

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE Commissioning Strategy for Supporting People at Home (SP/2024/08)	
REPORT OF Cabinet Member for Health, Wellbeing and Adult Social Care	
FOR SUBMISSION TO Cabinet	DATE 17 July 2024
<p>STRATEGIC CONTEXT</p> <p>We Make Camden is our joint vision for the borough, developed in partnership with our community. These proposals contribute to that vision by enabling people to engage with their community, make connections, and ensure they have the opportunity to live in good health and age well by supporting their wellbeing.</p> <p>The 'Way We Work' is the Council's response to 'We Make Camden'. These proposals support 'The Way We Work' by aiming to develop and deliver this work in a human-centred way, ensuring our residents are part of the decision-making process through new and innovative co-designed approaches.</p>	
<p>SUMMARY OF REPORT</p> <p>This report sets out a proposed approach to the commissioning of five neighbourhood based ongoing care services (homecare) and three locality based reablement services across Camden. The report also seeks approval for a waiver to enable negotiations with the existing care providers of the eight neighbourhood and locality contracts for a further contract period of up to 18 months from 1 April 2025 to 30 September 2026.</p> <p>A programme of transformation is underway in which officers are exploring innovative approaches to care and support at home. This transformation is being supported by Fora, a design led partnership. The anticipated transformation will align with other key and interconnected projects such as the development of integrated neighbourhoods, the Supporting People Connecting Communities Accommodation Plan and the expansion of a strengths-based approach that focusses on what matters to residents, including residents who are at risk of being disconnected from their networks and community.</p> <p>It is anticipated that the care and support at home transformation will take place over a number of years and the negotiation of the current contracts falls within the first phase of the transformation project. It will allow for important test and learn approaches to be embedded in well-established services and ensure that there is:</p> <ul style="list-style-type: none"> • An informed commissioning strategy, including scope for exploring and understanding the complexities of insourcing • Fully planned transformation journey from vision to implementation • Complete design and co-production phase with residents • Opportunity to trial new ways of working with existing providers which takes advantage of good partnerships and stable services <p>These services are not currently in scope of Medium-Term Financial Strategy savings, however this will be re-evaluated as information emerges from the test and learn approach.</p>	

The report is being submitted to the Cabinet in line with Contract Standing Order C3.4, which states that the Cabinet must agree procurement strategies for contracts over £5,000,000.

Local Government Act 1972 – Access to Information

No documents that require listing were used in the preparation of this report

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RECOMMENDATIONS

That, having considered the results of the equalities impact assessment at Appendix 2, and having due regard to the obligations set out in section 149 of the Equality Act 2010, the Cabinet agrees:

1. The procurement strategy, which includes a negotiation of the existing long-term care and reablement contracts for a period of 18 months with an estimated value of £31.608 million.
2. To waive Contract Standing Order C3.1's requirement that these contracts should be subject to a competitive tendering process.
3. To delegate authority to make future contract award decisions to the Executive Director Adults and Health in consultation with the Cabinet Member for Health, Wellbeing and Adult Social Care.



Signed:

Date: 5th July 2024

1 CONTEXT AND BACKGROUND

- 1.1 When we use the term ongoing care, we are referring to the provision of care and support in the home that can be drawn on by Camden residents aged 18 years and above. Provision of ongoing care is currently delivered on a geographical basis comprising of five neighbourhood contracts.
- 1.2 Reablement is a short-term service for approximately four to six weeks that supports residents to maintain or regain independence. Approximately 70% of residents who draw on reablement services do so following hospital discharge. Reablement contracts are organised on a geographical basis comprising of three locality contracts.
- 1.3 The current model of care and support within the community commenced in 2018 and included five neighbourhood contracts for ongoing care and two locality-based reablement contracts, all with contract terms to March 2025. The care market has been through a turbulent period, both during the pandemic and in the years that followed. These years were characterised by challenging recruitment and retention issues which the providers have worked hard to overcome, and they are now experiencing recovery which has brought greater stability to the market. Providers can now focus on developing strengths-based practice, promoting residents' independence and offering good social value outcomes. The services continue to focus on building partnerships in their neighbourhood or locality with partners in health, social care and the voluntary and community sector.
- 1.4 In 2023, to further stabilise the market, the Council increased the reablement services from two to three contracts and replaced one ongoing care contract in the central neighbourhood. There are now five neighbourhood ongoing care contracts and three reablement contracts in Camden.
- 1.5 Having consolidated the current position, there is now a focus on the future. Current projections indicate that demand for care and support in the home from adult social care (ASC) is likely to increase by 30% (+/-10%) over the next five years, resulting in an increase of between 500 - 1,000 additional people drawing on care and support services each year. Although care contracts in Camden are relatively stable at present, the homecare market in general remains fragile. This was expressed clearly in the findings of the [Care Quality Commission \(2023\) State of Care](#) report. Demographic changes in Camden alone point to a need to consider our approach to care and support for our residents, but coupled with the fragility of the care market, it is a necessity to consider alternative approaches that ensure good quality of life for residents and the workforce.
- 1.6 A programme of transformation is underway to consider how care and support closer to home will be drawn on and experienced by our residents in the future. Transformation will evolve over a number of years. The work is supported by Fora, a design led partnership, who are using innovative approaches to co-produce the vision of care and support at home with residents and the local workforce. Fora are co-designing a series of test and learn approaches with

residents and care workers to explore new ways of supporting residents in their home, connecting them with their networks and neighbourhood. They will also explore how best to support the workforce to ensure there is a well-trained, well-equipped workforce where each person has opportunities to develop and learn and build meaningful relationships with residents.

- 1.7 This transformation programme aligns with other key and interconnected projects such as the development of integrated neighbourhoods, the Supporting People Connecting Communities Accommodation Plan and the expansion of a strengths-based approach that focusses on what matters to residents, including those residents who are disconnected from their networks and community. It also contributes to the ambitions in We Make Camden by enhancing our local communities and enabling people to engage with their community, make connections, and ensure they have the opportunity to live in good health and age well by supporting their wellbeing.

2 PROPOSAL AND REASONS

- 2.1 The eight contracts within the current model of care in the home commenced in either 2018 or 2023 and all will end on 31 March 2025. This proposal is to negotiate all eight contracts with the existing providers for a further contract period of 18 months from 1 April 2025 to 30 September 2026 at a value of approximately £31.608 million for the whole contract period.
- 2.2 The negotiation of the contracts with the existing providers is required because:
 - It will enable the Council to maintain stable care and reablement services whilst exploring innovative approaches to care and support.
 - We can utilise innovative ways of engaging with residents and care workers with ample time to ensure the co-design with residents is meaningful and evenly paced.
 - It will allow an in-house project to provide care closer to home for some residents to be initiated with sufficient time to analyse its impact.
 - Additional time to fully test and learn new approaches will provide the best opportunity to maximise learning.
 - Building trusting partnerships with the providers and their workforce will be critical in the success of any initiatives.
 - The negotiation of the current contracts will ensure that officers can fully embed test and learn approaches in well-established services.
 - Adult social care teams have recently moved into new neighbourhood teams and adjusted their operational neighbourhood boundaries. Negotiated contracts will align the neighbourhood ongoing care contracts with the ASC team neighbourhood footprint within the 18-month contract.
- 2.3 The proposal to negotiate with the current providers of ongoing care and reablement is supported by their activity and social value commitments. The providers are required to meet a number of social value indicators, such as recruiting locally, providing apprenticeship programmes, supporting development of staff (e.g., leadership and management training), volunteering, promoting independence of people who draw on care and support, paying

London Living Wage and offering a range of contract options e.g. fixed term contracts where care workers prefer not to have zero-hour contracts.

- 2.4 The providers currently support 75% of residents requiring care and support at home in the borough. The table below represents the average weekly number of hours of care provided by each ongoing care provider in 2023/24. During the year there has been a positive move away from the use of spot provision towards greater use of our core contract providers, which is indicated by the increase in hours of care per quarter.

Table 1: ongoing care activity in 2023/24 by contacted provider

Provider	Hours of care	Hours of care	Hours of care	Hours of care
2023/24	Q1	Q2	Q3	Q4
Focus Care Link	2,029.83	2,141.58	2,041.55	2,364.36
Hartwig Care Ltd	3,145.21	2,781.80	2,923.21	3,472.75
Hopscotch Asian Women's Centre	1,441.05	1,391.64	1,412.07	1,639.20
Mihomecare	2,070.08	2,066.67	2,290.08	2,596.50
Rather Home Care Ltd	1,998.92	2,100.08	2,515.45	3,044.25
Total	10,685.09	10,481.77	11,182.36	13,117.06

- 2.5 Providers are engaging well with ASC officers and are working in partnership to improve safeguarding and quality reporting. Regular monthly engagement and reflection sessions with officers has impacted on learning and quality, for example, in 2023 monthly quality concerns reduced from 12 in March, 16 in May to 7 in November and 5 in December 2023.

Procurement Assessment and Approach

- 2.6 Under Contract Standing Order (CSO) C3.1 contracts of this value should be procured via a competitive tendering process. Undertaking a process means these requirements will have been met, however it is unlikely that any new provider will be able to maintain stable care and reablement services to our residents whilst commissioners explore innovative approaches to their care and support, as set out in 2.2 above, when compared to the incumbent suppliers, many of whom have worked with Camden for over ten years.
- 2.7 Whilst the proposed 18-month contract period will facilitate the test and learn approaches set out in this report, it will also facilitate the full procurement via a competitive process for new contracts starting in October 2026. The homecare market is known and large and there will be significant interest as in previous tenders. Given this level of interest and the market engagement required to ensure the learning is shared with suppliers, a distinct two stage process will be needed. Anything less than 18-months will mean the test and learn has to be done over a shorter period of time in order to allow the re-procurement. This will not support the innovative approaches officers are looking to work on with suppliers and residents.
- 2.8 In order to allow the negotiation process, a waiver to CSO C3.1 is sought for

the reasons set out in paragraph 2.2 of this report. In accordance with CSO F2.1 there must be grounds for the waivers and it is considered that F2.1(ii) is satisfied in that the for the reasons set out in this report there are exceptional circumstances that have led to a need to depart from the CSOs and evidence has been provided which demonstrates the waiver is necessary to achieve the Council's objectives.

- 2.9 All providers are currently performing well, so the intention is to undertake a robust negotiation process with each of them around quality of service and price for the proposed 18-month period. This will ensure the Council achieves a value for money service and that appropriate contractual terms will be put in place.
- 2.10 Once contracts are awarded the Council will publish a Voluntary Ex Ante Transparency notice (VEAT) and include a voluntary standstill period in order to be open and transparent with the market.
- 2.11 Social value forms a key part of these contracts, with the Ethical Care Charter and payment of London Living Wage, as fundamentals to these contracts, which includes the commitment to providing options for guaranteed hour contracts, payment of a minimum amount of travel time and occupational sick pay. In addition to this, providers have commitments to recruit Camden residents, provide apprenticeship opportunities and support the learning, development and career progression of staff.
- 2.12 At this time these services are not linked with the MTFs savings. However, opportunities from the range of test and learn approaches may bring learning around savings opportunities or invest to save initiatives.

3 OPTIONS APPRAISAL

- 3.1 The following options were considered in relation to this project:
Option 1 – Continue with current contract terms ending March 2025 and agree new model for care and support at home from April 2025

Should the current ongoing care and reablement contracts end in March 2025, Cabinet approval for a new model of care would be required by Autumn 2024 to enable procurement to take place for new contracts starting April 2025. This would reduce the period to test and learn design-led approaches and compromise transformation of services. An in-house project is also being trialled during 2024/25 and the indication is that a longer period is required to develop these complex services and to fully model the impact.

Option 2 – Negotiate with current ongoing care (homecare) and reablement providers for a further contract for the period 1 April 2025 to September 2026.

Current contracts have been extended for the period permitted. The benefits to negotiation of the current contracts are that the market retains stability during this transformational period. Negotiation will offer additional time to embed and evaluate test and learn approaches and meaningfully inform the future model of

care at home. Additional time will enable co-production with residents so that services reflect the type of support residents want to draw on. For a and council officers have worked closely with the current care workforce, they have built good working relationships and trust. This will offer a good platform for testing new ways of working. The waiver can be justified under Contract Standing Order F2.1.i which states waivers may be granted when: “there are exceptional circumstances that have led to a need to depart from the CSOs and evidence has been provided which demonstrates the waiver is necessary to achieve the Council’s objectives”

Option 3 – Utilise spot purchasing arrangements with providers during 2025/26

Although this approach would offer additional time to develop the model of care and support at home this would cause some instability in the market and will impact on embedding test and learn approaches. The quality of service that is drawn on by residents may be compromised.

3.2 Option 2 is the preferred option. Please see Appendix 1 Commissioning Options Table for further information on the options.

4 WHAT ARE THE KEY IMPACTS / RISKS? HOW WILL THEY BE ADDRESSED?

4.1 Project specific impacts / risks, and the associated mitigation strategy are set out below.

Risk	Impact	Mitigation strategy
External challenge that contest the negotiation approach	The Council may be required to undertake a competitive procurement exercise with the market, which will compromise the transformation work	The direct award is for 18 months only. Market testing and co-production with providers will take place so there is good understanding of the vision for care and support at home.
Incumbent providers do not wish to negotiate new contracts	Potential instability of services for residents	Current providers have indicated that they value their business relationship with Camden
Test and learn not embedded by providers	Lack of learning from approaches-transformation compromised	Contract requirements to test and learn new approaches will be included during the negotiation phase
Challenging Financial negotiations delay in contract award	Impact on the annual budget for adult social care	Maximum hourly rates will be included in the process. A Cost of Care research exercise was undertaken by the Council in 2022 and will inform negotiations.

Equality Impact Analysis (EqIA)

4.2 Understanding equalities and the impact of our decision making on

commissioning is essential for any project undertaken. In assessing the impact on equalities, it is crucial to consider the wider context of this service inasmuch as its eligibility criteria relating to someone with care and support needs as defined by the Care Act. Whilst this may not mean that people who access the service have (or describe themselves as having) a disability, the majority of people who will draw on the care and support of these providers are likely to fall within this protected characteristic. The purpose of this service then, is to support these people who are eligible to draw on this care and support, thus improving their personal outcomes.

- 4.3 The services will also likely engage with people with other protected characteristics such as gender, ethnicity, religion, age, sexuality, etc. Providers must demonstrate the capability to deliver care that accounts for individuals' unique identities, and addresses disparities that arise through intersectionality. All providers will be expected to deliver their services to all people eligible to draw on their service as a minimum; in addition further steps will need to be taken by providers to reduce barriers of access and to ensure the workforce is made up of a diverse group of staff from backgrounds that reflect the diverse identities of Camden residents.
- 4.4 The service specification is clear that providers must offer an accessible service to all residents and that staff will engage in equalities and diversity training as a minimum. Communication with residents, including for D/deaf communities and those with English as an additional language, will be a particular focus of the service and tender. There will be a specific requirement to sign up to the *ASC Memorandum of Understanding* on zero tolerance to racial abuse, which provides safeguards for care staff and residents who may be subjected to abusive behaviour in the working environment. Providers will be expected to provide safe spaces for their staff to disclose and discuss experiences of abuse, and that these are in turn reported to Camden council commissioners.
- 4.5 A full EqIA has been completed in order to explore these issues and to take steps to reduce the impact, which is attached as Appendix 2 to this report.

Modern Slavery

- 4.6 The nature of care and support work means that employees in the sector could be at increased risk of exploitation. Robust controls and safeguards include providers having sufficient policies in place on modern slavery to include recruitment (e.g. only using reputable agencies to support their recruitment and that appropriate checks are carried out) and ensuring that safeguarding training as well as capacity building are available for staff to raise awareness of modern slavery and human trafficking. Providers' approach to safer recruitment in relation to modern slavery will be reviewed during the renegotiations.

London Living Wage (LLW) and Workforce Standards

- 4.7 Camden is a LLW accredited Council, therefore, as part of its accreditation, Camden has committed to paying its staff and contractors the LLW and has adopted the *Ethical Care Charter* for domiciliary care which includes this provision.

- 4.8 Workforce Standards and the London Living Wage (LLW) are included in the contracts as it is considered these are necessary for the successful supplier to recruit staff with the appropriate skills, experience and qualifications to deliver the service and meet the required outcomes. LLW is a Council commitment that is reinforced by the Council.

5 CONSULTATION / ENGAGEMENT

- 5.1 Engagement with residents, social care colleagues and providers is ongoing. To date, over 100 interviews have been undertaken with people in Camden, staff and colleagues in adult social care in order to better understand their views and ensure that these are included in our trialling new ways of working.
- 5.2 This approach aims to ensure relationships with residents are sustained in a meaningful way and to explore how we can achieve the outcomes that people in Camden would like us to achieve via care and support at home.
- 5.3 The council has engaged with the incumbent providers to establish their view on this approach. Providers responded positively to both working with Fora and renegotiating the contracts for one year.

6 LEGAL IMPLICATIONS

- 6.1 The Council is required to carry out its procurement activities in accordance with the Council's CSOs and the Public Contract Regulations (PCR) 2015.
- 6.2 The report recommends the extension of the term of existing care and reablement services relating to neighbouring and locality contracts by a period of up to 18 months from 1 April 2025 to 30 September 2026.
- 6.3 A waiver to CSO C3.1 (requirement to competitively tender contracts over the UK procurement threshold) is sought for the reasons set out in paragraphs 2.2, 2.6 and 2.7 of this report. In accordance with CSO F2.1 there must be grounds for the waivers and it is considered that F2.1(ii) is satisfied that for the reasons set out in this report there are exceptional circumstances that have led to a need to depart from the CSO's and evidence has been provided which demonstrates this.
- 6.4 The report recommends that there is a delegated authority to the making of associated future Contract Award decisions to the Executive Director Adults and Health in consultation with the Cabinet Member for Health, Wellbeing and Adult Social Care.
- 6.5 Under the CSOs, this report is being submitted to the Cabinet as the Cabinet must agree procurement strategies for contracts over £5,000,000 (CSO C3.4).
- 6.6 Legal officers have considered the recommendations in the report and consider them to be in accordance with CSOs and PCR 2025.

7 RESOURCE IMPLICATIONS

- 7.1 This report seeks endorsement for the negotiation of existing neighbourhood ongoing care and locality reablement contracts for a period of up to 18 months from 1 April 2025 to 30 September 2026.
- 7.2 The 18 months allocated funding for the five ongoing care and three reablement local contracts in Camden, which includes the London Living Wage and inflationary uplift is an aggregated value of £31.608m for the proposed contract period.
- 7.3 Inflationary uplifts in the range of 3% to 5% have been agreed with providers.
- 7.4 There are currently no planned Medium Term Financial Strategy projects affecting this paper, however there may be in the future.

8 ENVIRONMENTAL IMPLICATIONS

- 8.1 There are three main areas, these are: individual's homes; transportation between care worker visits to people's homes; and organisational offices and the associated energy use. These areas are further explored below: Individual's homes are a source of energy emissions, and whilst it is not within the scope of these contracts to change the energy ratings of individual properties, these contracts are expected to deliver support in this area. Expectations include care workers turning lights and heating off in rooms that aren't being used, and where relevant, ensuring blinds / curtains / draft excluders are utilised at appropriate times to support individual property energy conservation. Furthermore, during times of extreme heat or cold, providers will follow recommendations as set out by the council and NHS / public health to keep residents safe and well.
- 8.2 Transportation of care workers to residents' home is likely to provide the main source of emissions for this contract(s). Care must be provided directly within people's homes and so to reduce emissions, the contracts are based on smaller localities. Distinct local neighbourhood areas enable care workers to either walk between locations or take public transport where possible. Other preferred transportation methods are usually cycling or motorcycling, which produce significantly lower emissions than larger vehicles. It should also be noted that all areas fall within the Transport for London Ultra Low Emission Zone (ULEZ), meaning that individuals and organisations are financially encouraged to use vehicles that produce fewer emissions.
- 8.3 Provider offices will impact emissions as it will be a requirement for the successful contractors to have a site/office either in or near Camden due to the nature of this work. Providers will be encouraged to locate themselves in energy efficient buildings and to reduce paper consumption (digitise) where possible, taking account of GDPR as well as where digitisation does not negatively impact resident outcomes.

9 TIMETABLE FOR IMPLEMENTATION

9.1 An indicative timeframe is set out below.

Key milestones	Indicative Date (or range)
Negotiations with incumbent providers	September 2024 – November 2024
Contract Award Report	December 2024
Issuing of VEAT notice and standstill period	December 2024
Confirmation of award to suppliers	December 2024
Contract signature / sealing	January 2024
Contract start date	April 2025
Embedding new ways of working	April 2025 – September 2026

10 APPENIDCES

10.1 Appendix 1 – Procurement Options Table

10.2 Appendix 2 – Equalities Impact Assessment

REPORT ENDS