

Strategic Commissioning and Investment  
222 Upper Street  
London N1 1XR

Report of: Director of Adult Social Care

Date: 4 December 2023

Ward(s): All

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## Subject: Flexible Framework for Home Care contract award report

### 1. Synopsis

- 1.1. This report seeks approval to appoint providers to two frameworks known collectively as Islington's Flexible Framework for Home Care. The procurement strategy for Islington's Flexible Framework for Home Care was approved by the Executive board on 12 January 2023 (please see Appendix 1). The procurement strategy delegated authority to award the contract to the Director of Adult Social Care.
- 1.2. The Flexible Framework consists of two lots. Lot 1 for guaranteed hours contracts for locality-based provision (dividing the borough into North, South and Central). Lot 2 for secondary providers - for individual packages of care, specialist care and any future care at home needs. This will prevent the need to go out to procurement for pilots, seasonal initiatives or to meet any changes in need. These two framework agreements will be used to call-off home care services as and when required to meet the council's needs.
- 1.3. A collaborative approach has been taken with Commissioning Managers, Senior Managers in operations, frontline social work staff, finance and procurement officers and residents all involved with this procurement process.
- 1.4. The Council has a statutory duty to shape the market. However, beyond this requirement, this innovative commissioning approach sets out an ambition to shape the market as an inclusive one, by integrating commitments around the

diversification of the market and improving workers' rights. This is the council taking a leadership role in the sector, in line with our community wealth building mission. We are not only ensuring good quality care provision for our residents, but also investing additional resource to take providers on a journey towards a more inclusive, locally generative economy. This procurement makes substantial steps in that direction and will continue over the next 8 years and beyond.

## 2. Recommendations

- 2.1. To agree to establish a Flexible Framework for Home Care by making appointments to two framework agreements (one for Lot 1 and one for Lot 2 as further described in the report)
- 2.2. To appoint the following providers to the framework agreements which will run for a maximum period of eight years (an initial period of four years with the opportunity to extend on one or more occasions not exceeding a further four years), with an estimated budget of £162.4m for the eight year duration.
  - 2.2.1. Lot 1 – Locality Providers (in alphabetical order)
    - EAZY INNOVATIONS C.I.C
    - Care Central Ltd
    - Goldsmith Personnel Ltd
    - Homedotcare Limited
    - Mihomecare Limited
    - Nema Home Care Limited
    - Prime Way Care Ltd
    - Rather Care Ltd
    - Vista Care Solutions Limited
  - 2.2.2. Lot 2 – Secondary Providers (in alphabetical order)
    - Bright Future Care Ltd
    - Cera Care Operations
    - Circle of Care Limited
    - Hartwig Care Ltd
    - Immediate Quality Care Ltd
    - JC Michael Group Ltd
    - Kaamil Education
    - London Care Limited
    - Pringle's Care Services Limited
    - River Garden Care Ltd
    - Sterling Standard Care Group Ltd
    - Supreme Company and Sons Limited

- Thames Homecare Services Ltd
- Temp Exchange Ltd

### 3. Date the decision is to be taken

3.1. 4 December 2023

### 4. Background

4.1. **Home Care is a key component of Islington's Adult Social Care vision** to be a place made up of strong, inclusive and connected communities, where regardless of background, people have fair and equal access to adult social care support that enables residents to live healthy, fulfilling and independent lives.

4.2. **Home Care, also known as Domiciliary Care, covers a wide range of activities**, including but not limited to, personal care; reablement; support with medication and household tasks to support people with long-term care needs in the community. Residents may require these services for a short period to recover from illness or injury for example, or for a longer period to allow them to remain safe, independent and living in their own home.

4.3. **Our ambitions for Home Care centre around four key areas:**

- Improving outcomes for residents through a personalised, strengths-based approach that maximises wellbeing and independence for all
- Ensuring capacity within high quality provision able to meet diverse needs and fluctuations in demand
- Driving a more inclusive economy through fair pay and good conditions for the care workforce; and community wealth building
- Delivering greater value for money by better managing demand, preventing or delaying escalation of need

4.4. **Estimated value**

4.4.1. Based on 2023/24 budget (£20.30m) before growth, savings and LLW increases the estimated value for this procurement will be £162.4m over a total period of eight years (without indexation). ASC will continue to monitor the budget and reduce or stem increasing demand where appropriate and in-line with the needs of residents.

4.4.2. This is a demand led budget. Spend is regulated and monitored via daily Integrated Quality Assurance meetings, six-weekly reviews of short-term packages and annual reviews of longer-term packages. Demand management will be achieved through a strengths-based approach (puts the strengths and resources

of people, communities, and their environments, rather than their problems and pathologies, at the centre of the helping process) to support planning; making best use of the in-house reablement service; ensuring home care workers are taking an enabling approach to care delivery which supports residents to become more independent; and regular reviews to ensure packages are appropriate to the level of need.

Home care will continue to be funded from the Adult Social Care budget, the 2023/24 budget for Homecare is £20.30m.

4.4.3. The Council has a statutory responsibility to ensure the provision of Home Care services. It is also a vital service to enable people to maintain their independence, remain living in their own homes, prevent admission to residential care provision, support hospital discharge and unnecessarily long stays in hospital which are detrimental to health.

4.5. **Options appraisal**

4.5.1. A full options appraisal was included in the procurement strategy (see Appendix 1), including in-sourcing, and the recommended option was procuring locality and specialist home care, as well as any additional provision through a flexible framework agreement (Option 3).

4.6. **Key Considerations**

4.6.1. Please see below key considerations for this service, in relation to social value and impact on staff:

<b>Key Consideration</b>	<b>Notes</b>
Good jobs	<p>This service will support better jobs as well as a greater diversity of progression routes into and through the care sector. Contractors will recruit locally and offer good jobs with routes for career progression, supported through the Health and Social Care Academy.</p> <p>Good terms and conditions will be achieved through service specification requirements working towards full compliance with the Unison’s Ethical Care Charter, including paying LLW, guaranteed hour contracts, paid travel time, and training and value-based recruitment. The Council will work with providers to implement occupational sick pay once the contracts are mobilised and stable where they have not offered it already as part of their social value. Providers will also be encouraged to work towards the Mayor of London’s Good Work Standards which are organised into four key areas; fair pay and conditions, workplace wellbeing, skills and progression, and diversity and recruitment. Although 67% have already indicated they</p>

	will be paying occupational sick pay as part of their social value the council will continue to work towards this with the remaining providers a year on from implementation.
London Living Wage (LLW)	Payment of at least LLW to all staff working on Islington contracts will be mandated. This will benefit local residents. Please see risk section for additional LLW considerations.
Social Value - better employment for care workers	<p>20% of the award criteria was allocated to social value. This will provide a range of benefits for the borough. All bidders were required to make commitments in line with the below social value outcome areas:</p> <ul style="list-style-type: none"> <li>• Staff are employed through a variety of contract types to enable security of employment and service continuity</li> <li>• Increased retention of care workers and opportunities for career progression</li> <li>• Staff are better supported to understand and assert their employment rights</li> <li>• A more inclusive economy with benefits for care workers</li> <li>• Increased staff wellbeing</li> </ul> <p>The social value commitments will be developed further with providers during the mobilisation of the contracts to identify robust KPIs which will be embedded in contract monitoring to ensure providers achieve their commitments. This will contribute to the holistic picture of home care quality assurance.</p>
Social value - Environmental	This contract will actively facilitate a transition away from a high-carbon local economy. Home care workers will be encouraged to use public transport, cycling or walk between resident visits. The sector has moved away from paper documentation to electronic systems for care records, rotas etc. Increased use of local supply chains reduces air pollution and improves air quality. Providers have made environmental social value commitments such as car free travel, cycle schemes or provision of electric bikes, and efficient rostering to avoid travel/encourage staff to walk.
TUPE/Staffing	TUPE is likely to apply where service users transition to a new provider

#### 4.7. Evaluation

4.7.1. The procurement was conducted in accordance with the Public Contracts Regulations 2015 (the PCR). The procurement was subject to the 'light-touch regime' under Section 7 Social and Other Specific Services of Part 2 of the PCR. The Council utilised the flexibility allowed under the 'light-touch regime' to design a process that ensured a robust assessment of providers to be party to the framework agreement, and to set up an 8-year arrangement where normally frameworks cannot exceed a total term of 4 years.

- 4.7.2. Bidders were advised that 9 places were available on the framework for Lot 1, but that if they applied for appointment to Lot 1 but were unsuccessful, then provided they met minimum standards, they would be appointed to Lot 2 instead.
- 4.7.3. 230 submissions were received in response to the advertised contract notice.
- 4.7.4. 144 bidders submitted with the required number of documents (and therefore received further compliance checks).
- 4.7.5. 121 submissions passed compliance checks.
- 4.7.6. 31 submissions passed the suitability assessment and had their method statements evaluated.
- 4.7.7. 24 submissions passed the minimum requirements for the method statements and had their pricing schedule evaluated.

The award criteria lot 1

<b>Tender award criteria</b>	<b>Weighting (%)</b>
<b>Price</b>	<b>15%</b>
<b>Quality – made up of:</b>	<b>85%</b>
• Proposed approach to <b>Service Delivery</b>	<b>25%</b>
• Proposed approach to <b>Social Value</b>	<b>20%</b>
• Proposed approach to <b>Customer Care</b>	<b>15%</b>
• Proposed approach to <b>Monitoring Performance, Quality Assurance and Continuous Improvement</b>	<b>15%</b>
• Proposed approach to <b>Strategic Partnerships and Innovation</b>	<b>10%</b>

The award criteria for Lot 2:

<b>Tender award criteria</b>	<b>Weighting (%)</b>
<b>Price</b>	<b>15%</b>
<b>Quality – made up of:</b>	<b>85%</b>
• Proposed approach to <b>Service Delivery</b>	<b>30%</b>
• Proposed approach to <b>Social Value</b>	<b>20%</b>
• Proposed approach to <b>Customer Care</b>	<b>20%</b>
• Proposed approach to <b>Monitoring Performance, Quality Assurance and Continuous Improvement</b>	<b>15%</b>

#### 4.8. **Business risks**

##### 4.8.1. Risks

Volatile sector

Home care is a high-risk service area, quality issues arise regularly, and providers suffer from financial insecurity. The new service will mitigate this by creating stability through awarding block contracts for lot 1 from the framework and a sustainable hourly rate paid by the Council for both lots. It will provide quality assurance through robust evaluation criteria and a partnership approach to service innovation and continual improvement once the services are live.

#### Market capacity

The home care market is not traditionally very dynamic, providers may be concerned about the capacity, experience and skills to meet this new model. Market engagement helped ensure local providers were sighted on the new model and had the skills and knowledge to bid. Market engagement and market development activity included coproduction of the new model with local home care providers. This approach will continue by ensuring the successful providers are fully engaged in mobilising the new service.

#### Dependent on whole system change

The success of a new home care model relies on whole system change. The embedding of social work strengths-based practice and outcomes-based support plans will enable home care providers to develop outcomes-based plans with residents. The model will support and dovetail with ongoing adult social care operational quality development measures. This approach will be extended to providers to support their ability to deliver a strength based approach to home care services.

### 4.8.2. Opportunities

#### Manage or reduce demand

By taking an enabling approach to care and support, home care workers will be supporting independence not dependence. This should improve resident satisfaction with services and improve wellbeing, ensuring better outcomes, resulting in reduction or delay to increases to care packages through the new model for those residents with capacity to improve their independence and self-reliance.

#### Better integration

Moving to a locality model on the same geographical areas as our health partners will provide opportunities for home care services to integrate with primary care, community health services, social care teams as well as with local voluntary and community sector organisations.

#### Coproduction with residents and providers

Personalised support and care plans are a key feature of our new model which will enable a resident to say what is important to them and for a care provider to

deliver the outcomes shaped around a resident's wishes. Taking an outcomes-based approach will allow providers more flexibility to deliver care and support in ways which are best for the person and encourage integrated care delivery and connections with the local community.

- 4.9. The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.

#### Award of Call Off Contracts

- 4.10. Approval of the Procurement Strategy report by the Executive in January 2023 included approval being granted to the Director of Adult Social Care to both appoint to the framework and then to award call-off contracts from the framework. Accordingly further reports will be presented to the DASS to approve these call off contracts. Further discussion will take place with providers about their capacity, however the intention at this stage is that each of the nine providers appointed to Lot 1 will be awarded a locality contract, there being three available in each of the three localities. For Lot 2, awards may cover an individual service user, particular client groups (such as Learning disabilities) or overflow requirements when any of the Lot 1 call offs are at capacity. The call-off process was described in the procurement documents provided to suppliers in order to set up the frameworks.

## 5. Implications

### 5.1. Financial Implications

- 5.1.1. Homecare is funded within the Adult Social Care budget. For 2023-24, the total expenditure budget for all homecare provision amounts to £20.30m.
- 5.1.2. The proposed cost of the new Homecare contracts is within the current homecare budget estimates for 2023/24 and will not cause a budget pressure based on current demand and purchasing configuration.

### 5.2. Legal Implications

- 5.2.1. Under the Care Act 2014, the Council is under a duty to:
- 5.2.1.1. promote the efficient and effective operation of a market in care services with a view to ensuring that any person in its area wishing to



access services has a varied choice of high quality services, bearing in mind the importance of sustainability of the market, of delivering continuous improvement, and fostering the workforce;

5.2.1.2. work towards the integration of health provision and social care provision, to advance well-being;

5.2.1.3. prevent need for care from arising, and promote well-being;

5.2.1.4. co-operate with its partners.

5.2.2. The Care Act 2014 also requires that social services authorities carry out an assessment of need of a person who may be in need of care and support, and then to meet those needs subject to eligibility criteria.

5.2.3. Under the Public Contract Regulations 2015, home care services will fall into what is often called the Light Touch regime (LTR), which enables an authority to both design its own procurement procedure and also have flexibility as to the model of legal structure adopted, subject to advertising the procurement and complying with the duty to ensure fairness, transparency and equal treatment. Under the 2015 Regulations, adopting a framework structure gives flexibility, however it is supposed to be closed to new appointees and only last for 4 years. Here the recommended option is for the framework to be re-opened periodically and be for 8 years, which is compliant with the flexibilities allowed under the LTR.

5.2.4. The Council must ensure transparency, equal treatment and non-treatment in selecting operators for appointment to the framework, and in awarding call-off contracts under it. In relation to the procedure for awarding call-off contracts, the process documented in the contract documents must be followed each time there is a requirement for services.

5.2.5. Delegation of the decisions both to appoint to the framework and then to subsequently award call-off contract by the Executive is explained in paragraph 4.10 above. Overall the decision-maker for this report needs to be satisfied that the recommended appointments to the framework will result in those tenderers assessed as submitting the most economically advantageous tenders, according to the published award criteria, being so appointed.

### 5.3. **Environmental Implications and contribution to achieving a net zero carbon Islington by 2030**

5.3.1. An Environmental impact assessment has been completed and has been included as an appendix (see appendix 2)

### 5.4. **Equalities Impact Assessment**

5.4.1. The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act

2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

- 5.4.2. An Equalities Impact Assessment was completed on 3 May 2022 and reviewed 17 October 2023. The full Equalities Impact Assessment is appended.

## 6. Conclusion and reasons for the decision

- 6.1. This report recommends establishing two framework agreements for lot 1 and lot 2 of the Flexible Framework for Home Care, and to approving the appointment of the Providers listed in 2.2 to the framework agreements. The Providers listed in 2.2 were assessed as submitting the most economically advantageous tenders in respect of both quality and price. This will enable the implementation of a new outcome focused and locality model of home care which places a greater focus on independence and wellbeing for residents together with a procurement approach that supports the council's ambitions for an inclusive economy.

## 7. Record of the decision

- 7.1. I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

Authorised by:

**Director of Adult Social Care**

Date:

**Appendices:**

- Appendix 1 - Procurement Strategy for Home Care services
- Appendix 2 – Environmental Impact Assessment
- Appendix 3 - LLW Report
- Appendix 4 - Full Equality Impact Assessment

**Background papers:**

- N/A

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