

**PERSONAL SUPPORT (HOME BASED) CONTRACT: EXEMPTION FROM  
CONTRACT REGULATIONS DURING THE IMPLEMENTATION OF SELF  
DIRECTED SUPPORT (SDS)**

*To:* **Cabinet**

*Date:* **26 January 2010**

*From:* **Executive Director: Community and Adult Services**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable** *Key decision:* **Yes**

*Purpose:* **To seek approval from Cabinet for an extension on the current contract framework for personal support services until 31 March 2012, and to invite applications from home care services to join the current contract framework, to support increased choice and capacity, whilst new contract arrangements are designed and implemented to support the self directed support system.**

*Recommendation:* **That Cabinet**

i) **Approve the extension of the current contract framework for Personal Support Services until 31 March 2012, using the power to dispense with any provision of the Contract Regulations, as set out in clause 3.7 of the Contract Regulations.**

ii) **Approve the invitation for applications for home care providers to join the Preferred Providers' List to increase choice and capacity in the Personal Support Services market.**

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## **1.0 BACKGROUND**

- 1.1 In October 2003, following approval by Cabinet, a standard contract framework was put in place to develop a preferred providers' list of Personal Support Services i.e. home care services, to deliver personal care and support to people eligible for social care services, in their own homes. The purpose of introducing the contract and the Preferred Providers' List was to establish a uniform approach within which the home care market could be developed and expanded. The contract set out a single hourly rate and quality standards against which home care services are monitored, using the locally designed monitoring tool, Safe in the Knowledge. The single hourly rate was agreed after consultation with providers and means that no additional charges are made for hours delivered in the evenings, weekends or bank holidays.
- 1.2 Under the standard contract framework, officers can invite providers to apply to join the list, by issuing an advert in appropriate journals, and using delegated powers, officers can agree the inclusion of a provider on the Preferred Providers' List, subject to the provider demonstrating how they comply with the standards specified in the contract, including policies and procedures, and recruitment, induction, supervision and training of staff. The Preferred Providers' List currently includes 31 providers, with the majority of the care being provided to older people. The list also includes providers that work with people with learning disabilities and people with physical disabilities. Of the 31 providers, 14 were also awarded a guaranteed number of hours per week. These providers had demonstrated their ability to provide good quality services over the 3 years leading up to the start of the contract and the guaranteed hours provided a key component in the development of additional capacity in the market, to respond to the strategic move to support more people to remain in their own homes, rather than move into residential or nursing care homes.
- 1.3 In 2008, Cabinet approved a 2 year extension to the use of the standard contract framework that secured a continuation of the basis on which the home care market had been developed and expanded. This allowed Commissioners to build on the positive relationships developed with local providers and to continue to strengthen the market within the framework of continuous improvement and collaboration to deliver on the Council's strategy to support more people in their own homes. The extension is due to expire on 31 March 2010, and this report seeks Cabinet's approval to use its powers under the Contract Regulations to agree an exemption and allow the current standard contract framework to continue for a further 2 years, to 31 March 2012. .

## **2.0 Current Activity and Effectiveness of the Framework Contract**

- 2.1 The 31 providers deliver about 30,000 hours of home care services to approximately 3,000 people each week. The amount of business delivered by each provider varies, with the range being from 1,000 hours per week to 1,750 hours per week. Where a minimum number of guaranteed hours are included in the contract, all 14 providers consistently deliver above the guaranteed number of hours. The number of hours per week guaranteed in this way ranges from 450 hours per week to 1,400 hours.

- 2.2 The single hourly rate, paid to all 31 providers, is currently £16.24 per hour. Benchmarking of home care services is complex because many other authorities negotiate different hourly rates with each provider, which will include enhancements for evening, weekend and bank holiday working. Despite the difficulties of benchmarking, regular contact is maintained with authorities across the Eastern region and the single hourly rate, linked with the quality standards and expectations of continuous improvement, is still considered to provide value for money for Cambridgeshire. The single hourly rate has also created a collaborative environment within which providers work together to find solutions to problem areas. For example, if one provider has a short term staffing difficulty, another provider will step in and provide a package of care on an interim basis, until the other provider has resolved the problem.
- 2.3 All providers are monitored annually using the Safe in the Knowledge monitoring tool that indicates the level to which each provider is performing against the standards set out in the contract. The tool has the ability to set new targets for each round of monitoring which aim to achieve continuous improvement of services. Staff in the service are sent questionnaires about the terms of their employment, training and supervision, and service users (and relatives) receive questionnaires that provide them with the opportunity to feedback on the quality of the service they receive. Any failures identified are addressed through an action plan with timescales. There is evidence that over the period of the contract, quality and customer satisfaction has improved.
- 2.4 The expectation of continuous improvement has been used to introduce improved work practices, for example, the introduction of the Medicines Management Scheme that required providers to sign up to a joint protocol with the County Council and the Primary Care Trust. The purpose of the protocol was to have a shared understanding of the importance of good medicines management in enabling people to improve their health. The Primary Care Trust invested funding in the scheme to provide a training programme for all independent sector care staff which has reduced the need for duplicate visits to clients where there may have been a Community Nurse or Health Care Assistant visiting in order to ensure medication had been taken.
- 3.1 Cambridgeshire County Council and partners have been working together to introduce the new system of self directed support (SDS), and the roll out across the county began with people with learning disabilities in April 2009 and people with physical disabilities in June. The roll out to older people began in September and this will be completed in April 2010. A significant part of this work is the engagement with home care providers, who need to understand the potential impact on their services with service users having more choice and control over how their care and support is arranged and delivered.
- 3.2 To support the providers in this change, we have taken a number of steps:
- Deployed a member of the Contract Monitoring Team to focus on this work
  - Set up a Providers Champion Group, who are working closely with

Officers to consider the type of contracting that will be required for a market that can respond to self directed support

- Provide a regular newsletter to local providers
- Arranged briefing events for providers
- Collaborated with Business Link to provide workshops for providers
- Developed a toolkit for providers, to support their business planning and development to respond to self directed support (available on the public website)
- Development of a web based catalogue, linked with cambridgeshire.net, where providers can promote their services.

- 3.3 The work with providers is critical to inform future contracting arrangements that will need to ensure capacity and quality within the market, whilst increasing choice for service users. Through our national networks, it is clear that no other authority has yet developed new ways of contracting with providers to meet the challenges of introducing greater choice whilst maintaining capacity and quality. In fact, the work that we are undertaking with providers and the activities set out in 3.2 above, have been described as leading edge. There is no blueprint that we can follow.
- 3.4 Although our implementation of SDS is well underway, it is still early in terms of our understanding of exactly what type of contracting will be required to manage the market effectively in the future. As we increase our understanding, and progress our work with providers, and share thinking and experiences with other authorities, we will be able to design appropriate contractual arrangements to support the key elements of choice, capacity, and quality for service users requiring personal care and support from a home care provider.
- 3.5 Until officers are able to develop new ways of contracting, we need to maintain the stability of the existing home care market based on the current contract framework. Whilst maintaining the stability, we can continue to increase choice and capacity by inviting providers who are not currently on the Preferred Providers' List to apply for inclusion, subject to meeting the standards required by the contract. In order to secure stability and increase choice whilst work continues to develop a new way of contracting, it is proposed that use of the current contract framework is extended until 31 March 2012.
- 3.6 The proposed work plan for the next 2 years to develop and move to an appropriate approach to the future contracting of personal care and support is set out below:
- April 2010 – Extension of current contract for Preferred Providers' List
  - May 2010 – March 2011 – Advertising and processing of new providers considered for inclusion on the Preferred Providers' List
  - April 2011 – New contract framework confirmed
  - May 2011 – December 2011 –Advertising and process to select providers for the new contract framework
  - January 2012 – March 2012 – Preparation for transfer to new contract framework
  - April 2012 – New contract framework in place.

### 3.0 **SIGNIFICANT IMPLICATIONS**

- 3.1 **Resources and Performance:** The effective management of the home care market is necessary to deliver essential services to people requiring social care services and to deliver on the strategic aim to support people in their own homes, which is reflected in national performance indicators.

The extension of the current contract framework will ensure ongoing stability in the market, whilst advertising for new providers to apply to join the preferred providers' list has the potential to increase choice and capacity within the market, which fits with the implementation of SDS.

- 3.2 **Statutory Requirements and Partnership Working:** This report is being presented to Cabinet to conform to the following clause of the CCC Contract Regulations:

3.7 In **exceptional circumstances**, the County Council and its *Cabinet* have power to dispense with any provision of these Contract Regulations. Any such decision may be a Key Decision. (There is no Exemption available for *Priority Services* above the *EU Thresholds*.)

- 3.3 This exemption from Contract Regulations does not remove the ability to market test, it actually ensures sufficient time is given to the commissioning/ tender process and the re-letting of new contracts. Nor does it remove the Council's obligations to comply with the principles of transparency and fairness in public procurement enshrined in the EC Treaty. There is accordingly, a potential risk of a challenge arising from an extension of the contract period, but given the particular circumstances, and the potential to advertise for new providers to join the Preferred Providers' List, the likelihood of a successful challenge is considered to be very low.

- 3.4 **Climate Change:** There are no significant implications for any of the areas in this category.

- 3.5 **Access & Inclusion:** There are no significant implications for any of the areas within this category

- 3.6 **Engagement and Consultation:** There is on-going engagement with providers through the Champions Group and the regular newsletter, to keep them briefed on the implementation of SDS. Also, there is a Reference Group of service users and family carers that contributes to the development of all aspects of the implementation of SDS.

- 3.7 The County Council's Legal department has been consulted to ensure this document content complies with Contract regulations.

### **Recommendation**

1. That Cabinet approve the extension of the current contract framework for Personal Support Services until 31 March 2012, using the power to dispense with any provision of the Contract Regulations, as set out in clause 3.7 of the Contract Regulations.
2. That Cabinet approve the invitation for applications for home care providers to join the Preferred Providers' List to increase choice and capacity in the Personal Support Services market.

<b>Source Documents</b>	<b>Location</b>
Personal Support Services (Home based) Contract	Contracts and Care Placements Unit, Babbage House, Cambridge.
Self Directed Support Policy	Transformation Team, Room 211, Shire Hall