
Decision Maker:	EXECUTIVE WITH PRE-DECISION SCRUTINY FROM ADULT CARE AND HEALTH POLICY DEVELOPMENT AND SCRUTINY COMMITTEE (18 JUNE 2024) AND CHILDREN EDUCATION AND FAMILIES' POLICY DEVELOPMENT AND SCRUTINY COMMITTEE (18 JUNE 2024)		
Date:	10th July 2024		
Decision Type:	Non-Urgent	Executive	Key
Title:	Permission to Procure a Framework for Domiciliary Care Services 2025-2029		
Contact Officer:	Chanelle Ghania Ali Integrated Strategic Commissioner E-mail: chanelle-ghania.ali@bromley.gov.uk		
Chief Officer:	Kim Carey – Director of Adults Social Care Richard Baldwin – Director Childrens Services		
Ward:	All		

1. REASON FOR REPORT

- 1.1 The Care Act 2014 provides the context of the council's statutory duty to provide Adult Social Care services. Domiciliary Care is a provision under this Act, that describes a range of services put into place to support an individual to remain within their own home.
- 1.2 The council discharges this duty through the provision of awarding contracts to Domiciliary Care providers upon the completion of a competitive tendering process under the correct Procurement Regulations and Contract Procedure Rules.
- 1.3 Since, 28th August 2021, the council has embedded its Domiciliary Care strategy, set out in an earlier Gateway report (CS18147). This Patch model supported by a call-off Framework of Domiciliary Care providers, has resulted in 31 call-off Framework providers being awarded a four-year contract in 2021. These expire on 27th August 2025, with no option to extend.
- 1.2 The call-off Framework contract is designed to allocate 30-40% of the Domiciliary Care demand to these multiple providers. The Council's total Domiciliary Care spend is £16.4m per annum, with a commensurate spend the call-off Framework providers, projected, spend is £4.9 to £6.7million per annum.
- 1.3 Contracts with a whole life value of £1m and above require Executive approval prior to proceeding to procurement.

2. RECOMMENDATION(S)

2.1 Adult Care and Health Policy Development and Scrutiny Committee and Children, Education and Families Policy Development and Scrutiny Committee are asked to review this report and provide comment prior to the report proceeding to Executive for decision.

2.2 Executive is recommended to:

- i. Approve permission to procure a Domiciliary Care Framework on a call off basis with contracts commencing on the 28 August 2025 for a four-year period, ending on 27 August 2029. The Framework contract has an estimated value of £4.9-6.7m per annum. The overall whole life value is £19.6-26.8m.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Summary of Impact: There is no negative impact. The service supports both the local Corporate Plan priorities and statutory duties to Adult's and Childrens Social Care.

Transformation Policy

1. Policy Status: Existing Policy
 - For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence, and making choices.
 - Making Bromley Even Better Priority: Supporting Our Children and Young People, Supporting Independence, and Healthy Bromley.
 - To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.

Financial

1. Cost of proposal: Up to £19.5m pa for the whole borough (total Domiciliary Care budget).
2. Ongoing costs Framework only: approx. £4.9-6.7m per annum
3. Budget head/performance centre: Council Domiciliary Care Budgets
4. Total current budget for this head: £19.5m
5. Source of funding: Revenue budget

Personnel

1. Number of staff (current and additional): NA
2. If from existing staff resources, number of staff hours: NA

Legal

1. Legal Requirement: Statutory Requirement
2. Call-in: Applicable

Procurement

1. Summary of Procurement Implications: This Gateway 0/1 proposes to secure permission to procure a call off Framework, following a complaint tender process to award contracts for up to four years.
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Property

1. Summary of Property Implications: NA
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: The call-off Framework addresses carbon reduction by only allocating 30-40% of the entire business to providers. whilst it is a borough wide contract the intention is that these providers reduced share of business will reduce the travel required. Additionally, all providers are asked to evidence their commitment to considering their supply chain process to consider carbon reduction.
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Impact on the Local Economy

1. Summary of Local Economy Implications: Increase the council's commitment to the Social Value Act 2012.
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Impact on Health and Wellbeing

1. Summary of Health and Well Being Implications: See section 16 of the report that references the Transformation Bromley Roadmap themes (2019-2023):
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Customer Impact

1. Estimated number of users or customers (current and projected): 2000 Adults, 99 Children
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: NA

3. COMMENTARY

- 3.1. The Care Act 2014 places a duty on the Council to carry out an assessment of a vulnerable person's needs and for the subsequent provision of community services based upon eligible need with a focus on wellbeing and prevention. The Children Act 1989 and the Children and Families Act 2014 place an emphasis on supporting children and young people who have additional needs. Eligibility for domiciliary care services will be based on the assessment and care planning approach detailed in these two Acts.
- 3.2. The Council's Domiciliary Care strategy was detailed in a Gateway report to the Executive on 11 July 2018 (CS18147). This Gateway report recommended a redesign of Domiciliary Care Services which included the Patch model to accept 60-70% of care packages supported by a call-off Framework of multiple providers to accept 30-40% of the packages of care. The Gateway, ACH1905 secured permission to procure, and the Gateway Award (ACH21-031) authorised the contract awards for both the call-off Framework providers and Patch providers. The former for four years (2021-2025) and the latter for 5 years plus 3 (2021-2029).
- 3.3. The current call-off Framework has worked well, particularly as the call-off Framework providers have worked within the pandemic and assuaged the national labour shortages. The reliance upon the Framework has been vital, whilst the Patch providers mobilised to increase their capacity to accept the targeted 60-70% of the demand.
- 3.4. The Framework acceptance of packages has begun to reflect the original intentions of accepting 30/40% of the demand. Below is the percentage of Framework/Patch allocations for each patch in Quarters 1-3 2022/23.

Fig 1: Patch and Framework Packages of care (%) allocated across contracts 2023/24 Q1-3

Q1 2023/24	F/work (%)	Patch (%)	Q2 2023/24	F/work (%)	Patch (%)	Q3 2023/24	F/work (%)	Patch (%)
Central	32	57	Central	69	25	Central	76	11
East	20	65	East	40	56	East	7	64
South	20	57	South	18	66	South	10	78
West	54	37	West	63	28	West	46	40

- i. Please see ACH24-006 the Patch replenishing gateway that characterises the low patch uptake in the central patch.

Summary of Business Case

- 3.5. The strategic model of Domiciliary Care operates as an enabling model of care with outcomes. We are seeking to implement a Trusted Assessor model of care to reduce packages where it is safe to do so. The provider market is responding to these strategic changes.
- 3.6. For example, the current call-off Framework is a mix of ten high spend providers, those with a spend of over £500k pa, and smaller providers that recruit local part time staff and manage their capacity with the turnover of packages.
- 3.7. The call-off Framework acts as an insurance where Patch providers maybe unable to accept care packages. This non acceptance may be a result of various reasons, such as having no available capacity amongst their staff, or experience a suspension following a CQC inspection that rates the Patch provider below a 'Good' standard.
- 3.8. To date, the call-off Framework has been able to accept the demands from the community, and this reduces our reliance upon high-cost spot providers to accept Domiciliary care packages.

Service Profile / Data Analysis / Specification

- 3.9 The average demand for domiciliary care, post covid, is recorded as much as two thousand packages of care per week. There is a growing demand for Domiciliary Care with Children & Young People with an average of ninety-nine children per annum.
- 3.10 The older population, aged over sixty-five, will continue to increase. The JSNA (2017) projects the local over 65 years population as 18% in 2022 and growing to 19% by 2027. The JSNA (updated 2021) projects an over sixty-five population as 20% of the total population by 2031.
- 3.11 With reference to Children and Young people (CYP) there are ninety-nine children and young people in receipt of a domiciliary care package per annum. Currently with an estimated cost for 23/24 at £1.5m.
- 3.12 The 2021 JSNA cites that LBB has pockets of deprivation in both the Northwest and Northeast of Bromley as having the highest levels of deprivation. These levels of deprivation will in turn have an impact on demand for older people requiring Domiciliary Care; thus, the established link between poverty and ill health may well intensify the Domiciliary Care demand during this Domiciliary Care strategy. Which in turn may well impact on our need to rely upon the call-off Framework to accept greater numbers of packages than are already evidenced in Fig 1 above.
- 3.13 Earlier evidencing of this increasing demand was reported to the PDS 24 January 2023 (ACH23-003) for example the turnover for Discharge to Assess service users has increased in all patches and the hospital has incrementally increased the weekend discharges as the 7-day hospital discharge becomes business as usual.

Options Appraisal

Option 1: Secure permission to procure a Domiciliary Care call off Framework (Preferred Option)

- 3.14 The aim of the commissioning strategy has been to increase the uptake of the Patches accepting 60/70% of the work and the Framework accept the remaining 30/40%.
- 3.15 The call-off Framework not only supports the patch providers in meeting their uptake, but it also removes the council's reliance upon spot providers that create pricing bubbles around their costs. Additionally, this is contrary to our Transformation Strategy to decrease our spend on this category of statutory services that the council must provide.
- 3.16 The call-off Framework also attracts a range of providers: high spend providers that create capacity in their business models to smaller local providers that employ local staff on a part time basis that meets our commitment to Social Value and creates a GDP in the local economy.
- 3.17 The call-off Framework requires providers to submit prices that will be subject to a yearly uplift process. These initial guaranteed prices allow the council to project its budget based upon these yearly uplifts during the lifetime of the contract.

Option 2: Do not procure a call-off contract for a further 4 years to support the Patch providers.

- 3.17 The option to not procure a new call-off Framework, for four years, to support the Patch, will result in reliance upon spot providers. Thus, creating pricing bubbles to distort the market value

of Domiciliary Care. This will have a negative impact on the Council's budget and sits contrary to our Transformation Strategy.

3.18 Additionally, spot providers are often servicing other Domiciliary Care contracts and have no obligation to the council to continue to provide spot provision; hence spot providers can concentrate their resources elsewhere leaving LBB in a precarious position.

3.19 Innovations such as introducing the trusted assessment approach are unlikely to take hold where the Council is reliant upon spot providers.

Preferred Option:

3.19 It is recommended that the Executive grants permission to procure a new call off Framework to deliver the following benefits:

- The call-off Framework supports the Patch providers and can meet future demand with the range of providers awarded a contract.
- Working with a range of call-off providers allows the market to be more buoyant in pricing and allows the council to secure value for money.
- Poor performance matters can be better managed through a flexible cohort of call-off Framework providers to accept packages of care at short notice.

4. PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

4.1 Estimated Value of Proposed Action:

The estimated value of the whole life contract is £19.6-£26.8m.

4.2 Other Associated Costs: NA

4.3 Proposed Contract Period: 4 years with no option to extend.

4.4 Procurement Strategy:

It is intended that that this will be an open tender as only providers with a Good or above CQC rating are able to apply in accordance with the Executive's decision.

The evaluation methodology includes:

- The Price/Quality adheres to the 60/40 split.
- The pricing evaluation remains as the previous tender: median plus £3.
Commissioning will attach a pricing schedule which will allow each bidding provider to break down the hourly rate of Domcare across: Direct staff salary; staff cost to employer, overhead contributions, and profit lines.
- Quality evaluation:

Relevant experience:	25%
Provider requirements:	pass / fail
Delivering Services that are Value for Money	25%
Monitoring for Service Improvements	25%
Performance Management & Quality Assurance	25%

Contract conditions include maintaining a Good CQC rating throughout the contract. A less than 'Good' rating will result in suspension where the provider must work with our Quality and provider relations Team on an improvement plan before the suspension can be set aside by the Director of Adult Social Care.

The call-off contract does not work to the Framework provider; therefore each provider decides to enter into a mini-competition for each package of care.

4.5 The estimated timeline for this procurement is set out below:

Market Engagement	June 2024
Issue Tender Documents	July 2024
Evaluate Tender Returns	August 2024
Award Contracts	November 2024
Mobilisation	June/July 2025
Contract Commencement	August 2025

5. MARKET CONSIDERATIONS / IMPACT ON LOCAL ECONOMY

5.1 The current market position is that within Bromley 30 providers have registered offices within the borough. Other London local authorities have a similar market supply. However, by developing the current model, whereby the aim is to work with Patch providers across 4 localities supported by 31 Framework providers, we have managed the hourly rates whilst improving the stability for residents, agencies, and their workforce.

6. SOCIAL VALUE, CARBON REDUCTION AND LOCAL / NATIONAL PRIORITIES

6.1 Social Value Act 2012 has been considered in the original tender process for contract Award in 2021. All applicants were asked to demonstrate how they intend to meet the Social Value workstreams, such as employment opportunities and environmental carbon off-setting practices. In Year two, we have begun to review the Social Value workstreams of all Patch providers and those Framework providers that have a spend of £125k pa.

6.2 All submissions from potential providers will need to demonstrate a commitment to Social Value and upon the contract award will be monitored on this, as is the case with the current commissioned cohort.

7. STAKEHOLDER ENGAGEMENT

7.1 The Commissioning Service has recently requested feedback from the all-current call-off Framework providers on the service specification. In addition to speaking directly to our high financial spenders on the call-off Framework. Service stakeholders were engaged in a revision of the service specifications across all four Lots (Standard Domiciliary Care, Discharge to Assess, Childrens & Young People, Palliative Care) where necessary.

7.2 Social workers collate feedback on how providers are delivering on the objectives set out in the service users support plan. This in turn informs us on the progress of outcomes that are reviewed as part of the service users care plan.

8. IMPACT ASSESSMENTS (INCLUDING VULNERABLE ADULTS AND CHILDREN) AND CUSTOMER IMPACT

8.1 A full Equality Impact Assessment has previously been completed as part of the procurement process in 2019/20. We do not feel it is necessary to revisit this exercise as this continued service model will ensure the Council provides its duties in meeting Adults and Children needs as set out in the Care Act 2014. It will aim to improve on the current offer by providing better outcomes for residents and ensuring a more effective way of procuring the service.

9. TRANSFORMATION/POLICY IMPLICATIONS

9.1 The continued delivery of Domiciliary care as a strengths-based model of care can be mapped to the Transformation Priorities:

- i. Deliver efficiencies to help reduce the Council's budget gap.
- ii. Prioritise the health, safety, and wellbeing of our residents.

10. IT AND GDPR CONSIDERATIONS

10.1 The Council, as part of its on-going commitment and sustaining a progressive approach to data protection and information management, requires the following be considered and evidenced:

- Privacy By design – the Council shall undertake a Data Protection Impact Assessment and manage all residual risk.
- The Council must ensure that the contract and any information sharing agreements have robust clauses relating to data management.
- The Council must ensure that there is an appropriate exit strategy in relation to information retention requirements and transfer with the incumbent provider where necessary.

12. PROCUREMENT CONSIDERATIONS

12.1 This report seeks Approval to proceed to procurement for a new Domiciliary Care Framework. The proposed Framework will commence in August 2025 for a period of four years.

12.2 This is an above threshold covered by Schedule 3 of the Public Contracts Regulations 2015. An 'Open' process will be used, and a timetable is included at Section 4 above.

12.3 The Council's specific requirements for authorising proceeding to procurement are covered by Rules 1 and 5 of the Council's Contract Procedure Rules with the need to obtain the formal Approval of Executive following Agreement from the Portfolio Holder, Assistant Director Governance & Contracts, the Director of Finance, and the Director of Corporate Services for a procurement of this value. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.

12.4 In compliance with the Council's Contract Procedure rule 3.6.1, this procurement must be carried out using the Council's nominated e-procurement system.

12.5 The actions identified in this report are provided for within the Council's Contract Procedure Rule, and the proposed actions can be completed in compliance with their content.

13. FINANCIAL CONSIDERATIONS

- 13.1 This report recommends that Executive approves permission to procure a Domiciliary Care Framework on a call off basis with contracts commencing on the 28 August 2025 for a four-year period, ending on 27 August 2029. The Framework contract has an estimated value of £4.9-6.7m per annum. The overall whole life value is £19.6-26.8m.
- 13.2 The Domiciliary Care Patch contracts are funded from the revenue budgets for Domiciliary Care. The 2024/25 Domiciliary Care budgets are set out in the table below:

	Adults	D2A	Children's	Total
Expenditure	16,534	1426	1,538	19,498
Income*	-5,408	0	0	-5,408
Net	11,126	1,426	1,538	14,090

* Note that this is all charging policy income so will include elements of income attributable to other services such as Day Care

15. LEGAL CONSIDERATIONS

- 15.1 The Council is under a statutory duty to provide a range of adult social care services including domiciliary care under the Care Act 2014.
- As outlined in this report authority is being sought to procure a new Domiciliary Care Framework for a four-year period from August 2025 to August 2029, with contracts being awarded on a call-off basis for packages of care.
- As outlined in the Procurement considerations, the value of contract is above threshold so any procurement exercise must be carried out in accordance with the Public Contracts Regulations 2015. The award of frameworks under the Regulations is governed by Regulation 33 and a framework can only be in place for a maximum of 4 years except in exceptional cases, duly justified.
- The Procurement considerations also set out the requirements of the Council's Contract Procedure Rules in terms of approvals for proceeding to procurement.

16. IMPACT ON HEALTH AND WELLBING

- 16.1 The previous commissioned domiciliary care services supports the Council's key priorities within the Transformation Bromley Roadmap themes (2019-2023):
- Priority One: Safeguarding
 - Priority Three: Life chances, resilience, and wellbeing
 - Priority Five: Integrated health and social care
 - Priority Six: Ensuring efficiency and effectiveness.
- 16.2 A strategic approach to procure a new call-off Framework for domiciliary care will ensure that the service delivery aligns to the current and developing wider health and social care pathways as part of our integrated commissioning arrangements alongside the ICB.

Non-Applicable Headings:	No: 11 Strategic property considerations No 14 Personal Considerations No 17 Ward Councilor Views
Background Documents: (Access via Contact Officer)	NA