

From: Richard Smith, Corporate Director Adult Social Care and Health

To: Clair Bell, Cabinet Member for Adult Social Care and Public Health

Decision No: 21/00081

Subject: **CARE AND SUPPORT IN THE HOME SERVICE
PHASE 2 -SUPPORTED LIVING**

Classification: Unrestricted - Exempt Appendix (Exempt from publication by Schedule 12A to the Local Government Act 1972, as it contains commercially sensitive information)

Past Pathway of Paper: Adult Social Care Governance Board - 25 August 2021
Adult Social Care Cabinet Committee – 29 September 2021

Future Pathway of Paper: Cabinet Member decision

Electoral Division: All

Summary: Kent County Council Strategic Commissioning unit was commissioned to procure further provision for Supported Living Services, including the provision of Children’s services under the Care and Support in the Home ‘umbrella’. This report summarises the recent activity undertaken to add providers to the existing contract, which was initiated in June 2020, much of the detail remains the same as in the previous paper and as such this report will focus on the new information to be added, the current landscape, commissioning intentions, procurement process and evaluation.

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

a) **AWARD** contracts to additional providers as detailed in exempt Appendix 1; and
b) **DELEGATE** authority to the Corporate Director Adult Social Care and Health to take relevant actions, including but not limited to finalising the terms of and entering into required contract or other legal agreements, as necessary to implement the decision.

1. Introduction

1.1 Kent County Council Strategic Commissioning unit was commissioned to procure additional provision for Supported Living Services, including the provision of Children’s services under the Care and Support in the Home ‘umbrella’.

- 1.2 Care and Support in the Home - Supported Living is defined as care and support services that are delivered in a property-based model. In most cases the accommodation will be occupied by more than one tenant, with a combination of individual, one to one support and shared support, where an opportunity exists for a care and support worker to potentially support several tenants with either a defined activity or mitigating risk through their presence as a watching brief. This shared support can be delivered either within a single property or within a mews / courtyard type setting with onsite staff accommodation.
- 1.3 This report summarises the recent activity undertaken to add providers to the existing contract, which was initiated in June 2020, much of the detail remains the same as in the previous paper and as such this report will focus on the new information to be added, the current landscape, commissioning intentions, procurement process and evaluation. Links to the previous tender opportunity are included as background documents to this report.
- 1.4 The planned contract arrangements for the Care and Support in the Home Phase 2 Supported Living are anticipated to run for three years, with an option to extend, for a further three years with a total value of approximately £94m per annum, the final value will be determined through contract solution design, which is currently being progressed.
- 1.5 In-depth detailed work carried out by Strategic Commissioning, Commissioners and Finance Teams identified what is currently being commissioned from providers, what is being delivered and at what cost.
- 1.6 In line with national strategy the aim of adult social care is to reduce the number of placements to care homes and to work with the market to develop and make available a range of other appropriate alternative options, including an increase in supported living options.
- 1.7 Market and stakeholder engagement was undertaken to gather views around shaping the 2020 contracts and how services could best be managed in the future. Engagement for the recent procurement exercise included three virtual provider engagement events in March 2021 where the Council outlined its intentions for the new services, the project timeline, and the procurement process.
- 1.8 The full award report is added as Appendix A to this report as a 'Restricted Appendix' that is exempt from publication by Schedule 12A to the Local Government Act 1972, as it contains commercially confidential information. Section 5 contains details of the providers to award within chart 5.9 The Award Recommendations.

2. Strategic Statement and Policy Framework

- 2.1 The services in scope support the Council's strategic objective 'to help people to improve or maintain their wellbeing and to live as independently as possible' as well as assisting adults with assessed needs, to remain living independently in their own homes and maintain their tenancies and for residential services, 'Older and vulnerable residents are safe and supported with choices to live

independently'. Key supporting outcomes that this commissioning and re-procurement activity will support include the following:

- Families and carers of vulnerable and older people have access to the advice, information and support they need
- Older and vulnerable residents feel socially included
- Residents have greater choice and control over the health and social care they receive

2.2 Kent County Council Strategic Commissioning unit managed the procurement exercise for these contracts. The new contracts will replace existing services and bring the delivery of multiple services together under one contract to form an 'umbrella' of interventions. These interventions aim, wherever possible to support a person to achieve the outcomes that are important to them, in line with the Care Act and the vision set out by the Council in its strategy, 'Your life, Your Wellbeing'.

2.3 Staff from the Council's Strategic Policy and Corporate Assurance Division were part of the working group to make sure that the new contract is consistent with policy and practice and that, should any change be required, this is incorporated into all the relevant policies and guidance.

3. The Report

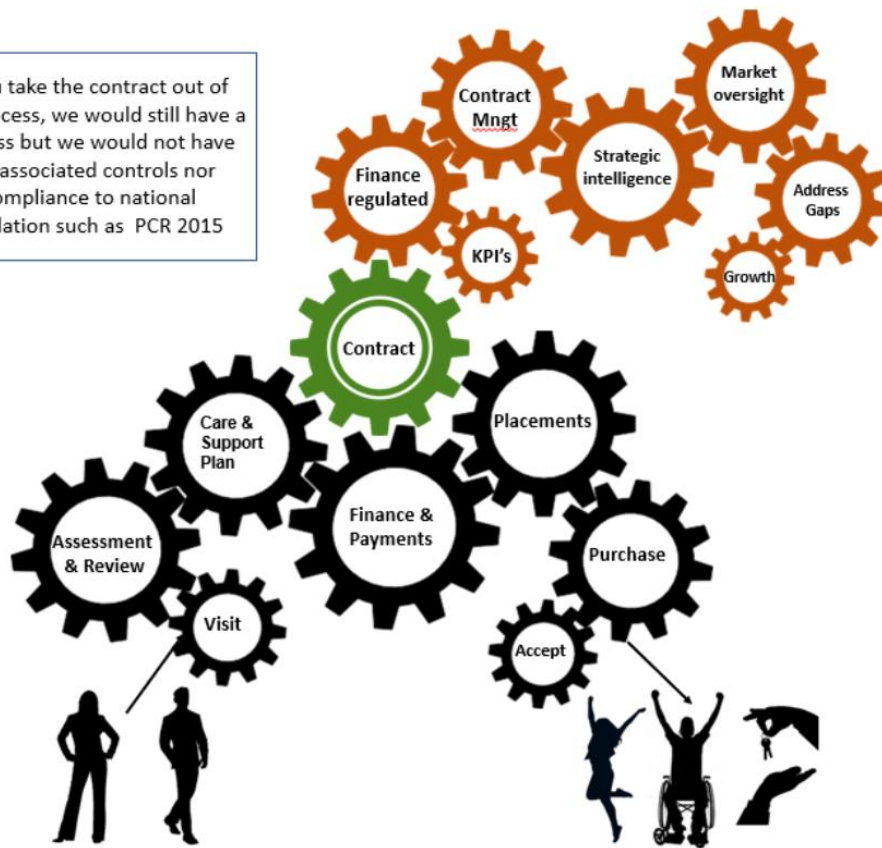
3.1 This report expands on the previous report agreed under decision 20/00031 – Care in the Home Service which gives more in-depth information with regards to the background to the new contract.

3.2 Since the award of the new contracts in June 2020 we have been able to further understand the need and availability of the Supported Living market, and from this were able to represent the opportunity to the market as part of the recent tender process.

3.3 All organisations that expressed an interest in this opportunity were invited to submit an initial Invitation to Tender (ITT) response, and then (subject to passing the selection criteria) to participate at the negotiation stage, and then re-submit a final tender response. At each stage of the process, stringent evaluation criteria were set, and tenderers were excluded if these criteria were not met, removing them from further participation at each stage. Full details of all evaluation criteria can be found in exempt Appendix A.

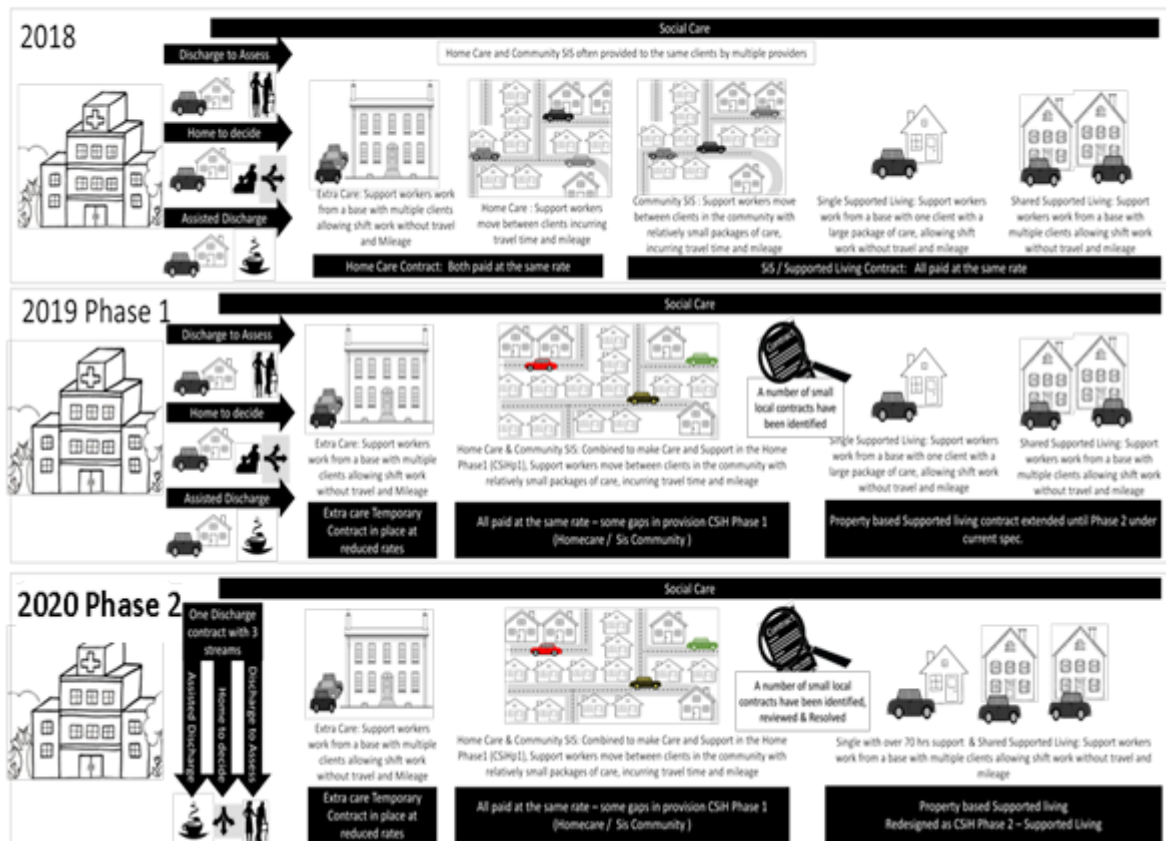
3.4 It is important to note that the contract is one part of a process and has many interdependencies, should the surrounding process and activities not change, then the contracts are unlikely to reach their potential benefits for people, providers, or the Council. There were several activities and recommendations agreed as part of the original award report which are laid out in greater detail alongside their progress within the exempt Appendix A.

If you take the contract out of the process, we would still have a process but we would not have the associated controls nor compliance to national legislation such as PCR 2015



4. Current Landscape

4.1 The current landscape has not greatly altered, however there has been a greater demand due to the COVID-19 pandemic and as such it has further developed to give us a greater understanding of the needs and availability of provision, this report allows us to add providers to the contract to further develop the future ambitions.



4.2 In April 2018 work commenced to analyse provision and to work with operational colleagues to devise a specification for this new Care and Support in the Home service.

4.3 The Care and Support in the Home programme of work will bring together under one contractual arrangement services which have historically been delivered separately.

4.4 The services in scope for Care and Support in the Home Phase 1 were:

- Home Care Services
- Supporting Independence Service (SIS).

4.5 These services deliver very similar tasks in people's homes and thus provided an opportunity to improve consistency of delivery and bring services together under one contractual arrangement, with the aim to reduce silos, avoid duplication and improve outcomes through consistency of delivery.

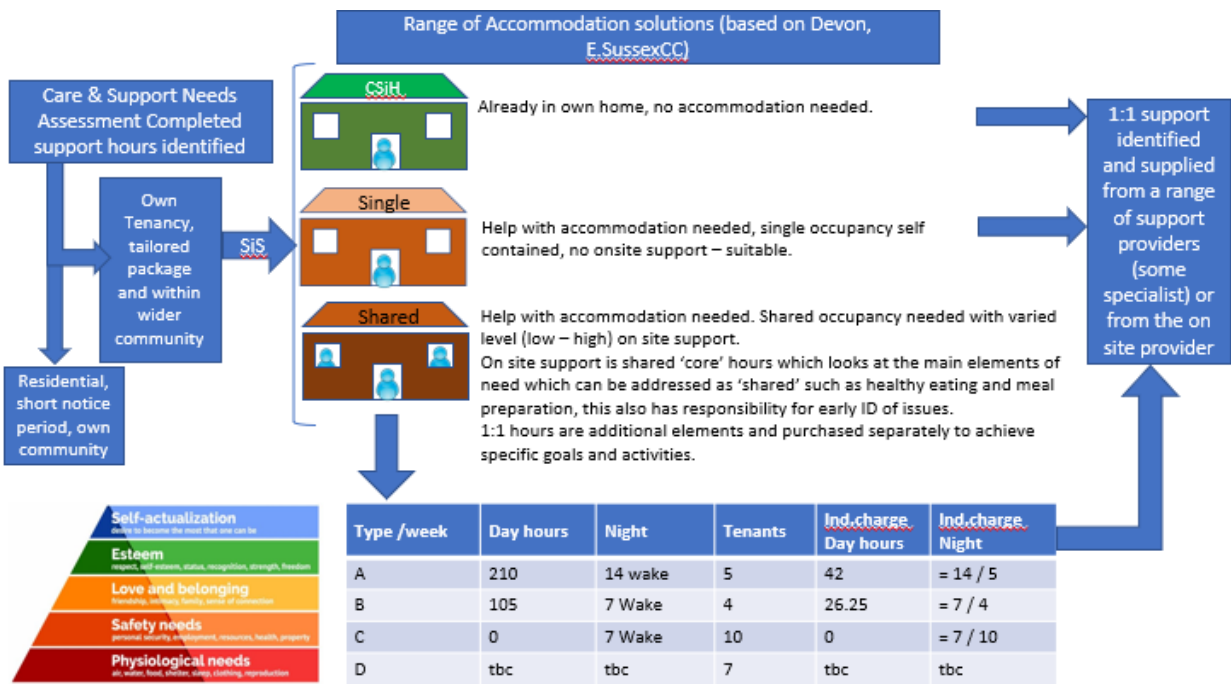
- 4.6 The existing contracts for these services were due to expire in June 2019.
- 4.7 The Supporting Independence Service (SIS) consisted of both Community Services and Property Based Supported Living Services. The decision was approved to absorb the community-based services into Care and Support in the home Phase 1, as this provision also involved care and support workers travelling between packages of care or support. The Property Based Supported Living aspect of this service was extended under its current contract terms until Phase 2 of the programme due in April 2020.
- 4.8 The tender process began on 18 September 2018 and all tenders were received into the Council by 18 October 2018 with the Phase 1 'Community' contract being implemented from April 2019.
- 4.9 Phase 2 Proposals were taken to the Strategic Commissioning Board in September 2019 for permission to approve going out to the market and to comment on the proposed Supported Living model.
- 4.10 Phase 2 was designed to bring together Supported Living Services, Discharge Services and to complete coverage of contracted providers across the cluster groups from Phase 1 of CSiH. Meals on Wheels Services were also added to this Phase 2 schedule.
- 4.11 The tender exercise for Care and Support in the Home Phase 2 Supported Living went to market in October 2019 with the award recommendations shared with Strategic Commissioning Board in February 2020.
- 4.12 The Forthcoming Executive Decision and Record of Decision were shared in May 2020 and the contracts commenced in June 2020 Contract Award Recommendations and Decision dated 5/6/2020 20/00031 – Care in the Home Service.
- 4.13 Discharge Support Services and the Community Lunchtime Services were removed from the process to be further considered.
- 4.14 The previous processes and activities were laid out in detail in the previous paper.
- 4.15 Placements were made by social workers on a case-by-case basis, resulting in no centralised information to allow understanding of need or any surplus or gap analysis and no management of off framework usage.
- 4.16 Currently the placement of supported living packages is managed by a small team hosted within commissioning and this is unlikely to change for the duration of implementation periods and remain until the various recommendations from the previous report are delivered allowing the potential of the contract to be realised and the processes and procedures to be refined.
- 4.17 In addition to initial placements, there is focus on ensuring that placements are input to the data and payment system correctly to reflect the true placement situation.

4.18 Managing the vacancy list and making the placements through Strategic Commissioning has allowed a more thorough gap analysis, this has led to the current service going back out to tender for providers to address the market gaps.

4.19 Recommissioning the Supported Living Service provided the Council with the opportunity to redesign the delivery model, maximising the potential utilisation of shared support, improve compatibility through the introduction of accommodation and client need banding categories and promote greater continuity and consistency in sourcing of support packages through the increased use of centralised Purchasing Teams.

4.20 The new model was designed to promote individual well-being and promote independence wherever possible, enabling people to do as much as they can for themselves, ensuring that people can live as independently as possible in their own home, including dedicated single or shared supported living schemes or rented accommodation.

4.21 Where possible the model focuses on the utilisation of shared hours within an accommodation setting, working towards banded provision as shown below:



5. Supported Living Services - Outcomes and Objectives

5.1 The options for the delivery of Care and Support in the Home Services have been assessed against the following objectives and critical success factors:

Objectives:	Critical Success Factors:
<ul style="list-style-type: none"> • Equitable access to Supported Living Services across the county • Equitable service quality across the county with fairer allocation of choice • Quality, sustainable provider market able to meet eligible needs • Responsive services led by the unmet needs of the individual • Providers are paid a fair cost for care which enables them to invest in workforce, quality and market sustainability • Re-commissioning of Supported Living services will support the realisation of efficiencies and will align to key strategic outcomes. 	<ul style="list-style-type: none"> • Level of risk: minimises operational risk, including risk to client, organisational and reputational risk, and risk of provider failure/ lack of appetite • Investment costs • Standardised approach to placing and procurement • Makes best use of available resources • Achieves improved outcomes for individuals • Clearly defined Supported Living services, departing from historic Supporting Independence Service definitions to a more outcome-focused operational model.

5.2 The supported living model agreed was designed to achieve the following objectives:

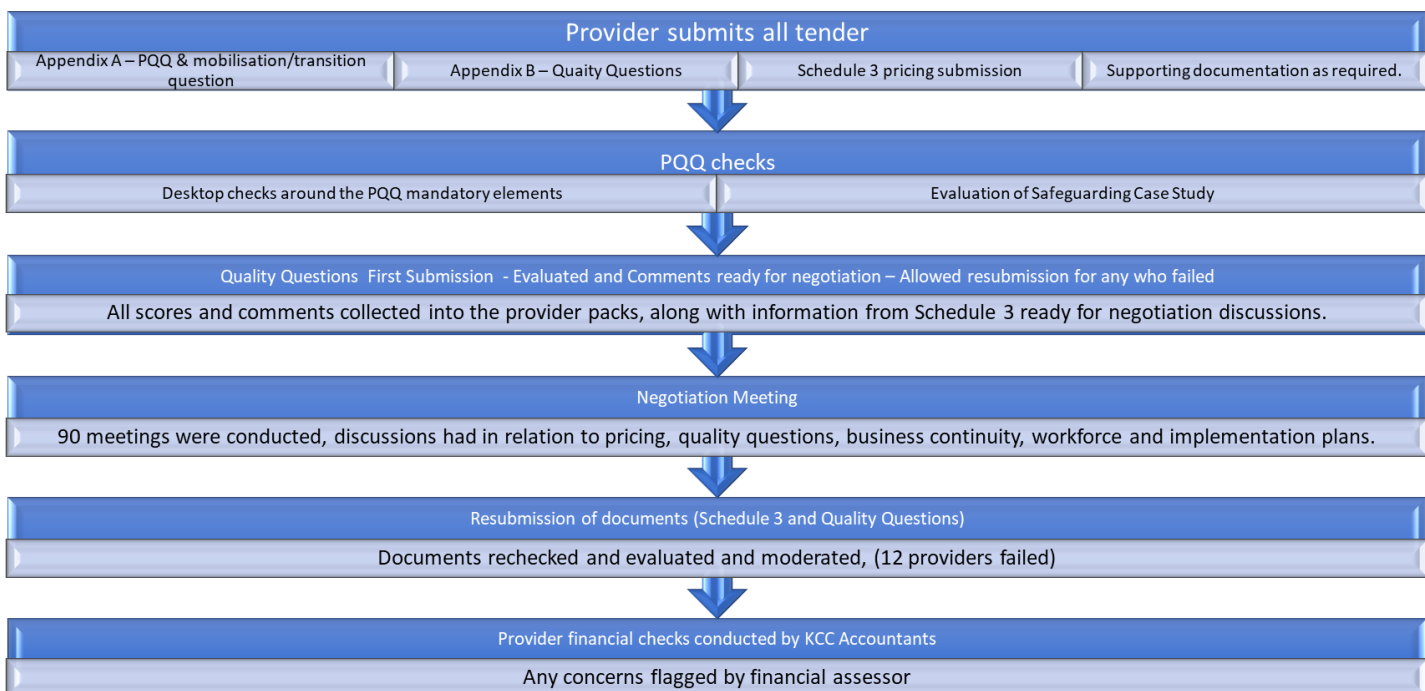
- Effectiveness – to improve the quality of Supported Living Services in terms of increased utilisation of analytics and intelligence to improve mapping of compatibility and suitability of services and accommodation by introducing banding and categorisation of properties and client needs. Improving the delivery of assessed need, promoting increased delivery of individual outcomes and goals.
- Efficiency – to improve the consistency of assessments through the standardising of assessment tool across directorates and the sourcing of Supported Living placements through a centralised Purchasing team.
- Economy – to maximise the utilisation of shared support hours across Supported Living services through the utilisation of a single assessment tool across all directorates. Potential for reduction in the number of ‘Complex’ packages of care or support through the lifetime of the contract as mapping of services and provider specialisations maximise utilisation of mandatory staff training.
- Compliance – improved contract compliance through sourcing all packages through a Central Purchasing team, reducing the referrals to non-contracted providers, and ensuring that all placements are working to the Council’s contractual service specification, terms and conditions.

- Replacement – to redesign the Supported Living Service model as the current specification, terms and conditions are no longer ensuring cost efficiency and service effectiveness for the Council.
- 5.3 Recommissioning the services has allowed us to have a greater control of the market, the properties, and their intended use.
- 5.4 On Implementation of the 2020 Supported Living contract we had 64 providers, 438 properties with a capacity of 1593 homes. 12 previously contracted providers exited from contract provision which affected 105 people across 20 properties. 16 previously off framework providers entered onto the contract gaining 321 people onto the framework across 63 additional properties.
- 5.5 Since the contract started in June 2020, despite the global pandemic, we have increased the amount of provision by adding 84 properties to the contract under framework providers increasing the capacity by 243 according to need, all of which now have tenants.
- 5.6 There are a further 29 properties in the pipeline under development and ongoing discussions with providers and developers.
- 5.7 As set out in the award report from the 2019/20 procurement exercise. The 2020 contract is one part of a process and has many interdependencies. Should the surrounding process and activities not change, then the contracts are unlikely to reach their potential benefits for people, providers, or the Council.
- 5.8 Therefore, there is a requirement as part of this further procurement exercise to incorporate the recommendations as set out in the 2020 contract award report, these include:
- **Placement Process.** Review of the existing Supported Living pilot placement process to extend to all Adult Social Care operational teams and then consider including residential care homes. Develop a more efficient, streamlined purchasing function for residential care (currently Adult Purchasing team) that minimises bureaucracy and is responsive to the levels of demand for the service.
 - **Assessment and Reviews.** Joint action plan agreed with Adult Social Care and Commissioning, to review the commissioned hours for all placements on a priority basis and to also include baselining of Supported Living Properties.
 - **Care Needs Matrix.** Review the matrix and the use of the Individual Care Tool across Mental Health and the Children and Young People Operational teams.
 - **Technology.** Identify the technology currently available in the market and in development for the future.
 - **Further Procurement Exercise.** Open the tender for Residential Care Home Services and Supported Living Services to capture the providers who did not apply in the initial tender in 2019/20.

- **Providers not on the 2020 contracts.** Establish a joint plan of action for providers not on the 2020 contracts following the two procurement exercises in 2019/20 and the recent exercise in March 2021.

6. Commissioning intentions

- 6.1 The decision was made to return to market in March 2021 to address the increased need and demand for services. Gap analysis information gained from the period June 2020 to February 2021 has fed into this second procurement exercise.
- 6.2 The procurement exercise has taken place and is now in the position to award additional contracts under the Care and Support in the Home Phase 2 – Supported Living framework.
- 6.3 To continue the progress in developing the offer of services, the 2020 Care Home Contract aligned and dovetailed with the commissioning of the Care and Support in the Home Contract - Supported Living.
- 6.4 Ongoing work and activity is needed to ensure the activities and recommendations from the first procurement exercise and award report are necessary to allow the contract to meet its potential.
- 6.5 The illustration below shows the Procurement process taken:



6.6 The table below shows the procurement timetable:

Activity	Date
Publish advert and ITT	24 March 2021
Deadline to submit requests for clarification via the Kent Business Portal	16 April 2021
Closing date and time for Tender Submissions	4pm on 23 April 2021
Tender Evaluation Period	26 April – 28 May 2021
Moderation	30 April – 28 May 2021
Negotiation Period	2 June – 30 June 2021
Tender resubmission	2 June – 9 July 2021
Award Clarification Meetings	October 2021
Contract Award* and Standstill	October 2021
Mobilisation**	N/A
Contract Commencement Date	15-November 2021

6.7 Full details of providers who took part in the procurement process can be found in exempt Appendix A. This is a Restricted Appendix that is exempt from publication by Schedule 12A to the Local Government Act 1972, as it contains commercially confidential information.

6.8 Following positive market engagement throughout the analysis and design phase of the commissioning and procurement cycle, it was clear that there was a shared commitment from both the Council and the market to enable greater opportunities to work together going forward. It was agreed that in previous contracts, having market providers on different contracted rates within the same contract framework had created a barrier to collaboration and joint working. The market gave a clear indication that the standardising and setting of contractual rates would mitigate some of these issues and service providers stated a commitment to working together to ensure planned and managed transitions as tenants' needs and levels of independence changed over time.

6.9 Setting contractual rates also enabled the Council to focus the evaluation stage 100% on quality and questions were developed that would provide the Council with the greatest confidence across critical topics impacting health and social care provision and person-centred practice.

6.10 Prior to April 2020 the Supporting Independence Service (SIS) Contract covered both community-based services as well as property-based supported living, with 52 providers on the contracted framework.

6.11 A further 28 non-contracted providers were supporting Kent funded people through Individual Contracts (Indis) and many of these delivered quality services but, in some cases, had either missed or not taken the opportunity to bid for a place on the original SIS contract framework.

6.12 Following the rigorous evaluation and moderation of the submissions, based on those providers that met all the required selection criteria, the post April 2020

market share provided 64 supported living service providers on the new contract.

- 6.13 There were also '8' providers who are new to Kent but bring experience and expertise from elsewhere and bring a commitment to working closely with other market providers and the Council going forward.

7. Financial Implications

- 7.1 The estimated annual costs of the Care and Support in the Home - Supported Living Phase 2 were £6.036m prior to the original contract award in June 2020. The actual cost of the award in 2020 was £5.110m in a full year, leaving a £0.926m budget centrally held until the remaining costs of this latest tender process were known.
- 7.2 The estimated additional cost of £5.110m also covered the inflationary uplift anticipated for the year 2020-21. An inflationary uplift was also made available in 2021-22 and will be considered as part of the budget setting process for the remaining years of the contract.
- 7.3 The planned contract arrangements for the Care and Support in the Home Service Phase 2 are anticipated to run until March 2024, with an option to extend, for a further three years, with a total value estimated to be approximately £94m per annum; this will be determined through contract solution design, which is currently being progressed.
- 7.4 This decision is sought to add providers to the existing framework, agreed under the previous decision 20/00031 - Care in the Home Service in June 2020.
- 7.5 Adding providers to the contract is estimated to add an additional cost of £0.322m per annum in a full year to meet the minimum rates it is considered providers will accept. The £0.322m will be funded from the centrally held budget of £0.784m.
- 7.6 The below table shows current Supported Living costs:

CSiH Phase 2 Additional Providers	CURRENT ANNUAL COST £m	REVISED ANNUAL COST £m	ANNUAL COST CHANGE £m	FUNDING HELD CENTRALLY £m
Adults	81.623	81.874	0.251	
Pathway Clients (18-25)	13.313	13.384	0.071	
Total Value Supported Living Provision	94.936	95.258	0.322	0.784

- 7.7 Assuming a contract start date of 15 November 2021, the part year funding required for 2021-22 would be £121k.

- 7.8 The contract will run within the same time scale as the contract let in June 2020, through to March 2024 with an option to extend for a further three years.
- 7.9 When the original procurement exercise was agreed, it was highlighted that the investment required to bring supported living into the Care and Support in the Home contract would allow benefits to be achieved in future years such as maximising the use of shared and background support hours within properties which would allow cost savings to be made over the longer term. These savings would then be included in the Medium-Term Financial Plan.
- 7.10 The Supported Living Service is one within which residents may remain for many years and in some cases most of their lives, and many individuals receiving the service have transitioned from young people's services, therefore the overall cost of the service is likely to continue to increase.

8. Legal Implications

- 8.1 The main legislative framework for the Care and Support in the Home Service is the Care Act 2014, and the principles of the Mental Capacity Act 2005. These are statutory duties, and the new service will be compliant with both legislations.
- 8.2 There is also the need to ensure that the Council is compliant with Public Contract Legislation which is seen to have been compromised due to the volume of 'off contract' placements.

9. Equality Implications

- 9.1 An EQIA screening was completed, there are no significant changes to the delivery of care, the only changes are to mechanisms of managing the care. No protected group is seen to be adversely affected by any decisions relating to this contract.

10. Data Protection Impact Assessment Implications

- 10.1 A Data Protection Impact Assessment was completed and approved for phase 1 and phase 2 of the Care and Support in the Home programme.

11. Conclusions

- 11.1 A thorough procurement process was undertaken in accordance with the Public Contract Regulation 2015 (PCR15).
- 11.2 Care and Support in the Home - Supported living it is recommended the providers detailed in Appendix A are added to the Care and Support in the Home – Supported Living Framework. This is a Restricted Appendix that is exempt from publication by Schedule 12A to the Local Government Act 1972, as it contains commercially confidential information.

12. Recommendations

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

- a) **AWARD** contracts to additional providers as detailed in exempt Appendix 1; and
- b) **DELEGATE** authority to the Corporate Director Adult Social Care and Health to take relevant actions, including but not limited to finalising the terms of and entering into required contract or other legal agreements, as necessary to implement the decision.

13. Background Documents

20/00031 – Care in the Home Service

<https://democracy.kent.gov.uk/ieDecisionDetails.aspx?ID=2355>

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