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Report of: Alexis Chappell, Director of Adult Health & Social Care

Report to: Co-operative Executive

Date of Decision: 22/09/2021

Subject: Extension to the Home Care and Supported Living Framework Contract

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Executive Member Portfolio does this relate to? Health and Social Care		
Which Scrutiny and Policy Development Committee does this relate to?		
Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? (ASC/RP/BK/210721)		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<p><i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i></p>		

Purpose of Report:

The purpose of the report is to request an extension of 18 months to the current Home Care and Supported Living Framework contract, which is due to expire October 3rd 2021.

The report will highlight the importance of ensuring continuity of care that meets the needs of people in the city by extending the current framework while the future model of home support is developed ready for implementation.

In addition, the report will highlight the changes required to deliver long term, quality and sustainable care markets that deliver on our ambitions for people in Sheffield and how the extension will enable these to be incorporated into the future model.

Recommendations:

It is recommended that the Co-operative Executive:

- Approve the proposed 18-month extension to the current Home Care and Supported Living framework as outlined in this report.
- Approve contract extensions being issued to all current framework providers on the Home Care and Supported Living framework for the 18-month extension.

Background Papers:

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Ann Hardy
		Legal: Gemma Day
		Equalities: Bashir Khan
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	EMT member who approved submission:	Alexis Chapel
3	Executive Member consulted:	George Lindars-Hammond
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Robyn Pryor	Job Title: Commissioning Officer
	Date: 13/08/2021	

1. PROPOSAL

1.1 The Home Care and Supported Living markets have been remarkably resilient throughout the Covid-19 pandemic. The pressures placed on the care services have highlighted the need for change to ensure the long term sustainability of quality and diverse care services that meet the needs of people in the city. It is recognised that transformational change is required to ensure the quality and safety of services, and to meet our Statutory Duty under the Care Act 2014.

1.2 Many more people are being supported to live independently, safe, and well at home. This has resulted in an almost 100% increase in the number of home care hours being commissioned. This is because more people are living at home longer and there are larger care packages required to support increased acuity and complexity of some of those people living at home.

1.3 It is essential to ensure that we have the appropriate models of care, and a care workforce and infrastructure that is fit for the future. In particular we must ensure that care at home can support the diverse range of needs in the city with quality care. This means good leadership, robust systems and processes and a stable workforce staff with skills, knowledge, and experience underpinned by fair pay, terms and conditions.

1.4 A minimum of 18 months extension to the current home support framework is required to enable commissioners to work with people who use services, with the provider market and their workforce and with other stakeholders in health and social care to develop and procure the future model of home care and supported living. The new contract would therefore commence on 10 April 2023.

1.5 **Current market intelligence**

The Operational Commissioning service has collaborated with contracted providers in both home care and supported living, with an open dialogue about the common challenges faced, and the challenges they face in delivering quality and sustainable services.

The **Supported Living** market is relatively stable and has seen less fluctuation in demand over the last two years than home care. There is plenty of scope however to develop a more ambitious model of care that increases people's choice and control over their support and their lives. The extension will enable the team to develop this new model with stakeholders over the next 18 months.

The **Home Care** market consists of 36 contracted home care providers in Sheffield who employ 1,800 care workers, and collectively deliver:

- up to 42,000 hours of care each week
- to 2,800 people in receipt of care
- completing 2.1 million care visits annually

The market has remained resilient throughout the pandemic but in the last few months has begun to struggle with continued increases in demand. This has been exacerbated by the need for self-isolation as a result of track and trace in relation to the pandemic, and the seasonal challenges of the school holiday period, all of which have had a detrimental impact on workforce capacity.

1.6 **The case for change in home care:**

Home Care

Home care is a vital service which supports, and directly impacts people and their families across the city, many of whom are among our most vulnerable citizens. Despite being one of the most inexpensive elements of the health and social care system, home care is crucial in enabling people to remain at home, leave hospital quickly and avoid or delay moving to permanent residential care.

However, despite improving CQC ratings, there are too many examples where home care doesn't function well for people, their families and carers, nor the workers providing the service, while demand, and consequentially costs, continues to increase.

Furthermore, there are significant systemic constraints and inefficiencies which hinder the efforts of care workers and other professionals, present barriers to better outcomes for people and result in already limited funding being spent trying to put things right.

Recruitment and retention of the 1,800 strong commissioned workforce is seen as a priority, with annual turnover of care workers as high as 57% per annum, with vacancy rates of 12.5%. The turnover of care workers has a detrimental impact on continuity of care with the relative inexperience of many care workers driving up failure demand.

We need to ensure care and support people receive at home is person-centred, reliable, and responsive, delivering the best possible outcomes for all. It is also essential that it represents the best possible value for money and is fit for the future, meeting the changing needs, demographics, and desired outcomes of the citizens of Sheffield.

Supported Living

While the Supported Living market is stable, people who use supported

living and their families want to work with us to develop a model of care that is more focused on outcomes and ensuring they have as much independence, choice and control over their care and support as possible.

Work is underway to explore how supported living might be delivered differently to derive better outcomes, both for people, and the wider health and social care system. This work is at an early stage and there is a need for a robust framework review involving a full range of stakeholders; individuals in receipt of services, advocacy groups, carers groups, providers, social care and health colleagues to evaluate the current framework and make recommendations for the future.

Individual Service Funds: One example of a more empowering model of supported living is Individual Service Funds (ISFs) whereby a provider holds the person's care and support budget and supports them to spend it to meet their needs. We are currently carrying out a, ISF pilot to test the objectives of increased control, choice, and flexibility for people in managing their support.

If ISFs are to be included as part of the next Supported Living Framework this will require development time with our systems and finance colleagues to identify how our social care recording and accountancy systems can best support this.

Enhanced Framework for Supported Living: We are also part of a regional framework for individuals with learning disabilities and/or autism who have complex needs. This has a particular focus on people moving from long term institutional care into more independent living (Transforming Care pathway) and seeks to enable individuals in long term hospitals and out of city residential placements to return to the city and integrate into the community in a less restrictive environment. In the last four months we have started awarding packages via this framework. The current regional framework finishes in April 2022 and while there may be an extension, there have been some aspects of the framework that we feel need improving to meet Sheffield's requirements and ambitions. We are considering the option of developing our own Enhanced Framework which again needs time to adequately consult and develop our thinking

Autism commissioning: Strategic commissioning are currently developing a vision for the future of Autism services across the city. It is likely that the report will comment on the current support offer and may make future recommendations to how this is delivered in the future. As Adult Social Care have moved away from specialisms to generic working it would be wise for us to consider whether a future framework could meet the needs of the autistic community better than the current specification which is heavily geared towards learning disabilities.

1.7 **Transformational ambitions**

The challenges and ambitions set out above need to be resolved to ensure the long term delivery of sustainable and affordable services, which deliver the best possible outcomes and service experience for people in receipt of care.

Our transformational ambitions:

- Health and social care activities are integrated to deliver the best possible service to people in receipt of care
- Services benefit from the having right information at the right time, supporting well-informed, timely decisions that improve outcomes for people in receipt of care
- Services work collaboratively across the public, private and voluntary sectors with the person at the centre
- Services embrace technology to maximise independent living and improve the customer experience
- Services are measured on outcomes with a decreasing focus on ‘time and task’.
- Maximising people’s potential for independent living is everyone’s business, with enablement being a key component of the new services

Due to the challenging nature of our ambition, we will need the appropriate time to deliver the change, taking a range of key stakeholders on a journey with us, not least people in receipt of care, our care providers and partners across the health and social care system.

We will need the necessary time to consult the people who receive care already, and time to develop the care provider market for the expanded role that we envisage.

Therefore, it is requested that an extension of 18 months is granted on the current model of care, to allow sufficient time to implement and tender for the new service models.

1.8

Key milestones

Cooperative Executive approval 18 Month Contract Extension	22.9.21
Stakeholder Mapping Communications and Engagement Plan	31.10.21
Soft Market Testing	27.02.22
Service Specification	30.06.22
Cooperative Executive Approval Procurement	31.07.22
ITT	31.08.22
Contract Award	30.12.22
Contract Mobilisation	07.04.23
Contract Go Live	10.04. 23

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 Customer satisfaction is at the centre of the transformational change with co-production activities underway supported by an 'Expert by Experience Group' in home care, to inform and shape the new model of care. This will ensure it meets the needs and wants of people in receipt of care, their families and carers.
- 2.2 The transformational changes outlined contributed to the wider re-modelling of home care as part of the Adult Health and Social Care One Year Plan.
- 2.3 The work also contributes to the Adult Health and Social Care Operating Model Capacity Proposal and is a key component of the Adult Health and Social Care Transformational Programme.
- 2.4 The overarching principles of the transformational ambitions detailed in section 1.7 are consistent with the Corporate Plan.
- 2.5 The plans to develop a collaborative 'Recruitment and Retention Toolkit for Home Care' will see employment opportunities in the City with the aim of ensuring that we have a commissioned care workforce reflecting the ethnicity, cultural and religious diversity of the population.

The work that is currently underway in relation to the 'Care Sector Routeways' funded in part by the European Union Social Fund Commission, supports job seekers to enter and progress in work across the Care Sector, which adds social value and will benefit the economy.

- 2.6 The transformational change activities will seek to reduce health inequalities, with the new models of care subject to stringent Environmental and Equality Impacts Assessments.

The new model for home care will support care providers to work in relatively compact areas, reducing their carbon footprints.
- 2.7 It has been identified that the elapsing of the contract without a new framework in place to start will impact upon the ease of access to services for people needing to receive care.
- 2.8 The extension of the current framework and contracts will ensure that we continue to meet the ambitions within the Joint Health and Wellbeing Strategy that everyone has access to quality care.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Consultation has not been completed specifically in relation to the extension of the contract. However, we will be undertaking a range of

consultation activities in support of the new models of care, which will be further detailed in the submission of forms 1 and 2 at a later stage in relation to the re-procurement process.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 Decisions need to take into account the requirements of the Public Sector Equality Duty contained in Section 149 of the Equality Act 2010. This is the duty to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it

4.1.2 The Equality Act 2010 identifies the following groups as a protected characteristic: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

4.1.3 An Equality Impact Assessment has been completed and is summarised below:

- The extension of the contract will prevent unnecessary disruption to continuity of care, which would have negative impacts upon the people in receipt of services
- The extension will allow continued equitable access to home care and supported living services for Sheffield residents
- There are no anticipated impacts upon persons of protected characteristics as a result of the extension

4.1.4 The proposals will support to ensure that the market remains stable over the next 18 months, and will continue to ensure the availability and quality of care delivered to vulnerable adults with eligible social care needs. The extension of the contract would not impact disproportionately on any section of the service user population.

4.2 Financial and Commercial Implications

4.2.1 The current arrangements for paying Home Care and Supported Living Providers requires significant manual intervention by Commissioning staff at the Council and can be onerous for providers to supply the data. The review of the how we commission home care and supported living going forward, as set out above, is anticipated to deliver benefits to all parties involved and for the Council help to manage demand and drive

efficiencies in the market.

The extension to the existing contracts will delay these benefits being realised but will enable the Council time to implement change in a controlled manner and to ensure that we get it right the first time.

The requested extension will total an overall contract period of 5 ½ years. Regulation 33 of the Public Contracts Regulations (PCR) 2015 state that only under exceptional circumstances should a framework be extended beyond 4 years. This extension request therefore introduces a potential risk of challenge from Home care providers in the market. The Council can seek to rely upon Regulation 72 of PCR 2015 which is detailed in section 4.3.

If this request is approved, then all Framework providers must be offered the contract extension and must sign and return the extended contract to remain as active providers to the extended framework.

4.3 Legal Implications

4.3.1 Under the Care Act 2014, the Council has a duty to meet the eligible needs of those in its area and it fulfils this duty in part through Council arranged services.

4.3.2 The Council also has functions under the Care Act 2014 to ensure that people in receipt of care:

- receive services that prevent their care needs from becoming more serious, or delay the impact of their needs;
- can get the information and advice they need to make good decisions about care and support;
- have a range of provision of high quality, appropriate services to choose from.

4.3.3 Home Care and Supported Living Services are core elements of the local offer of services that support people in their communities.

4.3.4 Framework agreements wouldn't usually be for longer than 4 years. However, there is scope within section 72 (1) (c) of The Public Contracts Regulations 2015 (PCR 2015) to extend the framework beyond four years, as long as the following circumstances are met:

“(c) where all of the following conditions are fulfilled:—

(i) the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen;

(ii) the modification does not alter the overall nature of the contract;

(iii) any increase in price does not exceed 50% of the value of the original contract or framework agreement"

4.3.5 The Covid-19 Pandemic is not something that the Council could have reasonably foreseen. If officers are also satisfied that the extension does not alter the overall nature of the contract, and that the 18 month extension will not exceed 50% of the value of the original framework agreement then PCR 2015 does provide the Council with the ability to extend the framework. The above assessment is subjective and could potentially provide a risk of challenge.

4.3.6 The European Convention on Human Rights requires local authorities to take into account their 'positive obligations' to actively promote and protect the rights of people as described in the Convention and maintains that providers of publicly funded home care should consider themselves bound by the Human Rights Act 1998.

4.3.7 There is a legal duty upon The Council under the Care Act to have open and transparent invoicing. The new payment model will support with better compliance with this.

4.4 Other Implications

4.4.1 There are further implications to consider at this time.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 A light touch retender was considered instead of an extension; however, this was not supported by Legal or Commercial Services as it was seen as being non-compliant with the Public Contracts Regulations 2015, given the size of the market and cost.

6. **REASONS FOR RECOMMENDATIONS**

6.1 The current framework contract for Home Support and Supported Living is due to expire October 2021, and there is insufficient time to re-tender for services before this date. The extension to the current framework has been subject to detailed consideration over the last 12 months, in respect of alternative approaches, such as a light touch re-procurement, referred to in section 5. This, coupled with the consequential impact of the pandemic upon our internal resources, has had an impact on the timeline for a final decision.

We have previously communicated an informal notice of intent to extend the contract to the providers, clearly stating that this would be subject to final approval.

- 6.2 Should the framework contract expire without re-tender or extension, then we will be unable to contract any further council arranged services for Home Care or Supported Living.
- 6.3 Services until a re-tender could only be arranged via a Direct Payment, which puts unnecessary pressure upon the person in receipt of care to arrange, finance and manage their own care if this is not what they wish to do, or Direct Awards, which are generally far more expensive than what we currently contract for care, whilst still providing the time and task model of support. Transferring to a Direct Payment from a Council Arranged Service would also impact on Assessment and Care Management to carry out reviews and Mental Capacity Assessments.
- 6.4 As we will not have a contracted rate for care, any services procured will be purchased using each provider's own hourly rate, which will not only be more expensive, but will be unequal across the city, with people paying different prices for care dependent upon where they live and which providers have capacity to support them.
- 6.5 Additionally, any terms and conditions that we currently contract against, such as quality expectations, timescales for procurement, and quality monitoring, would no longer be enforceable, and would negatively impact upon The Council's ability to ensure that the services procured for Sheffield residents are appropriate and meeting their needs.
- 6.6 This extension will ensure:
- the Council continues to meet its Statutory duties under the Care Act 2014;
 - there are no adverse effects to residents currently in receipt of home care and supported living services, in terms of the continuity of their care services;
 - there is no adverse effect to both the Council and Sheffield residents currently in receipt of home care and supported living services, in terms of the cost of their care services;
 - sufficient time is granted to develop, test and implement new, sustainable and ambitious models of care.