

**Vision and Delivery Document
(Cabinet Report Appendix 1)**

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Vision and Delivery Document (Cabinet Report Appendix 1)

Introduction

This document has been produced to explain and validate the basis upon which this Council will purchase the service generically described as Home Care and which, in Herefordshire, is redefined as Help to Live at Home.

The document outlines the approaches, delivery models, methodology and proposals for the redesign of the home care service – Help to Live at Home. The approach supports the Adult and Wellbeing Blueprint and aims to embed an enablement ethos to promote individuals independence whilst utilising support from the communities.

It is constructed against the framework of HM Treasury’s Five Case Model as a framework for “thinking” in terms of how interventions can be best delivered. In this sense, it is just as relevant to the development of policies, strategies and specific programmes or projects since is designed to address three basic questions:

- Where are we now?
- Where do we want to be?
- How are we going to get there?

The five cases are:

Strategic Case	Sets out a compelling case for change that provides holistic fit with other parts of the organisation and public sector.
Economic Case	Incorporates details which demonstrate that the proposal represents best public value.
Commercial Case	Establishes that the proposed arrangements are attractive to the market place, can be procured and are commercially viable.
Financial Case	Confirms that the proposed spend is affordable.
Management Case	Supports the proposal by establishing that, what is required from all parties is achievable.

MTFS Savings	Profile £,000					
Benefit Name	2016/17	2017/18	2018/19	2019/20	2020/21	Total
There are no defined Medium Term Financial Strategy (MTFS) savings identified as a consequence of this project	-	-	-	-	-	-
Totals	-	-	-	-	-	-

What needs to happen to enable the change?			
Start Date	November 2015	End Date	March 2018
Action	Date Due	Owner	
Structured project governance and management arrangements established.	April 2016	Business Improvement & Transformation	
Comprehensive consultation with Users, Carers and Providers undertaken.	28 th August	Engagement Lead/ Commissioning	
Service requirements and configuration options generated and analysed.	31 st August	Commissioning	
Preferred options identified and endorsed through governance structure.	9 th September	Business Improvement & Transformation	
Recommendations prepared and presented through Council governance.	3 rd November	Commissioning	
Council governance to approve/ sign off award of contract.	22 nd February to 8 th March 2017	Commissioning	
Underpinning administrative systems adapted to meet new service configuration.	31 st May 2017	Business Improvement & Transformation	
Tender process executed to agreed timescales.	1 st July 2017	Procurement	
Legal formalities completed and effective transition to appointed Providers.	From 1 st July 2017	Legal Services/ Commissioning	

Strategic Case

Strategic Context

1 Organisational overview

Herefordshire Council's corporate plan has four priorities one of which is the improvement of the health and wellbeing of people in Herefordshire:

Enable residents to live safe, healthy and independent lives

Herefordshire Council will be proactive in helping and encouraging people to live healthier lifestyles and developing resources that offer more choice and control in remaining independent, therefore reducing or delaying the need for formal social care.

The Personalisation agenda that came out of 'Our Health Our Care Our Say' (2006) supports this priority and emphasises the importance of the delivery of individualised services that puts service user's choice and control at the centre.

A whole systems approach to transformation within adults and wellbeing is being taken, within which commissioning and delivery of services are the key change drivers in Herefordshire. This approach, based on the Adult and Wellbeing Blueprint (Figure 1.1), connects individuals with family, friends and community support networks so people can live independently and prevent or postpone the need for funded care and support services.

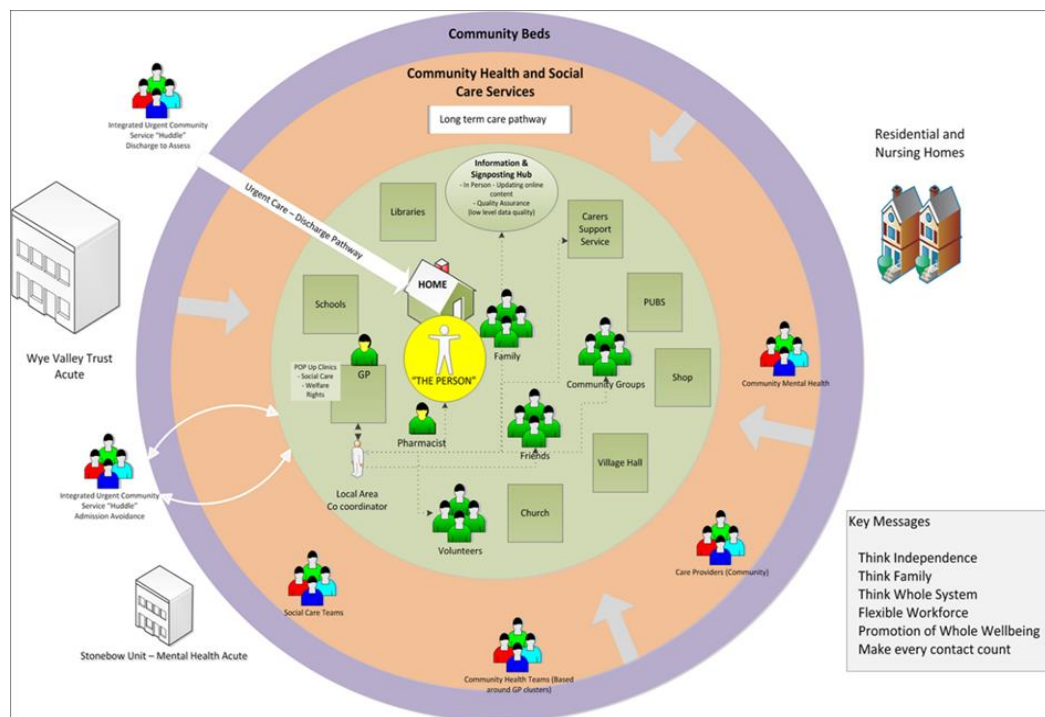


Figure 1.1 – The Adult and Wellbeing Blueprint

Our approach is to be proactive in helping and encouraging people to live healthier lifestyles and developing resources that offer more choice and control in remaining independent, therefore reducing or delaying the need for formal social care.

Critical to the delivery of this approach will be the extent to which the outcomes for Service Users can be identified and their achievement measured. In constructing the tender a revised

approach to the delivery of outcomes has been developed which recognises that it is not only a contracted service provider that will deliver outcomes, but all those involved in fulfilling the required outcomes for any individual. Consequently, a Comprehensive Outcomes Approach (Figure 1.2) has been developed and linked to the tender requirements so that appointed providers can both assess and be assessed in respect of their contribution to delivering outcomes for individuals. The approach recognises that the individual themselves, their carers or support network, their community and a service provider may all be involved in delivering identified outcomes.

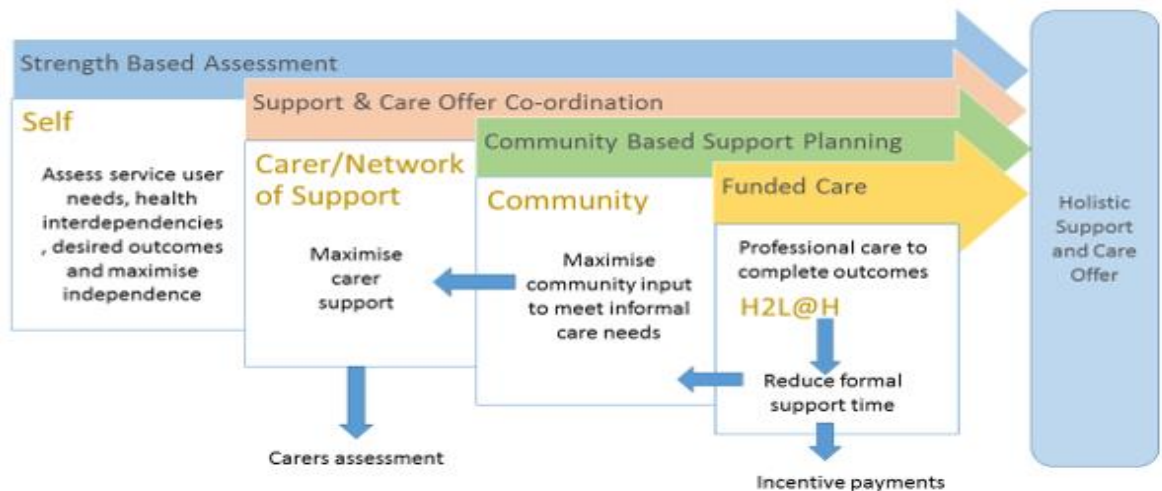


Figure 1.2 – Comprehensive Outcomes Approach

A support and care offer service, which focuses on whole system outcomes, is currently under development as part of wider system and pathway development work. The support and care offer service will replace the current brokerage service and will assist adult social care to develop and deliver holistic packages for eligible service users by: focusing on service user’s individual strengths and abilities; building upon support available from family and carers; utilising support from within communities; and where deficits in provision remain, commissioning formal care from the professional care market.

The Blueprint recognises the need to empower people to feel able to find help, access it and use it to improve their health, wellbeing and general lives. Services in the community will be the first option for people, and market development is key to supporting and developing this approach.

In common with local authorities across the country, Herefordshire Council is facing significant financial challenges as central government strives to balance its budget. We are at the six year point of a ten year ‘austerity period’ during which the council will face increasing demands on the services it provides whilst simultaneously making savings totalling £87 million. This means that the council needs to significantly change how it operates and the services it runs to focus on the greatest need.

2 Current business strategies

The Care Act 2014 offers councils the opportunity to transform their relationship with local people and local partners. The National Collaborative for Integrated Care states the needs for major change that will deliver better co-ordinated services around preventing and meeting needs and make a clear shift towards prevention, early intervention and independent living.

Integrated personal commissioning of health and social care envisage a “greatly expanded role” for non –traditional providers which should include asset based community developments.

In Herefordshire we are building an asset based approach, linking to existing local community provision, encouraging the development of innovation and the release of additional capacity, not just of those entitled to support, but also of other individuals and organisations to provide support. The ongoing collaborative approaches undertaken with Health partners and other key stakeholders supports and underpins this work.

Herefordshire Council’s vision is to have innovative, high quality home care services that promote individual wellbeing, independence and ensure a good quality of life.

The Needs Based Delivery Model below demonstrates the three distinct components required for the effective delivery of homecare – Help to Live at Home. It is a needs based model which is based on the assessed needs of individuals rather than the diagnosis. The complexity of the needs will be determined at the point of assessment.

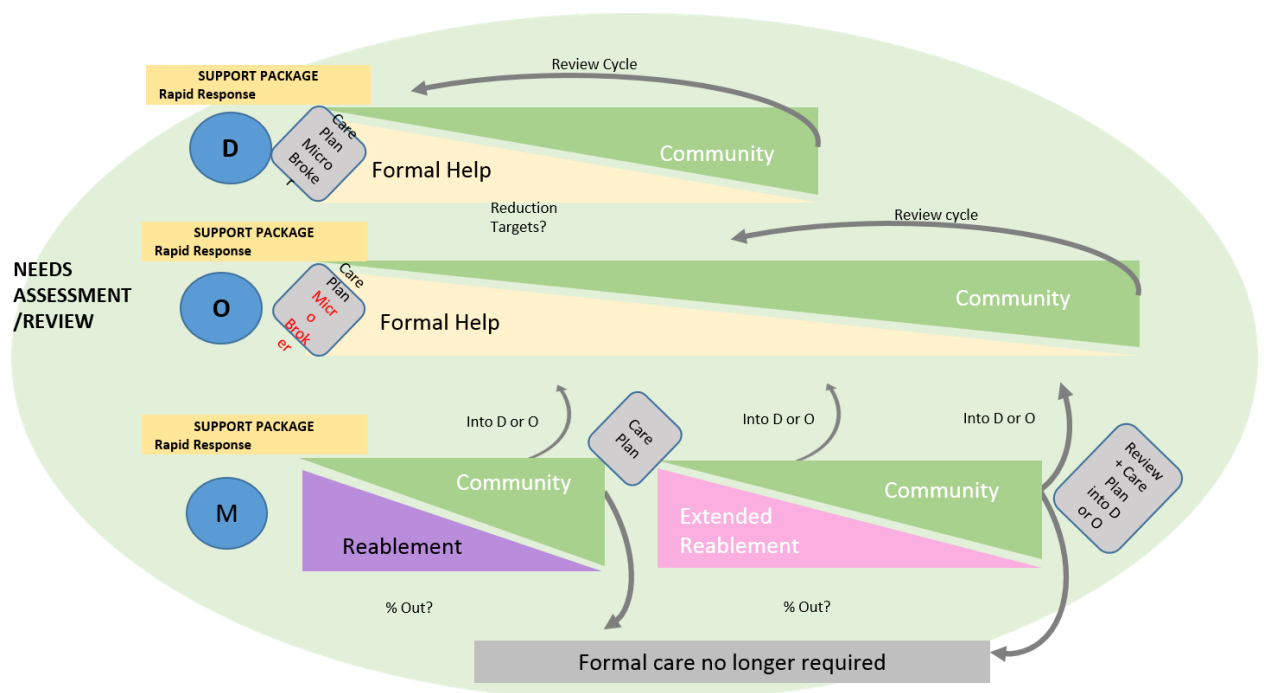


Figure 2.1 – Needs Based Delivery Model

This approach takes account of the requirements for individuals whose needs can be identified as complex and those with a specific therapeutic reablement need, as well as those who can be best supported through a ‘standard’ package of care delivered with an enablement approach to maximise independence.

Options have been developed, for each element, to ensure that a comprehensive solution can be provided for all potential Service Users. (See Economic Case – Section 10).

The service will be delivered in line with the service users' individual assessed needs and focus on achieving a reduction in the need for formal care and support based on an enabling approach and utilising appropriate community support.

The case for change

3 Project/service objectives

To redesign and commission a Help to live @home service by creating a delivery model that enables people to access an appropriate level of support in a timely manner in order to meet outcomes.

The key principles of the new service will be:

- To support and facilitate individuals to become independent of the formal care system where appropriate;
- To prevent, reduce or delay the need for additional formal care and support;
- To provide flexible, personalised services that support independence and enhance wellbeing;
- To enable people to remain in their own homes for as long as they wish;
- To identify people's strengths and the personal and community resources available to meet their needs; and
- To support and enable people to achieve the outcomes that are important to them.

Full details will be incorporated into the specification.

Drivers for change

The current local circumstances give rise to the following key drivers:

- Approaches to the delivery of care and support are based on the Adult and Wellbeing Blueprint ensuring best practice and a person centred focus.
- Personalised care focused on outcomes rather than just time and task.
- Establishing and maintaining consistent quality of service.
- Increasing levels of demand.
- Acuteness, level and duration of care packages.
- The increasing complexity of care needs.
- Improving the effectiveness of the reablement function.
- Recruitment/retention difficulties in social care and the need for improved market stability and sustainability.
- Improving market capacity to meet needs in a timely manner and address 'difficult to serve' areas, caused by our rural geography (resulting in care packages not being picked up).
- Eliminating the 'hand back' of packages by providers.
- The need for greater integration with Health and local communities.
- Current and future financial challenges.

4 Existing arrangements

The current commissioning arrangement in Herefordshire for home care is a countywide framework provision.

The framework contract has been in place for three years and expires in June 2017. It is a generic framework with 39 providers that supports adults with learning disabilities and/or autism, mental health, older people and people with physical disabilities. On occasions where a care package cannot be picked up by one of the contracted providers, care packages are purchased on a spot arrangement.

Over the contract period Ezitracker has been implemented to monitor the hours delivered to individuals.

Pricing

The current home care provision has two set rates; one for urban and one for rural care packages, with the rural packages being paid at a premium to cover extra staff travelling costs.

Urban	Rural
£14.76	£15.76
24 Hour Sleep In Rate - £ 11.48	
The rural rate is paid for packages of care provided in areas that are outside a four mile radius from the city of Hereford or county market towns.	

Table 4.1 – Urban and Rural Home Care Set Rates

The council spends approx. £9M p/a on directly commissioned home care services.

5 Business needs - current and future

Herefordshire Profile

- Herefordshire has an older age population than in other parts of England and Wales, with people aged 65 and over constituting 23% of the county's population (42,000 people).
- The number of people aged 85+ in the county has increased by 43% (from 4,000 to 5,700) since 2001.
- In 2014/15, 1,428 people in Herefordshire had a diagnosis of dementia (GP Quality Outcomes Framework data, March 2015).
- In April 2014 the number of people with a learning disability receiving a service commissioned by the council was 594.
- Of these 528 were aged 18-64 years. Over half of all residents (98,700) live in areas classified as rural, with two in five (78,900) living in the most rural village and dispersed areas. 60% of people aged 65+ live in rural Herefordshire, more likely in villages, hamlets and isolated dwellings. 54% of people aged 85+ live in rural areas, more likely in rural towns.

Home Care Profile

- There are approximately 1500 clients a year; approximately 900 current at any one time.
- Two-thirds of users are aged 65 or over; of which the largest proportion (two-fifths) are aged over 85.
- Total hours provided on a weekly basis has fallen by six per cent in 2015/16.

	<ul style="list-style-type: none"> • Around 40% (332 people) of people currently in receipt of home care were also in receipt on 1/4/14. • 59% of clients who have been receiving Home Care since April 2014 are currently receiving the same number of hours of care as they did two years ago; just over a quarter (27%) are receiving more hours (particularly the over 75s); and 14% are receiving fewer hours. <p>(Information is drawn from the Councils Joint Strategic Needs Assessment, 2016 Report available on request).</p>
6	<p>Project scope</p> <p>The scope of the project is to recommission the home care services that will be delivered in accordance with the requirements of the Care Act relevant to older people and adults with disabilities, and management of long term health conditions. This includes mental health conditions that may affect older people, especially dementia, depression and anxiety.</p> <p>The project will not encompass Direct Payment packages of service, supported living, privately funded home care arrangements, packages of care located outside the county boundary of Herefordshire or therapeutic reablement services (which will be addressed through joint, integrated, pathway working).</p>
7	<p>Benefits and risks</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> • Improving outcomes for people receiving the services. • Enabling people to live independently in their own homes. • Enhancing the quality of life of people with care and support needs. • Preventing reducing or delaying the demand for home care services. • Timely discharge from hospitals. • Introducing an outcomes based approach through the contractual term. • Providing personalised high quality care and support. • Making sure there is equitable service provision throughout the county. • Working collaboratively with providers. • Developing the attitude, values and skills of the workforce. • Developing a service that is attractive to people with direct payments and self-funders who purchase their own care and support. <p><u>Risks</u></p> <ul style="list-style-type: none"> • Insufficient provider interest in the commercial model which could result in reduced number of providers and a price increase. • Continuity of service provision for the service user which may result in a change in provider delivering the service. • Experience of providers and delivery approaches adequate to deliver across the different elements to the pathways. • Effective mobilisation for the service users, providers and local authority. • Increased number of direct payments resulting in unsustainable delivery model. • Implications of TUPE and adequate levels of care and support staff available to deliver the services.

8

Constraints and dependencies

Constraints

The continuing downward pressure on the availability of public sector finance together with the ever growing upward pressures of demand for public services will continue to further increase the need to make better use of the resources available: the challenge has never been greater.

It must also explore every opportunity for delivering essential services in the most efficient and cost effective way.

Dependencies

To ensure delivery this service will still need to be underpinned by robust and effective assessment and care management arrangements, supported by other and complimentary services such as Telecare, Integrated Community Equipment Services, and Home Improvement services.

To ensure delivery of the model, of which this service will provide an essential component, a significant improvement in the alignment with and growth of community capacity is essential. Contingent upon the configuration of the reablement pathway, far stronger and robustly managed partnership working will also be required.

It is key the project aligns with the programme of system wide cultural change being undertaken and implemented across Adults and Wellbeing.

Economic Case

9

Critical success factors (CSFs)

The CSFs have been developed through consideration of the factors above and will be used to evaluate the long list options detailed below:

Quality	Services must be delivered in a high quality, safe and effective manner in an environment that provides a positive service user experience ensuring compliance with all relevant policies and procedures.
Timely	Ensure timely provision of care services.
Access	The services must be delivered consistently across the whole county
Manage Demand	Current and future demand must be managed at the assessment “front door” – divert people from the formal care system, prevent, reduce and delay the need for more support.
Person Centered	Services must be person centered and should be sufficiently flexible to meet individual needs.
Integration	Providers will be expected to integrate with, and positively contribute to, the local community including the development of a close working relationship with other stakeholders.
Demonstrate value for money	The commissioned service model must be affordable, provide value for money and be delivered within available budget.
Development	To deliver continuous improvement by devising and implementing better and innovative ways of doing things.
Viability	Ensure operational and financial viability for providers, support recruitment and staff retention and contribute to a vibrant market.

10	Options considered/ developed for consultation			
A variety of options have been generated and evaluated for consideration both internally and for discussion with external stakeholders.				
Option	Advantages	Disadvantages	Meets drivers for change	Recommended
1. To divide the county into zones as per map - option A	<ul style="list-style-type: none"> Financial and operational sustainability for the provider. Co-ordination and consistency of approach. A guarantee of service delivery as providers will be obliged to accept all packages in the zone. Provider develops local knowledge. Provider develops working links with the voluntary sector and wider community. Reduces the transaction costs of contracting with less providers than the current framework. 	<ul style="list-style-type: none"> Differing levels of business viability across the market – zones may not support Restricts economies of scale Larger organisations may not bid for council funded packages if zones are too small. Some zones could be more viable than others. Potential to lose market place diversity and service user choice. 	<ul style="list-style-type: none"> Some. 	Take forward to consultation.
2. To divide the county into zones as per map option B	<ul style="list-style-type: none"> As above. 	<ul style="list-style-type: none"> As above. 	<ul style="list-style-type: none"> As above. 	Take forward to consultation.

	<p>3. To divide the county into zones as per map option C</p>	<ul style="list-style-type: none"> • As above. • A super urban zone promotes a more cost effective delivery model. 	<ul style="list-style-type: none"> • As above. 	<ul style="list-style-type: none"> • As above. 	<p>Take forward to consultation.</p>
	<p>4. Service providers can deliver services across a whole county zone under a procurement or extending the current arrangement 'as is' or extend existing agreements</p>	<ul style="list-style-type: none"> • Flexibility for service providers to operate in a number of areas around the county. • Resource requirement minimised for re commissioning process. • No disruption for service user. 	<ul style="list-style-type: none"> • Providers may choose to cherry pick 'better' areas of work resulting in packages not being picked up or handbacks. • Packages not being fulfilled. • Experience the same issues and concerns as the status quo – no scope for improvements. • Unable to address off contract spending. 	<ul style="list-style-type: none"> • None. 	<p>Not supported.</p>
	<p>5. One provider per zone with a framework of providers to support.</p>	<ul style="list-style-type: none"> • Ease of relationship with a single provider. • The security of a framework to support the lead provider. • Closer strategic links to local authority. 	<ul style="list-style-type: none"> • Reduces market diversity and service user choice. • Supply risks of a single provider. • TUPE - providers may retain staff; lead provider may find it difficult to recruit. 	<ul style="list-style-type: none"> • Some. 	<p>Not supported.</p>
	<p>6. Two providers per zone</p>	<ul style="list-style-type: none"> • Reduced supply risk of a sole provider. • Promotion of partnership working. 	<ul style="list-style-type: none"> • Potentially greater risks around service transition. • Robust methodology needed for care package allocation. 	<ul style="list-style-type: none"> • Some. 	<p>Take forward to consultation.</p>

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	<p>7. Three providers per zone</p>	<ul style="list-style-type: none"> As above. Greater choice for service user. 	<ul style="list-style-type: none"> As above. 	<ul style="list-style-type: none"> As above. 	<p>Take forward to consultation.</p>
	<p>8. Clients with more complex needs ('D' pathway), defined by level of individual care, are incorporated into each zone as per the potential options 1-3</p>	<ul style="list-style-type: none"> Increased skills of providers would reduce the need for service users to switch provider if their needs became complex. Business development opportunity for provider. 	<ul style="list-style-type: none"> Some providers may not have the skills to deliver both 'D' and 'O' pathways. Negatively affect delivery of 'D' or 'O' due to lack of specialism Packages are not fulfilled. 	<ul style="list-style-type: none"> Some. 	<p>Take forward to consultation.</p>
	<p>9. Clients with more complex needs, defined by level of individual care, are separated from 'standard care' and delivered across the county as a whole or within zones as a separate service</p>	<ul style="list-style-type: none"> Support a structure where more specialised providers can create a viable business from complex care packages A more skilled workforce can be developed around complex care 	<ul style="list-style-type: none"> May limit choice in a market where only a limited number of providers deliver complex care Insufficient level of demand for ongoing packages of complex care. 	<ul style="list-style-type: none"> Some 	<p>Take forward to consultation</p>
	<p>10. Include clients that require a higher level of regular intensity/flexibility or two carer provision, or more than 28 hours of care per week in the 'D' pathway</p>	<ul style="list-style-type: none"> Support a structure where more specialised providers can create a viable business from complex care packages. 	<ul style="list-style-type: none"> Potentially make zoning of standard care less viable Lack of individually person centred focus of service user. 	<ul style="list-style-type: none"> Some 	<p>Take forward to consultation</p>

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<p>11. Include clients that require a higher level of regular intensity/flexibility or two carer provision or more than 28 hours of care per week in the 'O' pathway.</p>	<ul style="list-style-type: none"> • Support a structure where more specialised providers can create a viable business from complex care packages • Packages are more likely to be stable with a more specialised provider. 	<ul style="list-style-type: none"> • Lack of individually person centred focus of service user • Complex needs may not be met 	<ul style="list-style-type: none"> • As above 	<p>Take forward to consultation</p>
<p>12. Services for service users with 'D' pathway are delivered in house</p>	<ul style="list-style-type: none"> • Better control and development of service 	<ul style="list-style-type: none"> • Financially unsustainable 	<ul style="list-style-type: none"> • n/a 	<p>Not supported</p>
<p>13. The reablement service 'M' pathway is delivered across zonal approach</p>	<ul style="list-style-type: none"> • Financial and operational sustainability for the provider. • Provider develops local knowledge. • Provider develops working links with wider community. 	<ul style="list-style-type: none"> • Lack of quality consistency in delivery • Market is not mature enough to deliver. 	<ul style="list-style-type: none"> • Some 	<p>Take forward to consultation</p>
<p>14. The reablement service is delivered across a single county zone.</p>	<ul style="list-style-type: none"> • Consistency of delivery 	<ul style="list-style-type: none"> • Supply issues of travel time and meeting need of the whole county including associated cost implications. 	<ul style="list-style-type: none"> • Some 	<p>Take forward to consultation</p>
<p>15. Develop an in-house reablement function within Herefordshire Council</p>	<ul style="list-style-type: none"> • Better control and development of service 	<ul style="list-style-type: none"> • Financially unsustainable 	<ul style="list-style-type: none"> • Some 	<p>Not supported</p>
<p>16. Reablement is delivered by an external provider</p>	<ul style="list-style-type: none"> • Financially viable 	<ul style="list-style-type: none"> • Adequate skills set of provider market. 	<ul style="list-style-type: none"> • Some 	<p>Take forward to consultation</p>

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	17. Extend existing reablement contract	<ul style="list-style-type: none"> Reduced internal resource for 	<ul style="list-style-type: none"> Existing delivery issues will remain Lack of scope for service improvement. 	<ul style="list-style-type: none"> n/a 	Not supported
	18. Investigate alternative method of delivering a reablement service with Health partners	<ul style="list-style-type: none"> Meet long term integration objectives Support pathway development 	<ul style="list-style-type: none"> Unknown in terms of readiness of system Risk of provision for service users 	<ul style="list-style-type: none"> Some 	Take forward to consultation

11 Summary of consultation

Extensive stakeholder consultation has been undertaken countywide over the last 12 months to ensure that the review of the home care service is well informed, robust, and can successfully be delivered. Sessions have been positively attended and participants have actively engaged in discussions, to express their thoughts and views about the current service and how it can be delivered in the future. Consultation and engagement has taken numerous forms including:

- Introductory/briefing sessions;
- Engagement sessions;
- Programme/project engagement;
- Stakeholder project group meetings;
- Dedicated service user/carer sessions;
- Service provider forums;
- Service provider 1-2-1s;
- Networking events; and
- Adult and wellbeing directorate staff forums.

Service User Consultation

There were 233 service user questionnaires received, a 27% response rate. The responses showed the following:

60% of responders who are funded by the council receive personal care services and 32% receive help with preparing meals.

16% of responders who are funded by the council receive help with shopping.

47% have had minor adaptations funded by the council.

83% agree with the council's proposal for approved providers chosen by the local authority to deliver the services on their behalf or alternatively receive a direct payment.

There is general support for the re-ablement ethos – 15 people added that people's limitations need to be recognised and 7 people commented that you need skilled people to help to achieve this.

88% of people agreed that priority had to be given to those in greatest need.

64% responses from females.

73% responses from those currently funded by HC (10% from those not funded).

23% responses from carers.

7% from member of general public.

70% responses from 65+.

Full detailed analysis of the Service User Consultation is available on request.

Service Provider Consultation

A questionnaire was uploaded onto the service provider webpage on the council's website and a series of market 121s were undertaken with service providers.

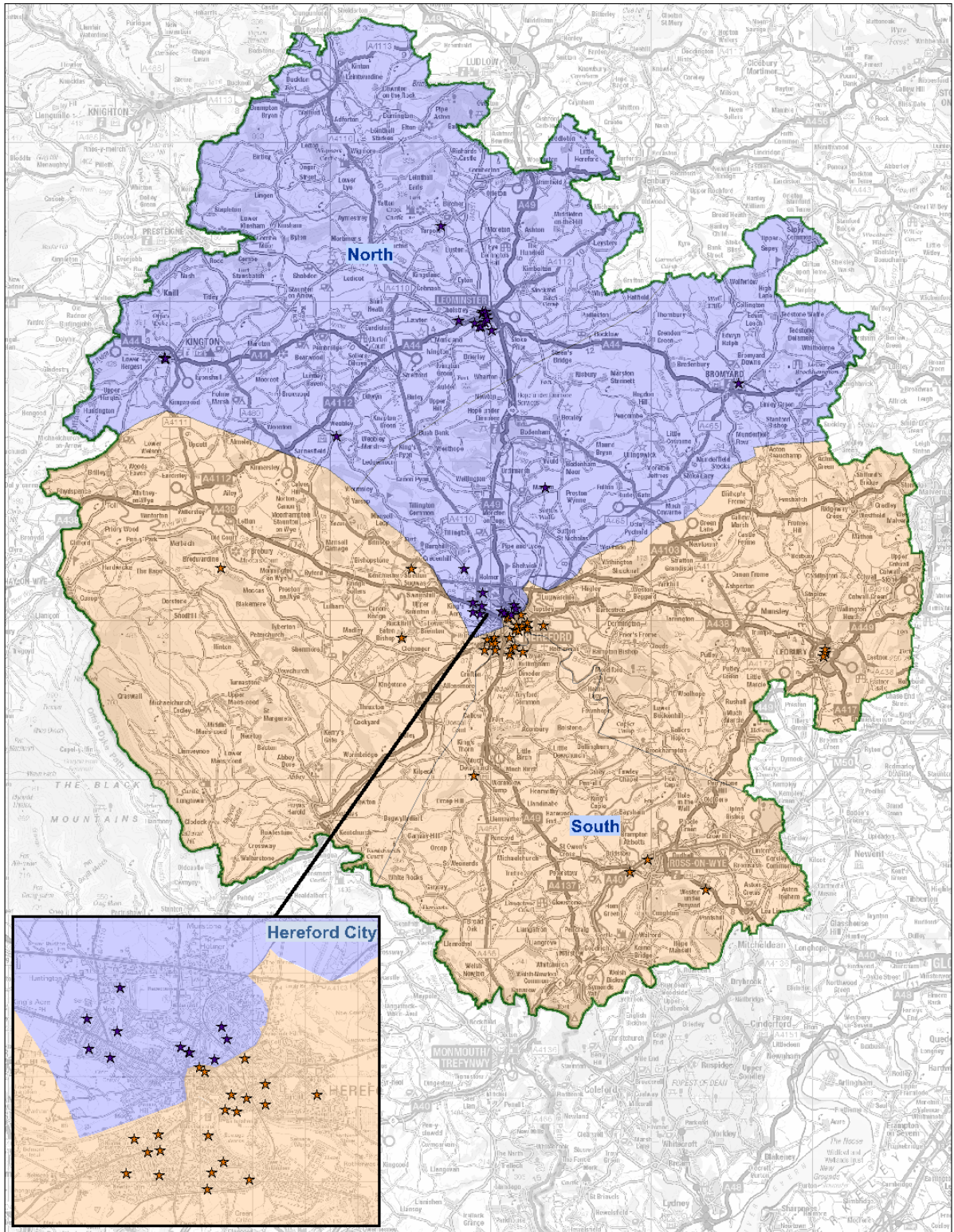
A summary of consultation outcomes and recommendations are detailed in Section 12.

Full detailed analysis of the Service Provider Consultation is available on request.

12 The Preferred Option - Generated as a consequence of consultation		
Key Area	Consultation Outcomes	Recommendations
'D' Pathway	<ul style="list-style-type: none"> - Market feedback predominantly advised that this care should be a separate lot. - Furthermore, this approach will allow for a more flexible and equitable market approach to the tender process, in that providers who provide both types of service may bid for both and those who specialise may bid for the lot that best suits them. 	<ul style="list-style-type: none"> - The 'D' pathway service is re commissioned as a standalone 'lot' under the tender process. - Inclusion of 28 hour+ packages are assessed on an individual basis and determined to be 'D' or 'O' case by case. - This service will be split over a north/south basis looking at broadly equitable hours per lot. - There will be a minimum of 1 provider per lot.

Zone	Clients	Forecast Actual Hours		Indicative Costs 17/18 (£)	Blended Rate (£) 70% @ 12.80 30% @ 15.80
		Weekly	Annual		
Complex A & B	29	1,355	70,460	956,302	13.70
Complex C, D, E	29	975	50,700	694,590	13.70
TOTALS	58	2,330	121,160	1,659,892	

Table 12.1 – Data for 'D' Pathway Zones



Help to Live at Home: zones for 'D' pathway with current level of service provision (August 2016)

0 3 6Km Scale: 1:210,000

Herefordshire Council
Strategic Intelligence Team
Plough Lane
Hereford, HR4 0LE
E-mail: researchteam@herefordshire.gov.uk

© Crown copyright and database rights (2016) Ordnance Survey (100024168)



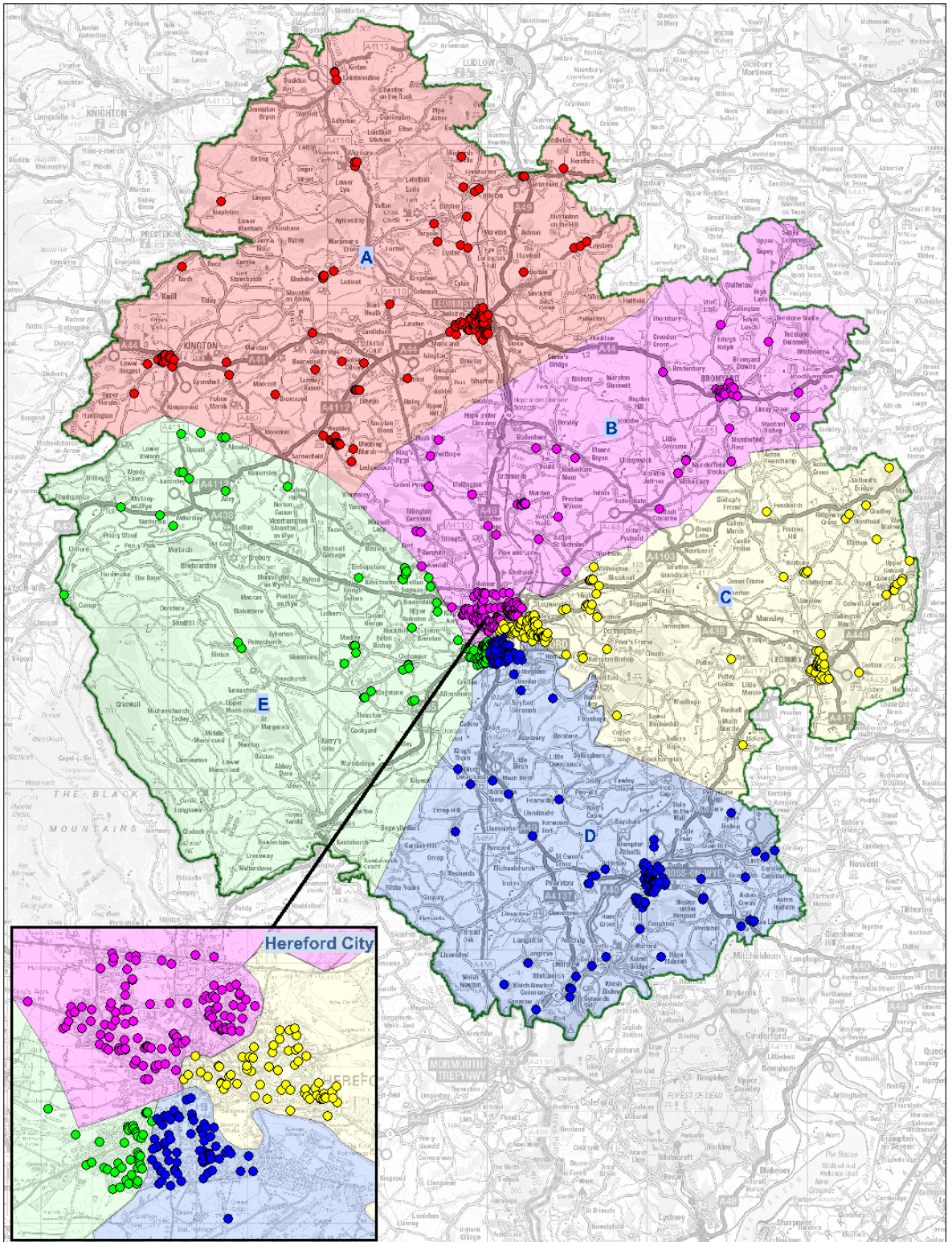
Map 12.1 – Zones for 'D' Pathway


Key Area	Consultation Outcomes	Recommendations
Zones/ 'O' Pathway	<p>Whilst the market did not advise of a preferred map option or optimum number of zones, key feedback included :</p> <ul style="list-style-type: none"> - The majority supported a zonal model for the delivery of the 'O' pathway. - Business viability for providers ranged from 700 – 2000+ hours per week. - A key risk around zoning is the lack of recognition for protecting diversity of supply market and promoting maximum choice available. - We need to understand the current picture, along with strengths and weaknesses across the county. - Support for between 1 and 3 providers per lot. 	<ul style="list-style-type: none"> - Refined zonal option looking at 5 zones for 'O' delivery across Herefordshire – see Map 12.2. - Recognise the need for modified approaches in zones to overcome local issues.

Zone	Clients	Forecast Actual Hours (Rounded)		Indicative Costs 17/18 (£)	Rate (£)
		Weekly	Annual		
Zone A	161	1,682	87,452	1,381,734	15.80
Zone B	178	2,174	113,046	1,786,126	15.80
Zone C	152	1,696	88,169	1,393,072	15.80
Zone D	191	2,352	122,327	1,932,765	15.80
Zone E	86	1,295	67,359	1,064,268	15.80
TOTALS	768	9,199	478,348	7,557,964	

Table 12.2 – Data for 'O' Pathway Zones

(n.b. In line with the MTFS it is expected that there will be a 5% reduction in the number of hours by 2017/18)




 **Herefordshire Council**

Zones for 'O' pathway with current level of service provision (August 2016)

0 3 6Km Scale: 1:210,000

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Map 12.2 – Zones for 'O' Pathway

Help to Live at Home



Key Area	Consultation Outcomes	Recommendations
'M' Pathway	<ul style="list-style-type: none"> - Reablement to be included in the system for intermediate care provision. - There will be 3 core areas within the pathway: <ol style="list-style-type: none"> 1. Bed Based Care – RAAC and community beds; 2. Community Health – delivering healthcare and therapy at home; and 3. Social Care Enablement – maintaining and extending independence through care at home. 	<ul style="list-style-type: none"> - Redesign of reablement through the Herefordshire Health and Social Care system. - Physical and Mental Health interventions and therapy provided by Health. - Enablement to develop confidence and practical skills to carry out essential daily activities of independent daily living provided by Social Care.

Commercial Case

13

Procurement Strategy

The tender will be let under OJEU “Light Touch” Arrangements. This requires a contract notice at the start and an award notice at the end, following a demonstrably fair and transparent process.

It is proposed to tender a Framework Agreement for a 5 year period. The framework agreement itself has no break clause – it doesn’t need one as the break clause lies in the individual packages – the Council can terminate early without cause with 28 days’ notice (or less if the service user has died).

The providers only have limited break clauses for individual packages (if they demonstrate they can’t work with a particular service user for good reason). Providers can’t terminate individual packages or their obligations to accept packages (and there will be some) just because they feel like it.

The Framework will be lotted to geographical areas as defined through the consultation process and will also allow for the separation of complex cases (the previously identified ‘D’ Pathway), from mainstream provision (the ‘O’ Pathway). The numbers of successful bidders will need to be defined in the tender documents and, if different numbers of providers are to be identified in different zones, a clear rationale/justification will be required to avoid potential challenge.

Recognition will have to be made in the tender documents of the impact of any significant shift to Direct Payments in any zone, since it will not be possible to guarantee the total number of hours or service users across the zones.

Pricing requirements will be consistent with the approach set out in the Financial Case section of this document (page 28).

The tender will be advertised for approximately 6 weeks (minimum OJEU is 30 days).

Providers will be offered a group question and answer session approximately 2 to 3 weeks into the tender to enable them to clarify any issues and be absolutely certain of the council’s approach and requirements.

A 10 day standstill period will be implemented after the intention to award letters are generated. This is proposed as good practice even though it is not necessary under OJEU Light touch regulations.

Price will be evaluated on a pass/fail criteria, with the quality assessment holding 100% weighting which will be scored using predefined evaluation criteria.

The procurement strategy will be executed against the timetable set out in Table 13.1.

Activity/Stage	Target Date
OJEU PIN Published	19/02/2016
How to Tender presentation for providers (at provider forum)	19/10/2016
ITT drafted/assembled	By 26/10/2016
OJEU Contract Notice published (Light Touch)	09/11/2016
ITT published (6 weeks at tender)	14/11/2016 – 09/01/2017
Provider Tender Q&A Clarifications Meeting (mid tender and notes published on the portal)	07/12/2016
Tender Closure	09/01/2017
Tender evaluation	10/01/17 to 13/02/17
Contract award evaluation panel's recommendation finalised	21/02/2017
Intention to award letters issued (Noting that subject to contract and our decision governance process)	09/03/2017
Standstill period	09/03/2017- 19/03/2017
Contract award	March 2017
OJEU Contract Award Notice published	April 2017
Implementation	From July 2017
Contract commencement	From July 2017

Table 13.1 – Procurement Strategy Timeline.

The full procurement strategy is available on request.

14	<p>Service Requirements</p> <p>The competitive tender process will require providers to evidence key areas that will ensure implementation and development of the service during the life of the contract. This will be tested through a range of mechanisms and will need to demonstrate the following:</p> <ul style="list-style-type: none"> • Service delivery – look at testing through case studies. • Mobilisation. • Technical ability including delivery of outcomes. • Community development.
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Innovation would run through all the elements on the previous page.

The following areas for ongoing continuous improvement will be:

- Flexibility of delivery – weekly budget of hour's system impacts (EMS, finance, customer charging).
- Role of Provider in assessment – plan for piloting of trusted assessor role.
- Frequency of package reviews – 78 over 28 hour packages to take pre February 2017.

15 Charging Mechanism

This will be developed and covered in the terms and conditions that will be finalised post October 2016.

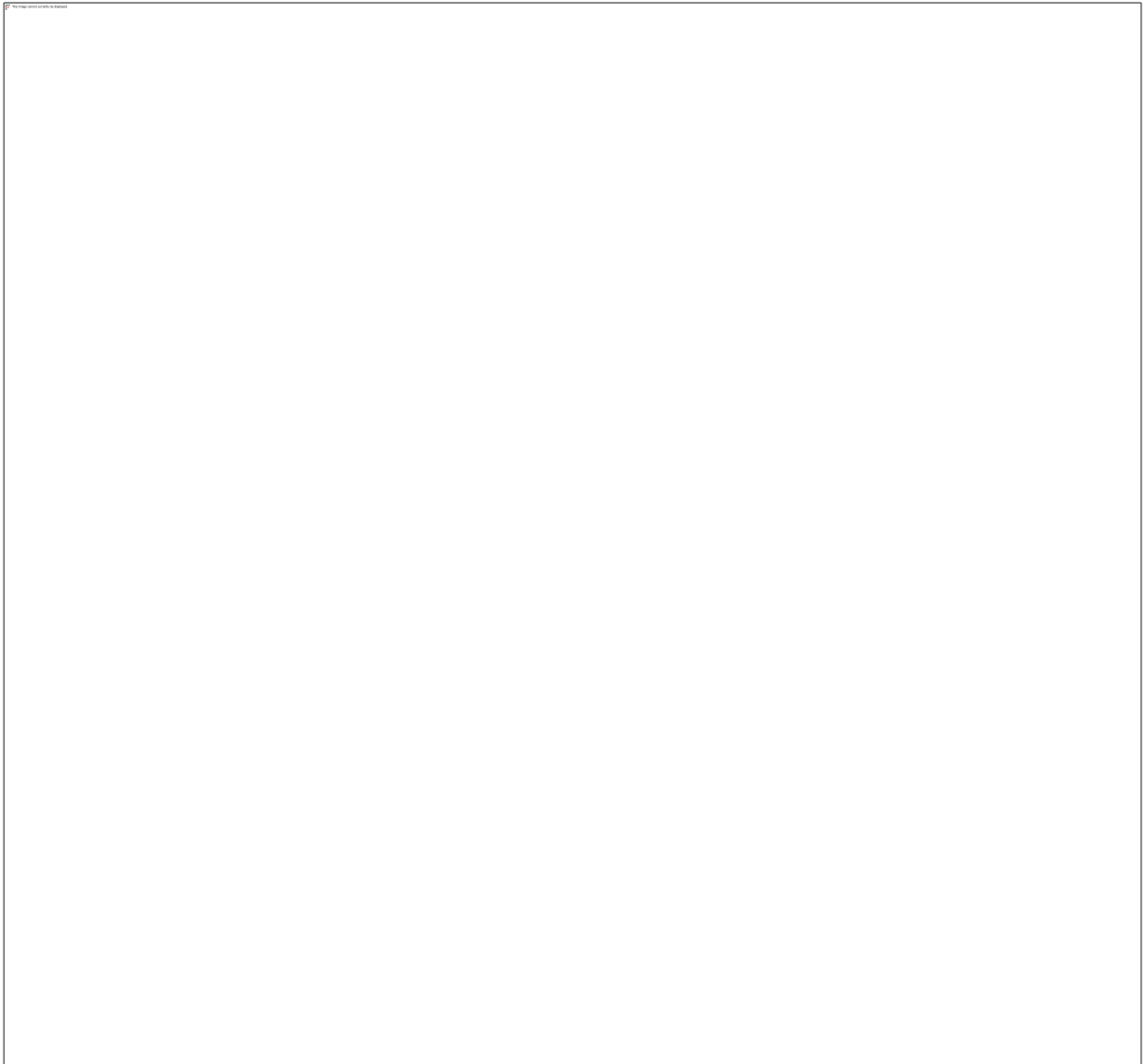
16 Key Contractual Arrangements

The specific mechanisms for linking an individual's outcomes to service delivery is illustrated in Figure 16.1.

This contract will require providers to demonstrate they are achieving service specific outcomes via reporting, meeting of KPIs and compliance with the Council's Quality Assurance Framework.

This will give assurance providers are successfully fulfilling their element of the system wide Comprehensive Outcomes Approach and in turn completing their role of delivering service user outcomes.

Figure 16.1 – Meeting Service Outcomes



Incentivisation

Incentivisation will be developed within this Framework Agreement and linked to achieving the appropriate targets of demand management and reduction of care packages stated in the terms and conditions.

Providers will be expected to achieve a minimum of 5% reduction per annum with incentive payments being made against any reduction over this level. Furthermore, incentive payments will be subject to successful delivery of all KPIs. Initial assessment for payment will be made by April 2018.

Incentivisation will support the development of partnership working between the council and providers allowing a trusted assessor model to be built.

17	<p>Personnel (TUPE) Implications</p> <p>It is the opinion of the Council that TUPE will not apply to this framework contract. However, it is anticipated that TUPE may apply to individual package transfers. These will be considered in the detailed implementation phase on a case by case basis.</p> <p>At the time of implementation, data will be gathered using the standard workforce template and collated for inclusion in the implementation arrangements.</p> <p>A copy of the template is available on request.</p>
18	<p>ITT Documentation</p> <p>This will include:</p> <ul style="list-style-type: none">• PQQ or Qualification Envelope (if applicable).• Instructions to tenderers.• Finalised Lotting structure.• Specification including KPIs.• Quality Assessment.• Commercial Schedule.• Terms and Conditions.• TUPE information (Labour data). <p>These documents finalised by October 2016.</p>

Financial Case							
19	<p>Revenue Requirements</p> <p>The indicative revenue budget for directly commissioned home care services for 2017/18 is £9,094,000.</p> <p>This is based on the existing budget for 2016/17, adjusted to take account of expected changes in the number of hours commissioned and increases in the National Living Wage, both of which are included within the council's medium term financial strategy.</p>						
20	<p>Impact on Prices</p> <p>Financial modelling has been carried out to assess whether the floor and ceiling rates should be included within the tender documentation in relation to this service.</p> <p>After consideration of the market impact a fixed rate is proposed at £15.80 per hour (pro rata for shorter visits) and £12.80 per hour for all 24 hour packages and sleep-in nights. The option of floor rates has been discarded.</p> <p>Bidders will be expected to tender at this rate in the geographic zones as illustrated in Maps 12.1 and 12.2.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Band</th> <th style="text-align: center;">Hourly rate</th> <th style="text-align: center;">Hourly rate (24hr / sleep-ins)</th> </tr> </thead> <tbody> <tr> <td>Fixed Rate</td> <td style="text-align: center;">£15.80</td> <td style="text-align: center;">£12.80</td> </tr> </tbody> </table>	Band	Hourly rate	Hourly rate (24hr / sleep-ins)	Fixed Rate	£15.80	£12.80
Band	Hourly rate	Hourly rate (24hr / sleep-ins)					
Fixed Rate	£15.80	£12.80					
21	<p>Impact on Client Contributions</p> <p>Client contributions are currently calculated using the council's standard hourly rate for provision of home care in urban areas i.e. £14.76 per hour.</p> <p>Future client contributions will be based on the actual cost of care i.e. £15.80 or £12.80 per hour. The result of this is that the council will be able to recover full cost of care from service users who are assessed as being able to contribute towards the cost of their own care</p>						
22	<p>Overall Funding and Affordability</p> <p>The rates outlined in Section 20 are the maximum rates that will be affordable within the indicative budget that is expected to be available for directly commissioned home care services for 2017/18.</p>						

Management Case

23

Programme and Project Management Methodology and Structure

The project has been established under structured, pre-existing, project management arrangements established within Adults and Wellbeing (under the management of the Department's Business Improvement & Transformation Team) and is set in the context of an objective decision making methodology for commissioning, as shown in Figure 23.1.

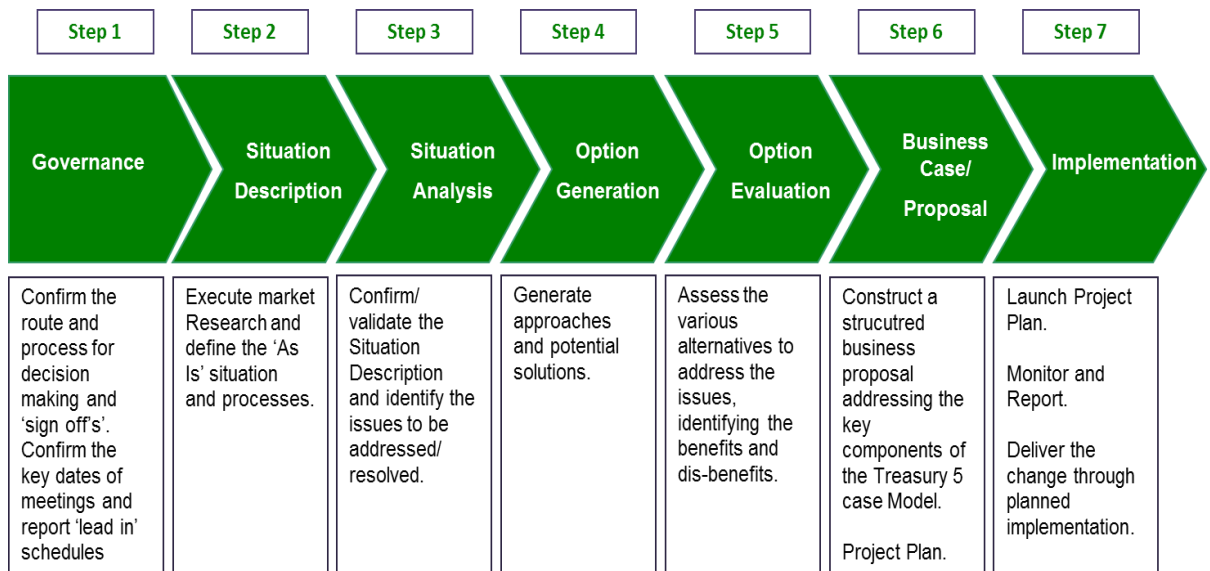


Figure 23.1 – Seven Step Methodology for Commissioning

Having established appropriate governance arrangements, exercises were undertaken to identify the key issues, the drivers for change and the impact of them; the effect of the issues and problems they are causing; and the desired outcomes/benefits for the project. From this exercise the objectives, which define the scope of the project, were validated. This work included input from a variety of sources and is underpinned by extensive engagement and formal consultation with:

- Key Internal Stakeholders within HCC;
- Service Users and Carers;
- External stakeholders from partner organisations; and
- Providers.

Robust governance arrangements have been in place since the project was originally launched, but these have been adapted as information and circumstances have evolved. The present governance arrangements are set out in Figure 23.2.



Figure 23.2 – Project Governance Structure.

Given the scale of the project and its impact both in the community and upon the organisation, the Project Board comprises of the AWB Senior Management Team together with the appropriate Commissioning Lead and Project and Programme staff.

A core team was also established to deliver the project and is supported by the Project Delivery Group. This group has nominated 'Delivery Leads' responsible for the output of staff under them to complete activities set out in the Project Plan. Each key business contributor has a representative on the group:-

- Commissioning.
- Operations.
- Finance/ Business Cases.
- Engagement/ Communications Advice.
- Performance/ Systems.
- Contract Management.
- Project and Programme Management.

The construction of this underpinning Vision and Delivery Document has been the principal focus of the Delivery Group.

The Stakeholder Group whose remit is consultative and advisory have a structured review timetable to consider the following areas, which are critical to the success of the project:-

- Reablement/ Complex definitions.
- Zoning/ Outcomes.
- Commercial Model / Make or Buy.
- Specification and KPI's.
- Mobilisation principles.

This schedule aligns with the Project Plan.

Those responsible for delivery have a dedicated SharePoint site to share and develop documents across the team.

24	<p>Programme and Project Management Plans</p> <p>Delivery of the project is overseen through the governance arrangements set out in Figure 23.2 and is underpinned by detailed project planning, both at overall project and process/ product level for some components (e.g. procurement). The project's Delivery Group monitor progress via the Project Plan in detail and the Board receives reports on the plan at summary level. All documents, including the plan are held on the dedicated SharePoint site to enable shared access and visibility.</p> <p>The latest version of the Project Plan is available on request. It is, however, a 'living' document and is regularly updated.</p>
25	<p>Use of Specialist Advisers</p> <p>A significant proportion of the work has been undertaken by Herefordshire Council's own staff, partners and other key stakeholders. However, it has been necessary to bolster the Council's resource in two specific areas:</p> <ul style="list-style-type: none"> • Commercial Approach/ Development – External consultants (Attain) have been identified and appointed. • Programme Management – an existing Interim Programme Manager, already engaged by the Council, has been allocated to support the delivery of the project.
26	<p>Change and Contract Management Arrangements</p> <p>For some time Adult and Wellbeing Contract Management staff have been developing and implementing revised approaches to ensure the delivery of quality services. A formal Quality Assurance Framework has been constructed and this will be the principal tool deployed to ensure robust contract monitoring for this service from its commencement.</p>

A New Approach to Quality Assurance in Herefordshire

What are the main principles supporting the Quality Assurance Framework?

- Care and support is centred on the individual's needs
- Inclusive process, enabling and supportive of Providers
- Intelligent and proportional in response action
- Positively engaged in by all Stakeholders
- Promotes partnership working and information sharing
- Builds on relationships

How will good quality in services be determined?

- Quality Standards are set and communicated well with all stakeholders
- Quality Standards provide a benchmark for people's expectations of care and support [outcomes based]
- Underpinned by current regulation and legislation
- All stakeholders work collaboratively and actively engage in partnerships
- Stakeholders share information and support transparency

Quality Assurance Framework

Herefordshire Quality Assurance Framework sets out an approach that will ensure local care and support services provide what individual adults need. It is a set of processes which are put in place with one goal: To deliver high quality care and support services in Herefordshire.

What are the key aims of the new Quality Standards?

- Delivering care that is person-centred, supporting a person's independence and whole well-being
- Delivering support that enables people to maintain personal choice about everyday life
- Delivering care that reflects safe, effective practise and maintains quality as a high priority
- Delivering care through well-maintained professional partnerships supported by good leadership

What are the key outcomes for people who use services?

- I am treated with dignity and respect, I can talk to staff, and my care is delivered how I want it
- I have choice and control in all aspects of my everyday life, with access to information and advice when I want it
- I feel safe, secure and comfortable, living in a clean environment with a good atmosphere
- I feel confident that the staff who support and care for me are well trained and know how to give me the best care possible

Who will be involved with the QAF?

All Stakeholders – Quality is Everyone's Business!

Figure 26.1 – Quality Assurance Framework

The Quality Assurance Framework sets out the approach that Herefordshire Council will take to ensure local care and support services provide what individual citizens need. It can be seen as a set of processes which are put in place with one goal; to deliver high quality care and support services in Herefordshire.

An overview and full details of the framework are available on the Council's website.

27

Benefits Realisation

The projects identified benefits are set out in Section 7 of this document. Whilst a number may be seen as intangible, there are a significant number which can be clearly monitored and reported on as the contract is implemented and embedded. Appropriate and proportionate measures are in the process of being developed and incorporated to contract documentation and/ or the evaluation tools which will determine the recommendations to award.

Additionally, measures will also be established to test and review Provider's contribution to the outcomes identified by the implementation of the Comprehensive Outcomes Approach and also to the Department's financial savings targets, which are underpinned by the planned approach to incentivisation.

28	Risk Management					
A Risk Log has been prepared under the standard project management arrangements for the Department. The key risks are set out in the table below:						
Risk Reference Number	Project Area	Risk Description	Risk Rating			Mitigation / Action Plan / Current status
			Likelihood (Probability)	Consequence (Severity)	Risk Score	
Systems						
R006	Overall	Uncertainty as to implication for charging clients for care due to unconfirmed models of care, eg incentives, differing rates etc	3	3	9	As soon as model is confirmed engagement with financial assessment team.
R007	Overall	Inaccurate information for service users, locations and hours would leave the council at risk of specifying a service which doesn't meet the real needs.	3	3	9	Ongoing data cleansing, refresh of data in August to ensure that data and resultant zones remain relatively consistent.
Transition/Mobilisation						
R008	Overall	Full implications of mobilisation not yet known.	3	4	12	Mobilisation work stream to commence. Need to ensure a balanced approach.
R009	Overall	Full implications of mobilisation for service provider not yet known which may have an impact on service user and their safety.	3	4	12	Raised throughout consultation and addressed in tender pack as part of quality evaluation.
Consultation/Market						
R010	Overall	Lack of "buy in" /support from service providers re zoning/financial options meaning proposed model is not viable.	3	3	9	1-2-1s and consultation events with service providers, ongoing communications.
Finance						
R014	Overall	Affordable ceiling hourly rate is not enough for bidders.	3	4	12	Fully consider using UKHCA model, account for actual travel times.
Service/Service User						
R018	Overall	Reduction of directly commissioned service through the take-up of DPs meaning zone model is not sustainable for service providers.	3	3	9	Allowing for a percentage drop out of commissioned services as part of the modelling.
R020	Overall	Community stream not available or developed for July 17	3	4	12	Understood that this is developmental, buy in of successful providers to adopt new approach and work in partnership with council.
R021	Overall	Clarity required re all existing service models included in the HACS framework ensuring no services are left uncommission. Any identified services may need to be recommissioned.	3	3	9	Check existing HACS framework and service models currently covered by it.
<p>Table 28.1 – Key Risks</p> <p>The full Risk Register is available on request.</p> <p>It should, however, be noted that this log relates only to the delivery of the project and not to the ongoing delivery of the service itself. Ongoing risk management arrangements will be as set out in the Quality Assurance Framework arrangements in Section 26.</p>						
29	Monitoring During Implementation (Proportionate)					
<p>Within the Project Plan specific work streams have been identified to ensure the transition from the existing arrangements to those which will be established as a consequence of the project.</p> <p>Separate transition/ implementation and system change plans will be developed under the project and monitored in accordance with the existing governance arrangements. It is not possible to develop the specific plans until greater clarity about the scale of transition required by the tender and the implications of the revised specification can be fully assessed.</p>						
30	Post Implementation Evaluation Arrangements					
Please refer to Section 26, Quality Assurance Framework.						

31	<p data-bbox="277 239 638 273">Contingency Arrangements</p> <p data-bbox="277 277 1372 311">The impact and changes in the service delivery may require contingency provisions:</p> <ul data-bbox="327 344 1484 651" style="list-style-type: none"><li data-bbox="327 344 1436 412">• The existing framework and contractual arrangements can be extended to ensure continuity of service provision for service users.<li data-bbox="327 416 1404 483">• Local authority officers will continue to engage and work closely to develop and support the market.<li data-bbox="327 488 1340 555">• Alternative commissioned provisions will be reviewed and presented at the appropriate time to ensure a flexible approach if needed.<li data-bbox="327 560 1484 651">• An increase in the hourly rate could support the viability and interest from the market, which although would add pressures on the budget, would increase sustainability for providers.
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