

# Finance and Resources Committee

10am, Thursday, 1 December 2016

## Award of Contracts – Innovative Approaches to the Delivery of Care at Home Services

Item number	7.9
Report number	
Executive/routine	Executive
Wards	All

### Executive summary

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This report seeks the approval of the Finance and Resources Committee to award contracts to six providers for the provision of 10% of Care at Home Services in one or more of eleven neighbourhood areas in innovative ways. The contract duration will be for three years. The total estimated value of the contracts is £6.9m (£2.3m per annum).

Taking account of the new responsibilities of the Edinburgh Integration Joint Board (EIJB), Committee is asked to note the Board has confirmed funding and agreed to issue directions in respect of the recommendations in this report.

### Links

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Coalition pledges	
Council priorities	<a href="#">CP2, CP3</a>
Single Outcome Agreement	<a href="#">SO2</a>

## Award of Contracts – Innovative Approaches to the Delivery of Care at Home Services

### Recommendations

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- 1.1 To delegate authority to the Chief Officer of the Edinburgh Integration Joint Board (EIJB) to award contracts to the providers listed below for the provision of 10% of Care at Home Services in one or more of eleven neighbourhoods in innovative ways for a period of three years commencing on dates to be agreed with each provider between 1 January 2017 and 31 March 2017.

#### **Providers**

Blackwood Homes and Care

Trust Housing Association

Joint Contract between: Viewpoint Housing Association, Castle Rock Edinvar (CRE) (Partnership and Places for People Scotland Care and Support (PfPSC&S)

Edinburgh 3<sup>rd</sup> Sector Collaborative

Support for Ordinary Living

McSence Communications Limited

- 1.2 To note the EIJB has confirmed funding and issued relevant directions to the Council in respect of the report recommendations.
- 1.3 To note the date of award of each contract shall be reported through Commercial and Procurement Services quarterly update.
- 1.4 To note that further awards of contracts for Innovative Approaches to the Delivery of Care at Home Services may be recommended at a future date.

### Background

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- 2.1 On 12 May 2016 Finance and Resources Committee appointed a number of providers to meet 90% of demand for Care at Home Services in eleven neighbourhood areas.
- 2.2 On 5 January 2016, the Council, acting on behalf of the EIJB prior to its formal inception, published a Prior Information Notice (PIN) on the Public Contracts Scotland portal. The PIN invited offers from providers to deliver the balance of 10% of services in the eleven neighbourhood areas in ways which have the

potential to provide efficiencies in operational delivery and/or enhance capacity through the increased use of Technology Enabled Care (TEC) systems; the delivery of services which were more 'joined up' with other existing support services or, which had a particular focus on the prevention of unnecessary hospital admissions and the speedy discharge of those for whom hospital admission had been necessary.

- 2.3 These offers were sought as a means of supporting the EIJB to test alternative service delivery models with a view to facilitating its future management of growing demand for care at home against a backdrop of local labour shortages and financial pressures.
- 2.4 The published PIN noted the Council reserved the right to either enter into direct negotiations or seek formal tender applications without further advertising based on the volume of responses received. On the basis the innovative nature of the bids sought made a 'like for like' comparison approach impractical, the direct negotiation approach was agreed. Subject to report recommendations being approved, contracts will be directly awarded to the providers listed at 1.1.

## Main report

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- 3.1 Expressions of interest in providing Care at Home Services in new and/or innovative ways were received from 18 organisations by the deadline date of 29 January 2016. Following initial evaluation of all proposals, six were rejected on the basis they did not set out details of new and/or innovative ways of delivering care at home against set criteria. The remaining twelve organisations were invited to enter into dialogue with Council Officers. Dialogue sessions offered an opportunity to expand on written submission made by providers, for the Council to seek clarifications or to ask questions about these, and for bidders to ask questions of the Council.
- 3.2 Following dialogue, three organisations voluntarily withdrew from the process and bids from two more were rejected on the basis their ideas were not as well developed as others.
- 3.3 The remaining seven bidders were asked to submit final written proposals in line with their original submissions and outcome of dialogue sessions. These final proposals were evaluated as to their suitability and mandatory Public Sector Criteria (i.e. Business Probity and Financial Standing).
- 3.4 The six bidders listed at 1.1 are recommended for award of contracts. Subject to further discussion, the position in respect of the seventh bidder may be the subject of further report to Committee.
- 3.5 Of the six bidders recommended for award of contract:
  - three are Housing Associations (1. Blackwood Homes and Care: 2. Trust Housing Association and 3. Joint bidders Viewpoint Housing Association, Places

for People Scotland Care and Support and Castle Rock Edinvar (CRE Partnership), who aim to 'join up' the delivery of Housing Support and Care at Home Services in sheltered housing settings. This is intended to improve productivity by reducing the travel time and cost associated with current service delivery arrangements by creating dedicated care worker support teams in each sheltered housing complex. In this way they plan to offer a more integrated service model which is better able to anticipate and manage variations in service user health with a view to reducing unnecessary hospital admissions and facilitating the prompt discharge of Housing Association tenants from hospital where this has been necessary. Associations will work in a variety of neighbourhood areas where they provide accommodation.

- Edinburgh 3<sup>rd</sup> Sector Collaborative have come together as a means of developing common management tools and sharing back office costs. The 'Collaborative' aims to demonstrate the 3<sup>rd</sup> Sector can achieve the scale and cost base necessary to sustain and make a significant contribution to the delivery of care at home. It also aims to add value to the Service by connecting service users to other 3<sup>rd</sup> Sector services as a means of reducing social isolation and supporting people to maintain or recover their sense of health and wellbeing. The Collaborative will work in those neighbourhoods where its members already operate services.
- Support for Ordinary Living (SOL) has a proven track record of innovation in the use of remote technology. By linking them to existing services we believe the resulting partnership will facilitate learning and improved understanding of how best to combine technology solutions with the delivery of personal care services. SOL will work with the Council's in house home care service on a case by case basis rather than in any specific neighbourhood.
- McSence is a social enterprise who have demonstrated a particular ability to recruit and retain staff in a way which delivers the continuity of care many service users tell us they need and want. By enabling its staff to develop meaningful, longer term relationships with service users, trusting relationships are also developed with local primary care providers, such as GP's and District Nurses. As a result variations in health can be successfully managed at home (rather than hospital), more often than where care arrangements are discontinuous; McSence will work in the Gilmerton neighbourhood.

## Measures of success

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- 4.1 Evaluation of the success or otherwise of the new and/or innovative ways of delivering Care at Home Services proposed by the providers listed at 1.1 contributes to the development of the evidence base needed to inform the EIJB's medium term Care at Home commissioning strategy.

## Financial impact

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- 5.1 The award of 10% of business in each of eleven neighbourhoods equates to delivery of 2,764 hours per week at an annual cost of £2.3m.
- 5.2 The value of each contract will depend upon individual provider capacity and is not anticipated to exceed £2.3m in total unless the demand for care at home services cannot be met by the main Care at Home contract referred to at 2.1.
- 5.2 The £2.3m contract value is included within the baseline budgets for the period 2016/17.
- 5.3 The costs associated with procuring the recommended contracts are estimated at £20,001 - £35,000.

## Risk, policy, compliance and governance impact

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- 6.1 The recommended direct award of contracts is compliant with Council Standing Orders and those applicable to the EIJB.
- 6.2 This procurement was conducted in accordance with the Public Contracts (Scotland) Regulations 2012 (part B) which allows for deviation from pre-defined procurement procedures.

## Equalities impact

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- 7.1 The recommended award of contracts will have a positive equalities impact to the extent it allows the EIJB and Council, together with service users and providers, to explore the benefits and/or disadvantages of alternative service delivery models for care at home as a means of ensuring the future sustainability of the service.

## Sustainability impact

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- 8.1 The recommended contract awards are designed to lead to reductions in staff travel time and the carbon footprint associated with the service.

## Consultation and engagement

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- 9.1 Private and 3<sup>rd</sup> Sector providers, NHS Lothian, the Health and Social Care Partnership and the EIJB Executive Team have all been involved in the contract design process. Consultation with service users is ongoing and will continue throughout contract implementation.

## Background reading / external references

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Care at Home – Contract Ref: CT0477, Finance and Resources Committee, 12 May 2016

Retender of Care at Home Contracts, Finance and Resources Committee, 29 October 2015.

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## Links

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### Coalition pledges

#### Council priorities

CP2 - Improved health and wellbeing: reduced inequalities.

CP3 - Right care, right place, right time

#### Single Outcome Agreement

SO2 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health

### Appendices