How do proposals align with the Commissioning Strategy?**

The proposals follow the Commissioning Strategy principles to:

- Empower citizens and communities
- Commission for the 'whole person'
- Take a 'place-based' commissioning approach to improving health, wealth and wellbeing
- Target commissioning resources effectively

**Public and Patient Implications:**

Those accessing the service have been identified as having eligible needs under the Care Act 2014 or are assessed as requiring preventative services to delay eligibility and entrance to eligible services.

**Quality Implications:**

These services support quality outcomes for people to be able to continue living well in their own homes and local communities.

**How do the proposals help to reduce health inequalities?**

The service delivers whole life support to vulnerable people including ensuring individuals have access to healthy lifestyles.

**What are the Equality and Diversity implications?**

There are no negative equality and diversity implications associated with this report. Equality Impact Assessments have been produced and are available from the report author.

**What are the safeguarding implications?**

There are no safeguarding implications associated with this report. Where safeguarding concerns arise as a result of the actions or inactions of the provider and their staff, or concerns are raised by staff members or other professionals or members of the public, the Safeguarding Policy will be followed.

**What are the Information Governance implications? Has a privacy impact assessment been conducted?**

Information Governance is a core element of all contracts. The necessary protocols for the safe transfer and keeping of confidential information are maintained at all times by both commissioner and provider. Privacy Impact Assessments have not been carried out.

**Risk Management:**

Risks will be identified and managed by the appropriate officers.

**Access to Information:**

The background papers relating to this report can be inspected by contacting the report author Dave Wilson, Adults Team Manager — Joint Commissioning and Performance Management



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## 1. INTRODUCTION

- 1.1 On 27 October 2021 Strategic Commissioning Board initially approved a tender process to commence in May 2022 with a contract go live date for 1 November 2022 for both the 'Helping People to Live at Home' contract and the 'Home Care Framework'. Unfortunately given the unprecedented circumstances of the pandemic, along with the provider's ability to respond to a tender exercise and the need to ensure a stable care market for the impending winter period it was recommended that the tender exercise be aborted. The current contracts do not have sufficient provision for a further extension and therefore this report seeks approval of a direct award of contract for a period of 7 months to 31 May 2023 given the exceptional circumstances described. Should approval be granted it is intended to reschedule the tender exercise to begin in August 2022 and let the new contract with a 1 June 2023 start date
- 1.2 The Lots will be as follows, with further detail on the scope of each 'Lot' outlined in sections two and three of this report:
- Lot 1 – Helping People to Live at Home and Extra care Service
  - Lot 2 – Homecare Framework
- 1.3 It is intended that both contracts be for six years and run from 1 June 2023 to 31 May 2029 with an option to extend for one year subject to a subsequent decision from Cabinet.
- 1.4 The timeline for the tender process is set out below:

Tender published on the Chest	-	24 August 2022
Tender closes	-	3 October 2022
Evaluation and Moderation	-	11 October – 31 October 2022
Executive Cabinet Decision	-	25 January 2023
Contract Award	-	27 January 2023
Mobilisation	-	9 February – 31 May 2023
Contract Start	-	1 June 2023

## 2. HELPING PEOPLE TO LIVE AT HOME & EXTRA CARE

- 2.1 The current contract commenced 31 October 2016 for a period of three years with the option to extend for a further three years from 1 November 2019 to 31 October 2022, which has been invoked.
- 2.2 Following a tendering exercise in 2016, services were remodelled based, in part, on a wider GM transformation programme to help ensure a more sustainable homecare market. The contracts were awarded to six zoned providers delivering to designated areas covering twenty nine postcodes across the Borough
- 2.3 Using a developmental contract, the new model was designed to facilitate more person centred approaches with a strong outcomes focus, but also recognised that the previous approach – essentially time and task - was unsustainable, not least with regard to the recruitment and retention of staff. Commissioning on the basis of outcomes has worked to develop the following:
- A strong on-going reablement emphasis
  - Providers as integral partners in an integrated approach to care and support
  - Staff to have blended health and social care roles
  - Providers and service users to co-produce care and support plans
- 2.4 The six successful providers have been working in partnership with each other, with commissioners and with other key stakeholders towards the new model since the award of contracts in 2016. The partnership work has included the open sharing of ideas, experiences, good practice, offers of shared resources and co-producing a suite of person centred

documentation.

- 2.5 Key developments over the last few years include the introduction of moving with dignity manual handling practice, an award winning blended roles pilot and provider-led reviews that have moved the support role ever closer to a “trusted assessor” role.
- 2.6 Up until the pandemic, demand, in terms of hours, was well managed with providers working closely with their neighbourhood colleagues to flex and review support. The impact of the pandemic however, have seen commissioned hours increase by approximately 24% over the 16 month period.
- 2.7 Also increasingly well managed were long-standing workforce issues that have been a feature of the home care market for many years. An improved hourly rate, in line with the Foundation Living Wage and competitive with other sectors, along with better opportunities for career progression and person centred working was starting to reduce the ‘churn’ of staff and to ensure a more sustainable workforce. However due to the pandemic, and recent cost of living increases, providers are facing significant challenges again recruiting and retaining staff.
- 2.8 These challenges have over the course of the pandemic, been particularly marked in the already challenging winter months, with providers, on occasions, having to operate a risk management system to prioritise urgent calls and personal care. Facilitating hospital discharges has seen periods of unprecedented unmet need and people medically optimised for discharge having to remain on wards.
- 2.9 In line with our neighbourhood model, the intention of the new contract is to move from six zoned providers to four - each neighbourhood would have one dedicated homecare provider (West and East currently have two). This should further cement the close partnership working fostered over the last five years whilst embedding a more sustainable business model for providers.
- 2.10 Findings from the evaluation of the previous model of extra care provision suggested a preference to move to one overall provider to deliver extra care across the borough. Delivery by one provider controlling one financial resource will enable a more flexible delivery model and will also provide a wider base of support to provide care to those with more complex health and social care needs. This will support the whole system in terms of hospital discharge and a reduced need for care home placements. It is therefore recommended that all extra care would be covered under a fifth contract within Lot 1 of the tender.

### **3. HOME CARE FRAMEWORK**

- 3.1 In addition to commissioning the zoned home care providers, a standing list of providers was established as part of the wider tender exercise in 2016 with twenty five currently approved to deliver standard homecare and any packages of care the six zoned providers are not able to cover.
- 3.2 These providers are paid the standard home care rate and are not expected to undertake key elements of the zoned providers work like ‘Moving With Dignity’ single handed manual handling transfers, blended roles and trusted assessor roles.
- 3.3 In normal times, this would equate to 5% of commissioned packages of care. In the last two years, however, the non-zoned providers have supported during very challenging circumstances and currently have in the region of 30% of all commissioned packages.
- 3.4 As we attempt to stabilise the market, this proportion of work may revert to levels more akin to pre-pandemic times. However, the issues with workforce recruitment and retention are still challenges and so reliance on non-zoned providers is essential to meeting demand.

#### **4. FINANCE**

- 4.1 The contract term is 6 years from 1 June 2023 to 31 May 2029. There is a maximum funding envelope of £63.6m for Support at Home and £8.7m for Extra Care for the purposes of the tender and is based on the current fee rates over a 6 year period.

Support at Home	£19.22 per hour
Standard Home Care	£17.73 per hour
Extra Care	£16.71 per hour

- 4.2 It should be noted that the hourly rates for these contracts will be uplifted annually in line with the usual adult social care annual fees process.
- 4.3 The contract extension will be for a further 7 months, (1 November 2022 to 31 May 2023), and is expected to cost £6.3m for Support at Home and £0.8m for Extra Care based on the current rates, and will be subject to uplift in relation to the month of May 2023.

#### **5. CONCLUSION**

- 5.1 It is clear that through the course of the pandemic the independent care sector have been met with unprecedented challenge whilst continuing to support Tameside residents with their health and care needs. Feedback from providers on the timeliness of the previously planned tender exercise led us to reconsider our timescales in recognition of the current pressures. Therefore, it is recommended to realign the tender process so that a transfer of contracts takes place during the summer months to ensure a stable market over the impending winter period.

#### **6. RECOMMENDATION**

- 6.1 As set out at the front of the report.