



**Cabinet
11 November 2019**

**Report from the Strategic Director
Community Wellbeing**

Permission to tender for Adult Social Care and Children and Young People with Disabilities Homecare Services

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	Two: Appendix 1: Patch Based Proposal Appendix 2: Unison Care Charter
Background Papers:	Paper to Community and Wellbeing Overview and Scrutiny Committee, 4 th September 2019
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1. Summary

- 1.1 This report is seeking Cabinet approval to re-tender homecare services for Adult Social Care and Children and Young People with Disabilities as required by Contract Standing Orders 88 and 89.
- 1.2 Currently the council spends in excess of £18m per year on homecare. Whilst Brent has had good control over spend on homecare, the council is not meeting objectives such as paying care workers at the London Living Wage or minimising the use of zero-hours contracts. Re-tendering services will enable Brent to do both, as well as enhance the quality of homecare provision in the borough.
- 1.3 The council is proposing to move to a patch-based model for older people and physical disabilities homecare, dividing the borough into 13 patches to align with proposed primary care networks, with a lead provider for each. For specialist homecare services (Learning Disabilities, Children and Young People

with Disabilities and Mental Health) there will be fewer patches because the number of homecare hours delivered does not allow for these services to be arranged in the same way as for older people/physical disabilities. Full details are set out in the report below.

- 1.4 At the same time that Brent will commission new homecare services, work will begin on bringing reablement services in-house.

2. Recommendations

2.1 That Cabinet –

- (i) Approve inviting tenders for a framework and contracts for homecare services for adults and children and young people with disabilities on the basis of the pre-tender considerations set out in paragraph 9.7 to the report.
- (ii) Approve Officers evaluating the tenders referred to in 2.1(i) above on the basis of the evaluation criteria set out in paragraph 9.7 to the report
- (iii) Approve the contractual period for homecare services as three years, with an option to extend for periods of up to a further two years.
- (iv) Agree that funding is made available to pay homecare workers under the new homecare services arrangements at the London Living Wage from year 1 of the contract as set out in Section 6.
- (v) Delegate authority to award the framework and contracts for homecare services for adults to the Strategic Director, Community Wellbeing in consultation with the Lead Member for Adult Social Care and contracts for homecare services for children and young people with disabilities to the Strategic Director Children and Young People in consultation with the Lead Member for Children's Safeguarding, Early Help and Social Care.
- (vi) Agree that reablement services are brought back in-house, and instruct officers to begin planning this transition.

3. Background

- 3.1 Brent is currently commissioning homecare services from 68 providers for adults and 32 providers for children. In total, these providers deliver over 21,900 hours of homecare per week for adults for 1,700 service users. Children's providers deliver 900 hours per week for 77 service users. The combined cost of services is £18.5m per year.
- 3.2 In August 2019 a paper setting out the different options and associated costs for re-procuring homecare was produced by officers and was consulted upon extensively. This included consultation with elected members, partners and other departments in the local authority. Officers made recommendations that

would allow the council to re-procure homecare services in line with the Overview and Scrutiny Homecare Task group recommendations and would ensure the council was compliant with the Unison Ethical Care Charter.

- 3.3 Options were provided as to the cost of implementing the London Living Wage (LLW) as part of a re-procurement, with costs being mitigated depending on the timescales for implementation. Member and officer preference was for the LLW to be achieved as soon as practicably possible. As implementation of the new model will be phased during year 1 of the contracts (from September 2020) the LLW will be introduced from the start of the new contracts.
- 3.4 The proposed model, as set out in below, was agreed. A further paper was taken to Health and Wellbeing Overview and Scrutiny for additional member input and discussion.
- 3.5 Officers were additionally asked to work with finance to cost and explore the feasibility of bringing reablement services back in-house as part of the future model.

4. An overview of the agreed model

- 4.1 The proposed model has several elements to it. An overview of the model is set out as below -

- Implementation of a patch based model aligned to the 13 Primary Care Networks for the delivery of service for Older People and Physical Disabilities (details of patches is set out at Appendix 1). Each patch would have a lead provider who would be required to deliver at least 80% of all of the hours in the patch. The remaining hours would be delivered by providers from a framework, allowing smaller providers who do not have the capacity to deliver the required volume of hours in any patch to also continue to deliver work for Brent. This will also provide a degree of market assurance and allow us to retain enough providers to cover any market failure issues.
- For 'specialist' care groups, where there are a smaller number of service users to split the borough into 13 patches, officers are proposing two patches. For children with disabilities services the proposal is to work on two patches covering the borough, with four lead providers (two in each patch). For learning disabilities and mental health services, the plan is to have two patches, with two lead providers for each service type.
- Whilst providers will be able to bid for as many services as they wish, they will only be awarded a maximum of:
 - Up to two Older People and Physical Disability zones (Lots 1 to 13); or
 - One Older People and Physical Disability zone (Lots 1 to 13) and one of the Specialist Provider Children's Homecare or Specialist Provider Learning Disabilities or Specialist Provider Mental Health Zones (lots 14 to 19).
 - Providers may only be the lead provider for one of the Specialist Provider Children's Homecare or Specialist Provider Learning Disabilities and Specialist Provider Mental Health Zones (lots 14 to 19) – they will not be awarded two of these zones.

- Brent will move from a position where 20 providers deliver 76% of care (for ASC), to one where up to 21 providers deliver 80% and a smaller number of providers deliver no more than 20% of all care. What this model will end is the practice of large numbers of providers delivering very low numbers of packages. By giving guarantees on allocations of care to providers appointed under contracts, the council should be able to move away from spot purchasing from providers not on the back up lot, giving greater control over spend and quality. This model has the benefit of allowing providers to develop relationships with a smaller group of GP practices, less travel time and security around the number of hours to be delivered allowing for longer term workforce planning. This should also result in a smaller number of providers, allowing for better contract monitoring and better training and support for carers.
- Consistency of care worker is something that the council and care providers are committed to, and it will be included as an element in performance and contract monitoring schedules. As part of the re-procurement providers will be asked to commit to providing a small pool of named care workers for each service users, and commit to these named workers being the people who deliver care to the service user for the lifespan of the contract (wherever possible).
- Electronic Call Monitoring will be mandatory and will be built into the procurement process. This will allow for better real time monitoring of consistency of care worker and timeliness of calls, and will also allow contract monitoring to be evidence based.
- Providers will be asked to demonstrate how they will keep the use of zero hour contracts to a minimum as part of the procurement process, and this will be monitored by officers as part of the contract and quality monitoring process.
- Approximately 10 additional providers will still be able to provide services for Brent by becoming part of a framework. Officers will provide capacity building support to local Brent providers to support them to join this framework.
- The council has committed to paying an hourly rate that allows workers to be paid at LLW. This will be implemented from the start of the new contracts for all new packages. Existing packages will be paid at the LLW as new contracts are implemented on a patch by patch basis.
- Moving to a patch based model will reduce the travelling distance for care workers, because their care packages will be located in specific parts of the borough rather than having to travel across Brent to deliver care. This will contribute to Brent's ambition to reduce the environmental impact of the council's services.
- Work will begin to bring reablement services back in-house alongside the re-procurement of all other homecare services.

5. Community Wellbeing Scrutiny Homecare Task Group and Unison Care Charter recommendations

- 5.1 The proposed model will allow the council to become compliant with the Unison Care Charter, and will deliver the recommendations as set out in the CWB Scrutiny Homecare Task Group report of February 2018. These were:

Table 1 - CWB Scrutiny Homecare Task Group Recommendations

Unison Care Charter Stage 1	No 15 min calls, no rushed calls, carers paid for travel time and sick pay	This has already been delivered as part of the current model of homecare delivery
Unison Care Charter Stage 2	Allocate the same carer, better training and development opportunities, clear complaints process and tackle zero hours contracts.	To be achieved through re-procurement
Unison Care Charter Stage 3	Ensuring carers are paid at LLW and Occupational Sick Pay Scheme.	To be achieved through re-procurement
CWB Scrutiny Task Group recommendation 1	That London Living Wage is introduced incrementally as part of a new commissioning model	To be achieved through re-procurement
CWB Scrutiny Task Group recommendation 2	A minimum standard of training is incorporated into the new commissioning model which gives staff in Brent sufficient development opportunities to encourage homecare as a career within the social care sector.	To be achieved through re-procurement
CWB Scrutiny Task Group recommendation 3	A homecare partnership forum should be set up as part of the new commissioning model to discuss issues of strategic importance to stakeholders involved in domiciliary services in Brent	This has already been delivered and has been running successfully in Brent for over a year

6. Ensuring carers are paid at London Living Wage.

- 6.1 The council has a clear commitment to paying London Living Wage where possible, and the council will offer a rate that will enable providers to pay care workers the LLW as part of the new homecare model.
- 6.2 Prior to agreeing that the homecare contracts should enable providers to pay LLW, the council has budgeted an additional £3m for adult homecare up to 2022/23 and assumed a further £2m growth to 2024/25 to cover both inflation and the likely demographic growth. Regardless of the decision to fund the LLW, the total spend on adult homecare would have increased from £17.6m in 2019/20 to £23.1m by 2024/25. Likewise, to continue to pay children’s providers at National Living Wage levels would require an additional £0.5m by 2024/25, bringing total spend on children’s homecare to £1.3m per year. This is already factored into the council’s medium term financial strategy.
- 6.3 Work has taken place to enable the council to move to payments for these contracts at London Living Wage levels. Through use of reserves, funding set aside in the council’s budget for LLW and also funding assumptions made for cost and demographic inflation in homecare services, LLW can be achieved from the outset of the new contracts.

- 6.4 In order to implement the London Living Wage from September 2020 at least £5.8m will be required from reserves. Contracts will begin in September 2020 rather than April 2020. For the first six months of 2020/21, providers will be paid less than London Living Wage in line with the current purchasing arrangements. Implementation of the new patches would be phased in from September 2020 rather than done in one go. This is so the complex implementation plan can be managed properly without putting service users at risk.
- 6.5 Existing homecare packages will be migrated patch by patch. By phasing in the new patches and taking into account the level of new homecare packages that would be commenced between September 2020 to March 2021, officers have modelled that between 34% to 58% of all homecare hours in Adult Social in 2020-21 would be paid at the LLW during the first year of the contract. Full implementation of the LLW will be achieved by July 2021 on the basis of the implementation plan.
- 6.6 Negotiations with providers take place annually to agree a fee uplift, which considers factors such as real term increases in National Minimum Wage, which have an impact on providers' costs. Commissioners intend to go out to tender with a fixed inflationary increase for the five years of the contract set. The annual increase will include an uplift for wage inflation for carers, but providers will be expected to find other cost increases through efficiencies or a reduction in surplus. By setting out our intentions with regards to uplifts at the start of the contract, both commissioners and providers have some certainty to help with their financial planning. In order to meet the London Living Wage requirements Brent's homecare price from September 2020 would be £19 an hour. From April 2021 it would increase to £19.50 an hour.

7. Bringing Reablement Services In-House

- 7.1 Considerable consideration and discussion has been given as to whether homecare services could be brought back in-house. The challenges of doing this would be considerable. Notably there would be a significant additional cost to doing so (staff costs would mean that Adult Social Care homecare alone would cost a minimum of £36.2m per year by 2024/25, compared to £29.4m, the modelled cost of a commissioned service including LLW). However, equally significant is the risk to the council of in sourcing a service as large as homecare when the council no longer has the requisite experienced and qualified staff to run a regulated service, and the impact it would have on our ability as a council to fulfil our duties under the Care Act (2014) to ensure market stability.
- 7.2 The outcome of discussions concluded that it was neither financially viable nor desirable to bring the entirety of homecare services back under direct council management. However, discussions around the feasibility and desirability of bringing specific specialist services back in-house concluded that there was both a business case and a likely benefit to residents to further consideration of this option, specifically bringing the delivery of reablement services back under direct council management and control.
- 7.3 Reablement is a unique service that requires a very specific skillset and is currently a small subset of the overall homecare market, with Brent commissioning approx. 1,500 hours a week of reablement services.
- 7.4 The service is the only free at point of delivery service provided by Adult Social Care, which means that considerations around financial assessment and charging would not need to be factored into delivering the service in-house. It is offered for a maximum of 6 weeks where it is felt that by supporting a resident to re-learn, or become confident

in certain activities of daily living, then the long term cost of an ongoing package of care to the council is likely to be less.

- 7.5 The delivery of reablement services is different from the delivery of standard homecare, in that the focus of the provider is to support an individual to regain their own skills and independence, thus minimising longer term intrusion into their life as the individual is likely to require less ongoing support. In essence, reablement services support people to do things themselves, with guidance and training if required, whereas standard homecare does things for people where we have assessed there is no likelihood that those individuals will be able to relearn or carry out those skills themselves. A common example of this is that a period of reablement may focus on supporting an elderly person to make a cup of tea themselves, possibly through assessing and providing equipment such as a kettle tipper, or through supporting individuals to rearrange their kitchen so that supplies can be accessed more easily and safely. It may focus on occupational therapy input to teach people how best to safely transfer between sitting and standing, and it may also include physiotherapy input if required to support people to strengthen muscles after a hospital stay, fall or other injury. Traditional homecare would include a time allowance for the carer to make the individual a cup of tea, on the basis that they are either unable or unsafe to do this task on their own, or with support.
- 7.6 Currently reablement is delivered through commissioning providers in the market to deliver these services to residents, after an assessment is completed by the Integrated Rehab and Reablement Service (IRRS), who will also set out the goals that are to be achieved through a period of reablement. The IRRS service then monitor the achievement of these goals, assess the effectiveness of the period of reablement, and determine whether the individual needs ongoing support.
- 7.7 A common complaint from the IRRS service, which is mainly staffed by occupational therapists and physiotherapists, is that care staff working for commissioned providers do not have the correct training, support or skills that would make reablement as effective as it could be. In addition, the council does not currently commission reablement services from any specialist reablement providers. All the providers we commission reablement from also provide standard homecare services. This means that carers providing reablement also provide standard homecare. A carer can be asked to provide a morning reablement call then directly afterwards be asked to provide a standard homecare call. The result is that often there is no difference between the care being offered under reablement and that being delivered as standard homecare.
- 7.8 The council have tried to commission specific reablement provision through a series of market warming events, and discussions and negotiations with providers. Market intelligence shows that there are very few reablement specific providers in the market, and that those that do exist would require a clear contractual mechanism that delivers certainty around hours to deliver in Brent. It also demonstrates that existing reablement providers in the market are generally very expensive, with average hourly rates in excess of £19ph, without paying workers LLW.
- 7.9 A trial project, funded through BCF, was carried out in 2017 allowing the IRRS Team to work with a select group of 6 homecare providers to support and train their staff to deliver reablement. During this period the council also paid a higher hourly rate for reablement provision than for standard homecare. The evaluation of the project concluded that paying higher hourly rates for reablement did not produce any noticeable difference in the quality or effectiveness of reablement provision, and that any increase in the hourly rate was not passed onto the care workers. However, it did clearly demonstrate that joint working between the IRRS team and select providers,

joint visits where the IRRS team attended alongside the reablement care worker, and intensive training for carers from the IRRS team were all effective in delivering better outcomes for residents in receipt of reablement.

- 7.10 It is therefore reasonable to conclude that bringing reablement services back in-house could deliver significant benefits to residents and staff, both in terms of the effectiveness of reablement services and in terms of upskilling staff to be able to deliver a specialist and high demand service.
- 7.11 The opportunity to integrate reablement provision with assessment and care planning is one that Brent is keen to pursue. Bringing services in-house will enable our care planners to work directly with care providers to tailor reablement services to lead to better outcomes for service users. Delivered effectively, savings could be made from reducing the need for ongoing care and support or reducing existing care packages.
- 7.12 Planning for this change is at an early stage, but reablement services have been taken out of the homecare re-tender. Whilst work is done to bring services in-house the council will continue to commission reablement services on a spot purchase basis. A project plan is being produced, including identifying what resources are required in order to begin to bring reablement services in-house.
- 7.13 Commissioners have begun working with finance colleagues to determine the likely cost of bringing reablement services back into the council. Financial implications will depend on the final design of the service, however, based on the delivery of 1,500 hours per week and additional indicative costings for management, accommodation, IT, HR and legal support, a financial envelope for bringing reablement back in-house has been determined. This is set out in the finance section below.
- 7.14 Indicative timeframes for setting up an in-house reablement services are 12-18 months. This is to allow time for proper planning and preparation for the service, CQC registration and recruitment of appropriately qualified managers. It is not clear at this stage whether the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") would apply (this will be dependent on the ultimate design of the service and the job descriptions for reablement care staff). Should TUPE not apply, it is also to allow time for staff recruitment – it is estimated the service will require between 45-55 care staff.
- 7.15 The project to in-source reablement will also need to align with and run alongside the existing work currently being completed as a result of the Newton Europe project around hospital pathways. This work recommended a redesign of the existing IRRS, Home First and Hospital Discharge Team services in order to speed up discharge and to maximise the IRRS service as a resource. Any work to in-source commissioned reablement services will need to consider how we can best integrate the reablement care service with the IRRS assessment service to gain maximum benefit. The goal will be to fully integrate the assessment and care aspects of reablement, which will involve the design of an entirely new service, new care pathways and will require a clear training and development plan to support staff.
- 7.16 Officers have begun work to revise the current project plan and timescales for the Newton Europe Project, and are working with commissioners to identify what additional resources will be required to deliver a larger and more complex programme that also includes the in-sourcing and integration of reablement provision with care management services. This is especially complex as the teams in scope are integrated teams, and any programme in this area needs to include multiple partners, commissioners and providers. An indicative programme management resource cost of £150k has been included in the overall indicative costs for reablement.

8. Risks and Mitigations

- 8.1 The biggest risk period will be as new contracts are implemented, working through the transfer of care provision from old providers to new. This is something that commissioners are working on to plan to try to limit disruption and ensure continuity of care where possible. Where TUPE applies the council will facilitate the transfer of staff between organisations; if continuity of care worker can't be maintained during implementation the council and provider will need to work with service users to explain why, and help to build relationships with new carers as quickly as possible; if service users wish to switch to a direct payment (DP) to give them more choice and control over their care they will be able to do so. Through these actions officers will try to ensure there is as much continuity as possible.
- 8.2 Whilst a number of our existing providers will no longer provide services for the council under the new patch based model, some will still retain work from individuals choosing to remain with them via a direct payment. The council would not quality monitor DP providers (unless they were on the framework), as in this scenario the service user chooses to employ a carer or agency directly, and they will manage their care. We would investigate if there were safeguarding concerns and we retain this responsibility.
- 8.3 There is a concern that small Brent based providers won't have the ability to deliver the number of hours expected from the patch based approach. The 13 patches that have been developed for older people/physical disabilities have been designed to make them attractive to providers - not so large that providers wouldn't be able to deliver the hours, but not so small that Brent ends up with too many providers, as is the case now. This is a delicate balancing act.
- 8.4 Whilst there will be challenges for some local providers to build capacity to become lead providers, the backup Lot will give opportunities to smaller providers to take on local authority work. Indeed, given the hours that will be commissioned from the backup Lot, this may appeal to some local providers more than the geographical patches, because this will enable them to pick up work at a level that they are used to. Commissioners will consider ways that officers can work to support local providers, to help build capacity ahead of beginning the tender process.
- 8.5 Whilst there is a clear business case for bringing reablement services back in-house, there are still a number of risks and challenges. Given that homecare services have been commissioned from other providers in recent years, the council has no experience in managing a regulated service such as reablement. This expertise would need to be brought in to ensure that services were run in line with regulations, (for instance, the service would need to be CQC registered before care could be delivered) as well as ensuring it was as efficient as possible, making best use of staff time and resources. The scale of these tasks for a service as complex as reablement should not be under-estimated.
- 8.6 The council has a great deal of expertise and experience in outsourcing services. However, it should be noted that commissioners have much less experience with in-sourcing. Specialist project management expertise will likely need to be sourced to support the in-sourcing of the reablement service. This is mostly due to the complexities of designing and managing a regulated service, and the need to ensure that the services is both compliant and safe.

9. Procurement

- 9.1 The homecare procurement will create a framework of organisations for adults and children with disabilities homecare services. The London Borough of Brent will be the exclusively named contracting authority accessing the framework and contracts.
- 9.2 The procurement will consist of twenty (20) lots. The lot arrangements are organized by service type and geographical area. Organisations will only be awarded a maximum number of 2 (two) lots to spread the risk of provider failure.
- 9.3 Price will be fixed at £19.00 an hour from year one of the contract. The contract price will therefore not be evaluated as part of the tender process. The price will increase each year to account for inflation as detailed in section 6.
- 9.4 Individual care packages will be awarded by way of a contract. The council would invite offers for care packages using the following lots -
- **Lot 1:** Provision of Services for Older People and Physical Disability Patch 1 Northwick Park and Preston (1 provider to be appointed)
 - **Lot 2:** Provision of Services for Older People and Physical Disability Patch 2 Sudbury (1 provider to be appointed)
 - **Lot 3:** Provision of Services for Older People and Physical Disability Patch 3 Tokyngton (1 provider to be appointed)
 - **Lot 4:** Provision of Services for Older People and Physical Disability Patch 4 Wembley Central & Alperton (1 provider to be appointed)
 - **Lot 5:** Provision of Services for Older People and Physical Disability Patch 5 Stonebridge (1 provider to be appointed)
 - **Lot 6:** Provision of Services for Older People and Physical Disability Patch 6 Queensbury & Kenton (1 provider to be appointed)
 - **Lot 7:** Provision of Services for Older People and Physical Disability Patch 7 Barnhill (1 provider to be appointed)
 - **Lot 8:** Provision of Services for Older People and Physical Disability Patch 8 Welsh Harp & Fryent (1 provider to be appointed)
 - **Lot 9:** Provision of Services for Older People and Physical Disability Patch 9 Dudden Hill & Dollis Hill (1 provider to be appointed)
 - **Lot 10:** Provision of Services for Older People and Physical Disability Patch 10 Harlesden (1 provider to be appointed)
 - **Lot 11:** Provision of Services for Older People and Physical Disability Patch 11 Willesden Green & Kensal Green (1 provider to be appointed)
 - **Lot 12:** Provision of Services for Older People and Physical Disability Patch 12 Mapesbury & Brondesbury (1 provider to be appointed)
 - **Lot 13:** Provision of Services for Older People and Physical Disability Patch 13 Queens Park and Kilburn (1 provider to be appointed)
 - **Lot 14:** Specialist Provider Children's Homecare East Zone (2 providers to be appointed)
 - **Lot 15:** Specialist Provider Children's Homecare West Zone (2 providers to be appointed)
 - **Lot 16:** Specialist Provider Learning Disabilities North Zone (1 provider to be appointed)

- **Lot 17:** Specialist Provider Learning Disabilities South Zone (1 provider to be appointed)
- **Lot 18:** Specialist Provider Mental Health North Zone (1 provider to be appointed)
- **Lot 19:** Specialist Provider Mental Health South Zone (1 provider to be appointed)
- **Lot 20:** Framework (Borough wide all lead providers and up to 10 additional providers to be appointed)

9.5 All services required shall be awarded in accordance with a Contract Award Process which will include a direct award and mini competition procedure.

9.6 Contract award shall be operated as a completely electronic process. The council will use CarePlace via the e-Brokerage module to purchase placements from the Lots and organisations will be required to respond to placement requests using CarePlace indicating the capacity and capability to provide the placement.

9.7 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Cabinet.

Ref.	Requirement	Response	
(i)	The nature of the services	Adults and Children with Disabilities Homecare Services.	
(ii)	The estimated value.	Total estimated framework and contract value is £150m for the duration of the framework and contracts. The contracts would be for an initial term of three (3) years with the option to extend by periods of up to two (2) years.	
(iii)	The contract term.	Contracts will be for three (3) year with an option to extend for up to a maximum of one (1) year + one (1) year.	
(iv)	The tender procedure to be adopted.	Open, two envelope process under the "Light Touch Regime".	
v)	The procurement timetable.	Indicative dates are:	
		Publish OJEU on London Tenders Portal	18/11/2019
		Invite to tender on London Tenders Portal	20/11/2019
		Deadline for tender submissions	06/01/2019
		Envelope 1 - Panel evaluation of SQ and shortlist	03/02/2020

Ref.	Requirement	Response	
		Envelope 2 - Panel evaluation and contract decision	25/03/2020
		Report recommending Contract award circulated internally for comment	07/04/2020
		Contract award - Delegate authority to Operational Director Social Care in consultation with the Lead Member for Adult Social Care	21/04/2020
		Cabinet call in period of 5 days, in conjunction with minimum 10 calendar day standstill period – notification issued to all tenderers and additional debriefing of unsuccessful tenderers.	23/04/2020 to 04/05/2020
		Contract Mobilisation	05/05/2020
		Contract start date	01/09/2020
(vi)	The evaluation criteria and process.	<ol style="list-style-type: none"> <li data-bbox="651 1339 1390 1854">1. Envelope 1 - At selection stage, shortlists for each service type are to be drawn up in accordance with the council's Contract Procurement and Management Guidelines by the use of a selection questionnaire to identify organisations meeting the council's financial standing requirements, technical capacity and technical expertise. Organisations who fail any questions in this section will have their tender disregarded. Organisations that pass will be subject to a number of scored questions to further assess their technical ability. Organisations who do not meet the required threshold may have their tender disregarded and not have their second envelope 2 opened. <li data-bbox="651 1899 1390 2022">2. Envelope 2 - At tender evaluation stage, Organisations that meet the required threshold from each service type will have their envelope 2 opened and have their Quality and Social Value response 	

Ref.	Requirement	Response
		<p>evaluated. The panel will evaluate the tenders against the following criteria:</p> <ul style="list-style-type: none"> • Understanding & Knowledge • Quality, Performance & Outcomes • Delivery & Sustainability • Composition of price • Safeguarding • Equalities & Community Benefits • Social Value <p>3. The most economically advantageous tender (s) calculation will be based on: 90% of the points being awarded for the above quality criteria and 10% on the Social Value criterion.</p>
(vii)	Any business risks associated with entering the contract.	<p>The following business risks are considered to be associated with entering into the proposed contract;</p> <ul style="list-style-type: none"> • Budget implications to the council of delivering a London Living Wage compliant homecare service and comments on the preferred option of delivering LLW from Year 1 (2020/21). • There is a concern that small Brent based providers won't have the ability to deliver the number of hours expected from the patch based approach. • The transfer of care provision from old providers to new. <p>Mitigations for these risk have been outlined with this report in section 8.</p> <p>Financial Services and Legal Services have been consulted concerning this contract and have identified the risks associated with entering into this contract set out sections 11 and 12 of the report.</p>
(viii)	The council's Best Value duties.	The adoption of an open tendering process will enable the council to achieve best value for money.
(ix)	Consideration of Public Services (Social Value) Act 2012	See Section 16 below.

Ref.	Requirement	Response
(x)	Any staffing implications, including TUPE and pensions.	See section 10 below.
(xi)	The relevant financial, legal and other considerations.	See sections 11 and 12 below.

- 9.8 This contract is likely to have TUPE considerations and resident transition actions with multiple organisations as part of the mobilisation phase and therefore at least four (4) months between contract award and commencement are needed to manage these issues. Delegated authority to award the framework and contracts for homecare services for adults to the Strategic Director, Community Wellbeing in consultation with the Lead Member for Adult Social Care and contracts for homecare services for children and young people with disabilities to the Strategic Director Children and Young People in consultation with the Lead Member for Children's Safeguarding, Early Help and Social Care would allow the new provider and the council a (4) four-month period for mobilisation, with the new contract commencing on 1st September 2020.
- 9.9 Cabinet is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

10. Financial Implications

- 10.1 In agreeing the recommendation (iv) to ensure funding is made available to pay homecare workers under the new homecare services arrangements at the London Living Wage, the total spend on adults and children's homecare services will increase from £18.5m in 2019/20 to £31m by 2024/25 as shown in the table below. This is a total increase of £12.5m, of which £7.2m is attributable to LLW implementation.

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Adult Social Care	£17,596,059	£20,465,584	£25,039,412	£26,414,413	£27,866,260	£29,399,300
Children with Disabilities	£963,527	£1,041,715	£1,363,203	£1,438,061	£1,517,103	£1,600,565
Total Cost	£18,559,586	£21,507,299	£26,402,615	£27,852,474	£29,383,362	£30,999,865

- 10.2 Homecare providers are already legally required to pay care workers National Living Wage, and this is a rate that is already subject to inflation. The council has budgeted an additional £3m for adult's homecare up to 2022/23 and assumed a further £2m growth to 2024/25 to cover both inflation and the likely demographic growth, which equates to £5m.
- 10.3 The council has an annual £1.5m budget in the medium term financial strategy to pay for London Living Wage implementation. It is proposed that this fund be utilised in full from 2020/21 to 2024/25 to support the implementation of LLW in homecare contracts, which totals £7.5m. This, in conjunction with the £5m inflation and demographic growth

budget in Adult Social Care means that there is sufficient budget in medium term financial strategy to fund LLW implementation for homecare.

- 10.4 However, it should be noted that a decision to implement LLW from the start of the new contracts in September 2020 will require £5.8m from the council's reserves. The reserve that has been identified is the one off income from participation in the 2018/19 pan London 100% business rates pilot pool. This additional income did not form part of the council's budget assumptions, as the 100% pilot was for one year only, and the surplus was transferred to reserves in 2018/19. The income is not ring fenced and is sufficient to fund to fund the LLW commitment.
- 10.5 Based on financial modelling undertaken to date, it is estimated that £0.4m is needed in 2020/21, £2.9m in 2021/22, £1.8m in 2022/23 and £0.7m in 2023/24. From 2024/25, growth in the homecare budget will have accrued to a level where reliance on reserves will no longer be needed.
- 10.6 The implementation of LLW in 2020/21 will commence from September 2020. All new homecare packages will automatically be migrated onto LLW rates from the onset of the new contracts. Existing packages will be migrated onto LLW on a phased basis as the new contract is rolled out on a patch by patch basis. The modelling for the drawdown from reserves in 2020/21 has been prepared on the basis of a patch by patch rollout. However, if the successful providers of the new contract are already existing providers, their existing packages would be migrated to LLW rates from the onset of the new contract. If this occurs, a higher drawdown from reserves of up to £1.2m would be required for 2020/21, which would equate to a total reserve requirement of £6.9m.
- 10.7 The cost of bringing reablement services in-house has been initially estimated at an additional £2m per annum from 2021/22. Funding for this growth will be considered as part of the budget setting process for that year, however the current expectation is that there will be capacity within the Improved Better Care Fund grant to fund this commitment.

11. Legal Implications

- 11.1 The nature and value of the framework and contracts make them subject to the Public Contracts Regulations 2015 (the EU Regulations). However, the services to be procured are classified as services falling under Schedule 3 of the EU Regulations with the result that they are only subject to partial application, to include publishing an award notice in the Official Journal of the European Union. The services to be procured will be classed as High Value Contracts under the council's Contract Standing Orders and Financial Regulations.
- 11.2 For High Value Contracts, the Cabinet must approve the pre-tender considerations set out in paragraph 9.7 above (Standing Order 89) and the inviting of tenders (Standing Order 88).
- 11.3 For High Value Contracts, Cabinet authority is generally required to award contracts once the tendering process is undertaken. However, for the reasons detailed in paragraph 9.8, delegated authority is sought to award the framework and contracts for homecare services for adults to the Strategic Director, Community Wellbeing in consultation with the Lead Member for Adult Social Care and contracts for homecare services for children and young people with disabilities to the Strategic Director Children and Young People in consultation with the Lead Member for Children's Safeguarding, Early Help and Social Care.

- 11.4 Officers will observe the requirements of a 10 calendar day standstill period under the EU Regulations before the framework and contracts are awarded. The requirements include notifying all tenderers in writing of the council's decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the council's award decision if such challenge is justifiable. However, if no challenge or successful challenge is brought during the period, at the end of the standstill period the council can issue a letter of acceptance to the successful tenderers and the contracts and framework may commence.
- 11.5 As detailed in Recommendation 2.1(vi), the intention is to bring reablement services back in-house. This will result in the potential insourcing of staff into the council from external providers pursuant to TUPE. To oversee the proposed insourcing, the intention is to engage programme management support as detailed in paragraph 7.6. This will require the procurement of a Low Value Contract under the council's Contract Standing Orders using powers delegated under the Constitution. Registration of the insourced service with the CQC will be required.
- 11.6 The reduction in the number of providers is also likely to lead to the transfer of staff pursuant to TUPE from some of the current providers to those appointed under the framework and contracts. The council will not be directly involved in such transfers pursuant to TUPE although it will be involved in facilitating such transfers.

12. Equality Implications

- 12.1 The very nature of homecare services means that they are targeted at, and are disproportionately accessed by, vulnerable adults and children who are also more likely experience multiple disadvantage due to their age, disabilities and health conditions. Equalities issues have been taken into account throughout the review of homecare in Brent and have been a key focus in the development of the new service model and service specification.
- 12.2 An Equalities Analysis has been completed. Where negative impacts have been identified these have been addressed within the service model and specification. Where positive impacts of the proposed model have been identified they have been enhanced where possible. An example of this is the focus placed on specialist providers to work with specific client groups, and the way the zones have been developed.
- 12.3 The proposed new service model will not remove services, but it will change the way services are delivered and will place greater emphasis on a personalised outcomes based approach.
- 12.4 The new service model is expected to deliver improved quality of service provision, improved service user experience, and establish more productive working relationships with providers. Impacts will be monitored throughout the implementation period and beyond via ongoing service user and provider engagement and the Quality Assurance Framework, the Outcomes Framework and Performance Management Framework that are included in the service specification and associated schedules.

13. Consultation with Ward Members and Stakeholders

- 13.1 This tender has borough wide implications, so specific consultation with ward councillors has not taken place.

14. Human Resources

- 14.1 The services are currently provided by external providers and there are no direct staffing implications for the council arising from the tender process. However, as part of the procurement process, employee liability information will be sought from current contractors and provided to the tenderers. The TUPE process and any issues that may arise from it will be managed during the mobilisation phase, which will be at least four (4) months between contract award and commencement.
- 14.2 Further HR implications are likely to arise through bringing reablement services back in-house. These will be fully scoped through the project planning process.

15. Public Services (Social Value) Act 2012

- 15.1 The council is under duty pursuant to the Public Services (Social Value) Act 2012 ("the Social Value Act") to consider how services being procured might improve the economic, social and environmental wellbeing of its area; how, in conducting the procurement process, the council might act with a view to securing that improvement; and whether the council should undertake consultation. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.
- 15.2 The services under the proposed contract have as their primary aim the improvement of the social wellbeing of vulnerable groups in Brent. In procuring the services and in accordance with the council's Social Value Policy, 10% of the total evaluation criteria will be reserved for social value considerations

REPORT SIGN-OFF

Phil Porter

Strategic Director, Community Wellbeing

Appendix 1 – Patch Based Proposal

Map 1 – Proposed Homecare Localities

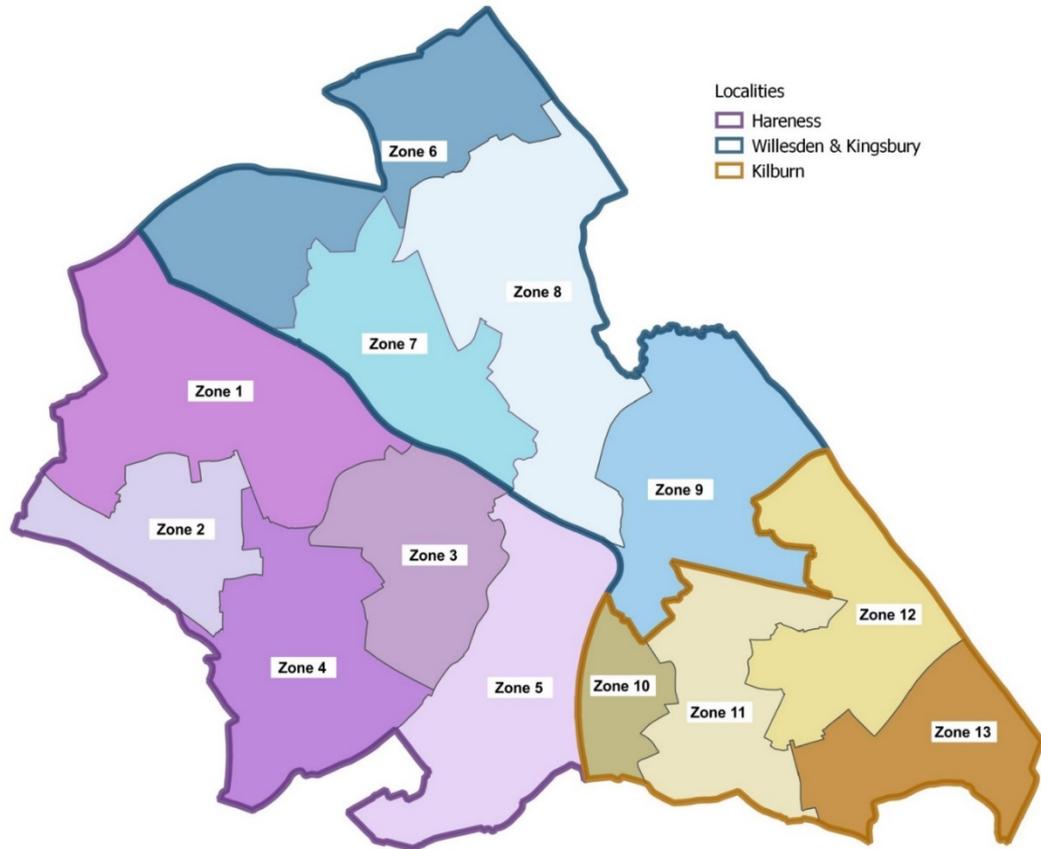


Table 1 – Older People / Physical Disability Homecare Localities

Locality	Zone		Average number of hours per week	Monthly snapshot of service users (March 2019)	Total number of service users over 12 month period
Hareness	1	Northwick Park and Preston	1956	124	187
	2	Sudbury	1432	88	120
	3	Tokynghton	1440	88	128
	4	Wembley Central and Alperton	2194	151	212
	5	Stonebridge	1359	110	165
Willesden and Kingsbury	6	Queensbury and Kenton	1749	120	194
	7	Barnhill	1366	88	128
	8	Welsh Harp and Fryent	1900	135	200
	9	Dudden Hill and Dollis Hill	1988	138	191
Kilburn	10	Harlesden	1539	100	128
	11	Willesden Green and Kensal Green	2300	156	224
	12	Mapesbury and Brondesbury	1700	123	187
	13	Queens Park and Kilburn	1950	132	201

Table 2 – Children’s Homecare Localities

			Average number of hours per week (snapshot)	Monthly snapshot (March 2019)	Number of service users over 12 month period
Children’s homecare	2 zones – East and West (based on Children’s teams)	4 lead providers (2 for each zone)	900	77	77

Table 3 – Learning Disabilities and Mental Health

			Average number of hours (snapshot)	Monthly snapshot (March 2019)	Number of service users over 12 month period
Learning disabilities and mental health	2 zones – North and South (based on ASC Teams)	4 lead providers (2 for LD and 2 for MH)	1988	122	151

Appendix 2 – Unison Care Charter

Ethical care charter for the commissioning of homecare services

Stage 1	Stage 2	Stage 3
<p>The starting point for commissioning of visits will be client need and not minutes or tasks. Workers will have the freedom to provide appropriate care and will be given time to talk to their clients</p> <p>The time allocated to visits will match the needs of the clients. In general, 15-minute visits will not be used as they undermine the dignity of the clients</p> <p>Homecare workers will be paid for their travel time, their travel costs and other necessary expenses such as mobile phones</p> <p>Visits will be scheduled so that homecare workers are not forced to rush their time with clients or leave their clients early to get to the next one on time</p> <p>Those homecare workers who are eligible must be paid statutory sick pay</p>	<p>Clients will be allocated the same homecare worker(s) wherever possible</p> <p>Zero hour contracts will not be used in place of permanent contracts</p> <p>Providers will have a clear and accountable procedure for following up staff concerns about their clients' wellbeing</p> <p>All homecare workers will be regularly trained to the necessary standard to provide a good service (at no cost to themselves and in work time)</p> <p>Homecare workers will be given the opportunity to regularly meet co-workers to share best practice and limit their isolation</p>	<p>All homecare workers will be paid at least the Living Wage (as of November 2013 it is currently £7.65 an hour for the whole of the UK apart from London. For London it is £8.80 an hour. The Living Wage will be calculated again in November 2014 and in each subsequent November).</p> <p>If council employed homecare workers paid above this rate are outsourced it should be on the basis that the provider is required, and is funded, to maintain these pay levels throughout the contract</p> <p>All homecare workers will be covered by an occupational sick pay scheme to ensure that staff do not feel pressurised to work when they are ill in order to protect the welfare of their vulnerable clients.</p>