

Meeting of:	CABINET
Date of Meeting:	22 JULY 2025
Report Title:	SOCIAL SERVICES AND WELLBEING RECOMMISSIONING CARE AT HOME SERVICES
Report Owner / Corporate Director:	CORPORATE DIRECTOR SOCIAL SERVICES AND WELLBEING
Responsible Officer:	PETE TYSON – GROUP MANAGER, COMMISSIONING
Policy Framework and Procedure Rules:	There is no effect upon the policy framework or procedure rules.
Executive Summary:	This report seeks Cabinet approval to undertake a procurement exercise to establish a Framework Agreement of commissioned regulated care at home providers, with current contractual arrangements with commissioned providers due to end on 31st March 2026.

1. Purpose of Report

- 1.1 The purpose of this report is to request Cabinet approval for Bridgend County Borough Council (BCBC) to undertake a procurement exercise to invite tenders to establish a Framework Agreement of commissioned regulated care at home providers.

2. Background

- 2.1 In November 2014, Cabinet approved the remodeling homecare implementation plan, which set out the Council's intentions for meeting the increasing demands for internal homecare and external domiciliary care in a sustainable and managed way. This plan recommended complimentary roles for in house and commissioned care and support services – providing a range of specialist and long-term services.
- 2.2 It was recognised that there was a need to strengthen and develop what was a fragile market and attract new providers to support the service model that was approved. To facilitate this change, officers developed a commissioning plan, which established a framework agreement for the provision of externally commissioned domiciliary care.
- 2.3 In January 2016, Cabinet approved the award of a framework agreement to 13 providers for the provision of new packages of domiciliary care from April 2016. Building on the success of the first tender exercise which delivered sufficient capacity and high-quality services whilst also ensured compliance with relevant procurement legislation and BCBC's Contract Procedure Rules, two subsequent tender exercises for care at home services have been carried out and approved by Cabinet in 2017 and 2021, with current tendered framework arrangements due to expire on 31st March 2026.

3. Current situation / proposal

- 3.1 Having safe, flexible and effective care and support at home services are an essential part of the Council's strategy to help and support individuals to maintain their independence.
- 3.2 Current contractual arrangements with Independent Domiciliary Care (IDC) providers end in March 2026, where services will need to be recommissioned and tendered during 2025/26 to ensure compliance with relevant national legislation and BCBC's Contract Procedure Rules.
- 3.3 The proposal is to implement a maximum six-year (2 years initially with the option to extend by a further 24 months and an additional 24 months thereafter) Framework Agreement, and to carry out the recommissioning exercise in the same way as when these services have previously been tendered – where existing packages of care will only possibly move over to a new provider at point of review. This is to minimise disruption and unrest for individuals, but also to enable providers to plan and develop their businesses, recruit and retain workforce and develop services for the people of Bridgend.
- 3.4 BCBC are committed to working with high quality and experienced service providers, and there will be a very strong emphasis on quality as part of the tender process. To enable this, the cost:quality ratio of 20:80 will be strongly weighted in favour of quality – which will be evaluated through the written responses from the providers, including consideration of their regulatory inspection reports from Care Inspectorate Wales, feedback from people who use their services, their compliance with all aspects of employment law as well as presentations and/or interviews that are part of the tender process.
- 3.5 When the first tender exercise was undertaken, providers were asked to submit their own rates to meet the requirements of the contract – and no ceiling or basement amounts were provided by the Council. This approach could be considered as being a 'race to the bottom', where those who provide the lowest rates are more likely to score highly when considering 20% of evaluation links to costs, and the lower cost is deemed more favorable.
- 3.6 In response to this, during the last tender exercise undertaken in 2021, Cabinet approved that instead of an uncapped price submission, a maximum and minimum allowable rate should instead be given to providers, which linked to the National Commissioning Board (on behalf of Welsh Government) cost modelling work on what constitutes a fair price of care. It should be noted that real living wage for care workers became Welsh Government policy from April 2022 and this has been reflected in provider uplifts accordingly from that date.
- 3.7 It is proposed to continue with this pricing methodology with the next tender exercise, which will mitigate the risk of any significant cost pressures for BCBC linked to high rates submitted and will also allow providers sufficient funding to deliver the quality of service required. i.e. funding will allow providers to meet the ethical treatment of the workforce requirements of the new Code of Practice, and also the Welsh Government requirement to pay care workers the Real Living Wage.

- 3.8 Service providers on the new Framework Agreement will not be guaranteed packages of care – with each package placed following its own individual process which considers both quality and price as part of the evaluation – which is carried out independently by a brokerage team. This gives full flexibility to the Council in terms of the balance between in-house and commissioned services.
- 3.9 As part of the tender process, it will be stated that levels of hours commissioned might increase as a result of the increased demands and pressures highlighted in recent Population Needs Assessments, but will also state that there is ongoing work at a national and local level linked to ‘rebalancing of care’, which might also result in a reduction of hours needing to be commissioned during the term of the contract.
- 3.10 The table below sets out the indicative procurement timescales (to be confirmed), should Cabinet approval be given to go to tender:

	Stage 1 Procurement Activity	Date
1	Approval to go to tender	July 2025
2	Place tender notice for the Framework	September 2025
3	Tender returns	November 2025
4	Final tender evaluation	January 2026
5	Approval to award	February 2026
6	Contract start date for Framework	April 2026

4. Equality implications (including Socio-economic Duty and Welsh Language)

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions.
- 4.2 An initial Equality Impact Assessment (EIA) screening of the proposed tender for Care at Home services has identified that there is no change to service delivery and therefore there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh language. It is therefore not necessary to carry out a full EIA on this policy or proposal at this stage.

5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives

- 5.1 A summary of the Well-being of Future Generations (Wales) Act 2015 assessment is listed below:

Long-term The service model continues to be person-centred and outcome-focused, which is in keeping with the requirements of the Social Services and Wellbeing (Wales) Act 2014, and help meet the longer-term demands and requirements of services.

Prevention Care at home services are essential preventative services to mitigate the need for more costly residential care placement, where individuals are supported to maintain independence and

live in their own homes for as long as is possible and appropriate to do so.

Integration Care at home service providers will need to work with a wide range of stakeholder groups and organisations (such as health) to ensure the best possible outcomes for individuals in receipt of these services.

Collaboration The service model is predicated on close collaboration between the service provider, social work teams, wider stakeholders and communities, and the individuals themselves.

Involvement Key stakeholders and providers have been involved to help shape and inform the service model that has evolved to date, where there has been no feedback received to suggest any significant changes are needed to the current strength-based and outcome-focused way of working.

6. Climate Change and Nature Implications

6.1 As part of the contractual documentation included in the tender exercise, there will be specific mention of the climate change requirements, as set out in the new Code of Practice for Social Services Commissioning.

7. Safeguarding and Corporate Parent Implications

7.1 Safeguarding is an essential part of care at home services, where there are specific sections and requirements stated throughout contractual documentation.

8. Financial Implications

8.1 IDC providers are paid an all-inclusive hourly rate for services provided (pro rata for any calls less than one hour), which is a fixed rate paid for days, evenings, weekends and bank holidays, where levels of hours commissioned for individuals will be based on strength-based and outcome-focused care planning.

8.2 The current (2025/26) hourly rates paid to providers are shown below, where rates paid to providers will be based on rates submitted as part of the last tender exercise:

- Minimum - £29.27/hr
- Maximum - £30.90/hr
- Average - £30.46/hr

8.3 The range of rates submitted were part of the tender exercise last undertaken in 2021, where providers are only able to submit costs based on a defined range linked to cost modelling figures published by NCB at that time. It is proposed that the same approach is followed for the next tender exercise, with the minimum and maximum figures above providing the allowable 'price submission' capped range for providers.

8.4 Should all providers submit prices at either the existing (2025/26) minimum and maximum hourly rates, the potential financial implications are:

- Minimum (£29.27/hr) – annual cost saving of £525k (4.1% decrease)
- Maximum (£30.90/hr) – annual cost increase of £191k (1.4% increase)

- 8.5 Any potential cost implications linked with the tender exercise will be built into budget setting processes for the Social Services and Wellbeing Directorate for 2026/27, which will also be made clear in the Cabinet report seeking approval to enter into contracts with successful bidders, scheduled to be reported in January/February 2026.
- 8.6 During the term of the contract, tendered rates are uplifted on an annual basis linked to cost pressures analysis, which considers price inflation (Consumer Price Index). Funding is sought for these uplifts from centrally held Council wide budgets. Changes in Real Living Wage (in accordance with the Welsh Government Real Living Wage pledge for care workers in Wales), is covered through funding currently received from Welsh Government as part of the annual Revenue Support Grant received by BCBC.
- 8.7 The total IDC budget in scope for 2025/26 is £11.253 million, which will form the basis of the total value of the capped tender, where subsequent annual uplifts (linked to cost pressures) will be made in accordance with contract terms, as set out above in paragraph 8.6.
- 8.8 The estimated total value of the framework agreement over the maximum 6-year term is £66 million (£11 million per annum).
- 8.9 Further financial analysis will be undertaken in the future to help inform the national and local conversations in respect of Rebalancing Care, part of which will require a detailed understanding of the cost differential between internal homecare services and commissioned IDC provider costs. There will also be analysis in the future based on the demographic pressures being faced (given the age and health status of the population) to understand what the balance between short-term and long-term services, and what levels of such services are needed in the future.

9. Recommendations

- 9.1 It is recommended that Cabinet:
- Note the contents of this report;
 - Approves the procurement of a Regulated Care at Home Services Framework Agreement of commissioned domiciliary care providers;
 - Delegates authority to the Corporate Director Social Services and Wellbeing to tender the Framework Agreement for the Regulated Care at Home Services Framework Agreement and note that a further report shall be presented to Cabinet following the conclusion of the procurement of the Framework Agreement for a decision on whether to award the Framework Agreement and seek approval to enter into the Framework Agreement with successful bidders

Background documents:

None