

SURREY COUNTY COUNCIL**CABINET****DATE: 14 JULY 2016****REPORT OF: MR MEL FEW, CABINET MEMBER FOR ADULT SOCIAL CARE, WELLBEING AND INDEPENDENCE****LEAD OFFICER: HELEN ATKINSON, STRATEGIC DIRECTOR ADULT SOCIAL CARE AND PUBLIC HEALTH****SUBJECT: SURREY COUNTY COUNCIL HOME FROM HOSPITAL SUPPORT SERVICES – CONTRACT AWARD****SUMMARY OF ISSUE:**

This report seeks approval from Cabinet to award two contracts for the provision of a Home from Hospital support service to commence 1 October 2016.

The Home from Hospital support service provides assistance to vulnerable people who are discharged from hospital and returning to their home. It enables people to regain their confidence and ability to live in their own home and re-connect with the community.

In response to the identified need for a Home from Hospital support service and the changing demographics of Surrey, officers undertook a joint procurement exercise with Surrey's six main Clinical Commissioning Groups (CCGs) to identify and secure the most appropriate way to deliver a Home from Hospital support service in Surrey. The report provides details of the collaborative procurement exercise, including results of the evaluation process and demonstrates why the recommended contract awards deliver best value for money.

This service is aligned to the Council's strategic goal of Wellbeing through supporting vulnerable people on their return Home from Hospital.

RECOMMENDATIONS:

It is recommended that:

1. The contracts are awarded for one year, from 1 October 2016 with an option to extend for two further periods of one year each.
 - Red Cross – Lot 3 East Surrey.
 - Home Group Limited – Lot 1 Northwest Surrey, Lot 2 Surrey Downs, Lot 4 Guildford and Waverley, Lot 5 Surrey Heath, North East Hampshire and Farnham.
2. The combined annual contract value of the two contracts awarded is £335,000.00 (£1,005,000.00 including extension periods).

REASON FOR RECOMMENDATIONS:

The existing grant agreement, which is funded from the Better Care Fund, will expire

on 30 September 2016. There is a continuing need for a service to support individuals who are ready to be discharged from hospital and return home with short term support. This service has contributed towards a reduction in hospital readmissions and gives confidence to individuals to continue living at home. This tender exercise was conducted in compliance with procurement legislation and Procurement Standing Orders. The recommendations provide best value for money for the Council and the Clinical Commissioning Groups.

DETAILS:

Business Case

1. This service will maintain the individual's independence and in many instances delay care and support needs increasing to higher levels which may then require Adult Social Care eligible support.
2. These contracts will continue to allow the Clinical Commissioning Groups across Surrey to utilise this service.

Current Home from Hospital Grant Agreements

- The current Home from Hospital service has been funded by way of a grant agreement, which has been extended annually.
- In December 2015 it was identified that this service should go through a procurement tender exercise in compliance with procurement regulations in order to stimulate the market, grow local business and meet local needs. It provided the opportunity to review and redefine the service requirements at a local level.

Procurement Options

3. An increase in demand due to an aging population with complex needs, NHS re-organisation with the formation of the CCGs and the realignment of the Council's commissioning teams at a local level created an opportunity to discuss a possible joint tender exercise to meet local resident needs.
4. Several options had been considered by Council and the CCGs for the future of this service:
 - Option 1: Do nothing and stop the service; this action would immediately reduce the ability to discharge some people from hospital. Potentially, the cost to Adult Social Care would increase because if an individual's low level need on discharge is not met, their needs would increase requiring more Adult Social Care eligible services to be put in place.
 - Option 2: Bring the service in-house; the Adult Social Care Directorate does not have an internal voluntary workforce who would be able to offer this service, thus costs would significantly increase. It is also likely that the cost of in-house provision would be higher than externally provided alternatives.
 - Option 3: Re-tender for one county-wide contract; this was not possible because Adult Social Care and the Clinical Commissioning Groups are working to meet their own local needs and there are different service requirements.

- Option 4: Split the contract into five lot areas to meet local needs and encourage local business growth.
5. Option 4 was selected, to ensure local needs were met and market growth stimulated. A full tender process was carried out using an electronic tendering platform, compliant with the Council's Procurement Standing Orders and the contract opportunity was advertised in accordance with Procurement Contract regulations 2016 in OJEU.

Key Requirements of the Contract

6. A number of key requirements were identified for the service:
- Extending the hours of the service to 7 days a week, 365 days a year from 8am to 8pm Monday to Friday and 9am to 5pm Saturday and Sunday.
 - Develop the discharged individual's confidence and ability to live in their own home.
 - To connect with the community and reduce isolation.
7. Performance will be monitored through a series of Key Performance Indicators (see below) which will be collated through the Council's electronic contract monitoring system. Quarterly operational meetings are also scheduled to discuss performance and development opportunities covering the following areas:
- Number of referrals for each calendar month
 - Breakdown of active cases at the end of the month: Contact made with individuals by telephone calls, face to face interaction – discharge planning involvement, home visits
 - Number of referrals by day of the week (to highlight busy days and help resource planning)
 - Number of referrals by time band e.g. per hour when service is available (to highlight busy periods and assist resource planning)
 - Number of referrals declined and reasons e.g. referred to other area, non Surrey
 - The source for each referral e.g. social services, occupational therapy, nurse, etc
 - The GP practice for each person (provides evidence of areas where patients live)
 - Reason(s) for referrals e.g. shopping, mobility aids, signposting,
 - Service(s) provided e.g. shopping, settle at home, escorting to various appointments, assist with meals, emotional support, confidence building, paper work, signposting to other community services, etc.
 - Demographic profile by gender and age bands
 - Number of people supported on day of discharge
 - Number of people at home supported within 24 / 48 hours of discharge
 - Hours of support provided.

Competitive Tendering Process

The Council led the procurement process on behalf of Surrey County Council and the Clinical Commissioning Group partners. All providers who expressed an interest in the advertised tender opportunity were able to tender for any of the five different lots. A total of eight responses were received.

Tender submissions were evaluated against the following criteria;

Award Criteria	Weighting
Service Delivery	39 %
Recruitment and Training	8.4 %
Better Care Fund	4.8 %
Business Implementation and Continuity	6.6 %
Social Value	1.2 %
Price for each lot area	40 %

8. The tenders were assessed by each lot with Adult Social Care commissioners and health colleagues from each CCG area evaluating the technical submissions for their respective lot. Additionally, there were two independent representatives from Surrey Coalition and Surrey Disabled Peoples Partnership who evaluated all 8 bids.

CONSULTATION:

9. During all stages key internal and partner stakeholders were consulted throughout the procurement and commissioning process, including Legal Services, Finance, Procurement and representatives of the Surrey Coalition and Surrey CCGs.

RISK MANAGEMENT AND IMPLICATIONS:

10. Risks have been looked at, appropriately identified and mitigated throughout the process.
- Providers withdrawing from the market - awarding to two providers mitigates against the risk of one of them serving notice on a contract and there being no other readily experienced provider in the County.
 - Financial pressures - there is a fixed price for the contract life time.
 - Financial stability of the provider – all winning providers have had satisfactory financial checks.
11. The contract includes termination provisions to allow the Council to terminate the contract within a notice period of one month should circumstances change for the need of this service.

Financial and Value for Money Implications

12. Full details of the contract value and financial implications are set out in Part 2 of the report.
13. This procurement activity has delivered a solution which meets the service aim and represents a reduction against current costs. The total funding agreed in Surrey's Better Care Fund for the Home from Hospital service is £352,000.00. The new annual cost for the contract is £335,000, which represents a cashable saving of £17,000.00 per annum. This funding will enable reinvestment in other initiatives within Surrey's Better Care Fund.

Section 151 Officer Commentary

14. The Section 151 Officer supports the proposal to award contracts to the selected providers for the Home from Hospital service as this delivers the service objectives within the available financial resources.

Legal Implications – Monitoring Officer

15. The legal implications are set out in the part 2 of the report.

Equalities and Diversity

16. An Equality Impact Assessment has been completed to understand the current delivery of the service, current customer needs and to ensure that the new service will not discriminate against any individuals.

17. It was identified that the new proposals will have a positive impact on residents of Surrey and their wellbeing.

18. The new contracts will also contribute to growth of the volunteer market.

WHAT HAPPENS NEXT:

19. Should Cabinet approval be awarded for this contract, the next steps are as follows:

Action	Date
Cabinet decision to award	14 July 2016
Cabinet call in period - five working days	15 July to 21 July 2016
'Alcatel' Standstill Period - ten calendar days	22 July to 1 August 2016
Contract Signature and mobilisation	August 2016
Contract Commencement Date	1 October 2016

20. Once the standstill period has finished ratification and agreement of the result and final sign off with the Clinical Commissioning Groups will take place.

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Consulted:

Internal and partner stakeholders
Legal Services
Finance
Procurement
Representations from the Surrey Coalition and Surrey Clinical
Clinical Commissioning Groups

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