

## Appendix 5 - Procurement & Contract Rationale

The proposal outlined has been informed by discussions with Procurement, a representative of which attends ongoing Home & Community Support Project Groups. A DPS would provide the option for providers to be able to join at different times. This would be a 'non-traditional' or 'pseudo' DPS which affords Children's Commissioning a flexible approach; with a contract term of 5 + 5 years. Given the levels of spend (detailed in Table 8 below) PCC is the proposed contract holder, with a delegated agreement for CCC.

Children's Commissioning have taken learning from the current Home & Community Support DPS, and the external placements DPS and will take a light touch approach but one which is more restrictive than the current Home & Community Support DPS. This will include specific method statement questions which clarify a provider's skill set and experience alongside incorporating due diligence within the pre-qualifying stage. The Terms & Conditions will also ensure that providers who choose not to pick up work do not remain on the DPS ad infinitum. The combination of block contracts and a new Home & Community Support DPS would utilise the same specification and Terms & Conditions.

An analysis of spend and future demand indicates that tendering for 3 block contracts for Peterborough and 2 block contracts for Cambridgeshire alongside a Home & Community Support DPS would provide both Local Authorities the capacity and sufficiency from the market whilst attracting new experienced providers into the area. Market Engagement has indicated that an investment of £50,000 would be required for a provider new to the area to set up an infrastructure; this contract value also equates to the approximate spend for the majority of the current Home & Community Support providers.

	<b>PCC</b>	<b>CCC</b>
<b>Home Care &amp; Community Support</b>	£50,000	£50,000
<b>Home Care &amp; Community Support</b>	£50,000	£50,000
<b>Home Care &amp; Community Support</b>	£50,000	

Each of these block contracts would have a contract term of 3 + 2 years. A contract term of 3 + 2 years has been proposed to give any new providers sufficient time to mobilise and establish an infrastructure before the opportunity to extend arises; a 3+2 contract term also parallels with the 5+5 contract term for the DPS. A lower number of block contracts are being posed for Cambridgeshire to allow sufficient flexibility for the development of Cambridgeshire's internal Community Support Service (CSS). The intended growth of CSS does not negate the need to develop capacity within the external market. The strategic direction that underpins the CWD Development Programme is based on having a balance of internal and external provision. This is reflected within other local authority areas, such as Hertfordshire County Council, who are looking to implement internal provision, alongside the external market, to manage demand.

This proposal includes implementing a Home & Community Support DPS and block contracts in parallel as implementing a DPS first, and awarding block contracts through it, would not encourage new providers into the area with the immediacy required.