

Report to the Cabinet Member for Adult and Community Services
Report submitted by: Executive Director of Adult Services, Health and Wellbeing
Date: 11 November 2014

Part I

Electoral Divisions affected:
All

Re-commissioning Domiciliary Care for People with Learning Disabilities in Supported Living in Lancashire 2015 to 2020 under a Revised Framework
(Appendices 'A' - 'F' refer)

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Executive Summary

The County Council spends around £70 million on specific supported living arrangements across the County. The model is based on several people living in rental accommodation, sharing 24 hour formal paid support. This has been a popular model for over 30 years, with up to 1,830 people supported in around 700 schemes, these range from single tenancies to larger flat let schemes. Support is provided countywide by 49 domiciliary providers. This involves a significant workforce.

The County Council developed a specific Learning Disability Preferred Provider Scheme in 2007, which was revised in 2010 but cannot be extended beyond June 2015. There is ongoing transformation work to ensure citizens currently living in supported living schemes can have a personal budget, a personalised support plan and more choice of housing and support options.

A review of the current scheme commenced in October 2013, which has included formal consultation with existing providers of supported living, self-advocates, family members and a range of other stakeholders, with a focus on what has worked well in the existing scheme, what has not worked well and what needs to change going forward.

The engagement and feedback has had a significant impact on the option appraisal and final recommendations for ensuring the effective commissioning and procurement of good quality and affordable domiciliary care for people with a learning disability in Lancashire from June 2015.

The procurement and implementation is challenging and complex and will take time to implement safely and effectively. This will require the commitment of additional interim capacity to manage the safe and efficient transition from the existing to the new configuration of Learning Disability Supported Living (Domiciliary care) services.

This is deemed to be a Key Decision and the provisions of Standing Order No 25 have been complied with.

Recommendation

The Cabinet Member for Adult and Community Services is recommended to:

- (i) Approve proposals for Re-commissioning and Procuring Learning Disability Supported living (Domiciliary care) services over a 3 year period with the option of a further 2 years under a revised Framework from June 2015 which place an emphasis on:
 - Commissioning Supported living (Domiciliary Care) Services which:
 - Promote Personalisation;
 - Become more outcome focussed and maximise independence;
 - Support integrated working with other Health and Social Care services and organisations;
 - Ensure the dignity of individuals and safeguards those who are vulnerable;
 - Incorporate human rights and Mental Capacity Act obligations into decision making and commissioning and contracting practices;
 - Supported living providers who wish to secure places on the revised Framework will need to sign up to the Driving Up Quality Code and Lancashire Values;
 - Promoting co-production and federating to maintain and develop Lancashire's Learning Disability Supported Living workforce.
 - Have a strong commitment to a range of monitoring of their service including
 - – Self Monitoring
 - – Peer Monitoring with other providers
 - – Self Advocate & Family Monitoring
 - Changing the Council's approach to contracting so that:
 - Providers are expected to support the principles of Self Directed Support and take greater responsibility in supporting individuals to exert choice and control over the use of their Personal Budgets;
 - There is the adoption of a clear and robust approach to quality based on citizen derived standards, the co-produced 'Lancashire Values' and Key Performance Indicators, reliable monitoring and incentives to continually improve;
 - A clear expectation that providers will work in partnership with

the County Council to deliver Remodelling of Supported Living and reduce the reliance on formal paid support;

- The length of contracts offered for 3 years with the option to extend for a further 2 years. This will be subject to satisfactory progress and performance;
 - Internal County Council arrangements for quality and contract management are redesigned to ensure consistently high performance is rewarded, mediocre or poor performance is swiftly challenged and consistently poor performance leads to contract termination.
- Shaping the Market including:
 - A culture of co-production and partnership working with Learning Disability Supported Living providers, operating under contracts from the County Council allowing for a more collaborative approach to working with commissioners and other providers.
 - Offering contracts for future and recommissioned Supported Living (Domiciliary Care) business in specified geographic 'zones' to promote more efficient working across the system and closer integrated working.
 - Allocating of new business to a smaller number of providers who achieve the higher quality threshold.
 - Flexibility is built in to design of the contracts to enable the introduction of new approaches and innovations in service delivery and payment mechanisms;
 - Investing in and developing Lancashire's Learning Disability Supported Living workforce by:
 - Ensuring all Supported living providers are contractually obliged to follow compliance guidance from Her Majesty's Revenue and Customs (HMRC) on paying National Minimum Wage (NMW);
 - Endorsing the principles contained in Unison's "Ethical Care Charter for Home Care";
 - Working with local workforce and employers' representatives to draft a 'Lancashire Charter for Learning Disability Supported living',
 - Detailing annually updated commitments to:
 - National Minimum Wage Compliance at all times;
 - Minimising the use of Zero Hours contracts;
 - Hourly wage rates which converge towards the 'Living Wage'.
- (ii) Note the details of the consultations undertaken with supported living providers, Self-advocates and Family Members and Stakeholders and the main findings set out at Appendices 'A' - 'D', the options considered as set out at Appendix 'E' and the Equality Analysis set out at Appendix 'F';
- (iii) Approve the establishment of a Learning Disability Supported Living Business

Transitions Project Team to ensure the efficient, safe and timely management of changing from the current configuration of services to those set out in recommendation (i) above. This will be one Grade 10 post and one Grade 6 post for a period of 12 months.

Background and Advice

1. Introduction

The current Learning Disability Preferred Provider Scheme has been in place since 1 September 2010. The evaluation stage was completed in May 2010 with the scheme commencing from 1 September 2010. There are currently 66 Preferred Providers for people with a learning disability in Lancashire of these 49 provide domiciliary support. The current Preferred Providers deliver domiciliary, residential and day time support services. The majority of preferred providers delivering domiciliary care are not for profit organisations, with a small number, less than 10, for profit.

The County Council currently spends around £110m (net) on People with a Learning Disability of which approximately 68% is domiciliary care. This accounts for approximately 24% of the Adult Social Care budget and includes Supported Living (including services provided by the County Council's in-house services).

The provider base has remained steady in Lancashire in recent years and the number of learning disability domiciliary care providers active in Lancashire has remained static. The market however has also seen a number of mergers/takeovers between existing providers in Lancashire. A significant number of non-Preferred Providers have expressed an interest in moving into Lancashire.

The market remains much more static than the wider domiciliary care market for older people and other people with disabilities. Approximately 95% of the provision remains unchanged year to year. Much of the supported living provision has grown over the last 30 years, through three main developments:

1. Resettlement of people from hospitals and large settings in the 1980s and 1990s.
2. Deregistration of the majority of small registered care homes in the early 21st century to maximise Supporting People funding.
3. Re-provision of former NHS/Primary Care Trust (PCT) supported living schemes into the independent sector.

The introduction on the Benchmark rate in 2005 was essential in controlling a significant number of providers charging high cost. Although unpopular with some providers other smaller providers saw an increase in their hourly rates whilst others have been able to deliver services at below the benchmark rate.

The County Council developed a specific Learning Disability Preferred Provider Scheme in 2007, which was revised in 2010 but cannot be extended beyond June 2015. There is ongoing transformation work to ensure citizens currently living in supported living schemes can have a personal budget, a personalised support plan and more choice of housing and support options. There is a compelling case to shift

the now outdated traditional model of supported living to one of self-direction, personal budgets and a mixed menu of accommodation offers. Progress to date has been slow and the existing preferred provider arrangements do not reflect this new model of support.

2. National Strategic Context

Putting People First (2007) set out a vision for transforming the whole social care market. It set out plans for 'collaboration between central and local government, professional leadership, providers and the regulator in developing a future for social care services that supports people to live independently, stay healthy and have the best possible quality of life, irrespective of illness and disability'. At its heart is the commitment to giving people more independence, choice and control through high-quality and personalised services. As part of this, it confirmed a shift in emphasis towards greater personalisation of services, including a greater focus on person centred approaches and personal budgets.

Valuing People Now (2009) was a three-year strategy to take forward the implementation of the policies set out in *Valuing People (2001)* and *Putting People First* in a wider developing social policy context.

Valuing People Now is the Government's strategy to make things better for people with learning disabilities. The responsibility for commissioning and funding social care for people with learning disabilities transferred from the NHS to local government from April 2009 in line with guidance issued to local authorities and PCTs.

Key partners in delivery of *Valuing People Now* were seen as:

- Third sector providers: charitable and voluntary organisations which provide services for people with learning disabilities, including advocacy and peer support;
- Independent providers: organisations in the private and independent sector which provide services for people with learning disabilities;

Valuing People Now set out on authorities and services to:

- redesign their systems to give people more control over their support and allow them to use the resources available more flexibly. greater personalisation means:
- commissioners changing how they work and what they decide to buy, and getting better at listening to people;
- providers working differently, in particular by setting up new types of services around individuals rather than groups;
- people who inspect and check services using new ways of making sure services are personalised and meet people's wants and needs;

- market development to ensure there is a range of options for individuals to choose from.

In Lancashire good progress has been made through specific remodelling activity, through self-directed supports, however there has been variable support from existing providers and a dependence on formal paid support, with a resistance to engage with the wider community as part of support planning for people.

Failings at Winterbourne View 2011

The failings highlighted at Winterbourne View are well documented. Whilst there have been no similar catastrophic failings in Lancashire, the systemic lessons learnt need to be fully endorsed and included in our strategic planning for supported living which still has high numbers of safeguarding alerts.

Driving up Quality Code 2013 has been developed in the wake of Winterbourne and the changes to Care Quality Commission (CQC) Inspections identified above. The Driving up Quality Alliance wants to see a public commitment to the principles of the code from commissioners and providers of services to people with learning disabilities. It is a code for providers and commissioners to give commitment to driving up quality in services for people with learning disabilities. Lancashire County Council was the first local authority to sign up and the commitments set out are seen as forming an important part of any new scheme.

Specifically it wants to achieve the following:

- Drive up quality in services for people with learning disabilities that goes beyond minimum standards.
- Create and build a passion in the learning disability sector to provide high quality, values-led services.
- Provide a clear message to the sector and the wider population about what is and what is not acceptable practice.
- Promote a culture of openness and honesty in organisations.
- Promote the celebration and sharing of the good work that is already out there.

3. Principles for Commissioning Learning Disability Domiciliary Care in Lancashire

There is a clear ambition in Lancashire to shift the model of support from the traditional supported living arrangements we have today to one of self-direction, personal budgets and a mixed menu of accommodation offers as set out in *Valuing People Now (2009)*. Progress to date has been slow and the existing preferred provider arrangements do not reflect this new model of support. There is still a dependence on formal paid support, with very little evidence of people accessing informal, non-paid, support, within their local community, that can make a big contribution to their safety, wellbeing and life opportunities.

Re-commissioning Learning Disability Supported Living (domiciliary care) provides an opportunity to restate our commitment to some key principles, based on key National and Local Policy drivers and include;

Personalisation: - we will promote meaningful 'choice and control' in the way that domiciliary care is delivered to people with Learning disabilities is commissioned and provided. We will aim to leave flexibility for individuals to determine how their support is adjusted day to day to reflect changing needs or priorities.

Outcomes: - we will encourage Domiciliary Care Providers to focus on the achievement of outcomes agreed with individual service users to maximise their personal budget.

Maximising independence: - we will actively encourage sign up the co-produced 'Lancashire Values', which are;

- Being Healthy
- Being Loved
- Having Choices
- Being safe
- Having friends and relationships

Providing Person Centred Supports at the Individual's personal budget; this will look at the optimum level of support to increase the chances of people connecting with local people and their communities. It stresses providing too much support is seen as being detrimental i.e.

- Undermining people's confidence and abilities
- Reinforcing paternalistic support
- Using unnecessary resources
- Lack of community involvement
- Believing paid staff are there to do everything.

In Lancashire we will move alongside providers on the new Framework to actively reduce reliance on paid support while encouraging working in ways that enhance relationships and involve people in their community.

Dignity and Safeguarding: - we will expect domiciliary care to be provided in ways which promote dignity and safeguards vulnerable individuals from abuse, exploitation or wilful neglect.

In addition, we accept the recommendations of the Equality and Human Rights Commission (EHRC) in its 2013 report 'Closer to Home'.

Human Rights – we will strive to incorporate human rights obligations into decision making and commissioning and contracting practices regarding home care, including requiring providers to act compatibly with Human Rights legislation.

Health and Wellbeing:-

The Confidential Inquiry into premature deaths of people with learning disabilities found on average men die 13 years earlier and women 20 years earlier than the general population. 42% of the deaths considered were premature.

Lancashire Learning Disability Joint Strategic Needs Analysis (2012) found that;

People with learning disabilities are at increased risk of early death and generally have a shorter life expectancy than the general population. Estimates at quantifying this additional risk suggest the all-cause mortality rate for people with learning disabilities is three times higher than the general population.

We expect Domiciliary Care providers on the new Framework to;

- sign up to the Learning Disability Health charter for social care providers (2013, Public Health England).
- support people with learning disabilities to access an Annual GP Health Check and be supported to develop a robust Health Action Plan.

4. Investing and developing in the workforce

The principles set out in '*Valuing People Now (2009)*' have placed great emphasis on support workers being much more than just basic carers, people with a learning disability are not 'ill'. It stated that;

- A competent and well-trained workforce is required who are flexible, person centred and skilled in supporting people to be fully included in society;
- continued effort to enable everyone to live independent lives in their local communities – this includes people with more complex needs.

Following the Winterbourne View Concordat 2011, Skills for Care have published a number of guides to assist domiciliary providers for developing a workforce that works in a positive and safe way;

- Guide to help employers develop expertise in providing support to people who challenge services;
- They also worked with the Institute for Public Health and the National Development Team for Inclusion (NDTI) to identify gaps in workforce development and produce guidance for employers to achieve a skilled and competent workforce to work with people whose behavior challenges.

The new Framework will set out an adherence for Providers to sign up to these principles:

- Reflecting the need to set out some minimum, baseline expectations for Lancashire's learning disability domiciliary care sector, we propose to endorse the principles contained in Unison's "Ethical Care Charter for Home Care";

- Working with local workforce and employers' representatives to draft a 'Lancashire Charter for Learning Disability Supported living'
- Detailing annually updated commitments to:
 - National Minimum Wage Compliance at all times;
 - Minimising the use of Zero Hours contracts;
- Hourly wage rates which converge towards the 'Living Wage'

Such initiatives will also contribute to the Council's responsibilities under the Social Value Act 2012, and make a tangible difference to the lives of a currently poorly paid but critically important sector of Lancashire's health and social care workforce.

5. Contracting for Quality

Effective contracting is the key to ensuring providers understand and respond to the County Council's commissioning intentions. This is about more than just the contract documentation itself, but also about how we structure the procurement process, how we monitor quality and performance, and manage the contract over its full duration.

However one of the fundamental changes we wish to achieve is a different culture and set of relationships, between the County Council and Providers that focus on driving up quality, dignity and safety. There will be an emphasis on working in partnership to prioritise Remodelling activity to achieve increased self-directed support, using personal budgets, through a range of accommodation offers.

We need to be explicit about the role price will play in procurement decisions. A number of ideas have been considered and the approach now under development involves seeking financial information and analysis from providers outside of the procurement process using a standard 'Finance Workbook'. This work is underway. This will provide commissioners much needed intelligence about the costs and market rates involved in delivering Learning Disability Domiciliary care in different parts of the county. Alongside consideration of overall affordability this intelligence will form the basis for determining a fixed price for Learning Disability Domiciliary care. These will be set out as part of the final 'Invitation to Tender' documents.

Providers will be expected to comply with a number of requirements regarding how services are delivered. This includes taking a greater lead for working with individuals to promote and facilitate Self Directed Support, particularly support planning and accessing informal support networks to shift the balance away from reliance on fully paid support.

We will ensure that we are clear about the quality and performance standards required. The Lancashire Values have been co-produced with self-advocates, family members and providers and will be an integral part of the performance management framework.

There are a number former NHS/PCT schemes that have some ongoing TUPE issues which may require some time limited exemption, to maintain the integrity of specific workforce changes that are taking place as the new framework is tendered

A proposed procurement approach is set out below which outlines how the existing model of supported living services within Lancashire will shift to a new approach to achieve all the expectations outlined above.

6. Shaping the Market

Given the existing model of supported living services has been facilitated for 30 years, with little or no shift in the market due to its static nature, a different approach is required. This section makes a number of recommendations.

The focus will be on quality and creating a culture of co-production and partnership that will shift activity to self-directed support, remodelling activity and a wider personalisation agenda.

The new framework agreement will be advertised with two 'tiers', setting a high quality threshold for providers to reach to get on the framework. It will be made very clear at the tender advert stage how the tiers will operate and what the evaluation criteria will be.

Tier 1:

- The new Framework will involve allocating contracts to providers for clearly defined 'Zones' in Lancashire.
- Within tier 1 a pre-set number of providers will be allocated to each zone.
- Providers will be evaluated against the published evaluation criteria and ranked within each zone and then based on the pre-set number of providers for each zone, the top ranking providers will be placed in tier 1.
- Once established all new and re-procured business will be commissioned from providers on tier 1 within the allocated zones with a strong emphasis on working with the Remodelling Team and services being monitored via self-monitoring and peer monitoring. If quality standards are not adhered to, tier 1 providers can be moved to tier 2 or removed completely from the framework. No tier 1 provider will be able to work in more than 2 of the 3 areas (North, Central and East) for new or re-procured business.

Tier 2:

- Tier 2 will be for existing providers who meet the quality threshold set for the framework however have not been successful to achieve tier 1 status.
- Tier 2 providers will be able to continue providing services at their existing locations and the Council will commission services for new tenants at those locations only
- No new business or re-procured business will be offered to tier 2 providers (with the exception of placing new tenants in existing tenancies).
- The Council will monitor services provided by tier 2 providers within the first 24 months of the new framework and make recommendations around the future commissioning of these services.
- Tier 2 providers can be removed from the framework if they do not meet the quality standards.

Unsuccessful providers:

Where an existing provider is not selected for either tier 1 or tier 2, we will seek to move their services, during the initial 18 months of the framework to a provider on tier 1. The rationale being that the service provider has not met the Council's required minimum quality standards. No service users will be expected to move house and staff will in most instances be subject to TUPE transfer to the new provider.

Exemptions:

- There are a number of former NHS/PCT schemes that have some ongoing TUPE issues which may require some time limited exemption, to maintain the integrity of specific workforce changes that are taking place as the new framework is tendered.
- There is a small risk that a number of services, if not successful, may require a time limited exemption. This is for recently procured services for people with complex needs and challenging behaviour resettled as part of the Winterbourne Concordat.
- Where a provider on tier 1 or tier 2 sells their business, we will retain the right to allow the business taking over to maintain the position of the provider it is buying on the framework and will assign or novate. If, we do not think it is in the Council's interests though, then we would re-commission the service within tier 1.
- Where an existing residential Learning Disability service chooses to de-register as a care home and re-register as a domiciliary provider offering supported living, we would have the option of allowing that provider to join tier 2 of the framework (provided it can meet the quality requirements) so that it can de-register and continue providing services at the specific site only.

Decisions about which providers secure places on the Framework will depend on the quality of their submissions, and their ability to demonstrate a non-negotiable commitment to new ways of working and a focus on quality and self-directed supports, including the wider personalisation agenda. The purpose of this approach is to drive improved quality but also not to destabilise services.

7. Alternative Proposals

The recommendations set out in the Executive Summary form a coherent and interdependent set of proposals.

The current Learning Disability Preferred Provider Scheme expires in September 2014 but has been extended to June 2015 which has allowed a fuller review and any subsequent procurement process to take place.

Renewing the current PP Scheme is not felt to be an option

Effectively the current scheme operates as an accreditation scheme, with the Council setting and testing the achievement of quality and fitness for purpose thresholds at a given point in time. The current scheme's accreditation began for providers in 2009. It

has had limited success in driving forward the shift towards self-directed support and wider personalisation.

Families and self-advocates have not been aware of the scheme and have expressed their concern about making a meaningful choice. The scheme has focused heavily on paperwork and has not focused on quality.

The current scheme has closed the market to new providers however recent tenders for complex needs and challenging behaviour work has not been met by current providers and the Council has had to go outside of the current scheme.

Moving forward three broad options were initially considered for the future management of the Council's directly commissioned domiciliary care/ supported living for people with learning disability and these are set out in detail at Appendix 'E'.

However on the basis of the last round of consultation a fourth option has been proposed and has been set out in this paper. The key recommendations set out in the body of the report are only achievable if all of the proposals recommended are fully implemented.

8. Managing the Business Transitions

Once the new framework is established, managing the business transitions will be challenging. However the two tier approach will allow the Council to move to an approach that will ensure quality services and co-production with a smaller number of providers whilst also ensuring the least disruption to existing service users.

The first stage of the transition will be moving services from existing providers that have not met the minimum quality standards to tier 1 providers during the initial 18 months.

The Council will also be monitoring services provided by tier 2 providers within the first 24 months of the new framework and make recommendations around the future commissioning of these services; some of these recommendations may result in services from tier 2 transferring to tier 1 providers.

However the proposal to have tier 2 providers that can continue to deliver existing services will allow the least disruption, ensuring the Council can concentrate on transferring business from providers that have not met the minimum quality standards to tier 1 providers and awarding any new business to tier 1 providers.

Additional interim capacity will need to be established to ensure that the changes are managed effectively, over the timescales outlined above and with due regard for the safeguarding needs of everyone who relies on learning disability Domiciliary Care.

Consultations

The review has sought the views of people who use learning disability domiciliary care services and their families. The County Council also surveyed all current contracted learning disability domiciliary care providers and associated stakeholders. The

extension allowed for another round of consultation on the options appraisal that was not built into the original timescales.

5 Consultation workshops were held in January/February 2014 with:

- Service Providers
- Self-Advocates
- Family carers (2 workshops)
- Stakeholders.

Also consulted with existing provider, self-advocate and family carer forums. All Learning Disability Partnership Boards have been consulted.

In March/April 2014 questionnaires were sent to all the above stakeholders.

Nearly 700 responses were received and these have been collated.

Collated responses from the consultation events and questionnaires have been posted on the Council's engagement website.

In July 2014 a further 5 feedback and consultation workshops were held to feedback information from the questionnaires and workshops. The options for moving forward were also consulted on. These workshops were held on the same basis of the January/February 2014 workshops.

The main findings of the consultations undertaken with supported living providers, Self-advocates and family members and stakeholders and the questionnaire returns are detailed in Appendices 'A', 'B' 'C' and 'D'.

Implications:

This item has the following implications, as indicated:

Legal

What is proposed constitutes a significantly different approach to these services and how they are delivered on the County Council's behalf. Furthermore, there are many changes across the entire range of social care services throughout the country and as a result there is a possibility of new regulation and guidance being introduced and legal challenges that require the authority to review these proposals. Any such developments will be kept under review and should this give rise to a need for a significant change in direction a further report will be brought to the Cabinet Member for consideration.

Financial/Procurement

Net expenditure on Domiciliary Care for people with a Learning Disability in Lancashire is approximately £70 million. This primarily represents Supported Living and includes provider broker arrangements as well as services provided by the County Council's in-house services.

This is therefore a major area of expenditure for the County Council. The development of any new commissioning/procurement arrangements will have to be mindful of the need to ensure a balance between value for money, affordability and incentivising the market to deliver good quality, reliable care.

A revised benchmark rate for Learning Disability services will be developed. Proposals contained in this report present an opportunity for consolidation in the number of providers from which services are commissioned, thus allowing possible efficiencies through reductions in the amount spent on overheads, e.g. night time cover.

A fixed price will be set out as part of the final 'Invitation to Tender' documents. The approach now under development involves seeking financial information and analysis from providers outside of the procurement process using a standard 'Finance Workbook'. This will provide commissioners much needed intelligence about the costs and market rates involved in delivering domiciliary care in different parts of the county. Alongside consideration of overall affordability, this intelligence will form the basis for determining the fixed price. Clearly the success of such a process will depend on the willingness of providers to participate, and provide, anonymous, accurate and robust financial information. The intention is to analyse the cost data (and as far as possible, following principles already agreed from the Older People/Physical Disability domiciliary framework), to devise a fixed hourly rate. The Project Team will make recommendations as to the revised benchmark rate to a panel comprising the Executive Director and Interim Director of Commissioning, Adult Services, Health and Wellbeing Directorate and the Deputy County Treasurer.

The cost involved in a transitions team made up of 1 post at grade 10 and 1 post at grade 6 (for 12 months) would be £75,000 (inclusive of on-costs) and would be funded from the Learning Disability Re-modelling Reserve.

The approach to the procurement for the new framework has been outlined in section 6 of this report.

It is proposed that the procurement process will be carried out between January 2015 and June 2015 and then be followed by a transition stage phased over a 3 year period.

Equality and Diversity

An Equality Analysis has been undertaken as part of the review and is set out at Appendix 'F'.

Risk management

A steering group has been established to oversee this review within the necessary timescales. This is important with a view to any replacement arrangements being in place for June 2015.

A full risk management plan will be put in place prior to the PQQ (Pre-Qualification Stage) and be monitored through the steering group.

List of Background Papers

Paper	Date	Contact/Directorate/Tel
Ensuring Quality Services	2014	Ian Crabtree/(01772) 536287, Adult Services,
White Paper "Caring for our future: reforming care and support"	2013	Health and Wellbeing Directorate
Care Quality Commission (CQC) - A fresh start for inspecting adult social care services	2013	
Social Value Act	2012	
Valuing People Now	2009	
Putting People First	2007	
Mental Capacity Act	2005	

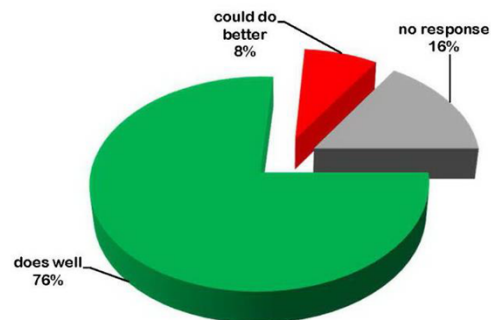
Reason for inclusion in Part II, if appropriate

N/A

Appendix 'A' - Self-Advocate feedback

We listed 13 questions regarding aspects of support and asked people to tell us if their provider supports them well or if they could do better. The pie chart below shows the average response for the 13 questions.

In numbers...



361 people answered these questions

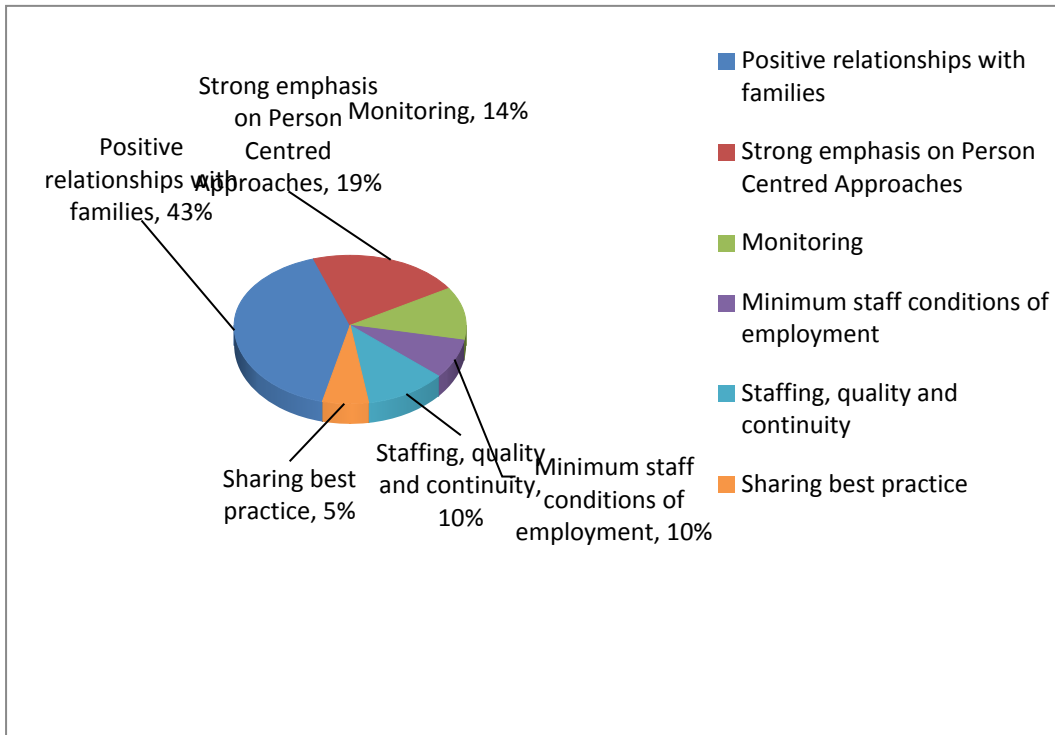
on average...

76% liked their current care

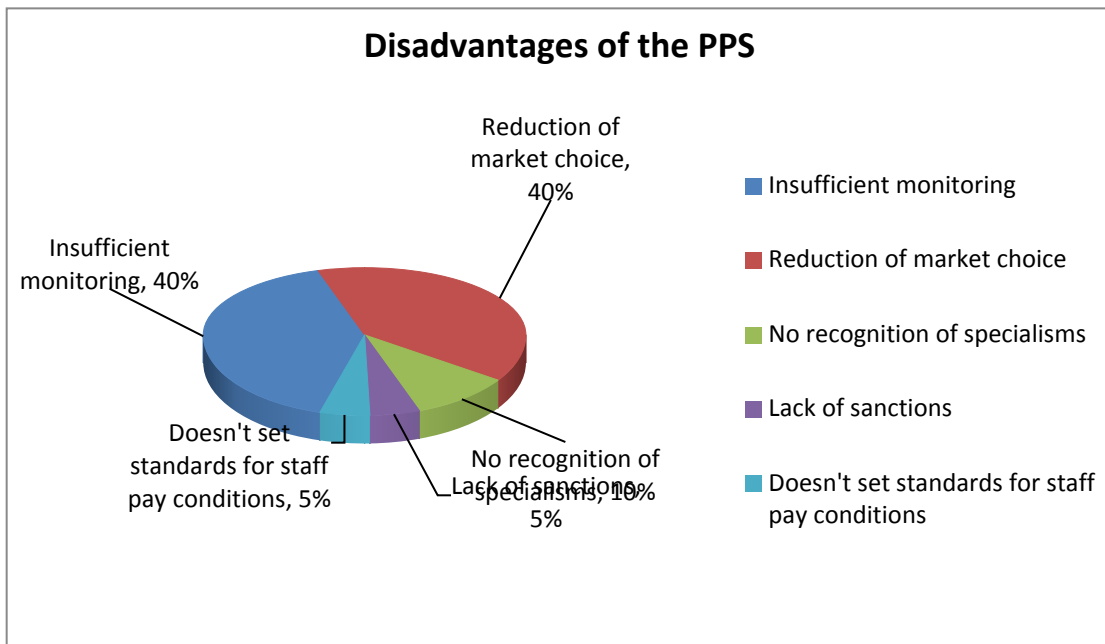
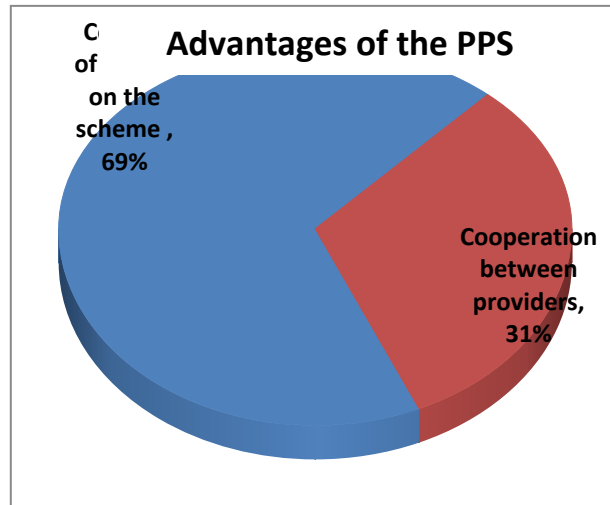
8% said it could be better

Appendix 'B' - Family Carer feedback

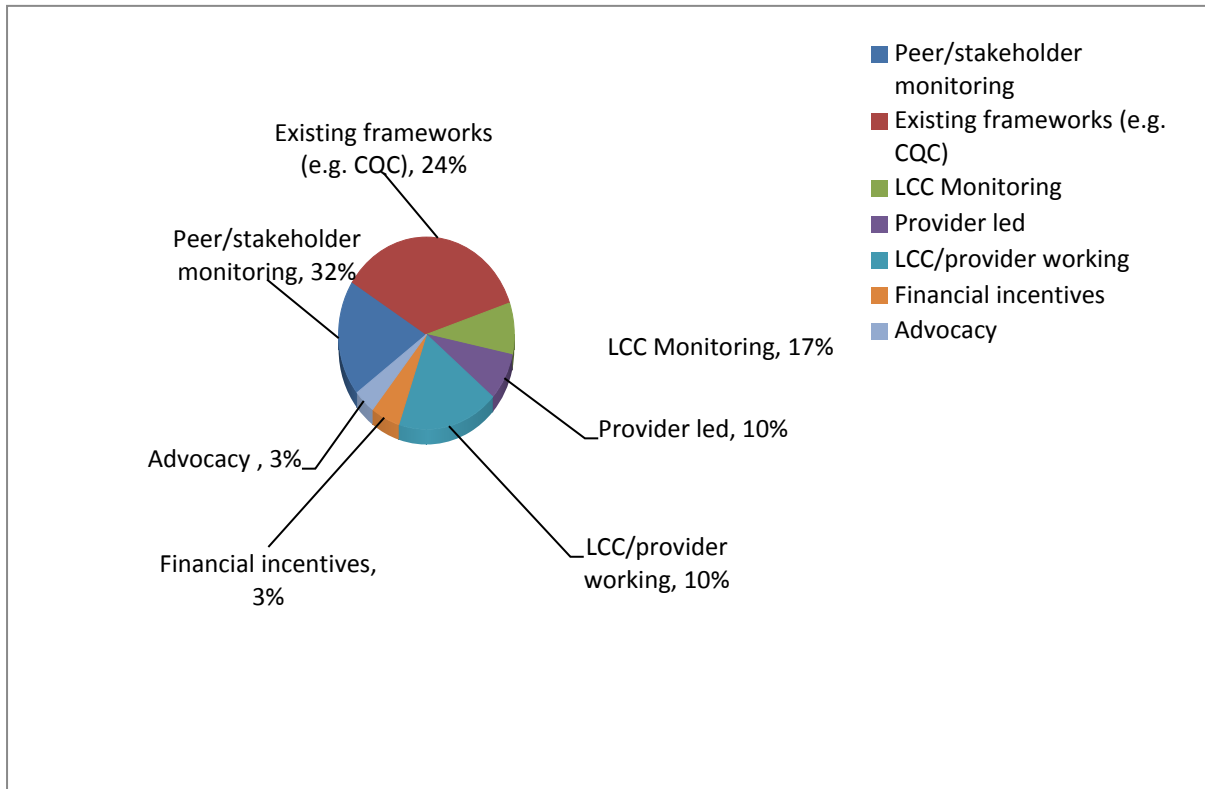
We asked family carers to list requirements that they felt should be added if the Preferred Provider Scheme were renewed



We asked stakeholders what they felt were the advantages/disadvantages of the Preferred Provider Scheme



We asked providers to think of other ways for Lancashire County Council to make sure their provision is good quality.



Options for Re-commissioning Domiciliary Care for People with Learning Disabilities in Supported Living in Lancashire 2014/15 to 2021/22

The current Learning Disability Preferred Provider Scheme expires in September 2014 but has been extended to June 2015 which has allowed a fuller review and any subsequent procurement process to take place.

Renewing Current PP Scheme is not felt to be an option

Few, if any, other councils, have such comparatively large numbers of agencies on their domiciliary care preferred provider scheme. Effectively the current scheme operates as an accreditation scheme, with the Council setting and testing the achievement of quality and fitness for purpose thresholds at a given point in time. The current scheme's accreditation began for providers in 2009.

There have been too many providers to monitor.

Families and self-advocates have not been aware of the scheme and there are too many providers to offer a meaningful choice. The scheme has focused heavily on paperwork and has not focused on quality.

The current scheme has closed the market to new providers however recent tenders for specialist work has not been met by current providers and the Council has had to go outside of the current scheme.

Moving forward **three broad options** were considered for the future management of the Council's directly commissioned domiciliary care/ supported living for people with learning disability.

Option 1 (Not a recommended option)

There is the option of the Council striving towards a relatively "freer market" approach to the management of relationships with Learning Disability providers. Such an approach would mean having no preferred provider scheme at all and business being transacted via spot contracts with providers, with business initially allocated through new processes or pathways to be defined.

Advantages

The potential benefits could include greater scope for innovation, diversity of services and suppliers, and a greater choice for citizens. It would allow some newer providers to work in Lancashire

It would allow for the widest choice of providers to self-advocates and families and may allow for some innovation in practice to be brought to Lancashire.

Disadvantages

However it could lead to a rise in transaction and contracting costs for the Council, consuming a larger share of overall expenditure on business overheads such as management since there may be even greater numbers of domiciliary care providers. This means a continuation of no monitoring from the Council on quality, safeguarding for this most vulnerable group of people. Given the concerns raised through the consultation around the lack of monitoring coupled with the concerns raised through Winterbourne this causes difficulties with the strategic and performance of services.

It allows the Council no control over the market which *Valuing People Now* identified as a requirement of Local Authorities.

There would be a reliance on CQC standards and other quality marks i.e. Investors in People, however failing services such as Winterbourne View achieved this.

There would no consistency as to quality measure or price and given the level of expenditure in this market this is a major factor.

Arguably having excessive numbers of providers in the market contributes little to enabling true choice for self-advocates and families.

Option 2 (Not a recommended option)

There is the option of continuing with starting afresh and contracting in groups from end of current scheme all of the domiciliary care/supported living schemes out to the market generally.

Advantages

This would allow some form of strategic direction and allow a fresh start to services that grown up piecemeal through the last 30 years.

Poor providers would not get through any of the procurement/selection process

It would try to ensure that all people could be dealt with and enable us to have some reassurance from providers that people would still be provided for if they became unwell or challenged services.

It would allow any provider can bid for new work and open the market out.

Disadvantages

However this would be costly in terms of transaction and contractual costs, and mitigates against investment in the business or in the workforce. The sheer number and diversity of agencies means that strategic collaboration between the Council and individual domiciliary care organisations would be far too complex and perhaps requires more management capacity than either party has available.

We feel this would cause major disruption to the market and also to families and carers.

From a procurement point of view each tender would need to carry out a rigorous quality check which would be resource intensive.

It would not encourage providers to work together and the concern would be that some big providers would dominate and many more current providers would lose their provision.

Option 3 (This was our recommended option)

The findings and consensus within the steering group suggests and through the consultations and questionnaires reinforces that a new preferred provider framework should be devised which aims for Lancashire to have a sustainable and high quality domiciliary care market for people with a learning disability who have a service contracted on their behalf via the County Council.

This option was broadly supported by families and self-advocates who attended the consultation/feedback workshops in July 2014. Their comments included

- Only tenable option.
- Enables Monitoring, need feedback for all parties.
- Adherence to quality of standards.
- Enables more social contact within area.
- Enables monitoring to be person centred, not cost centred.
- People staying in their own community, family and friends are the best quality control.
- We will get great quality of support
- New providers to choose from
- Less choice is a good thing if the providers are good quality
- We can have more say in our support
- Like having choices
- Sharing of support easier if one provider is in an area
- Better monitoring and quality
- Remove poor quality providers
- More work for quality providers
- Higher standards of care
- Better trained staff
- Providers working together
- Quality checks
- Spoken clearly, really good information could understand well
- Important to me to be healthy, going to health checks, doctors, keeping safe at home

Strategically this would involve far fewer preferred providers, with whom the Council could foster a closer strategic relationship with an emphasis on trust, collaboration and continuous improvement in the delivery of good quality and safe services, ensuring the delivery of outcomes rather than output, and driving efficiencies via economies of

scale. The providers would have to complete and initial quality check to allow them to provide contracted services in Lancashire

Given that there has been little strategic direction of the development of supported living services for 30 years and that time will not see a shift in the market due to its static nature it is proposed that all contracts will be terminated over a 3 year period and revised contracts awarded on a geographical/zonal basis.

Advantages

This would meet many of the requirements through the consultation workshops and questionnaires.

It would be based on a number of people per area requiring support meaning a greater emphasis on relationships and linking with the surrounding community.

It would mean a smaller number of providers per zone who have met a revised quality measure allowing a more meaningful choice for self-advocates and families. A greater emphasis will be given to monitoring both quality and safeguarding and the number of providers will allow for the scheme to be monitored both by the County Council but through peer monitoring.

The quality measure will include an emphasis on the active sign up to the *Driving up Quality Code 2013* as well as an emphasis on monitoring by self-advocates and families.

It meets the requirements set out through the *Valuing People Now* White Paper for authorities and services to:

- Redesign their systems to give people more control over their support and allow them to use the resources available more flexibly. greater personalisation means:
- commissioners changing how they work and what they decide to buy, and getting better at listening to people;
- providers working differently, in particular by setting up new types of services around individuals rather than groups;

There would be a greater emphasis on quality and a requirement for providers to work together and also in partnership with the County Council around the wider remodelling principles.

We would expect providers to be able to minimise 'on costs' and maximise shared support where appropriate through a revised benchmark rate for services.

Providers working already in that area best placed to continue to provide services meaning there would be an element of service continuity for tenants, providers and families

The geographical zones would be made to small to allow a mix of size of providers

The option can support a mature and sensible relationship between the local authority as a bulk buyer and the provider sector that can facilitate local strategic planning for quality and capacity. A core issue is workforce development and capacity which would benefit from the strategic and coherent joint approach that would be easier under this model.

Disadvantages

It will mean a change of support provider for some people as some providers will not meet the revised quality measure or the criteria for operating in a zone.

Change is not always welcomed by families and self-advocates.

Providers generally have not supported this option and we do expect that some providers may end up supporting less people but other providers may support more.

On the whole however the advantages within this option outweigh the disadvantages.

Any hybrid approach or a mix and match offer would weaken the opportunities to drive up quality safely and deliver effective savings.

Option 4 (This is the recommended option)

This is broadly the same as Option 3 however introduces a two tier system.

The new framework agreement will be advertised with two 'tiers', setting a high quality threshold for providers to reach to get on the framework. It will be made very clear at the advert stage how the tiers will operate and what the evaluation criteria will be.

Tier 1:

- The new Framework will involve allocating contracts to providers for clearly defined 'Zones' in Lancashire.
- Within tier 1 a pre-set number of providers will be allocated to each zone.
- Providers will be evaluated against the published evaluation criteria and ranked within each zone and then based on the pre-set number of providers for each zone, the top ranking providers will be placed in tier 1.
- Once established all new and re-procured business will be commissioned from providers on tier 1 within the allocated zones with a strong emphasis on working with the Remodelling Team and services being monitored via self-monitoring and peer monitoring. If quality standards are not adhered to, tier 1 providers can be moved to tier 2 or removed completely from the framework. No tier 1 provider will be able to work in more than 2 of the 3 areas (North, Central and East) for new or re-procured business.

Tier 2:

- Tier 2 will be for existing providers who meet the quality threshold set for the framework however have not been successful to achieve tier 1 status.
- Tier 2 providers will be able to continue providing services at their existing locations and the Council will commission services for new tenants at those locations only
- No new business or re-procured business will be offered to tier 2 providers (with the exception of placing new tenants in existing tenancies).
- The Council will monitor services provided by tier 2 providers within the first 24 months of the new framework and make recommendations around the future commissioning of these services.
- Tier 2 providers can be removed from the framework if they do not meet the quality standards.

Unsuccessful providers:

- Where an existing provider is not selected for either tier 1 or tier 2, we will seek to move their services, during the initial 18 months of the framework to a provider on tier 1. The rationale being that the service provider has not met the Council's required minimum quality standard.

Exemptions:

- There are a number former NHS/PCT schemes that have some ongoing TUPE issues which may require some time limited exemption, to maintain the integrity of specific workforce changes that are taking place as the new framework is tendered.
- There also may be a number of services currently that may require an exemption from the new framework for example recently procured services for people with complex needs and challenging behaviour.
- Where a provider on tier 1 or tier 2 sells their business, we will retain the right to allow the business taking over to maintain the position of the provider it is buying on the framework or and will assign or novate. If, we do not think it is in the Council's interests though, then we would re-commission the service within tier 1.
- Where an existing residential Learning Disability service chooses to de-register as a care home and re-register as a domiciliary provider offering supported living, we would have the option of allowing that provider to join tier 2 of the framework (provided it can meet the quality requirements) so that it can de-register and continue providing services at the specific site only.

Decisions about which providers secure places on the Framework will depend on the quality of their submissions, and their ability to demonstrate a non-negotiable commitment to new ways of working and a focus on quality and self-directed supports, including the wider personalisation agenda.

Additional Advantages to Option 3

The added advantage to this is that for people in supported living it will mean no change of current provider unless their service does not meet the minimum quality standards.

For successful Providers it will maintain current business continuity.

Therefore this option will drive improved quality without destabilising services.