



CABINET

Subject Heading:

Permission to procure a framework for Adult Social Care Residential & Nursing Care Home, Homecare and Supported Living Placements.

Cabinet Member:

Councillor Gillian Ford, Cabinet for Health and Adult Care Services

ELT Lead:

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Policy context:

At a local level, this contract supports Havering Council meet its priorities in its Corporate Plan 2024/25. This plan sets out how the Council intends to invest and transform the borough with an emphasis on improving the lives of vulnerable children, adults and families. In summary, this framework ensures the Council fulfils its aim of ensuring that the needs of the most vulnerable are met and that people are supported to be healthy and active.

Financial summary:

The budget for this procurement will come from Adult Social Care budgets. Placements will be called off as required using the brokerage system, from the framework which will have no minimum or maximum value, nor will any commitment to expenditure by the Council be stipulated within the framework contracts. Expenditure will only be incurred when individual packages of care are purchased.

The expected annual call off from the framework will be approx. £90 million. This is based on 2023/24 spend on ASC placements.

To ensure that all placements can be made through the framework without limitations, £500 million has been established as the maximum value for the 4-year framework. This precaution avoids the risk of depleting funds, which would hinder the ability to call off from the framework.

Is this a Key Decision?

Yes

(a) Expenditure or saving (including anticipated income) of £500,000 or more

When should this matter be reviewed? 11th June 2025

Reviewing OSC: People

The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well X

SUMMARY

This decision paper is seeking permission to procure a framework for Adult Social Care Residential & Nursing Care Home, Homecare and Supported Living Placements to replace the current Complex Dynamic Purchasing System (DPS) and Active Homecare Framework.

The procurement of a comprehensive framework for Adult Social Care encompassing Residential & Nursing Care Homes, Homecare, and Supported Living Placements is an indispensable step towards enhancing the quality of care and support for adults in need.

This document outlines the fundamental reasons why such a framework is essential and highlights the multitude of benefits and improvements it brings to the realm of adult social care.

RECOMMENDATIONS

That Cabinet:

1. Approve the procurement of a framework for Adult Social Care Residential & Nursing Care Home, Homecare and Supported Living Placements.
2. Delegate authority to approve the award of the contracts to the Cabinet Member for Adults and Health.

REPORT DETAIL

The Council has a legal responsibility to assess the needs of any resident or Carer living in the borough who appears to have a need for care and support; and to then determine whether those needs are eligible for this provision from the Council, as stipulated in The Care Act (2014) and The Children and Families Act (2014).

Currently Adult Social Care Placements are procured using a variety of Methods which include spot purchasing, Dynamic Purchasing Systems (DPS), and Homecare Framework agreements.

Spot Purchasing

Spot purchasing allows for quick, flexible procurement of services tailored to individual needs, often used in urgent or unique cases. However, the reliance on spot purchasing for certain placements has led to variability in care quality and increased administrative burdens.

Complex Dynamic Purchasing System (DPS)

The DPS has been in place since 1st June 2020 is set to continue until 30th April 2025 (option to extend until 30th April 2026), has facilitated the procurement of complex care services for residents with specialized needs. Under this system, placements are managed more

effectively, ensuring that care providers meet the required standards with all placements commissioned through the Atlas system. The DPS provides a more structured and competitive approach, ensuring a broad range of qualified providers can offer their services over time, however placement availability is reduced the more providers are on the DPS therefore placement volume is not guaranteed.

Active Home Care Framework

The existing homecare framework has been in place since 1st August 2022 and is set to continue until 31st July 2026, but we can terminate this framework early if needed with 3 months' notice to providers. This framework currently supports homecare placements with 15 providers and they are commissioned through the Atlas system. The homecare framework is designed to establish long-term relationships with providers, ensuring consistent and reliable care through predefined standards and pricing agreements.

Challenges with the Current Setup

- Inconsistent care quality due to varied service providers
- Difficulty in monitoring and evaluating provider performance uniformly
- Administrative complexities associated with spot purchasing
- Lack of streamlined processes for managing placements
- Potential disparities in care standards and practices
- Over subscription as a result of the inability to close DPS lots
- Providers exiting the framework before contract end date
- The current Atlas system is not supported by IT

This decision paper is seeking permission to procure a framework for Adult Social Care Residential & Nursing Care Home, Homecare and Supported Living Placements to replace the current Complex Dynamic Purchasing System (DPS) and Active Homecare Framework.

The procurement of a comprehensive framework for Adult Social Care encompassing Residential & Nursing Care Homes, Homecare, and Supported Living Placements is an indispensable step towards enhancing the quality of care and support for adults in need as it will ensure consistent and high-quality care for everyone, eliminate disparities in care and provide choice and control for residents. Within the current arrangements, this framework will work in conjunction with the Atlas system however there is a proposal for a new brokerage system (system c) which would replace Atlas streamlining the brokerage processes.

Adult Social Care Framework

A well-structured framework serves as a blueprint for delivering high-quality care and support services. It establishes clear standards and guidelines that care providers must adhere to, ensuring consistency and reliability in the care delivered.

The framework will aid in:

- Setting clear standards and guidelines for care providers
- Ensuring consistent and reliable high quality care delivery
- Regular monitoring and evaluation of care services
- Facilitating professional development for care staff
- Managing the market to maintain a balanced supply and demand
- Ease of making placements through a structured and efficient system
- Enhancing accountability among care providers through regular monitoring and evaluation.
- Facilitating continuous professional development for staff to keep them updated with best practices and new methodologies.

Person-Centered Care

At the heart of the framework lies the principle of person-centered care, which focuses on respecting and responding to the individual's needs, preferences, and values. This approach:

- Encourages residents to actively participate in their care decisions, promoting autonomy and self-esteem.
- Develops personalized care plans that cater to the unique requirements of each individual.
- Fosters a trusting relationship between caregivers and residents, enhancing the overall care experience.

Benefits and Improvements

Using a single framework to purchase care, as opposed to various frameworks, dynamic purchasing systems (DPS), and spot purchasing, offers several distinct advantages:

Consistency in Care Quality:

A unified framework ensures that all service providers adhere to the same high standards, eliminating the inconsistencies that arise from varied practices. This leads to a more predictable and stable quality of care across the board.

Simplified Administrative Processes:

Managing care placements and contracts under one framework streamlines administrative tasks. It reduces the complexity and workload associated with navigating multiple systems, making it easier for administrators to manage and track care provisions efficiently.

Enhanced Monitoring and Evaluation:

A single framework facilitates uniform monitoring and evaluation processes. This uniformity allows for a more accurate assessment of provider performance, helping to identify areas for improvement and maintain high standards of care.

Market Management:

With a structured framework, it becomes easier to manage the care market, ensuring a balanced supply and demand. This prevents the issues of over or under-supply, thereby ensuring that care services remain accessible to all who need them.

Accountability and Professional Development:

Regular monitoring and evaluation within one framework enhance accountability among care providers. Additionally, it supports continuous professional development for care staff, keeping them abreast of best practices and new methodologies, further enhancing the quality of care.

Conclusion

In conclusion, procuring a framework for Adult Social Care Residential & Nursing Care Home, Homecare, and Supported Living Placements is pivotal in ensuring high-quality care and support for adults in need. The framework's emphasis on standardization, person-centered care, and continuous improvement fosters an environment where residents can thrive and live with dignity. The positive impact on well-being and quality of life underscores the necessity of implementing such a framework, making it a cornerstone of modern adult social care.

REASONS AND OPTIONS

Reasons for the decision:

The reasons are set out in the main report

Other options considered:

Option 1 - Do nothing and continue with the current Complex Dynamic Purchasing System (DPS) and Active Homecare Framework.

There is an option to do nothing and continue with the complex dynamic purchasing system (DPS) and Active Homecare Framework which are currently in place. This option is not advised as although the Complex DPS has an available extension to 2027 it is saturating the provider markets due to over subscription as a result of the inability to close lots. This is causing frustration for providers and is an administrative burden on the commissioning team. The Active Homecare Framework comes to an end in 2026 and will need to be re-procured in the next few months.

Option 2 – Spot Purchase ASC Placements

There is an option to just Spot purchase adult social care placements. This option has been rejected due to the below reasons:

- Frameworks ensure a consistent standard of care, whereas spot purchasing can result in varying quality due to the ad-hoc nature of the arrangements.
- Framework agreements provide predictable costs and service levels, reducing the uncertainty and variability associated with spot purchasing.
- Frameworks foster long-term partnerships with care providers, enhancing trust and reliability, which are crucial for delivering high-quality care.
- Frameworks reduce administrative burdens by streamlining procurement processes, whereas spot purchasing may require repeated negotiations and contract management for each placement.

IMPLICATIONS AND RISKS

Financial implications and risks:

The budget for this procurement of placements will come from current Adult Social Care budgets. Placements will be called off as required using the brokerage system, from the framework which will have no minimum or maximum value, nor will any commitment to expenditure by the Council be stipulated within the framework contracts. Expenditure will only be incurred when individual packages of care are purchased. There are no additional costs as a result of implementing the framework, any additional costs would have materialised due to client growth and client needs.

The annual expected spend for the framework system will be approx. £90 million. This is based on 2023/24 spend on ASC placements. Therefore, to ensure that all placements can be made through the framework without limitations, £500 million has been established as the maximum value for the 4-year framework. This precaution avoids the risk of depleting funds, which would hinder the ability to call off from the framework.

To support the implementation and make the framework as effective as possible there is a requirement for a new system, a separate decision paper is being worked on for the

additional system. The implementation of this framework is not reliant on the new system and can still be implemented using the current system but will be less effective.

Legal implications and risks:

The Council has a general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do subject to any statutory limitations. The Council has the power under this section to agree to the proposals in the recommendations.

The value of the proposed framework is £500 million over 4 years. The subject matter of the contract falls within the light touch regime (LTR) under Schedule 3 of the PCR. The proposed value of the contract exceeds current the threshold for LTR services of £663,540 and therefore is subject to Part 3 of the PCR.

The proposed open tender is compliant with the requirements of both the PCR and the Council's Contract Procedure Rules for contracts of this nature.

Human Resources implications and risks:

The recommendations made in this report do not give rise to any identifiable Human Resources implications or risks.

Equalities implications and risks:

Havering has a diverse community made up of many different groups and individuals. The council values diversity and believes it essential to understand and include the different contributions, perspectives and experience that people from different backgrounds bring. The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the council, when exercising its functions, to have due regard to:

- I. the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- II. the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- III. Foster good relations between those who have protected characteristics and those who do not.

Note: 'protected characteristics' are: age, gender, race and disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council demonstrates its commitment to the Equality Act in its decision-making processes, the provision, procurement and commissioning of its services, and employment practices concerning its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing of all Havering residents in respect of socio-economics and health determinants.

A diverse range of providers has been engaged to deliver personalized services that meet the unique needs of the population. The service is accessible to all individuals, regardless of their disability, condition, or illness.

Health and Wellbeing implications and Risks

The council demonstrates its commitment to the Equality Act in its decision-making processes, the provision, procurement and commissioning of its services, and employment practices concerning its workforce. In addition, the council is also committed to improving

the health and well-being of all Havering residents concerning socio-economics and health determinants.

This framework will have a positive impact on the health and well-being of people with complex needs by the ability to set the criteria to meet the needs of a service user and to meet the quality outcomes including health and wellbeing. By allowing choice and competition to meet a service user's requirements, it will improve access to high-quality health and social care services and reduce health inequalities related to these vulnerable groups:

- Adults with a learning disability
- Adults with mental health needs
- Adults with needs resulting from physical and/or sensory disabilities
- Older people with complex needs
- Other vulnerable adults who meet Care Act eligibility criteria

Through the framework and brokerage system, the Council will ensure that each package of care commissioned will deliver personalised and continuity of care with the service user's involvement that helps them achieve their outcomes.

Improving health and well-being will be an essential aspect of each care plan, and suppliers are required to report to the Council on each service user's health and well-being outcomes, including;

- Promoting the independence of individuals to lead the life they wish
- Behaviour and lifestyle such as diet, exercise or self-care
- Mental health and wellbeing
- Access to and quality of education or other training opportunities
- Employment, income, opportunities for economic development
- Access to green space, sports facilities and opportunities to be active
- Opportunity to interact socially with other people, social isolation,
- community support networks and being able to live independently
- Ability to access health and social care services
- Transport, and connections to places within or between the Borough

This framework will lead to an improvement in the quality of life, health and wellbeing for the service users in supported living, residential, nursing, live in, and domiciliary care services.

Environmental and Climate Change Implications and Risks:

The recommendations made in this report do not give rise to any Environmental or Climate Change implications or risks.

BACKGROUND PAPERS

None