

Dumfries and Galloway  
Integration Joint Board

6 August 2020

This Report relates to item 4 on the agenda

# Care at Home Framework

*Paper presented by Glen Graham*

*For Approval*

<b>Approved for submission by:</b>	Vicky Freeman, Head of Strategic Planning <a href="mailto:Vicky.freeman@nhs.net">Vicky.freeman@nhs.net</a>	
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<b>List of Background Papers:</b>	<ol style="list-style-type: none"> <li>1. HAPB Framework Update Dec 2019</li> <li>2. HAPB Framework Update Feb 2020</li> <li>3. HSCSMT Framework Extension June 2020</li> <li>4. IJB Framework Extension and Direction June 2020</li> </ol>	
<b>Appendices:</b>	<b>Appendix 1 – Membership of Framework Working Group</b> <b>Appendix 2 – Framework Timeline</b>	
<b>Direction Required to Council, Health Board or Both</b>	<b>Direction to:</b>	
	1. No Direction Required	
	2. Dumfries and Galloway Council	X
	3. NHS Dumfries and Galloway	
	4. Dumfries and Galloway Council and NHS Dumfries and Galloway	

## 1. Introduction

1.1 Dumfries and Galloway currently purchase personal care and support at home through a locally developed 'framework' agreement. This local framework is due to end on 31 March 2021.

1.2 This paper provides the Integration Joint Board with

- A summary of the risks and benefits of adopting the new National Flexible Framework (NFF) and/or development of a new local framework
- An overview of the estimated financial implications of the NFF compared with the existing local framework
- A timeline including key milestones for implementing a transition from the current local framework to the NFF by 1 April 2021

## 2. Recommendations

2.1 **The Integration Joint Board is asked to:**

- **Agree the recommendation of adopting the National Flexible Framework for Care and Support from the 1 April 2021 replacing the existing local framework**
- **Note the timeline and key milestones for implementing this transition**
- **Issue a Direction to Dumfries and Galloway Council to adopt and implement the National Flexible Framework for the Delivery of Care and Support at Home from 1<sup>st</sup> April 2021**

## 3. Background and Main Report

3.1 A local Framework Working Group was established in summer 2019, as a sub group of the Healthy Ageing Programme Board, to develop new arrangements for the purchase of care at home. Membership of the group is provided in **Appendix 1**.

3.2 The group has been considering the potential benefits and risks of either adopting the new National Flexible Framework for Care and Support at Home (NFF) for Dumfries and Galloway or developing a new local framework.

3.3 The Framework Working Group identified a number of flexible features that any new framework (local or national) should include.

These are:

- A focus on the attainment of personal outcomes recognising that each person is unique and will have different needs and requirements supporting them in their own homes and communities where possible.
- A specification that is underpinned by the National Care Standards
- All services should be delivered in line with the Social Care (Self-directed Support) (Scotland) Act 2013 giving people a range of options for how their social care is delivered, empowering people to decide how much ongoing control and responsibility they want over their own support arrangements.
- Providing the ability for new independent partners to join the framework during the life of the contract (this is not possible with the existing local framework)

- Not ‘ranking’ care providers within the framework. Ranking has restricted the options in selecting partner organisations that best meet the needs of people using services.
- Providing a range of pricing and draw down options that enable the flexibility to create bespoke local solutions in different situations. (Current spot purchase arrangements have proven inflexible in this regard).
- Exploring alliance and collaborative working between independent partner organisations that deliver care and support. This should support the inclusion of local care providers in the forthcoming ‘Home Teams’ across Dumfries and Galloway.

3.4 Update reports on the work of the Framework Working Group were submitted to the Healthy Ageing Programme Board (HAPB) in December 2019 and February 2020. These reports provided an overview of risks and benefits of the NFF and local framework. These are summarised in the table below.

	<b>National Flexible Framework</b>	<b>Local Framework</b>
<b>Potential Benefits</b>	<ul style="list-style-type: none"> <li>• Option for councils to purchase services on behalf of individuals through Self Directed Support (SDS) Option 3 or the option for individuals to purchase services through an individual budget</li> <li>• Meets all the flexible features outlined at 3.3</li> <li>• Scotland Excel - centre of procurement for local authorities (SXL) undertake procurement and management of framework. This reduces the workload for local procurement and management.</li> <li>• A nationally supported approach to the delivery of care and support Scottish Living Wage and fair work practices</li> <li>• Opportunities for positive risk taking to explore innovative approaches to service delivery</li> <li>• Ability for more accurate/meaning full benchmarking with other Partnerships going forward</li> </ul>	<ul style="list-style-type: none"> <li>• Can be designed to include all the flexible features outlined at 3.3</li> <li>• Rates can be capped</li> <li>• Opportunities for positive risk taking to explore innovative approaches to service delivery</li> </ul>
<b>Potential Risks</b>	<ul style="list-style-type: none"> <li>• Difficult to predict costs</li> <li>• Tight timescales</li> </ul>	<ul style="list-style-type: none"> <li>• Considerable resource required for procurement and management of framework</li> <li>• Difficult to predict costs</li> <li>• Tight timescales</li> <li>• a longer term risk of inconsistency with an increasingly national approach</li> </ul>

3.5 As the NFF was not yet operational at the time of the update reports, (it commenced on 1 April 2020), it was not possible to include any financial information within these.

The contract period for the NFF is for four years from the 1 April 2020. By adopting the NFF Dumfries and Galloway would be contractually committed to this framework until 31 March 2024.

### 3.6 **Financial Model**

- 3.7 The pricing model in the NFF means that there is no single agreed hourly rate, nor are the rates capped. Those tendering submit a base rate and, in addition, are asked to list other variable costs such as additional travel time or mileage above average, specialised training or complex needs training. The base rate will remain fixed for the period of the NFF but the variable costs are indications only and have to be agreed locally.
- 3.8 SXL has confirmed that the average hourly rate within the NFF (based on the average within the tender submissions at the start of this year), is £19.77 per hour. This is a 13.9% increase on the benchmark hourly rate of £17.36 (based on averaging the hourly rates for the delivery of care across Scotland in 2018). The current local framework in Dumfries and Galloway has a maximum capped hourly rate of £17.89 which is 10.5% lower than the average NFF rate.
- 3.9 The current annual budget for the delivery of care and support at home in Dumfries and Galloway is £36.1 million (£11.3 million for older people and £24.8 million for specialist services). The average cost of a care package is £151 per week for older people and £646 per week for specialist packages.
- 3.10 If the NFF is adopted and the average NFF rate is reflected in any subsequent tenders submitted by local partners, the projected annual cost of care and support at home could rise to £39.9 million.
- 3.11 However, to date, this level of increase has not been reflected in the tenders of 6 local partners (3 specialist and 3 non specialist) have already submitted tenders for the NFF covering their services in Dumfries.
- 3.12 While the NFF average is higher than the current rate in Dumfries and Galloway local partners have submitted rates more in line with the current local rates rather than the national average rate.
- 3.13 For the local variable rates, it is important to note that this section within the NFF was specifically developed to allow partners the opportunity to identify any additional services provided or additional costs relative to the area, or type of service they offer.
- 3.14 Partners who have identified a local variable cost are not guaranteed to receive this. There is opportunity for the Council/HSCP to have direct conversations with the provider and negotiate and cap rates for these variables locally.
- 3.15 If it was decided to develop a local framework rather than the NFF it would still be difficult to ascertain the predicted levels of spend unless a rate cap was applied to the rate of any new framework.
- 3.16 As noted above the requirements of a new local framework would be similar to those offered by the NFF in term offering flexibility of purchase and price options. Having a capped rate in the current framework has proven inflexible in this regard to address unsustainable packages of care for people particularly in rural areas and would not be recommended in a new framework.

- 3.17 It remains difficult therefore to predict the total cost of care for both options but it is likely that both tendering processes would lead to an increase in cost of the rates for delivery if services continue to be delivered in the same way and at the same level.

### **Market Sustainability**

- 3.18 One of the drivers for SXL in the development of the NFF was to create a sustainable framework that will enable partners to deliver services in line with National Care Standards and fair work practices. Through discussions with partners locally and nationally, via Scottish Care and the Coalition of Care and Support Providers, provider partners continue to report using reserves and cross-subsidising to fund service deficits and maintain services in existing contractual arrangements.
- 3.19 Within Dumfries and Galloway, local framework rates have increased annually but this has only related directly to the Scottish Living Wage (SLW). The result is that the increases are reported as insufficient to cover excess travel and mileage costs, any inflationary increases in non-staff costs and nor inflationary pay increases for staff paid above the minimum rate. This makes maintaining service sustainability challenging and impacts negatively on both the recruitment and retention of qualified staff.
- 3.20 Scottish Care and provider partners are aware of the financial challenges that Councils and Integration Joint Boards (IJBs) face but note that ensuring rates are sustainable will be essential in supporting the future delivery of personal care and support in Dumfries and Galloway.

### **Opportunities to reduce people's need for care and support at home**

- 3.21 There are a number of developments under way that are likely to impact on levels of demand for care and support at home over the period of the next framework.

They are

- Home Teams – Supporting reablement, self management, use of wider support networks
- LD Strategy – Development of opportunities in the community linked to activities, employment and training which are less reliant on care services
- Technology – The proactive use of digital technology across health and social care promoting reablement and independence, for example home and mobile health monitoring

- 3.22 The above developments will also lead to changes in the way we deliver care and support at home.

### **Milestones for Implementation**

- 3.23 A decision on which procurement route to take is the first key milestone in the implementation of a new framework. To ensure subsequent milestones will be met, this decision and the subsequent direction to Dumfries and Galloway Council will require to be approved by the IJB in August 2020.
- 3.24 As outlined in the timeline attached at **Appendix 2** it is possible to procure and implement either of the options by 1 April 2021.

- 3.25 SXL has now confirmed that the next scheduled opening for new applicants to the NFF will be in September 2020. This timescale is included in the attached timeline and will enable local independent provider partners to submit tenders to join the NFF at this time. If successful, this will be available to be drawn down locally when the local framework ends on 31 March 2021.
- 3.26 A local approach will be more resource intensive to procure and manage, has a longer term risk of inconsistency with an increasingly national approach and has tighter timescales (due to the additional procurement tasks to be undertaken locally such as the development of specification, invitation to tender and tender evaluation processes).
- 3.27 Other key milestones and significant areas of work which will require input and support from Social Work, Procurement and Finance colleagues includes
- The development and agreement of local variables
  - The packaging and migration of existing packages
  - Development of operational Social Work processes and training
  - The implementation of financial process required for the new framework

#### **4. Conclusions**

- 4.1 Dumfries and Galloway requires new arrangements for purchasing care and support at home.
- 4.2 The NFF offers the range of flexible features that is required to deliver care and support at home in Dumfries and Galloway over the coming years. It also offers local independent provider partners the opportunity to submit tender rates that are sustainable for their organisation.
- 4.3 The national approach of the NFF brings the consistency and support associated with adopting a nationally resourced approach and is less resource intensive to procure and manage compared to the development of a local framework.
- 4.4 While it remains difficult to assess the financial impact of a new framework the likely increase in levels of rates can be partly mitigated by setting and controlling local price variables.
- 4.5 The work of Home Teams, the development of the Learning Disability Strategy and the increased use of technology offers the opportunity to support people differently within communities which will also impact on how we deliver care and support at home and the financial resource required.

#### **5. Resource Implications**

- 5.1 In Dumfries and Galloway 2,224 people currently receive care and support at home. The current annual budget for this is £36.1 million.
- 5.2 In addition to the above care and support an additional £5.8 million of care is delivered by the Council in-house service to older people.
- 5.3 As there is currently no cap on the rates of care, predicting the total overall cost of care under the NFF model is difficult. From the information currently available and as outlined in section 3 above the adoption of the NFF or a local framework will lead to

an increase in the level of rates and potentially an increase in the overall cost of delivering care and support if existing levels of care and support provision continue to be sustained.

## **6. Impact on Integration Joint Board Outcomes, Priorities and Policy**

6.1 If the NFF or local framework was to be developed instead both would be in line with the 9 national health and wellbeing outcomes and the Dumfries and Galloway Integration Joint Board (IJB) Health and Social Care Strategic Plan 2019 – 2021.

6.2 Both would fit in well with the existing IJB Strategic Plan and the delivery of the plan. For example local strategy commitments to:

- Support People, including those with disabilities or long term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community
- Enable people to have more choice and control
- Work with independent sector partners to support them to pay the Scottish Living Wage (SLW)
- Make the best use of technology
- Ensuring people who work in health and social care services feel engaged with the work they do and are supported to continuously improve the support, care and treatment they provide

## **7. Legal and Risk Implications**

7.1 There is potentially a risk that a new framework is not in place to replace the existing framework when it ends on 31 March 2021 leaving the Council contractually non compliant.

## **8. Consultation**

8.1 In the preparation of this paper the working group has engaged with SXL nationally and finance and procurement colleagues locally. This builds on previous consultation with Scottish Care a range of independent partner organisations, officers and wider stakeholders across health and social care with regard to the NFF and the challenges and opportunities facing the delivery of Care at Home in Dumfries and Galloway.

## **9. Equality and Human Rights Impact Assessment**

9.1 An assessment will be carried out as part of the work plan for any new Care and Support at Home Framework.

## **10. Glossary**

<b>HSCP</b>	<b>Health and Social Care Partnership</b>
<b>HAPB</b>	<b>Healthy Ageing Programme Board</b>
<b>NFF</b>	<b>National Flexible Framework</b>
<b>HSCSMT</b>	<b>Health and Social Care Senior Management Team</b>
<b>COSLA</b>	<b>The Coalition of Scottish Local Authorities</b>

	<b>SLW</b>	<b>Scottish Living Wage</b>
	<b>SXL</b>	<b>Scotland Excel</b>



## Dumfries and Galloway Integration Joint Board

### DIRECTION



### (ISSUED UNDER SECTIONS 26-28 OF THE PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014)

1.	Title of Direction and Reference Number	Flexible Framework for the delivery of Care and Support at Home Ref Number ?
2.	Date Direction Issued by Integration Joint Board	06/082020
3.	Date from which Direction takes effect	1 <sup>st</sup> April 2021
4.	Direction to	Dumfries and Galloway Council
5.	Does this direction supersede, amend or cancel a previous Direction? If yes, include the reference number(s)	Ref Number ? This Direction superseded a previous Direction issued in June 2020 to extend the existing local Care at Home contract (older people and specialist services) framework to 31st March 2021 when the current contract ends on 30th September 2020.
6.	Functions covered by Direction	The delivery of Care and Support at Home in Dumfries and Galloway
7.	Full text of Direction	Issue a Direction to Dumfries and Galloway Council to adopt and implement the National Flexible Framework for the Delivery of Care and Support at Home from 1 <sup>st</sup> April 2021.
8.	Budget allocated by Integration Joint Board to carry out Direction	The current annual budget for care at home is £36.1m. Expenditure for this provision during the contract period of the new framework will be met from this budget.
9.	Desired Outcomes	<p>The NFF provides a range of flexible features that are required to deliver care and support at home in Dumfries and Galloway over the contract period.</p> <p>Provides a range of pricing and commissioning options to create bespoke local solutions in different situations that best meet the needs of people that use services.</p> <p>Allows the exploration of alliance and collaborative working between independent partner organisations that deliver care and support. This</p>

		<p>should support the inclusion of local care providers in the forthcoming 'Home Teams' and other different ways of working across Dumfries and Galloway.</p> <p>It brings the consistency and support associated with adopting a nationally resourced approach and is less resource intensive to procure and manage compared to the development of a local framework.</p>
10.	Performance Monitoring Arrangements	Existing contract and performance monitoring arrangements will remain in place for the period of the extension.
11.	Date Direction will be Reviewed	January 2021

## **Appendix 1 – Membership of Framework Working Group**

Viv Gration, Deputy Head of Strategic Planning (Chair)

Glen Graham, Strategic Planning and Commissioning Manager

Graham Abrines, General Manager, Community Health and Social Care

Jimmy Marshall, Locality Social Work Manager, Annandale and Eskdale

Sean Barrett, Finance and Performance Manager

Stephen Atherton, Procurement Manager

Elaine McCourtney, Scottish Care

Debbie Cochrane, Scottish Care

Tracy Lamont, Trainee Procurement Officer

### **Previous Members**

Karen Scott, Procurement Manager

Sandra Smith, Strategic Planning and Commissioning Manager

## Appendix 2 Framework Timeline

Key:



Complete



In-progress -  
Not on target



In-progress

Actions	Lead	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
<b>Existing Framework Review</b>													
Updates to HAPB Care at Home Sub Group	V. Gration G.Graham	Complete	Complete				Complete						In-progress
Working Group meetings and ongoing stakeholder engagement	V. Gration G.Graham	Complete	Complete	Complete	Complete	Complete	Complete	Complete	In-progress - Not on target				In-progress
Independent Partner Engagement Event on existing and future models	V. Gration G.Graham				In-progress - Not on target								
Update Paper to HAPB	V. Gration G.Graham					In-progress - Not on target							
Meet with Scotland Excel	K. Scott Procurement Manager						In-progress - Not on target						
Paper to HAPB Recommendation on extending local framework	V. Gration G.Graham							In-progress - Not on target					
Paper to HSCSMT Recommendation on extending local framework	G. Graham											In-progress - Not on target	
IJB – Decision on framework extension (including direction)	G. Graham											In-progress - Not on target	
Paper to HSCSMT seeking decision on route for new framework arrangements	G. Graham												In-progress - Not on target
Paper to IJB Seeking agreement on new framework arrangements (including direction)	G. Graham												In-progress - Not on target







