

Request to award places onto the Interim Homecare Contract (Contract ID: 84738)

Date: 19th March 2024

Report of: Deputy Director, Integrated Commissioning

Report to: Director of Adults and Health

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

Leeds City Council Adults and Health have undertaken an application process for homecare providers to become part of the Interim Homecare Agreement to provide homecare services within Leeds. This was set up as a Light Touch Regime Dynamic Purchasing System (DPS) and is the initial round of applications, there will be future opportunities for providers to apply during the lifetime of the contract.

This contract is from 1st April 2024 to 31st March 2027 with the option to extend for a further two 12-month periods should it be required. Following the conclusion of our evaluation process of the applications, there is now a list of suitable providers who are in a position to be appointed onto the Interim Homecare Agreement.

Recommendations

- a) The Director of Adults and Health is recommended to approve the appointment of those providers listed in Appendix 1 to this report on to the Interim Homecare Agreement to provide homecare services. The agreement will start on 1st April 2024 to 31st March 2027 with the option to extend for a further two 12-month periods should it be required. The indicative budget for homecare provision for 2024/25 is £49.7m
- b) The Head of Commissioning will liaise with Procurement and Commercial Services to oversee the implementation of this decision.

What is this report about?

- 1 To seek approval to appoint those providers who have applied and been successful in the application process to join the Interim Homecare Agreement.
- 2 The future direction for homecare services in Leeds will be through the new Community Health and Wellbeing Service (CHWS) and a pilot for this service is currently being procured under a separate contract (see Delegated Decision D56733). The CHWS will be tested in one area of the city initially with the intention that this is rolled out across the city over the next few years, once the learning has been evaluated and incorporated into a new contract. The CHWS intends to move away from commissioning on a time and task basis with its main objectives being to:
 - improve people's experience of care.
 - improve outcomes for people who use the service.
 - improve the experience and outcomes for informal carers.
 - improve the pay of care support workers.
 - improve recruitment and retention in care support worker roles.
 - develop a better career pathway for care workers.
 - increase job satisfaction in the care support worker role.
- 3 On 21st February 2024, a decision was approved (reference: D57175) to procure a new Interim Homecare Agreement to start upon the expiry of the current Community Home Care Service Contract. The Interim Homecare Agreement will help maintain stability within the care market for the providers and people in receipt of care whilst the CHWS pilot is taking place and then being rolled out across the city. This will mean a more equitable way of distributing care packages to providers based on their capacity to meet assessed care needs, CQC quality rating of the provider, the timeliness in which care can begin, and how local they are to the person needing care and support.
- 4 In September 2023 and January 2024 Adults and Health conducted a of consultation and session with the provider market in the city to help shape the content of the new interim contract which was used together with feedback which was obtained through the Council's tendering system, Yortender. The aim of the new interim agreement is to maintain stability within the homecare market whilst the CHWS pilot is being undertaken. Following completion of the consultation process, the most significant changes to the existing contract are:
 - The move away from a primary and framework contract with a small number of providers available, to a DPS which allows providers to join at regular intervals during the agreement.
 - A new electronic brokerage process which will allow a more equitable way of distributing care packages amongst providers on the contract,
 - The division of the city into 10 distinct location areas based on the proposed new areas for the CHWS.
- 5 An information session was held for providers on the 15th February 2024, during which officers of Adults and Health went through the main changes to the new contract and also the process of applying as part of the dynamic purchasing system. Given the Council's intention to ensure

as many local providers could join the new Interim Homecare Agreement, the application was made as straightforward as possible. The main criteria to gain entry onto the Interim Homecare Contract DPS are:

- CQC registered to provide domiciliary care services
- CQC Rated Requires Improvement or above with no Inadequate domains. Can be not yet rated.
- Agree to comply with the requirements of the contract
- Agree to pass the whole staff payment element of the fee to the workforce
- Agree to accept the Council fee rates.
- Have a CQC Registered location within 5 miles of the Leeds Metropolitan District Boundary

6 The application for the new process was advertised on the Council's procurement system on 1st March 2024 with an initial closing date of the 14th March 2024. By the closing date, 128 home care providers had applied to join the DPS.

Applications were assessed against the published criteria. Following evaluation of the applications submitted, 102 providers have been selected to join the Interim Homecare Agreement DPS. The successful providers are listed in Appendix 1.

What impact will this proposal have?

7 This proposal will add 102 providers onto the Interim Homecare Agreement DPS and will allow Adults and Health to broker care packages throughout the city.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

8 The Interim Homecare Agreement will contribute to the Health and Wellbeing pillar of the Best City Ambition. The nature and ethos of the service contributes to: people living longer and healthier lives; helping people to live full, active and independent lives; ensuring that people's quality of life is improved by access to quality services; involving people in decisions made about them, and; helping people to live in health and sustainable communities.

9 The Best Council Plan vision of Leeds being the best city for health and wellbeing is supported through the delivery of the Interim Homecare Contract. This includes supporting more people to live safely and independently in an environment that they class as their own homes and giving people choice and control over their health and social care services.

What consultation and engagement has taken place?

Wards affected: n/a – city wide service

Have ward members been consulted?

Yes

No

10 The Executive Member for Adult Social Care, Public Health and Active Lifestyles has been briefed throughout the process of procuring this contract.

11 The homecare provider market has been consulted throughout this process on our commissioning intentions for the Interim Homecare Agreement and the contract documents. This started with individual meetings with providers whose contracts were due to expire and then the wider market. Two main consultation sessions were held on 13th September and 25th January to engage with providers, inform them of our commissioning intentions and gather

feedback. In between these sessions the draft contract documents were published on YORtender for feedback from providers on what the Council was proposing.

- 12 After the start of the tender process going live, Providers were offered the opportunity to seek clarifications and ask questions regarding the documents and the process via YORtender. The Council subsequently issued 3 separate clarification documents answering all questions that were raised.

What are the resource implications?

- 13 There will be no additional financial impact as a result of this decision. The indicative budget for homecare provision for 2024/25 is £49.7m. However, due to the nature of demand for this service this figure could fluctuate.
- 14 As homecare is a statutory requirement for the authority to provide, the cost of the service is included within the Adults and Health base budget.

What are the key risks and how are they being managed?

- 15 There is a risk with this new service that a change in operating conditions for some providers may lead to them exiting the market. However, we expect this to be mitigated by an overall fairer and more resilient distribution of work across the market with increased access for all providers. This should enable less reliance on a smaller group of providers where there is an increased risk should provider failure occur.
- 16 As part of the new Interim contract, there is a new brokerage process to allocate care packages to providers who are part of the DPS. This is a change of process from the current contract and was consulted upon with the provider market prior to its inclusion in the contract. The new process will allocate care packages based on three criteria, 1 – the provider can meet all the Individual Service Agreement conditions (e.g., number of care workers, any necessary time limits etc), 2 – the Care Quality Commission (CQC) ratings for that provider and 3 - how quickly care can start from being notified by the Council. The CQC criteria has a scoring system attached to it, whereby it will allocate packages to those providers who have a higher CQC rating e.g., a provider with a Good rating overall and Good in all the quality domains will get preference over a provider who has a Good rating overall but has a Requires Improvement rating in one or more quality domains. There is a risk that providers who have obtained work in the past with a lower CQC ratings may receive less care packages under the new contract, however, if a provider's rating increases following a CQC inspection, the providers ranking in the allocation process will also improve. This should act as an incentive to improve quality with the market.
- 17 Whilst the majority of providers who are currently delivering care packages for the Council have applied to become part of the DPS there are a small number of current spot providers who have not applied to join. The Council has encouraged all current providers to join the DPS to ensure their existing care packages become part of the Interim Homecare Contract. However, where a provider has failed or chosen not to do this, the Council will need to give further consideration on the continuation of that care package with that provider. This will be done in consultation with the person receiving services and with social worker involvement. In order to ensure providers have adequate opportunity to join the DPS, the Council will reopen the application process within one month of commencement of the contract and again after three months and then 6 months and thereafter on an annual basis.

What are the legal implications?

- 18 The decision highlighted in this report will be taken by the Director of Adults and Health in line with the officer delegation scheme as detailed in Part 3 of the Council's Constitution.
- 19 This is a Significant Operational Decision to award successful providers onto the contract as referenced in the previous key decision (see decision reference: D57175). It is therefore not subject to call-in. Future instances of awarding places onto the Interim Homecare Contract will also be Significant Operational Decisions.
- 20 The report does not contain any exempt or confidential information.
- 21 An Equality Impact Screening tool has been completed for this decision and is included as Appendix 2.

Options, timescales and measuring success

What other options were considered?

- 22 The alternative options to awarding places onto the Interim Homecare Agreement were to further extend the existing contract however this was felt inequitable to the provider market given the significant amount of care packages currently being undertaken by providers outside the main primary and framework contract. The other option would have been to go off contract and only commission care on a spot basis, however as this is statutory provision a contractual arrangement needed to be in place to ensure continuity of service.

How will success be measured?

- 23 There will continue to be a robust performance management process in place that includes regular analysis of both quantitative and qualitative data to assess whether the required outcomes are being met.
- 24 The brokerage of care is constantly monitored by the Care Communications Centre who will review how effectively providers are responding, and starting services for people in need of care to assess how successful the Interim Homecare Contract is performing.

What is the timetable and who will be responsible for implementation?

- 25 The Head of Commissioning, will be responsible for overseeing the implementation of this decision.
- 26 This decision will be implemented by Commissioning Officers with the issuing of appointment letters and terms and conditions to all successful providers.
- 27 The Interim Homecare Agreement will commence on 1st April 2024.
- 28 There is a schedule of future opportunities for when applications will be evaluated, in the event that there are successful applications at these times Providers will be appointed at that time.

Appendices

- Appendix 1 – List of successful providers
- Appendix 2 – Equality, Diversity, Cohesion, and Integration Screening

Background papers

None.