



REPORT TITLE: Gloucestershire Health and Social Care Framework Agreement

Cabinet Date	19 th July 2023
Cabinet Member	Cllr Carole Allaway-Martin, Cabinet Member for Adult Social Care Commissioning
Key Decision	Yes
Purpose of Report	To seek approval to conduct a tender process for a new multi-provider Framework Agreement commencing on 1 st April 2024 for the supply of community-based support services for people with an assessed health or social care need including disabilities, autism, a mental health condition and/or older people.
Recommendations	<p>That Cabinet delegates Authority to the Executive Director Adult Social Care, Wellbeing and Communities, in consultation with the Cabinet Member for Adult Social Care Commissioning to:</p> <ol style="list-style-type: none">1. Conduct a competitive procurement process in respect of a multi-provider Light Touch Regime (LTR) Framework Agreement (a framework agreement to which the main framework agreement rules, under the Public Contracts Regulations 2015, do not apply) for the supply of community-based support services for people with an assessed health or social care need including disabilities, autism, a mental health condition, complex physical health conditions and/or older people. The Framework agreement shall be divided into the following Lots:-<ol style="list-style-type: none">a) Supported Living (with floating support outreach option)b) Supported Living - Complex Needs (with floating support outreach option)c) Forensic Support Servicesd) Domiciliary Caree) Floating / Visiting Support for Children and Young Peoplef) Support for People with Complex Physical Health Needsg) Extra Care. <p>The proposed <i>LTR</i> Framework Agreement shall continue for an initial period of 6 years and include an option to extend its term for a further period of not more than 2 years;</p> <ol style="list-style-type: none">2. Appoint each of the preferred tenderers to the relevant Lot under such <i>LTR</i> Framework Agreement;

	<ol style="list-style-type: none"> 3. Determine whether to exercise the option to extend the term of the <i>LTR</i> Framework Agreement for a further period of not more than 2 years on the expiry of the initial 6-year term. 4. Procure as many Call-Off Contracts as may be required by the council under the relevant Lots of such <i>LTR</i> Framework Agreement. 5. Award each such Call-Off Contract to the relevant preferred tenderer
<p>Reasons for Recommendations</p>	<p>The current Health and Social Care Framework Agreement ends on 31st March 2024, therefore new procurement and contractual arrangements will need to be put in place to ensure a continuity of service.</p> <p>The current contracting strategy has provided an integrated commissioning approach across health and social care with consistency of processes, contractual terms and pricing. It has ensured equity of access to community-based services across all client groups in Gloucestershire through the consistent use of the brokerage function across the various Lots. Setting agreed rates ensures transparency and equity across the market and puts quality at the forefront when making decisions about provision. The procurement process is robust and provides a level of assurance for individuals, families, commissioners and operational teams when calling off individual packages of care and support under the Framework.</p> <p>The provider market is familiar with the procurement process and the commissioning processes that sit within a Framework Agreement and are supportive of a longer term to enable business planning, allocation of resources and stability and continuity of contract terms.</p>
<p>Resource Implications</p>	<p>The budgetary challenges faced by the public sector and the resultant impact on funding and budgets at national, regional and local levels are well known. However, the Authority recognises its statutory obligations and the importance of these services in supporting some of the most vulnerable people in Gloucestershire.</p> <p>There will be no financial impact on the current level of spending solely because of the recommendations set out in this report and demand remains the main influencing factor.</p> <p>An indication of the annual gross spend in each service area for the financial year 2022-3 is as follows:</p> <ul style="list-style-type: none"> • Learning Disabilities: c.£44.88m • Physical Disabilities: c.£10.41m • Mental Health: c.£5.39m • Older People's: c.£22.48m • Continuing Health Care: c.£9.7m • Disabled Children & Young People Service: c.£250k <p>The hourly rates set for Lots under the current Framework Agreement benchmark well against neighbouring authority rates and we expect to continue to work with care providers to put into place pricing and payment mechanisms which demonstrate best value in the new Framework</p>

	Agreement but that are realistic and support the market within the bounds of affordability.
Background Documents	<p>Appendix One – Engagement Health & Social Care Framework</p> <p>Cabinet Decision 19th June 2019 – Gloucestershire Health and Social Care Framework 2020-24 https://glostext.gloucestershire.gov.uk/documents/s53476/Item%207%20%20Gloucestershire%20Health%20and%20Social%20Care%20Frame%20work%202020-24.pdf</p> <p>Gloucestershire’s Housing with Care Strategy 2020-24 https://www.gloucestershire.gov.uk/media/2108909/housing-with-care-report_17feb_21.pdf</p> <p>Gloucestershire’s Market Position Statement https://www.gloucestershire.gov.uk/media/2083902/market-position-statement-for-older-people-2018.pdf</p>
Statutory Authority	<p>The Care Act 2014 – Part 1 Care & Support - Section 5 Promoting diversity and quality in provision of services</p> <p>Section 5(1) A local authority must promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person in its area wishing to access services in the market—</p> <ul style="list-style-type: none"> (a) has a variety of providers to choose from who (taken together) provide a variety of services; (b) has a variety of high-quality services to choose from; (c) has sufficient information to make an informed decision about how to meet the needs in question. <p>Section 5(2) In performing that duty, a local authority must have regard to the following matters in particular ...</p> <ul style="list-style-type: none"> (d) the importance of ensuring the sustainability of the market (in circumstances where it is operating effectively as well as in circumstances where it is not).
Divisional Councillor(s)	All
Officer	<p>Name: Amie Wilson Tel. no: 01452 328633 Email: amie.wilson@gloucestershire.gov.uk</p>
Timeline	<p>Engagement with key stakeholders: November 2022 – May 2023 Procurement processes: September 2023 – February 2024 New contractual arrangements commence: 1st April 2024</p>

1. Background

In April 2020, Gloucestershire County Council commissioned a 4-year Framework Agreement to deliver a range of community-based support services for older people, adults with disabilities, autism, mental health conditions and children and young people with a disability who require care and support. Through the development of one Framework Agreement for community services, it merged contracts and integrated procurement systems, helping to reduced duplication and created a framework which encouraged providers to grow and diversify. The current Framework Agreement will expire on 31st March 2024 and the Council is required to put in place new contractual arrangements for 1st April 2024 onwards.

The existing Lots under the current Framework agreement are: -

- a) Supported Living (with floating support outreach option) - Non-Complex.
- b) Supported Living (with floating support outreach option) - Complex Needs.
- c) Forensic Support Services.
- d) Domiciliary Care.
- e) Floating / Visiting Support for Children and Young People.

Following feedback from partners and stakeholders, the new Framework Agreement will be further developed to meet the needs of the population of Gloucestershire and include the additional Lots for: -

- f) Support for People with Complex Physical Health Needs.
- g) Extra Care Sheltered Housing.

Gloucestershire has a mature local market of support providers in these sectors, who operate effectively within the terms of the Framework Agreement. There is a clear brokerage process where new packages of support are tendered via the Framework Agreement and Individual Service Contracts are issued.

Following robust feedback from the market that a longer-term agreement would be more beneficial, in terms of stability and allocation of resources, and given the existing Framework Agreement has worked well, it is proposed to implement a new 6-year Framework Agreement with the option to extend the contract for a further 2 years. Adult Social Care services are procured under the light touch regime where there is flexibility within the regulations to allow for a longer contract term.

2. Strategy

The legislative basis for commissioning adult social care services is set out within **the Care Act 2014** and updated in the recent **Health and Care Act 2022** [Health and Care Act 2022 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

The Care Act statutory guidance states that '*high quality, personalised care and support can only be achieved where there is a vibrant, responsive market of services available*'. The Local Authority role is seen as critical and under section 5 of the Care Act, the Local Authority has '*the duty to shape and maintain an efficient and effective market of services for meeting care and support needs in the local area*'.

The commissioning of community services through a Framework Agreement is a key part of delivering commissioning responsibilities within the Care Act. However, there are other strategies which also drive this work.

Gloucestershire's Market Position Statement 2018 sets out the commitment of Gloucestershire County Council to move away from the commissioning of traditional residential and nursing homes and increase the use of housing with care, providing security of tenure with the option of flexible onsite care arranged according to need. The aims set out within the strategy are: -

- Supporting Independence
- Community Support
- Rehabilitation, recovery and reablement
- Flexible Long-Term Support.

Gloucestershire's Housing with Care Strategy (2020) sets out the key priorities for housing with care in Gloucestershire for all adults with a care need that would be best met through housing with flexible onsite care. This includes that we: -

- Ensure a good standard of housing provision, complimented by high quality care.
- Improve the housing with care offer for people with a range of support needs, including complex needs and lifelong conditions, and reduce out of county placements.
- Increase housing with care across Gloucestershire so each district has an equitable offer for older local people appropriate to need.
- Increase the choice of supported living for younger adults with disabilities and mental health conditions.
- To utilise housing with care which delivers cost savings to the housing, health and care system.
- To provide a viable alternative to residential care.
- Sustainable long-term services, when people require long term services, we want to support these services to be reliable, sustainable and adhering to robust quality standards and regulations.

3. Demand/Needs

The Market Position Statement for Gloucestershire details the potential increase in demand on services: -

Learning Disabilities: An estimated 11,400 people aged 18 and over in Gloucestershire have a learning disability. Of these 2,400 have a moderate or severe learning disability. There are around 3,000 people in Gloucestershire who have received a diagnosis by local

GPs. The overall number of adults with a moderate or severe learning disability is predicted to rise by 3.6% between 2015 and 2025.

Physical Disabilities: The number of adults aged 18+ in Gloucestershire is projected to rise from 492,300 to 576,600 between 2015 and 2039. An estimated 9,000 people aged 18-64 in Gloucestershire have a serious physical disability, and an additional 30,000 people aged 18-64 have a moderate physical disability. Both numbers are expected to increase moderately in the next 15 years.

Mental Health: The number of adults in Gloucestershire diagnosed by local GPs with depression is increasing, from 27,000 people in 2012/13 to 34,500 people in 2014/15. Of these, just over half were over-65s, and this number is predicted to rise to 20,400 by 2030 as the population ages. A total of 272 adults aged 18+ in Gloucestershire were receiving council-funded long-term care packages as at 31 March 2023.

Older People (including Continuing Healthcare (CHC)): We expect the number of older people aged 65 and over in Gloucestershire to continue to rise at a faster pace than nationally, rising from 126,800 in 2015 to 206,300 by 2039. An estimated 25,400 older people have a long-term illness or disability that limits their day-to-day activities a lot. The number is predicted to rise to 39,000 by 2030.

4. Details of the Services to be provided under the proposed *LTR* Framework Agreement

There are currently 179 providers across the existing Framework who deliver care and support to adults with disabilities, and they range from large national charities through to small, owner-managed businesses. Fewer than 10% of support packages are commissioned outside of the Framework Agreement. Work has been undertaken to update and develop the service specifications to reflect current guidance and legislation as required.

Supported Living – Non-Complex

Supported Living services are delivered to individuals who are tenants within their own property, many of whom reside in shared accommodation. Support is delivered with the aim of increasing peoples independence, coping mechanisms, and life skills. The support can be shared between several individuals, sometimes referred to as “core” or “background” support or delivered on an individual 1:1 basis. This can include support at night via a sleep-in or waking night and may include delivery of regulated activity such as personal care as defined by the regulator, the Care Quality Commission.

Supported Living - Complex Needs

The lot for Complex Needs follows the delivery model described above and provides specialist support which could include complex and challenging behaviour, autism, Huntington’s Disease, an Acquired Brain Injury (ABI) or a personality disorder.

Forensic Support Services

The Forensic Services Lot has been developed to ensure there are suitably experienced and qualified providers to support those individuals who have come into contact with the criminal justice system, have been admitted to a secure setting or at risk of doing so. This Lot will also support individuals who are stepping down from a secure setting.

A typical individual will usually have a long-standing and complex condition (or one or more comorbid conditions), require longer-term or more intensive rehabilitation and support which is no longer required or appropriate in a secure setting, be more likely to display behaviour at a level of risk greater than a non-specialist service would be expected to safely manage and be subject to multi-agency public protection arrangements (MAPPA) or other Ministry of Justice restrictions (such as release from prison on licence, conditional or supervised discharge, release on bail or probation, electronic tagging or a guardianship order) and which will impact on the delivery of the Services.

Domiciliary Care

There are currently 91 providers delivering community-based home care (domiciliary care) to adults under the existing Framework Agreement. The Lot for domiciliary care will remain unchanged in the new Framework Agreement but will now allow for the procurement of hyper-localised domiciliary care blocks as well as being used to call-off individual spot purchased packages of care where necessary.

A new schedule for Hyper Localised Domiciliary Care Blocks will run in parallel with the existing arrangements. These will consist of small clusters of Lower Layer Super Output Area (LSOA's) The provider will be given a block of funding to accommodate existing care packages commissioned with them in that area and to create capacity for any new packages of care or those that may require recommissioning. The provider for each LSOA will be expected to deliver support to all individuals within the specified area until capacity has been reached and requires a review.

The blocks will be tiered from 1 to 4 (tier dependant on number of hours commissioned) with larger organisations being allocated to tier 1 blocks. Providers expressing an interest via brokerage will be allocated, based on a number of factors including the Full Time Equivalent staffing.

The Framework Agreement will include a new pricing structure for the blocks with each LSOA grouping having a set rate assigned. Assigned rates will consider a combination of population density, geographical barriers, and proximity to urban locations.

Floating / Visiting Support for Children and Young People

Commissioners for Children and Families continue to face disparity in their market and hourly rates can be exceptionally high with some providers dictating a minimum block purchase of 3-4 hours per visit. There are 19 providers under the current children and young people's floating support.

Work to further develop the evaluation criteria and service specification has been undertaken to assure commissioners of the providers experience in order that more support packages can be brokered from this resource ensuring continuity of care through transition and consistent pricing structures across children's and adults. Specific market engagement will be completed to prepare existing providers to submit a tender and to encourage providers delivering to adults under other Lots to diversify and expand to include children with disabilities within their offer.

Support for People with Complex Physical Health Needs

Introducing a new Lot for complex physical health needs, will provide a more joined-up commissioning model across health and social care, ensuring colleagues across the system have access to a pool of providers that have been robustly evaluated and are capable and suitable to meet the specific needs of individuals with critical and profound physical health needs (such as ventilator support and tracheotomies). This Lot will be used in both Social Care and Health, where the Council purchases packages of care for people on behalf of the Integrated Care Board (ICB) the Local Authority will be reimbursed via Section 75 arrangements.

Commissioners in Adults and Continuing Health Care are working with providers to build strong relationships and develop the market so that the new Framework Agreement Lot delivers a list of reliable and robust providers with capacity in Gloucestershire in order to avoid the use of high-cost staffing agencies.

Extra Care Housing

Extra Care is independent housing with the provision of an on-site care team. Extra Care has a range of communal features to support independence and wellbeing. Depending on the size of the development these may also include an onsite restaurant, communal lounges, hairdressers and private gardens. Extra Care provides a real opportunity for GCC to provide more efficient care as the provider is on-site, reducing travel time and the ability to provide a more flexible, outcome focused service. The additional wellbeing aspects of extra care provide real benefits to both tenants and the local community. Most provide falls prevention classes as well as a range of wellbeing activities that help to keep people independent for longer and prevent, reduce and delaying the need for higher levels of formal care.

The new Framework Agreement will include commissioning arrangements for Extra Care under a specific Lot. Extra Care provision is currently commissioned via Memorandums of Understanding (MOU) so inclusion in the Framework will address the need for robust contracting terms and conditions that are equitable across the extra care market. Aligning referral processes with the other community-based services under the Framework Agreement will maximise the use of extra care as a viable housing alternative to residential care and will help to reduce pressure across housing, health and social care.

5. Options

Looking forward, the two most appropriate procurement models considered for community-based support are:

- To develop, in accordance with this Report's Recommendations a new *LTR* Framework Agreement with multiple individual Lots, each one allocated to a specific category of community-based support services; or
- To develop a Dynamic Purchasing System (DPS)

The current arrangements, introduced in April 2020, provide an integrated approach across health and social care together with consistency of processes, contract terms and pricing. The introduction to the new Framework Agreement has been well received and accepted by the local market as the established procurement model for community-based support services.

Commissioners have undertaken a review of the existing arrangements and feedback has been positive. Operational services have benefited from the flexibility of being able to call off individual services as and when required. The set rates for each Lot provide transparency of care costs for operational teams when support planning in order to maintain control over spend. Robust and clear contract terms have allowed for consistent contract management to happen across the various models of support and range of providers and with the necessary clauses in place for escalation of issues Commissioners have been able to resolve quality issues as they arise.

The mini-competition process carried out by Brokerage has also proved to be a fair and transparent mechanism for calling off individual packages of care and support and will be developed further for the new Lots under the Framework Agreement. Commissioning and Brokerage can maintain an overview of the packages across "shared" providers through the use of an electronic call monitoring system which ensures care delivery is efficient and that payments are made based on delivery of hours. This has been successful and will be a part of the proposed new *LTR* Framework Agreement including for the new Lots.

Consideration has been given to developing a Dynamic Purchasing System (DPS) which would enable providers to apply to join at any point, as it will remain open rather than opening on an annual basis. It could also be designed with fewer evaluation criteria requirements. Domiciliary Care has previously been commissioned under a DPS which proved to be difficult to manage and resource due to the unpredictable volume and timing of applications. The evaluation criteria was not suitably robust and resulted in several providers joining the DPS and being unable to meet the requirements and quality standards set by commissioners.

6. Recommended tender and procurement process

The recommended option is a new *LTR* Framework Agreement with multiple individual Lots, each one allocated to a specific category of community based support services.

The proposed *LTR* Framework Agreement for community-based services will continue for a period of 6-8 years and will be reviewed at year 6 before extending to ensure the

contracting arrangements continue to meet the needs of the system and the commissioning mechanisms are still working for the provider market. Review prior to extending for 2 years will allow the Local Authority and partners to evaluate the success of the Framework Agreement and consider alternatives. This Framework Agreement will open annually for the duration of the term where potential providers will have the opportunity to submit a tender.

6. Risks

In consultation with the Senior Risk Management Advisor in Planning, Performance and Improvement any risks associated with the project have been identified and a risk register prepared which will be regularly reviewed by the project team. Key risks and mitigating factors are: -

- Risk of reduced market interest in the frameworks due to the recruitment and retention issues in the care market. Commissioners are working with providers to address issues via numerous initiatives outlined in Gloucestershire's Market Sustainability Plan.
- Risk of providers not meeting the requirement to obtain the Cyber Essentials Certificate. Commissioners will work with the Council's Information Management Service to engage with and inform providers prior to the procurement process. The procurement will allow additional time (post contract award) for providers to meet the standard.
- Risk of challenge on Framework Agreement term longer than 4 years. The Council is working under the light touch regime that allows more flexible procurement and the Framework Agreement will open annually for new entrants.

7. Financial implications

The current Framework Agreement pricing model sets out a clear and consistent pricing structure for each Lot and allows transparency in the various costing models.

The Council will work with providers to set payment terms that are appropriate and fair. Across the new Framework Agreements, consistent methodology to uplift provider rates to reflect economic pressures will be captured through the technical exercise undertaken by Strategic Finance using indices EARN03, CPI and BMI.

8. Climate change implications

The hyper-localised approach to commissioning domiciliary care will reduce the travel between individuals visits and improves upon existing practice. We will continue to liaise with Climate Change leads at the council and build consideration of environmental impacts into our approach where possible.

9. Equality implications

Has an Equalities Impact Assessment (EIA) been completed? Yes.

Cabinet Members should read and consider the Equalities Impact Assessment in order to satisfy themselves as decision makers that due regard has been given.

10. Data Protection Impact Assessment (DPIA) implications

A Data Protection Impact Assessment has been undertaken. The outcome showed a medium risk - the minimum-security accreditation of “Cyber Essentials” will be required, as personal data will be processed.

11. Social value implications

For those providers on the new Framework Agreements with whom we spend over threshold. the new contract will contain a requirement to demonstrate social value in accordance with the Authority’s Social Value policy. It will focus on employment opportunities, engagement with the local community and improving the lives and outcomes of individuals. Social value will be included in the supplier evaluation process.

The Council will be using a new performance and evidence-based approach to Social Value, based on the National TOMs (Themes, Outcomes and Measures). Tenderers will be required to propose credible targets against which performance (for the successful Tenderer) will be monitored.

The Council recognises that the process of measuring and delivering Social Value requires flexibility and a collaborative approach. Agreed Social Value commitments may require a certain amount of refinement as a result. A key requirement is the willingness of the provider to work openly and transparently with the Authority whilst bearing in mind that the overall value of Social Value commitments made must be delivered.

Full details on the Social Value Portal and the National TOMs framework is available here <https://socialvalueportal.com/national-toms/>

12. Consultation feedback

Extensive engagement has been undertaken to evaluate the current Framework Agreement, procurement process and subsequent commissioning arrangements and feedback from a range of partners and stakeholders has been considered to include views from: -

- The Partnership Boards
- User-led Organisations
- External Providers on the current Framework Agreement
- External Providers not on the current Framework Agreement
- Gloucestershire Care Providers Association
- Operational Teams across Health and Social Care.

The Partnership Boards are co-producing questions for evaluation and scoring in the procurement.

13. Officer recommendations

It is recommended that Cabinet delegates Authority to the Executive Director Adult Social Care, Wellbeing and Communities, in consultation with the Cabinet Member for Adult Social Care Commissioning to implement the Recommendations contained in the corresponding section of this report.

14. Performance management/follow-up

The new Framework Agreement will be underpinned by quality monitoring arrangements and peer led performance monitoring. Contracts will detail robust contract management arrangements.