

REPORT FOR: CABINET

Date of Meeting: 15 July 2010

Subject: A framework agreement for adult home support services for Harrow in partnership with the West London Alliance.

Key Decision: Yes

Responsible Officer: Paul Najsarek, Corporate Director Adults and Housing

Portfolio Holder: Councillor Margaret Davine, Adult Social Care, Health and Wellbeing Portfolio Holder

Exempt: No except for Part B which is exempt by virtue of paragraph 3 of Schedule 12 A of the Local Government Act 1972 (as amended) on the grounds that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

Decision subject to Call-in: Yes

Enclosures: None

Section 1 – Summary and Recommendations

Summary

In conjunction with the West London Boroughs that make-up the West London Alliance (LBH&F, Hillingdon, Harrow, Hounslow, Brent and Ealing) (“WLA”) Harrow has procured a framework agreement on behalf of the Boroughs (the “Framework”). The Framework will supply personal homecare, housing related support and an integrated service for adults. The Framework provides a choice of provider for residents. This is a major achievement for borough collaboration in improving quality by delivering a framework that insists on a minimum quality standard, partnership working across the public sector to deliver procurement efficiency and delivering efficiency savings of £500k over 18 months.

Recommendations:

Cabinet is asked to :

1. Approve the Framework
2. Approve the continuing collaboration of Harrow with the WLA to implement the Framework
3. Award delegated authority to the Corporate Director of Adults and Housing to work with the final list of providers to optimise the terms and conditions and then call off each of the 3 services on the Framework as required

Reason: (For recommendation)

To support the council’s priority in relation to Vulnerable People and the personalisation agenda by having an effective strategy for ensuring the continued provision of high quality and efficient home provision to enable people to live independently. Additionally to provide an accredited list of providers for the purpose of enabling and safeguarding the choices of people opting for individual budgets.

Section 2 – Report

Implications for the recommendations

- 2.1 This report seeks approval from Cabinet to enter into a Framework agreement with a select list of providers for the next 4 years. The Providers will offer personal homecare, Housing Related Support and an integrated service across all 6 boroughs in the WLA.

- 2.2 The prices received from the procurement exercise could offer savings for each Borough but this depends upon local decisions about the implementation of the Framework and the pace of change. This Framework will fit in with the implementation of the new Personalisation agenda in social care. Work is continuing with the final list of providers to clarify the basis of their prices and finalise them. A series of clarification meetings are taking place which may lead to some providers revising their offer. It is important that providers offer the best value prices that are sustainable over the four years of the Framework. At present the lowest priced providers are small providers who will need support if they are to grow their business at a sustainable rate.
- 2.3 The results of this project will be:
- Greater choice for residents of care provider
 - A clear quality standard across west London for all providers wishing to trade in the sub-region
 - Possible savings compared to current costs
 - A new service that reduces the amount of care professionals in service users lives (by combining personal care and housing related support)
 - A focus on positive outcomes including enablement and empowerment of residents to reduce their reliance upon care services
 - A contract that measures performance based upon the outcomes of the care not just the outputs
 - A first project of this scale for the WLA acting as one customer with the provider market
 - Greater leverage and efficiencies from running one Framework across 6 Boroughs
- 2.4 If approved the Framework can be operational by October 2010 and would be proposed to run until 2014.

Cabinet Report

1. BACKGROUND

- 1.1 The West London Alliance (WLA) is a collaborative body made up of the six boroughs in north-west London. The participating Boroughs are Harrow, Hammersmith and Fulham, Hillingdon, Hounslow, Ealing and Brent.
- 1.2 Adult social care is one of the areas of interest for the WLA. They are interested in collaborating in order to achieve greater efficiencies from the care market. The two main efficiencies are cost savings and improving the quality of care for residents.
- 1.3 The West London boroughs undertook a procurement project for a new Framework¹ agreement which would supply three care services to residents over the next four years. There were two reasons for this. The first was that LBH&F had created a new model of service (based upon 18 months of consultation and design work) and therefore had a model ready for use by all Boroughs. The other reason was both

¹ Framework definition – a number of providers who have been approved to provide services and who have agreed the terms of trade (including the price) before an actual contract has been formed. The contract is formed once services are called-off from the Framework

LBH&F and LB Hillingdon' existing contracts were due to expire and new services needed.

1.4 Governance structures were created (an executive board and a project manager). The work of the Board was accountable to the Directors of Adults Social Care.

1.5 The services that have been specified under this Framework are:

- Personal Home Care – including short term intensive reablement service

Personal services to the individual such as, help to rise and go to bed, washing and bathing, dressing and hygiene care, help with food preparation etc.

Short term intensive reablement service - A six week service designed to reable residents who have been in hospital or the community and need help to rebuild their physical ability and their confidence to lead as independent a life as possible.

- Housing Related Support

Assistance for residents to stay in their own homes. Such help could include, dealing with landlords, paying utility bills, arranging for repairs and ensuring the home is safe and secure.

- An integrated service

A combination of personal care with housing support. Reducing the number of care professionals a resident has to contend with and allowing a more flexible responsive service.

2. The Procurement Route

2.1 Two procurement routes were chosen for this project. A tender² would be used for personal home care services and housing related support services. A negotiation would be used for the new integrated service because the service is completely new. Therefore dialogue was needed between commissioners and the market to ensure clarity over the specification.

2.2 Both processes were started in the late summer of 2009 and concluded in February 2010. The process and details of each route are given later in this report, but both followed the same initial process, which was:

- Residents and Council leadership were consulted over the new service model
- Permission was secured from Cabinet to undertake the procurement project
- An advertising campaign was carried out to raise interest from the market
- Providers who expressed an interest completed a pre-qualification questionnaire (PQQ) to ensure they were fit to provide the services.

² Restricted Tender for a Part B service. Two phases a PQQ stage and a tender stage. Carried out using eTendering software.

- The providers who met the required standards in the PQQ were invited to either submit a tender or were invited to negotiate.
- Providers received packs of information and standard proformas in order to submit a statement on how they would provide the services and their price.
- A Tender Appraisal Panel (TAP), made up of representatives from each Borough, evaluated the offers.

2.3 At this point the route changed depending upon which service the provider was bidding for. The following table shows the rest of the steps taken.

TENDER for personal care & housing related support	NEGOTIATION for the Integrated service
The TAP evaluated the providers written bids	A subgroup of the TAP evaluated the written bids
A moderation of the TAPs work was carried out to ensure fairness and accuracy	A moderation of the subgroups work was carried out to ensure fairness and accuracy
The providers' bids were ranked according to their Quality and their Price score.	Providers were invited to attend two negotiation meetings based upon a set agenda. The interview panel scored providers on key aspects of the service delivery and quality
Providers who scored below 50% of the available marks were eliminated	Providers who didn't score above the minimum quality threshold of 50% of the available marks were eliminated
Providers who didn't make the quality standard were informed of their failure to gain entry onto the framework	Providers who did meet the quality threshold were invited to submit a Best and Final Offer (BAFO) which was received and opened by the mayor.
A final framework list of providers created and ranked by quality and price	The providers Final bids were ranked according to their Quality and Price score.
	A final shortlist of 3 providers was selected. These were the best quality and price who could supply to 6 Boroughs in the WLA.

3. The Procurement Process:

3.1 Creating Interest:

Adverts were published in The Community Care magazine and the Evening Standard newspaper and on Borough Websites. Two open days were held during November 2009 to generate interest from the market.

3.2 Project documentation:

A suite of standard procurement documentation was created and signed off by the Board.

3.3 Technology:

The procurement exercise was carried out using tendering software connected to a web portal³. This created a secure means of information exchange during the process and a clear audit trail. Documents were posted onto the portal allowing bidders 24-hour access to the project. Bidders uploaded their bids onto the portal which allowed Borough representatives access to the information despite being in 6 different town halls.

3.4 Governance

Adult Social Care Directors instructed a Project Board which in turn instructed a Tender Appraisal Panel (TAP) - led by the project manager. Every Borough was represented and support given by corporate procurement, legal and finance services.

3.5 The Pricing Model

Bidders were asked for one hourly price for each service they were bidding for. They were also asked to give discounted prices based upon the volume of business they might receive from this Framework.

This simple approach enabled bidders to be ranked according to their price and any savings against current costs to be made. It was also simple for residents who were choosing to take a Direct Payment to understand the cost of the service.

3.6 Evaluation model

Bidders would have to get through a pre-qualification questionnaire to ensure they were fit to trade. They also submit statements on how they would deliver a quality service to residents.

Bidders had to meet a minimum quality threshold, which was a 2 star (or above) rating from CQC⁴ (and / or minimum level 'C' SP Quality Assessment Framework) and scored above 50% of the available marks for quality.

To arrive at a final ranking providers were judged according to their price and the quality of their submission. The ration chosen was 60/40% (price/quality).

Successful bidders for personal homecare and housing related support were placed upon the framework in ranked order.

For the Integrated service only the top three ranked providers would be selected to go on the framework. This reflected the small amount of spend this 3rd service would attract and the need to work with just a few providers to develop this new offer.

3.7 Results of the Process:

- 170 providers expressed an initial interest.
- 90 providers came to each open day.
- 91 formal expressions of interested (completed Pre-Qualification Questionnaires were received and evaluated.
- 50 providers met the requirements and were invited to tender
- 16 providers were invited to the negotiation stage of the project

³ The supplier was Due North. The eTendering software application was called Pro Contract. The route for providers to access this tendering opportunity was via the London Tenders web portal.

⁴ CQC – The Care Quality Commission is the adult social care regulatory inspectorate. They rank providers according to a star rating. 2 – good, 3 –excellent. We do not want 0 or 1 star providers in the WLA.

- tenders returns were opened by the Mayor using eTendering software
- 32 organisations for personal care and 20 for Housing Related Support
- 25 met the minimum quality threshold and were ranked according to their combined price and quality score for Personal care and 12 for Housing Related Support.
- 16 providers were negotiated with during 32 meetings
- 9 met the minimum quality criteria and were asked to submit a best and final offer (BAFO)
- 8 submitted a BAFO opened by the Mayor
- 3 best Bids were selected to go on the final framework for the Integrated service

3.9 Providers have also elected which localities they are interested in providing services. The tables below show the successful providers and the areas they are willing to operate in.

Personal Care

Provider	Personal Care																		
	Brent			Ealing				H&F			Harrow			Hillingdon			Hounslow		
	Central	North	South	Chwick & Acton	G'ford, Northolt & Perivale	Shouthall & Hanwell	West & Central	Central	North	South	Central	North	South	Central	North	South	Central	East	West
Allied Healthcare Group Ltd	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Aquaflor Nursing and Care Ltd	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Breslin Health and Social Care Limited	1		1	1	1	1	1	1	1				1	1		1		1	1
Brook Street (UK) Ltd	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Care Outlook LTD	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Care UK Homecare Limited	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Enara Community Care	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Enterprise Care Support Ltd	1	1	1	1	1	1	1	1	1	1	1		1	1		1	1	1	1
Family Mosaic Housing	1	1	1	1	1	1	1	1	1	1	1	1	1						
Gentlecare HCS Limited	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Health Vision UK Ltd	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Hillcrest Care Ltd	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Home From Hospital Ltd				1				1	1	1								1	
Housing 21	1	1	1					1	1	1	1	1	1					1	
Jays Homecare	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
London Care Plc	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Nestor Primecare Services	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Prospect Housing and Support Services				1	1	1	1	1	1	1				1	1	1	1	1	1
Sagecare Ltd	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
SJS HOMECARE SERVICES	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Support for Living	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Supporta Care Limited	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Taylor Gordon & Co Ltd t/a Plan Personnel	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
United Response	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Westminster Homecare Limited	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Grand Total	23	22	23	24	23	23	23	25	25	24	22	21	23	22	20	22	21	24	22

Housing Related support

Provider	Housing Related Support for Older People																		
	Brent			Ealing				H&F			Harrow			Hillingdon			Hounslow		
	Central	North	South	Chwick & Acton	G'ford, Northolt & Perivale	Shouhall & Hanwell	West & Central	Central	North	South	Central	North	South	Central	North	South	Central	East	West
Allied Healthcare Group Ltd	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Breslin Health and Social Care Limited	1		1	1	1	1	1	1	1				1	1		1	1	1	1
Elders Voice	1	1	1						1				1						
Enara Community Care	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Family Mosaic Housing	1	1	1	1	1	1	1	1	1	1	1	1	1						
Hounslow Homes																	1	1	1
Metropolitan Support Trust	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Notting Hill Housing	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Sagecare Ltd	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
SJS HOMECARE SERVICES						1											1	1	1
Taylor Gordon & Co Ltd t/a Plan Personnel	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Willow Housing and Care	1	1	1	1	1	1	1	1	1	1	1	1	1						
Grand Total	10	9	10	9	9	10	9	9	10	8	8	8	10	7	6	7	9	9	9

3.10 The final list of providers proposed for the framework is included in a Part B exempt Appendix.

4. The Financial impact of the Framework on the current use of resources

4.1 The following table shows each Borough's expenditure on personal homecare at present. The table shows the average price per hour paid by each Borough.

Borough		Total Hours	Total Spend	Average weighted hourly rate
Brent	Annual	814,689.00	£13,560,912.62	£16.65
Brent	Weekly	15,667.10	£260,786.78	£16.65
Ealing	Annual	743,489.50	£10,458,707.22	£14.07
Ealing	Weekly	14,297.88	£201,128.99	£14.07
H&F	Annual	606,642.15	£7,668,182.28	£12.64
H&F	Weekly	11,666.20	£147,465.04	£12.64
Harrow	Annual	411,184.59	£6,690,724.90	£16.27
Harrow	Weekly	7,907.40	£128,667.79	£16.27
Hill	Annual	482,436.56	£6,761,571.13	£14.02
Hill	Weekly	9,277.63	£130,030.21	£14.02
Hounslow	Annual	425,360.00	£6,073,433.60	£14.28
Hounslow	Weekly	8,180.00	£116,796.80	£14.28

4.2 A financial analysis of the impact of the framework has been carried out and is referred to later in this report.

4.3 Discounts for volumes

Providers were asked to offer lower hourly prices should they receive large volumes of hours from the Framework. The tables are contained in the Part B Appendix :

4.3.1 The financial model:

Each Borough supplied current prices, hours of use and providers which were put into an excel model created by the WLA analyst team. This created a current price based upon creating a compound average hourly price per borough and then comparing it to the hourly rates submitted on the framework.

We then applied the model to three scenarios which went from the academic to the more achievable in order to determine what lost of potential savings there were by applying the constraints of a real world situation to this hypothetical model.

4.3.2 The scenarios were:

- Scenario 1- each Borough keeps their existing providers but moves to the lower framework hourly rates. What annual savings would accrue if the change could be made immediately and in it's entirely from day one of the Framework?

- Scenario 2- keep existing providers with their existing hours – if they made it onto the framework - and give the remaining hours of care to the lowest priced provider.
- Scenario 3 - same as scenario 2 but spread the residual (from those current providers who didn't make it) to the **three** lowest priced providers on the framework.

4.3.3 The Boroughs then tried to predict the pace of change and the effect this would have on any savings. It would take 18 months to get the changes completed.

Quarter	Time period	Pace of change
Qtr 1 – October 2010	0-3months	5% of SUs change
Qtr 2 – Jan 2011	3-6 months	10% of SUs change
Qtr 3 – April 2011	3-9months	15% of SUs change
Qtr 4 – July 2011	9-12months	25% of SUs change
Qtr 5 – Oct 2011	12-15months	50% of SUs change
Qtr 6 – Jan 2012	15-18months	100% of SUs change

4.4 Conclusion –

The scenarios outlined below are possibilities but are subject to negotiation and caveats :

4.4.1 . Scenario 1a —This scenario transfers all of the homecare hours to any existing providers that made it through the tender process at the West London rate. Hours have been up scaled proportionally.

In the case of Harrow 3 of the current 10 providers made it through , the two cost and volume providers who account for 60% of the work Care UK and Supporta Care along with Gentlecare who offer the reablement pilot service.

4.4.2 Scenario 1b TUPE – This scenario gives all the hours to existing providers that made it through the tender process. Hours have been up scaled proportionally however it excludes changing the TUPE cost burden.

The Care UK and Supporta Care cost and volume contracts operate at a significantly higher hourly rate due to the inclusion of TUPE staff (with terms and conditions and pensions) from the local authority described in more detail in 5.1.

4.4.3 Scenario 2—This scenario retains existing providers that made it through the tender process with the same hours i.e Care UK , Supporta Care and Gentlecare for 67.7% of the work and gives the remaining hours to the cheapest provider on the framework Sagecare.

4.4.4 Scenario 3—This scenario, like Scenario 2, kept the same hours with the existing providers that made it through the tender process and split the remaining hours between the three cheapest providers.

These results are based upon prices from providers which are frozen for 4 years and therefore will become better value over the term of the framework when inflation is taken into account.

4.4.5 Most Likely Scenario for Harrow to operationalise.

In Harrow we see the likely scenario for operationalising the frameworks being a combination of Scenario's 1a and 1b. This scenario would see Harrow negotiating with providers to transfer a proportion of the existing hours to the West London rate with the existing providers that made it through the tender process i.e. Care UK, Supporta and Gentlecare. Detailed analysis of the costs suggests that a saving of £500k could be achieved over an 18 month implementation.

4.6 Housing Related Support:

4.61 The costs were not modelled in detail for Harrow or boroughs other than H&F but the impact for Harrow using the framework could be to deliver some efficiency given that the current average hourly support rate for Housing related support is £15.25 and the frameworks top scoring provider offers £13.72 an hour.

4.62 How each Borough chooses to use the Framework will determine the efficiencies achieved, the number of providers used and choice for residents. Local decisions have to be made which balance residents' choice of provider with the ability for Boroughs to pay for that choice. However it would seem each Borough in the WLA will be able to offer choice of quality provider to their residents whilst also making savings when compared to current costs.

5. How this WLA Framework can be applied in Harrow

5.1 At present service users who are eligible for personal homecare services do not get a choice of provider. The provider is chosen for them based upon where they live. There are two main providers at present. Care UK who service the West of the Borough and Supporta PLC the East, they deliver 60% of the homecare provision to over 600 Harrow residents. It is a 5 year contract which have operated since 2007 and run until November 2012. The providers have staff who were Transferred under TUPE from Harrow council and therefore cost more due to their terms and conditions, this is reflected in the providers having a higher hourly rate than the spot providers. In 2009-10 the care providers Care UK and Supporta charged a much higher hourly rate than for instance the Harrow spot providers who charge on average £4 to £6 per hour less. However it should be made clear that these staff are now the staff of the provider and their responsibility. It should also be noted that despite the fact that Supporta Care and Care UK are offered the packages first as per the contract they have been unable to take all referrals to date due to difficulties in building capacity and performance issues. This has resulted in 40% of the homecare provision being provided by eight spot contracted providers. It should be noted that if the cost and volume providers drop below 2500 hours

because of the council's lack of referrals without due cause then a higher rate applies. The current performance on hours at May 2010 shows Supporta Care at just above 2,200 hours (no penalty to the council because this is a Supporta performance issue) and Care Uk at 2,600 hours.

- 5.2 It is proposed that from October 2010 onwards all new service users will benefit from 6 weeks of reablement intensive support to enable them to regain the confidence and skills they might have lost through illness infirmity or hospital admission. This will be extended to current users from March 2011.
- 5.3 Those service users who need to have an ongoing personal homecare service following the short term reablement will be offered a choice of either taking a Personal Budget Direct Payment and arranging their own care services or electing for the Council to arrange the service for them.
- 5.4 If they allow the Council to arrange the care then they the council will need to consider which of the options detailed in section 4.4 will be the model for delivery. The key consideration will be safeguarding and choice for service users new and old.
- 5.5 Harrow spend £6,69 million a year with providers in the 2009 calendar year with almost 60% of the business generally going to Care UK and Supporta see the table below for the current position:

Table illustrating current position of the Homecare provision hours and spend.

	Total Hours	Total Spend	Average weighted hourly rate
Annual	411,496.59	£6,694,593.70	£16.27
Weekly	7,913.40	£128,742.19	£16.27

Providers	Annual Hours	Weekly Hours	% Allocation
Care UK	121330.93	2333.29	29.49%
Supporta Care	122906.66	2363.59	29.87%
Carewatch	31919	613.83	7.76%
Gentle Care	30689	590.17	7.46%
MNA	58101	1117.33	14.12%
Somali Carers Project	16774	322.58	4.08%
Personnel & Care Bank	2749	52.87	0.67%
Westminster Home Care	3353	64.48	0.81%
Wycare	23362	449.27	5.68%
Aermid	312	6.00	0.08%
TOTAL	411496.59	7913.40	100%

6 Consultation Process

6.1 Consulting on the service model

In 2009 consultation was undertaken on the service model and its affect on service users as detailed below.

6.2 Involving Service Users to tackle poor quality

Service users and members of the LinK were invited to attend a Scrutiny Panel meeting on the 1st September 2009 to discuss issues to do with the current home support services. Also in attendance were senior managers from the two existing homecare agencies used by the Borough.

The panel discussed issues and what can be done about them. One recommendation that came from the Scrutiny Committee was for the creation of a Service User Implementation group. This was created in order to help with the procurement process and the design of the performance management regime that would accompany the new Framework.

6.3 Service User Events

Two service user engagement events have been initiated. One occurred in December it was held in Ealing and included service users from each Borough plus representatives from SU led organisations. The suggestions from this event have been fed into the requirements for the procurement exercise. Another event was held in May which developed ideas with residents on how this Framework can be performance managed.

6.4 Using the Internet to allow all stakeholders a say

It was felt that the performance management regime for this framework should be created and owned by not just Borough officers but all stakeholders (service users, their carers, council officers and providers). To make personal homecare a success required collaboration by all stakeholders. By creating and owning part of the brief for this Framework all parties had a vested interest in making the service work. The design of the performance management of the Framework was created on the internet using software (a Wikki) that any stakeholder could view and edit e.g. how do we know whether a provider is doing a good job? What data should providers be presenting to Boroughs? How fast should providers respond to poor performance? How can service users make daily decisions about their care?

By having all parties working on the document a final copy was created that all stakeholders agreed to. The WLA was created in order for us to collaborate and the internet now provides a simple means for this collaboration to be expanded to all stakeholders. The Home Support Framework online community of stakeholders enabled a sub-regional deal and to make it work for them locally.

7. FINANCE COMMENTS

Personal Care

- 7.1 The West London Alliance has tendered out for Personal care services and as detailed in paragraph 3.10 up to 25 providers met the Quality threshold and were ranked according to price and quality. The hourly unit costs for these providers range between £12.14 to £20.98 ph for purchased hours up to 200 hours.
- 7.2 The Council spent £6.69 million on personal care hours in the 2009 Calendar year.
- 7.3 Different scenarios were created to show the possible efficiencies Boroughs could achieve if they purchased hours from the Framework in certain ways.

The efficiencies highlighted in this report are only based on illustrative scenarios and with an estimated implementation timescale of 18 months, the actual savings will only be fully realised from the 2012/13 financial year. Regular monitoring will be undertaken in the implementation phase to monitor the achieved efficiencies. There are also TUPE & Redundancy implications which will need to be considered and costed during the implementation process There is a risk if service users choose more expensive providers from the Framework which is above the current weighted average of £12.64 ph

- 7.4 The Framework agreement is proposed for 4 year commencing from October 2010. It's estimated that it will take 18 months for all service users to move into the proposed framework contract based on natural attrition rate. (The first 6 months of 2010/11 are at within existing providers).

Housing Related Support

- 7.5 West London have tendered out for the Housing Related Support Service and have detailed in paragraph 3.10 up to 12 providers that met the Quality threshold and were subsequently ranked according to price and quality. The hourly unit costs for these providers range between £12.14 to £25.97 ph for purchased hours up to 200 hours. The attached appendices detail the various hourly rates for hours purchased.
- 7.6 The Council spent £3.8m on Housing related support hours. There are potential savings but there are also TUPE & Redundancy implications which will need to be considered and costed during the implementation process which will reduce the proposed efficiencies.
- 7.7 As proposed in the recommendation, the use of the Framework agreement for the Integrated support service is proposed to be delegated to the Corporate Director of Adults and Housing and a further report will be commissioned detailing the service provision and financial implication

8. Legal Implications

The services under the proposed Framework Agreement for Adult Home Support Services are Part B services under the Public Contracts Regulations 2006 (the "Regulations"). Part B services are not subject to the full application of the Regulations and do not need to be advertised in the Official Journal of the European Union (OJEU)

Legal Services and Procurement have provided legal and procurement advice in respect of the proposed Framework Agreement.

The West London Alliance has complied with the Regulations in respect of the restricted tender procedure and negotiated tender procedure and the Council's Contract Standing Orders have been complied with.

The Regulations require the Council within 48 days of the framework contract award date to forward to OJEU details of the award. LBHF will send the contract award notice to OJEU on behalf of the WLA.

9. Performance Issues

Harrow's CRILL rating for homecare, which aggregates provider inspection ratings, has improved significantly since problems with the two main homecare providers have been addressed. However, the % of service users receiving homecare from 'good' (2 star) or 'excellent' (3 star) providers needs to be maintained above 90% to be above average for London. The introduction of quality standards across West London which insist on a minimum of 2 stars will improve the quality of homecare for service users and will push Harrow's CRILL rating upwards.

The forecast savings of £500k will also have a positive impact on value for money indicators, most importantly on the unit cost of homecare, which is a critical efficiency measure.

10. Environmental Impact

There are no significant environmental considerations to be taken into account.

11. Risk Management Considerations.

The key risks that will need to be managed are:

- i. The financial penalty on the hourly rates if the cost and volume providers dropping below 2500 hours.
- ii. The current contractors hourly rates inflated by TUPE costs

12. Equalities implications

The EIA is at Appendix 1.

13. Corporate Priorities

This supports the key Corporate priority for Supporting Vulnerable Adults

Section 3 - Statutory Officer Clearance

Name: Donna Edwards	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 23 June 2010		
Name: David Harrington	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 23 June 2010		

Section 4 – Performance Officer Clearance

Name: David Harrington	<input checked="" type="checkbox"/>	on behalf of the Divisional Director Partnership, Development and Performance
Date: 23 June 2010		

Section 5 – Environmental Impact Officer Clearance

Name: John Edwards	<input checked="" type="checkbox"/>	Divisional Director (Environmental Services)
Date: 23 June 2010		

Section 6 - Contact Details and Background Papers

Contact: Nick Davies 0208 424 1895

Background Papers:

No.	Description of Background Papers	Name/Ext. of Holder of File/Copy	Department/ Location
1.	EIA	Nick Davies	Contracts and Brokerage
2.	Consultation details	Nick Davies	Contracts and Brokerage
3.	Tender papers	Nick Davies	Contracts and Brokerage

Call-In Waived by the Chairman of Overview and Scrutiny Committee

NOT APPLICABLE

* Delete as appropriate

(for completion by Democratic Services staff only)

APPENDICES

Appendix 1: Equality Impact assessment

FULL EQUALITY IMPACT ASSESSMENT QUESTIONNAIRE/CHECKLIST

Directorate	Adults and Housing	Section	Commissioning and Partnerships		
1 Name of the function/ policy to be assessed	West London Home Support Framework	2 Date of Assessment	1 June 2010	3 Is this a new or existing function/policy?	This is an existing contracting function for local authorities
4 Briefly describe the aims, objectives and purpose of the function/policy		<p>The aim of introducing this framework for Home Support is to :</p> <p>To support the council's priority in relation to Vulnerable People and the personalisation agenda by having an effective strategy and procurement framework in place for ensuring the continued provision of quality/ efficient home provision to enable people to live independently.</p> <p>Additionally the framework provides an accredited list of providers for the purpose of enabling and safeguarding the choices of people opting for individual budgets.</p>			
5 Are there any associated objectives of the function/policy? Please explain		<p>This framework supports the need for a shift from residential models of accommodation based social care provision to support people in their homes with preventative personalised services that enable them to live more independently for longer.</p>			
6 Who is intended to benefit from the function/policy and in what way?		<p>Vulnerable Adults in Harrow including those who are Older People , have Learning Disabilities or Physical disabilities.</p>			

<p>7 What outcomes are wanted from this function/policy?</p>	<ul style="list-style-type: none"> • Greater choice for residents of care provider • A clear quality standard across west London for all providers wishing to trade in the sub-region • Possible savings compared to current costs • A new service that reduces the amount of care professionals in service users lives (by combining personal care and housing related support) • A focus on positive outcomes including enablement and empowerment of residents to reduce their reliance upon care services • A contract that measures performance based upon the outcomes of the care not just the outputs • A first project of this scale for the WLA acting as one customer with the provider market • Greater leverage and efficiencies from running one Framework across 6 Boroughs
<p>8 What factors/forces could contribute/detract from the outcomes?</p>	<p>The main forces that could detract from achievement of the outcomes is economic pressure on revenue budgets. There is also the need to resolve the high current cost of the cost and volume contracts for the sake of future service users who opt for personal budgets.</p>

<p>9 Who are the main stakeholders in relation to the function/policy?</p>	<p>Specifically the people that receive the service i.e. older people, people, people with learning disabilities and people with physical or sensory disabilities.</p> <p>Carers and families of these individuals are key stakeholders</p> <p>The workforce are the other key stakeholder</p>	<p>10 Who implements the function/policy and who is responsible for the function/policy?</p>	<p>Implementation will be led by Adults and Housing within the council. Partnerships with Care providers and stakeholders will be necessary to operationalise the framework.</p>
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<p>11 What data or other existing evidence have you used to assess whether the function/policy might have a differential impact? (please continue on a separate piece paper if necessary)</p>	<p>Our consultation with existing Harrow homecare service users through the Age Concern Survey has suggested that the key areas of quality that service users want addressed are continuity of care and communication if care is going to be delayed.</p> <p>There has also been consultation with key stakeholders who represent the service users interests e.g. Harrow Age Concern, POP , Mencap and LINK. These took place in February 10 and May 10 where stakeholders were asked to input into the design of the outcomes based specification for the service and to design the monitoring framework required.</p> <p>Other risk factors are :</p> <ul style="list-style-type: none"> ▪ The impact on providers of moving to an ‘outcomes-focused’ approach, and the level of preparation that will be required e.g. if the market does not respond ▪ The projected increase in demand and need for modelling to take account of this ▪ Implementation will be complex and will require focused, ongoing leadership to achieve positive outcomes. ▪ The skills needed for care and support workers need to be developed sufficiently ▪ If process are too high and people cannot afford to buy services with their personal budgets ▪ Introduction of personalisation may mean providers do not get the level of business they require to continue 				
<p>12 Has the data or other evidence raised concerns that the function/policy might have a differential impact? If so in what area (please circle)?</p>	<p>Race</p>	<p>Gender</p>	<p>Disability</p>	<p>Other</p>	<p>(If other please specify)</p>

<p>13 What are the concerns? (please continue on a separate piece paper)</p>	<p>There has been a general concern that sometimes mainstream homecare services fail to meet the specialist needs of people with a Learning Disability or Physical Disability. The requirements outlined in the specification and the tender evaluation process should mitigate this as there were case studies assessed to ensure that the providers could meet these requirements.</p> <p>Race has been raised as being an area of potential differential impact in Harrow because of the diversity of the Harrow community. Again providers needed to meet the requirements of the specification around diversity to be able to deliver services to meet specific cultural needs particularly for the Older Asian community.</p>		
<p>14 Does the differential impact amount to adverse impact i.e. could it be discriminatory, directly or indirectly?</p>	<p>NO</p>	<p>15 If yes, can the adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or any other reason?</p>	<p>N/A</p>

<p>16 Have you considered ways in which the adverse impact might be reduced or eliminated?</p>	<p>In respect of Older People the demographics particularly in the JSNA predict net outward migration of white older populations and corresponding increases in BME older populations. It is clear therefore that all services developed and offered by the council need to be able to cater for the needs of all communities without exclusion. The key thing is that this growth is across many of the ethnic sub-categories and a context of ever increasing diversity as new groups come into the borough. This growth in ethnic populations must be met by services responding appropriately in their care planning and staffing requirements. For Home Care Services users there is likely to be a positive impact in terms of gender choices of care workers. Introduction of Self Directed Support means that service users will have more choice over who delivers and how their support is delivered. The gender breakdown of Home Care users is 66% female and 24% male. The re-commissioning of Home Care services for under 65's, including those with a disability is aimed to improve quality and flexibility of services and which services can be purchased to meet people with disabilities needs. For example traditional forms of care do not have to be purchased and there will be more control for service users over how their care and support is delivered. Performance measures are being developed by service users and carers and into contract to measure performance and communication. The consultation process identified "language gaps" between care workers and service users. The new service specification and commissioned services will be designed to reduce these issues, make services more accessible to service users. 65.63% of Home Care users are White British or White other. 19.63% are Black or Black British, and 6.68% are Asian or Asian British, and 2% are Mixed, 3.57% from other ethnic groups and 1.73 are unknown. The changes will mean that service users have more choice over care workers and can more make choices about who supports and cares for them and specifications will ensure that services are as representative as possible. The sexual orientation of Home Care and housing related support service users is unknown. Services are designed and monitored to ensure equal opportunity and commitment to diversity. A more responsive/developmental specification that can change as needs / policy changes. Not tied into block contracts, benefit of flexibility of a framework agreement.</p>
<p>17 How have you made sure you have consulted with the relevant groups and service users from Ethnic Minorities? Disabled people? Men and women generally?</p>	<p>We have consulted widely in conjunction with our West London partner boroughs with the key stakeholders for older people and those with a learning or physical disability across gender and ethnic groups.</p>

18. Please give details of the relevant service users, groups and experts you are approaching for their views on the issues	See above		
19 How will the views of these groups be obtained? (Please tick)	Letter <input type="checkbox"/> Meetings <input type="checkbox"/> Interviews <input type="checkbox"/> Telephone <input type="checkbox"/> Workshops <input type="checkbox"/> Fora <input type="checkbox"/> Questionnaires <input type="checkbox"/> Other <input type="checkbox"/>	20 Please give the date when each group/expert was contacted	Detailed consultation details are available on request
21 Please explain in detail the views of the relevant groups/experts on the issues involved. (Please use a separate sheet if necessary)	<p>The following are the key issues raised by stakeholders in respect of focusing on service user outcomes :</p> <ul style="list-style-type: none"> • Smaller providers can provide innovative and individualised services • Providers getting service users involved in the assessment process • Independent advocacy and peer reviews who are objective • 10% of packages to be monitored at the home • Providers to set up service user forums to consider performance reports, to obtain direct feedback etc • Trained volunteers assessing service users at home • Streamlined monitoring • Some existing agencies ring clients to ask how they are • The Link • Age Concern • Agencies should have a staff survey and a whistle-blowing policy; suggest also having an on-line forum for carers/Need to look at how there could be joined-up working with the district nurse/Provide better information such as knowledge of procedures around /complaints/expected standards/Have data available to users/families 		

<p>22 Taking into account the views of the groups/experts, please clearly state what changes if any you will make, including the ways in which you will make the function/policy accessible to all service users, or if not able to do so, the areas and level of risk (Please continue on a separate sheet if necessary)</p>	<p>We will ensure that the providers are monitored in a way that is directed by the service users.</p> <p>We will ensure that smaller providers are able to enter the market as needs dictate through an accreditation process being developed by the WLJPU.</p>
<p>23 Please describe how you intend to monitor the effect this function/policy has on different minority groups (Please continue on a separate sheet if necessary)</p>	<p>Through the HSP and the provider partnership boards as well as the Age concern survey.</p>
<p>24 If any elements of your function/policy are provided by third parties please state, what arrangements you have in place to ensure that to ensure that the Council's equal opportunities criteria are met</p>	<p>We will have strong contractual terms and monitoring arrangements with e.g. service providers of care services.</p>
<p>25 Please list any performance targets relating to equality that your function/policy includes, and any plans for new targets (Please continue on a separate sheet if necessary)</p>	<p>Provider staff need to be recruited to meet the needs of a diverse community.</p>

26 How will you publish the results of this Impact assessment?	Website	27 Date of next assessment	December 2010
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Signed:
NAME:
Completing officer

Date:

Signed: Nick Davies

Date: 23/6/10

Appendix 2:

Providers invited to ITT or ITN (50):

Provider	
Active Care & Support Ltd	Look Ahead Housing and Care
Allied Healthcare Group Ltd	Metropolitan Support Trust
Anchor Trust	Notting Hill Housing
Aquaflor Nursing and Care Ltd	Octavai Housing
Breslin Health and Social Care Limited	One Support
Brook Street (UK) Ltd	Prime Time Recruitment
Care Outlook LTD	Prospect Housing and Support Services
Care UK Homecare Limited	Royal Association for Deaf People (RAD)
Careforce Group plc	Sagecare Ltd
Chrysalis Community Care Group Ltd	Servite Houses
CMB2 Group Limited	SORAG Care Agency
Creative Support Ltd	Sue Ryder Care
Dynamic People Ltd	Support for Living
Elders Voice	Supporta Care Limited
Enara Community Care	SUPREME CARE SERVICES LIMITED
Gentlecare HCS Limited	Taylor Gordon & Co Ltd t/a Plan Personnel
Health Vision UK Ltd	Thames Reach
Hillcrest Care Ltd	Westminster Homecare Limited
Home From Hospital Ltd	Willow Housing and Care
HomeAid Community Care Services	Enterprise Care Support Ltd
Hounslow Homes	Family Mosaic Housing
Housing 21	SJS HOMECARE SERVICES
Jays Homecare	Umbrella
London Care Plc	United Response

Appendix 3 - Evaluation Model and Criteria Used

Providers applying to join the framework had to have a CQC minimum star rating of Good or Excellent. They had to pass the prequalification stage. They had to achieve over 50% of the available marks in the quality section of the evaluation model. This was based upon evaluation of a written tender submission which was broken down into the criteria listed below. Each criteria attracted either a score or a pass/fail.

Method Statement 1

A). Achieving person centred approaches, such as, promoting maximum choice, control and flexibility for service users. (This should include how service users are involved in decision making and your feedback mechanisms). (10%)

Method Statement 1

B). Delivery against the 'locality focus' as specified including deployment of staff, innovative methods, technology, details of offices/ bases for interviewing, supervision etc with the aim of improving outcomes, continuity and reducing isolation for ser

Method Statement 1

C). Please supply the contact names, addresses and telephone numbers of six service users who are willing and able to participate in a telephone questionnaire regarding your organisation. (3%)

Method Statement 1

D). Specific to Housing Related Support applicants who are also landlords will need to demonstrate adequate separation of landlord and support functions, including governance arrangements. Please explain here how you will do this. (PASS/FAIL)

Method Statement 2

A). How the provided service will enable service users to acquire new skills or regain skills that have been lost as a result of an illness or the onset of a disabling condition (5%)

Method Statement 2

B) How this will be demonstrated by Providers producing evidence of a reduction (in terms of hours) of care packages commissioned and/or the agreed addition of new tasks in place of others no longer required due to re-ablement (5%)

Method Statement 3

A). How you ensure staff work to and understand outcomes-focussed approaches. Explain how you know your levels of service user satisfaction and what their involvement in quality monitoring is. How will you achieve continuous improvement and higher

Method Statement 4

A).Details of staff recruitment, skills acquisition for working with all adult groups, Allocation and retention of staff.

B).Details of the anticipated rates payable to care workers and support staff and the employment status of these workers.