

APPENDIX 1

BIRMINGHAM CITY COUNCIL

COMMISSIONING STRATEGY FOR ADULT SOCIAL CARE

HOME SUPPORT (INCLUDING CHILDREN AND YOUNG PEOPLE WITH A DISABILITY), SUPPORTED LIVING AND RESIDENTIAL CARE (WITH AND WITHOUT NURSING)

CONTENTS

1. INTRODUCTION

2. OUR VISION AND STRATEGIC AIMS

3. DRIVERS FOR CHANGE

4. COMMISSIONING INTENTIONS

5. HOW THE STRATEGY WILL BE IMPLEMENTED

6. PERFORMANCE FRAMEWORK

1. INTRODUCTION

“BIRMINGHAM - A CITY OF GROWTH WHERE EVERY CHILD, CITIZEN AND PLACE MATTERS.”

Birmingham City Council has set out its vision for 2017+ which will see us working with partners to create a great city to grow old in and to help people become healthier. It has set out a challenging agenda to reduce health inequalities; lead a real change in the mental wellbeing of all people in Birmingham; promote independence of all our citizens; and join up health and social care services so that citizens have the best possible experience of care, tailored to their needs.

The aim of social care is to protect and empower the most vulnerable citizens. This means supporting vulnerable people to maximise their independence, health and wellbeing, whilst ensuring that publically funded care and support provides value for money for Birmingham citizens and is provided only when it is really needed.

The Council’s vision has been translated into the Vision and Strategy for Adult Social Care which addresses potential barriers and obstacles to delivering the above outcomes. It also provides a framework for the actions required to modernise adult social care services in Birmingham and to guide decisions regarding how resources are used. The Vision and Strategy¹ comprises eight key elements:

1. **Information, advice and guidance** - People need access to high quality information, advice and guidance. The range of services that people can access directly will be increased and it will be easier for carers to have their needs assessed.
2. **Personalised support** - Social work and care management services will be re-organised. They will move from assessing people for services to assessing them for the outcomes they want and the assets they have to achieve them.
3. **Community assets** - Resources need to be made available for local groups to provide the wide range of support that enables people to remain in the community.
4. **Prevention and early intervention** - People need to be able to access prevention and early intervention services quickly and at any time in their lives to help maximise their independence.
5. **Partnership working** - Services need to be integrated and built on partnership working using multi-disciplinary teams and, where feasible, single points of access. The Council and its partners need to work as a whole system and to embrace locality working.
6. **Making safeguarding personal** - We must ‘make safeguarding personal’ and understand what outcomes people want from safeguarding enquiries and actions. Safeguarding must be seen as everybody’s business and kept in the public eye.

¹ Birmingham City Council – Vision and Strategy for Adult Social Care October 2017

7. **Co-production** - All services should be co-produced with users and carers. Ongoing engagement needs to be at the heart of commissioning and service delivery.
8. **Use of resources** - It is imperative that resources are used effectively. To deliver this element of the strategy, a review of the use of resources will provide a framework for moving resources to areas that can deliver best value.

It is this more detailed vision that forms the platform of this commissioning strategy for adult social care services. The commissioning strategy focusses on services for those citizens who will need; care at home; residential care; nursing care; or ask for the Council's support in planning and arranging their care. The following commissioned services are therefore included within this strategy (collectively described as "commissioned social care services" hereafter):

- Home support – for children and young people with a disability; and adults of all ages
- Residential care (without nursing) – for adults of all ages
- Residential care (with nursing) – for adults of all ages
- Supported Living – for adults of all ages

This commissioning strategy recognises that relationships between health, social care and wider community services are integral to the health and well-being of local communities. Birmingham City Council is mindful of its role as a significant commissioner of these services and also the underlying price pressures in the social care sector - along with rising demand for services which it must provide for through its social care budget. A key requirement in meeting these financial challenges is to work more collaboratively with our partners and increase joint commissioning across health, social care, and housing with support.

The commissioning strategy also makes clear the role that adult social care plays in the economy both locally and nationally and the need to reframe the sector as not just a significant cost, but a major economic sector in its own right².

This strategy outlines our approach to the commissioning of adult social care and provides a framework for the future commissioning of services that will support us to achieve our key aims to: improve outcomes; improve quality; and improve resilience and sustainability of the wider health and social care system.

² New Economics Foundation – Social Care as a Local Economic Solution for the West Midlands August 2017.

2. OUR VISION AND STRATEGIC AIMS

The vision for adult social care services in Birmingham recognises the role the Council can play across the health and social care system, in ensuring we make fundamental changes to promote well-being, independence within limited resources and to help people to achieve the outcomes that matter to them in their life.

Most adults and older people can enjoy access to mainstream services independently or with help and support from their families, friends and social groups. However, for some citizens this is only possible with support from Adult Social Care services and from other public sector agencies such as health services.

The challenges facing the Council to achieve this have never been greater. While it is a great achievement for society that there are more people living longer with more complex needs inevitably this puts pressure on resources. While Birmingham is one of the youngest cities in Europe, the older population is growing rapidly. An estimated 10,000 adults suffer dementia. Further, there are significant numbers of young adults who have disabilities or suffer from mental illness. The resources previously available have been significantly reduced making the use of available resources more important than ever. The public have higher expectations of the public sector, standards are constantly rising and it is increasingly recognised that people want support to enable them to exercise independence, choice and control.

Consequently, the Council has to change and adapt to these new circumstances which means that the type of services arranged and provided and the way they are organised and delivered has to change. Our vision for commissioned services in Birmingham is therefore:

TO HAVE A VIBRANT, DIVERSE AND SUSTAINABLE LOCAL HEALTH AND SOCIAL CARE MARKET, WHICH SUPPORTS THE ACHIEVEMENT OF BETTER OUTCOMES, INCREASED INDEPENDENCE AND CHOICE AND CONTROL FOR ADULTS.

This vision for commissioned social care services is underpinned by three clear aims to:

1. Improve outcomes for those with health, care and support needs
2. Improve the quality of commissioned health and care services
3. Improve the resilience and sustainability of our health and social care system

This recognises that if people are to live better lives and achieve better outcomes then we need to help people, their families and the community to have greater choice and control about the care that they receive, to promote independence and to ensure that all adults have access to the support that they require to live safely and independently.

To deliver this vision a whole systems approach is required which recognises that much of the need for care and support is met by people's own efforts including their families, friends or other carers, and by community networks. Services commissioned by the Council and NHS need to support and complement these individual and personal care and support resources.

This vision will be delivered in two phases which are described in more detail in the 'Commissioning Intentions' section below:

- The Reshaping Phase 2018 – 2021
- The Self-Regulation Phase 2021+

3. DRIVERS FOR CHANGE

NATIONAL DRIVERS FOR CHANGE

Adult social care operates within a complex statutory framework. The legislative and regulatory requirements underpin the approach to commissioning as well as the way in which these vital services are delivered. It is important that commissioners, providers and regulators work together to ensure the delivery of a range of services that meet citizens' needs, provide choice and are of good quality.

The key statutory driver for the work of adult social care is currently the Care Act 2014. The Care Act places clear duties on providing care and support to meet the assessed eligible needs of individuals and ensuring that wellbeing is promoted when carrying out any of the Council's care and support functions. The regulatory framework for commissioned social care services³ sets out an approach to how the Care Quality Commission powers can and will be used to; protect people who use regulated services from harm; to ensure they receive health and social care services of an appropriate standard; and to hold providers and individuals to account for failures in how services are provided. These key pieces of legislation taken together are powerful vehicles to help drive change in services and to ensure the provision of high quality services.

It is therefore critical that both the Council and providers reshape the services that are delivered to citizens to meet these requirements. This commissioning strategy sets out a number of ways in which this agenda will be further embedded across commissioned social care services in Birmingham.

The NHS Shared Planning Guidance 16/17 – 20/21 was published in December 2015. This outlined a new approach to help ensure that health and social care services are more integrated. Every health and social care system in England has been asked to produce a multi-year Sustainability and Transformation Plan (STP), showing how local services will evolve and become sustainable over the next five years.

To deliver a plan that is based on the needs of local populations in Birmingham and Solihull, local health and social care partners have come together to develop an STP⁴ which will help drive transformation in service user experience and improved outcomes as follows:

- lead fulfilling, healthy, independent lives
- receive consistently high quality health and care services
- have early access to extra help when they need it
- have easy access to support when they can no longer live independently

³ As contained within the Health and Social Care Act 2008, the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 and the Care Quality Commission (Registration) Regulations 2009.

⁴ Birmingham and Solihull Sustainability and Transformation Plan – October 2016

This commissioning strategy integrates the principles of the STP and provides real opportunities for the joint commissioning and ultimately integrated service delivery to the citizens of Birmingham. Clinical Commissioning Groups across Birmingham are already committed to improving the quality of services and working collaboratively with the Council to take a more joined up approach to managing the market.

LOCAL DRIVERS

In 2012 the Council moved away from traditional block contracting, spot purchasing and large-scale internal provision of some commissioned social care services, to an open market approach with dynamic pricing. This approach has delivered a number of benefits for the City Council and for citizens including; commissioning a more diverse range of providers catering for the demography of Birmingham and focussed on delivering individual outcomes; ensuring an open and transparent supply chain that allows businesses to grow; adoption of market driven pricing that provides best value for the Council and the wider public; and reducing the Council's reliance on a small number of large providers. However the commissioning of services for citizens under 65 years old remains largely on historic placement agreements or on a spot purchase basis.

Whilst the overall approach has allowed the Council to move away from more traditional delivery and contracting arrangements and provide some structure to the market to allow it to develop, it has not addressed all of the drivers for change and the needs of the market.

Since Summer 2016, the Council has been reviewing current commissioning practice in relation to the services described in section 1. This has included early engagement with the independent provider market, as well as a range of internal and external stakeholders, to review both the original business case for the introduction of a framework approach and also best practice in the field of commissioning social care. It also included formal consultation with care providers, service users, potential service users, carers, the public, partners and staff.

Birmingham City Council adopted a Business Charter and the Living Wage Policy in 2012 under the Living Wage Foundation accreditation scheme. All new contracts from this point included the requirement for providers and suppliers to comply with paying employees the Living Wage Foundation hourly rate (currently £8.45/hour). An exception was agreed at the time for social care due to the cost of implementation. At the time of the last procurement for adult social care services, only the National Minimum Wage was in place. Cabinet agreed in February 2016 to implement a Birmingham Care Wage, which was designed to 'close the gap' between the National Minimum Wage at the time and the Living Wage Foundation rate, with over £7m being allocated to implement this in 2016/2017. This was implemented across home support, residential and nursing services for over 65's and fees were increased to providers to enable them to pass this onto their employees.

The Government announced the introduction of the National Living Wage from April 2016 with the National Minimum Wage still applying to under 25's. The Government's aspiration is to gradually increase these rates and annually review these based on median average earnings.

Wages are of course a significant element of care provider fees and social care employment is a significant part of the economy with around 35,000 people employed in the social care sector in Birmingham.

With the Birmingham Care Wage continuing to be a local contractual matter, there is no way of ensuring providers pass this element of the fee onto their care staff and monitoring compliance. However, the National Living Wage is an issue being rigorously enforced by HMRC and we can therefore place some reliance on this taking effect.

Recent consultation results identified that 80% of respondents were in favour of care staff being paid at least £8.45/hour, however 48% of care providers didn't support the proposal, 14% of whom strongly opposed the proposal. Whilst there was recognition that it would improve recruitment and therefore the quality of care, there were also concerns about the funding of this proposal, with only 36% of respondents being prepared to pay for the implementation of this proposal via their Council Tax.

These findings and challenges, along with the drivers for change and feedback from the consultation on the draft strategy, have driven the need for the Council to redesign the future approach to commissioning of adult social care services, to ensure they remain fit for purpose.

LOCAL NEEDS

The Council has published a number of Market Position Statements which identify current capacity and predicted demand and will be updated during 2017/2018. These are available on the Council's website by following the link below:

https://www.birmingham.gov.uk/info/20066/for_care_professionals/131/birminghams_market_position_statements

The proposals contained within this strategy and the detailed documents that will result from this, have all been designed to ensure that individual assessed eligible care and support needs can be met in high quality services and that citizens are given choice and control over their care.

4. COMMISSIONING INTENTIONS

We need to transform the sector but are under no illusions about the scale of change this will involve and the need to take citizens, providers and professionals on that journey with us. We will continue to support the local economy and the care sector and have set out below a phased approach to this that we believe will deliver our vision.

THE RESHAPING PHASE 2018 – 2021

Whilst the commissioning approach adopted in 2012 has created many positive changes, there is still a great deal of work to do to reshape services to meet current and future demands and to address national and local drivers.

The 'reshaping' phase of this strategy from 1 April 2018 to 31 March 2021 has been designed to take that first step on the transformation journey and will be focussed on:

- **Investment and stability** – investing existing resources into the care sector in a more structured way to provide stability of care, but also recognising the role of the social care and health economy in the region and to allow all parties to plan their businesses, including proposals to move to a **fixed fee** approach.
- **Commissioner-led support** – a package of support from commissioners across the system that promotes quality improvement. Including ways in which social value will be delivered by the care sector and other partners.
- **Incentivising quality** – developing a quality rating system that rewards the best care provision and informs choice.
- **Market shaping** – developing mechanisms and specifications that support reduced reliance on the Council.
- **Efficiency and modernisation** – developing integrated systems and processes that are efficient and fit for the future.
- **Robust contract management** – clear specifications focussed on enablement and that make clear the requirements, with robust and consistent management against these.

This will mean that by 2021 in Birmingham we will have a health and social care system where there is;

- an increase in care and support being focused on improving outcomes and increasing independence.
- independent providers incentivised to work within their local communities to promote health and wellbeing and reduce the need for commissioned social care services.
- a systematic approach to promoting what choices are available to people locally, the quality of the service they choose and that it is value for money.
- quality processes and procedures that promote active involvement of service users.
- a systematic, transparent and proportionate approach to assessing and managing quality across the health and social care system.

- an increase in the number of independent providers that achieve the highest standards of care.
- market intelligence that is shared regionally and nationally to raise quality standards.
- a balanced budget amongst partners within the health and social care system.
- a sustainable price for care based on quality of services.
- open, respectful and honest relationships with providers and proactive provider engagement.
- development of systems, processes and relationships that integrate with our health partners, those within the wider STP footprint and other commissioners within the region.

A performance framework will be developed to regularly assess the effectiveness of this strategy and to ensure changes are made where necessary.

THE SELF-REGULATION AND INTEGRATION PHASE 2021+

The 'self-regulation' phase of this strategy from 1 April 2021 onwards is designed to further transform the care market across Birmingham and to play a pivotal leadership role across the health and social care system regionally. This will take account of relevant requirements and needs at the time, but is likely to be focussed on:

- **Employment and skills** – having a health and social care system that acts as an economic driver for change at a local community level; ensuring the sector is an attractive prospect for those entering the job market; and that those within the sector are supported and trained to remain and develop their skills.
- **Only doing business with the best** – having transformed and incentivised improvements in quality of service, the Council's aim will be to only do business with Gold and Silver providers.
- **Reduced reliance on commissioned social care services** – the Council will do further work to; develop alternatives to more traditional models of care commissioning and delivery which will incentivise providers to enhance the independence of citizens; and support the development and understanding of community-based services.
- **Partnership with providers** – having transformed the Council's relationship with the market by being open and transparent, the Council will have a range of high quality providers who want to work with the Council to deliver services in the future, are clear about what is required and are able to work with the Council/NHS to influence the future direction.
- **Integration with health** – the Council will continue to maximise all opportunities to integrate services and transform the market to enable services to be jointly commissioned but also to no longer rely solely on Council/NHS input.
- **Self-regulation** – the Council will have worked closely with the market to reshape services and develop models for self-regulation and reduced reliance on the Council's resources to directly manage quality. The Council will then have a more strategic relationship with key providers and their representatives in the City, to deliver innovation and to allow them to regulate themselves.

THE ROLE OF OTHER PARTNERS

The Council is clear that it plays a significant role in the commissioning of services that make up the health and social care system across Birmingham and beyond. However, we also recognise the crucial role of families, carers, communities, third sector organisations and partners such as the NHS and Birmingham Children’s Trust. Together, they provide advice, guidance, support and care to a whole range of citizens that the Council may not have visibility of. It is therefore crucial that the Council works with these partners to improve the quality of commissioned social care services.

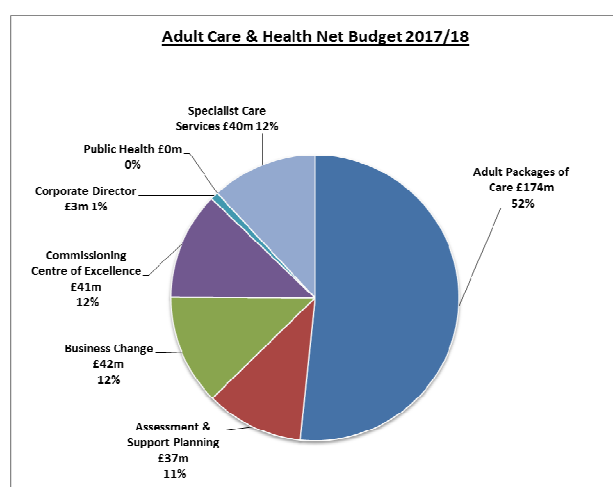
CURRENT RESOURCES

Based on current spend and expected increases in demand it is estimated that £337m will be spent on adult social care by Birmingham City Council in 2017/2018, which comprises 41% of the Council’s overall net budget. However, this is in the context of the Council having reduced its adult social care net spending by over 15% since 2011.

A further £17.7m of savings are required in 2017/18, rising to £23.2m in 2020/21. Many of these savings plans are very challenging and there are very limited opportunities for alternative plans, however the Council continues to monitor and manage spend rigorously and identify further contingency plans.

It is estimated that £170m will be spent through the proposed contracts which are the subject of this report annually, funded from the Adult Social Care and Children’s Home Support budgets.

If the Council continues with a dynamic pricing model, the cost of care (excluding anticipated increases in demand for services) could rise by at least £20m over the coming three years and there will be no mechanism for the Council to contain this rising cost. It is therefore essential that the Council works closely with the market to ensure affordable, high quality services can be provided in future.



5. HOW THE STRATEGY WILL BE IMPLEMENTED

The following section describes how the first phase of the commissioning strategy will be implemented to support delivery of high quality services, the achievement of better outcomes, increased independence and choice and a more resilient and sustainable health and social care system over the next three years.

ENTRY CRITERIA INTO THE COUNCIL'S CONTRACT 2018 - 2021

The Council will operate a flexible contracting arrangement for all commissioned social care, however these arrangements will be adapted to reflect current supply and demand. This will mean the following:

- **Home support** – once the initial procurement has taken place, no new providers will be allowed to join this lot under the contract. This means the Council will contract with a fixed group of providers, the detail of which is set out in Section 5. However the following home support services will have separate entry criteria as follows:
 - Quick Discharge Service – to support services users to go home from hospital within 4 hours of them being medically fit. There will be a single provider sought who can demonstrate experience of delivering this level of service.
 - Approved Premises – home support within residential units which provide accommodation for offenders under the supervision of the Probation Service⁵. We will be seeking a maximum of 4 providers with experience of delivering this type of service.
 - Sensory Loss – provision of home support to service users with sensory loss including Congenital Sight and Hearing Loss, Usher Syndrome and Acquired Sight and Hearing Loss. We will be seeking providers with the necessary skills and experience of delivering services to meet the needs of those with sensory loss.
- **Supported living** (personal care elements only) – this will be operated as an open flexible contracting arrangement on a city-wide basis, whereby the Council will allow new providers to join the contract at any time, subject to the relevant entry criteria being met.
- **Residential homes and Nursing homes** – this will be operated as an open flexible contracting arrangement, whereby the Council will allow new providers to join the contract at any time, subject to the relevant entry criteria being met.

To drive up quality, the Council will not allow a provider who is currently rated by the Care Quality Commission (CQC) as Inadequate to enter the new flexible contracting arrangement. Where a provider has not received a CQC rating under the new ratings system, the Council will work with the CQC, to understand planned CQC inspections. Where there is still no CQC rating at the point of tendering, the Council or NHS will conduct an inspection prior to contract award, under the Quality Rating System detailed below. Where appropriate to do so, the Council will use a previous rating for

⁵ As defined under Section 13 of the Offender Management Act 2007

the provider. For example where the provider is running the same service but from a different location. Should this identify the provider as Inadequate under the Council's proposed rating system, this provider will not be allowed to enter the flexible contracting arrangement.

All providers seeking to join the contract will therefore have to have at least one of the following, the most recent of which will be considered for entry:

- a CQC rating of Requires Improvement, Good or Outstanding;
- a Birmingham City Council quality rating of Gold, Silver or Bronze (as detailed in the Quality Framework below); or
- an NHS Joint Quality Assessment Framework (JQAF)⁶ score of Amber, Green or Bright Green – currently only applicable to nursing homes.

Beyond this, a more detailed set of entry criteria will maximise the quality of providers that can enter the flexible contracting arrangement and to reduce potential risks to all parties, this will include (but not be limited to) provision of the following:

- CQC registration certificate
- Bank account details and copies of financial accounts
- Employers Liability and Public Liability insurance certificates
- Company registration details
- Details of any bankruptcy or convictions of owners/responsible persons
- Data protection and modern slavery compliance
- Confirmation of Food Hygiene Rating for residential care with and without nursing
- Details of electronic call monitoring system for Home Support providers
- Copies of a range of policies to include (but not limited to) Safeguarding Policy, Health and Safety Policy, Recruitment and Selection Policy, Business Continuity policy, Equal Opportunities Policy, Environmental/Sustainability Policy, Care Planning and Risk Assessment Policies.

A combination of these results will form the basis of the criteria which determines those providers who are eligible to join the flexible contracting arrangement.

As the model for commissioning of home support will be based on five geographic areas, there are additional entry criteria which are set out in the Geographic Home Support section below. These specific home support requirements will be in addition to those listed above which apply to all commissioned social care services.

The same requirements must be met by Residential Homes (with and without nursing) and Supported Living care providers should they wish to join the flexible contracting arrangement at a later date. The only exception being those placements that are outside of the Birmingham City Council boundary, which will be the subject of the arrangements set out below.

⁶ Birmingham City Council and Birmingham Clinical Commissioning Group's, Performance Management of Continuing Health Care, Funded Nursing Care and Adult Social Care Nursing Home Services – May 2016

TRANSITION ARRANGEMENTS

The Council is keen to stabilise the care being received by our citizens and the Council believe this is a collective responsibility which we should all take whilst we are working to transform the market and quality of services across Birmingham in a more structured way. We are keen to work with providers who share this ethos and are comfortable to work with us through this transition period constructively. However, we must also make changes and start to tackle a number of historic issues within the sector to ensure it remains sustainable.

As part of the Council's Vision and Strategy for Adult Social Care, there will be a renewed emphasis on reviewing the eligible care and support needs of service users funded by the Council, particularly those who are under 65 years old. The principles of this approach are to ensure:

- Care is closer to home and supports maintaining of family and community links.
- People are supported in their own home and supported to return home wherever possible.
- Care settings are the least restrictive and designed to support recovery, independence and progress.
- Resources are maximised through meeting needs in the most effective way and spending public money wisely.
- Systems and processes that enable joint working, assessment and review, as well as consideration of most appropriate funding.

To fully support this approach and to ensure that the necessary changes can be made by working with service users, families, professionals and care providers to reshape services for those under 65 years old, a complimentary commissioning approach will be necessary. This will be designed to ensure that there is a link between the price the Council pays for care and the needs of the service user, that services promote independence and choice and that the Council commissions the best quality services possible.

The terms of the new contract will therefore apply:

- For home support (all ages), residential services (with and without nursing) for over 65's and for supported living (all ages) - to **all** packages of care commissioned both on and after 1 April 2018, including the proposed relevant fixed fee. The new contract will replace all previous contractual arrangements for existing packages in these categories that are in place on 1 April 2018 and will also apply to all new care packages in these categories during the contract term.
- For residential services (with and without nursing) for under 65's - to **all** packages of care commissioned both on and after 1 April 2018, excluding the proposed relevant fixed fee. The proposed relevant fee will be applied at the point at which a review of the assessed eligible care and support needs is concluded.

In cases where a provider is unsuccessful (for example does not meet the entry criteria or is rated as Inadequate) in joining the new contract but has existing care packages commissioned by the Council, the following will apply:

- **Home support** – any citizens currently supported will be contacted by the Council or Birmingham Children's Trust and advised of the outcome of the procurement exercise, alongside the quality rating. They will be offered a choice to either remain with the existing provider by taking up a Direct Payment, or choose for the Council to find them a new

provider. This new provider will be identified in line with the process described in the Allocation of Work section below and with care providers who are successful in joining the contract.

- **Supported Living** – as these citizens will have an independent tenancy and the Council is only commissioning the care element, there may be an agreement in place between the care provider and the registered social landlord. In these cases, the Council will consider a range of alternatives to secure high quality services which may include the use of an Individual Service Fund, Direct Payments or the provider agreeing to make service improvements within an agreed timescale. In all cases, any citizens currently supported will be contacted by the Council and advised of the outcome and the choices available to them, along with details of any action being taken by the Council.
- **Residential and Nursing care** – the provider will no longer receive any new placements from the Council and will be required by the Council to make the necessary improvements to the quality of the service within timescales agreed with the Council. Should the provider make the necessary improvements and are then able to meet the entry criteria, they will be allowed to join the new contract. For those providers that are unable to make the necessary improvements, the Council will commence dialogue with service users and their families to start considering moves to alternative, higher quality provision. Only a small number of residential (with and without nursing) services are expected not to get onto the flexible contracting arrangement.

In cases where a provider chooses not to join the contract but has existing care packages commissioned by the Council, the provider will no longer receive any new placements from the Council with immediate effect. Current contracts do allow for placements to continue on their previous terms and conditions (including the existing price) which will allow dialogue with effected service users and families. The Council will commence dialogue with service users and their families to start considering moves to alternative contracted provision.

CORE STANDARDS

The Council not only has a statutory duty to meet assessed eligible care and support needs but a moral responsibility to the people of Birmingham to ensure the care sector is fit for purpose and supports the wider health and social care system.

To ensure citizens and their families are clear about the standards they can expect from their provider and that providers are clear about what is required, the Council will set out a series of service specifications and core standards. These will be used as the foundation for all quality monitoring assessments undertaken by the Council, NHS, Independent Quality Assessors or any other party acting on the Council's behalf.

In meeting all regulatory and contractual requirements, each provider will be required to meet the five core standards which will deliver the following outcomes:

1. Involvement and information

- a. Service Users understand the care and support choices available to them. They are encouraged to express their views and are always involved in making decisions about the way their care and support is delivered. Their privacy, dignity and independence are respected and their (or their carer's) views and experience are taken into account in the way in which the Services are provided.
- b. Where they are able, Service Users give valid consent to the care and support they receive. They understand and know they can change any decision that has been

previously agreed about their care and support. Their human rights continue to be respected and are taken into account.

2. Personalised care and support

- a. Service Users experience appropriate, effective, care and support in an enabling way that safely meets their needs, protects their rights and maximises their independence, health and wellbeing.
- b. Service Users are enabled and supported to have a choice of nutritional and balanced food and drink to meet their diverse needs.
- c. Service Users receive safe, coordinated care and support where more than one Service Provider is involved, or where they are moved to another Service Provider.

3. Safeguarding and safety

- a. Service Users are protected from abuse or the risk of abuse and their human rights are respected and upheld.
- b. Service Users experience care and support in a clean environment that protects them from, and reduces the risk of, infection.
- c. Service Users will have the medicines they are prescribed, at the times they need them, and in a safe way.
- d. Service Users, together with those who work in or visit the premises, are in safe and accessible surroundings that promotes and protect their wellbeing.
- e. Service Users, together with those who work in or visit the premises, are not at risk of harm from unsafe or unsuitable equipment (including furnishings or fittings). Service Users benefit from equipment that is comfortable and meets their needs.

4. Suitability of staffing

- a. Service Users are safe and their health and welfare needs are met by staff who have been appropriately recruited and who have the right qualifications, skills and experience.
- b. Service Users and their health and welfare needs are met by sufficient numbers of appropriate staff with the right qualifications, knowledge, skills, approach and experience.
- c. Service Users are safe and their health and welfare needs are met by staff who are appropriately trained, well supervised, and receive the development opportunities they need to carry out their role effectively whilst keeping their skills and training up to date.

5. Quality of management

- a. Service Users benefit from safe, quality care due to effective decision making and management of risks to their health, welfare and safety because lessons are learned and the quality of Services is effectively monitored.
- b. Service Users and / or their nominated representative can be sure that the Service Provider listens to and acts on their complaints and comments. They know that they will not be discriminated against for making a complaint or raising an issue.

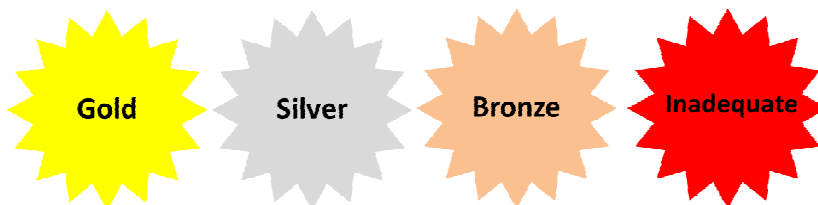
- c. Service Users are confident that the records kept by the Service Provider about their care and support (including those that are required to protect their safety and wellbeing) are accurate, fit for purpose, held securely and remain confidential.

THE QUALITY RATING SYSTEM

The quality rating system is based on the following overarching principles:

- The delivery of outcomes for service users and citizens are at the forefront of care delivery.
- Care providers are responsible for ensuring they deliver good quality care.
- The Council has a duty to provide assurance of and to drive up the overall quality of care in the city.
- The Council aspires only to do business with good quality providers. It does not intend to contract with those providers that are unable to sustain consistently good quality services.
- The Council will provide a range of support to providers to improve services but not indefinitely.
- The Council will incentivise high quality provision.
- The Council will measure the overall quality of provision by taking into account a range of opinions to provide a balanced view.
- Quality will be measured against contractual terms and conditions, core standards and the delivery of outcomes.
- The quality assurance framework mechanism and how it operates is transparent and clear.

Quality of provision will be measured and each service given an overall quality rating of either 'Gold', 'Silver', 'Bronze' or 'Inadequate'. The statements below reflect what services in the different bands will look like.



WHAT DO THESE SERVICES LOOK LIKE?

'Gold'

- People describe the service as exceptional and distinctive, with staff going out of their way to meet personal preferences and individual outcomes.
- The provider is striving to be a leader in their field.
- The provider exceeds the standards set down by CQC, and contractual terms and core standards.
- The exceptional level of service is delivered consistently over time.

'Silver'

- People describe the service as good and that it meets their needs and delivers good outcomes.
- The provider meets the standards set down by CQC, and contractual terms and core standards.
- The good level of service is delivered consistently over time.

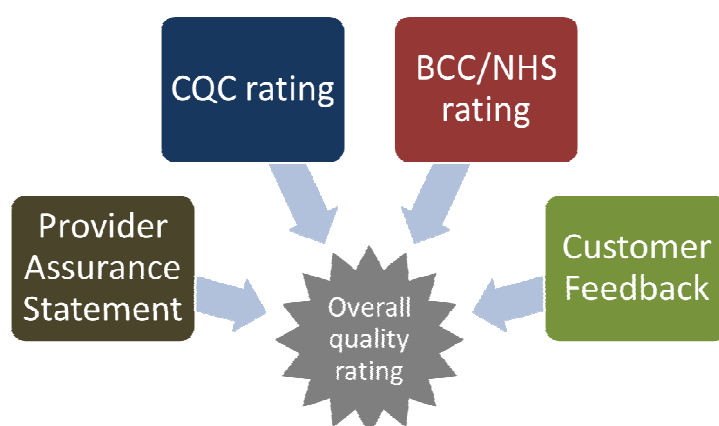
‘Bronze’

- People describe the service as not always good and that it does not always meet their needs or deliver good outcomes.
- The provider is working towards meeting all of the standards set down by CQC and contractual terms and core standards, but improvement is still required.
- A good level of service is not consistent over time.

‘Inadequate’

- The provider does not meet key standards set by CQC and contractual terms and core standards.
- People using the service are not safe and they are at risk of harm.
- Significant improvement is required, the service will be at risk of losing its registration.

WHAT INFORMATION WILL DRIVE THE RATING?



The Quality Framework aims to capture a range of views of the quality of services and use them to produce a single quality rating that can be used to inform care commissioning processes and facilitate citizens to make informed choices. The rating system will therefore draw upon a balanced range of data sources:

- The view of the citizen or service user: Customer feedback and social worker feedback
- The view of the regulator: The Care Quality Commission (CQC) inspection rating
- The view of the Commissioner: Birmingham City Council or NHS inspection rating
- The view of the provider: Provider Quality Assurance Statement

CUSTOMER FEEDBACK

Customer feedback will be used to evaluate what customers think about the service, how the service involves and consults with citizens and how responsive the service is. The Council will take into account customer feedback using the following methods:

- The Council will inspect the service delivery against the ‘Involvement and information’ and ‘Personalised care and support’ domain core standards.

- The Council will use data gathered through the social work assessment and review process about how well the provider delivers outcomes for individuals and whether the citizen feels their needs are being met.
- The Council will use customer feedback data recorded on the Healthwatch⁷ website, in relation to the following:
 - How likely people are to recommend this organisation to friends and family if they needed similar care or treatment? (known as the Friends and Family Test)
 - How people rate their overall experience of this service.
 - People’s description of their experience of the service.

The Council may take into account customer feedback recorded on other websites where it feels that the feedback is relevant.

Customer feedback will be rated on the following basis:

‘Gold’

- There is consistent overwhelming recommendation of the service evidenced through Healthwatch customer feedback data.
- Consistent overwhelming positive outcome delivery feedback is gathered by social workers through the citizen assessment and review process.
- The service provides ‘Gold’ standard evidence in the ‘Involvement and information’, and ‘Personalised care and support’ core standard domains.

‘Silver’

- The provider evidences achievement of the core standards in the ‘Involvement and information’, and ‘Personalised care and support’ inspection domains.
- There is recommendation of the service evidenced through Healthwatch customer feedback data.
- Positive outcome delivery feedback is gathered by social workers through the citizen assessment and review process.

‘Bronze’

- The provider evidences part-achievement of the core standards in the ‘Involvement and information’, and ‘Personalised care and support’ inspection domains.
- Inconsistent outcome delivery feedback is gathered by social workers through the citizen assessment and review process.
- Inconsistent customer feedback is evidenced on the Healthwatch website.

⁷ www.healthwatchbirmingham.co.uk

'Inadequate'

- Provider evidences that they do not achieve the core standards in the 'Involvement and information', and 'Personalised care and support' inspection domains.
- Poor outcome delivery feedback gathered by social workers through the citizen assessment and review process.
- Poor customer feedback is evidenced on the Healthwatch website.

ANNUAL INSPECTION

Services will receive a minimum of an annual inspection from the CQC, or the Council (or any party acting on behalf of the Council) or the NHS. The most recent full inspection outcome will be used to determine the provider's overall quality rating. Table 2 below describes how the outcomes of these inspections translate into the Council's overall quality rating.

Overall Quality rating	CQC inspection outcome	Council inspection outcome	NHS inspection outcome
Gold	Outstanding	Gold	Bright Green (best achievement)
Silver	Good	Silver	Green (compliance)
Bronze	Requires Improvement	Bronze	Amber (partial compliance)
Inadequate	Inadequate	Inadequate	Red (minimal compliance)

Table 2 Ratings that will be used to determine a providers overall quality rating by Birmingham City Council

The Council will use an inspection toolkit which sets out the core standards and the range of criteria by which delivery of these standards is measured. The inspection toolkit and accompanying guidance will set out the combination of criteria and evidence that must be met to achieve either Gold, Silver, Bronze or Inadequate ratings.

The Council will regularly publish and review the toolkits and questions that will be used to monitor performance against each of these standards and the provider will receive advance notification of their annual inspection. More reactive, focussed inspections may be required as described below, which may remain unannounced; however the Council will endeavour to notify providers where appropriate to do so.

The provider will receive a copy of the inspection findings immediately following the inspection to allow improvement planning to commence without delay.

PROVIDER QUALITY ASSURANCE STATEMENT

Providers will be required to submit a Provider Quality Assurance Statement (PQAS) at least annually – usually in advance of their annual inspection - which will give care providers the opportunity to confirm that contractual terms, conditions and core standards are being met. It will be an opportunity for providers to highlight areas of innovation, success and positive aspects of their service. It is also where the Council will expect providers to identify openly and transparently those areas of the service where providers are unable to meet the standards and most importantly, what action is being taken to address this. The PQAS will mirror the Council’s inspection toolkit and the core care standards, however the Council may at any point make changes to the PQAS and will inform providers of these changes in advance of their next submission.

The PQAS will assign the provider a rating of ‘Gold’, ‘Silver’, ‘Bronze’ or ‘Inadequate’ and the Council will validate evidence submitted by the provider through the PQAS at its next inspection of the service.

Where an inspection has identified areas that are rated Requires Improvement, Bronze or Amber (dependent on which body carried out the inspection) the provider will be required to submit an Improvement Plan (IP) which describes the actions it will undertake to improve the service and the timescales in which these changes should be made.

When the provider is satisfied that it has completed the IP and sustained the necessary improvements it may submit a revised PQAS and request a re-inspection of its services by the Council.

Where the Council is able to validate the IP has delivered the necessary improvements, the Council shall amend the provider’s quality rating accordingly.

ADJUSTING THE QUALITY RATING

The quality rating will be adjusted between annual inspections under the following circumstances:

1. The Provider’s Quality Assurance Statement (PQAS) identifies elements of the service that have fallen below the standard identified at the last full inspection. In this case the providers rating will be adjusted downwards in year.
2. The PQAS identifies that required improvements identified at the last full inspection have been implemented. If a further inspection verifies the evidence submitted, then the providers overall rating is adjusted upwards.
3. The provider will not be awarded a ‘Gold’ overall rating at any point other than a full annual inspection. This is to reflect the condition that ‘Gold’ standard services are delivered consistently over a prolonged time period.
4. If the Council is unable to validate a significant body of evidence or the provider is judged to have significantly falsified its PQAS then this will be considered a breach of contract.
5. Any failure to submit the PQAS will be considered a breach of contract and the Provider’s quality rating will be automatically calculated as ‘Inadequate’.
6. In the case of providers rated Inadequate by the CQC, the provider will remain rated overall Inadequate until the CQC has re-inspected and removed its Inadequate rating. Providers who are

rated Inadequate will be suspended from bidding for new packages and if identified improvements are not made within agreed timescales, the Council will consider supporting people to move to a different provider.

7. Negative intelligence gained about the service may trigger a focussed inspection. A focussed inspection may result in identification that the provider is no longer meeting the standard to warrant the overall rating achieved at the last full inspection. The overall rating will be adjusted down to the appropriate rating band.
8. A focussed inspection may be triggered by:
 - An unusually high number of concerns or deficiencies which is deemed to present a clear, significant or immediate risk to service users such as quality or safeguarding alerts / issues;
 - A series of concerns or deficiencies which individually may not present a clear, significant or immediate risk but present a pattern which indicates an increasing likelihood of clear, significant or immediate risk to service users;
 - Evidence of a breach of contract or regulation;
 - An accumulation of concerns or deficiencies in a rolling three month period that triggers non-compliance;
 - CQC serving any notice or restrictions in line with their regulatory powers;
 - High volumes of complaints or concerns received;
 - Feedback from service user and relative meetings and/or questionnaires that is deemed to present a clear, significant or immediate risk to service users;
 - Evidence of financial instability through credit alerts which is likely to place care provision at risk; and/or
 - Consistent feedback from reviews that citizen's outcomes are not being met.

PUBLICATION OF THE QUALITY RATING

The Council will publish online each provider's overall quality rating, alongside their CQC inspection rating, any NHS quality rating and customer feedback data. This will enable citizens to make informed choices about the care providers they choose to meet their needs and how they compare with other providers in the care market. This will also allow the Council to share market intelligence more readily on a regional and national basis.

THE SUPPORT OFFER

The Vision and Strategy for Adult Social Care gives the Council a renewed focus on the significance of the health and social care system to both the Council's own budget and overall financial health, but

also as a service that touches the lives of over 13,500 service users and 35,000 employees across Birmingham and beyond.

This new Vision gives opportunities to work jointly across the health and social care system both at city-wide and systems level, but also to work with providers and partners at a local level.

The Council is committed to ensuring that the care market is supported to make the necessary changes described in this strategy. A wide range of providers operate within Birmingham, from national organisations to some of our smaller and more specialist providers. It is therefore important that, regardless of the wider assets and resources a care provider has, they have equal access to the Council and partners support in making changes and improvements in quality. All providers under the new contract will therefore be entitled to a package of support from Birmingham City Council and its partners, to incentivise improved quality which will include:

- A **dedicated commissioning team** will be aligned at a local geographic level. This will allow commissioners to work locally to support the further shaping of all sectors of the market, development of and linking to community assets and to have a real understanding of the availability and quality of care in their area. They will provide advice and guidance in relation to the contract; be proactive in picking up potential quality issues early on in order to reduce more intensive interventions in future; signpost providers to targeted and specialist training; support the development of social value and to continually improve quality.
- A **quarterly contract review meeting with commissioners for those providers with the largest market share**. This will be used to discuss market intelligence, quality, performance, improvements, innovation and address questions and concerns either party may have about the contract and how it is operating.
- Be provided with **marketing materials**/logos that can be used to promote the service and the Birmingham City Council quality rating. Providers will be required to make all service users aware, whether funded by Birmingham City Council or not, of their quality rating.
- A **training and support programme** aimed at driving up quality, including a career pathway and a Birmingham Care Manager accredited course will be developed to ensure the care sector is an attractive employment choice for people.
- The Council is keen to **explore new ways of working with providers** and to ensure that the market remains sustainable in the future. The Council will work with groups of interested providers to consider alternatives such as lead provider, consortia models and/or strategic partnerships.
- The Council will look to develop models through its Social Value Policy and the Birmingham Business Charter for Social Responsibility to **connect organisations that can support and benefit one another to** improve areas of their business and quality.
- The Council will be seeking to **develop a number of organisations** to act as Independent Quality Assessors (IQAs), to provide feedback on the service user experience and to develop the self-regulation model described above. These IQAs will initially undertake inspections of Gold rated providers (after an initial rating of all providers by Birmingham City Council), as well as start to work with the Council and the market to develop training, shared resources and to represent the care market in discussions with commissioners.

HOW WILL THE COUNCIL WORK WITH GOLD QUALITY PROVIDERS?

The Council seeks to recognise Gold rated providers by:

- Reduced direct inspection by the Council and delegation of inspections of Gold providers to the Independent Quality Assessor.
- Public acknowledgement through a recognition event and use in marketing materials.
- Involvement in the development of future peer / self-regulation process.

Gold rated providers will also be afforded greater freedoms and flexibilities and asked to deliver the following over time:

- Support reviews of care packages with citizens and agree ways that care packages can enable citizens to improve independence. This may include signposting and working in partnership with local based public/voluntary organisations. Evidence of this will be considered as part of the annual inspection, the Provider Quality Assurance Statement (PQAS) and will form part of the requirements to meet the 'Gold' standard.
- Providers will be encouraged to support the implementation of Individual Service Funds (ISF) with small groups of citizens where appropriate. An ISF is a flexible funding mechanism designed to provide personalised support to people with complex needs. An Individual Service Fund (ISF) is a restricted fund; money is held by the service provider and used to develop an outcomes-focused support solution to meet the citizen's assessed eligible care and support needs. The Council will look to pilot this approach in advance of the new contract, but will only do so with providers who are currently CQC rated as Outstanding or Good or by Birmingham City Council as Gold or Silver.
- Providers will be encouraged to support the implementation of assistive technology with the aim of increasing independence and reducing the cost of care to the Council. The Council will look to pilot this approach in advance of the new contract, but will only do so with providers who are currently CQC rated as Outstanding or Good or by Birmingham City Council as Gold or Silver.

HOW WILL THE COUNCIL WORK WITH SILVER QUALITY PROVIDERS?

The Council will continue to monitor the quality of its benchmark standard providers to ensure that quality is maintained.

- Providers will be encouraged to support the implementation of Individual Service Funds (ISF) with small groups of citizens where appropriate. An ISF is a flexible funding mechanism designed to provide personalised support to people with complex needs. An Individual Service Fund (ISF) is a restricted fund; money is held by the service provider and used to develop an outcomes-focused support solution to meet the citizen's assessed eligible care and support needs. The

Council will look to pilot this approach in advance of the new contract, but will only do so with providers who are currently CQC rated as Outstanding or Good or by Birmingham City Council as Gold or Silver.

- Providers will be encouraged to support the implementation of assistive technology with the aim of increasing independence and reducing the cost of care to the Council. The Council will look to pilot this approach in advance of the new contract, but will only do so with providers who are currently CQC rated as Outstanding or Good or by Birmingham City Council as Gold or Silver.

HOW WILL THE COUNCIL WORK WITH BRONZE QUALITY PROVIDERS?

In the future it is the Council's intention only to do business with good quality providers (those rated Gold and Silver). The Council will put in place the following with Bronze standard providers to support this intention:

- Not awarding care packages where there is a better quality rated alternative.
- Providers submitting an Improvement Plan.
- If required improvement is not validated within the specified timescale, the Council may commence dialogue with citizens and families about changing care providers for those affected.

HOW THE COUNCIL WORK WITH INADEQUATE QUALITY PROVIDERS

The Council does not intend to contract with inadequate rated providers.

Where the provider has been rated inadequate by CQC they will be suspended from bidding for new care packages by the Council until the provider has satisfied the CQC it has put in place the required improvements and the Inadequate rating has been lifted.

Where the Council/NHS has rated a provider Inadequate through its inspection, the Council will put in place the following:

- Immediate suspension from bidding for new care packages.
- Providers will be required to submit an Improvement Plan.
- After submission of the Improvement Plan the provider will be required to attend contract review meetings with Commissioners to review progress/evidence delivery against the Improvement Plan.
- If the Improvement Plan has been completed satisfactorily then the provider is awarded a Bronze overall rating and the suspension is lifted and the Bronze process above will be followed.
- If the Improvement Plan has not been completed satisfactorily within the prescribed timescale, then a multi-agency review meeting will review the care provision, safety of service users and set out the decommissioning plan.

PRICING

It is proposed that the Council will operate a **fixed fee** approach for the following services:

- Home support (all ages)
- Supported Living (all ages)
- Residential care without nursing (for over 65's)
- Residential care with nursing (for over 65's)

To reflect the complex range of support provided for those citizens with a learning disability or mental health condition or 18 -64 year olds with a physical disability, the Council will continue to engage with the provider market to develop an alternative price model. In the interim, the Council will have a guide price for various levels of need and the cost of care packages will be based on an 'open book' approach. Providers will be asked to provide the cost of meeting the service users needs and to provide a transparent breakdown of these costs.

Within the Home Support (all ages) category, the following services will be paid an additional fee to recognise the additional staffing, training and/or travel time required:

- Quick Discharge Service – to support services users to go home from hospital within 4 hours of them being medically fit.
- Sensory Loss – provision of home support to service users with sensory loss including Congenital Sight and Hearing Loss, Usher Syndrome and Acquired Sight and Hearing Loss.

The Council has undertaken a range of comparison, benchmarking and also consultation to develop the fees and to further understand the relative costs of care in Birmingham, including use of the following:

- KPMG's Open Book 3⁸ analysis of the costs of care in Birmingham
- Detailed analysis of current pricing data
- Regional market intelligence and costs of care for neighbouring areas
- The analysis provided by the provider Task and Finish Group⁹ which provided its analysis in September 2016
- Feedback from the consultation where the Council published its proposed fees and rationale and held a series of workshops to discuss these in detail with care providers

⁸ KPMG Open Book Accounting in Adult Services – 14 October 2015

⁹ Fair Cost of Care Task and Finish Group Report – 1 October 2016

- Feedback from service users about the cost of care and the impact on them and their families.

The proposed fees represent a significant investment from the Council and are designed to both stabilise the care market but also to ensure it remains sustainable and can deliver the level of service required. The fixed fees for each type of care above, will:

- Provide greater transparency of pricing that is fair.
- Enable all parties to plan more effectively.
- Allow investment to drive up the quality of services.
- Enable providers to recruit and retain staff.
- Keep pace with changes to the National Living Wage and general inflationary pressures.

The inclusion of a contractual requirement for all providers to open their financial accounts to the Council on an annual basis will further allow the Council and providers to discuss costs, identify ways in which we can work collaboratively to reduce costs, increase efficiency and also work on developing more of a partnership approach as part of our proposed Self-Regulation Phase.

The following general pricing assumptions have also been adopted:

- The proposed rates will enable providers to pay their care workforce an hourly rate which is in line with the National Living Wage.
- The proposed rates will enable providers to pay staff employed that are under 25 years old, an hourly rate equivalent to the National Living Wage.
- In addition to quality incentives and a range of support, the Council will make a commitment to increase fees annually in line with the principles set out in the Price Review Methodology section below.
- Providers will meet the CQC requirement that they 'must provide sufficient numbers of suitably qualified, competent, skilled and experienced staff to meet the needs of the people using the service at all times and... other regulatory requirements.'
- Third Party Contributions (also known as top ups) may only be charged when the person needing care or their family have specifically requested more expensive accommodation or are receiving a service beyond that which forms part of their eligible care and support needs.
- The Council will invest in IT systems that ensure prompt payment and secure cashflows, to reduce providers' financing/borrowing costs.
- Providers will take all opportunities available to reduce overheads and transaction costs and increase occupancy levels.
- All nursing related costs must be met through the Funded Nursing Care (FNC) or Continuing Health Care (CHC) contributions.
- The Council may agree to a discretionary additional payment for a service user who is a delayed discharge from hospital and/or has behaviour that challenges. This will be at the sole discretion of the Council.

PRICE REVIEW METHODOLOGY

The Council recognises underlying price pressures within the care sector, particularly those in relation to employee costs, which make up the largest proportion of the cost of delivering care. The Council is committed to ensuring the care sector remains sustainable, not only as it delivers care to some of our most vulnerable citizens, but also as a major employer across the region. We will therefore increase prices of care packages placed under the new contract on an annual basis having considered the following principles:

- Changes in the rate of inflation including consideration of the Consumer Price Index (CPI) and the Consumer Price Index Housing (CPIH).
- Changes in national minimum wage rates including the National Minimum Wage and National Living Wage.
- Other relevant price pressures likely to significantly impact on the care sector e.g changes to employer pension contributions and National Insurance.
- Regional price comparison data
- Open book accounting returns from care providers
- Sustainability of the care sector including the scale of providers existing the market locally
- Affordability to the Council within the context of the overall annual budget settlement

The Council will use the above principles each year to set a price increase applicable from 1 April the following year. This will be set out transparently and shared with care providers as early as possible to assist with financial and business planning.

For residential care (with and without nursing) providers for under 65's (or those in Learning Disability, Mental Health and Physical Disability placements as recorded on the Council's care records management system) the approach will differ as follows:

- Until such time as further dialogue takes place with the market, the Council is proposing to operate an interim 'open book' process for new packages from 1 April 2018 which asks providers to submit a breakdown of their costs.
- Existing packages as at 1 April 2018 will remain on existing fees (with the exception of those below the minimum rate described below) until such time as the social work review is completed. These packages will then become subject to an annual fee increase.
- A minimum rate for residential care (with and without nursing) will be applied to historic packages whilst social work reviews are conducted.

For any provider who has not come onto the new contract either voluntarily or as a result of being unsuccessful at the tender stage, the annual increase **will not** apply. The Council will continue to pay

the existing fee applicable as at 31 March 2018 to that provider, until such time as that care package ends.

CARE PACKAGE ALLOCATION PROCESS

Providers will be asked to submit offers for packages of care via an electronic system. For home support providers, the same principles will apply, however allocation of packages will take place within each geographical area. The following principles will therefore apply:

- Each provider submitting an offer will be required to confirm that they can meet the needs of the citizen based on the individual support plan. This will have been provided as part of the requirement to the market and anonymised as appropriate.
- Provider quality ratings will be used when evaluating individual offers for care packages. The provider with the highest quality rating will win the tender – subject to citizen choice in relation to Supported Living and residential homes (with and without nursing), which will be considered in line with statutory requirements.
- Where there is no clear difference between the quality ratings of the providers who make an offer for the package e.g. two Silver rated tenders are received:
 - For Home Support - the Council will identify the successful provider, based on the provider with the most positive customer feedback.
 - For Supported Living and residential homes (with and without nursing), citizens will be presented with all of the highest rated tenders and asked to choose.

The allocation process will differ for the following services:

- Supported Living – the principle decision will be around location as service user will be signing an independent tenancy. However the market will be tested and all offers will be presented to the service user in quality rated order.
- Quick Discharge Service (QDS) – to support services users to go home from hospital within 4 hours of them being medically fit. This will be a single provider operating across all geographic areas. Service users assessed as requiring this service will be allocated directly to the successful QDS provider.

GEOGRAPHIC HOME SUPPORT MODEL

The Council proposes to establish a framework for home support with a reduced number of providers across five geographical areas. It is intended this will:

- assure supply across Birmingham
- support sustainability in the market and to help providers plan their services
- enhance quality and focus on outcomes
- reduce instances of missed or late calls

- ensure value for money and reduce travel time and costs for providers
- ensure linkages to other local services can be maximised
- develop monitoring arrangements which are manageable and consistent
- allow the market to adapt to new delivery models such as a more enablement focussed services
- allow the market to adapt to new funding models such as Direct Payments and Individual Service Funds
- align to the Council's proposed new Wards from 2018.

A key part of the methodology is to provide a fair distribution of care hours in each area taking into account the number of citizens requiring services and, the forecast for future requirements. The geographically-based model takes into account the road route, accessibility and natural barriers so that each area is cohesive and carers can reasonably travel between calls.

Despite the proposed reduction in the number of providers, the proposal seeks to support the principles of this strategy which focusses on the quality of care. However the proposal will also support the Birmingham Business Charter for Social Responsibility by ensuring that a geographically-based model will provide local employment opportunities; support locally based businesses; and supports a greater understanding and linkages with community based services.

Whilst the framework will enable Birmingham City Council to directly commission with providers, citizens will be able to choose other providers of care if they wish, through the encouragement of taking their Personal Budget as a Direct Payment.

The focus of the procurement will be on securing a high quality, financially sustainable home support market. The proposal will classify home support providers into one of the three following sizes based on their current weekly hours directly funded by the Council as indicated in Table 1 below to ensure the above intentions can be achieved:

Table 1: Provider Size Classification

Supplier Size	Number of Weekly Hours
Large	Over 2,000
Medium	Between 1,000 and 2,000
Small	Under 1,000

In line with local policy, the Council is keen to continue to contract with a range of high quality providers that are financially sustainable, but has also developed a model that will continue to support small and medium-sized local businesses.

The size of the provider will dictate the number of provider lots that can be applied for across the City as follows:

Table 1a: Provider Size Allocation

Provider Size Allocation	Maximum No. of Provider Lots Can be Applied for	Maximum No. of Provider Lots that will be awarded
Large	5	3
Medium	4	3
Small	3	1

The Council is not obliged to meet the maximum number of provider lots in each area and will use the quality rating and financial stability of providers to determine the most sustainable providers with whom to contract. The Council will maximise the contribution of small and medium sized providers wherever possible whilst balancing this with the need to secure sufficient high quality supply of home support in an area.

Based on the above definition of the size of providers Table 2 below indicates the maximum number of large, medium and small provider lots and also the estimated number of provider lots needed within each area. These are indicative to allow the Council to maximise the quality and financial stability of the care it commissions and to ensure sufficient supply is secured to meet demand.

Any provider that does not currently contract with Birmingham City Council at the point of tender but that meets the required entry criteria for 2018 – 2021 will be classified as ‘small’. This will allow the Council to assess the quality of the provider before they are given large volumes of work and also allow the provider time to develop their service in line with the Birmingham City Council contractual requirements.

Table 2. Allocation of Provider Lots

	Estimated No. of large provider lots	Estimated No. of medium provider lots	Estimated No. of small provider lots	Estimated Maximum provider lots
No. of possible provider lots	10 - 15	26 - 40	48 - 56	84 - 111

The Council is not obliged to meet the maximum number of provider lots in each area and will use the quality rating and financial stability of providers to determine the most sustainable providers with whom to contract. The Council will maximise the contribution of small and medium sized providers wherever possible whilst balancing this with the need to secure sufficient high quality supply of home support in an area.

The following services will be in addition to the general home support providers, albeit these providers will also be able to provide home support under the geographic model subject to the same entry criteria:

- Quick Discharge Service – to support services users to go home from hospital within 4 hours of them being medically fit.
- Approved Premises – home support within residential units which provide accommodation for offenders under the supervision of the Probation Service.
- Sensory Loss – provision of home support to service users with sensory loss including Congenital Sight and Hearing Loss, Usher Syndrome and Acquired Sight and Hearing Loss.

The Council believes that this approach will ensure that there are sufficient care hours in each geographical area to support and encourage growth with acceptable competition that will not result in destabilising the home support market. This will also ensure that there is a sufficient mix of size and number of providers (based on the proposed mix of providers above) to meet current and future demand.

The model comprises five areas as shown on the map in **Appendix One** and detailed below:

- North Area (Area 1). This is essentially everything north of the M6 motorway. This acts as a barrier in that it limits accessibility from one side to the other, so this is being used as the boundary. Area 1 is the largest in both area and weekly care hours, so has been allocated the largest number of providers. There are currently **24,700** weekly care hours in this area.
- West Area (Area 2). This is in the west of the city. Although it covers a fairly large area, the number of care hours is comparable with the other geographical areas. There isn't much in the way of direct connection between the north of this area (Perry Barr and Handsworth) and the south (Quinton and Edgbaston), the area also covers the city centre (Nechells etc.), which offers connectivity between all areas. There are currently **18,500** weekly care hours in this area.
- East Area (Area 3). This is in the east of the city, comprising everything from Alum Rock across to Shard End and down to Acocks Green. There are currently **18,000** weekly care hours in this area.
- South Central Area (Area 4). This is the south central area. It runs from Bordesley and Highgate, straight south through Moseley and Sparkhill down to Druids Heath and Hall Green. There are currently **15,600** weekly care hours in this area.
- South West Area (Area 5). This is in the south west, comprising Bartley Green across to Bournebrook, down to Kings Norton and across to Rubery. There is a natural boundary between Bartley Green at the top of this area and the wards above it, caused by Woodgate

Valley (with no roads across it), and the road network and connectivity within the area is fairly straightforward. There are currently **17,000** weekly care hours in this area.

The map in **Appendix A** illustrates the connectivity that will ensure that citizens actually have the care they require and which will in turn promote independence and support individuals to engage positively in their community. Suppliers will be able to join up streets and roads to deliver support locally and respond to local community requirements. There is also the opportunity for added social value from the supplier within local communities. The proposed model will help to ensure that the City's most vulnerable people actually receive the quality of care they require and the Council has commissioned, as opposed to potentially short and rushed calls.

The proposal will allow those providers currently providing to the local authority, who may not do so under the new arrangements, to review their business and contingency plans. This may include developing their provision to support the private market and increase the number of their citizens using a direct payment. This should mitigate the immediate impact on the care market in Birmingham and result in a managed reduction of care providers.

Should a provider under the new model have to hand back large volumes of packages to the Council, either because the provider is exiting the market, deregistration by CQC etc, the Council will make those packages available to other providers within the geographic area and the usual allocation rules will apply relating to quality. Should these providers have insufficient capacity to meet these needs, all such packages of care will be offered to the surrounding geographic areas until such time as all packages have been allocated.

SYSTEMS AND PROCESSES

The Council has undertaken a great deal of consultation with a range of professionals, who currently use the Council's commissioning systems, including providers, commissioners and social workers. This feedback, along with the further consultation results, has been used to develop a set of system requirements to enable efficient and effective operation of the new contract. The Council will procure a new IT system that can meet these requirements.

A number of interim solutions have been developed to ensure the contract can be operated from 1 April 2018 and the necessary communication and training will take place with all professionals to ensure this operates effectively.

The new system to be procured will provide a solution that is efficient; automated wherever possible; and integrated to deliver the following key functionality:

- **Provider enrolment** – an electronic process for those joining the contract to record and capture compliance with the entry criteria and ensure details remain up to date.
- **Quality rating** – an electronic method for calculating and recording provider quality ratings, using these in the tendering process and publishing these scores.

- **Tendering** – a simple system for providing care requirements to the market and for managing the tender, evaluation and contracting processes and linking these to citizens in the Council client records management system.
- **Supplier relationship management** – a single electronic record of each provider that can hold records of all provider/commissioners interactions including monitoring visits, improvement plans, offers and any correspondence.
- **Data and reporting** – reporting capability that allows the Council to manage providers at both a market and individual level and can provide appropriate public quality information.

Further solutions to be developed

- **Payments** – electronic tools to record payments accurately, to reduce the number of payment queries and to ensure providers get paid promptly and accurately for their services.

OTHER PRINCIPLES

SERIOUS INCIDENTS AND SAFEGUARDING

The Care Act 2014 Statutory Guidance makes clear that adults safeguarding responses should not be a substitute for:

- Care providers' responsibilities to provide safe and high quality care and support;
- Commissioners regularly assuring themselves of the safety and effectiveness of commissioned social care services; and
- The Care Quality Commission (CQC) ensuring that regulated providers comply with the fundamental standards of care.

Adults safeguarding is therefore not intended to replace either existing governance structures or the effective management/oversight of commissioned social care services, but to supplement and support these arrangements to ensure a safety net is in place for all. The Council will continue to work with NHS and other commissioners across Birmingham, to develop an approach to the reporting of serious incidents and safeguarding alerts that:

- gives better oversight of quality concerns to commissioners.
- offers providers the ability to own, investigate and learn from quality issues and serious incidents.
- ensures providers receive appropriate support and training in investigating and reporting concerns and incidents
- mandates that all quality issues, serious incidents and safeguarding incidents will be reportable

- ensures sustainable improvements in quality and information sharing.

A similar approach and response will apply to the safeguarding of disabled children which will be managed by Birmingham Children's Trust.

ELECTRONIC CALL MONITORING

To ensure that future invoicing, variation and payments processes are as efficient and prompt as possible, the Council will require all providers of home support to implement an electronic call monitoring system by 1 April 2018. The Council will not specify an individual system for use but will require providers to submit regular performance data.

OPEN BOOK ACCOUNTING

Given the significant sums of public money spent on adult social care across Birmingham and the critical nature of these public services, the Council is keen to increase the transparency of payments, performance and rate of return made by providers and also to offer support to providers in reducing costs and increasing efficiency where possible.

Transparency of operational and financial performance will be a fundamental condition of doing business with the Council. The Council require all providers to regularly submit details of the cost of their service. Reporting standards and tools will be proportionate and recognise the size of some of the organisations that deliver adult social care across the city. This will be at least an annual data collection exercise.

OUT OF CITY PLACEMENTS

All new placements from 1 April 2018 that are outside of the Birmingham City Council boundary, will have regard to the cost of care in that area. Birmingham City Council will therefore match the host Local Authority rate for care where it is possible to establish this. Not all Local Authorities have a usual or fixed rate, although Birmingham City Council will use all reasonable endeavours to establish this. Where this is not possible, the Council will apply its fixed fee and top-ups may apply. On this basis, there will be no automatic fee increase provided to out of city providers.

The quality rating of providers based outside of Birmingham will be based principally on the latest CQC inspection rating and any other intelligence and feedback available from local commissioners.

DIRECT PAYMENTS AND HOME SUPPORT

The Council will review the rate for use of a home support agency in line with the price increase methodology. This will ensure that those citizens with assessed eligible care and support needs that use a care agency to meet their needs using a Direct Payment, can continue to do so.

JOINT FUNDED PLACEMENTS

The Council currently commissions a number of placements for citizens with a Learning Disability that have both health and social care support needs. These placements, although commissioned by Birmingham City Council, may be jointly funded by the Council and the relevant Clinical Commissioning Group. Any such placements may be made under the new contract.

TWO-CARER CALLS

As part of the Council's commitment to commission better social care services, we will be considering the use of equipment to meet care needs by arranging for only one carer to visit, rather than two. The advantages of this approach are that fewer people will have to visit each citizen and there may be more flexibility in when visits can be arranged. It should also save money and enable professional carers to support more service users.

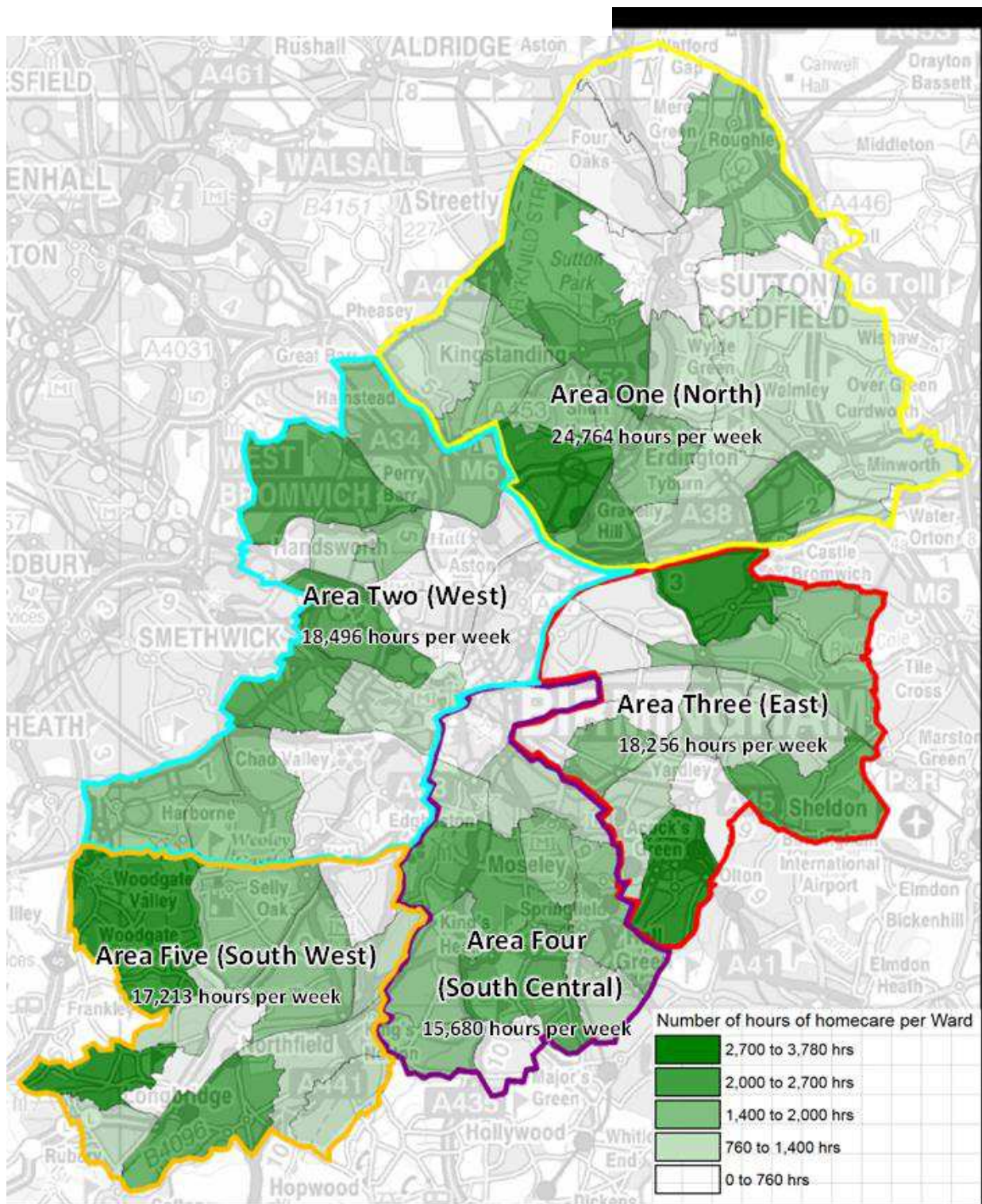
To assess whether individual's will benefit from the new equipment, a qualified Health and Care Professions Council (HCPC) registered Occupational Therapist from Birmingham City Council will visit all citizens to conduct a risk assessment where a two-carer call has been identified during an assessment.

If following the risk assessment, the Occupational Therapist thinks that other changes are required to a care package then they will recommend that a re-assessment is undertaken.

6. PERFORMANCE FRAMEWORK

A performance framework will be developed to monitor delivery of the proposed approach against the aims set out in section 2 above.

Appendix A – Map of Geographic home support model



Based upon the Ordnance Survey 1:250000 scale map with the permission of the Controller of Her Majesty's Stationery Office and Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. Birmingham City Council Licence No. 100021326/2004