

WEST NORTHAMPTONSHIRE COUNCIL CABINET

9TH JULY 2024

DEPUTY LEADER AND CABINET MEMBER FOR ADULT CARE, PUBLIC HEALTH AND REGULATORY SERVICES - COUNCILLOR MATT GOLBY

Report Title	Recommissioning of Supported Living
Report Author	Ashley Leduc, Assistant Director Commissioning and Performance

List of Approvers

Monitoring Officer	Catherine Whitehead	12 th June 2024
Chief Finance Officer (S.151)	Martin Henry	12 th June 2024
Deputy Chief Executive Executive Director of People Services, (DASS)	Stuart Lackenby	12 th June 2024
Communications Lead/Head of Communications	Becky Hutson	12 th June 2024

List of Appendices

Appendix A – Options appraisal (within report)

1. Purpose of Report

- 1.1. The purpose of this report is to seek Cabinet approval to procure a single supported living framework for all eligible adults who require social care support in supported living in West Northamptonshire, commencing the 07 April 2025. To support this,

Cabinet are also asked to approve the extension of the Commissioning for a Good Life framework (CFGL) and the current arrangements for two contracts at the Moray Lodge supported living site, called-off the Care and Support in Specialist Housing framework (CSSH), until the 06 April 2025.

- 1.2. This report will outline the intended approach to secure safe and sustainable services over the medium term through the provision of a supported living contract term of five years, with an option to extend for up to two years resulting in a maximum framework duration of seven years.

2. Executive Summary

- 2.1 WNC currently purchase supported living through a range of frameworks and individual agreements. The specialist learning disability framework, Commissioning For a Good Life (CFGL), and the Care and Support in Specialist Housing (CSSH) framework which covers a range of individuals including those with mental health issues and older people. Two of these sites were extended and are due to expire on the 31 December 2024. In order to streamline our purchasing arrangements and create consistency within this market it is proposed to procure a single framework for supported living across the populations of individuals eligible for this accommodation-based care and support.
- 2.2 To enable WNC to participate in the East Midlands Association of Directors of Adult Social Services (EM ADASS) regional Fair Cost of Care exercise for Supported Living it is recommended to extend the current agreements until 06 April 2025. This will enable the outcome of the exercise to inform the fee rates for the new contract and provide an evidence base of what is a sustainable rate for this market. In addition, we can ensure the new contract rates are reflected in the draft budget for 2025/26 and the Medium-Term Financial Plan, reducing any financial risk to WNC. To meet the procurement and governance timescales it is proposed that the final contract rate is agreed by the Deputy Chief Executive & Executive Director for People Services (DASS) prior to publication.
- 2.3 In addition, provider feedback from market engagement sessions completed to date has highlighted there are a number of other Local Authorities that are procuring supported living services over the summer which may impact on the number and quality of providers applying for the WNC framework.
- 2.4 The CFGL framework is due to expire on the 08 January 2025 and as such it is recommended the framework is extended for by five years to enable the future recommissioning of the remaining Lots. The total value of this extension is approximately £6.6m and is permitted within the maximum extension of up to five years. With a Notice Period of two months, WNC will serve notice on the supported living Lot to end 06 April 2025.

- 2.5 Two call-off contracts from CSSH have previously been extended until 31 December 2024. It is recommended that the existing arrangements are also extended until 06 April 2025. The value of this is approximately £194,000.
- 2.6 The Commissioning Team have engaged both internal and external stakeholders to inform the model and requirements of the new contract, supporting delivery of a model that meets the current and future needs of residents of West Northamptonshire.
- 2.7 The Council's current annual expenditure on supported living services is £30.6m. Having reviewed current provision and WNC's strategic priorities, it is recommended a single framework spanning across all local adult needs for supported living is commissioned on a five-year basis with the option to extend by up to two years, giving a maximum contract term of seven years.
- 2.8 A single framework will allow the Council to call-off via an overarching framework for all people requiring supported living. It is proposed to have five 'Lots' with distinct specifications that will enable support to be tailored to meet the specific needs of individuals. These Lots will specialise in:
- Mental health
 - Learning disability
 - Acquired brain injury
 - Autism
 - Physical disabilities
- 2.9 Whilst the individual Lots will enable WNC to specify specific training and service requirements for each population, placements will not be restricted based on an individual's diagnosis, allowing WNC to refer to the provider/service that can best meet an individual's need, especially where there may be co-morbidities.
- 2.10 As part of the procurement, providers will also have the opportunity to enter a mini competition for the specialist schemes currently provided via the two frameworks. As new developments come online, all future supported living schemes will be called off the proposed single supported living framework.

3. Recommendations

- 3.1 It is recommended that Cabinet:
- i. Approve the procurement of a single framework for the provision of supported living care and support in accordance with the Contract Procedure Rules.
 - ii. Approve a proposed contract term of five years with an option to extend for up to two years resulting in a maximum framework duration of seven years.

- iii. Approve the extension of the existing contractual arrangements for five years for the CFGL framework and by 96 days for Moray Lodge.
- iv. Delegate authority to the Deputy Leader and Cabinet Member for Adult Care, Public Health and Regulatory Services, in consultation with Deputy Chief Executive & Executive Director for People Services (DASS), to take any further decisions and actions required to conclude this procurement, including the approach to implementing the fair cost of care for supported living, and award the contract.

4. Reason for Recommendations

4.1 The recommendations seek to enable:

- i. WNC to meet its statutory duties under the Care Act 2014.
- ii. WNC to have a robust and equitable purchasing arrangement in place for the future provision of supported living care and support in West Northamptonshire.
- iii. WNC to have continuity of provision up to the new framework start date of 07 April 2025
- iv. Timely conclusion of the procurement via delegated authority to award

5. Report Background

- 5.1 Supported Living is currently provided for approximately 415 people. It is the preferred model for people requiring care and support as it provides a more community based and independent offer than traditional residential care. Supported living enables people to have their own homes and tenancies separate to the support they receive; giving them a level of security to remain at home should the care provider require changing. It also supports individuals to continue to progress towards independence.
- 5.2 Supported living enables people choice and control including, where they want to live, who with, how they want to be supported and the activities they want to undertake in their own homes and the community. This framework will be for the provision of the care and support element that enables this.
- 5.3 The existing CFGL framework provides a range of services for people with learning disabilities (LD) including residential care, supported living, supported accommodation, day services, short breaks and respite. A specialised care and support service was developed via mini competition from the supported living Lot of this framework at Oak Tree Rise to offer high spec care and support to complex individuals in 10 bungalows.

- 5.4 WNC has also commissioned supported living schemes via the CSSH framework, from which care and support providers were called off to deliver 4 supported living schemes at 3 sites; Moray Lodge, Saxon Court, and Bective House. Schemes can provide a mixture of tenure types including leasehold, part-ownership and tenancies and give people access to care and support 24 hours a day.
- 5.5 In addition, where existing frameworks are unable to meet the needs, or there is a current gap, for example in specialist provision for autistic people, there are a number of non-framework agreements in place.
- 5.6 As a housing-based model, the care and support delivered is separate to the housing, ensuring security of tenure and housing rights. This means existing packages of care within shared properties at 06 April 2025 will continue with the existing provider within the individuals home. New packages of care and support from 07 April 2025 will be referred to the new framework providers. For those living within the schemes, the care provider will change on 07 April 2025 as these are classed as services rather than packages of care and support.
- 5.7 WNC are aware of two further schemes being developed within West Northants providing up to 29 self-contained units which will come online in the first year of the new framework. Whilst WNC acknowledge not all people wish their home to be in a scheme, they are popular as they prevent people from feeling isolated and at the same time have understanding neighbours. They also provide value for money as there can be a degree of shared care hours that can be tailored to meet people's individual needs.
- 5.8 To meet our future demand, WNC will continue to work with our colleagues in Planning and Housing to explore opportunities to expand our shared houses in West Northants. These, in addition to our specialist schemes enables WNC to have a varied market which supports choice for individuals.
- 5.9 The framework will have specialist Lots that providers can bid for. These are divided into needs:
- Learning disabilities
 - Mental health, including forensic support
 - Autism
 - Acquired Brain Injury and
 - Physical disability
- 5.10 It is envisaged that some providers will have a specialism across several Lots. This will support the brokerage of packages, especially where a person has co-morbidities as they can explore a provider whose staff are likely to have transferrable skills. It also enables providers to flex their staff teams to provide hybrid packages of support. In addition, the specifications will set out the key skills and training requirements that will enable providers to support individuals with more complex needs, a current significant gap in the market. It is anticipated that WNC will be able to commission services based on need not diagnosis.

- 5.11 As a framework agreement WNC will limit the number of providers awarded to each Lot, re-opening the Lot if demand exceeds capacity. This will not only support providers to maximise their economies of scale, it will also enable WNC to develop positive relationships with these providers, working collaboratively to meet the needs of individuals accessing the services.
- 5.12 By establishing an hourly rate via the Fair Cost of Care exercise, WNC can assure itself that it is developing a sustainable market having used a nationally recognised tool to understand care costs locally. Furthermore, with a set fee rate, WNC will evaluate bidders on quality, helping to improve the experiences and outcomes of those living in supported living services.
- 5.13 Northamptonshire Integrated Care Board are currently a joint partner for the CFGL framework and are keen to continue this arrangement moving forward. Whilst they formalise their position in relation to the new framework, they will be involved throughout the process and a clause will be added to the contract that will enable them to join the framework during the life of the contract, allowing joint commissioning of future packages where applicable.
- 5.14 To support the supported living review and commissioning, a project group was established to review current provision, national best practice and local strategy.
- 5.15 The Corporate Plan¹ identifies six priority areas for WNC, including Improved Life Chances. The proposed new supported living framework will contribute to the following aims:
- Increased aspirations in young people
 - Adults supported to live independently
 - Care provided for those that need it
 - Reduced hospital stays and delays
 - Joined up and local services with health
 - Safe and secure accommodation for all
- 5.16 A range of internal and external stakeholders have already, and will continue to, contribute to the commissioning process. Stakeholders engaged to date include:
- Care and support providers
 - NHS colleagues (Integrated Care Board and Northamptonshire Healthcare Foundation Trust)
 - Adult Social Care
 - Quality Team
 - Corporate Services (Finance, Legal, Procurement)

¹ [Corporate Plan | West Northamptonshire Council \(westnorthants.gov.uk\)](https://www.westnorthants.gov.uk/corporate-plan)

5.17 Engagement has also taken place with individuals currently living within supported living to identify gaps experienced and inform the service specification. An outcome-focussed specification will ensure providers deliver care and support that meets the aims and objectives of the service and the people who live there. These outcomes will include:

- People get the help they need when they need it
- Maximise people's quality of life
- Maintaining and supporting health and wellbeing, including equal access to healthcare, training and occupation
- Maintaining and supporting independence and ability to self-care
- Increased choice and control
- People feel safe and supported to take positive risks
- People have, and hold on to, relationships that have meaning to them
- Positive experience of care and support in a place they can call their home
- People live longer

5.18 One of the key ambitions is to maximise the use of assistive technology to give people as much independence and privacy in their own homes as is feasibly possible. WNC will work with providers and the Assistive Technology team to stimulate innovation and improvement through greater focus on maximising independence and technology enabled care.

5.19 The proposed approach will ensure compliance with the Public Contract Regulations (2015).

6. Issues and Choices

6.1 The Equality and Anti-Poverty Screening Assessment has identified no negative impact on individuals from each of the protected groups within the Equality Act 2010. In addition, in line with our corporate commitment to reducing poverty within our communities, the screening assessment identified a positive impact for individuals accessing the services as they will be supported to maximise their benefits and manage their personal finances that will enable them to maintain their tenancy and budget effectively.

6.2 The introduction of a single supported living framework will enable WNC to replace all current frameworks from the 07 April 2025. This will not only simplify WNC's purchasing arrangements but will also improve our contractual oversight and management arrangements and provide equity across the markets as all supported living placements will be funded at the same rate. The decision to extend our existing arrangements will prevent the need to implement interim individual purchasing arrangements.

- 6.3 The recommendation to procure via the open market will maximise competition and ensure the contract delivers best value for all stakeholders.
- 6.4 The Terms and Conditions will include an option for the Integrated Care Board to access the Framework enabling standardised terms for providers and improved market management across health and social care.
- 6.5 The proposed service is intended to be advertised to market in September 2024 to ensure continuity of service from 07 April 2025.

7. Implications (including financial implications)

7.1 Resources and Financial

7.1.1 To ensure compliance with procurement regulations and enable WNC to secure future services, the framework will be advertised with a value of £350.6m.

7.1.2 However, it is anticipated that WNCs actual spend over the life of the framework will be in the region of £261m. This will be funded via the Council's Adult Social Care revenue budget. The additionality enables the Council to have flexibility over future integrated commissioning arrangements in the same way that we have adopted such approaches with our Care Homes and Home Care contracts.

7.1.3 The expenditure value has been modelled using:

- current expenditure on existing framework and non-framework services within the scope of this tender
- anticipated future demand across all the appropriate demographic groups
- anticipated inflationary pressures over the framework term
- benchmarked rates across regional and nearest comparator authorities and existing contract rates for similar services to anticipate fair cost of care outcome

Additional capacity that will be created through prospective development has also been factored into the value to future-proof provision.

7.1.4 On completion of the Fair Cost of Care exercise, the Deputy Chief Executive & Executive Director for People Services (DASS) will agree the final fee rate for publication, ensuring it is financially sustainable for the Council. If WNC are unable to fully implement the Fair Cost of Care rate from contract start date, Commissioners will work with Finance colleagues to agree an incremental approach to implementation that is associated to growth within the Council's overall budget, again to be agreed by the DASS prior to publication, In collaboration with the S151 Officer and Cabinet Member for Adult Social Care and Regulatory Services. The Council will commit to refreshing their Fair Cost of Care outcome every 3 years as it is a component part of fee setting.

7.1.5 Following the review of services and in preparation for this tender, WNC is seeking to maximise the number of specialist schemes and shared resources in order to increase cost efficiency over the life of the contract. In addition, it is our intention to shape the services around the communities that they are based.

7.2 **Legal**

7.2.1 The Council has a statutory duty to provide care and support for people who meet the eligibility criteria as set out in the Care Act 2014 and supporting legislative framework. This duty sits alongside both Council and NHS strategies and plans. The Council's statutory duty extends to the provision or arrangement of services that could help develop health, wellbeing and independence, reducing the need for ongoing support. Section 111 of the Local Government Act 1972 allows the authority to do anything (including incurring expenditure or borrowing) which is calculated to facilitating or is conducive or incidental to the discharge of its functions.

7.2.2 The Framework will be procured under the Light Touch Regime as set out in Schedule 3 of the Public Contract Regulations 2015 (PCRs 2015). The Council is intending to establish a Framework pursuant to (Regulations 74 to 77) of the PCRs 2015 which will facilitate the supported living requirements. This will also be compliant with the Council's Contract Procedure Rules and its Constitution. As such the opportunity will be advertised to the market via an open tender.

7.2.3 The procurement and contractual provisions for the implementation of the recommended option will be undertaken with the advice and support provided by the Council's Legal and Procurement services.

7.2.4 The Adult Social Care Reform legislation will be reflected in the Terms and Conditions allowing for any material changes to be made in line with any legislation requirements to future proof the contract.

7.2.5 Continued engagement from the Council's Legal team will ensure a full and appropriate contract is prepared to meet the requirement.

7.2.6 The award of the new Framework is subject to the Council's Contract Procedure Rules in that Cabinet approval to award the Framework would be required. This report is requesting that Cabinet delegate authority to award the Framework to the Deputy Chief Executive & Executive Director of People Services (DASS).

7.3 **Risk**

7.3.1 If the recommended approach is not approved the Council will not have robust contractual arrangements in place to purchase care and support services for people beyond 31 December 2024. This would result in WNC being reliant on non-framework purchasing arrangements to meet its statutory duty which may result in financial uncertainty regarding care costs.

- 7.3.2 The Council are unable to fully implement the identified Fair Cost of Care and providers may choose not to apply based on the rates offered by the Council. To mitigate this, WNC will set out a stepped approach to implement the Fair Cost of Care if it is unaffordable to implement at contract start date.
- 7.3.3 Due to similar procurements being undertaken by other local authorities, providers may choose not to apply for the WNC framework due to resource pressures and unfavourable rates. The completion of the regional Fair Cost of Care exercise continued market engagement and the proposed extension to 06 April 2025 will help to mitigate this risk.
- 7.3.4 Providers that are successful under the proposed framework may serve notice on the existing packages in the hope they are re-awarded under the new framework at the new contractual rate. The expectation regarding existing packages will be clearly communicated to all potential bidders as part of our ongoing market engagement in order to help mitigate this risk.
- 7.3.5 There is a risk to the timely conclusion of the procurement and start of the services if delegated authority is not authorised, to enable further decisions and/or actions to be progressed.
- 7.3.6 Further risks identified during the procurement process will be detailed and mitigations identified as part of the project management process.

7.4 Consultation and Communications

- 7.4.1 Engagement with current providers has been undertaken to gain an understanding of any gaps in provision or development requirements.
- 7.4.2 Benchmarking against other local authorities has been completed to review service models and funding arrangements. The outcome of this has informed the proposed approach.
- 7.4.3 Engagement sessions with people currently in receipt of care and support in supported living has been undertaken via meetings and questionnaires. Feedback from these activities have been incorporated into the specification. Further engagement and where possible co-production will continue throughout the process.
- 7.4.4 Internal stakeholders including Adult Social Care, the Quality Team, Brokerage, Finance, Legal and Procurement have all been engaged to ensure a sustainable and fit for purpose model is developed.

7.5 **Consideration by Overview and Scrutiny**

7.5.1 A report relating to Supported Living commissioning intentions will be presented to Overview and Scrutiny meeting on 24 June 2024, to allow for pre-decision scrutiny.

7.6 **Climate Impact**

7.6.1 The Specification will set an expectation for provider(s) to commit to WNC's priority within the corporate plan to be "Clean and Green".

7.6.2 WNC will work continuously with the provider(s) to ensure the services maximise the use of technology and equipment to minimise the impact on the environment.

7.7 **Community Impact**

7.7.1 WNC will work with the provider(s) to maximise local employment and to create opportunities for providers to pay at the Real Living Wage.

7.7.2 In addition, providers will support people to have continuing access to community resources.

7.7.3 Social Value will be included in the evaluation criteria for bidders.

8. **Background Papers**

8.1 None

Appendix A - Options Appraisal

Options	Risks	Mitigations/Benefits	Recommendations
1. Do nothing	<ul style="list-style-type: none"> • The current learning disability framework will end and all referrals for people with a learning disability will be sourced via individual placement agreements. • The CSSH call-off arrangements will end and all new referrals will be sourced via individual placement agreements. • There will be limited ability for WNC to complete quality monitoring or effectively manage the contract. • There is a significantly reduced ability to control market costs as each placement is negotiated on a case by case basis. • Known gaps within the market are likely to continue and grow. 	<ul style="list-style-type: none"> • None 	Not recommended
2. Redefine the LD framework and re procure. Develop a new supported living framework for other needs.	<ul style="list-style-type: none"> • A specialist LD framework is likely to create gaps for people with comorbid conditions such as personality disorders. It does not allow for 	<ul style="list-style-type: none"> • The LD framework is delivered against a clear strategy to transform West Northants services to enable people with learning 	Not recommended

	<p>flexible and innovative solutions.</p> <ul style="list-style-type: none"> • Continuing to procure specialist frameworks are likely to lead to further gaps in the market. • Expecting individuals to 'fit' into services goes against the principles of the Care Act 2014. • A specialist framework causes unnecessary boundaries to care and support and reduces the ability for a shared provider market. • Limitations of the current framework is likely to continue to have a negative impact on quality and costs as time goes by. • Providers working across multiple frameworks are expected to attend multiple forums and deliver services at differing contractual rates. • Commissioners struggle to work in partnership with exceptional numbers of providers, many whom are not actually delivering local services. 	<p>disabilities to have a good life. It is valued by providers and people in receipt of services.</p> <ul style="list-style-type: none"> • Specialist frameworks allow providers to specialise in one area. 	
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<p>3. Extend the CFGL and CSSH supported living arrangements to enable the procurement of a single framework covering all adult population needs.</p>	<ul style="list-style-type: none"> • Providers may not agree to extend, reducing our contracted market and creating financial and resource pressures for the Council. • It may reduce the quality and expectation that is achieved via specialist frameworks. 	<ul style="list-style-type: none"> • The single framework is delivered against a set of clear service specifications for each Lot which will uphold standards and expectations. • The more specific strategies for LD, MH, Autism etc will feed into the specifications. • It provides the opportunity for provides to deliver hybrid solutions for those with comorbidities. • The ICB will jointly procure, and this enables the development of better market oversight, development and reduces competitive pricing between agencies and specialities. • The potential for mixed schemes aims to maximise efficiency of both the provider market and give maximum value for money. • Enables mixed needs and 	<p>Recommended</p>
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		<p>intergenerational schemes in the community.</p> <ul style="list-style-type: none">• Gives innovative and maximum choice to people.	
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