

## NOTICE OF MEETING

# CABINET MEMBER SIGNING

Tuesday, 5th December, 2023, 4pm - Podium South, River Park House, 225 High Road, N22 4HQ (watch the live meeting [here](#))

**Councillors:** Lucia das Neves, Cabinet Member for Health, Social Care and Wellbeing

**Quorum:** 1

**1. FILMING AT MEETINGS**

**2. APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

**3. URGENT BUSINESS**

**4. DECLARATIONS OF INTEREST**

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

**5. DEPUTATIONS/PETITIONS/QUESTIONS**

**6. EXTENSION OF 12 BLOCK CONTRACTS FOR THE PROVISION OF HOME SUPPORT (PAGES 1 - 10)**

**7. NEW ITEMS OF URGENT BUSINESS**

**8. EXCLUSION OF THE PRESS AND PUBLIC**

**9. EXEMPT - EXTENSION OF 12 BLOCK CONTRACTS FOR THE PROVISION OF HOME SUPPORT (PAGES 11 - 12)**

Exempt information pertaining to Item 6.

**10. NEW ITEMS OF EXEMPT URGENT BUSINESS**

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Head of Legal & Governance (Monitoring Officer)  
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Tuesday, 05 December 2023

**Report for:** Cabinet Member Signing: Cabinet Member for Health, Social Care and Wellbeing – 5<sup>th</sup> December 2023

**Item number:** To be added by the Committee Section

**Title:** Extension of contracts for the provision of bundled hours home support and reablement services

**Report authorised by:** Vicky Murphy – Service Director, Adult Social Services

**Lead Officer:** Rebecca Cribb – Service Manager, Adult Social Care Commissioning, Brokerage and Quality Assurance  
[Rebecca.cribb@haringey.gov.uk](mailto:Rebecca.cribb@haringey.gov.uk)

**Ward(s) affected:** All

**Report for Key/  
Non Key Decision:** Key Decision

## 1. Describe the issue under consideration

- 1.1. In 2020, Haringey Council introduced, through the award of twelve Call-Off contracts, a new and ambitious model of home support and reablement. The model draws on best practice from other local authority areas as well as being coproduced with Haringey residents and their families/carers, a range of health and social care professionals, and home care agencies and their staff.
- 1.2. Haringey's model of home support and reablement is localities based, with a small number of providers contracted to deliver up-to 70% of Haringey's home support and reablement care hours within each of the three locality areas (East, West, and Central Haringey). The contracts and associated service specification, set out an ambition for providers to work in a person-centred and outcomes-focused way, enabling and promoting personal independence wherever possible to support people to live as independently as possible for as long as possible. The localities design is intended to enable this new way of working through increasing the opportunities and ability for collaborative working with others involved in achieving outcomes for residents, who also increasingly work within a localities footprint, including health, social care professionals and the voluntary community sector.
- 1.3. The value of contracting providers in this way is that we can also build better relationships with providers and strengthen the outcomes they achieve. The alternative would be to 'spot purchase' individual care based availability – which could result in a larger number of providers and less ability to manage the outcomes providers achieve.

- 1.4. On 10 March 2020, the Cabinet approved the award of three (3) Service Agreements (contracts) for the provision of Home Support and Reablement services to successful tenderers for a period of three years with an option to extend for a further two years commencing from the 1 April 2023 to 31 March 2025 (if extended).
- 1.5. A variation of commencement date was subsequently approved to postpone the commencement date to 1 September 2020, due to delays in implementation caused by the Covid-19 pandemic. Contracts were awarded to three organisations but only two accepted the contract, the third provider withdrew their offer post award.
- 1.6. On 9 February 2021, the Cabinet approved the award of a further ten (10) contracts for a period of 29 months commencing from 12 April 2021 to 31 August 2023 with an option to extend for further period of up to two (2) years.
- 1.7. This report seeks approval for the extension of the twelve (12) contracts for the provision of bundled hours home support and reablement service (listed in Appendix 1 of this report), for a period of six months, during which time contract reviews will be completed.

## **2. Cabinet Member Introduction**

- 2.1. N/A

## **3. Recommendations**

- 3.1. For the Cabinet Member for Health, Social Care and Well-being to retrospectively approve, pursuant to Contract Standing Order 10.02.1 (b) and 16.2, the extension of twelve (12) contracts for the provision of bundled hours home support and reablement service, for a six-month period, from 1<sup>st</sup> September 2023 to 29<sup>th</sup> February 2024. The twelve contracts are listed in Appendix 1 of this report.
  - 3.1.1. The maximum cost of extending for six months, if all care hours are utilised, is £5,021,640, taking the combined total contract values to a maximum of £27,721,396. For the avoidance of doubt, payment will be made on services called-off and delivered only, and the estimated likely spend based on current utilisation is £4.1m.
  - 3.1.2. For the Cabinet Member for Health, Social Care and Wellbeing to note that a further report will be prepared to consider whether the council should exercise its option, under the original tender, to extend the contracts for up to a further 18 months.
- 3.2. For the Cabinet Member for Health, Social Care and Wellbeing to note the Council's position (as set out in para 6.4) in respect of bundled hours home support.

**4. Reasons for decision**

4.1. Haringey's new model of care for home care support was developed using a Co-design process that engaged with front line care workers, provider agencies, service users, and social care staff.

4.2. Since the introduction of the contracts there has been measurable improvements in the service offer for Haringey residents receiving home care and reablement. Analysis shows that a larger proportion of care hours are being delivered by a smaller number of providers, which we know has several benefits, including: a more unified approach between care providers, social care and health professions, and the voluntary and community sector; more effective contract monitoring and quality assurance through less Council resource needed to ensure efficacy in delivery outcomes; and strengthening crucial partnerships between the Council and Providers to assure quality and continue to improve value. Amongst providers delivering these contracts we have seen fewer packages handed back and fewer complaints about consistency and continuity of care. Research shows that continuity of care and increased coordination and communication between professionals delivers improved outcomes for residents and can maintain or reduce needs. The contract reviews which are currently underway, will aim to evaluate the extent to which these outcomes have been delivered and can be evidenced.

4.3. The contracts have also led to improved contractual terms for care workers with providers required to pay LLW, Travel and Waiting Time, and forgo their use of zero hours contracts. Again, the contract reviews will consider the consistency with which these requirements of the contract are being adhered to.

4.4. The initial 6-month extension will allow sufficient time to conclude a review of these contracts to inform the decision of whether or not the contracts should continue, or an alternative contracting model is required.

**5. Alternative options considered**

5.1. **Do nothing:** the contract would end on 31<sup>st</sup> August 2023 and would undermine all the progress the Council has made with the successful providers to-date. It would also put at risk continuity of care for clients as providers may choose to hand back packages of care.

5.2. **Go out to tender:** It would be possible to go back out to tender but given the imminent expiration of the contract, will not allow for a full procurement process to be undertaken. However, extending the contract for a further 6 months, will enable a more efficient solution to maintain continuity of service and undertake a comprehensive review and option appraisal of the current service.

**6. Background information**

- 6.1. Domiciliary care is a vital service which is needed to enable the local authority to fulfil its duties under the Care Act 2014. There are three main ways in which Haringey makes support available to local residents:
1. Reablement is short term support offered to people in their own homes.
  2. Direct Payments offers a route to enabling people to remain in their own homes with greater choice and control.
  3. Home support is the third way the Council helps residents in the need of additional help to remain as independent as possible in their own home for as long as possible.
- 6.2. A local review of home support was carried out and at the time, the London ADASS home support commissioning review, identified the following challenges facing Haringey home support.
- a) Sustainability in the market and the workforce
  - b) Carer career progression
  - c) Efficiency and market plurality
  - d) Price sustainability, including the balance between moving forwards to LLW and achieving best value.
- 6.3. The model introduced in 2020, is based on findings from a co-design process, which followed the review outlined in 6.2, which engaged with front line care workers, provider agencies, users, carers and social care staff.
- 6.4. It was anticipated that the new model of care would deliver improved outcomes, offer a more sustainable service, and create better conditions for the workforce. Some of the features of the new model include:
- a) 70% of home care and reablement packages would be purchased through the 'bundled hours' arrangement.
  - b) 30% of home care packages would remain as spot purchases and would be sourced using the Dynamic Purchasing System (DPS) to ensure that opportunities were there for smaller and medium sized providers to remain or enter the market.
  - c) Providers are required to pay all care workers London Living Wage (LLW) meeting the Council's commitment to LLW.
  - d) Providers operate across a wide range of health and care needs.
  - e) Improved workforce recruitment and retention through improved contractual arrangements.
- 6.5. Current Bundled Hour Contract Market Position**
- 6.5.1. Whilst there is not a significant issue with capacity in the overall home care market, we have not been able to reach the volume of hours being delivered through these contracts we desired. A larger proportion than desirable

continue to be delivered through spot purchase contracts via Haringey's Dynamic Purchasing System, which means that we continue to work with a large number of providers. Whilst flexible, this method of commissioning is not conducive to market sustainability and developing strategic relationships with providers, which in turn hinders our ability to move to a person-centred, outcomes-focused service.

- 6.5.2. The main issues cited by bundled hour providers for low capacity, are related to workforce recruitment and retention, which although improved by the requirement for these providers to pay LLW has remained challenging and has been exacerbated by the "cost of living crisis", as it has across London and the North Central London (NCL) sub-region. We continue to work with and support providers through our local Provider Forums and our NCL Workforce Programme and we remain committed to increasing the volume of care hours delivered through the Bundled Hour contracts.
- 6.5.3. Although there has been a shift in policy on how we source reablement services which has led to a reduction in the number of reablement packages purchased through the Bundled Hours Providers, projections nevertheless indicate that there are still sufficient home care hours to meet the minimum number of guaranteed hours from the Service Providers each year.
- 6.5.4. In line with our contractual terms and procedures, the Council shall continue to suspend the service providers whose CQC rating is dropped to 'Requires Improvement' and support the provider to implement its Improvement Plan. No new cases will be allocated to suspended providers, and existing cases will be monitored within our Adult Social Care Quality Assurance and Contract Monitoring Framework.

### **6.6. Contract Management and Performance**

- 6.6.1. Key Performance Indicators (KPI's) and methods of measurement were integrated into the contract requirements and were to be monitored through contract monitoring meetings and reports. Although some of this activity is taking place, Haringey's recent Commissioning Peer Review is addressing the need to have more Contract Management resources in place to undertake robust monitoring and thereby ensuring value for money, outcomes based contracting and compliance.
- 6.6.2. Since the introduction of the contracts, analysis shows that a larger proportion of care hours are being delivered by a smaller number of providers, which we know has several benefits: a more unified approach between care providers, social care and health professions and the voluntary and community sector; more effective contract monitoring and quality assurance as it requires less Council resource to ensure efficacy in delivery outcomes, as well as allowing the Council to develop crucial partnerships with Providers to assure quality and continue to improve value.
- 6.6.3. The contracts have also led to improve contractual terms for care workers with providers required to pay LLW, Travel and Waiting Time, and forgo their

use of zero hours contracts. The commissioning review will consider the consistency with which these requirements of the contract are being adhered to.

**7. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes'**

7.1. The proposal supports Theme 4 'Adults, Health and Welfare' of the Corporate Delivery Plan 2022/23 and 2023/24 in particular Outcome 1: Healthy and Fulfilling Lives - All adults are able to live healthy and fulfilling lives, with dignity, staying active, safe, independent and connected in their communities.

**8. Carbon and Climate Change**

8.1. Each contract is restricted to one of three small geographical areas "Localities"; this is designed reduce travel time between homecare visits across the borough.

**9. Statutory Officers comments (Director of Finance (procurement), Head of Legal and Governance, Equalities)**

**9.1. Finance**

9.1.1. This report is seeking to extend the contracts for a further period of 6 months from 1 September 2023 to 29 February 2024. The cost of extending for an initial 6 months is max £5,021,640 taking the total contract values to max of £27,721,396.

9.1.2. The contracts provide statutory services for Adult Social Care clients. There are pressures on existing Adult Social Care budgets, with an overspend of around £17m currently being forecast for 2023-24. Plans are in place to mitigate some of this overspend through reviews of processes and service provision, but at present, the cost of this extension may not be able to be met in full from existing budgets due to the current financial pressures already in existence across Adult Social Care.

**9.2. Procurement (PM-113/A-060923)**

9.2.1. This provision falls within the ambit of the Light Touch Regime Schedule 3 of the Public Contracts Regulation 2015 (PCR). The full requirements of the Regulations including advertising in the Official Journal of the European Union were met when the Dynamic Purchasing System was set up in 2020.

9.2.2. A change in a contract post award usually requires a new tender process unless it falls within the permitted allowances under section 72 of the PCR. The request for extension is permitted under section 72.1 (a) (i) and (ii). The review clause allowing an extension was provided for as part of the initial procurement. The length of extension period and conditions under which they may be used were clearly stipulated in Requirement (tender) documents and the proposed extension does not alter the overall nature of the Supplier Agreement conditions set out on DPS.



- 9.2.3. This request also meets the requirements of CSO 10.02.01 (b) and 16.02, and the Procurement Code of Practice.
- 9.2.4. The providers are delivering satisfactory services that meet contractual outcomes it would not be beneficial for the Council or service users to expend unnecessary resources going out to tender and disrupting service provision. Moreover, the commissioning service will continue to monitor the contract during the contract extension period to ensure that quality standards are met, the service delivers value for money and requisite outcomes are delivered for residents.
- 9.2.5. Considering the above, Strategic Procurement supports the recommendation in paragraph 3.1.

### **9.3. Legal**

- 9.3.1. The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.
- 9.3.2. The services are Schedule 3 Services for the purpose of the Public Contracts Regulations 2015 (the Regulations) and are above the threshold where the modification rules set out in Regulation 72 applies.
- 9.3.3. The Council carried out a procurement process for the original contract and its Corporate Procurement Team has confirmed that the original tender included an option to extend for two years. The Council may therefore avail itself of Reg 72 (1) (a) i.e where the modifications were set out in the initial procurement documents in clear precise and unequivocal review clauses including price revision clauses.
- 9.3.4. The extension would normally be approved by Cabinet under CSO 10.02.1 (b) (extension valued at over £500,000). In-between meetings of the Cabinet, the Leader may take any decision or delegate to the Cabinet Member with the relevant portfolio (CSO 16.02).
- 9.3.5. The extension is a Key Decision and, as such, needs to comply with the Council's governance requirements in respect of Key Decisions including publication in the Forward Plan.
- 9.3.6. The Head of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing the Cabinet Member for Health, Care and Wellbeing from approving the recommendations in this report.

### **9.4. Equality**

- 9.4.1. The council has a Public Sector Equality Duty (PSED) under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;

- Advance equality of opportunity between people who share protected characteristics and people who do not;
- Foster good relations between people who share those characteristics and people who do not.

9.4.2. The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

9.4.3. An Equality Impact Assessment was completed at the time of the contract award in the original Cabinet Report 'The Award of contract for the provision of bundled hours, home support and reablement service' in March 2020.

9.4.4. As an organisation carrying out a public function on behalf of a public body, the Contractors will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above. Appropriate contract management arrangements will be established to ensure that the delivery of the service does not result in any preventable or disproportionate inequality.

9.4.5. Analysis indicates that the make-up of the home support and reablement cohort remains broadly unchanged since the 2020 Equality Impact Assessment.

## **10. Use of Appendices**

10.1. Appendix 1 - List of Providers and their contract value – EXEMPT

## **11. Local Government (Access to Information) Act 1985**

11.1. Not Applicable



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By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is exempt

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