

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care
Date:	29 July 2015
Title:	Electronic Care Monitoring Contract
Reference:	6794
Report From:	Director of Adult Services

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1. Executive Summary

- 1.1. This report seeks permission to procure and spend for the continued use of the existing Electronic Care Monitoring System (ECM), for a period of up to 7 years. This system is currently in use by Care at Home Providers, Community Response Team (CRT) and will also be rolled out to REACT providers.
- 1.2. This report outlines the rationale for the request and details the costs of the project.

2. Contextual information

- 2.1 Adult Services has invested significantly in new technology to improve the efficiency of its service delivery. Connecting its internal systems with those of the independent sector service providers that deliver much of the domiciliary care should further improve efficiency.
- 2.2 The EDCM2 Business offered a significant range of non-cashable benefits, as well as anticipated net cashable benefits of between £1.27m and £1.96m per annum if improved processes and behaviours are adopted. These cashable benefits were dependent upon the deployment of the software solutions from CM2000 and the Adult Services' resources to use these tools.

2.3 CM2000 Solution - CallConfirmLive

The CallConfirmLive (CCL) application draws information into its database from providers' systems (planned visits and client information), from providers' care workers (actual visits) and from Adult Services' Swift/AIS (commissioned care). CCL provides a variety of tools to process all this data and sends information back to the providers (actual visits, payroll and invoice information) and Adult Services (invoices and actual visits).

2.4 The current system provides the Council with the right technology to support the contracts let under the two frameworks and will also support the way the REACT providers work. The existing supplier has been and continues to be prepared to liaise closely with the Council on enhancements to the system.

3. Current Situation

3.1 The current contract was let following a mini competition to purchase an ECM system from the Eastern Shires Purchasing Organisation Framework (ESPO).

3.2 The current contract expires on 31 July 2015 and whilst it does contain an option to extend for a period of one year, discussions with the supplier around contracting options have identified that entering into a new contracting arrangement would enable us to introduce a costing structure that would become more beneficial to us as our usage of the system grows incrementally. This will be of particular benefit to both the Council and the Clinical Commissioning Groups (CCGs) if they begin to utilise the Care at Home Framework and it is envisaged that the supplier will operate a costing model that reduces the cost of individual elements of the contract as the number of client visits being supported by the system grows.

3.3 Entering into a new contract will enable the Council to align the contract for technology in use with the Care at Home and Supported Living Frameworks with the timeframes in place for those frameworks and ensure that the external providers currently required to use the Council's chosen ECM system, under their contracts with the Council, would not be subjected to a change of system and procedures.

3.4 ESPO have established a framework for Electronic Homecare Monitoring and Scheduling Solutions commencing on 1 June 2015 for a period of two years with an option to extend until 31 May 2019. This framework is divided in to the following lots; homecare monitoring, scheduling solutions and integrated systems with the current supplier, CM2000 Ltd, awarded as one of the suppliers awarded to all three lots. The services provided under these three lots meet the Council's requirements for an ECM system. Under the framework, contracting authorities may undertake a further mini competition or make a direct award where it identifies a supplier which best meets its requirements by providing the most economically advantageous solution. Awarding a contract using either of these procedures, in accordance with the framework, shall ensure compliance the Public Contracts Regulations 2015 and reduce the legal and procurement resources required by Adult Services to award contracts under this framework.

4. Finance

4.1. The costings received from CM2000 Ltd are based on the following assumed usage of the system:

Service delivery	Assumptions
CRT Scheduling Licences	12
Total CRT Care Workers	214
Estimated Number of Service Users	8,000
Full CallConfirmLive! Concurrent User Licences	135
New Care @ Home, LD&S Providers	27
Total Contract Length (years)	7

- 4.2. Based on those assumptions, the seven year cost of the procurement would be £3,519,161. This cost covers all current usage by Care at Home, Learning Disability Services and CRT and also includes the services that will be contracted with by Phase 2 of the Learning Disabilities Framework. It represents an annual charge of £492,821 and additional costs relating to setting up new providers in the first year of £70,114.
- 4.3. The Concurrent User and Landline unit rates, shown in the table above, are based on Care at Home, Learning Disability Services and CRT services, however CM2000 have agreed to apply the following discounts based on the following volumes if usage increases either by way of the Council utilising the system more or by the CCGs using it too:

Unit Volumes:	Discount
8,800-10,000	1%
10,001-12,000	2%
12,001-14,000	3%
14,001-16,000	4%

- 4.4 CM2000 Ltd have also agreed to offer the following volume driven price discounts that apply to all capital and Non-recurring fees associated to Mobile Hardware, Airtime Contracts & Mobile Workforce Solution (MWS) Application Fees. They will also apply these discounts to all active recurring volumes. This will be of particular benefit if the Council moves to more utilisation of Mobile Workforce Technology.

Unit Volumes:	Discount
1-1,000	0%
1,001-2,000	5%
2,001-5,000	10%
5,001-10,000	14%

- 4.5 The original Business Case identified anticipated net cashable benefits of between £1.27m and £1.96m per annum against the domiciliary care budget and as such the cost for continued use of this system for both domiciliary care by way of the Care at Home contracts and also the Learning Disabilities and CRT usage continues to be covered by the savings being made to the domiciliary care budget. The Business Case assumed a maximum of 6,500 clients with good levels of recording accuracy (75% compliance). The use of ECM for Care At Home and the Learning Disabilities Programme will mean over 8,000 clients will have visits recorded on ECM and the proposals for the new contract should see a significant increase in the visit recording accuracy

(over 90%). If this can be achieved, it would be reasonable to expect an additional net saving of at least £0.6m pa can be realised.

5. Performance

- 5.1. Use of the system enables the Council to monitor the performance of contracted providers in a way that is not possible without such a system and whilst it could be argued that any ECM system would provide this, the performance of those providers will not be adversely affected by a forced change of technology and processes if the Council continues to utilise the system they have implemented as part of their contracts with us.
- 5.2. The performance of internal staff would be adversely affected by a change of system at this time too. Implementing and understanding a new system would, in the short term, affect the support it was possible to give to contracted providers.

6. Consultation

- 6.1. Discussions and presentations have taken place with the existing supplier, in order for them to demonstrate the current and future technological opportunities their system can provide to support the Council, Service Providers and other potential interested organisations (e.g. CCGs).
- 6.2. CCGs have been included in those discussions.

7. Recommendation

- 7.1. That the Executive Member for Adult Social Care give approval to procure and spend for the continued use of the existing Electronic Care Monitoring System, for a period of up to 7 years (3+2+2) from 1 August 2015 to 31 July 2022 with initial costs of £70,114, and an annual contract value of up to £492,821 giving a maximum contract value of up to £3,519,161.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Maximising well-being:	yes
Enhancing our quality of place:	yes

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

An EIA was completed in 2014 at the start of the roll out of ECM across all providers. The conclusions of that assessment were that the project may have a low impact on the following groups:

- people with a disability, as LD service users may be affected positively through the monitoring of care/support delivery;
- care workers, as they may benefit from improved lone worker security measures, but in turn may also be affected negatively through pay levels;
- women, because they represent the majority of care workers; and
- women from ethnic minorities, as they are over-represented amongst female care workers.

However, because of the anticipated benefits that EDCM would bring and the assurance that care workers are protected by employment and equalities legislation, the final conclusion of the assessment was that the overall impact of the project on equality would be low and neutral (as positive and negative impacts offset).

As the programme of rolling out to all providers and clients continues, the impacts identified in the assessment of 2014 remain the same.

2. Impact on Crime and Disorder:

2.1. The County Council has a legal obligation under Section 7 of the Crime and Disorder Act 1998 to consider the impact of all decisions it makes on the prevention of crime. The proposal in this report aims to improve the safety of vulnerable Hampshire residents and reduce the risk of crime occurring.

3. Climate Change:

a) How does what is being proposed impact on our carbon footprint / energy consumption?

No impact has been identified

b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

No impact has been identified