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**Planning** 

# Portsmouth City Council Home Care Re-Commissioning Consultation (Second Event)

Portsmouth City Council

UK2: Preliminary market engagement notice - Procurement Act 2023 - <u>view information</u> <u>about notice types</u>

Notice identifier: 2025/S 000-059949

Procurement identifier (OCID): ocds-h6vhtk-05a2b6 (view related notices)

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# Scope

#### Reference

P00005146

# **Description**

1. Introduction & Background Information

Portsmouth City Council (the 'Council') is undertaking further Preliminary Market Engagement (PME) as part of a strategic review of delivery options in providing domiciliary care services, mainly within the Portsmouth boundary (PO1 To PO6) but occasionally in the surrounding area.

The Council has a duty to provide a range of services to individuals in their own homes to help them live independently and safely. It is an alternative to residential or nursing care and can be tailored to suit short-term, long-term, or specialist needs.

The nature of support required will be tailored and aimed at maintaining individuals in a

reasonable state of health, hygiene and safety in their own home. Support packages will vary in size based on the individual needs and may range from minimal support up to highly specialised and complex needs.

The Council currently spends in the region of £20M per annum in providing Domiciliary Care across Portsmouth.

The Council needs to address the current situation regarding market saturation and review the commissioning model in the most cost-effective manner possible. The Council have conducted research with other Local Authorities to explore different models of commissioning home care and want to continue to engage with providers for their input.

The event is a genuine opportunity to have your voice heard and contribute to shaping the future of home care services in our community focusing on the delivery of quality care.

#### 2. Current Service Requirements

Domiciliary care is the most common means by which the Council's Adult Social Care delivers its statutory duty to meet people's care needs. Clients typically access domiciliary care following an assessment of need by either a community social work team, the Adult's Intermediate Care Team or the Community Reablement Service. The level and type of support required is determined in line with the individual's support plan.

The purpose of the domiciliary care service is to complement the Councils priorities by ensuring that:

- People live longer and have healthier lives.
- People are safeguarded in vulnerable situations.
- Independence is promoted for older people.
- People are enabled and healthy lifestyles are promoted.
- Independence for people with disabilities is promoted.

Providers are given an assessment, which will detail the wishes, needs and outcomes required by the individual service user. Support packages vary in size based on the individual needs and range from minimal support up to highly specialised and complex needs.

Service users are ordinarily a resident in the city of Portsmouth and/or the responsibility of the Hampshire and Isle of Wight Integrated Care Board (HIOWICB). The individual will be assessed as requiring health and/or social care services.

#### Description of the procurement

1. Framework Agreement Requirements and Operation

The Council previously operated a Dynamic Purchasing System (DPS) for the provision of domiciliary care services. However, in line with the Procurement Act 2023 and the associated Light Touch Regime, the Council intends to establish a new framework agreement to replace the existing DPS arrangement.

The Council is developing the design and operational requirements for the proposed framework agreement. The following areas are still under consideration:

- Conditions of Participation: Entry requirements and minimum standards for participation
- Lot Structure: An initial proposal includes four potential lots (though the Council may create new lots over the course of the framework to consider the changes in demand and impacts of LGR):
- o Lot 1 Domiciliary Care: Standard
- o Lot 2 Domiciliary Care: Complex
- o Lot 3 Sitting Service
- o Lot 4 Live-in Care
- Provider Limits: The Council is exploring whether to restrict the number of suppliers per lot to ensure manageability and quality.
- Framework Term: A base term of four years, with options to extend and re-open the framework to allow new entrants.
- Geographical Requirements: Providers must have a local office or operational base to ensure responsive and effective service delivery across the contract area.
- Pricing Models: Consideration is being given to alternative pricing mechanisms tailored to each lot.
- Provider Ranking: Providers will be ranked within each lot based on a combination of price and quality.
- Call-Off Mechanism: Contracts will be awarded based on Provider application and ranking under the relevant lot, rather than a rotational call-off system.

- Dynamic Ranking: The framework may include a dynamic supplier ranking mechanism, allowing providers to move up or down the ranking based on performance, change in rates or other criteria.
- Assessment of Quality and Contract Management: the use of PAMMS and how/when reviews are undertaken with Providers.

The Council will publish the details of the proposed framework operation, establishment and call off mechanism via a separate Preliminary Market Engagement notice, before the publication of the tender notice.

It should be noted that, due to Local Government Reorganisation (LGR), the current domiciliary care provision is focused predominantly on the Portsmouth area. The future framework may be designed to accommodate changes arising from LGR and any potential expansion of service coverage, which could include for the creation of area specific lots.

The Council will run this procurement using the Competitive Flexible Procedure, under the Procurement Act 2023, whilst following the provisions allowed for contracts under the light touch regime.

The estimated total value of this framework agreement for Domiciliary Care services is approximately £240. million over an 8-year period. This figure reflects Portsmouth City Council's current annual expenditure of approximately £20 million, adjusted for projected inflation of 3.5% per annum over the term.

In addition, from year 4 onward, the framework value accounts for potential expansion under Local Government Reorganisation (LGR), which may result in the new unitary authority assuming responsibility for Domiciliary Care services in the neighbouring areas. This expansion is anticipated to increase the annual value by approximately 50%, subject to confirmation of future service delivery arrangements.

#### 2. Framework Establishment Procedure

The Council anticipate the Competitive Flexible Procedure will be akin to the Restrictive Procedure under the Public Contracts Regulations (2015), with two separate stages -

#### Stage 1 - Initial Selection

The Council will issue a Tender Notice under the Procurement Act 2023 outlining the key details and requirements, including the overview of the procurement process & associated programme, value of the opportunity, scope of the contracts, associated contractual terms, minimum levels of technical experience & accreditations and evaluation & award criteria.

As part of this process, suppliers will be required to meet Conditions of Participation before their tender submissions are assessed. These conditions will relate to the supplier's legal and financial standing and technical ability to deliver the contract, which is likely to include the successful delivery of current and/or previous contracts of a similar value and scope as the Council's.

In addition, all suppliers and proposed subcontractors involved with the service delivery will be subject to assessment against the mandatory and discretionary exclusion grounds.

Mandatory exclusion grounds include, but are not limited to, convictions for offences such as fraud, bribery, terrorism, and cartel activity. Where a supplier meets a mandatory exclusion ground, the Council is legally required to exclude them from the procurement process.

Discretionary exclusion grounds may include issues such as poor past performance, conflicts of interest, or evidence of unethical conduct. The Council will assess these on a case-by-case basis and may choose to exclude a supplier where there is a significant risk to the integrity or delivery of the contract where insufficient evidence is provided in relation to self-cleaning.

Any interested suppliers will need to register on the governments Central Digital Platform for the Council to review any potential grounds for exclusion and a debarment check. The Central Digital Platform is live and information on how suppliers can register can be found using the following link -

https://www.gov.uk/government/publications/procurement-act-2023-short-guides/suppliers -how-to-register-your-organisation-and-first-administrator-on-find-a-tender-in-three-easy-steps-html

Only those suppliers who successfully meet the Conditions of Participation and are not subject to exclusion grounds will be invited to stage 2 of the process.

#### Stage 2 - Invitation to Tender (ITT)

The second stage, shortlisted suppliers proposals will be evaluated based on both cost and quality criteria to ensure the selection of providers who can deliver best value and high-quality outcomes. At the second stage of the procurement process, the Council are considering assessing tender submissions in accordance with the Provider Assessment and Market Management Solution (PAMMS).

Details of the evaluation criteria, including the relative weighting of cost and quality, will be set out in the tender documentation.

The Council envisages undertaking the future procurement process in line with the

following draft summary procurement programme, however it should be noted that the dates below are purely indicative and may be subject to future change.

- PME Quality Event 13th October 2025
- PME Supplier Feedback end of October 2025
- Issue Tender Notice November 2025
- Contract Award Notice issued June 2026
- Framework Established July 2026

#### Commercial tool

Establishes a framework

## **Total value (estimated)**

- £240,000,000 excluding VAT
- £288,000,000 including VAT

Above the relevant threshold

# **Contract dates (estimated)**

- 6 July 2026 to 5 July 2034
- 8 years

## Main procurement category

Services

#### **CPV** classifications

85312000 - Social work services without accommodation

#### **Contract locations**

- UKJ31 Portsmouth
- UKJ35 South Hampshire

# **Engagement**

## **Engagement deadline**

13 October 2025

# **Engagement process description**

The Council are inviting interested providers to attend an in-person Home Care Re-Commissioning Consultation event in the Menuhin Room in Portsmouth Central Library on 13th October 2025 from 10:00 to 13:00 to explore the future for home care in Portsmouth.

The in-person event is to give providers another opportunity to contribute to shaping the future of home care services in our community. This is the second event and will focus on quality following feedback from attendees at the first event which was held on 12th February 2025.

The event will explore what "quality" looks like in practice across several key themes and reflect on how we collectively recognise and support excellence in care. This session will also help shape future approaches to quality assurance in Portsmouth, informed by provider experiences and insights.

The Council are restricting attendance to one person from each provider as the Council can only accommodate 60 places at the event. The event will be on a first come first served basis. In the event that the Council exceeds the maximum occupancy for the

event, the Council reserves the right to run an additional online event to engage further with providers who could not attend the in-person event.

Places for the event can be reserved using the following link -

https://www.eventbrite.co.uk/e/portsmouth-city-council-home-care-recommissioning-consultation-event-tickets-1658655325729?aff=oddtdtcreator

Providers who cannot make the event will be able to share feedback using the correspondence function on Intend, and should do so at the earliest opportunity to allow the Council to review and collate the information when drafting the report of the findings.

In addition, providers can find the link to the event and details of this SMT event on the Councils e-sourcing platform - Intend. Should providers have any questions around the SMT event, then suppliers should use the correspondence function on Intend.

Providers can register on Intend using the following link -

https://in-tendhost.co.uk/portsmouthcc/aspx/home.

The outcomes of the SMT event will be collated and a report will be shared with any supplier who attends the event or expresses an interest in the scheme via Intend.

**Procurement Administration** 

The Council will administrate the procurement process using the Council's e-sourcing system, In-tend, which will be used for:

- Access to and issue of procurement information and documentation
- Pre-tender submission clarification requests and response
- Tender submission
- Tender opening & access to responses
- Post-tender submission clarification requests and response
- Award decision notification and feedback

The In-tend system can be accessed free of charge via the following web link:

https://in-tendhost.co.uk/portsmouthcc/aspx/Home

Details and outcome of first Soft Market Testing Event

The Council previously issued the following Prior Information Notice on find a tender service -

Portsmouth City Council Home Care Re-Commissioning Consultation - Find a Tender -

https://www.find-tender.service.gov.uk/Notice/001408-2025?origin=SearchResults&p=1

Whilst the previous notice was issued under the Public Contract Regulations 2015, the process was designed to align with the principles under the Procurement Act 2023 and the subsequent procurement will be published under the requirements of the new act.

The Council's first SMT event on Wednesday 12th February 2025 reviewed the Council's current delivery options for Domiciliary Care and understand providers approaches to the following -

- Quality
- Approach to pricing
- Lot Structure
- No of Providers
- Tendering Strategy
- Referrals
- Innovation

The Council published the following information through the Council's e-tendering platform, Intend, to all interested providers who expressed an interest in the project -

- PIN150125 Home Care Re-Commissioning Consultation
- Home Care Consultation Event Background Information
- PIN Conflict of Interests Statement
- PIN Conflict of Interest Declaration
- Home Care Provider Consultation Event 120225 PowerPoint Presentation

• Home Care Provider Event 12th February 2025 - Summary Information

As part of the subsequent SMT exercise, the Council will be re-publishing the original information from the first SMT event to ensure any new/existing providers will have access to the same information.

#### **Conflicts Assessment**

The Procurement Act 2023 requires the Council to identify and keep under review actual and potential conflicts of interest. The Council must also mitigate conflicts of interest and address circumstances which the Council considers are likely to cause a reasonable person to wrongly believe there to be a conflict or potential conflict of interest.

A conflict of interest arises when an individual's personal interests, relationships, or activities have the potential to interfere with their impartiality or the integrity of the procurement process. This may include financial, personal, familial, or business interests that could improperly influence, or be perceived to influence, their decisions or actions.

Interested providers should review the Conflicts of Interest Statement, available through Intend, for further details of the Council's duty regarding conflict of interests.

To meet current and future conflict of interest obligations, the Council requires that, where appropriate, all providers participating in the SMT process to complete a Conflicts of Interest Declaration as a condition of participating in the in-person event. These will be made available at the in-person event.

#### Additional information

#### **Existing Domiciliary Care Contract Awards**

The Council previously established a Dynamic Purchasing System (DPS) on 1st February 2020 and subsequently decided following a review of the DPS capacity, issued a modification notice on the 17 November 2023 to close the DPS for new applicants following a 30-day application period. The Council closed the DPS on the 18th of December 2023, following a review of applications received.

The DPS was initially awarded on the basis of a 5-year term, with the option to extend beyond the initial term by a minimum of 1-year intervals for an indefinite period.

In order to deliver ongoing services across the Portsmouth region, the Council extended the existing DPS by an initial period of 12 months to 31st January 2026, to develop the procurement and contracting strategy. However, the Council will be extending this term further by an additional 12-months to 31st January 2027 to allow the Council has successfully commissioned the new delivery model.

Full details in relation to the closing and extension of the DPS can be found in the previous PIN notice -

https://www.find-tender.service.gov.uk/Notice/001408-2025?origin=SearchResults&p=1

Known current supply and demand

There are currently 62 providers on the DPS. Supply of domiciliary care in the City currently exceeds demand, resulting in multiple offers of care for most referrals.

The situation is not unique to Portsmouth and seems to be a picture found in many urban areas. It is a recent development, which has emerged gradually over the past 3 years or so.

To ensure fairness and transparency with providers that are on the DPS, packages of care are allocated to those achieving 100% via the brokerage portal and then filtered to the provider that has been awarded the least number of hours during the current month. The average number of bids achieving 100% per package of care is between 5 and 15. Client preference may apply to Tier 1.

As of July 2025, there were 1073 clients in receipt of 62,888 hours of domiciliary care per month. This includes standard domiciliary care, sitting services, social inclusion and sleeping/waking nights.

# **Participation**

# Particular suitability

Small and medium-sized enterprises (SME)

## **Procedure**

# Special regime

Light touch

# **Contracting authority**

# **Portsmouth City Council**

• Public Procurement Organisation Number: PCNL-5714-PRZV

Civic Offices, Guildhall Square

Portsmouth

PO1 2AL

**United Kingdom** 

Email: procurement@portsmouthcc.gov.uk

Region: UKJ31 - Portsmouth

Organisation type: Public authority - sub-central government