MEETING	**HEALTH AND CARE BOARD**
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Report summary table	
Report title	Recommissioning of Homecare (Independence at Home) services
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Summary	B&NES Council and CCG has an opportunity to take an integrated approach to recommissioning homecare, which is vital to our local health & care system. This report sets out a proposed framework model which would allow all CQC regulated homecare providers with a base or in operation within the boundary of B&NES to apply to be added to the framework. Nationally & locally, the homecare sector is fragile with significant concerns in workforce and provider sustainability as well as increasing demand and costs. In B&NES, long term contract arrangements for homecare have expired and to meet the timeline for the framework model implementation extensions will be put in place with the existing strategic partners.
Recommendations	The Board is asked to ratify the proposals which were agreed by the Joint Commissioning Committee at its meeting of 25th April, 2019, and are detailed in section 2 of this report relating to: ○ Endorsing the framework and 'innovation contract' approach to homecare and actions identified to progress this ○ Interim contractual arrangements to promote continuity of service while the framework is developed The Board is also asked to note related funding recommendations agreed to come from the integrated Better Care Fund by the Joint Commissioning Committee on 25th April 2019: ○ An independent fair price of care analysis for homecare ○ Specialist support to develop innovation pilots and transformation to outcomes based commissioning in homecare.
Rationale for recommendations	The balance of evidence suggests that a sustainable homecare sector for B&NES is most likely to be achieved by: ▪ taking a flexible approach ▪ valuing existing relationships

	▪ paying a fair (but controlled) price for care ▪ making best use of available capacity and; ▪ raising the profile of the sector and workforce. Crucially, these recommendations support an approach which maximises independence yet reduces overall demand on the health & care system alongside effective short term interventions such as reablement and development of strength-based social work practice. See sections 2 and 3d of the report for additional detail. Section 4 identifies other options considered.
Resource implications	The Council and Clinical CCG combined spent over £10m on homecare in 2018/19. The social care budget is under continued pressure alongside growing demand for services. Homecare costs in B&NES are high compared to the rest of the country. Over time it is hoped that the framework approach will contribute to reduced package costs of formal care. Longer term cost efficiency is supported through a fair cost for care exercise. See section 5 for further details on resource implications.
Statutory considerations	The Council has statutory duties to ensure that people requiring financial support to meet their care needs, are able to access good quality services. The Care Act also requires Councils to shape the care services market sustainably in collaboration with providers and to retain local oversight of that market. Section 3 of the report describes statutory considerations in more detail.
Consultation	This report has been approved by the Strategic Finance Business Partner for joint commissioning (Becky Paillin), Section 151 Officer (Donna Parham) and Monitoring Officer of the Council (Maria Lucas). Section 6 of the report describes the community and stakeholder consultation undertaken in support of these recommendations.
Risk management	A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance. Please refer to section 7 of the report for further information
List of attachments	Appendix 1: Agreed Outcomes from Engagement Sessions Appendix 2: Summary of Main Engagement Session Findings Appendix 3: Swindon & Worcester Case Studies Appendix 4: Process for selecting innovation pilot ideas

Recommissioning of Homecare (Independence at Home) services

1. Executive Summary

1.1 Homecare plays a vital role in the local health and care system. Supporting more people outside of acute care is a priority for the Council and is also specifically referenced in the recently published NHS Long Term plan, so it is important to have a sustainable homecare market providing flexible and good quality outcome-focussed care.

1.2 Long term contracts for homecare have expired and the sector is facing significant challenges nationally both financially and in workforce sustainability. The Council has conducted a review of the national & local homecare sector. Officers have engaged with a wide range of stakeholders including providers, carers, and have also undertaken formal public consultation on a framework approach to homecare which this paper outlines. This approach is one of a number of parallel initiatives which act together to transform the care sector in B&NES.

1.3 A growing body of practice-based evidence and research increasingly points towards outcome-based approaches which seek to maximise people's independence as the most effective means of reducing demand, delivering savings and most importantly, improving outcomes and the wellbeing of people living in our communities.

1.4 B&NES Council & CCG have the opportunity to take an integrated approach to homecare that supports people to live independently at home. The Joint Commissioning Committee agreed the recommendations below at its meeting of 25th April 2019, subject to agreement by Health & Care Board before commencing with procurement.

2. Recommendations / Rationale

2.1 The Board is asked to ratify the Joint Commissioning Committee's agreement to:

2.1.1 Endorse the framework approach and support officers to continue with actions identified in the indicative timeline under item 3e.6.
2.1.2 Support continuity of service until the framework's implementation by agreeing to an extension of interim contractual arrangements with contracted homecare providers.
2.1.3 Note the proposals for innovation pilots and contracts under 3f.4

2.2 The Board is also asked to note and endorse Joint Commissioning Committee's agreement to commit funds to:

2.2.1 Purchase specialist support from the Institute of Public Care to support innovation pilot development and related transformation to outcomes based commissioning in homecare (£5k +VAT from the Better Care Fund)
2.2.2 Commit to an independent fair price of care analysis for homecare (Max £30k set aside within Better Care Fund see item 3g.7).

3. Background / Statutory Considerations and Basis for Proposal

3.1 The Council is required to ensure that people requiring financial support to meet their care needs, are able to access good quality services. As the Council does not intend to become a direct provider of these services again, it must source these from the private market. The

Council also has statutory responsibilities under the Care Act to shape the care services market sustainably in collaboration with providers and to retain local oversight of that market.

3.2 Timely access to good quality homecare is important to reducing delayed transfers of care (DTOC) both from acute & community hospitals, but also from reablement into long term care. In B&NES, this lack of timely access is a notable factor in local DTOC statistics.

3.3 Demand for social care nationally and locally is growing, placing continued demographic and financial pressure on Councils. Between 2016 and 2029 the number of people aged 75 and over in the local population is projected to increase by 36% (from 16,600 to 22,600 respectively). The number of 90 years and over in the local population is also projected to increase from 2,000 to 2,500 during the same period. These increases will mean that services for older people are likely to experience further increases in demand.

3.4 The Institute of Public Care (IPC) are system leaders for research and practice into the future of social care. They identify critical areas for managing demand on social care: *managing demand through the Council's front door and from acute hospitals – effective short term community interventions (i.e. reablement) –designing the care system for people with long term needs – developing the workforce – governance and management arrangements.*

3.5 Along with a commitment to outcomes based commissioning, IPC note that areas which are more successful in managing the challenges of today's social care sector also have a clear focus on promoting independence and an asset-based approach to social work practice.

3.6 The Council's Market Position Statement for social care included commissioning intentions to bring a reabling ethos to new homecare pathways and to focus on workforce sustainability, a flexible approach to working with providers and to improve support to rural communities.

3.7 Nationally and locally, the homecare market is fragile, with significant issues in workforce recruitment, retention and training/skills. The Kings Fund (2017) identify that the South West has the highest vacancy rates (10.2%) and staff turnover rates (37%) in England. The Kings Fund and UK Homecare Association (UKHCA) also see a national trend for major private homecare providers handing back contracts and moving away from publically funded care. Reasons for this fragility include contract and employment terms & conditions and poor media profile meaning people often prefer to work in more "desirable" parts of the health & care system such as the NHS or care homes, or indeed leave the care sector altogether.

3.8 In affluent areas, the labour market has greater choice and so retaining them often drives up costs (UKHCA) and this may contribute to the high homecare costs observed in B&NES (see 3g.5-7). With a limited labour market, assumptions that single providers can provide larger volume block contracts supporting CCG & Council require considered research e.g. reflecting the national trend, many of B&NES's current strategic homecare partners are rebalancing their client base away from publically funded care.

3.9 Many Councils have tried to control homecare spend by reducing the hourly rate (Kings Fund, 2017). However IPC (2019) conclude that this is far less successful than creating ways to collaborate with providers to commission and provide services more flexibly on the basis of outcomes, and working with clients and social workers to bring down package sizes. Feedback from providers also suggests this is closer to how they work with private clients.

3.10 Without change to our approach to the wider market and with high demand from private clients and freedom to develop their services to be more attractive for retaining staff, there may be less market capacity made available to the Council and CCG. Additional learning

from previous contracts suggests that large block contracts for traditional 'time & task' homecare are unlikely to meet future demand effectively.

3.11 The framework approach proposed by this paper must be supported by robust and appropriate governance and contractual arrangements to enable the Council and CCG to purchase and contract with providers in a joint-commissioning context in accordance with each other's statutory responsibilities. The project's indicative timeline for procurement relies on resolution of an underlying issue in this area relating to the arrangements currently in place to support local integrated health and social care commissioning. This also affects the care home transformation project timeline. Activity is underway across the Council and CCG to resolve this.

3a Homecare Provision & Purchasing Trends in B&NES

3a.1 Homecare in B&NES is provided by a range of private providers. The majority is provided by a small number of contracted strategic providers (Strategic Partners, or SPs). These providers are Care South, Carewatch Bath, Somerset Care and Way Ahead. Long term contracts for these expired in 2018 with the providers now working under interim agreements. These arrangements also cover additional capacity supporting Virgin Care's integrated reablement service, as these were variations to the 2008 homecare contracts.

3a.2 The Council's Goods & Service Panel in March 2018 agreed that interim arrangements should be in place until 30.09.19 (when the framework was intended to start). The current indicative timeline shows implementation in January 2020 so additional extensions are needed for these arrangements to support continuity of provision as well as refreshed 2019/20 contracts for our spot contracted providers.

3a.3 This project considered 3 years of data from the Council's Client Finance team of homecare purchasing patterns for both the Council and CCG. The majority of homecare is purchased by the Council.

3a.4 Both the CCG and the Council make use of some of the same providers, but there are opportunities to further explore ensuring the two organisations look at their combined use of providers in order to realise benefits of integrated purchasing.

3a.5 The Council currently have a significant number of small homecare packages of less than 5 hours per week, indicating the potential for alternative means of meeting people's eligible care needs and outcomes.

3a.6 Average package sizes are 8hrs pw (Council) and 13.5 hrs pw (CCG), though in both cases a small number of providers tend toward larger sizes (e.g. for the Council up to 14 hrs pw).

3a.7 Though purchasing patterns have changed since long term contracts for the four homecare strategic partners has changed in the last two years; these providers, along with two spot contracted providers still account for approximately 70% of homecare spend purchased by the Council. About 40% of new homecare packages started in 2018/19 were with the strategic partners, which is notably less than in previous years.

3a.8 There are many contributory reasons for changes in market share including - provider's business modelling since the expiry of long term contracts reflecting the national trend, behaviour-driven purchasing, genuine market capacity concerns and flexibility over visit times further constraining that capacity.

3a.9 Evidence shows that purchasing patterns with new providers differs significantly across social work teams. For example in the case of one provider, one social work team purchased 29 new packages of care between April and December 2018, compared to just 3 for the whole of 2017/18. By comparison another team decreased their purchasing with the same provider. However an interim brokerage service provides some mitigation here along with support from commissioners, ahead of recommendations for a longer term brokerage solution expected later in 2019/20.

3a.10 Other Councils have learnt from experience that implementing significant transformation in homecare while moving too far away from known partners increases risk by placing greater reliance on providers that the Council does not have established relationships with, has comparatively little performance and other information about, and where the Council has not previously been able to control cost as effectively. A measured transition is recommended.

3a.11 Data from the Council's finance team suggests that newer providers' increasing market share may also be due to a small number of complex cases with large package sizes and costs. This is understandable as this type of package is the most difficult to source when the existing contracted workforce is at full-stretch and there is not yet sufficient flexibility in times of visits and making best use of available capacity.

3b Stakeholder Engagement: Key findings

3b.1 As identified in section 6, from June 2018 officers undertook comprehensive engagement with a wide range of stakeholders: including carers and providers, as well formal public consultation over winter 2018/19 on the proposed framework model and intended outcomes.

3b.2 A list of outcomes was created from the sessions that shape the project's aims and delivery. These were included in public consultation. Outcomes are identified for the *service user*, the *service* and the *community*. The list of outcomes is available as Appendix 1 while Appendix 2 summarises the main findings of the public consultation.

3c Benchmarking

3c.1 A range of homecare models from around the country were considered and a number of other Councils were directly contacted or visited during the review. This includes recent local experience from Bristol and reflections of the previous outcomes-based approach in Wiltshire. We also looked at international models such as the multidisciplinary Buurtzorg model (supporting 40-60 people at a time with a skill base tailored to the needs of that community, through small self-managing teams of up to 12 people: nurses and other professionals).

3c.2 Significant learning was also taken from national guidance and an IPC-led national conference on managing demand in social care through outcomes based commissioning in October 2018; where the predominant dialogue from commissioners and providers across the country was on pressures and approaches to homecare.

3c.3 Some Councils have been widening their provider base while others have been consolidating to focus on a small number of key relationships. All report significant challenges and underlying rise of cost and sustainability of the workforce and provider organisations. Ideas to support the workforce range from bonus/incentive schemes for workers over times of peak demand, bidding for workforce development funds at sub-regional levels and making better use of the Proud to Care initiative.

3c.4 There is no one 'right' answer and it was found that the particular presenting circumstances vary from area to area, which influence the direction being taken. Many Councils are purchasing from frameworks, but not without issues. The Kings Fund identify that a number of framework approaches have proved inadequate with significant off-framework activity. Similarly, many Councils find it difficult to source enough care regardless of market shape.

3c.5 Two detailed case studies were developed in order to further inform our local engagement. These were based on areas that had progressed similar intentions to those B&NES was itself developing: Worcester, and our STP partners Swindon.

3d Conclusions

3d.1 There is no single 'best' model for delivering homecare as more fundamental issues of sustainability and cost impact on service delivery. Reabling homecare and exploring new ways of supporting people to live independently can deliver better outcomes for people than 'traditional' homecare. 'Time & task' homecare still has a role to play, but emerging practice shows there is potential for this to be provided more flexibly and hence more efficiently. Providers and carers groups in particular supported this approach.

3d.2 The balance of evidence suggests a sustainable homecare sector for B&NES is more likely to be achieved through:

- A flexible approach to the market that values existing relationships
- Paying a fair price for care (with sufficient controls on that spend)
- Making best use of available capacity already in the system through more flexible models of delivery and raising the professional profile of the sector through trust and partnership working with social workers
- Prioritising effective short term interventions such as reablement and strength based social work practices, increasing the focus on maximising independence and reducing demand

3e The Framework Approach

3e.1 The project aims to deliver a flexible framework which makes it easier for B&NES to collaborate with providers in a legally compliant way. It will support homecare commissioning and purchasing for both Council & CCG with regard to individual packages of care, pilots and block / innovation contracts. All CQC regulated homecare providers with a base or in operation within the boundary of B&NES Council and CCG can apply to join the framework. Providers based outside B&NES but who intend to support our communities may also be invited to join the framework. However it is proposed that new entrants to the B&NES market provide a mobilisation plan and recruitment & retention plan as a prerequisite to joining the framework to ensure there is no detrimental impact on the wider care system and workforce. Personal Assistants and unregistered support are not considered for the framework at this stage.

3e.2 Benefits for providers in joining the framework are:

a) Equality of opportunity, fairness and transparency
b) Better access to funding and contract opportunities
c) Priority for commissioning support in strategic developments and instances of 'provider failure'.

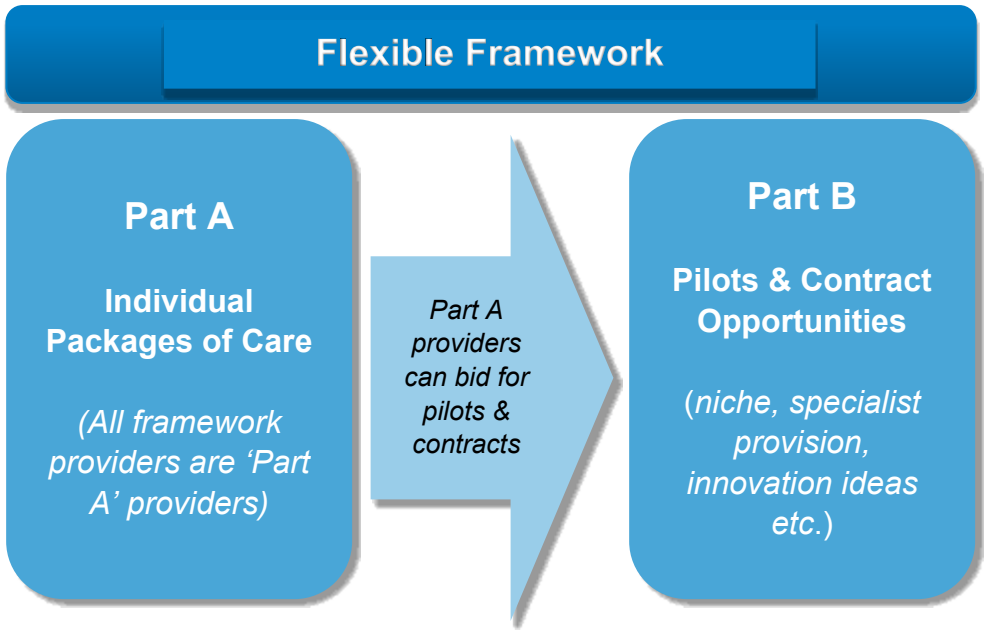
d) Being system influencers and building their organisational capabilities/competitiveness: closer partnership working and collaboration on new models of care
e) Higher priority status with Brokerage

3e.3 Providers will join the framework via an accreditation process. This has been designed to make it as straightforward as possible for providers to join and promote a smooth transition from current arrangements. The accreditation standards themselves are largely based on the Crown Commercial Services standard selection questionnaire along with a small number of local priorities, largely based on transparency and partnership working.

3e.4 Successful accreditation gives a provider 'preferred' status and access to *Part A* of the framework to supply individual packages of care. Only providers who are on *Part A* of the framework can bid for a block contract opportunity under *Part B* of the framework (and the highest priority status for Brokerage). If a provider is not on the framework, they will be lowest priority for brokerage and crucially, not able to bid for contracts on *Part B*.

3e.5 Essentially the framework looks like this –

Figure a – **The Framework**



3e.6 The project stages and indicative timelines are shown in Figure b, below:

Figure b – **Indicative Timeline**

1	Finalise procurement strategy, documentation & contract ○ *Framework* ○ *Initial innovation pilots* ○ *Fair Price of Care approach*	August 2019
2	Pre-procurement engagement & technical advice session	August 2019
3	Application window opens	September 2019
4	Providers submit applications	September to October 2019

5	Evaluation	October 2019
6	Confirm successful providers Issue contracts (*included transition of any legacy contractual arrangements*) Framework is 'live' *Placements 'called-off' via brokerage.*	November 2019
7	Future innovation pilot / contract opportunities (*including re-procurement of legacy pilots / arrangements*)	January 2020

3e.7 The framework is expected to have a lifespan of 5 years with provision to extend for a further 2 years. A review of the framework as a whole would take place in year 4 of the initial term to give sufficient time to plan and deliver alternative arrangements if required. It is expected that providers will have the opportunity to register to join the framework every 6 months, though commissioners would have discretion to agree exceptions to support particular projects or new entrants to the market.

3f Using the framework to innovate and develop services

3f.1 A key benefit of the framework approach is enabling the Council and CCG to take advantage of a more streamlined yet compliant procurement methodology allowing for more meaningful co-production to support future commissioning and service development.

3f.2 The framework is also intended to improve market competition and create a 'test & learn' environment in which to pilot and nurture innovative ways to support independence at home. We use the term 'innovation contract' as an umbrella term to support new thinking on potential pilots and block contracts for specialist services.

3f.3 Central to the innovation contract idea is relationship building between, notably, social workers and homecare workers: raising the professional profile and attractiveness of the social care sector. Consistent with IPC's advice, we advocate that a culture of positive risk is matched by a general approach to pilots which:

- *Starts with small cohorts of clients*
- *Keeps things simple & does not over-specify or over-complicate too soon*
- *Progress together at an agreed pace with key stakeholders*
- *Makes sure service users understand and agree the approach and are kept closely involved*
- *Accepts to test ideas and for them not to work: while we learn and seek to mainstream successful pilots we also learn much from where initial assumptions are not realised (as long as the risks are well understood and managed)*

3f.4 During engagement and consultation, people contributed ideas for innovation contracts and pilots. It is recommended that these inform the first round of idea-generation for consideration as future pilots and innovation contracts on the framework. e.g.-

Figure c – **Initial longlist of innovation pilot Ideas**	
1	*Reabling Homecare* *Increasing independence by optimising formal care needs.*
2	*Supporting People with complex needs or who may be eligible for NHS-funded*

	continuing healthcare (CHC)
3	*Dedicated capacity for urgent care / avoiding hospital admission*
4	*End of Life / Palliative care support*
5	*Flexible Homecare* *i.e. as regular homecare, but provided more flexibly in terms of visit times, approach to variations and payments. Intended to free-up existing capacity.*
6	*Trusted Reviewer/Assessor* *Care provider uses their knowledge of the service user to identify those whose needs may have changed and conduct annual social work reviews and potentially, assessments*
7	*Rural Based Support* *Improving the support in areas where it's hard to source care*
8	*Workforce Development* *A range of broader initiatives to support the sector*
9	*Assistive Technology* *Potentially as part of a reabling homecare ethos, tailored to the individual*
10	*The Buurtzorg Model* *Place-based multidisciplinary teams including nursing and care workers. Skills tailored to a defined community cohort*

3f.5 Some of these such as Trusted assessor arrangements and 'Rural Homecare Support' are early forerunners of this approach and were approved by Joint Commissioning Committee in January 2019. These will be developed during 2019/20. It is anticipated that any active pilots at the framework commencement date would transfer to *Part B* of the framework.

3f.6 We have identified the flexible homecare concept as a priority to develop at the earliest opportunity alongside the initial framework procurement. This supports continuity of care, embeds the concept of 'change' early-on. It also supports the move towards reabling homecare in a measured way and establishes initial 'first choice' provision on the framework.

3f.7 Successfully delivering these new ways of working requires a creative mind-set, collective identity and common-purpose across a wide range of Council and CCG functions as well the provider market and acute care partners.

3f.8 For this reason, this project consciously adopts 'Independence at Home' as an umbrella term for future services. When people use the more traditional terms of 'homecare' or 'domiciliary care' their thinking can be rooted in the traditional 'time & task' way of delivering and paying for services. By comparison, other care services such as residential care are paid on a weekly basis and providers are acknowledged and trusted to have more flexibility for managing the fluctuating care needs of the people in their care on a day to day basis. The homecare sector can benefit from exploring this flexibility.

3f.9 A process will be in place to support the development of innovation opportunities which are aligned to B&NES's local priorities and strategic direction. A *draft process is included as Appendix 4.*

3g Related Projects & Initiatives

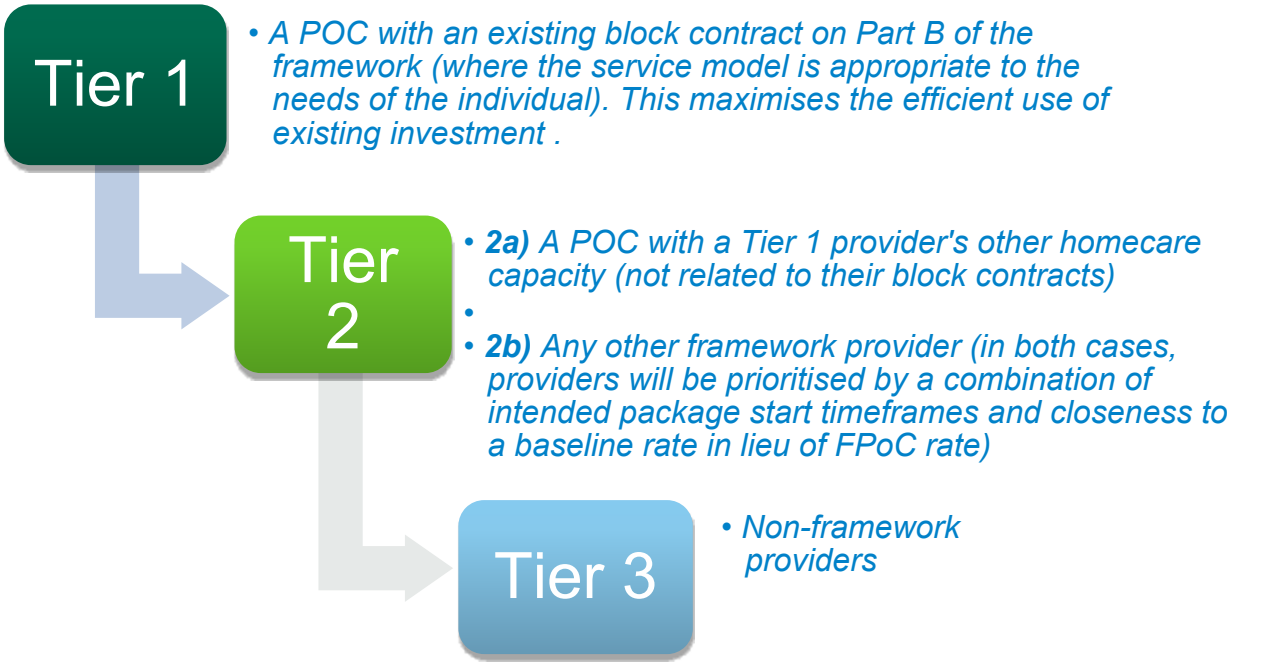
3g.1 These recommendations mark the starting point for a new approach to managing demand and progressing outcomes based commissioning in social care. This project exists as part of a wider programme of transformation. Some of these are identified here:

3g2 Brokerage: The Council's existing brokerage service has a role in homecare package allocations, though social work teams are influential in provider selection. Packages of continuing healthcare (CHC) are typically sourced by the CCG directly.

3g.3 A related project making longer term recommendations for brokerage presents an opportunity to improve these arrangements, and potentially coordinate brokerage for the Council and CCG. This has been successful in Swindon and Bristol's models, and was raised during the engagement process for these recommendations.

3g.4 The framework terms & conditions will set out that the order of priority for calling off publically-funded care packages will be delivered via B&NES's brokerage policy as published, and that may be amended from time to time. It is anticipated that the brokerage service would also supports self-funders. Priority status for purchase by B&NES will be set according to the order below:

Figure h **– Brokerage priorities for package allocations**



NB: When the Council has established a local Fair Price of Care for homecare, it will prioritise referrals within Tier 2 and 3 at the FPoC rate.

POC = Package of Care

3g.5 Fair Price of Care (FPoC): B&NES has one of the highest contracted homecare rates in the country, higher than many other Councils in the South West and comparable with the UKHCA recommended cost of providing homecare in London while meeting minimum and living wage requirements. Increasingly, market forces & perceived demand/urgency enable providers to seek higher fees. Evidence from the UKHCA suggests that the UK national recommended minimum rate should be £18.93.

3g.6 The UKHCA minimum rate should not be confused with a 'fair' price. The £18.93 rate '*does not include incentivising care workers to undertake unsocial hours working, nor the need to pay workers above the statutory minimum wage in order to remain competitive in the local labour market'* (UKHCA).

3g.7 Established case law requires Councils to make sure they pay for care fairly and consider local factors (e.g. higher fuel costs for services in rural areas, expectations on pay). Through independent analysts, B&NES established the FPoC for care home beds which was successful in establishing an evidence base on the local costs and supported a stronger negotiating position with providers for brokerage. Joint Commissioning Committee agreed the recommendation that B&NES undertake a similar exercise in homecare to ensure that the charges in this sector are sustainable but which allows B&NES to know what a reasonable local rate for the area should be. This will support the Council and CCG to deliver future efficiencies in care prices.

3g.8 Quality Assurance: Ongoing management of the framework will be supported by a robust quality assurance (QA) procedure. Framework terms & conditions will identify circumstances under which a provider or a registered premises can be removed or suspended from the framework should they not uphold the required standard, and the QA process for homecare will also support this. Alongside quality assurance commissioners' retain their market shaping and oversight role.

3g.9 Improved information & advice is a priority in B&NES's commissioning intentions. The status of providers and registered locations on the framework (including suspensions and removals) will be published on the Council's website to help people make more informed judgements on their care arrangements. This is intended to ensure that all citizens benefit from our approach, whether self-funded or publically funded.

3g.10 Reablement & Strength Based Social Work: As IPC identify, outcomes based commissioning in homecare needs to be supported by an effective short term service offer and a social work approach that focusses on what people can do for themselves and what assets are in their social networks to support them.

3g.11 Care Coordination & Community Navigation: These initiatives are part of Virgin Care's Prime Provider transformation programme and support a wider range of options for supporting people to meet their needs effectively in more personalised ways and take advantage of a wide range of community assets. They will provide a vital link for care workers providing reabling homecare in particular.

3g.12 Workforce Development: Workforce development is a high priority going forward given the underlying importance of community care to the NHS long term plan. Commissioners are involved in a number of regional and sub-regional initiatives aimed at supporting the health and care workforce, including; through the Association of Directors of Social Services (ADASS), formal Sustainability & Transformation Partnership (STP) structures and most recently, B&NES support for an STP-wide training development fund along with Swindon and Wiltshire Councils. There is further potential to develop ideas with the education and business sectors and promote the 'Proud to Care' branding to boost the profile of the sector.

3g.13 Community Development: Along with strength-based social care, the IPC identify this as essential to develop alongside outcomes based commissioning to most effectively manage demand and deliver sustainable social care.

4. Other Options Considered

4.1 Continuing with existing arrangements would not be considered viable due to the interim nature of contractual arrangements and trading conditions in the private homecare sector.

4.2 Commissioners have researched a range of commissioning approaches in operation around the Country for homecare and services aimed at increasing people's independence at home. Research included a range of national best practice guidance and learning events specialising in outcomes based commissioning and managing demand. Meetings were held with commissioners in other areas who are operating successful outcome-based models to assess the potential for applying those models to B&NES's local circumstances.

5. Resource Implications

5.1 The Council and CCG spend over £10.06m on homecare in 2018/19: 2% lower than 2017/18. Within this, Council spend dropped by 5.7% but the CCG saw homecare spend increase by 9.5%. One factor in this difference is that the CCG tend to purchase packages of 'live in care', a type of intensive care and support delivered in the home that is not significantly purchased by the Council. These figures do not include the amount of similar care and support purchased under direct payments and other arrangements.

	Council	CCG	Total
18/19	£7.51m	£ 2.54m	£10.06m
17/18	£7.95m	£2.30m	£10.25m
% change from 17/18 to 18/19	-5.7%	9.5%	-1.9%

5.2 The adult social care budget has a savings target in 2019/20 of £2.3 million which will place additional pressure on homecare services at a time where, as this report shows, they are experiencing a continued increase in demand.

5.3 Over time it is hoped that the services purchased under this framework will contribute to reduced package costs as the range of support and care options increase and demand pressure on formal care reduces. 'Service Change' also allows for more efficient and effective use of funds. Long term savings are also supported by improving cost efficiency through a Fair Price of Care exercise for homecare.

5.4 As highlighted in section 3f, the Joint Commissioning Committee (JCC) has previously approved Better Care Fund funding for interim pilots for a Trusted Reviewer, Rural Support, and Workforce incentives. Innovation pilots under the framework will continue to be brought as business cases for comment and approval by the Committee.

5.5 This paper also notes that JCC have approved £5K (+VAT) from the improved Better Care Fund (iBCF) to purchase system transformation support from the Institute of Public Care.

6 Consultation

6.1 Between June 2018 and January 2019, the project team has consulted comprehensively with a wide range of stakeholders:

- *Homecare Providers*
- *Council & CCG Commissioners. CHC, Nursing and Community Nursing leads.*
- *Service Users, Carers & Carers Centre*
- *Virgin Care social work managers, social workers, and commissioners*
- *Wider Council functions: Procurement, Client Finance & Management Accounts, Safeguarding and Principal Social Work leads.*

Their views and preferences have been included in this paper, and specifically the rationale for recommendations in section 3.

6.2 The preferred model on which these recommendations are based was also published for public consultation over December 2018 - January 2019.

6.3 BaNES CCG has actively participated in the development of the project, with representation on the project group and at provider engagement sessions.

6.4 This project was identified in the Council's Market Position Statement for Social Care. Homecare providers were engaged and offered feedback on the original commissioning intentions for these recommendations.

6.5 Prior to this paper, this project's development was noted by the Council's Goods & Services Panel on 09.03.18. The project's aims and scope have also been considered by the Care & Health Programme Board as well as with Health & Wellbeing Select Committee on a number of occasions, most recently on 20.03.19.

6.5 B&NES commissioners agreed with our prime provider Virgin Care that the Council would directly lead on homecare transformation and directly commission and manage services in the interim. B&NES and Virgin Care are in discussion on future commissioning arrangements under the framework and those arrangements will be confirmed prior to the framework procurement.

7. Risk Management

7.1 Successfully piloting and embedding new models of homecare involves a complex step-change across a wide range of stakeholders, including across the Council, CCG, operational teams within Virgin Care, private providers, service users, and carers groups. A key challenge will be in aligning priorities across organisations and functions. Specifically, successfully capitalising on the possibilities offered by the framework involves significant challenges in:

- Relationship development, both between and within organisations
- Culture change
- Collaborating with private providers to shape the market
- Skills and capabilities development
- Perceptions of value for money and accountability
- Specifications, payment mechanisms

7.2 A challenge of this size and complexity must be done through collaboration and not viewed as a 'top-down' enforced change. *System Facilitation* can have a positive impact on the nature of debate and can unlock the creativity essential for success. The IPC have significant experience in this regard – with direct knowledge and experience of national efforts to implement outcomes based commissioning and managing demand in social care, as well as the skills developments and enhanced informatics needed to support this. B&NES can draw on this expertise to develop the collective skills, capabilities and relationships necessary. Recently, IPC has supported successful system transformations within our STP footprint with Swindon Council (see Appendix 3), and similarly with Isle of Wight's challenges in market shaping and securing sufficient capacity locally. Investment in support from IPC is nominal at approx. £5k + VAT.

7.3 *Expectations*: Learning from other Local Authorities identified by the IPC suggests that this journey is one of transformational change for local care systems which requires clear, shared vision and long term commitment over a number of years. Research findings also advise caution in the pace of change with external providers and reducing risk by taking the biggest transformational steps with known and trusted partners.

7.4 It is important that B&NES manages the transition from existing arrangements to the new framework effectively. As well as maintaining existing relationships, the information gathered through the framework accreditation and quality assurance processes will support B&NES's market oversight role and knowledge base of the wider homecare market.

7.5 Controls over purchasing patterns will be improved through further development of recommendations for a brokerage service as well as this paper's recommendations to undertake an independent Fair Price of Care exercise in homecare. The successful adoption of a strength-based approach in social work is paramount, as this fundamentally influences the overall volumes of formal care needing to be purchased.

7.6 *Provider cooperation*: In developing these recommendations, B&NES has been conscious to make sure providers are positively incentivised to join the framework. This is important to support efforts to pay a fair price for care, uphold the Council's position on brokerage priorities (see 3g.4) and, learning from other Councils' experiences, reduce the risk of providers staying outside the framework in the hope of higher non-framework rates as demand in the system builds up.

7.7 *No change*: Potentially the biggest risk of all. Current trends and market conditions increase the likelihood of: reductions in capacity, less sustainable homecare companies, inefficient use of services, high costs with no evidence base in support of this, and less influence with the private provider market. This is especially notable with regard to new entrants to our local market which can potentially threaten the stability of existing providers, workforce and by extension, existing packages of care.

7.8 These recommendations support efforts to secure sufficient capacity in the local care system by helping create market conditions which:

- *Free-up existing capacity in the system through flexible models of care*
- *Driving the culture change and innovation of the type identified in 7.1 above*
- *Making B&NES more attractive to private providers: increased competition and %age of provider capacity allocated to publically-funded clients*

It is how successfully B&NES makes use of this new commissioning environment, and tackling the broader issues around supporting the social care workforce, that will determine the future relationship between capacity and demand alongside the other critical factors identified in 3.5 above.

8. Next Steps

8.1 Proceed with actions in accordance with the indicative timeline under item 3e.6.

Equality & Diversity	Applicable		Not Applicable	
	The need for an Equality Impact Assessment will be reviewed within the pre-procurement stage. If such assessment is required, its findings will be discussed and agreed with the Director, Integrated Health & Care Commissioning and any implications incorporated into the procurement as appropriate.			

Health Inequalities Assessment	Applicable		Not Applicable	
	The need for an Equality Impact Assessment will be reviewed within the pre-procurement stage. If such assessment is required, its findings will be discussed and agreed with the Director, Integrated Health & Care Commissioning and any implications incorporated into the procurement as appropriate.			

Public & Patient Engagement	Applicable	**X**	Not Applicable	
	These final framework model presented in these recommendations has been subject for public consultation over December 2018 and January 2019, as well as direct engagement with Carers Groups at the Carers Centre and via the Council, CCG and Virgin Care engagement group. Further details are available in the findings report and public consultation documents supporting this paper.			

Appendix 1 - Agreed Outcomes from Engagement Sessions

Outcomes for the Person	• People stay living in their own homes for longer • People set their own care plan and goals along with their provider • Family, carers and friends can stay involved in a person's care (if the person agrees) • Improved independence and ability to complete daily tasks • *More flexibility*: people can have more or less care when they need it. • People are supported to achieve their goals • People have a range of options in the community that can support them to meet their needs; these include voluntary services, mainstream social or leisure services, friends & family as well as social care.
Outcomes for Services	• Care workers are well-trained and supported • More people want to work in care and find it a fulfilling career • A more consistent homecare workforce • Care workers get to know their clients better • Commissioners and providers working better together • Better partnership working between care workers, social workers and health staff
Outcomes for the Community	• Bigger role for voluntary and mainstream services supports better community cohesion • People being more independent reduces pressure on acute NHS services • 'Paid for' care is more likely to be available for those with the greatest need • A more sustainable care market • Better information available to help people choose their care service

Appendix 2 – Summary of Main Engagement Session Findings

Broad support for -

- Flexible contracting options and service delivery: including being able to respond to short-term fluctuations in presenting need
- An emphasis on helping people to live independently at home rather than 'homecare'
- Developing a local homecare 'Charter' to clarify expectations for all parties about homecare and how it can support people to meet their needs.
- Making sure other developments work together with homecare including any future development of a brokerage function.
- Working collaboratively to continue to develop good relationships with providers
- The use of assistive technology alongside traditional homecare approaches, although people are keen that this does not replace the human side of care. People want care delivered flexibly in a way that doesn't disrupt their existing quality of life, and which is personalised to their needs.
- Providing opportunities to develop the workforce and promote the value of care, and care as an attractive career

Carers & Service Users preferences -

- People value consistency and familiarity of care workers, and dislike having too many different people in the house (but people understood the challenges on the workforce and why people moved around)
- Reliable timings
- A care worker who engages with the person using the service and any family or carers.
- People want to be more involved in planning care than they feel they currently are.
- People need to know who they should speak to when things aren't going well or if they have comments or questions.

Appendix 3 – Swindon & Worcester Case Studies

Case Study 1: Swindon

Swindon has a prime provider specifically for homecare which holds a master vendor contract. Their prime provider works closely with reablement to get to know people and minimise needs quickly prior to a Care Act assessment.

They also undertook an interesting pilot where social workers were allocated to work with the provider's homecare teams. Despite initial reluctance from parts of the social work profession and some additional challenges, the pilot's outcomes of improving relationships, trust and understanding between the professions was deemed a success. There is appetite to continue in this direction.

The prime provider is also now involved in case reviews and MDTs. In partnership with the Council's finance team and budget holders, they are working to develop new models of paying for 'units of care' rather than 'units of time' as part of the journey towards capitated budgets and more flexible working.

Case Study 2: Worcester

Worcester developed outcomes based commissioning alongside the '3 Conversations' strength-based social work model as well as Assistive Technology (AT) initiatives and a Dynamic Purchasing System for purchasing care. Under '3 Conversations' providers were attending social work team meetings and were part of the planning process as early as 'Conversation 1'. At this stage, potential solutions for tailored AT solutions were considered for their beneficial impact on client outcomes and ability to bring down the amount of care required.

Whilst introducing a DPS can in the first instance increase the number of providers and may help to manage costs, longer-term there can be issues of quality and sustainability. Whilst providers may move in to work in an area from outside its boundaries, ultimately there are perceived benefits of working towards a smaller number of key strategic relationships in the sector.

Key findings in outcomes based commissioning:

- *Contracts needed to evolve to suit these new relationships and delivery models*
- *Providers need to be given time to adapt and grow their strategic capabilities – and Councils have a role in supporting this.*

Appendix 4 – Process for selecting innovation pilot ideas

1	Longlist of ideas that meet basic criteria (*ideas generated across stakeholders, carers groups, provider forums*)
2	Review examples of similar work elsewhere and lessons learnt
3	Develop outline proposal
4	Shortlist ideas against identified system & strategic priorities
5	Outline proposal and funding source
6	Initial scoping with potential providers
7	Engagement with specialists as appropriate (*procurement, finance social work, applications*)
8	Final proposal prepared for procurement via framework (*evaluation, benefits and success criteria*)