

**AGENDA ITEM NO:**

**REPORT TO:** Executive Board Sub-Committee  
**DATE:** 18<sup>th</sup> December 2008  
**REPORTING OFFICER:** Strategic Director Health & Community  
**SUBJECT:** Domiciliary and Personal Care Tender  
April 2008- March 2011 – Award of Tender

**Exempt under Part II of The Local  
Government Act 1972**

**1.0 PURPOSE OF REPORT**

- 1.1 To inform Members of the outcome of the tender process for the award of contracts to deliver Domiciliary and Personal Care services within the Borough
- 1.2 To request approval to award the 3yr contract (with an option to extend for a further 1 year) for the provision of Domiciliary and Personal Care.
- 1.3 To request approval to extend the existing contracts for the provision of Domiciliary and Personal Care to 27<sup>th</sup> April 2009.

**2.0 RECOMMENDED THAT:**

- (i) **The Strategic Director Health and Community be authorised to award the 3yr contract (with an option to extend for a further 1 year), in conjunction with the portfolio holder for Health.**
- (ii) **The Strategic Director Health and Community, in conjunction with the portfolio holder for Health, be authorised to extend the existing Domiciliary and Personal Care contracts to 27<sup>th</sup> April 2009.**

**3.0 SUPPORTING INFORMATION**

- 3.1 For the purposes of this tender domiciliary care is defined as *personal, domestic duties and social/emotional support associated with ordinary living that a person might usually perform for himself or herself or by a competent and caring friend or relative.* The service is generic, and will therefore be available to members of the community, in need of social care, including those with learning disabilities, physical or sensory disabilities, people with mental health needs and older people.
- 3.2 The current Domically Care contracts expire on 31<sup>st</sup> March 2009 and a

competitive tender process has been undertaken to ensure that the future provision of this service is of a good quality and offers value for money.

The current List of Providers 2004 – 2009

Provider	Location
DH Homecare	Widnes
Sankey Healthcare	Widnes
Medico	Runcorn
Carewatch	Runcorn
Allied Healthcare	Widnes & Runcorn
Caring Hands	Widnes & Runcorn
Just Care	Widnes & Runcorn
M-Power	Widnes & Runcorn

- 3.3 However, the current expiry date of the 31<sup>st</sup> March 2009 on the existing contracts would create the following operational difficulties and risks:
- Hand-over to new contractors would take place just prior to a bank holiday. During these periods the availability of domiciliary care workers reduces and staff sickness levels increase.
  - Non-emergency HBC staff, such as members of the contracts team, are not available over the bank holiday to assist new providers with set up issues or to allay customer anxiety during the transition to a new provider and potentially a new care worker.

Delaying the transfer of services to new providers until after the bank holiday period would reduce risk to the Council from the above.

- 3.4 This report therefore seeks approval for the Strategic Director Health and Community, in conjunction with the portfolio holder for Health, to extend the existing contractual arrangements until 27<sup>th</sup> April 2009.
- 3.5 Subject to the above, it is proposed that the new Contracts will commence on 27<sup>th</sup> April 2009, and will run for a period of three (3) years with the possibility of an extension for a further one (1) year.
- 3.6 The contracts will be awarded on a geographical basis. Contracts will be awarded to two contractors in each zone and some organisations will be working in more than one “zone”. This will reduce travelling time for care workers and will assist with business continuity planning by minimising the travel across the bridge to deliver critical services.
- 3.7 The Strategic Director of Health and Community has conducted the tender process in line with the Council’s Procurement strategy, policies, relevant Standing Orders and best practice as detailed below.

3.8 Expressions were invited through adverts in the Warrington Guardian Newspaper & Community Care Magazine and the Authority received 68 expressions of interest from providers of services for domiciliary care services across the country.

3.9 35 provider organisations completed and submitted a pre-qualification questionnaire (PQQ) for evaluation. 24 Providers were successful at this stage and progressed to the Invitation To Tender (ITT) stage. The scoring matrix for the PQQ stage is included as Appendix One to this report.

3.10 14 tenders were submitted by the deadline of 3<sup>rd</sup> December 2008. The tenders were marked against the following factors

- Quality – 50%
- Costs – 50%

10 organisations were successful in the criteria stipulated in the ITT and progressed to the final Presentation stage. The scoring matrix for the ITT stage is included as Appendix Two to this report.

3.11 Presentations to the Panel of the successful tenderers took place on 10<sup>th</sup> December. Tenderers were marked on their responses to a series of questions and also on the quality and content of their presentation. The scoring matrix for the presentation stage is included at Appendix Three to this report.

3.12 After completion of the three stages of the tender process the Panel met to agree its recommendations for the award of block and spot purchase contracts in the four identifies zones and identify which providers will be invited to join a select list of contractors for the award of off contract hours.

3.13 The Panel’s recommendations for Block and Spot contracts are as follows:

<b>Zone</b>	<b>Provider</b>	<b>Provider</b>
<b>One – Widnes (230 hours of block per provider) Ward -</b>	Local Solutions	Homecare Support
<b>Two – Widnes (230 hours of block per provider )</b>	Local Solutions	Primrose Care
<b>Three – Runcorn (230 hours of block per provider) ward</b>	Homecare Support	Just Care

<b>Four – Runcorn ( 230 hours of block per providers ) ward</b>	Homecare Support	Carewatch

Approximately 50% of purchased hours in each zone (i.e. 230 hours per provider per week) will be purchased on **block**. These hours will be guaranteed hours that the Council will buy from the Provider.

The number of remaining hours will be purchased on spot, which are not guaranteed hours that are purchased by the Council.

Whilst all endeavours have been made to equalise the zones all Providers were made aware that the spot purchase levels may vary across each zone.

3.14 In addition the Panel recommends that the following organisations be invited to join the Select List:

- M-Power
- Castlerock Care
- First Call
- Northwest Communities
- Sankey Healthcare

#### **4.0 POLICY IMPLICATIONS**

4.1 There are significant TUPE implications linked to the award of these contracts and officers are looking to maximise the time available to successful tenderers to meet the potential requirement for the transfer of significant numbers of domiciliary care staff currently working in Halton.

4.2 Appendix 4 to this report sets out the detail of the TUPE implications and at this stage it is estimated that 153 care workers may be affected under TUPE regulations.

#### **5.0 FINANCIAL IMPLICATIONS**

5.1 The contract has been awarded on a 50% block and 50% spot purchase basis. Contractor will therefore be guaranteed purchase 50% of the estimated hours in each zone and will potentially receive 50% additional hours through spot purchase. The price per hour for the successful providers is as follows:

<b>Provider</b>	<b>Price per hour (all inclusive)</b>
Primrose	£10.50
Just Care	£10.70
Homecare Support	£10.88
Carewatch	£10.96

Local Solutions

£11.00

- 5.2 The estimated cost for the total block purchase hours over the 3year contract is £3,133,000. The estimated gross cost for the contracts including spot purchase hours is £6,266,000. Details for the estimated cost by provider is shown in Appendix 5.
- 5.3 Sufficient budget provision exists in the revenue estimates for expenditure on the tender.
- 5.4 The estimated savings from this tender for 2009/10 is in the region of £100,000.

## **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **6.1 Children and Young People in Halton**

N/A

### **6.2 Employment, Learning and Skills in Halton**

N/A

### **6.3 A Healthy Halton**

The provision of high quality effective domiciliary care enables individuals to remain in their own home and to maintain and improve their health outcomes.

### **6.4 A Safer Halton**

N/A

### **6.5 Halton's Urban Renewal**

The provision of Domiciliary care enables people to remain in their homes thus contributing to sustainable local communities.

## **7.0 RISK ANALYSIS**

### **7.1 Financial Risk:**

The tender process has been conducted in line with value for money principles and compliant with market testing. Tenderers were given an indicative price against which to submit their pricing schedule and this agreed in consultation with the Directorate Finance Managers.

The recommendations made the Members in respect of the award of the contract is in line with the MEAT principle (Most Economically Advantageous Tender).

### **7.2 Contractual Risk:**

The terms of the contract against which the tender is being let have

been checked and agreed by the Legal Services Department and are designed to protect the Councils' interests.

## **8.0 EQUALITY & DIVERSITY ISSUES**

8.1 The provision of domiciliary care is a council service that is delivered to the most vulnerable and socially excluded members of the community and the letting of this contract will enable the Authority to meet its duties to promote inclusion and fair access to services for all local residents.

## **9.0 REASON (S) FOR DECISION**

9.1 After a rigorous tender process conducted in line with Council Standing Orders and procurement policies and procedures; the recommendations included in this report are made in line with the council's duty to accept the most economically advantageous tender submissions.

## **10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

10.1 None

## **11.0 IMPLEMENTATION DATE**

11.1 The new Contracts are scheduled to start on 27<sup>th</sup> April 2009.

## **12.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None.

## **13.0 JUSTIFICATION FOR TAKING THE ITEM IN PART II**

13.1 This paper contains information relating to the business affairs of provider organisations. The justification for taking this paper as a part two item therefore relates to: *section 10.4.3: information relating to the business affairs of any particular person (including the authority holding that information).*

13.2 In view of the extent of the TUPE transfer implications linked to the award of this contract it is essential that providers be informed of the award of contract as soon as possible.

13.3 Subject to approval of this report, the Authority will inform providers of the award of contract post the Christmas bank holiday. The delay in notification will reduce risks to service users and the Authority of any increased disruption of services caused through the notification of the pending changes of provision.

13.4 Following notification to the providers (post the holiday period) it is intended that the award of contract be made public on the OJEU site and on the Authorities public register of contracts.

13.5 **Public Interest Test**

In the short term the public interest in not disclosing the commercially sensitive nature of the details in the report, outweighs the public interest in disclosure. However, in the longer term public interest will be served as the notice of award of contract will be made on the OJEU web site and on the Authorities public register of contracts.

13.6 **Conclusion**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information.