

**Report for:** Cabinet - 21 January 2025

**Item number:** 11

**Title:** Approval to Procure Home Care, Family Support and Family Therapeutic Support Services via Dynamic Purchasing Service for Childrens Services

**Report authorised by:** Ann Graham, Director: Childrens Services

**Lead Officer:** Caroline Brain- Assistant Director, CYP Commissioning and Programmes

**Ward(s) affected:** All

**Report for Key Decision:** Key Decision

## **1. Describe the issue under consideration.**

- 1.1 The report seeks authority to undertake a procurement exercise to commission Home Care, Family Support and Family Therapeutic Support. Services commissioned will support families with Care/Support at Home or in the community for children aged 0-18 with various health and care needs and therapeutic support to families to reduce children's violence, crime, and anti-social behaviour.
- 1.2 In 2023/2024, £1.6 million was spent on Home Care and Family Support services, we estimate an amount of £160,000 will be spent on Specialist Family therapeutic support.
- 1.3 The estimated expenditure for Home Care, Family Support and Family Therapeutic Support via the Dynamic Purchasing System is estimated to be £1.8 million per annum.
- 1.4 Home Care and Family Support services will be commissioned via Dynamic Purchasing System (DPS) until such time as the Public Act (Commencement and Transitional and Savings Arrangement Regulations 2024 permit, (currently not being less than 4 years). The estimated spend over the next 4 years is estimated to be circa £7.2 million. This report is seeking cabinet approval to undertake a procurement exercise to commission Home Care, Family Support and Family Therapeutic Support as this constitutes a key decision for the Council as the expenditure will be in excess of £500,000.
- 1.5 Commissioning of this provision will enable the service to support families, children and young people with various health care and support needs to

receive the right help at the right time to build the resilience they need, to be safe.

- 1.6 The DPS is a tool which will standardise the enrolment and quality assurance of all suppliers being commissioned. It will enable a robust audit trail of spend and will provide a fast route to market for new initiatives, saving time and resources. Providers will be required to meet a minimum quality standard and therefore value for money should be delivered through competitive hourly rates. However, there is no requirement to spend on the DPS if this is not the case.
- 1.7 This arrangement will ensure that the requirements of both the Public Contract Regulations 2015 and the Council's Contract Standing Orders (CSO) can be met, particularly as much of care provision is purchased on an individual basis.

## **2. Cabinet Member Introduction**

- 2.1 The Council is committed to supporting families to care for vulnerable children and young people with complex health needs within the family home and to help them to take breaks from caring where the need arises. Commissioning this service will also provide early therapeutic intervention to support children to remain with their families or return to their care safely and as quickly as possible.
- 2.2 I am delighted to support the commissioning of services to enable families to have support at the right time, keeping families together where this is in the best interest of children and young people.
- 2.3 The focus on accountability and quality standards through robust negotiation and monitoring of contracts is an essential element of commissioning and is vital for ensuring families receive high quality services.

## **3. Recommendations**

That Cabinet:

- 3.2 Approve the estimated, spend of up to £7.2 million on Home Care, Family Support and Family Therapeutic Support Services over the period of up to 4 years.
- 3.3 Approve the commissioning of Home Care, Family Support and Family Therapeutic Support for 0-18 children and young people, via the corporate DPS pursuant to Regulation 34 of the Public Contract Regulations.
- 3.4 Where contracts is £500,000 and above that require approval by Cabinet as per Contract Standing Order (CSO) 9.07.1 d) or modified as per CSO 10.02.1 b) (variations and extensions to contracts of £500,000 and above); to delegate authority to the Director of Children's Services in consultation with the Lead member for Children's, Schools and families to award, vary or extend any individual call offs or block contract arrangements under the DPS to successful providers up to £800,000 per award or any individual variation and extension.

#### 4. Reason for decision

- 4.1 Commissioning home care and family support services will support the council to meet our priorities for children and young people. Providers commissioned will work with the council to ensure that families receive timely services that can meet their needs, to strengthen families' resilience, support more effective parenting and behaviour management. In addition, to ensure that adults within the family have the practical skills to keep the home safe and reduce the harm posed to children and young people.
- 4.2 Haringey's looked after children's strategy recognises that delivering transformational change requires a strong focus on prevention and early intervention. It outlines the importance of reducing the number of children and young people needing to be looked after by the local authority which is a key feature of our policies and plans. The continuation of high-quality home care, family support and family therapeutic support services will support this agenda.
- 4.3 Approval to procure home care, family support and family therapeutic support services via the DPS will ensure the council is compliant with Procurement Regulations.
- 4.4 The council intends to commission the following block arrangements:
- Block arrangement with two specialist family therapeutic support services where the need arises at a lower unit cost. The estimated value would be circa £200,000 (based on 12 cases) per financial year, over 4 years would be circa £800,000.
  - Bundled hours with up to 4 home care and family support providers, establishing a minimum number of guaranteed hours with a reduction of up to 5% of the hourly rate.
  - This initiative will support improved collaborative working between the council and providers.

#### 5. Alternative options considered

- 5.1 **Do nothing:** There is a continued demand for this service to support families to continue to care for children and young people with complex health needs and intervention to families and carers of children displaying violent behaviours, misusing substances, and other challenges that families and carers may face. To meet the needs of the children, young people and their families, the Council would be needed to commission the Home Care and family support provisions on spot purchasing basis. This approach is not permitted under the Public Contract Regulations 2015 and would be likely be more costly and resource intensive.
- 5.2 **Deliver the service in house** -This option was discounted based on the scale of the infrastructure required to deliver home care, family support and family therapeutic support services in-house. In house services can give councils greater control over the care that is provided although quality is not guaranteed

through an in – house delivery model. Additionally, in-house models tend to be more expensive than external provisions, often due to inefficiencies.

## **6. Background information**

- 6.1 Under the Children Act 1989 Section 17, local authorities have a statutory duty to safeguard and promote the welfare of children within their area who are in need and so far as is consistent with that duty, to promote the upbringing of such children by their families by providing a range and level of services appropriate to those children's needs.
- 6.2 In England, the percentage of pupils identified with Social, Emotional, and Mental Health (SEMH) needs is significant. As of the latest data, around 17% of pupils with special educational needs (SEN) are identified with SEMH difficulties. This reflects the growing recognition and need for support in this area.
- 6.3 Poor parenting is evident in the first year of life in 45% of cases, parental involvement in substance of alcohol misuse is evident in 30% of cases by the age of 1; and 90% have either experienced loss of a parent through death or separation by the age of 5.
- 6.4 Home care, family support and family therapeutic support services is a vital service which is needed to enable the local authority to fulfil its statutory duties under the Care Act 2014 and Children's Act 1989. There are three main ways in which Haringey makes support available to Haringey families. Each care and support will differ in the way it is delivered and the range of needs it meets:
- Direct payment offers a route to for families to directly purchase the support needed and gives families greater choice and control.
  - Home care/family support services is the way Children Services assist families in need of additional help. Where it is appropriate, services will be delivered to family homes or other locations and within the community where families live.
  - Therapeutic support for parents and carers to reduce children's violence, crime, and anti-social behaviour. This includes counselling, psychotherapy and Systemic Integrative Treatment (SIT) which provides a 12-month intervention to the families and carers of 10-14-year-olds who are absent from school, displaying violent behaviour, misusing substances, or offending.
- 6.5 Home care and family support services have a significant impact on family's children and young people and their wider family. As of April 2024, 57 children and young people were receiving home care and family support services that are commissioned directly by Children Services. In 2023/2024, there were 268 families receiving individual budgets.
- 6.6 In 2023/2024, the council procured around 15809 hours of home care and family support and spent approximately £1.6 million The average cost of an hour of home care and family support is currently £18.50, although we have seen an

increase to £19.00 and above for new requests. Table 1 and Table 2 represents an outline of home care and family support commissioned by the Council over the last 3 financial years.

**6.7 Table 1: Number of families receiving home care and family support**

| <b>Category</b>                                       | <b>FY21/22</b> | <b>FY22/23</b> | <b>FY23/24</b> |
|---|----------------|----------------|----------------|
| Number of children receiving home care/family support | 40             | 40             | 81             |
| Number of families receiving individual budgets       | 318            | 371            | 268            |

**6.8 Table 2: Estimated hours commissioned.**

| <b>FY</b> | <b>Hours per year</b> |
|-----------|-----------------------|
| 2021/2022 | 2726                  |
| 2022/2023 | 4711                  |
| 2023/2024 | 15809                 |

6.9 In 2021/2022, families preferred to utilise individual personal budgets which gave greater control and flexibility over their care arrangements during Covid. Thereafter more focus was given to Haringey’s Front Door, to provide early intervention and prevention to support children and families at the edge of care. Due to this success of this approach this has led to a significant increase in 2023/2024 in the demand for accessing home care and family support, with the result of a reduction of the number of children coming into care.

6.10 In 2023/2024, 12 families were receiving family therapeutic services.

6.11 The Council currently commissions home care and family support services via the DPS and in some instances via spot purchasing. Services are commissioned from a small range of home care agencies most of which are small and medium sized enterprises. The current DPS arrangements will expire in February 2025 and a new DPS will be established by the Council with updated accreditation requirements. All providers will be invited to enrol on the new system by January 2025 which will go live in February 2025.

6.12 Haringey Council signed up to the Ethical Care Charter in September 2017, which requires the payment of London Living Wage (LLW) for all home care workers and prohibits the use of zero-hour contracts. As such, it is a requirement for all providers enrolling on the DPS to agree to pay all their employees engaged in the provision of the services an hourly wage (or equivalent of an hourly wage) no less than the LLW published by the Living Wage Foundation from the commencement of the service. The provider is also required to provide to the Council, when requested information demonstrating the payment of the London Living Wage to its employees engaged in the provision of this service.

6.13 The Council is spending approximately £1.6 million a year on home care and family support. With the London Living Wage (LLW) the current average hourly rate paid to providers is around £18.50. The London Living Wage (LLW)

is currently £13.15 and for 2024/2025 will increase to £13,85. The Council is committed to increasing the hourly rate for home care and family support services in line with LLW inflationary increase on the anniversary of the Service Agreement with individual providers which is effective from 1<sup>st</sup> April 2025.

6.14 The hourly rate for providers based on LLW increase and estimations is likely to increase to between £20.00-£21.00 in 2024/2025, with a further estimated increase of between £22.00 to £23.00 in FY 2025/2026 - 2026/2027. Several factors influence adjustments in living wage rates such as inflation, cost of living, economic status, and government policies therefore it is difficult to project the impact of any hourly rate increase service providers will be requesting to deliver the services. To mitigate the increasing costs our intention is to work closely with a smaller number of local home care providers, offering block arrangements with a minimum number of guaranteed hours with the caveat of a reduced hourly rate of upto 5%.

#### 6.15 Consultation and Engagement

6.16 The Council held a market review with the market to obtain Service Providers' feedback on block arrangements and the different lots within the specification. Service providers were positive about the changes and welcomed the opportunity for block arrangements with the Council.

6.17 The November edition of the monthly Haringey SEND newsletter contained a link to a short questionnaire encouraging current and recent users of home care and family support to share their views and shape support in the future. No families have responded with any feedback on their views. The Commissioning Team will be working with the services and SEND Power to further engage with families throughout the term of the contract.

#### 6.18 Recommissioning of home care and family support

6.19 The home care and family support requirement will be split across three lots. Service Providers can select to apply for all or only one of the lots outlined below:

**Lot 1:** Home Care Services (regulated activity) for providers commissioned to support children and young people with medium to high needs supporting with personal care, administration of medication and any other CQC regulated activity.

**Lot 2:** Family Support Services (non-regulated activity) for providers to support children and young people with low needs, supporting with activities in the home or community.

**Lot 3:** Specialist Family Therapeutic Support Services for providers to use therapeutic support for parents and carers to reduce children's violence, crime, and anti-social behaviour using a community-based treatment programme.

6.20 Service Providers applying for the home care services are required to have a CQC rating of Outstanding or Good. All Service Providers will go through a robust accreditation process via the DPS.

### **6.21 Contract Management**

6.22 Contract management will be incorporated alongside key performance indicators and quality assurance visits as a method of measurement are integrated within the requirement and will be monitored through contract monitoring meetings and reports. The contract meetings will be held every quarter, and the purpose of the contract meetings will be to examine the service delivery and meeting the outcomes for families, children, and young people. Service providers will be required to make available evidence and other necessary information as requested by the Council to enable effective monitoring of the service at an operational level and to foster partnership working to facilitate information sharing, and the development and adoption of good practice as well as, the early resolution of issues that may arise.

6.23 Service Providers' failure to pay the London Living Wage to employees engaged in the provision of the Services will be a serious breach of the Service Agreement. Penalties will be imposed which will result in a temporary suspension until evidence is produced and payment of LLW to employees backdated. The contract meetings will also monitor breaches in other areas of the contract and dependant on the breach, penalties will be instigated.

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

7.2 The commissioning of Home Care and Family Support aligns with the priorities within Haringey's Corporate Delivery Plan 2023-2024' specifically:

### Theme 3: Children and young people

- o Outcome 1: Best Start in Life – The first few years of every child's life will give them the long-term foundation to thrive.
- o Outcome 2 Happy Childhoods - All children across the borough will be happy and healthy as they grow up, feeling safe and secure in their family networks and communities.
- o Outcome 3 Successful Futures - Every young person, whatever their background, has a pathway to success for the future.

## **8 Carbon and Climate Change**

8.1 The Council has set the date for a zero-carbon deadline of 2027, including core council operational buildings and all transport-related activities undertaken by the Council in the delivery of core services. The rest of the buildings from which the Council delivers services and is solely responsible for the energy bills (such as schools) will be net zero carbon as soon as it is possible the same will also apply to the resource provisions outlined in this cabinet report.

8.2 Practices will be adopted where possible to reduce climate impacts. This includes encouraging the service provider to reduce the footprint by where possible ensuring staff rotas are efficient with by allocating calls to staff that are in close proximity. Staff and children and young people will be encouraged to use sustainable transport methods, utilising energy saving measures in buildings and waste reduction measures.

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

### **9.1 Finance comments**

9.1.1 This report seeks authority to undertake a procurement exercise to commission Home Care, Family Support and Family Therapeutic Support. Services commissioned will support families with Care/Support at Home or in the community for children aged 0-18 with various health and care needs and therapeutic support to families to reduce children's violence, crime, and anti-social behaviour.

9.1.2 The contract will be for 4 years with an estimated cost of £7.2m (annual costs of £1.8m).

9.1.3 The cost of this contract will be fully funded and met from the approved general fund budgets allocated to these cost centres S33500, S33700, S32700 and S31101.

### **9.2 Procurement**

9.2.1 Strategic Procurement notes the contents of this report and have been consulted in the preparation of this report.

9.2.2 The report relates to services which are subject to the Light Touch Regime under the Public Contract Regulations 2015 (PCR). As such they are required to be advertised and comply with the procedures laid out in the PCR's.

9.2.3 Strategic Procurement confirm Cabinet approved the establishment of the DPS's referenced in this report in November 2024. These will be established in accordance with the Regulation 34 of the PCR and Contract Standing Orders 9.04.

9.2.4 The Dynamic Purchasing System (DPS) for Home Care, Family Support Services and Therapeutic Support Services is considered the most suitable and efficient route to market, offering the Council the potential to rapidly access service providers much sooner than traditional procurement approaches. Furthermore, the DPS allows suppliers to join at any time, ensuring it remains open to new businesses throughout its duration. This approach increases competition, choice, and innovation.

9.2.5 Strategic Procurement confirms there are no procurement related matters preventing Cabinet approving the Recommendations stated in in paragraph 3 above.

### 9.3 Legal & Governance

- 9.3.1 The Assistant Director for Legal and Governance has been consulted in the preparation of this report.
- 9.3.2 Regulation 34 of the Public Contracts Regulations (PCR2015) permits the Council to procure certain services by way of a dynamic purchasing system (DPS). Usually, a DPS is subject to the full procurement rules, however the services being procured in this report are categorised as Schedule 3 services under the PCR 2015, which falls under the Light Touch Regime (“LTR”) processes, allowing significant flexibility as to how the DPS can be set up. The proposal to set up a DPS is a compliant route to procure the services in this report.
- 9.3.3 Pursuant to the Council’s CSO 9.07.1(d), Cabinet has power to approve the award of a contract where the value of the contract is £500,000 and above.
- 9.3.4 Further to paragraph 9.3.3 above, the recommendation in paragraph 3.4 of the report to delegate authority to the Director of Children Services in consultation with the Lead member for Children’s, Schools and families to award, vary or extend any individual call offs or block contract arrangements under the DPS to be established to successful providers up to £800,000 per award or any individual variation and extension is in line with law. Cabinet has power under the Local Government Act 2000 to delegate the discharge of any of its functions to an officer (S.9E (Discharge of Functions)).
- 9.3.5 The Assistant Director for Legal and Governance sees no legal reasons preventing the approval of the recommendations in the report.

### 9.4 Equalities

- 9.4.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- 9.32 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,
- 9.33 Foster good relations between people who share those characteristics and people do not.
- 9.34 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. The first part of the duty applies to marriage and civil partnership status only. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

9.36 An Equality Impact Assessment has been completed for the proposed, procurement of home care and family support services and is included as Appendix one to this report.

9.35 Overall, the impact of the proposal is positive as the aim is to provide additional support to families and children in need. This proposal focuses on prevention and early intervention and outlines the importance of reducing the number of children and young people needing to be looked after by the local authority where possible. This supports families to stay together which aligns to the corporate delivery plan.

## **10 Use of Appendices**

### **Appendix One: Equalities Impact Assessment**