

CAMBRIDGESHIRE COUNTY COUNCIL’S PSEUDO DYNAMIC PURCHASING SYSTEM FOR INDIVIDUAL SERVICE FUND SERVICES
Councillor John Howard, Cabinet Member for Adult Social Care, Health, and Public Health
September 2022
Deadline date: N/A

Cabinet portfolio holder: Responsible Director:	Councillor John Howard: Adult Social Care, Health, and Public Health Will Patten: Commissioning Service Director
Is this a Key Decision?	YES If yes, has it been included on the Forward Plan: YES Unique Key decision Reference from Forward Plan: KEY/12SEP22/03
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO
Is this a project and if so, has it been registered on Verto?	NO

RECOMMENDATIONS
<p>The Cabinet Member is recommended to authorise</p> <ol style="list-style-type: none"> 1. Peterborough City Council to utilise Cambridgeshire County Council’s Pseudo Dynamic Purchasing Services (DPS) Agreement for the Provision of Individual Service Funds (ISF) Services to purchase ISF Services up to the value of £6,000,000 (six million pounds). 2. the Executive Director, People & Communities to enter into the required call off contracts following the competitive process, as required under the DPS, with the successful provider who has been selected to deliver the Services

1. PURPOSE OF THIS REPORT

1.1 This report is for the Cabinet Member to consider exercising delegated authority under paragraph 3.4.3 and 3.4.6 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (a).

2. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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3. BACKGROUND AND KEY ISSUES

3.1 An Individual Service Fund (ISF) is one way in which a person can receive their personal budget and provides an alternative to a managed provision from Adult Social Care or a direct payment. An individual service fund is a monetary payment, paid to an organisation (provider), in order to plan and meet some or all their eligible care and support needs. It is widely acknowledged that people often enjoy a greater quality of life when they are able to remain at home for longer. This is PCC's preferred method of support. Individual Service Funds support people in Peterborough to do this.

In June 2021, P&C JCB approved implementation of Individual Service Funds in East Cambridgeshire and Peterborough, with support from Self-Directed Futures Ltd.

Self-Directed Futures Ltd transform approaches of commissioning. They facilitate workshops and provide training and guidance around self-directed services such as Individual Service Funds.

Since June 2021, four training modules have been conducted by Self Directed Futures and several project team meetings have taken place, as well as numerous discussions with multiple teams at PCC and CCC around implementation.

In order for referrals to be made to organisations to hold the Personal Budget of individuals identified by practitioners as eligible and suitable for an Individual Service Fund, a group of trusted providers, who fully understand the proposal and what is expected in terms of personalised care and support planning with maximum choice, flexibility, and control by the ISF holder, must be onboarded following best procurement practices and current legislation.

The original proposal was for a letter of variation to be issued to providers already on PCC's Home Care Framework, but this was found to be inappropriate because other types of providers are also keen to engage with PCC relating to ISFs and the nature of the activity is materially different from the specifications of the Home Care Framework.

Cambridgeshire County Council has procured a new DPS (see The Find a Tender Service Notice: [21129 Cambridgeshire and Peterborough Individual Service Funds - Find a Tender \(find-tender.service.gov.uk\)](https://www.find-tender.service.gov.uk/notice/21129-Cambridgeshire-and-Peterborough-Individual-Service-Funds-Find-a-Tender)) for a term of 3 plus 2 years for the ISF with the following characteristics:

- CCC Procurement will manage the initial set-up of the DPS, on behalf of CCC and PCC. The DPS will be between the following selected providers and Cambridgeshire County Council. Peterborough City Council has the authority to call off from the DPS and the budget for these anticipated services (required by PCC) is around £17.7 million, for the maximum duration of 5 years. The

Adult Social Care Commissioning Long Term Care Team will manage the DPS on an on-going basis, including the onboarding of new Providers.

- The call-off process will be based on service user choice. Brokerage will be involved in the referral process and service users, identified by social workers as suitable for an ISF, will receive information on a range of ISF providers who are on the DPS and operate in their area, enabling them to make a personal choice of preferred provider. Call off value cannot be assumed, at this stage, as this will vary, dependent on the care and support needs of individuals. Each time a call off contract is required, the Executive Director, People and Communities will authorise these by signing a Director's Contract Award Record.

It was excellent opportunity to employ co-production techniques by inviting a service user representative (identified during recent co-design events held in East Cambridgeshire under *Care Together: Happy at Home*) who took part in the evaluation of bids, as they have already fed into development of service specifications.

The DPS is made up of two Lots:

Minimum standards (including but not limited to):

Lot 1 – Providers of Care

- CQC Rating of Good or Outstanding
- Previous experience (evidence of personalised care and support planning/delivery).

Lot 2 – Brokers of Care (including but not limited to):

- Previous experience (evidence of personalised care and support planning).

Providers of Care are:

- Affinity Trust
- Allied Health Services Limited
- APT Care Limited
- Bloomsbury Home Care LTD
- Care UK 247 Home Care LTD
- Cera Care Operations LTD
- DIAL Peterborough
- Hales Group Limited
- The Edmund Trust

Cambridgeshire County Council intend to reopen the DPS every 4 months to allow for interested Providers to become Individual Service Funds Providers.

4. CONSULTATION

4.1 None

5. ANTICIPATED OUTCOMES OR IMPACT

5.1

CCC's DPS for ISF Services means CCC has entered a contractual relationship with trusted ISF providers which permits PCC the authority to utilise the DPS in order for it to offer greater personalisation, choice, control, and flexibility to people with eligible care needs, whilst meeting our statutory obligations and complying with best practices in terms of safeguarding and quality of care.

6. REASON FOR THE RECOMMENDATION

6.1 Southwark Council Commissioning Manager, Chris Dorey provided the following evidence for savings when the provider Choice Support suggested ISFs:

Their block contract was worth £6.5 million covering 83 people with learning disabilities across a range of settings. It was converted to 83 ISFs with 83 personalised support plans. This resulted in £1,795,073 savings over a three-year period.

Savings were made because individualised support plans enabled traditional services to be de-commissioned:

- *Waking-nights were removed from 11 services (29 people) making Southwark 'waking night' free*
- *There was increased use of Assistive Technology*
- *21 care homes were de-registered*
- *The hourly support rate came down as staffing costs reduced*
- *Local and central overheads were reduced to 15% of ISFs as various offices were not needed*

Additional things happened:

- *A Shared Lives service was established*
- *Pooling personal budgets was encouraged*
- *More personal assistants were introduced*

Research by *Animate* (on ISFs in Glasgow) showed that, over a period of five years, the costs of support had reduced by 44%. Further research on the use of ISFs by *Choice Support* showed a cost reduction of £1.79 million (30%) over four years. This was combined with multiple outcome improvements, as identified by people, families, and professionals (including quality of life, control over life, range of choice, involvement in community life, quality of support, privacy, communication, safety, independence, sense of direction, skills for daily living, freedom, and friendships). As Figure 5.1 below shows, 62% agreed that savings had been made without harm to quality of life, with less than 2% disagreeing.

Both reports suggest that big quality improvements can be combined with cost reductions, and this means that the overall efficiency improvements are significantly higher than 30%. However, it is important to note that these efficiencies were only achievable by allowing the service provider to lead the process of change and innovation and the changes took several years to achieve. Improved efficiency was not achieved by cutting salary rates, but by working with individuals to help them achieve better lives.

The process of calling off from CCC's DPS for ISF Services and entering into a call off contract with the successful bidder is a compliant procurement process and enable the Council to fulfil its duties placed on it under the Care Act 2014, whilst also complying with the Public Contract Regulations 2015.

7. ALTERNATIVE OPTIONS CONSIDERED

7.1 Option 1 – Single source – Carry out an Open Tender

Not recommended because CCC & PCC want to commission a variety of providers to deliver ISFs. This option would not allow for a sufficient capacity and diversity of providers, so would not enable a more place-based approach.

Option 2 – Carry out a process to award a Closed Framework

Not recommended because the Project Team wants to on-board new providers during the lifetime of the arrangement. This is a developing service and market, so it is certain that there will be new entrants as providers grow their capabilities and engage with the ISF approach.

Option 3 – Set up PCC's own Pseudo Framework)

Possible option – this would allow the onboarding of providers during the lifetime of the Framework. It would open in rounds, meaning providers could apply at certain times to join the Framework. However, due to the personalisation agenda and client's freedom to choose, this option would not be as flexible as option 4. Also, CCC has already carried out a compliant procurement exercise and PCC has the authority to call off from CCC's DPS.

Option 4 – Pseudo DPS

Recommended option – we need to have the flexibility to onboard new ISF providers at any time as and when a service-user indicates a preference for a given provider, assuming all criteria are met. The service user will have the ability to choose the provider to deliver the ISF Service once the referral process has been followed, in accordance with the call for competition under CCC's Pseudo DPS

8. IMPLICATIONS

Financial Implications

8.1 Set-up/Implementation:

PCC: Creation of PrePaid Card scheme/programme, £2,000

PCC: Serco RAPT, Brokerage & DP staff training sessions; internal cost but lost productivity of ~30 hours

PCC: Social Care staff training sessions, internal cost, but lost productivity of X hours

CCC: Creation of PrePaid Card scheme/programme, £2,000

CCC: Social Care staff training sessions, internal cost, but lost productivity of X hours

CCC: AFT Finance staff training sessions, Brokerage and DPMOs; internal cost but lost productivity of ~ 50 hours

Operating Costs:

PCC: Additional resource in PCC Direct Payment Monitoring Officer function x 0.5FTE (£13,250 inc employers' costs assuming p/t role can be recruited)

CCC: Additional resource in Adult Finance Team's Direct Payment Monitoring Officer function x 1FTE (£27,500 inc employers' costs)

Legal Implications

- 8.2 PCC has the option to call off from CCC's Pseudo DPS, detailed within this report. The Pseudo DPS has been procured in accordance with the Public Contract Regulations 2015 (PCR). This will enable PCC to fulfil its duty under the Care Act 2014 whilst also being compliant with the PCR.

Equalities Implications

- 8.3 The following bullet points set out details of implications identified by officers:
- As ISFs are personalised, flexible, and conducive to greater choice and control by the service user, those with protected characteristics such as physical or learning disability, mental health needs, a rural location, will be empowered to do the things they choose to do in the place they call home.
 - Individuals living in rural communities with limited employment opportunities can be paid to deliver care and support services at a higher rate than that paid by agencies, thus enabling social mobility, income generation and increased quality of life for care workers.

Carbon Impact Assessment

- 8.5 In summary, there will be no impact to the council's or city's carbon emissions, nor will there be any environmental impact. This project will have a neutral impact on carbon emissions.

8.6 Engagement and Communications Implications

- As part of the Care Together programme in East Cambridgeshire, Individual Service Funds were discussed at co-design events with local residents, of which 2 were held in each of the following locations: Ely, Burwell, Littleport and Soham.
- The proposal was also taken to Healthwatch Carers Partnership Board and Physical Disability Partnership Board, meeting with a positive reception from those with lived experience and those on the edge of care who seek greater freedom of choice and control over how their eligible care needs are met.

9. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

- 9.1 *None.*

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

- 10.1 *None*

11. APPENDICES

- 11.1 *None.*