

Report to:	Cabinet	Date of Meeting:	3 rd October 2019
Subject:	Domiciliary Care Tender		
Report of:	Interim Director for Adult Social Care	Wards Affected:	Church; Derby; Ford; Linacre; Litherland; St. Oswald; Victoria;
Portfolio:	Cabinet Member - Adult Social Care		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To seek approval to consider the commencement of a procurement exercise to secure new Domiciliary Care Lead Provider/s in areas 4 and 5 of Sefton.

Recommendation(s):

Cabinet is recommended to approve;

- (1) The Interim Director for Adult Social Care be authorised to consider the option of a procurement exercise to establish new Lead Domiciliary Care Providers in areas 4 and 5 of Sefton with a view to entering into contracts for a maximum period of five years comprising an initial three-year period with an option to extend for up to two periods of twelve months; and
- (2) That the Interim Director for Adult Social Care in consultation with the Cabinet Member – Adult Social Care be granted delegated authority to award the Contracts resulting from any procurement, and to award any extensions thereof.

Reasons for the Recommendation(s):

To authorise the Interim Director for Adult Social Care to consider the commencement of a procurement exercise to secure new Lead Provider contractual arrangements in areas 4 and 5 of Sefton.

Alternative Options Considered and Rejected: (including any Risk Implications)

The following options were considered and rejected;

1. **Maintaining the status quo** – this was not considered a viable option due to the current market capacity issues and the proposed future strategic direction of the current Lead Provider.

2. **Conducting a procurement exercise which would encompass transferring existing services in areas 4 and 5 (either whole or in part)** – this option was considered and rejected as such transfers could further destabilise the market and therefore would not assist with alleviate market capacity issues. Furthermore, any partial transfer of services could potentially not be viable for any new incoming Provider and the current Provider wishes to retain existing services and therefore existing staff.

What will it cost and how will it be financed?

(A) Revenue Costs

Revenue costs with respect to new contracts will be met from existing Domiciliary Care budgets.

(B) Capital Costs

None.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

All resource implications are addressed within the report.

Legal Implications:

Care Act 2014
Care and Support Statutory Guidance
Public Contract Regulations 2015

Equality Implications:

The equality Implications have been identified and mitigated.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:

Domiciliary Care provides care and support to vulnerable people assessed as requiring such services, thus ensuring that the Council meets its statutory obligations.

<p>Facilitate confident and resilient communities:</p> <p>Domiciliary Care services support the maintenance of independence, including ensuring that Service Users remain as part of their local communities.</p>
<p>Commission, broker and provide core services:</p> <p>The adoption of the recommendations will ensure that statutory services will continue to be delivered to vulnerable Service Users.</p> <p>The proposed method of awarding new contracts will ensure that all Sefton areas are under the same procurement arrangements.</p>
Place – leadership and influencer:
Drivers of change and reform:
Facilitate sustainable economic prosperity:
Greater income for social investment:
Cleaner Greener

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD5740/19) and the Chief Legal and Democratic Officer (LD4864/19) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Consultation has taken place with the current Lead Provider in areas 4 and 5.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Appendices:

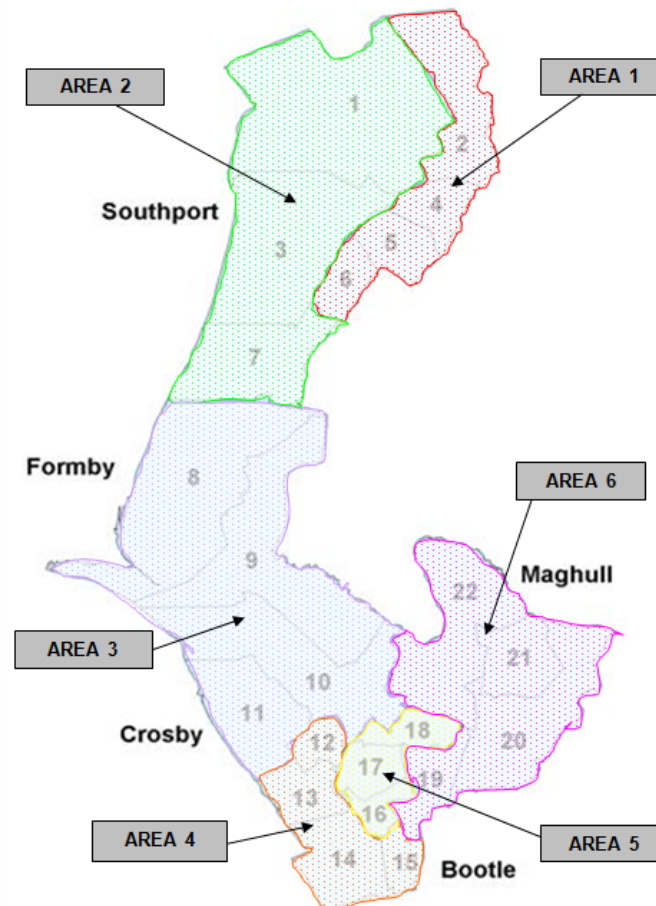
There are no appendices to this report.

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 In Sefton, Domiciliary Care services are 'split' into the six contracted areas detailed in the map below. In each area, there is a Lead Provider who is required to accept all referrals for care packages commissioned by the Council.



- 1.2 In February 2018, services in Areas 4 and 5 transferred to the current Lead Provider. This encompassed a full transfer of Service Users and care staff from the exiting Provider.
- 1.3 For the other four areas, in 2018 a Cabinet report approved that a joint procurement exercise be conducted with Knowsley under a Liverpool City Region / Tripartite joint working initiative. This encompassed the establishment of a

Pseudo Dynamic Purchasing System (PDPS) which created a list of Domiciliary Care Providers who both expressed an interest in delivering services and who met the quality criteria to deliver such services in Sefton. The procurement exercise was led by Knowsley Council's Procurement Team and the PDPS was established for an initial ten-year period.

- 1.4 At the time of this initial procurement exercise areas 4 and 5 were not included as contractual arrangements were already in place for the areas. There was an immediate "call-off" of the PDPS to award Lead Provider contracts in areas 1, 2, 3 and 6 with these new contracts commencing from 1st August 2018 onwards. All contracts were awarded for an initial three-year period.
- 1.5 The current market is experiencing capacity issues and for areas 4 and 5 discussions have taken place with the current Provider regarding the potential to reduce the current volume of care packages delivered by them, whilst at the same time supporting the Provider to diversify their business from that being solely commissioned by the Council. This is in line with proposals submitted to Cabinet in a separate report relating to the Provider.
- 1.6 As a result, it has been identified that the current best option is to explore securing new Lead Providers for these areas. This would encompass the procurement process detailed in section 2 of this report being followed, which in turn would result in the current Provider retaining all existing care packages and new Lead Providers being secured to deliver new care packages commissioned by the Council. Under this scenario the current Provider would therefore retain all current care staff thus ensuring that it retains a staffing cohort that can deliver all existing work. When instances arise where the level of existing work reduces (principally via the 'natural' ending of existing packages) staff can then be utilised for new non-Council commissioned work as well as in other service areas in the organisation.
- 1.7 However, at this stage ongoing dialogue is taking place with the current Provider and it could be the case that should alternative future service delivery and commissioning arrangements be identified, then the specific procurement exercise detailed in this report may not be required. Should this be the case, then subject to the financial value of the alternative procurement exercise, then either a further report will be submitted to Cabinet or will be conducted in line with Chief Officer or Cabinet Member delegated authority.

2 The proposed procurement exercise to secure new Lead Providers for areas 4 and 5

- 2.1 It is proposed that the Council utilises the existing PDPS to conduct a further 'mini-competition' to secure new Lead Providers. To support this, the Council has (via Knowsley Council's Procurement Team) published a notice to all existing PDPS Providers advising them that areas 4 and 5 are now included in the PDPS and that there is the potential in the future for the Council to "call off" from the PDPS to establish Lead Providers in these areas. Should there be any issues with utilising the PDPS for the procurement then Sefton will conduct its own separate procurement under OJEU light-touch procurement arrangements.

2.2 The procurement would be conducted by Sefton Officers and the following timetable has been formulated for the exercise;

Procurement Activity	Timeframes
Tender Advertised on CHEST	24 th October 2019
Tender Return Date	28 th November 2019
Evaluation of Responses - including Clarification	29 th November 2019 – 20 th December 2019
Scoring Moderation	w/c 6 th January 2020
Chief Officer Award Authorisation	15 th January 2020
Mandatory Standstill Period	16 th January 2020 – 24 th January 2020
Award of Contracts	27 th January 2020
Implementation Period – including engagement with Service Users, establishing finance systems, contracts formulation etc.	27 th January 2020 – 29 th February 2020
Contracts Start Date	1 st March 2020

- 2.3 As the procurement would be conducted under the auspices of the existing PDPS established, then bids would continue to be evaluated solely based on an assessment of quality and Social Value as the Council has set the rates paid for Domiciliary Care services to contracted Providers. Bidders will be required to answer questions relating to issues such as how they will meet the requirements of the service specification, and will be tailored to ensure that they meet the specific requirements of the procurement and so that they meet key Adult Social Care aims and strategic priorities.
- 2.4 The current contract and service specification will be used (regardless of the process used to conduct the procurement) so as to ensure there are consistent contractual and service delivery arrangements in place for the new contracts.
- 2.5 Bids will be evaluated by a panel consisting of Officers from Adult Social Care and the Commissioning Support Team.
- 2.6 Following the procurement exercise it is recommended that the Interim Director for Adult Social Care be granted delegated authority to award the contracts, in consultation with the Cabinet Member – Adult Social Care, resulting from the procurement, and to award any extensions thereof.