

From: Graham Gibbens, Cabinet Member for Adult Social Care and Public Health
Penny Southern, Corporate Director of Adult Social Care and Health

To: Adult Social Care Cabinet Committee – 17 May 2019

Subject: **Older Person's Residential and Nursing Contract Update**

Classification: Unrestricted

Past Pathway of Paper: None

Future Pathway of Paper: None

Electoral Division: All

Summary: To update on the improvements that have been made to the management of the Older Persons Residential and Nursing Contract and options for its renewal. To provide details of future improvements being made to contract management within Adult Social Care contracts to enable improved management going forward.

Recommendation(s): The Adult Social Care Cabinet Committee is asked to **CONSIDER** and **COMMENT** on the content of the report.

1. Introduction

- 1.1 This report provides an update on the Older Persons Residential and Nursing Contract (SS14142) and focuses on Contract Management improvements. Regular progress updates have been taken to Contract Management Review Group (CMRG) since June 2018, where significant progress has been demonstrated. These improvements and developments are now being rolled out across all other contracts within Adult Social Care.

2. Strategic Statement and Policy Framework

- 2.1 This report links to the third strategic outcome:

- Older and vulnerable residents are safe and supported with choices to live independently.

- 2.2 This report does not relate to a plan or strategy set out in the Council's Policy Framework (Appendix 3 of the Constitution).

3. The Report

- 3.1 The current Older Persons Residential and Nursing Contract commenced in April 2016. The contract was administered via an updated Dynamic Purchasing System (DPS) where care homes can join the contract at any time in order to be a contracted provider to Kent County Council. Providers set Indicative (maximum) Rates for each care type that they provide, and this is used in conjunction with the council's Guide Prices in order to set the rate for a client entering a home.
- 3.2 There is an initial four-year contract period with two extensions of 12 months each, taking the total contract duration to six years. Following discussions with Kent Integrated Care Alliance (KICA) it is intended to enact these extensions on the basis that contract improvements can be made (as detailed in this report). It is therefore intended that the contract will run until 31 March 2022.
- 3.3 There are currently 194 providers on the DPS and the total annual spend (including non-contracted) is in the region of £100m per annum giving a total contract value of approximately £600m.
- 3.4 The following options have been considered and include:
- **Do Nothing / Extend the current contract:** there are a number of issues which need to be resolved in the current contract identified by our Operational colleagues, via CMRG and via our relationships with Providers and KICA. Therefore, it is deemed that doing nothing or extending the current contract as-is is not a viable option as this will leave a number of issues unresolved.
 - **Extend the current contract with in-contract improvements:** following discussion with Providers and KICA there is an appetite both internally and externally to improve the current contract and make it work better for all.
 - **Retender the service:** we have the option to retender as early as 2019 for the commencement of a new service in April 2020. However, it is not felt that we would gain significant benefits from this approach and it may lead to budget pressures which we would be unable to sustain. There also needs to be significant work done with Health for any future contract to be fit for purpose.
 - **Retender the service with Health synergies:** it is felt that any future contract should be closely aligned to the work that is done by our Health and CCG partners. We currently commission independently and any future contract should look at pulling this together in order to obtain the integration and economies of scale benefits that this will bring. This is not an easy task and therefore the time until 2022 will allow the appropriate planning and preparation.

3.5 A number of contract improvements have been made to date while others are still in development. Below is a summary of these.

3.5.1 Improvements delivered to date

- The processes for administration of the DPS have been reviewed, improved, standardised and updated
- A dashboard has been developed to cover all spend, cost, Care Quality Commission (CQC) information, sanctions, quality, contact information, etc. in one place. This is being developed via the Spend and Cost Oracle system and in the future should be accessible by all teams. Please refer to Appendix 1 for screenshots of the current system. This dashboard will be used to inform which homes are visited and how often based on the 'Kent Model' risk model (as explained in the next point).
- Development of a 'Kent Model' is in progress. This is a risk matrix consisting of ten criteria which are independently RAG rated. Combining these gives the provider a score out of 100 where those with the lowest scores (RED) present the largest risk to the council. Over time it is hoped to link this with the Spend and Cost data to give a complete picture of the service. Please refer to Appendix 2 for screenshots of the current model.
- Contract monitoring resources still remain an issue, however the systems development work taking place will allow for a risk-based approach to contract management/monitoring. Resources have recently been realigned to Clinical Commissioning Group (CCG) areas and will continue to be reviewed moving forward, once the Primary Care Networks (PCN) have been defined. Please refer to Appendix 3 which shows the intention for PCNs along with a map of Ashford and the potential services that a Locality Commissioner will look to integrate with.
- All new contracts are now signed electronically and stored within provider folders to ensure consistency going forward. In the future, this will be via the contract management system.
- A new Key Performance Indicator (KPI) system has been recently implemented for distribution and collection utilising Microsoft Web Forms. This offered efficiencies to both the council and its providers, and a far simpler method than previously employed. Further improvements are possible, and we will continue to look for these. These will feed into the risk matrix and contract management system in time.
- The contract change process has been reviewed, standardised, and documented to ensure the same process happens each time
- Discussions with KICA have taken place for in-contract improvements and these will need to be continued and expanded. The Older Persons Residential and Nursing Contract began in April 2016 and runs until March 2020. There are two twelve-month extensions giving an end date of March

2022. It is intended to take these extensions to allow time to make in-contract improvements and to plan for Health integration in the future contract.

- Extensive work has taken place with colleagues in the Analytics team and are starting to reap the benefits from better data than we have ever had before. This will assist in the future with analysis and planning for any future tenders and contract management itself.

3.5.2 Improvements in progress

- Roles and responsibilities need to be clarified with Operations, the QI team, County Placement Team, Safeguarding for care home monitoring, issue resolution etc.
- Further improvements and development are possible with the implementation of a Contract Management system which has now been approved.
- The implementation of the Adult Social Care and Finance System, Mosaic, will bring further opportunities for improvements in data quality and analysis.
- The new performance reporting system, Power BI, will bring improved performance reporting, and a further information resource that can be used to analyse and link to the dashboard.
- Formal processes need to be established to review the contract, as part of the 2020 retender with all appropriate stakeholders. This will include engagement with providers and KICA
- Provider relationships also need to be improved including communication, attendance at forums/meetings, and the systems offered to them to supply information.
- An in-depth provider survey is being developed which will be distributed via Microsoft Web forms. This will obtain key information for each care home going forward which can feed into the County Placement Team database and provide vital information to the complex needs panel

4. Financial Implications

- 4.1 Implementation of a Contract Management module is planned for 2019. This has been specified and market tested and is available from the current supplier of the Kent Business Portal (Proactis). It is expected to be available in August 2019. There is funding required for this which was obtained via Budget Delivery Group in March 2019.

5. Conclusions

- 5.1 The contract management improvements being made, and the introduction of new tools will allow for better management of contracts and potential risks. The contract management module will enable all information to be held in one place and accessible to all and will be a useful tool to engage and work with providers.

6. Recommendation(s)

6.1 Recommendation(s): The Adult Social Care Cabinet Committee is asked to **CONSIDER** and **COMMENT** on the content of the report

7. Background Documents

None

8. Report Author

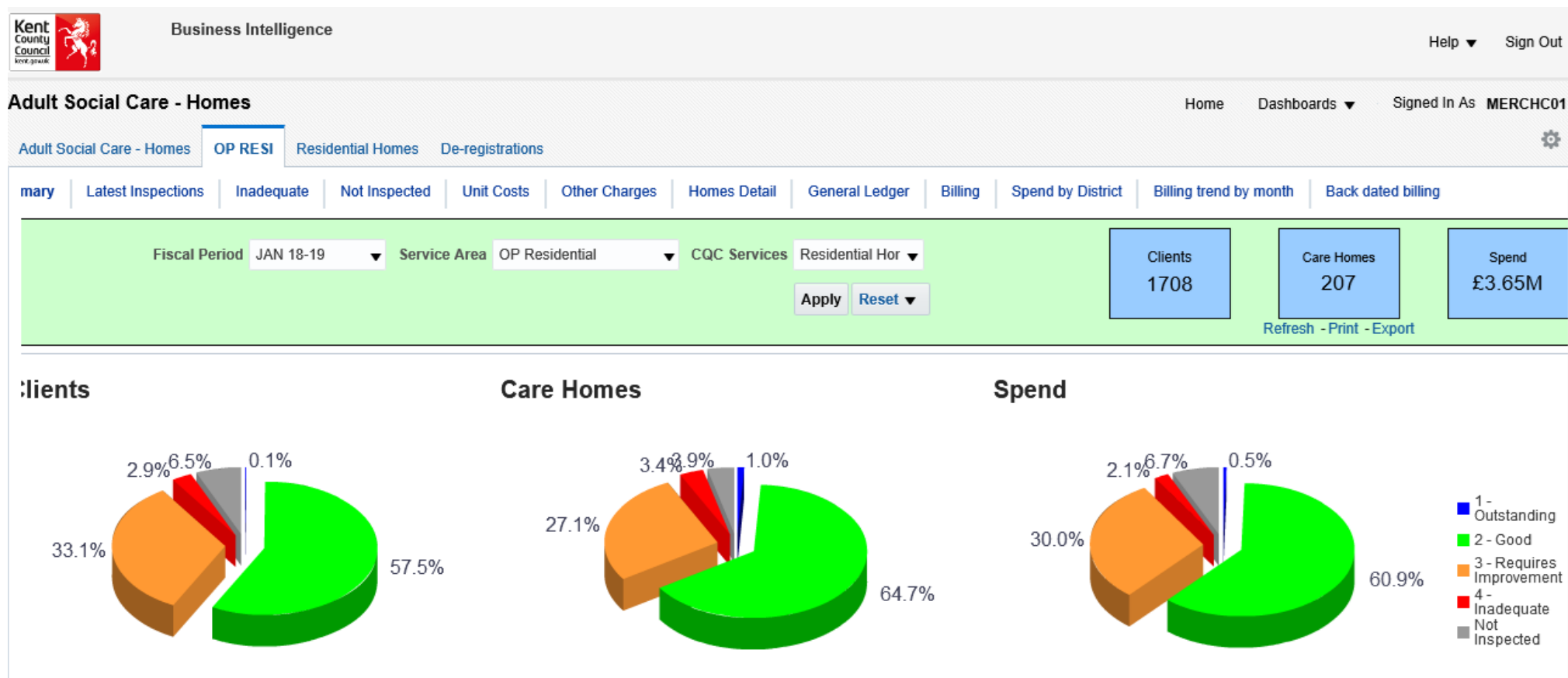
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Appendix 1

Current Dashboard (from Oracle Spend and Cost)



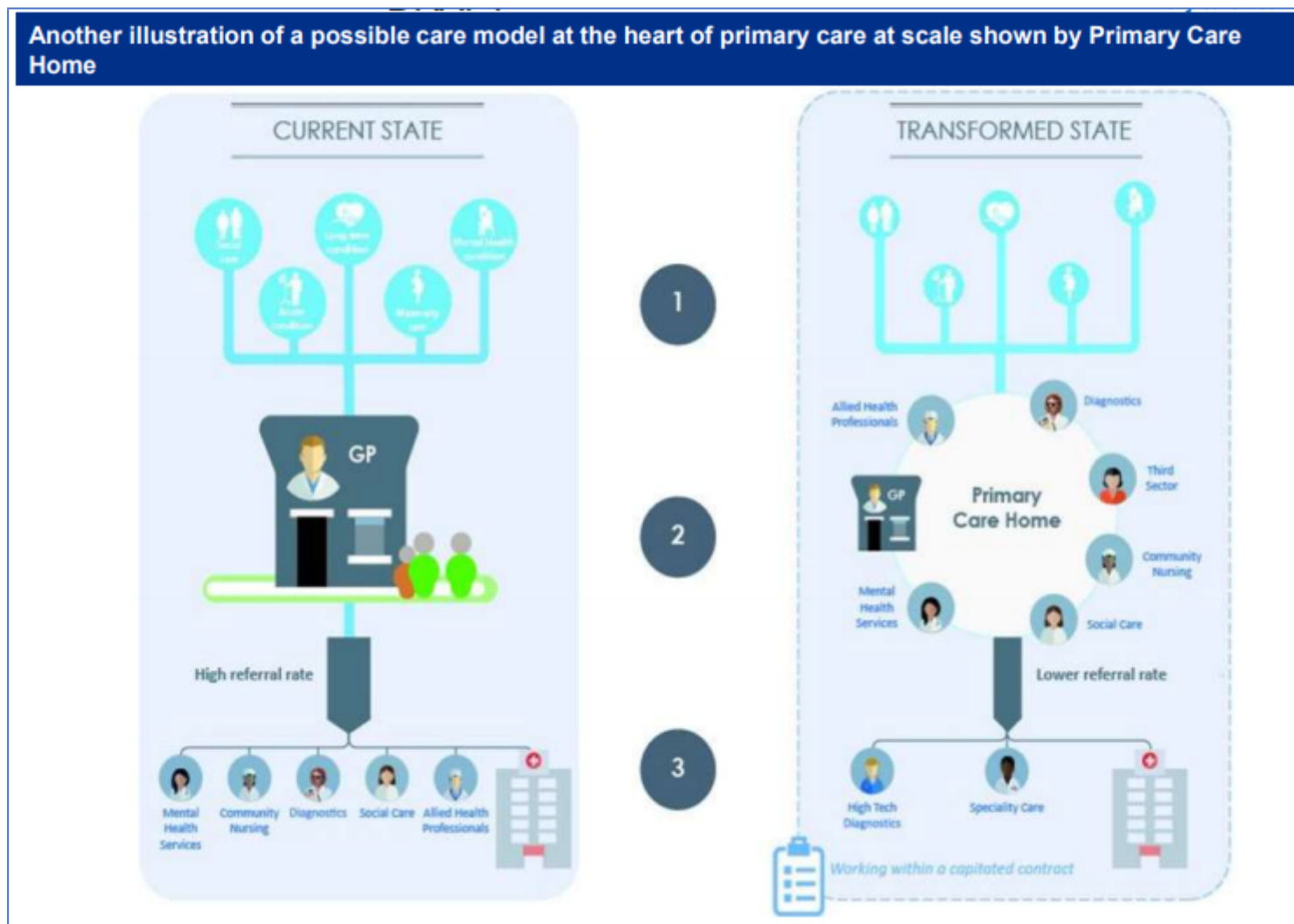
KCC Risk Quality matrix

Management Framework	No. of beds	CCG	District	DPS	1. CQC Overall Rating	2. Ownership Change/ Management Change	3. Provider Self-Assessment	4. Professional Feedback and Experts by Experience Visits	5. Food Hygiene Rating	6. Fire Safety - Observations of Governance and Process
Care Home	22	DGS	Swanley	Yes						
Home	25	SKC	Shepway	Yes						
	47	Ashford	Ashford	Yes						
	32	SKC	Dover	Yes						
	46	SKC	Dover	Yes						
	30	WK	Sevenoaks	Yes						
	38	SKC	Dover	No						
	75	SKC	Dover	Yes						
	17	Thanet	Thanet	Yes						
	88	Thanet	Thanet	Yes						

The ten criteria assessed within the model are:

1. CQC Overall Rating
2. Ownership Change/ Management Change
3. Provider Self-Assessment
4. Professional Feedback and Experts by Experience Visits
5. Food Hygiene Rating
6. Fire Safety - Observations of Governance and Process
7. Health and Safety - Site Visit Observations
8. Quality Assurance Audits and Outstanding Actions
9. Current Quality/ Safeguarding/ Commissioning Concerns
10. Current Placement Status

Primary Care Networks and Ashford map



The Map of Ashford on the following page is an illustration of how we can view all services (care homes, home care, GPs, Pharmacies, hospitals, hospices etc.). A locality Commissioner can work with each of these services and aim to assist integration moving forward.

