

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Report to:</b>	Corporate Scrutiny Committee & The Executive
<b>Date:</b>	12 <sup>th</sup> September, 2016 & 19 <sup>th</sup> September, 2016
<b>Subject:</b>	Tendering of Domiciliary Care on Anglesey
<b>Portfolio Holder(s):</b>	Cllr Aled Morris Jones
<b>Head of Service:</b>	Alwyn Jones, Head of Adult Services
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<b>Local Members:</b>	N/A

<b>A –Recommendation/s and reason/s</b>
<p><b><u>Current Situation</u></b></p> <p>There are approximately 7 external providers who provide care on Anglesey. At present external providers can, and do decline packages that may be unattractive often including packages in very rural areas or complex high need packages. Any packages which are declined must then be picked up by the internal provider. Currently, it is often extremely difficult to find a provider to pick up a care package in certain areas of the Island, which leads to an inconsistent offer of service across the Island.</p> <p>This model is no longer sustainable for the local authority, and does not offer consistently good support for service users who need care and support. The problems we are currently experiencing are also leading to delayed discharges from local hospitals.</p> <p>It is also essential that we approach the domiciliary market at present to ensure that we comply with the local authority’s procurement standing orders requirement.</p> <p><b><u>Consultation and Engagement</u></b></p> <p>There has been on-going consultation and engagement with service users and stakeholders around this project which has contributed in writing the specification for this service. Feedback and comments around issues such as TUPE; Welsh language requirements; price and quality; robust contracting and management and staff training have all been considered and included within the specification.</p> <p><b><u>Preferred Option for Future Domiciliary Care Provision and Benefits</u></b></p> <p>Over the last year the Older People Transformation Programme has been exploring options to strengthen the current provision. It has been agreed that patch based commissioning is the way forward to strengthen the current provision.</p>

This is recommended as:-

- Alternative approaches do not adequately address the current lack of provision in the market.
- Anglesey has a relatively small base of providers. A tendering approach which does not necessitate provision risks the same problems as those experienced at present.
- This approach aims to strengthen provision in both the short and long term through developing clear contractual requirements, and long term relationships with providers.

Representatives from Betsi Cadwaladr University Health Board are also a part of the group, and they have provisionally committed to jointly commission domiciliary care in the future, which includes CHC Care Packages. They are awaiting final executive approval to this approach at present.

Whilst adopting this approach, Anglesey remains linked to the North Wales Domiciliary Care Project and have been involved with the different workstreams, and are committed to becoming a part of the new North Wales Framework in due course.

We propose to go out to tender for three lots. These lots will be divided into geographical patches and be split by North, Central and South of the Island (exact patches are to be finalised based on broadly equal domiciliary care hours). Patches will also include the domiciliary care provision within the Extra Care Housing developments. We currently have one Extra Care facility in Penucheldre which will be in the patch that covers Holyhead, and as others are completed, the successful local provider will be required to provide domiciliary care within the unit.

To ensure a measured transition to new contracts the contracts will be implemented in a phased approach, and the least vulnerable service users, those with low care packages, will transfer to the new supplier first, then those with medium care packages and finally those with high care packages. This will happen over a twelve month period.

Providers have been informed of the basic details and timeline for the tender at the Independent Domiciliary Care Provider Forum meeting that was held on the 26<sup>th</sup> July 2016. No additional detail will be released until the 'Meet the Buyer' Events that will be held a few weeks prior to the beginning of the tender process.

The specification and tender documents will be ready for the tender process to begin in October/November 2016. The tender will go on to Sell To Wales with a view of the new providers being approved and for the new contracts to begin in May 2017.

In Summary:

- Having three providers minimizes the risk of supplier failure.
- Less contract providers supports better contract management.
- A phased approach safeguards service users and also allows time for the providers to adapt to the new structure. Providers who have not been successful will have a phased exit and this will reduce the associated challenges and mitigate the risks

that may arise in the transitional period.

If service users do not wish to receive a service from a different provider, they can choose to use Direct Payments to purchase their own care. Clear information will be provided to support this option for service users.

**B – What other options did you consider and why did you reject them and/or opt for this option?**

**Options**

The following options were considered and all options have been evaluated, discussed and researched, to identify which of these options is the most beneficial and effective to all stakeholders:

**Option 1 - Do nothing**

This is the brokerage model which is currently in place. The brokerage model provides choice to the person supported. Providers of care are allocated based on service users choice and availability.

**Option 2 - Partnership Agreement**

A partnership agreement model is a model where the Council goes out to Open Tender for a provider to provide all care packages across the Island. The Council will work closely with the provider to ensure that they work in a collaborative way and that processes are put in place to ensure good contract and relationship management. With this option there is a risk of provider failure, therefore there might be a need to tender for more than one provider.

**Option 3 – Patch Based Commissioning**

This approach will involve going out to tender for three lots. These lots will be divided into geographical patches and be roughly split by North, Central and South of the Island. As highlighted above, this is the preferred option.

**C – Why is this a decision for the Executive?**

Need a decision from the Executive in order to go out to tender.

**CH – Is this decision consistent with policy approved by the full Council?**

Not applicable.

**D – Is this decision within the budget approved by the Council?**

Not applicable as budget already approved.

<b>DD – Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Senior Leadership Team (SLT)</b> (mandatory)	Agree with recommendation.
<b>2</b>	<b>Finance / Section 151</b> (mandatory)	
<b>3</b>	<b>Legal / Monitoring Officer</b> (mandatory)	
<b>4</b>	<b>Human Resources (HR)</b>	
<b>5</b>	<b>Property</b>	N/A
<b>6</b>	<b>Information Communication Technology (ICT)</b>	N/A
<b>7</b>	<b>Procurement</b>	
<b>8</b>	<b>Scrutiny</b>	
<b>9</b>	<b>Local Members</b>	
<b>10</b>	<b>Any external bodies / other/s</b>	

<b>E – Risks and any mitigation (if relevant)</b>	
<b>1</b>	<b>Economic</b>
<b>2</b>	<b>Anti-poverty</b>
<b>3</b>	<b>Crime and Disorder</b>
<b>4</b>	<b>Environmental</b>
<b>5</b>	<b>Equalities</b>
<b>6</b>	<b>Outcome Agreements</b>
<b>7</b>	<b>Other</b>

<b>F - Appendices:</b>
No appendices.

<b>FF - Background papers (please contact the author of the Report for any further information):</b>
No additional papers.