APPENDIX 1   **For Decision**

Procurement and Implementation of a Tri-borough Home Care E-monitoring System and creation of a Tri-Borough Home Care Management Team.

1. Introduction

This report seeks your approval to proceed with the procurement and implementation of a Tri-borough E-monitoring system to support and complement the introduction of the new Tri-Borough Home Care contract, and the establishment of a Tri-borough Home Care Management Team (HCMT) to utilise the system. The introduction of this solution is key to supporting the proposed new home care model and providing a streamlined, high quality and cost effective Home Care service across Tri-borough in the future, through recording accurate amounts of care delivered, and also providing information to support contract monitoring and safeguarding.

In addition to savings already realised in the Royal Borough of Kensington and Chelsea (RBKC) through adopting such a system and way of working in April 2009, it is anticipated that implementing such a solution across Tri-borough will deliver additional savings to the Home Care budget of 8% for Westminster City Council (WCC) and 6% for the London Borough of Hammersmith and Fulham (LBHF). It should be noted that this proposal represents a significant change from what RBKC are carrying out at present, and is not just a re-procurement of the existing system.

2. Background

The Home Care Project Group has recommended that a Tri-borough electronic call management system be procured to support the new Home Care contract, and this approach has been endorsed by the ASC Cabinet Members for all three boroughs. The project group has also recommended that a Tri-borough home care 'brokerage' service be implemented alongside this to give a unified more expert response to care.

The main Project drivers are;

- to enable the Tri-borough Home Care service to realise identified savings through more effective monitoring of providers commissioned care hours versus actual delivered care hours
- to provide robust and timely management and monitoring data of service provision across Tri-borough regarding performance
- to produce financial savings for WCC and LBHF through improved management of actual care provision and streamlined electronic payment processes within these authorities
- to improve efficiency in service delivery, charging and invoice processing through having a single Tri-borough solution, integration with the shared

Case Management System - Frameworki (FWi) and a central monitoring and brokerage service

- to provide a consistent Tri-borough e-monitoring solution that is proven and quick to implement
- to provide a more streamlined service provision via one team having the service knowledge and expertise across the three boroughs
- to ensure service users are safeguarded and Councils operate on full efficiencies as an essential underpinning of the new proposed home care service model

3. The Proposed Procurement Process.

The RBKC E-monitoring system was procured from the Eastern Shires Purchasing Organisation (ESPO) Framework Contract 394, and it is proposed to again call off this Framework Agreement to procure the Tri-borough solution. This Framework is valid until 31st March 2016.

The Call Off Award evaluation will be carried out by a team of officers from Tri-borough Procurement, Adult Social Care, Finance and IT, and use standardised elements that will be stated in the requirements documentation issued to all suppliers. The appointment of the preferred supplier will be subject to approval and ratification by Cabinet.

4. Anticipated Costs and Expected Benefits

System Costs

The anticipated costs of the Tri-borough IT system are based on the RBKC procurement. The development of the system is expected to cost in the region of £150,000 which will be shared between the boroughs, with running costs (maintenance and support) expected to be in the region of £300,000 per annum - again this is to be shared between the boroughs. These costs will be further defined and detailed as the procurement progresses.

Staffing Costs

The currently estimated running costs of a Tri-borough Home Care Management Team (HCMT) are in the region of between £660,000 (the best case scenario) and £900,000 (the worst case scenario) per annum. As with the system costs, this will be shared between the three boroughs and apportioned appropriately depending on the differing levels of care provision supplied.

Work is currently underway to further define these costs, and to create a proposed structure for the future HCMT.

The HCMT will be the first point of contact for care managers in setting up care packages as well as for providers and service users. They will also manage the E-monitoring system and carry out light touch reviews with service users.

Benefits

Financial - There are anticipated savings on the care budgets in WCC (8%) and LBHF (6%) as a result of more accurate recording of actual visits. These savings have been built into the Home Care financial model presented to Cabinet Members. In addition there will be savings through replacing individual borough paper based systems with a Tri-borough electronic payment system to generate invoices, through integration with the shared Case Management System - Frameworki (FWi) - and through introducing a central monitoring and brokerage service

Non-financial - The e-monitoring system will provide information on workforce scheduling and capacity, audit trails of care provided in cases of complaints and safeguarding issues, allow comparisons between commissioned and delivered care, lead to more accurate charging for service users which in turn will reduce the number of queries to Finance.

Data extracted will also inform Key Performance Indicators and other elements of contract management, and produce information on care workers in terms of consistent allocation to services users and punctuality across a contract.

5. Financial and Property, Legal, Sustainability, Personnel Implications

Financial Implications – Costs and Return on Investment

The costs of undertaking the Project are approximately between £270,000 and £350,000 per borough in the first year (system development plus creation of a Tri-borough HCMT), with on-going costs likely to be in the region of between £275,000 and £355,000 for each borough depending on the final model approved. This figure includes the cost of the HCMT. It is anticipated that implementing a Tri-borough E-monitoring system will deliver savings to the Home Care budgets in WCC and LBHF of 8% and 6% respectively.

Property Implications

As the E-monitoring system is web based and externally hosted, it follows the current IT strategies of reducing locally based and supported systems, and will reduce IT support costs accordingly.

Legal Implications

Procuring via the ESPO Framework satisfies the relevant EU, UK and local authority regulations for the letting of contracts. The contract will also provide for the secure storage and transfer of personal data and ensure that the chosen solution will meet relevant data protection standards and legislation.

Sustainability

The procurement is concerned with maximising the use of shared resources and services and providing these in a sustainable manner. The chosen supplier will be required to conform to all environmental legislation related to the provision of IT services and hardware, and the removal of a requirement for servers to internally host the system will have a direct effect upon reducing Tri-borough carbon emissions, as will replacing paper based systems with electronic ones.

Personnel Implications

In order to create the Tri-borough HCMT, resources will need to be re-allocated from WCC and LBHF and reviewed in RBKC. As has already been the case within RBKC, these resources will be funded by reviewing work practices within Adult Social Care (Operations).

6. Consultations

The proposals for a new Tri-borough Home Care service (including an E-monitoring system) produced by the Home Care Project Group have been presented to Cabinet Members and have received their informal approval to proceed. In addition staff consultation events have taken place across Tri-borough and engagement events with Health colleagues, providers and service users are being rolled out at present.

7. Recommendation

It is recommended that the procurement for a Tri-borough E-monitoring system and the creation of a Tri-borough Home Care Management Team proceed as described above for the following reasons;

- The proposed system and HCMT supports the new Tri-borough Home Care service in achieving more efficient working practices and producing identified savings

- The proposed system will support and enable all three boroughs to move to a common Tri-borough Home Care Service

- The proposed system supports the reduction of back office costs whilst improving the offering of front line services

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