



People (Adults) Directorate Re-procurement of Extra Care

➤ Extra Care

- Extra Care providers play an essential role within the health and social care system.
- Delivers care to individuals with an assessed need – enable them to remain independent in their own homes for longer.
- Maintains an individual's independence for longer with help available in an emergency.
- Flexible care and support.
- Cheaper than residential care.

SUMMARY

What we are doing...

- Re-procure Extra Care services to replace an existing contract that is coming to the end in March 2023.

How are we doing this....

- It is recommended that we re-procure through the Adult Social Care Dynamic Purchasing System

Aims...

- To ensure Best Value in delivering Extra Care services through procuring services through a competitive process.
- To provide services that meet our population demographic diversity

Extra Care market - local Picture

- Slough Extra Care Schemes: Since 2008, there have been two Extra Care Housing Schemes in Slough; 56 properties at Northampton Place and 70 properties at The Pines. There are a total of 126 properties across the two schemes.
- Eligibility: Applicants must be 55 years or older, with care and support needs, and have a local connection to the area. For either setting, the applicant must make an application on the housing register to rent an extra care property or register with the Council for shared ownership.
- The current care support provider is Creative Support Ltd, whose Care Quality Commission rating is Good. Quality is monitored through Council Quality Assurance Team and is overseen by the Care Governance Board.
- Service user engagement and consultation - Several co-production meetings have been held with representatives from social work teams, health colleagues and the co-production network. This work is continuing but will ensure the new service provides timely access, is person-centred to the assessed needs of the individual, responsive to changing needs and enables the person to maximize their independence.



Extra Care Market – Costs

- Current Price – based upon 45,130 hours per annum.

| Scenario | No of Hours | Hourly Rate (average) | Total Cost per annum |
|------------------------------|-------------|-----------------------|----------------------|
| Current price for Extra Care | 45,130 | 18.79 | 848,200 |

- The revised contractual model will reduce the waking-night component relating to existing Extra Care provisions. Both existing schemes will retain one staff member providing this function but the second member of staff at both schemes, which has been under-utilised during the period of the existing contract will not be recommissioned.
- Whilst it is not possible to confirm a price for extra care provision without issuing a fixed price tender, it is possible that some savings could be achieved on the current contract price. This is because the revised model of care will commission 38,942 hours of care per annum, a reduction of 6,188 hours on the existing model – whilst maintaining appropriate levels and standards of care.

Extra Care – New Model

The model will be outcomes focused and be oriented around following areas

- Safe
- Effective
- Caring
- Responsive,
- Well-led.

Extra Care – New Model

Core elements of the service will cover as a minimum:

- A) Hours of cover: 365 days per year, 24-hour cover.
- B) Access to the service.
- C) Definition of care covered –Care Act (2014).
- D) Strength-based support planning.
- E) Communication with social care regard changes to care package or needs.
- F) Safeguarding principles and processes.
- G) Unplanned care and emergency care for an existing service user.
- H) Unplanned admission.
- I) Continuity of care.
- J) Access to service users' property and security.
- K) Managing complex behaviour and conditions.
- L) Performance monitoring and quality assurance.
- M) Safer Recruitment and supervision.
- N) Learning development and training.
- O) Provider records and confidentiality.

Extra Care market – Options Considered

| Option | Pros | Cons |
|--|--|--|
| <p>Option 1</p> <p>Do not re-tender contracts which are due to expire.</p> | <p>This would reduce resource pressure placed upon teams engaged in procurement activity.</p> | <p>This would not comply with the recommendation agreed at Cabinet in January 2022 to re-procure these services.</p> <p>Will leave care arrangements for individuals at risk and contractual arrangements non-compliant with Council's Contract Procedural Rules.</p> <p>No savings will be made.</p> <p>Significant disruption in service provision for vulnerable service users with social care needs.</p> |
| <p>Option 2</p> <p>Direct Award of Contract to existing provider.</p> | <p>This would maintain and secure existing care arrangements in place.</p> <p>This would reduce resource pressure placed upon teams engaged in procurement activity.</p> | <p>This would not comply with Cabinet's previous direction in January 2022 to re-procure these services.</p> <p>The Council would not be able to seek possible better value from the market.</p> <p>Would not comply with Public Contracts' Regulations</p> <p>There is a mature care and support market, a direct award for this service is a not a fair and transparent process, competition is recommended.</p> |

Extra Care market – Options Considered

| Option | Pros | Cons |
|--|---|--|
| <p>Option 3 Retender block contract via the Adult Social Care Dynamic Purchasing System.</p> <p><u>Recommended</u></p> | <p>Maintains sufficiency and diversity of supply.</p> <p>Supply secured through competitive processes in order to meet best value requirements.</p> | <p>Economic pressures placed upon providers might have an impact upon the market and potentially upon the price which is able to be secured at the present time.</p> |
| <p>Option 4 Do not retender the Extra Care contract and transfer all individuals receiving care from these providers to direct payments.</p> | <p>It would be cost effective to transfer individuals in receipt of commissioned care packages onto direct payments.</p> | <p>Individuals in receipt of Extra Care services have complex needs for whom the management of their care arrangements via Direct Payments is unlikely to be feasible.</p> |
| <p>Option 5 Open-market procurement leading to new block contract arrangement</p> | <p>The Council will have assurance on adequate supply for the term of the contractual period.</p> <p>Simple payment schedule is less resource intensive for Council staff.</p> <p>Providers have surety of income and can plan their businesses more effectively.</p> | <p>The Council has an effective mechanism for driving competition and seeking best value – the Adult Social Care Dynamic Purchasing System (DPS).</p> <p>The procurement timetable is compatible with using the DPS.</p> |

Risks of Proposed Model

| Risk | Assessment of Risk | Mitigation | Residual Risk |
|--|--|---|---------------|
| Suppliers do not bid. | Medium The existing provider is likely to be keen to retain their customer base and a number of new providers have registered on the Dynamic Purchasing System. | A PIN notice will be issued directing interested parties to apply for registration on the DPS | Low |
| Suppliers bid at excessive and unaffordable hourly rates. | Medium / High The market is facing significant economic pressures. This includes increases in national insurance contributions, inflationary pressures and wage competition from other sectors. | There are specific tender development methods to deal with this scenario which set weightings according to constraints and evaluating in quality: price ratios. Approaches to inflationary uplifts will be included within tender documents. | Low / Medium |
| Suppliers bid at rates which are higher than those currently, placing a pressure on Adult Social Care budgets. | Medium The market is facing significant economic pressures. This includes increases in national insurance contributions, inflationary pressures and wage competition from other sectors. | Information will be included in relation to how service users will be allocated to providers i.e., according to an individual's need, availability of staffing and price. Providers will in all likelihood be mindful of Adult Social Care Reforms and the Fair Cost of Exercise which will need to be undertaken this year. Approaches to inflationary uplifts will be included within tender documents. | Medium / Low |

Risks of Proposed Model

| Risk | Assessment of Risk | Mitigation | Residual Risk |
|--|--------------------|--|---------------|
| Loss of continuity of service for service users if the existing supplier does not bid or bids at excessive price | Medium | TUPE will apply to any transfer of service from one provider to another. Service users whose packages of care are identified as potentially requiring transfer will receive a service review to determine whether their individual needs can be met by the new provider. | Low |
| Providers offering a lower price will result in a lower quality | Medium | <p>There are specific tender development methods to deal with this scenario which set weightings according to constraints and evaluating in quality: price ratios.</p> <p>The Extra Care contract will contain a clear set of KPIs which will be monitored.</p> <p>Care providers are also monitored by the Council's Quality Assurance team with issues discussed at the Care Governance Board with improvement plans being submitted to ensure that clear turnaround initiatives are implemented, where required.</p> <p>A suite of KPIs will be included within contracts and suppliers will be required to report against these.</p> | Low |

Conclusion

Proposed model:

- Supports delivery of good quality care.
- Best option for ensuring best value through competition and revision of model.
- Potential to deliver savings.
- Time / resource efficient method of securing supply.

ANY QUESTIONS ?