

## Lotting strategy

For the purpose of this Care and Support in the Home tender the geographic area covered by Kent County Council has been divided into Clusters, each of which will constitute a Lot.

The Lots have been built based on Office for National Statistics Middle Super Output Areas (MSOAs). MSOAs group the population based on an area with approximately 5,000 residents in each area. This means that MSOAs differ significantly in geographical size, with urban areas being concentrated over a small geographical area, and rural areas more widely spread.

The 'hours delivered' data provides indicative volumes to inform your bids and relates to a snapshot of a week in July 2018. The Home Care and SIS Starts and Ends detailed throughout the document are based on the Financial Year 2017/2018.

The number of Contracted Providers required per Lot is based on Providers holding volumes of on average of 800 – 1000 hours per week. This volume is based on ongoing engagement with the Provider market about the volume of hours required for a business to be viable and to support long-term sustainability.

Please use the maps and data provided to ensure you understand the scale of business, the concentrations of the population and the geographic spread of any Lot you are interested in. It is important that you do this, as it is a mandatory requirement of this contract that you will provide full coverage of the Lot, or part(s) thereof, that you are awarded a contract for.

Please note that the Lots detailed in this document cover only Home Care and Supporting Independence Services, and that providers bidding for Lots will be expected to deliver both Services.

Contracting arrangements for other services will be as follows:

Extra Care Background Hours	This Service will be subject to a further competition during the life of the Care and Support in the Home Contract.
Discharge to Assess	This Service will be subject to a further competition during the life of the Care and Support in the Home Contract.
Supported Living	Supported Living Services will be extended under their current Contractual arrangements until May 2019 and will then be subject to a separate Contract.

### CONTEXT

The Services in scope for the Care and Support in the Home Contract; Home Care and Supporting Independence Services (SIS) deliver very similar tasks in people's homes and with both Contracts ending in May 2019, there is an opportunity to achieve improved consistency and practice across the market by bringing Services together. Aligning Services under one Contractual arrangement will enable the Council to take a consistent and equitable approach in working with the market to focus on the personalisation and outcomes agendas. This will support the Council's strategic outcome that '*Older and vulnerable residents are safe and supported with choices to live independently*'.

The new Care and Support in the Home Contract presents an opportunity to standardise the rates paid to Providers and explore incentivisation to ensure availability of support in traditionally hard-to-place areas. These are key priorities underpinning the Lotting Strategy for Care and Support in the Home Services. Please read this Strategy in conjunction with the Pricing Strategy document to get a full overview of the incentivisation approach.

### STRATEGIC APPROACH

The Council is presently going through step changes in the way it wishes to commission, deliver and manage Services, as well as the relationships it holds with Contracted Providers. This includes the realignment of the Older People and Physical Disability Division to enable change in the way the Council works with its Providers to develop and deliver Services. This realignment process will enable staff to work in new ways with Providers to develop practice and support the delivery of outcomes-focussed, personalised care.

This Lotting Strategy is designed to align to KCC's long-term aspiration to delegate more activity to the provider market. The final proposals are designed to enable closer working and opportunity to share best practice between both providers and the Local Authority.

The strategy also gives consideration to the Health and Social Care integration agenda, and the Sustainability Transformation Plans which underpin it. Whilst boundaries for Lots are not exactly the same as Local Care boundaries, they are designed to enable effective reporting into Local Care and support the ongoing development of joint working practices.

In designing this strategy, consideration has been given to the historic challenge of securing supply in rural areas, often with a fragmented market. This strategy has utilised performance reporting to evidence the clusters where packages are particularly hard to place, and addresses these challenges with a mix of two approaches:

- Block Contracts which enable greater flexibility of delivery and ensure capacity. This approach has demonstrated improvements in availability of care and support in a pilot project.

- 'Cluster groups' where urban and rural MSOAs have been brought together. This provides a more profitable urban area to balance the cost of delivering care and support in more challenging rural areas.

This approach is intended to normalise incentivisation to reduce supply issues in rural areas and ensure all areas are financially viable for providers. The strategy utilises Office of National Statistics rurality indices and has a close interdependency with the Payment Mechanism. In considering the Payment Mechanism to support the achievement of the key priorities set out in this document, the Council has applied a weighting to contracted rates, aligning all Kent postcodes to the following Office of National Statistic's Rurality Index Categorisations:

- Urban major conurbation
- Urban city and town
- Rural town and fringe
- Rural village and dispersed.

The strategy has been designed to take account of:

- Rurality of areas and associated costs of delivering care and support in these areas
- Volume of hours delivered in areas
- Types of needs in areas
- Volume of hours required for provider viability
- Number of providers required within an area to minimise risk and achieve a viable market share.

In developing the Lotting Strategy, an evidence-based approach utilising Performance data from the existing contract has been applied throughout.

### KEY PRINCIPLES OF THE STRATEGY

- Providers commit to work together to ensure that residents have equitable access to quality Services in a timely manner
- Differing rates across Services and localities will be stabilised to normalise incentivisation
- SIS and Home Care Services will be brought together to improve availability of provision in hard-to-place rural areas and reduce fragmentation in the market.
- Further strategies will follow for specialist Services to ensure equitable access to good quality Services across the county

Evidence based and informed by findings from SBDI.