



Report to Policy Committee

Author/Lead Officer of Report:
Catherine Bunten – Assistant Director Adult Commissioning and Partnerships

Report of:	Strategic Director Adult Care and Wellbeing
Report to:	Adult Health and Social Care Committee
Date of Decision:	14 th June 2023
Subject:	Adult Care Providing Support, Market Sustainability Commissioning Plan 2023 - 2025

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given? **1256**

Has appropriate consultation taken place? Yes No

Has a Climate Impact Assessment (CIA) been undertaken? Yes No

Does the report contain confidential or exempt information? Yes No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

*“The (**report/appendix**) is not for publication because it contains exempt information under Paragraph (**insert relevant paragraph number**) of Schedule 12A of the Local Government Act 1972 (as amended).”*

Purpose of Report:

The purpose of this report is to seek approval from Committee for the Adult Commissioning Plan 2023 – 2025. Specifically, this plan intends to ensure we meet our market sufficiency responsibilities as set out in the Care Act 2014 and provide assurance against the CQC Single Assessment Framework for local authorities and integrated care systems.

Approval for the Care Fees consultation process is also sought in line with agreement made at Committee in March 2023 to bring the consultation and planning for Care Fees in line with Adult Care business planning timescales.

The report also provides an update in relation to Adult Commissioning which includes noting an extension to care at night contract to enable an options appraisal to be completed.

Recommendations:

It is recommended that the Adult Health and Social Care Policy Committee:

1. Note progress made in relation to providing support in the City and delivering a stable care market.
2. Approve Adult Commissioning Plan for 2023 – 2025 attached at Appendix 1.
3. Approve process for Care Fees business planning and process for consultation on care fees for residential services for financial year 2024/2025.
4. Note the extension of current care at night service until March 2024.

Background Papers:

- [AHSC Policy Committee Report: Commissioning of Citywide Care at Night Services, 19th December 2022](#)
- [AHSC Policy Committee Report: Market Sustainability: Adult Social Care Fee Rates 2023/24, 16th March 2023](#)
- [AHSC Policy Committee Report: Market Oversight and Sustainability - Adult Social Care, 8th February 2023](#)
- [AHSC Policy Committee Report: Recommissioning Homecare Services, 15th June 2022](#)
- [ASHC Policy Committee Report: Transforming Care Homes for Citizens of Sheffield, 8th February 2023](#)
- [AHSC Policy Committee Report: Approval to recommission Supported Living, Respite and Day Services provision for Working Age Adults, 21st September 2022](#)
- [AHSC Policy Committee Report: Sheffield All-Age Mental and Emotional Health and Wellbeing Strategy, 8th February 2023](#)
- [AHSC Policy Committee Report: Personalisation and Direct Payments Strategy, 19th December 2022](#)
- [AHSC Policy Committee Report: Unpaid Carers Delivery Plan, 19th December 2022](#)
- [AHSC Policy Committee Report: Development of a new Information, Advice and Guidance Platform, 19th December 2022](#)
- [AHSC Policy Committee Report: Sheffield Care Sector Workforce Development Strategy 2023 - 2026, 16th March 2023](#)

- [AHSC Policy Committee Report: Coproduction and Involvement Update, 19th December 2022](#)

Appendices:

- Appendix 1: Market Oversight and Sustainability Plan
- Appendix 2: EIA

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: <i>Laura Foster</i>
	Legal: <i>Patrick Chisholm</i>
	Equalities & Consultation: <i>Ed Sexton</i>
	Climate: <i>Catherine Buntun</i>
<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	SLB member who approved submission: <i>Alexis Chappell</i>
3	Committee Chair consulted: <i>Councillor Angela Argenzio</i>
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 Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	Lead Officer Name: <i>Catherine Buntun</i> Job Title: <i>Assistant Director Commissioning and Partnerships</i>
	Date: <i>05/06/23</i>

1. PROPOSAL

- 1.1 Our [Adult Health and Social Care Strategy](#) and accompanying Delivery Plan were approved in 2022 to set out our vision for 2022 to 2030. Called 'Living the life you want to live', it is about how we work together to help the people of Sheffield to live long, healthy and fulfilled lives.
- 1.2 Our vision is that everyone in Sheffield lives in a place they can call home, in communities that care, doing things that matter to them, celebrated for who they are - and when they need it, they receive care and support that prioritises independence, choice, and recovery.
- 1.3 In delivering upon this vision and our strategic outcomes, a priority is securing sufficient care and support provision that meets the needs of our population is a statutory requirement for all Local Authorities. This duty, as set out in Section 5 of the Care Act 2014, recognises that “high quality, personalised care and support can only be achieved where there is a vibrant, responsive market of services available”.
- 1.4 The Care Act places duties on local authorities to promote the efficient and effective operation of the market for adult care and support in the local area. In fulfilling this duty, local authorities must therefore ensure good oversight and understanding of the local care market. This covers both commissioned and non-commissioned services – including those used by self-funders.
- 1.5 Local authorities should shape the market to provide an offer of high-quality provision from lower level and preventative services within communities, through to 24-hour care and support in a care home setting.
- 1.6 In doing this, the local authority should ensure that the market is stable, and diverse; enabling choice for people who might need services. This should also include contingency planning and providing a robust response in the event of provider failure and thereby minimising any impact on people using the service.
- 1.7 In addition, the [Health and Care Act 2022](#) gave the Care Quality Commission (CQC) new powers to allow an assessment of care at local authority and integrated care system level. The CQC will use a [new single assessment framework](#) to assess how well local authorities meet their duties under the Care Act 2014 and will in particular consider the themes of: Access, Commissioning, Market Shaping, Workforce, Personalisation which are all relevant to Adult Commissioning.
- 1.8 The relevant CQC Theme which relates to Commissioning activity : [Providing Support - Care provision, integration and continuity](#). This sets out achievement of a Quality Statement - *We understand the diverse health and care needs of people and our local communities, so care is joined-up, flexible and supports choice and continuity*.
- 1.9 The Adult Commissioning and Partnerships service is responsible for Market Oversight and Providing Support in Sheffield, and our commissioning plan seeks to ensure that we have a:

- Good variety of care providers, resilient provision and there is sufficient capacity to meet demand now and in future.
- Sufficient supply of services that are sustainable, affordable and provide continuity for people with minimal disruption in the event of providers exiting from the market.
- A range of safe, effective, high-quality services and service types for people to choose from. This includes unpaid carers and those who fund or arrange their own care.
- Sufficient investment in our workforce to enable the attraction and retention of high-quality care staff.
- Evidence of innovation and service diversity to evolve and meet changing needs of individual's and carers.
- A city and system that is attractive to new market entrants and able to manage and offset the impact of future market changes.

1.10 Over the past year, we have made considerable strides in improving our local offer and delivering upon these ambitions. Adults Social Care, together with our partners, has supported and delivered several key activities in 22/23 to continue to secure and improve the provision of care and support.

1.11 Achievements in relation to delivering a range of high-quality services include setting out a [Care Quality Framework](#) and:

- [Recommissioning of homecare services](#), which has led to a stabilisation of the Market and with implementation this year all commissioned homecare services will be rated as Good or above by CQC by October 23.
- [Recommissioning of day activities, respite, supported living and enhanced supported living](#) for working age adults which has led to stabilisation of the Market and with implementation all providers rated as Good by October 23.
- [Recommissioning Somewhere to Assess Beds](#) as part of a planned improvement programme to support hospital discharge.
- Minimal exits from the Market over last 6 months, leading to minimum disruption for individuals.
- Minimal number of residential providers rated as at risk, leading to minimal disruption for individuals.

1.12 Achievements in relation to leading and planning strategically to deliver improved outcomes for people include:

- [Market Shaping Statements – Short Term Care \(Jun 22\), Adult Care \(Sept 22\), Housing with Support for Adults with a Learning Disability \(Sept 22\), Mental Health \(Sept 22\), Technology Enabled Care \(Nov 22\), Living and Ageing Well \(Mar 23\)](#)
- [Residential Transformation Programmes](#) – Establishing a framework for transforming our residential provision across Sheffield in partnership with individuals, carers, health and providers.

- [Developing the Market](#) - Development of supported living and overnight short breaks accommodation for young people in transition; pilots and tests of change to develop innovation through technology enabled care and new ways of working with health to reduce need for out of area placements.
- [Strategic Developments](#) – [All Age Autism Strategy \(May 23\)](#), [All Age Emotional and Mental Health Strategy \(Feb 23\)](#), [All Age Carers Strategy Delivery Plan \(Dec 22\)](#), [Direct Payments and Personalisation Strategy \(Dec 22\)](#), [Co-Production Strategy \(Dec 22\)](#), [Digital Strategy \(Feb 23\)](#), [Workforce Strategy and Delivery Plan \(Mar 23\)](#), Learning Disability Strategy (Planned Sept 23).

1.13 Adult Commissioning Priorities 2023 - 2025

1.13.1 The Adult Commissioning Plan to meet and provide assurance on our responsibilities under Section 5 of the Care Act 2014 are set out in the Market Oversight and Sustainability Delivery Plan (Appendix 1)

1.13.2 The key milestones across the whole market over the next year, aligned to the [Adult Social Care Strategy](#), [Future Design](#) and [Market Oversight Plan](#) are as follows:

Equalities and Climate Review	Review of the joint strategic needs assessment, equalities data and equalities and climate impact assessments to ensure that all projects delivered contribute to tackling inequalities and mitigating impact of climate change.
Community Connected Residential Provision	Delivery of the Strategic Review of Residential Care approved at Committee in February 23 – outcome-based community connected residential and nursing homes, including the development of a co-produced support programme for the sector, supporting commissioning strategies and procurement plans and cost of care exercise for non-standard residential provision.
Community Connected Community Provision	Implementation of new homecare, day activities, supported living and respite services contracts and as part of this development of collaborative ways of working, innovation in enabling achievement of wellbeing and joined up working with council, health, and voluntary sector,
Quality Standards and Assurance	Implementation of Adult Social Care Quality Standards, with improved reporting and governance and of new Quality Assurance tools and processes for Residential, Supported Living, Day Activities, Respite and Homecare. This also includes an early indicator of concern and escalation framework to reduce risk of provider failure and risk to individuals.
Brokerage and Recognised Providers list.	Implement new brokerage model and recognised providers list to ensure timely access to safe, high-quality care.
Technology Enabled Care (TEC)	Implementation of TEC Transformation project including the co-design of a new TEC Services Delivery Model, development of a Joint TEC Commissioning Strategy for Health, Housing, and Social Care and a test of change with Sheffield University of Care to look at proactive and preventative connected care platforms.

1.13.3 The key milestones in relation to services and functions over the next years are:

Living and Ageing Well	Development of an Independent Living Strategy and a Dementia Strategy. Partnership with health partners to undertake a review of Care at Night, Discharge and Somewhere to Assess Services to inform long term plans.
Adult Future Options	Delivery on the Autism Strategy and Learning Disability Strategy and Delivery plans including Annual Reporting. Development of an Accommodation Plan, Sensory Impairment Strategic Plan and in-house respite and short break offer for bespoke packages, development of transitions support services.
Mental Health	Delivery upon Emotional and Mental Health Strategy, Mental Health, and Wellbeing Needs Assessment. Delivery on the Promoting Independence Project and review of community-based support.
Direct Payments and Personalisation	Delivery upon Direct Payments and Personalisation Strategy including Annual Reporting and Improvement Plan. Delivery on the Direct Payment Audit process, Commissioning strategy for Appointeeships, PA Workforce project.
Advocacy	Recommissioning and delivery upon a new advocacy contract.
Unpaid Carers	Delivery upon Unpaid Carers Strategy including Annual Reporting. Development of longer-term planning for families with aging carers, working with Mencap and Gateway to review current arrangements. Joint work across the ICB on carers resource packs being available across Primary Care and wider health partners. Delivery of awareness and training on identifying and supporting carers.

2.0 Care Fees Process for Financial Year 2024/2025

2.1 Through [the Financial Recovery and Budget update](#) in March 2023, it was approved by Adult Health and Social Care Policy Committee to align setting of Care Fees to Business Planning timescales to enable the Adult Care Budget to be approved and achieve a sustainable Market. The Care Fees process for each type of Care delivered is set out below.

2.2 Homecare

2.2.1 Fee rates in 24/25 for the Care and Wellbeing Contract (Homecare provision) have been set through procurement exercises 2022/23 and anticipated contract award in 2023/24. Therefore, consultation is not proposed for the provision of these services.

2.2.2 The following formula will be used to determine annual fee uplifts applied from the second year (April 2024) of the contract and thereafter:

- 85% of the Fee Rate will increase in line with percentage increase in the national living wage as taking effect on the first Monday of the next financial year.
- The remaining 15% will be uplifted based on the CPI rate for the September prior to the increase being calculated.

- Any increase in the Fee Rate will take effect on the first Monday of the next financial year and apply for the following 12 months of the Term.
- The Authority may, at its absolute discretion, provide for an increase in the Fee Rate other than set out in the Terms and Conditions (an Exceptional Fee Rate Increase). Should the Authority decide to provide an Exceptional Fee Rate Increase, it will take effect from the next Payment Period after notification has been given to the Provider that all approvals and other necessary conditions of the Authority's internal and external governance approval's process have been received.
- Should an Exceptional Fee Rate Increase take place during a Contract Year, the Council is not obliged to undertake another increase in the Fee Rate for the following financial year as set out in paragraphs 4 and 5 of this Schedule 5.

2.3 Supported Living, Activities Outside The Home (Day Activities), Respite & Short Breaks

2.3.1 Fee rates in 24/25 for the Working Age Adults Framework (Supported living, activities outside the home (day activities), and respite / short breaks) have been set through procurement exercises and contract awards in 2022/23. Therefore, consultation is not proposed for the provision of these services.

2.3.2 For these services, the following formula will be used to determine annual fee uplifts applied from the second year (April 2024) of the contract and thereafter:

- 85% of the payment rate will increase in line with any increase to the National Living Wage, aligned with the industry standard proportion attributed to staff wages.
- The remaining 15% of the payment rate will be uplifted based on the CPI rate for the preceding September.
- Uplifts will be applied on the **first Monday of the new tax year**- not on the anniversary of the contract.
- If the living wage were to be frozen and/or the CPI rate were to decrease this would also be mirrored in the payment rate.
- The Council reserves the right to take an alternative course of action, for example in the event of changing circumstances, and/or as per any political decision by elected members. The Council will advise of this position as soon as it is able.

2.4 Care Homes

2.4.1 In 2022/23, Sheffield City Council undertook a fair cost of care exercise for 65+ residential and nursing Care Homes.

2.4.2 Following this, in 2022/23, the Council awarded an in-year uplift of £18 per week to all 65+ residential placements. This increase was maintained in 23/24, and following consultation on a proposed rate of £620 per week for 23/24 (an inflationary based uplift to the increased 22/23 rate) the Council further increased the 65+ residential rate to £630 per week.

- 2.4.3 Aligning with proposed procurement plans for Residential Care in the City, set out in the [ASHC Policy Committee Report: Transforming Care Homes for Citizens of Sheffield, 8th February 2023](#), the Council will undertake a cost of Care exercise for non-standard provision through the Summer of 2023 and will write to Care Home providers, including non-standard rate residential homes, in September 2023 with initial proposed rates for 24/25 for consideration and to provide the opportunity to feedback.
- 2.4.4 Providers will be able to provide feedback by return email or letter, via an online survey or via online consultation sessions held in September 2023.
- 2.4.5 Learning from the Fair Cost of Care exercise as well as the consultation will inform our final fee rate proposals, which will come to Committee by November 2023.

3.0 Commissioning Intentions Update

- 3.1 The Council must provide care services that provide support with 'activities of daily living' for adults living in their own homes, this includes delivery of support and care to individuals during the night where this is needed.
- 3.2 Following the decision made at Cooperative Executive on 17th October 2018 to approve the joint management and commissioning of a Care at Night Service, the service was subsequently procured jointly by Sheffield City Council and formerly NHS Sheffield CCG (now South Yorkshire Integrated Care Board (SY ICB), Sheffield place), with the ICB leading the procurement exercise.
- 3.3 The successful Provider via contract award was Green Square Accord (formerly Direct Health), until the contract was novated over to Bluebird in December 2021 in response to Green Square Accord giving notice to terminate and ending the contract. Since this time Bluebird have continued to be the sole provider of the service.
- 3.4 On 19th December 2022, the Adult Health and Care Policy Committee noted the extension of the existing contract for the provision of Care at Night service to 30th September 2023. This extension, permitted within the existing commissioning strategy, was awarded to support a review of Care at Night activity and demand.
- 3.5 The Council and SYICB, Sheffield Place are working collaboratively to develop an options appraisal for the future provision of Care at Night services based on the foundations of outcome-focused and strength-based practice, and where individuals and families have positive experiences of care.
- 3.6 Whilst the options appraisal is being completed, an extension, within the existing commissioning strategy, has been provided for the current contract for a period of 6 months to March 2024 to maintain service stability over winter.

4.0 HOW DOES THIS DECISION CONTRIBUTE?

4.1 This proposal supports a broad range of strategic objectives for the Council and city and is aligned with "[Our Sheffield: One Year Plan](#)" – under the priority for Education Health and Care; Enabling adults to live the life that they want to live and the Councils Delivery Plan approved at Strategy and Resources Committee on 30th August 2022 and the Strategic Framework approved on 31st May 2023 relating to preparation for CQC.

4.2 Market sustainability, alongside the Care Governance Strategy, and the Care Quality Framework are key to the delivery of the Council's statutory responsibilities for Adult Social Care including the following outcomes for the people of Sheffield:

- promotion of wellbeing
- protection of (safeguarding) adults at risk of abuse or neglect
- preventing the need for care and support
- promoting integration of care and support with health services
- providing information and advice
- promoting diversity and quality in providing services

4.3 This proposal also meets the 'Efficient and effective' outcome set out in the Adult Social Care Strategy. Effective Market Shaping should ensure that people have a choice of good services that meet their needs and give them a positive experience regardless of their background, ethnicity, disability, sex, sexual orientation, religion, or belief.

5 HAS THERE BEEN ANY CONSULTATION?

5.1 The Adult Social Care Strategy, which has informed our commissioning intentions, was developed through significant consultation over an 18-month period. This involved people receiving services, carers, providers, partners, and workforce across the sector.

5.2 In 2023 the Adult Care and Wellbeing *Citizen's Involvement Project* is exploring ways to involve people in shaping and improving adult social care in Sheffield. It is delivering a *Festival of Involvement* during June and July which will explore what involvement looks like including themed events and activities. The thematic sessions are Safeguarding; Care homes; Local Account; Adult Future Options framework; Technology enabled care (TEC); Adult Future Options accommodation plan; Neighbourhood support for older people in need of social care; and Community Performance Clinic Pilots.

5.3 Commissioning milestones and priorities will be further updated on the outcome from the learning and feedback from the Festival of Involvement and Directorate plan.

6 RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

6.1 Equality Implications

6.1.1 As a Public Authority, we have legal requirements under the Equality Act 2010. This includes the Public Sector Equality Duty, under which public authorities must, in the exercise of their functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation, and any other conduct that is connected to protected characteristics and prohibited by or under this Act.
- advance equality of opportunity between those who share a relevant protected characteristic and those who do not; and
- foster good relations between those who share a relevant protected characteristic and those who do not.

6.1.2 The broad ambitions set out above are consistent with The Duty. These include promoting independence and wellbeing and for people to be actively involved in the design of their own support; envisaging a range of different types of provision envisaged (supported living, extra care, residential care, etc), including support for people with complex needs; aiming for preventative and community-based support, including for people with mental ill health.”

6.1.3 The Equality Impact Assessment can be found at Appendix 2.

6.2 Financial and Commercial Implications

6.2.1 The Council has a statutory duty to set a balanced budget. Full consideration will be given to the affordability and viability of all proposals and will include financial modelling, demand, and growth implications.

6.3 Legal Implications

6.3.1 The Care Act 2014 sets out the law around market development in adult social care. It enshrines in legislation duties and responsibilities for market-related issues for various bodies, including local authorities.

6.3.2 Section 5 of the Care Act sets out duties on local authorities to facilitate a diverse, sustainable high-quality market for their whole local population, including those who pay for their own care and to promote efficient and effective operation of the adult care and support market as a whole.

6.3.3 The statutory guidance to the Act suggests that a local authority can best commence its market shaping duties under Section 5 of the Care Act by developing published Market Position Statements with providers and stakeholders. The proposals are therefore in line with the Council’s legal obligations.

6.4 Climate Implications

6.4.1 The commissioning of care and support services for Adults in Sheffield can have a large impact on Sheffield's Climate Emergency.

6.4.2 For example:

- The care workforce is significant, and is required to travel across the city, working together to create better opportunities for 'active travel' can help to reduce emissions from transport.
- The energy efficiency of the buildings in which care is delivered (such as day services, or residential care) provides a significant opportunity to reduce our carbon emissions, and commissioning should encourage and enable improvements to environmental standards and promote renewable energy.

6.4.3 There will be additional areas of impact to transport and energy efficiency, and we will be bringing forward a Climate Action Plan for Adults Social Care to fully assess these, alongside an action plan setting out how we will contribute to Sheffield's 'Net Zero' Climate ambitions.

6.4.5 Further, Climate Impact Assessments will be undertaken as a key element of our commissioning approach, and we want providers and partners to align with our Net Zero ambitions and will be looking to work with them to identify key areas of impacts in their activities and how we can reduce, monitor, and measure these.

6.4.6 Giving early indications of this intention to the market is important as it potentially links to cost of providing the service, for example when thinking about things like energy use and the business case for providers to invest in alternative energy sources.

7 **ALTERNATIVE OPTIONS CONSIDERED**

7.1 Option 1 - Option 'to do nothing' and not update the Market Oversight and Commissioning Plan and to not set out the process for Care Fees in 24/25. However, this would mean that commissioning does not evolve to meet the changing needs of the service or the people who use it and is outwith business planning timescales for budget setting.

8 **REASONS FOR RECOMMENDATIONS**

8.1 The recommendation to approve the Market Oversight and Sustainability Update Plan arise from the Council's market shaping responsibilities and from the need to fulfil the conditions for receiving the DHSC's Market Sustainability Improvement Fund (2023-24).

8.2 The recommendation to approve the Care Fees setting process arise from the move towards aligning Care Fees setting with business planning timescales and delivery of a balanced budget for 2024/ 2025.