

From: Andrew Ireland, Corporate Director of Social Care, Health and Wellbeing

To: Graham Gibbens – Cabinet Member for Adult Social Care and Public Health

Decision No: 16/00089

Subject: **COMMUNITY DAY SERVICES FOR PEOPLE WITH A LEARNING DISABILITY AND/OR PHYSICAL DISABILITY (EXTERNAL)**

Classification: Unrestricted

Past Pathway of Paper: Adult Social Care Portfolio Board – 22 June 2016
Strategic Commissioning Board – 21 July and 8 September 2016
Commissioning Advisory Board – 23 September 2016
Adult Social Care and Health Cabinet Committee – 11 October 2016

Future Pathway of Paper: Cabinet Member decision

Electoral Division: All

Summary: This paper concerns the commissioning of day services for people with a learning and / or a physical disability through the external marketplace. Whilst the current market provides choice for individuals, there are a range of issues that have arisen because of the way that it has developed over time. These include a lack of clarity around how costs relate to quality and the attainment of individual outcomes, variation in quality, gaps in the type of services available to individuals. The proposal is to commission these services through a framework contract that will open at set intervals throughout its life in order to welcome new providers onto the market, increasing choice for individuals and filling gaps. This contract will importantly establish quality standards within the marketplace and ensure value for money by aligning cost to quality and the achievement of outcomes for individuals.

Recommendation(s): The Cabinet Member for Adult Social Care and Public Health is asked to:

- a) Recommission Community Day Services for people with a Learning Disability and/or Physical Disability (External)
- b) Delegate authority to the Corporate Director of Social Care, Health and Wellbeing, or other nominated officer, to take the necessary actions to implement the decision.

1. Introduction

- 1.1 This paper concerns the commissioning of day services for people with a learning disability and / or a physical disability through the external marketplace.

- 1.2 There are approximately 925 people attending learning disability external day services and 306 attending external physical disability day services via individual contracts and at least 87 people use direct payments to attend learning disability day services.
- 1.3 There are a range of people accessing support through day services, ranging from those who benefit from support to move towards independence to those who live with challenging behaviour, requiring support to live safely in the community. There are also people who have profound learning disabilities in addition to being physically disabled (e.g. wheelchair users), who need significant levels of support. For this group, day services also provide valuable respite for carers.
- 1.4 Following an analyse and design phase, the report sets out the proposal to implement a new method of contracting with the external market in order to establish quality control, ensure value for money and improve outcomes.

2. Financial Implications

- 2.1 Current spend on day services for people with learning disability is £5.5m per year, and £868k for people with physical disability.
- 2.2 In addition, £0.5m is spent with external day services providers on additional one to one support that enables people to attend day services and participate in activities.
- 2.3 It is estimated that approximately £254,650 is spent through direct payments on day services for people with learning disability.
- 2.4 The cost of transport to day services for people with learning disability is approximately £1m per year, delivered through Transport Integration.
- 2.5 Under this proposal, it is expected that provider unit costs will increase, as a result of increasing delivery costs over the last four years in conjunction with no price increases over the same period, and the introduction of National Living Wage. However, new costs will only be applied to clients joining the provider after the contract start date. This will allow KCC to begin a process of standardising rates, but without the increased financial burden associated with applying new rates to all existing service users.
- 2.6 Entering onto the framework will mean that providers are considered for an annual price increase along with all other contracted services. This increase would be applied to all clients.

3. Policy Framework

- 3.1 Increasing Opportunities, Improving Outcomes: Kent County Council's Strategic Statement 2015-2020, Strategic Outcome of "Older and vulnerable residents being safe and supported with choices to live independently."
- 3.2 Care Act (2014) in relation to the duty to meet unmet eligible social care needs for both carers and the cared for person, and duties regarding market shaping and oversight.

4. The Report

- 4.1 In response to Valuing People Now (2009), the external day market has evolved to enable people to receive support within their local communities, rather than in large buildings which segregated them.
- 4.2 There are approximately 95 external providers of day services to people with a learning disability in Kent, 16 of which also support people with a physical disability and an additional 33 providers of day services for people with a physical disability. Providers vary in size and capacity as well as in the type and quality of support that they provide.
- 4.3 Unit costs for day services vary with higher costs generally reflecting support for people with higher levels of complex need.
- 4.4 It is likely that demand for day services will increase due to a range of factors, but specifically related to more people with higher levels of need living independently in their communities.
- 4.5 Because the market has evolved over time there are a range of issues that are now apparent, including lack of visibility around value for money in terms of how costs relate to the delivery of outcomes, variation in quality, geographical variation on type of activities available and gaps in service.
- 4.6 Day services are not regulated at a national level, and there are no established quality standards.
- 4.7 People who use learning disability day services have said that they want to have choice, control and feel empowered, to be supported to be independent and manage their long term conditions, to learn new skills and build on existing skills, to develop and maintain friendships and to feel confident that they will be treated with dignity and respect at all times.
- 4.8 The proposal is to commission day services that support these outcomes, provide valuable respite for carers and which are also value for money and have consistent quality standards.
- 4.9 A range of options has been considered, including the use of a Key Strategic Partner, block contracts, Dynamic Purchasing System, Open Framework and Do Nothing and a table detailing the risks and opportunities of the options considered is attached to this report as Appendix 1.
- 4.10 Following engagement with care managers and providers, the preferred option is an Open Framework. This option proposes that all providers participate in a tendering process and those that are successful enter onto the framework and into a contract with the council. The framework will open at set intervals during its lifetime (at 6, 12, 24, and 36 months) in order to encourage development of innovation and the entry of new providers onto the market.
- 4.11 The option will have three lots which reflect different outcomes for individuals, namely services that promote wellbeing through ongoing activities, services that promote independence through skills development and services that provide training and development as a route to employment. Providers of employment services will be expected to be knowledgeable about how employment can affect the benefits that people with a disability

can receive while working. There will be a fourth lot for providers who provide additional support that enables people to access their day services.

4.12 This option allows the council to establish quality standards within the provider market, establish value for money by linking cost to quality and the attainment of outcomes for individuals and provides greater visibility for people using services about what their options are, thereby increasing choice.

4.13 A range of Key Performance Indicators, alongside regular contract monitoring visits, will in turn increase the council's ability to contract manage the service, address poor performance promptly and monitor quality and value for money on an ongoing basis.

4.14 The proposal is that the Corporate Director of Social Care, Health and Wellbeing will inherit the main delegations via the Officer Scheme of Delegation.

5. Equality Implications

5.1 An Equality Impact Assessment has been completed in relation to the proposal to re-commission day services for people with a learning and / or physical disability. The assessment has determined that minimal risk of a negative impact from this process on people with protected characteristics and that this process could promote equal opportunities through introducing quality standards and promoting a more diverse marketplace.

6. Legal Implications

6.1 The open framework is a hybrid procurement model, combining elements of a framework contract and a Dynamic Purchasing System, and is not an established route to market. This could leave the council at risk if the contract is challenged. However, this is deemed to be the best option because it retains individual choice and promotes the stability of the existing market, whilst giving it opportunity to develop. The risk of challenge is considered to be minimal.

7. Conclusions

7.1 Approximately 1,231 people with a learning and / or physical disability are attending day services provided through the external market.

7.2 Day services provides valuable support that enables people to live independently in their own homes and communities, and which support carers to keep caring.

7.3 There are 95 external providers of day services in Kent, providing a good range of choice of both environment and activities for individuals.

7.4 As the market has grown organically over time in relation to demand, there are issues that have now become apparent in relation to value for money (cost in relation to the attainment of outcomes), quality standards, and gaps in provision. In addition, it can be hard for new providers to enter into the market place.

7.5 People who use day services are clear about the outcomes that they want to achieve.

- 7.6 The council has a duty under the Care Act (2014) to provide services and support that meets unmet eligible social care needs, and in regard to market oversight and shaping.
- 7.7 This paper proposes that day services for people with learning and / or physical disability will be commissioned through an open framework. This type of contract will enable the council to shape the market, establish quality standards, ensure value for money and increase choice for individuals.

8. Recommendation(s)

8.1 Recommendation(s): The Cabinet Member for Adult Social Care and Public Health is asked to:

- a) Recommission Community Day Services for people with a Learning Disability and/or Physical Disability (External)
- b) Delegate authority to the Corporate Director of Social Care, Health and Wellbeing, or other nominated officer, to take the necessary actions to implement the decision.

9. Background Documents

None

10. Contact details

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