

# North Yorkshire County Council

## Meeting between Corporate Director & Executive Member

30/11/2018

### Recommissioning of Domiciliary Care in Harrogate and Selby

#### Report of the Corporate Director – Health & Adult Services

<b>1.0 Purpose of report</b>
1.1 The update the Corporate Director and Executive Members on the commissioning intentions regarding the provision of domiciliary care in Harrogate and Selby.

#### 2.0 Issues

Since February 2015 NYCC has procured domiciliary care for people living in Harrogate and Selby through a closed framework with two providers operating in Selby District and one provider in Harrogate.

The implementation of these contracts was problematic and included two providers (Mears and Castle Rock Group) withdrawing from the contract in the first 18 months due to issues around financial viability and capacity. The providers who remained on the framework are well established local providers, HAS staff have worked closely with these providers to develop a strong working relationship which has generated benefits for both NYCC and providers as the frameworks have developed.

Since the frameworks stabilised in late 2016 we have seen a general improvement in the domiciliary care market conditions in these areas against a backdrop of deteriorating market conditions elsewhere. The key benefits to NYCC can be summarised as;

**Costs:** The framework secures capacity at a lower rate than is generally available through the provider lists in the same areas. For example in Harrogate the average cost of an hour of care through the approved provider list is £19.96 against £18.71 through the framework. This has allowed HAS to secure large volumes of care at consistently lower rates than would be possible through the wider market.

**Capacity:** The framework areas are the only two parts of the county which have seen an improvement in capacity in recent times. Brokerage heat maps (attached as appendix) indicate that both Selby and the urban area of Harrogate improved between 2015 and 2018 – this is against the backdrop of a generally deteriorating market position in the rest of the county.

**Relationships:** Providers and staff in both areas stress the value of improved relationships across the system which can allow for more timely responses and there is evidence of framework providers picking up packages at very short notice to assist with hospital discharges especially in Harrogate. Brokerage in the framework areas have an automatic first port of call which reduces their workload to an extent and safeguarding can be more effectively managed with a smaller provider base.

When viewed in this way, with managed costs, increased capacity and improved efficiency of processes the frameworks can be judged as a qualified success. Whilst the change in system

has not been a panacea for the problems within the domiciliary care market, it has ameliorated some of the deterioration seen in other places and as such it is important that lessons are learned.

### 3.0 Recommendation

The current framework arrangements are due to expire on 31/03/2019 with no further extension possible. It is therefore proposed that HAS commissioning and procurement staff commence work on the development of a successor to the current framework arrangements in place in Harrogate and Selby, drawing on the extensive lessons learned exercise undertaken following implementation in 2016.

### 4.0 Financial Implications

Full modelling and costing work is underway to develop an hourly rate which will be sustainable within the market and offer HAS value for money, as well as to assess the full life term impact on CSB budgets. This work is being undertaken by HAS, Corporate Finance and Commercial services staff and will be subject to review at HASLT on 05/12/18.

### 5.0 Reasons For Recommendations

As evidenced under 1.0 and in greater detail in the Gateway 1 documentation, the frameworks can be viewed as a qualified success in terms of securing capacity within the market and restraining costs as well as in facilitating improved relationships between NYCC and the market.

The extensive lessons learned process undertaken has been fully incorporated into the plan for this procurement and the teams are confident that a positive outcome can be achieved whilst limiting the risks and issues encountered in 2014/5.

9.0	Recommendation(s)
9.1	The Corporate Director and Executive Members acknowledge the content of this report and the current status of the frameworks in Harrogate and Selby.
9.2	The Corporate Director and Executive Members approve the key decision to proceed with formal commissioning and procurement activity to secure a successor arrangement to the current framework.

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Background Documents – Care Market Heatmaps 2016 - 2018