

NORTH YORKSHIRE COUNTY COUNCIL

CARE AND INDEPENDENCE OVERVIEW AND SCRUTINY COMMITTEE

DOMICILIARY CARE CONTRACTS

23rd April 2015**1.0 Purpose of Report**

- 1.1. The purpose of this report is to inform members of the Care and Independence Overview and Scrutiny Committee of the outcome of the tender for new Framework Contracts for the provision of Domiciliary Care in Harrogate, Selby and Scarborough.

2.0 Background

- 2.1. Health and Adult Services undertook a procurement exercise last year, to introduce new 'Framework' agreements for domiciliary care as Phase 1 of a review of our home care contracts. We are still in the implementation stage of this first phase of a longer project to review our domiciliary care contracts. This report provides an update on progress and further information will be brought to Scrutiny, including an opportunity to hear from the new providers, once the new contracts are established and operational.
- 2.2. The first phase was targeted at care provided in the more populated areas of Harrogate, Selby and Scarborough which have higher levels of demand for support, with a multiplicity of providers and the potential to offer efficiencies in delivery models.
- 2.3. Through the Framework contracts our aim has been to reduce the number of providers we work with, to allow for much closer partnership working in order to improve quality and at the same time reduce transactional costs.
- 2.4. Consultation with people receiving services had highlighted two key areas of concern with home care – timeliness of visits and continuity of care. The new specification enhanced the quality standards for providers including these two key areas.
- 2.5. The new specifications also help us deliver more personalised care, with a requirement that providers work with the customer to deliver the outcomes that people want from their support.

3.0 Procurement

- 3.1. The procurement process was undertaken in line with EU regulations. The bids were evaluated through:
- written questionnaires
 - visits to providers' premises
 - face to face interviews and

- financial submissions
- references from other local authorities

This provided assurance that providers could meet our requirements within the price they had submitted. The evaluation criteria gave greatest weight to quality considerations, with the scores for quality and cost balanced at 60/40 respectively.

- 3.2. As with any major procurement the contracts are only awarded after a formal “stand still” period. As a result of challenges from two providers the Framework contracts for Scarborough area have not been awarded.
- 3.3. This decision has been taken following full consideration of legal advice. The challenges from the two providers relate to the interpretation of wording of one element of the evaluation, with each taking a different and irreconcilable interpretation. To avoid lengthy legal proceedings it is proposed that a fresh approach to the Scarborough contract will now be included in the Phase 2 of the Domiciliary Care Commissioning project.
- 3.4. The issue at the heart of these challenges had no impact on the other two Lots in Harrogate and Selby, and the new framework contracts were therefore awarded in January 2015. The providers for Harrogate are:
 - Mears
 - Castlerock
 - Continued Care

The providers for Selby are:

- Castlerock
 - New Concept Care and Nursing
 - Riccall Carers
- 3.5. Continued Care, Riccall Carers and New Concept Care and Nursing have previously worked in the areas where they have been awarded the new contracts. Mears and Castlerock are new providers to these areas.

4.0 Implementation in Selby and Harrogate

- 4.1. Implementation in Selby and Harrogate was delayed whilst the first of the two challenges was considered and responded to. This did lead to a short period of uncertainty for providers. In Selby one of the unsuccessful providers started to hand back support packages ahead of the planned transfers. The Council’s in-house START service has provided a much needed contingency for a number of packages, and other alternative arrangements have been made to support people whilst the new providers establish their new services and take on the required support packages.
- 4.2. The implementation phase has been carefully planned as we know this change could be sensitive and unsettling for some people. Some people will see no change because they already receive support from the new Framework

providers. Some packages of care will need to move from current providers to the appointed providers.

- 4.3. 900 people have been contacted because they could be affected by the changes. Our skilled assessment staff have spoken to and visited anyone whose current provider has not been awarded one of the new framework contracts. We have reviewed the support and discussed the options available to each individual person, to enable a smooth transfer of any support packages moving to a new provider.
- 4.4. 140 people have indicated they would like to consider using a Direct Payment in future. This could enable them to stay with their current provider if that provider is willing to offer care at the cost we will be funding in future.
- 4.5. The number of people considering transferring to a Direct Payment has changed some of the initial modeling for the transfer of packages. In Selby this has been compounded by the need to secure support for customers of the unsuccessful provider (as set out in paragraph 4.1) ahead of the planned implementation
- 4.6. This has been a concern for the new providers in particular; however both Mears and Castlerock have been working hard to recruit new staff and are optimistic they will be able to start to pick up work within the next few weeks.
- 4.7. Regular meetings with all of the new Framework providers continue on a weekly basis to plan any changes for individuals, to agree new operating procedures for the new contracts and to monitor implementation progress.
- 4.8. Whilst savings are not the key reason for the changes made to contracts the Domiciliary Care project does form part of the 2020 programme for Health and Adult Services. It is still early in the project but initial indications are that a saving of approximately £450k a year will be made from Phase 1 of the project.
- 4.9. We will continue to work closely with people who need support and with providers to complete the implementation plan. We anticipate that by the autumn a further update will be available to the Committee, which we plan will include information from the new providers.

5.0 RECOMMENDATIONS

- 5.1. The Care and Independence Overview Scrutiny Committee is asked to note the progress made to date and to agree to a further update in the autumn.

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