

KENT COUNTY COUNCIL

SELECT COMMITTEE - COMMISSIONING

MINUTES of a meeting of the Select Committee - Commissioning held at Wantsum Room, Sessions House, County Hall, Maidstone on Friday, 7 February 2014.

PRESENT: Mr M J Angell (Chairman), Mr M Baldock, Mr M A C Balfour, Mr H Birkby, Mr N J D Chard, Mr G Cowan, Mr T Gates and Mr M J Vye

IN ATTENDANCE: Mrs P Cracknell (Research Officer Scrutiny & Evaluation, Business Intelligence), Ms J Sage (Assisting Research & Business Intelligence), Ms C Holden (Head of Strategic Commissioning - Accommodation Solutions-FSC), Mrs A Hunter (Principal Democratic Services Officer) and Mr A Tait (Democratic Services Officer)

UNRESTRICTED ITEMS

25. 10.00am - Christy Holden, Head of Strategic Commissioning (Accommodation Solutions)
(Item. 3)

(1) Ms Holden introduced herself as the Head of the Accommodation Solutions Team of 24 FTEs. The Team's responsibilities are to commission accommodation for those who needed care homes / extra care / supported housing. One of her tasks was to review the current care home contracts. Most of these are twelve years old and as a consequence unfit for purpose. In particular, there is no link between cost and quality and homes that are just above 'adequate' regulatory provision are not receiving the support to improve from the Team.

(2) KCC has serious funding issues - currently spent £180m on residential care for adults and £100m on older people. It therefore has a responsibility to look at a fair cost of care and to look at demand for services. To this end, an Accommodation Strategy is being developed, based on people's needs. This does not necessarily mean new build, as care could also be provided in remodelled schemes.

(3) Question – Insufficient money has been spent on care homes over the years. Now these same homes are being required to provide higher quality, limiting the number of people who can be accommodated. KCC owns and manages 9 care homes and 5 for learning disability. How will it meet its obligations?

(4) The Accommodation Strategy will identify the amount and type of long term provision that will be required in the future. The Care Quality Commission (CQC) has introduced the requirement for all new builds to have ensuites. We would therefore expect ensuite provision to be available in most cases (bearing in mind that people have the right to choose not to have it). Our strategy is to inform the market of KCC's needs in the long term future.

(5) It is probably true to say that we started this process too late. We now have to ensure that we have sufficient care homes so that we can provide a managed

approach to arranging new accommodation whenever a home becomes unviable for an older person.

(6) We expect the number of Community Interest Companies to grow in future. We have already had expressions of interest from this sector (for example, Samson Court in Dover when that closed).

(7) Question – You say that you will introduce regular monitoring of performance indicators. This is to be carried out by KCC. Would it be better if we commissioned independent monitors who are not bound by cost concerns?

(8) When CQC rated their assessments, we would only place people in care homes that had an “Excellent”, “Good” or “Adequate” rating. KCC’s in-house services have recently received very good inspections. We have a responsibility to monitor and challenge any issue directly with the care home staff or manager. Our Case Management staff have been reporting to us rather than challenging bad practice directly. We are now giving front line staff the skills to do so.

(9) Question – How do you ensure that the Commissioning Body can have confidence in the standard and quality of the provision they have commissioned?

(10) It is important to remember that the Choice Directive enables people to choose their preferred accommodation. It is therefore difficult for KCC to inspect rigorously safeguarding concerns if there is no contract in place with the home. I therefore want to ensure that as many providers contract with KCC so the quality expectation through the tender will be based on their CQC registration. We have shared the new specs with the Trade Association and have also written to all the care home providers, as some are not computerised. We have also offered a number of ‘walk through’ events. The aim is to capture as many of them as possible.

(11) Question – The Kent Care Homes Panel makes the following statement on page 13 of the agenda papers: “There is a new reality now that (with some exceptions) is not evident on the ground from KCC staff. What is required is open, timely communications so providers can plan and work as effectively and efficiently as possible when tendering.” Is KCC capturing the value of the not-for-profit sector?

(12) There are mixed views on this question. The tendering process is restrictive on communication. We want open conversations outside of the tendering processes regarding co-production before the tender process commences. Our procurement colleagues are not as keen for KCC holding open discussions with potential providers. So we understand their (our providers) frustrations – we have them ourselves. Nevertheless, we are now talking more to that sector than we ever did in the past, but we simply do not have the resources to provide one to one meetings with each of them. But we do have to maintain a balance as the trade associations do not represent all residential care providers and have not always passed information on to them.

(13) Questions – Is there room in the contracts for variations? What is KCC's position now that the contract is between the care provider and the individual?

(14) There is room for contract variation. The first one will run for 18 months and then be replaced in 2016, taking account of the provision for Direct Payments and funding cap contained in the Care Bill. KCC currently funds some 40% of the total places in the county. The remainder are funded by the NHS, other (out of county) LAs and self-funders - it is this group which will have implications for KCC. KCC needs to be able to inform people of those care homes it regards as poor. We want to work with CQC to provide this information. KCC is no more vulnerable than it was before the new arrangements came in. Direct Payments will present a logistical challenge for KCC, as they will not be our contracts especially if homes are chosen by next of kin on the bases of convenience and not quality.

(15) Question – In effect, KCC will become a “policeman” and an upholder of standards. How is KCC coping with this changed role?

(16) Yes, but we were anyway. Direct Payments will be one option - people may still wish KCC to organise their care. The restructure brought a number of people into Strategic Commissioning who found the complexities of the care market challenging. Our procurement colleagues are now getting to grips with it. We do not simply seek the lowest price as it is essential to ensure that we commission quality.

(17) Question – Is there an ideal ratio of in-house to external provision? Would internal provision lead to better market moderation?

(18) Our in-house services are shockingly expensive and are not that much better in terms of quality than some private provision. In my view, and without evidence to support this view, should KCC retain the four newer homes we currently run, we would also retain current valid position in the market.

(19) Question – I worked in a Job Centre and we used to send people to Care Homes. We found that people would be offered a post having received no training whatsoever. Does KCC accept this as good practice?

(20) KCC definitely does not consider this to be good practice. We will be inserting a clause into the spec that all staff must be appropriately trained.

(21) Question – We have lost a number of care homes either because there has been no en suite provision or because the rooms have not been large enough. However, on occasion, people do not want to move out of poor accommodation because they are settled and generally happy. Are standards being relaxed to take account of the Choice Directive.

(22) The CQC is not enforcing the en suite regulations. We have a very sensitive process in respect of care home closures. This will include keeping everyone informed at all stages. We are introducing a system which will require the care homes to share warning or sanction letters on the notice board and write letters to their residents.

(23) The new tender documents will ask the providers how much it costs to run the home and what they are able to deliver on behalf of KCC. We will then consider the quality issues based on the information that comes back. We will then provide all the relevant information to those who may wish to use the service. In this way, we will also be commissioning for outcomes.

26. 11.00am - Kent Care Homes Panel
(Item. 4)

(1) The Chairman welcomed Mr Adams, Ms Gibb, Ms Taylor and Ms Swan to the meeting and asked them to introduce themselves before answering questions from Members of the Committee.

(2) Mr Adams said elaborated on some of the points made in the briefing paper received by the Committee. In particular he said the care homes sector considered there was a “disconnect” within KCC between commissioning, operations and procurement as well as a “disconnect” between the commissioning officers and service providers. He said that when tenders were published they tended to be more prescriptive about methods and outcomes than anticipated during discussions. Frequently there were no references to social value or to the possibility of providing services in different or innovative ways in the tender documents.

(3) Ms Gibb said there was a need to consider long term outputs. For example her organisation had been very successful getting adults with learning difficulties into supported living arrangements but that it could take a very long time to do this. As a charity they could add extra value by looking at work and volunteering opportunities.

(4) Ms Gibb applauded the KCC Stakeholder Board but thought it was too bureaucratic and took too long to make decisions. She said collaboration was important and that she would like to see better quality outputs and recognition that commissioning services imposed a cost on charities.

(5) Ms Swan said that she represented the KCHA on the KCC quality board and worked as a provider of residential and nursing care with large and small providers. The creative and innovative work done by smaller providers could be overlooked and many such organisations had concluded they were not able to work with the local authority. She agreed that the KCC Stakeholder Board took a long time to reach decisions. She also thought that many of the commissioners of services were out of touch with reality particularly about the cost associated with providing services and expressed concern that no additional funding or “top-up” funding was available for support that would enhance an individual’s life.

Question – How could whole life care be achieved within the system?

(6) Usually care packages would be reviewed annually with the care manager, the provider, the individual and his/her family and usually more support was required initially.

Question – Does the care manager hold the budget?

(7) No. Care managers usually have to persuade the Care Committee that an individual needs a particular type of support and the process is bureaucratic and “clunky”.

(8) In the case of older people such decisions are taken by a panel and it is especially difficult when the support required is funded from health care budgets.

Question – Is the health and wellbeing architecture helping?

(9) The flexi-care contract gave care managers to re-act immediately to meet needs and it worked well as it built trust.

Question – In the written submission you talk about prime integration providers coming to dominate the market. What do you mean by that?

(10) This is terminology used by Newtons, the consultants employed by KCC. The big providers frequently undertake to provide services as a loss leader which makes it impossible for smaller providers to come together to develop an alternative offer. However once the big providers are in place the prices tend to increase.

Question – Is the market moderated by the continued existence of in-house services?

(11) There is only limited in-house provision. The sector is trying to talk to the local authority with a view to enabling small and medium organisations to come together as networks of supply that are able to respond to needs rather than relying on one big provider for all the services

Question – Is the structure Age Concern UK has adopted a suitable model?

(12) Yes. The sector is interested in establishing consortia to bid for services but commissioners could say “no” as such consortia do not have a track record of delivery as a group.

Question – How can you measure residents’ enjoyment or peace of mind in a qualitative way? How can it be monitored? How can it be included in a contract?

(13) There are tools, often produced by universities, to qualitatively evaluate the quality of life. If there was a better “connect” between the service provider and KCC, ways of measuring and monitoring performance and outcomes could be discussed and then written into contracts.

(14) It is important to talk to clients, their families and advocates and make sure they are involved in any proposed changes. Case studies of experiences of whole life care could be provided

Question – How could these qualitative measures be written into contracts?

(15) By asking providers for evidence of what is being claimed as well as Care Quality Commission reports and reports of activities relating to adult protection and health.

Question – We have heard from commissioners who think they engage with service providers and from service providers who say commissioners do not engage with them. How could they be brought together?

(16) It is a process and is primarily about trust. Some KCC officers are very committed to consultation but others are less so. It is important to work with service providers rather than just consult with them at times that are convenient to KCC. Issues about the attitude of some KCC staff have been raised with the Director for Strategic Commissioning. In some consultations it feels as if the decisions have already been made and the consultation is only about ticking a box. KCC also needs a better database of organisations as the organisations in the sector frequently need to advise each other of meetings coming up

Question – If members are to drive forward change it would be useful to have case studies of the impact of the “disconnect”. Could they be provided?

(17) Yes.

Question – How do you feel about negotiated contracts?

(18) We prefer negotiations as they build trust. We took legal advice about a contract for services for people with learning disabilities and when our concerns were raised with KCC we were told to “sign it or not get the contract”.

Question – How will the move to direct payments affect you?

(19) We already work with direct payments for community-based services and they will not apply for residential services.

Question – How can elected members help?

(20) By bringing common-sense to the table and by helping to develop trust between KCC and service providers. The sector is in “receive” mode and the emphasis must be on people and not process.