

Item No.	Classification: Open	Date: 17 June 2019	Meeting Name: Strategic Director of Children's and Adults' Services
Report title:		Gateway 2 – Contract Award Approval Reablement Services (interim arrangements)	
Ward(s) or groups affected:		All	
From:		Genette Laws, Director of Commissioning	

RECOMMENDATION(S)

1. That the Strategic Director of Children's and Adults' Services approves the award of the Reablement Services (interim arrangements) contract to Thames Homecare Limited for a period of 15 months from 1st July 2019 to 30th September 2020, for an estimated value of £1.8m
2. That the Strategic Director of Children's and Adults' Services notes that the Council has negotiated a reduction in rate which is back dated to the start of the Council's financial year 1st April 2019.

BACKGROUND INFORMATION

3. A single supplier negotiation with Thames Homecare Ltd was agreed by the Strategic Director of Children and Adults Services on 06/03/2019. (Background document - Gateway 1 Procurement Strategy for Reablement Service)
4. The aim of the contract is to secure the supply of Reablement Support Workers (RSWs) and associated coordination function for the Rehabilitation and Reablement service until a long-term supplier of the service is procured.
5. The Reablement service forms a partnership of health and social care services under Intermediate Care Southwark (ICS) that supports people to remain independent, safe and well at home, which will prevent or delay the need for long term care.
6. Reablement service delivery differs from general home care. Reablement is a time-limited service of up to 6 weeks where the service user is supported to learn or relearn motor skills that will enable them to live as independently as possible. By learning or re-learning these skills, the Council in partnership with Guys and St Thomas's Healthcare Trust is complying with the Care Act 2014 by making services available that will delay or reduce the need for long term care. Apart for the direct benefits for the service user and their family, there are financial benefits for the council. Therefore, the Council is investing in this area to ensure that the highest possible quality service is procured.

7. Since October 2018 Medacs has been placed under special measures by the Care Quality Commission (CQC); which meant that once the existing cohort of clients had been discharged by Medacs they have been unable to provide support to any new service user and therefore unable to continue to provide a reablement service to the council. At the time of writing this report the provider remains under special measures.
8. As a result of this, the Council had to source a temporary/emergency reablement support and conducted a selection process. After completing a quality and price assessment, the Council wishes to appoint Thames Homecare as an alternative provider. Thames Homecare demonstrated the capability of to fulfil the specification which includes the co-ordination of the RSW staff to be based at the Council offices at Queens Road and cover arrangements for the co-ordinator including out of hours.
9. The temporary arrangement with Thames Homecare secured under the emergency powers of the council's Contract Standing Orders commenced on 29 October 2018 and ends on 30 June 2019. The temporary arrangement enables the Council to meet the statutory duty under the Care Act to ensure continuity of provision to vulnerable service users.
10. The current contract with Medacs expires on 31 March 2019 and will not be renewed.
11. A longer-term strategy for a Reablement service that fits in with the strategic objectives of the Council is being considered. A detailed finance modelling and options appraisal will be undertaken over the next six months to agree a preferred option.
12. Until that plan is in place, this report makes the recommendation of contract award to Thames Homecare from 1st July 2019 to 30 September 2020 to ensure the Council continues to effectively discharge its statutory duties under the Care Act 2014.
13. Regular contract monitoring has evidenced that the provider is responsive and delivering a good and reliable service. ICS will work with Thames Homecare to support further training of RSWs in order to enhance their ability to support service users reablement.
14. The service is required to provide required to provide support to the reablement service including double-handed care. All supervision, training and HR requirements are the provider's responsibility, however staff are deployed, rostered and supported by Council staff.
15. Thames Homecare Ltd, holds CQC home care registration status. They are rated as Good with the caring domain rates as Outstanding. Additionally, all reablement staff will continue to be employed in line with the Southwark Ethical Care Charter (SECC).

Procurement project plan (Key Decision)

Activity	Completed by/Complete by:
Briefed relevant cabinet member (over £100k)	19/03/2019
Approval of Gateway 1: Procurement Strategy Report	20/03/2019
DCRB Review Gateway 2:	17/04/2019
Approval of Gateway 2: Contract Award Report	03/06/2019
Contract award	11/06/2019
Add to Contract Register	11/06/2019
TUPE Consultation period (if applicable)	N/A
Contract start	01/07/2019
Publication of award notice in Official Journal of European (OJEU)	11/06/2019
Publication of award notice on Contracts Finder	11/06/2019
Contract completion date	30/09/2020
Contract completion date – if extension(s) exercised	N/A

KEY ISSUES FOR CONSIDERATION

Description of procurement outcomes

16. This procurement seeks to achieve the following strategic objectives and outcomes:

- Improve people's outcomes to enable them to live at home, safe and well in their communities
- Provide responsive, holistic, home-based, person-centred co-ordinated care, treatment and support focused on enabling people to maximise their independence or recover from illness or injury
- Reduce dependency on long term services, delay possible admission to long term care and reduce hospital admissions and A&E attendance
- Work effectively with all parts of the health and social care system to provide seamless, smooth and safe transfers of care for people – right person, right time, right place
- Reduction in Delayed Transfers of Care (DToC) rates in line with 2018 NHS England requirements.

Key/Non Key decisions

17. This report deals with a key decision

Policy implications

18. Under the Care Act 2014, the Council has a statutory responsibility to support older and disabled people to retain as much independence at home as possible. The Care Act requires Southwark Council, amongst other things, to promote people's wellbeing and independence; prevent, delay or reduce care and support needs of vulnerable clients.
19. The Reablement and intermediate care services enables the Council to comply with its statutory duties under the Care Act 2014 and the service complements the aims of the Health and Well Being Strategy; to promote resilience within the population and support the most vulnerable people.
20. In accordance with the Fairer Futures Procurement Strategy, Trade union recognition has been stipulated as a workforce requirement in the contract negotiation.
21. In accordance with the SECC staff will continue to be paid London Living Wage (LLW), travel time, etc.
22. This procurement is in accordance with the Council plan commitment for a healthier life and our values - that we will treat residents as if they were a valued member of our own family; work for everyone to realise their own potential; and spend money as if it were from our own pocket.
23. In accordance with the commitment to the joint Five Year Forward View (FYFV) Southwark Council and NHS Southwark CCG want to improve the way that our local health and social care system operates to bring about the best possible health and care outcomes for the people of Southwark.

Tender process

24. The Council agreed a single supplier negotiation with Thames Homecare. The negotiations were successful and resulted in a lower contract price. The Council carried out due diligence checks which included financial checks as well as references on quality and safety of service users, and compliance with the Southwark Ethical Care Charter (SECC), from those organisations.

Tender evaluation

25. Quality and price assessments were carried out by the Council's operational, commissioning, contract, and finance teams which confirmed that Thames Homecare is able to fully meet the need to provide reablement services in Southwark. This includes the co-ordination of the RSW staff to be based at the Council offices at Queens Road and cover arrangements for the co-ordinator including out of hours.

Plans for the transition from the old to the new contract

26. The Council currently has a contract with Thames Homecare and therefore there are no mobilisation issues.

Plans for monitoring and management of the contract

27. Since January 2018 the Council established a Programme Board. The contract will be performance managed by the council's Quality and Performance team in the children's and adult services department as well as day to day oversight of quality issues by the integrated care service teams.

28. The contract will be monitored and managed in respect of:

- Compliance with the service specification and contract
- Performance measurement of the provider
- Service user outcomes
- Service user satisfaction
- Stakeholder satisfaction
- Six monthly reports to DCRB

Identified risks for the new contract

Risk	Risk Level	Mitigating Action
Thames Homecare is unable to maintain an acceptable level of quality	Low	Feedback about the quality of service delivery from key stakeholders including ASC operational colleagues and service users is very positive. KPIs will continue to be monitored by the performance and contract team to ensure continuity of quality over time. Thames Homecare was last inspected by CQC in May 2018 and was rated outstanding in caring and generally rated as good overall.
Provider failure	Low to medium	The Council carried due diligence checks which included financial checks as well as references on quality and safety of service users from organisations where Thames Homecare were providing a service. The Council is satisfied that Thames Homecare is a well-established company.

Community impact statement

29. The Public Sector Equality Duty under the Equality Act 2010 will apply. This requires that the Council has due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out its activities. To ensure that the Council meets its obligations an equality impact analysis will be undertaken to inform the development of the service. However, the proposed procurement will have a positive impact in relation to the groups identified as having “protected characteristic” under the Equality Act 2010 and the council’s equality agenda and particularly benefit the older population and those living with complex conditions that constitute a disability.
30. The recipients of the service are overwhelmingly older people above pensionable age who are likely to be living with a disability or one or more chronic long-term conditions. There are predominately more women than men, 58% women and 42% male. The ethnicity profile of the service is 60% white, 30% Black and Minority Ethnic and 10% other. Most older people and younger disabled people aspire to maintain their independence and live fulfilled lives outside institutional care or hospital settings for as long as possible. This service helps to deliver this aspiration as well as equipping people with independent living skills, as far as possible to avoid requirements for more intensive or long-term care.
31. The majority of staff engaged in delivering the contract are women and there is a relatively high representation from Black African and Caribbean communities. A significant proportion of the workforce are local Black residents providing the added social value of local employment. The Council requirement of payment of the London Living Wage has a positive impact upon this group of workers as well as the local economy.

Social Value considerations

32. The Public Services (Social Value) Act 2012 requires that the Council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well being of the local area can be secured. The social value considerations included in the tender (as outlined in the Gateway 1 report) are set out in the following paragraphs in relation to the tender responses, evaluation and commitments to be delivered under the proposed contract.

Economic considerations

33. The majority of care workers tend to live locally therefore the award of this contract will support the local economy.

Social considerations

34. The Southwark Ethical Care Charter (SECC) to which the Council is committed, establishes a minimum baseline for safety, quality and dignity of care by ensuring fair employment conditions for home care staff (including sustainable pay, conditions and training levels). Services are commissioned according to need, not hours or tasks. Reablement support workers will be paid for travel time (i.e. time which is additional to travel time between home and their allocated work base) and

expenses. Fair terms and conditions ensure a well-trained workforce which has the ability to provide appropriate care. The workforce in this service are predominantly women performing semi-skilled or skilled tasks which require expertise. Payment of the LLW and travel time not only improves their financial wellbeing; it also recognises the skills and competencies that they deploy in order to keep vulnerable residents safe and well. Thames Homecare complies with the SECC.

35. The council's Fairer Future Procurement Strategy requires that, where appropriate, contractors and subcontractors engaged by the Council to provide works or services within Southwark pay their staff at a minimum rate equivalent to the LLW rate. Appropriate conditions requiring the payment of LLW will be included in the contract documents.
36. The Council's Fairer Futures Procurement Strategy is designed to ensure best value and continued improvement in everything purchased by the Council. The Strategy ensures compliance with best value, probity and transparency principles, with all organisations in any given market following the same rules.

Environmental/Sustainability considerations

37. In negotiations with Thames Homecare the provider confirmed that they have environmental policies in place particularly regarding transport.

Market considerations

38. There is fragility in the home care market and many providers in the sector are struggling to recruit, retain and develop their staff to meet the needs of the people they care for. The level of turnover and churn indicates that providers are struggling to recruit and retain suitable people to the sector. This was indicated in the initial selection process for this service as the unsuccessful providers were unable to guarantee the requisite number of qualified and trained reablement support workers.
39. Workforce problems can have a direct impact on people's care; getting the right workforce is crucial in ensuring services can improve and provide high-quality person-centred care.
40. Thames Homecare was able to meet the service requirements of the Council at short notice and has incorporated the inter-professional working practice of the ICS service. Feedback about the quality of service delivery from key stakeholders including ASC operational colleagues and service users is positive.

Staffing implications

41. There are no specific staffing implications. The procurement and commissioning requirements to complete and implement this single supplier negotiation are contained within existing staffing and resources of commissioning, legal, procurement and finance teams.

Financial implications

42. The proposed contract will have an annual contract value of £1.4m which equates to a total contract value of £1.8m for the proposed duration of the contract. There is sufficient budget available in Adult Social care to cover this. The contract is also part funded from the Better Care Fund.

Legal implications

43. Please see concurrent from the Director of Law and Democracy

Consultation

44. Consultation undertaken for the contract award to Thames Homecare Ltd included adult social care, finance, procurement and other commissioning colleagues.

Other implications or issues

45. There are no other implications.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance (04TJ201920)

46. The Strategic Director of Finance and Governance notes the contents of this report and in particular the financial implications referenced at paragraph 42. The contribution made by the Better Care Fund (BCF) to this activity reflects the shared benefits accruing to the council, CCG and health partners in their endeavours to improve outcomes for the residents of Southwark. Whilst funding is secure for 2019-20, the service and other partners will need to work closely to mitigate any risks arising from the upcoming spending review and subsequent changes to the BCF. Given the stated fragility of the market the importance of the service to its recipients, close contract management and contingency planning will be necessary to mitigate risk.

Head of Procurement

47. The report seeks approval from the Strategic Director of Children's and Adults' Services for the award of contracts for the delivery of Reablement Services (interim arrangements) for a period of 15 months from 1st July 2019 to 30th September 2020 to Thames Homecare Ltd for a cost of £1.8m.

48. The report confirms that single supplier negotiation as detailed in paragraphs 24 to 25, in compliance with the requirements of the EU Procurement Regulations and in accordance with the strategy proposed in the relevant Gateway 1 and the council's CSOs. After the current contracted supplier being placed in special measures by CQQ as detailed in paragraph 7.

49. Report confirms the monitoring and management arrangements that will be in place during the life of the contract as detailed in paragraphs 27 to 28.

Director of Law and Democracy

50. This report seeks approval of the award of a contract to Thames Homecare Ltd for the delivery of reablement services as an interim arrangement.
51. The procurement of services of this nature and value is subject to the application of the (EU) Public Contracts Regulations 2015. Under those Regulations there are limited, particular circumstances in which it is permissible to award a contract without tendering and the prior publication of a contract notice in the Official Journal of the European Union. One permissible ground is where, “for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with”.
52. The report advises (at paragraph 7) that the existing service provider remains under special measures imposed by the Care Quality Commission, which render it unable to fulfil the council’s requirements. The report notes the duties imposed on the Council under the Care Act 2014, and therefore it is essential that the Council appoints a suitably experienced and qualified organisation without delay in order to maintain continuity of service delivery and to satisfy its statutory duty.
53. The proposed contract award is also consistent with the council’s Contract Standing Orders (CSOs), which, amongst other things allow for an alternative course of action to be taken in exceptional circumstances which mean that the usual procedures set out in the CSOs cannot be followed.
54. The decision to approve the recommended contract award is one which is expressly reserved to the Strategic Director of Children’s and Adults’ Services under the Council Constitution.

REASONS FOR URGENCY


55. N/A

REASONS FOR LATENESS

56. N/A

PART A – TO BE COMPLETED FOR ALL DELEGATED DECISIONS

Under the powers delegated to me in accordance with the council’s Contract Standing Orders, I authorise action in accordance with the recommendation(s) contained in the above report.

Signature 

Date 1 July 2019

Designation **David Quirke-Thornton**
Strategic Director for Children’s and Adults’ Services

PART B – TO BE COMPLETED BY THE DECISION TAKER FOR:

- 1) All key decisions taken by officers
- 2) Any non-key decisions which are sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available.

1. DECISION(S)
As set out in the recommendations of the report.
2. REASONS FOR DECISION
As set out in the report.
3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED BY THE OFFICER WHEN MAKING THE DECISION
Not applicable.
4. ANY CONFLICT OF INTEREST DECLARED BY ANY CABINET MEMBER WHO IS CONSULTED BY THE OFFICER WHICH RELATES TO THIS DECISION
N/A.
5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER, IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST
<i>If a decision taker or cabinet member is unsure as to whether there is a conflict of interest they should contact the legal governance team for advice.</i>

5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER, IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST

If a decision taker or cabinet member is unsure as to whether there is a conflict of interest they should contact the legal governance team for advice.

N/A.

6. DECLARATION ON CONFLICTS OF INTERESTS

I declare that I was informed of no conflicts of interests.

Signature 

Date 1 July 2019

Designation **David Quirke-Thornton**
Strategic Director for Children's and Adults' Services

BACKGROUND DOCUMENTS

Background documents	Held At	Contact
Gateway 1 Procurement Strategy for Reablement Service 20/03/2019	Partnership Commissioning Team 4 th Floor- Hub 4, 160 Tooley Street London SE1 2QH	Juliet Alilionwu Joint Commissioning Manager, Older People and Complex Needs 0207 525 2339
Link: http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=6788		

AUDIT TRAIL

Lead Officer	David Quirke-Thornton, Strategic Director of Children's and Adults' Services
Report Author	Juliet Alilionwu Joint Commissioning Manager, Older People and Complex Needs
Version	Final
Dated	17 June 2019
Key Decision?	Yes

CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Director of Law and Democracy	Yes	Yes
Director of Exchequer (for housing contracts only)	No	No
Cabinet Member	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet	No	No
Date final report sent to Constitutional/Community Council/Scrutiny Team		1 July 2019

BACKGROUND DOCUMENT - CONTRACT REGISTER UPDATE - GATEWAY 2

Contract Name	Reablement Services (interim arrangements)
Contract Description	Provision of Reablement Support Workers (RSWs) and associated coordination function for the Rehabilitation and Reablement service
Contract Type	Variable – dependent on levels of activity
Lead Contract Officer (name)	Juliet Alilionwu
Lead Contract Officer (phone number)	0207 525 2339
Department	Children's and Adult's Services
Division	Commissioning
Procurement Route	Single Supplier Negotiation
EU CPV Code (if appropriate)	N/A
Departmental/Corporate	Departmental
Fixed Price or Call Off	Fixed Price
Supplier(s) Name(s)	Thames Homecare Ltd
Contract Total Value	£1.8m
Contract Annual Value	£1.4m
Contract Start Date	01/07/2019
Initial Term End Date	30/09/2020
No. of Remaining Contract Extensions	None
Contract Review Date	01/07/2020
Revised End Date	30/09/2020
SME/ VCSE (If either or both include Company Registration number and/or registered charity number)	08973808
Comments	None
London Living Wage	Yes

This document should be removed before submission to the constitutional team and passed to the member of staff in your department responsible for keeping your departmental contracts register up to date.