

REPORT TO:	CABINET 21st March 2022
SUBJECT:	Children with Disabilities – Care Provider Register
LEAD OFFICER:	Debbie Jones, Corporate Director, Children, Young People & Education <i>and</i> Roisin Madden, Director of Children’s Social Care
CABINET MEMBER:	Councillor Alisa Fleming - Cabinet Member for Children, Young People and Learning <i>and</i> Councillor Callton Young - Cabinet Member for Resources and Financial Governance
WARDS:	ALL

COUNCIL PRIORITIES 2020-2024

The implementation of the Care Provider Register (CPR) will achieve the following in line with the Council priorities:

- ***We will live within our means, balance the books and provide value for money for our residents;*** The CPR provides an opportunity to move away from spot purchasing (off contract spend) to contract spend. The implementation of the CPR will achieve savings and efficiencies compared to the current model as outlined within this report.
- ***We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand;***
Implementation of the CPR will enable a key statutory service (Children with Disabilities Service) to commission providers from a quality assured register in order to support the needs of some of the most vulnerable residents within Croydon.

FINANCIAL IMPACT

The recommendation is to award a contract to the successful providers for a period of up to 4 years.

There is no guarantee of volume or spend during this period.

The anticipated annual spend during this period is:

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- Anticipated commissioned hours per year: 70362 (based on current annual volume)
- Of which the anticipated hours per year for standard care (Lot 1) is: 49253
- Of which the anticipated hours per year for complex care (Lot 2) is: 21109

- Average hourly cost of a Lot 1 provider from this tender is: £18.62
- Average hourly cost of a Lot 2 provider from this tender is: £25.80

- Anticipated annual spend for Lot 1 is: £917,090.86 (*average cost multiplied by anticipated hours*)
- Anticipated annual spend for Lot 2 is: £544,612.20 (*average cost multiplied by anticipated hours*)

- Anticipated annual spend: **£1,461.703.06** (*anticipated spend of Lot 1 & Lot 2*)

The total anticipated aggregated contract value is expected to be: **£5,846,812.24** (*annual spend multiplied by 4 years*)

FORWARD PLAN KEY DECISION REFERENCE NO.: 2222CAB

1. DRAFT RECOMMENDATIONS

For CCB

The Contracts and Commissioning Board is asked to approve the recommendations below.

- 1.1** To recommend to Cabinet to approve, in accordance with Regulation 28c of the Council's Tenders and Contracts Regulations, the award of *the Care Provider Panel Agreement* to the providers listed in Part B of this report for a period of up to 4 years from 01/04/2022 to 31/03/2026 for a maximum contract value of **£5,846,813**

For Cabinet

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below:

- 1.2** The Cabinet is recommended by the Contracts and Commissioning Board to approve, in accordance with Regulation 28c of the Council's Tenders and Contracts Regulations, the award of *the Care Provider Panel Agreement* to the providers listed in Part B of this report for a period of up to 4 years from 01/04/2022 to 31/03/2026 for a maximum contract value of **£5,846,813**

2. EXECUTIVE SUMMARY

- 2.1 The Local Authority is responsible for providing any non-medical care services a child is assessed as needing. This could include equipment for daily living, home care (domiciliary care), and access to play schemes, and shortbreaks/respite care.
- 2.2 Domiciliary care is defined as the range of services put in place to support an individual in their own home.
- 2.3 Services may involve routine household tasks within or outside the home, personal care of the client and other associated domestic services necessary to maintain an individual in an acceptable level of health, hygiene, dignity, safety and ease in their home.
- 2.4 The establishment of the Children with Disabilities Care Provider Register enables the Local Authority to commission quality assured care providers (either on a direct award or mini competition basis) that can provide domiciliary or personal care in order to meet the assessed needs of children with disabilities.
- 2.5 The Care Provider Register is an agreement with successful providers that will enable the Local Authority to place orders for services without running lengthy tendering exercises.
- 2.6 Following CCB approval of the procurement strategy on 23/08/2021 (ref CCB1687/21-23) a procurement exercise in line with the Public Contract Regulations 2015 Light Touch Regime was conducted.
- 2.7 Providers have now been identified that meet the requirements for appointment to the Care Provider Register.
- 2.8 The Care Provider Register will be for a duration of 4 years.
- 2.9 The Local Authority anticipated spend under the Care Provider Register agreement is based on historic annual volume and the annual average price submitted as part of the tender process.
- 2.10 On this basis Croydon's predicted spend over the anticipated 4 year term is expected to be in the region of (and not exceed) **£5,846,813**
- 2.11 This report seeks approval for the award of contracts for admittance to the Care Provider Register for Children with Disabilities care provision for a **4 year term**.
- 2.12 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB ref. number	CCB Approval Date
CCB1728/21-22	09.03.2022

3. DETAIL

Background

- 3.1 The Local Authority is responsible for providing any non-medical care services a child is assessed as needing. This could include equipment for daily living, home care (domiciliary care), and access to play schemes, and shortbreaks/respite care.
- 3.2 The Council currently spot purchases packages of care from the market as and when required. The implementation of the Care Provider Register will enable the Council to move away from this off contract spend, however, there may still be some exceptions when this is still required such as assessed complex care needs requiring specific specialist intervention from a provider not currently on the register.
- 3.3 The proposed Care Provider Register will provide the Council with a pool of quality assured providers that can be commissioned on contract as and when required.
- 3.4 Packages may be short term, e.g. a couple of weeks 'respite', or longer term dependent on the assessed need of the child. The needs of the child and the requirement for care packages will continue to be assessed in line with the statutory requirements.
- 3.5 Due to the nature of the need there is no guarantee of volume or spend under the new proposed Care Provider Register.
- 3.6 The aim of implementing the Care Provider Register is to:
- Work towards achieving key outcomes for CYP and families who receive the support
 - To have a number of providers who are able to deliver good quality support to CYP and their families from 0-18 years
 - Support agencies that deliver personal care are CQC registered
 - Ensure that all care providers have sound safeguarding procedures in place
 - Consider best value in the provision of care and support
- 3.7 The following outcomes are expected as a result of implementing the CPR:
- Outcome 1.** Improved Quality of Live for CYP and families, which means:

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- The CYP develops and maintains independence
- The CYP develops confidence and ability in using community resources
- The CYP performs useful and meaningful activities with whatever assistance is required
- The CYP develops skills and abilities as agreed in their support plan
- Parents and carers have a short break from caring

Outcome 2. Enable parents and carers to provide care for CYP with disabilities that promotes their personal dignity, which means:

- Parents & carers are supported and feel confident
- Parents & carers, CYP feel confident that the care workers will assist their personal care with discretion and in such a way that dignity is maintained and that wherever possible, the carer takes direction from the child or parent/carer
- Parents & carers are satisfied that the changes they had hoped to achieve have been realised and the balance between support and assistance is appropriate to their circumstances

Outcome 3. Improved Well-being for the CYP and Family, which means:

- The CYP and family will receive services that reflect their changing circumstances and whenever possible will be encouraged to undertake physical activities appropriate to their circumstances and abilities
- The CYP and family will feel the service has assisted in them regaining confidence, developing skills and opportunities to learn.

Procurement process

- 3.8 Service and operational leads from within the Children with Disabilities service provided expertise for the development of the service specification, quality questions, and pricing structure for the Care Provider Register.
- 3.9 The Care Provider Register is being established under Regulations 74 to 77 of the Public Contracts Regulations (PCR) 2015 'Light Touch Regime' (LTR). The tender process was aligned to the standard Open Procedure.
- 3.10 The opportunity was made available on The London Tenders Portal on 27/10/2021. The service made incumbent providers aware via email and they were encouraged to respond accordingly via the portal.

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- 3.11 All tender documents were made electronically available on the London Tenders Portal and accessible to interested parties for 30 days. The tender submission deadline was 28/11/2021.
- 3.12 The tender documents provided clear guidance and instructions to the market setting out how the Care Provider Register and call-offs will work. The tender documentation also included the option for the Local Authority to refresh the Care Provider Register at any time.
- 3.13 88 expressions of interest were registered on the London Tenders Portal from a range of providers and 30 of these providers submitted a completed response document by the tender submission deadline.
- 3.14 Post tender clarifications were issued after the tender submission deadline as a result of a number of providers failing to include all information or answer all method statements across the lots for which they applied. An equal opportunity was given to all providers in order to ensure that they provided the missing information.
- 3.15 The Approved Provider Panel is divided into 2 Lots with as follows;

Lot	Lot Name	Description
Lot 1	Standard Care	Support to children and young people in the service who have severe and profound disabilities. The level of support may require taking children and young people out into the community, assisting with feeding, personal care, moving and handling. Some of the children may present with challenging behaviour.
Lot 2	Complex Care	Support to children and young people in the service who have complex health needs and some children present with severe challenging behaviour. Children with complex health needs will include those who meet the Continuing Health Care (CHC) criteria and also those who have complex health needs but don't meet the criteria for CHC.

- 3.16 There was no deviation from the original RP2 strategy report which was approved on 23/08/2021 (ref CCB1687/21-23).

Evaluation

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- 3.17 The tender response document was sectioned into three distinct areas; Selection Questionnaire (SQ) Compliance, quality and price.
- 3.18 An evaluation panel was established with representation from;
- Team manager; Children's Social Care
 - 2 x Service manager; Children with Disabilities
 - Social worker, Adult Social Care
- 3.19 The standard SQ compliance questions covered the following;
- CQC Registration
 - CQC Rating
 - DBS Checks
 - Grounds for mandatory or discretionary exclusion.
 - Economic and financial standing.
 - Insurance requirements.
 - Relevant experience and contract examples.
 - Requirements under Modern Day Slavery Act 2015.
 - Health and safety requirements.
 - London Living Wage
 - General Data Protection Regulations (GDPR) and Information Management requirements.
- 3.20 Tender compliance requirements have been carried out by procurement and project support officers. Experian financial checks will be completed for all recommended suppliers. Experian checks are in lieu of the standard company health checks and do not disadvantage any supplier. The S151 Officer has been informed of this approach. To ensure continuity and fairness the same Experian checks will be carried out on future suppliers should the Council wish to refresh the CPR in the future.
- 3.21 Providers appointed to the Care Provider Register were required to secure a minimum score of 3 out of 5 for all method statements. Method statements were weighted as follows;
- Experience of delivery (10%)
 - Workforce capability & capacity (5%)
 - Safeguarding & wellbeing (10%)
 - Quality assurance & statutory compliance (8%)
 - Social value (5%) (Note: Waiver agreed as per the RP2 strategy report)
 - Premier Supplier Programme (2%)
- 3.22 Panel members individually assessed each qualitative submission and all scores were moderated by the panel to achieve a consensus score.

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- 3.23 All moderation meetings were chaired by the Category Manager with support from the National Management Trainee to ensure consistency. Support from the Senior Commissioning & Procurement Officer was also available when required.
- 3.24 Due to COVID-19 all moderation meetings were held virtually via MS Teams.
- 3.25 Suppliers submitted prices based on hourly rates for each lot they bid for. The total price weighting of 60% is apportioned and an affordability threshold for each lot was applicable.
- 3.26 Bidders were instructed to submit tender prices fully inclusive of all costs. There was no minimum price requirement and there was a maximum affordability threshold for each of the lots.
- 3.27 The Quality/Price evaluation ratio is 40%/60% to ensure that providers submit competitive prices within the affordability thresholds. The amendments of the thresholds were subject to a waiver which was agreed within the RP2 strategy report.
- 3.28 All providers who met the quality and price criteria as well as the compliance elements of the tender are recommended to be appointed to the Care Provider Register.
- 3.29 All providers who have packages of care agreed with them must be registered with the Care Quality Commission (CQC) and will be subject to regular monitoring as per the terms of their registration.
- 3.30 Successful providers who are not yet registered with the CQC (but were registering at the point of submitting their tender response) will not have any care packages commissioned with them until their registration is confirmed.

Results from the Evaluation Process

- 3.31 The number of suppliers applying to be part of the Care Provider Register were in line with expectations.
- 3.32 A summary of the results of the evaluation process are set out below;

LOT 1 – Standard Care

Total Bids received	Total Failed	Total for Admission to the CPR
22	7	15

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LOT 2 – Complex Care

Total Bids received	Total Failed	Total for Admission to the CPR
22	5	17

Awarded providers

3.33 The providers who we recommended being awarded and part of the Care Provider Register are outlined within PART B of this report.

Unsuccessful providers

3.34 Some providers were not successful with their tender. The providers who will not be able to join the Care Provider Register are outlined within PART B of this report.

4. CONSULTATION

- 4.1 The service met with existing providers in early 2021 where outline proposals were discussed.
- 4.2 A market engagement event prior to launch was arranged, however, due to technical issues this did not take place. As a result the promotional information was circulated to all providers who were due to attend the event.
- 4.3 Telephone calls with all existing providers were also arranged to ensure current providers were aware of the proposed changes to current arrangements.
- 4.4 Once the tender opportunity was made available on The London Tenders Portal all providers currently spot purchased by the service were made aware.
- 4.5 All communication during the tender process took place on The London Tenders Portal only.
- 4.6 Families have not been consulted at this stage as there is no impact on service delivery. Following the outcome and standstill period there will be engagement with families who currently access care packages to inform them of the new contractual arrangements with providers. Information will also be made available via Croydon's Local Offer.
- 4.7 Ongoing communication and engagement will take place with the awarded providers throughout the lifetime of the contract via contract management meetings.
- 4.8 Consultation with staff has not taken place. There is no impact on staffing as a result of implementing the Care Provider Register, however, staff will be

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engaged with prior to contract commencement to ensure they are aware of the need to commission via the Care Provider Register which will be a change to their current practice.

5 PRE-DECISION SCRUTINY

5.1 This report was not presented to the Council's Scrutiny and Overview Committee prior to being brought to Cabinet but is subject to referral by the requisite number of Councillors.

6 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Revenue Budget available				
Expenditure	£2.7m	£2.7m	£2.45m	£2.45m
Income				
Effect of decision from report				
Expenditure	£2.7m	£2.45m	£2.45m	£2.45m
Income				
Remaining budget	£0	£247k*	£0	£0
Capital Budget available				
Expenditure	NA	NA	NA	NA
Effect of decision from report				
Expenditure				
Remaining budget				

** To note that during transition from BAU to the new model legacy arrangements may be in place, which may vary the initial spend/savings under the new arrangements. This will be closely monitored by the CWD service.*

2 The effect of the decision

6.1 The service has budgeted for the future award of the contract to the successful providers in order to fulfil their statutory requirements.

6.2 There will be no impact upon service delivery as a result of awarding the contracts to the successful providers.

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- 6.3 As a result of implementing the CPR, savings will be achieved as a result of this procurement. The level of anticipated savings can be found in section 6.13 of this report.
- 6.4 Anticipated spend is based on the assumption of all new packages commissioned via the CPR. There will be requirements for legacy packages based on assessed need as well as the requirement to transfer packages at the point of statutory reviews. This may vary anticipated spend and will be closely monitored via the CWD service.
- 6.5 The savings are included within the CWD MTFS savings plan (Code: CFE SAV04)

3 Risks

- 6.6 There are no direct financial risks associated with the establishment of the Care Provider Register. There is no guarantee of spend or volume. It is a demand led service.
- 6.7 The implementation of the Care Provider Register acknowledges that there is a need for a period of transition and that legacy arrangements will need to remain. This may impact upon initial savings targets. The service will transition all existing arrangements to the Care Provider Register at the earliest opportunity, in line with statutory guidance for reviewing packages of care.

4 Options

- 6.8 The following options have been considered in relation to the award and implementation of the Care Provider Register (please see section 12 for further detail):
1. Do nothing and continue to spot purchase; **Not recommended**
 2. Implement the Care Provider Register & award to successful providers; **Recommended**

5 Future savings/efficiencies

- 6.9 It should be noted that the key intention for this Care Provider Register is that the LA secures assessed packages of care for children and young people disabilities with a quality provider to ensure that their individual outcomes can be met.
- 6.10 As per current practice (spot purchasing) the CWD services commissions approximately 70,362 hours per year for 152 service users at a total cost of £2,7m.
- 6.11 Approximately 70% of the hours meet standard care needs and 30% meet complex care needs.

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6.12 As per the agreed RP2 strategy report a number of assumptions were made in relation to the current practice (spot purchasing). The following issues have been considered in relation to the savings that can be achieved under proposed CPR:

- Historical discrepancies with the miscoding of provision within the financial system
- Historical discrepancies with the tracking of actual cost for individual CYP
- A proportion of the CYP cohort who are not recorded as receiving packages of care but their needs are such that this will be adhoc within the year
- The average hours per week/child is variable as needs of CYP are complex and not easy to predict
- The balance of standard/complex cases within the model is difficult to predict
- Many parents opt for direct payments to support with their CYP needs, however, in the absence of carers they know the use of contracted carers via domiciliary care is likely , in some cases both options are necessary
- Any increase in demand that the service may experience as a result of greater awareness.
- The need for legacy packages to remain in place (due to an assessed need) which may result in some packages remaining commissioned outside of the CPR and/or slow transition to providers on the CPR at the point of statutory review.

6.13 As a result of completing the tender, implementing the new model, applying agreed rates and awarding to the recommended suppliers, savings of up to £247,960.39 could be achieved following implementation and transition to the CPR.

6.14 Over the 4 year period of the proposed contract this would result in a saving of £991,841.522 compared to the cost of continuing to spot purchase services.

6.15 The savings are included within the CWD MTFS savings plan (Code: CFE SAV 04)

6.16 The opportunity to achieve savings will be further enhanced via the option of block purchasing:

- Block purchasing for standard packages of care may be required for community based activities. If this is required then a mini competition will take place via the CPR. Providers will be able to submit their best hourly rate, however, will not be able to exceed their tendered hourly rate. This may reduce hourly rates for a percentage of service users.

6.17 As a result of implementing the Care Provider Register further efficiencies can be achieved:

- A more streamlined, standardised and efficient sourcing process.

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- A reduction in the number of spot purchases made by the Local Authority.
- Opportunities to address gaps in the market to reduce costs and improve the service offer in the future.

6.18 As part of a child's care plan, packages of support will be reviewed regularly in line with the statutory requirements. A package of support may increase, decrease or cease depending on the individual assessed need. The spend associated with an individual package may therefore vary during any given period.

6 Essential spend criteria

6.19 Awarding to the recommended suppliers and implementing the CPR meets the following permissible criteria:

- Improves the situation, & prevents it from getting worse, therefore;
- Expenditure required to deliver the council's provision of statutory services at a minimum possible level; and
- Expenditure to better the situation

6.20 **Approved by: Phillip Herd, Interim Head of Finance, Children, Young People and Education.**

6.21 Following the Experian checks set out in paragraph 3.20, 7 of the providers who were successful in the price and quality evaluation achieved a financial health score of "Extreme Caution".

6.22 Approval was sought from the Deputy Section 151 Officer to allow these 7 providers to join the care provider register as the risk of provider failure will be managed by:

- Ensuring that the placements are shared between the 21 providers and the majority of placements do not fall to the 7 identified. This will be ensured by robust and continuous contract management.
- Undertake further Experian checks on providers throughout the life of the contract.

6.23 The risk of provider failure to the service user is mitigated by the number of different providers available on the care provider register meaning we would be able to call-off a suitable provider to ensure service continuity.

6.24 It is recognised that these are local providers that employ local people, therefore there are benefits to the local economy in allowing them to join the care provider register.

Approved by Matthew Davies, Interim Director of Finance and Deputy Section 151 Officer.

7. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 7.1 The Interim Head of Legal Services comments that The Council is under a general Duty of Best Value to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007)
- 7.2 The Cabinet is empowered to make the decision in accordance with the recommendations pursuant to the Tenders and Contracts Regulations, which form part of the Council's Constitution
- 7.3 **Approved by Kiri Bailey, Interim Head of Commercial and Property Law on behalf of the Director of Legal Services**

8. HUMAN RESOURCES IMPACT

- 8.1 This report concerns the provision of services that will be provided by a third party organisation through a framework. As such, the Council is not the employer of the staff working within the framework and there are no implications for Croydon employees.
- 8.2 This procurement exercise does not propose changes to service delivery beyond what is being undertaken although providers may have to adapt their delivery approach in order to achieve expected service outcomes.
- 8.3 As a London Living Wage borough, all applicable contracts will include the requirement to pay the London Living Wage.
- 8.4 **Approved by: Debbie Calliste, Head of HR for Children, Young People and Education on behalf of the Director of Human Resources.**

9. EQUALITIES IMPACT

- 9.1 An EQA has been completed and approved by the Equalities Manager 07/06/21 and updated on 21/01/22.
- 9.2 The conclusion of the EQA is that our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review.
- 9.3 The proposals ensure that disabled children, young people and their families receive a standard of care that meets their needs and ensures that they are not subject to less favourable treatment to their peers.

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- 9.4 The support provided to families ensures that parents of disabled children are supported and not treated less favourably because of their association with their disabled child.
- 9.5 Ensuring that employees are paid the London Living Wage, supports the Council's core priority to tackle ingrained inequality and poverty in the borough.
- 9.6 Suppliers of Council Services should be encouraged to commit to the George Floyd Race Matters and equalities Pledge. The Council's standard for equality.
- 9.7 **Approved by Denise McCausland Equalities Programme Manager.**

10. ENVIRONMENTAL IMPACT

- 10.1 It is considered that there are no increased or decreased environmental sustainability impacts, from the proposed contract award contained in this report.

11. CRIME AND DISORDER REDUCTION IMPACT

- 11.1 It is considered that there are no increased or decreased crime & disorder impacts, from the proposed contract award contained in this report.

12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 12.1 Admittance to the Care Provider Register is recommended for tenderers which have passed the requirements as set out in the tender documentation.
- 12.2 The establishment of the Care Provider Register will give the Council the opportunity to secure packages of care at a transparent rate in comparison to spot purchasing as well as ensure the Local Authority is purchasing from a quality pool of providers.

13. OPTIONS CONSIDERED AND REJECTED

- 13.1 In relation to the award the following options have been considered:
1. Do nothing; **Not recommended.** The Council has conducted a procurement exercise in line with the regulations and has a pool of providers who are deemed appropriate for admittance to the Care Provider Register. Should we do nothing then the service will be required to continue to spot purchase and not benefit from the efficiencies outlined within this report.
 2. Implement the Care Provider Register & award to successful providers; **Recommended.** Implementing the Care Provider Register and awarding to the preferred suppliers (as outlined within PART B of this report) will

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enable the Council to commission packages of care from quality providers at agreed rates and achieve the efficiencies as outlined within this report.

14. DATA PROTECTION IMPLICATIONS

14.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

YES

HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

YES

14.2 The outcome of the DPIA was reflected within the tender documentation and will be included within the draft contract as required.

CONTACT OFFICER: Matt Weeks, Lead Commissioner (MS Teams) of the contact officer for any enquiries in respect of the report.