

Adults and Health Committee

Date of Meeting:	28 March 2022
Report Title:	Day Opportunities Flexible Purchasing System
Report of:	Helen Charlesworth-May, Executive Director of Adults, Health and Integration
Report Reference No:	AH/39/2021-22
Ward(s) Affected:	All Wards

1. Purpose of the Report

- 1.1** This report seeks approval to establish a bespoke flexible purchasing system for the future procurement of day opportunities provision for adults in Cheshire East.
- 1.2** It will operate as a common, shared marketplace for all external day opportunities placements and will seek to develop a high quality and diverse range of provision in the borough, which is one of the key objectives of the recently published Cheshire East Day Opportunities Strategy 2022-2027.
- 1.3** The development of a flexible purchasing system firmly aligns with the following priorities within Cheshire East Council's Corporate Plan 2021-25:
 - **Reduce the reliance on long term care by improving services closer to home and providing more extra care facilities, including dementia services** – it will seek to widen the offer of day opportunities for residents across the borough and in turn make the best use of existing community assets
 - **A commitment to protect the most vulnerable people in our communities** – a core specification will be produced to ensure that day opportunities services are safe, person-centred and outcome focused
 - **Increase the life opportunities for young adults and adults with additional needs** – future commissioned day opportunities will seek to

promote employment, volunteering, and skills development opportunities as an alternative to traditional day opportunities services.

2. Executive Summary

- 2.1. Establishing a flexible purchasing system for the future procurement of day opportunities provision for adults in Cheshire East will ensure that we can develop a high quality and diverse range of day opportunities provision in the borough. It will lead to an improved and wider day opportunities offer that meets future needs and supports a range of care and support needs.
- 2.2. In November 2021 the Adults and Health Committee approved the Day Opportunities Strategy, which recommended further engagement with the provider market, individuals, and families/carers to explore commissioning options for day opportunities. A flexible purchasing system will also ensure we can meet the requirements of the Care Act (2014) and the needs of local people via appropriate services and support which are identified priorities within the council's Corporate Plan 2021-25.
- 2.3. The flexible purchasing system is being co-produced to ensure that we provide the types of services that meet the needs of residents in Cheshire East. This includes people who currently access day opportunities (and may do so in the future), carers, providers, and health and social care staff.
- 2.4. A core service specification and contract will be developed along with a call off process to ensure that Cheshire East Council are achieving best value for money on all future provision, a clear focus on outcomes, personalisation, robust contract management and ensuring compliance with procurement rules and financial regulations.
- 2.5. This will be a flexible purchasing system under Part 3 Section 7 and Schedule 3 of the Public Contracts Regulations 2015, which will open periodically throughout the lifetime of the procurement. Placement finding will be undertaken by the Care Brokerage Team.
- 2.6. The proposed 'go live' date for the flexible purchasing system is 1 July 2022.

3. Recommendations

- 3.1. The Adults and Health Committee is recommended to:
- 3.2. Approve the development of a flexible purchasing system for day opportunities in Cheshire East.
- 3.3. Delegate authority to award contracts to providers for admission onto the flexible purchasing system agreement to the Executive Director of Adults, Health and Integration.

4. Reasons for Recommendations

- 4.1. Given that currently there is no consistent strategy in place across Cheshire East for the commissioning and procurement of day opportunities placements, it is recommended that a flexible purchasing system is put in

place to start to change the landscape of the day opportunities provider market.

- 4.2. We are seeking a commissioning solution that will enable existing and new providers to develop an innovative flexible approach, working together in a way that makes best use of resources, whilst ensuring that individuals are supported in the most appropriate setting that meets their care and support needs. Wherever possible this will mean individuals are supported in their own community and will promote independence and employment opportunities.
- 4.3. There are no official frameworks or service specifications for day opportunities placements. This has led to inconsistency in the approach for the commissioning of such provision. This has on many occasions required the council to pay higher costs to providers.
- 4.4. There are many benefits to developing a flexible purchasing system which include:
 - Effectiveness of market shaping and management
 - Consistency of core specification and clarity of position in respect of expectations regarding outcomes
 - Transparency and challenge, where appropriate, surrounding value for money
 - A more streamlined processes for placement finding and contract management.
- 4.5. These recommendations are made based on alignment with the following priorities within the council's Corporate Plan 2021-25:
 - Reduce the reliance on long term care by improving services closer to home and providing more extra care facilities, including dementia services
 - A commitment to protect the most vulnerable people in our communities
 - Increase the life opportunities for young adults and adults with additional needs.
- 4.6. The Care Act (2014) places a duty on local authorities to help make sure there are a range of different types of services and support available. The establishment of a flexible purchasing system will facilitate the widening of the day opportunities offer and ensure that the level of support provided meets the requirements of those with different levels of support needs.
- 4.7. The development of the flexible purchasing system will also build on the impact and learning from the COVID-19 pandemic. This presented many challenges to the delivery of day opportunities services and led to many different approaches and ideas to tackling these issues as services adapted to new and unpredictable circumstances (for more detail please see Appendix 2). Some of these new diverse ways of working have been

incorporated into the services which will be provided under the flexible purchasing system.

5. Other Options Considered

- 5.1.** One option would be to carry on with existing individual spot purchase arrangements. However, this would not solve any of the current issues around ensuring a joined up consistent approach to commissioning day opportunities placements or encourage new providers to enter the market with a more innovative approach.

6. Background

- 6.1.** Over recent years there has been limited market shaping or development around the provision for adults who access day opportunities in Cheshire East. Currently many services are still commissioned in a way which inhibits choice and flexibility; they are purchased for individuals outside of any formal commissioning framework under 'spot purchasing' arrangements.

- 6.2.** The commissioning vision is for individuals to be confident and reassured that they received the right support, in the right place, at the right price, to maximise their independence, access a range of opportunities, and build their resilience to remain healthy and safe. There is more work to be done to ensure that local day opportunities services focus on the outcomes that people want to achieve through person-centred planning and offering real choice and flexibility.

- 6.3.** The establishment of a flexible purchasing system follows the following procedure. The first stage is the selection process. All providers who meet the minimum requirements of the selection criteria would be admitted to the flexible purchasing system. Providers would be able to select which categories (Lots) - based on service types - they would like to apply to join.

- 6.4.** The proposed Lots are as follows. These have been developed based on stakeholder feedback:

- **Lot 1 – Building Based Services**
- **Lot 2 – Community Support**
- **Lot 3 – Employment, Skills and Training.**

Future Lots can be added throughout the lifetime of the contract.

- 6.5.** In the second stage, all providers who have been admitted to the flexible purchasing system will be invited to tender for each subsequent procurement. The specific (anonymised) support packages for one or more service users will be published to all providers admitted to the flexible purchasing system to bid to provide the specific services for which they are registered. The intention will be for an outcome-focussed approach to commissioning and purchasing through the flexible purchasing system, rather than setting restrictive ceilings on hourly rates or unit costs, as the latter approach can inhibit innovation and personalisation.

- 6.6.** A key benefit of a flexible purchasing system is that there is no limit to the number of providers that can be admitted, and it will open and close at specific periods (every 12 months) to allow new providers to join or re-apply. The contract length will be 5 years which enables the flexible purchasing system to develop and evolve in response to changing demand for supply of services, respond to emerging needs, any market failure, and evolving commissioning intentions.
- 6.7.** All providers who are admitted to the flexible purchasing system will automatically be offered the chance to join the Care Finder portal. This will allow any self-funder or a personal budget holder who wishes to access day opportunities the option to arrange care services with matching providers registered in the Live Well online service directory. This will provide even greater choice and control of the services that are available.
- 6.8.** The flexible purchasing system is being co-produced and developed through the collective working of Cheshire East Council and the direct involvement of day opportunities providers, people who experience day opportunities, their families, and carers. It has also had incorporated feedback from other key stakeholders including the Cheshire Clinical Commissioning Group and social workers from across Adult Social Care.
- 6.9.** The timetable for development of the flexible purchasing system is as follows:
- December 2021 - March 2022: engagement with providers, self-advocates, carers and social work teams
 - April 2022: day opportunities tender goes live on The Chest
 - May 2022: deadline for tender applications
 - May/June 2022: evaluation of bids and feedback to successful/unsuccessful providers and onboarding process
 - July 2022: go live.

7. Consultation and Engagement

- 7.1.** Extensive consultation and engagement in the development of the flexible purchasing system has been undertaken between December 2021 and February 2022 with stakeholder groups, including people who use services, families, carers, and service providers. Significant numbers of people and organisations have responded at each stage of the process.
- 7.2.** A wider engagement survey was undertaken via The Chest portal by over 30 external day opportunities providers, which included current commissioned providers and providers who may be looking to deliver services in the future. This was followed up by a virtual engagement event on 16 December 2021, with 39 providers in attendance. Feedback highlighted support for innovative approaches for delivering services differently in the future and there was widespread support to be part of any future formalised commissioning process in Cheshire East.

7.3. Virtual engagement sessions have also been held to gather further feedback from social work teams. These have been productive and have allowed social workers to input into the design of the service offer. Training and guidance will be produced before the flexible purchasing system goes live.

7.4. We are currently conducting a further survey of people who access day opportunities and their families on the proposed new model. The findings are due to be published in early April 2022 (this will be fed into the final service specification).

8. Implications

8.1. Legal

8.1.1. Given that the proposed services are classified as Schedule 3 Services and their aggregate value is above the light touch threshold of £663,540 they will need to be procured in accordance with the Light Touch Regime. Tender documents will also need to be issued along with the publication of a contract notice on the Find a Tender website.

8.1.2. The procurement is a change to the way services are currently provided and the service are engaging with stakeholders including service users to co-produce the service specification. Under the Equality Act 2010, the council is required to identify the impacts of any decisions, policies etc. on certain protected groups to ensure equality is promoted, and inequality minimised. For example, there must be an assessment made of the impacts on groups or individuals who are disabled – including mental health problems, who belong to ethnic or racial groups, on the grounds of age or sex discrimination etc. An Equality Impact Assessment (see Appendix 1) can both assist in evidencing that these equality duties are being met and inform decision taking.

8.2. Finance

8.2.1. As of 1 April 2021, Cheshire East Council currently spends £4.71m on commissioned day opportunities which support 577 individual placements (this excludes transport and food which are also separate costings for Care4CE provision).

8.2.2. The spend is broken down as follows:

- £3.37m of spend is on Care4CE day opportunities, which support 358 individuals.
- £1.34m of spend is on external commissioned day opportunities, supporting 219 individuals.
- There are 44 individuals who are getting support from both Care4CE and external commissioned providers.

8.2.3. The recommendation of this report is to approve the procurement strategy for a flexible purchasing system for external commissioned day opportunities across Adult Social Care. The flexible purchasing system will be provided,

managed and supported from existing council resources (systems and staffing) and therefore will not result in any additional budget pressures for the council.

8.2.4. The move to a flexible purchasing system will ensure value for money. Any additional cost arising from Care Packages will have to be managed within existing and planned care budget resources. However shaping the market through the introduction of the flexible purchasing system should support Adult Social Care in delivering its MTFS targets, whilst still meeting the care and support needs of individuals.

8.3. Policy

8.3.1. The Care Act (2014) places people and their carers in greater control of their care and support needs. The Act is particularly pertinent to how day opportunities provision is commissioned and how support is arranged and aims to give greater control and influence to those in need of support. This includes encouraging people to think about what outcomes they want to achieve in their lives, with a greater emphasis on prevention.

8.3.2. The future strategic vision for day opportunities in Cheshire East firmly aligns to the following priorities within the council's Corporate Plan 2021-2025:

- Reduce the reliance on long term care by improving services closer to home and providing more extra care facilities, including dementia services
- A commitment to protect the most vulnerable people in our communities
- Increase the life opportunities for young adults and adults with additional needs.

8.4. Equality

8.4.1. An Equality Impact Assessment has been completed and subsequently updated following the production of the Day Opportunities Strategy (Appendix 1).

8.4.2. Procuring services with an official commissioning strategy (Day Opportunities Framework) rather than existing practices, will increase choice and control. Also, by further enabling the use of a personal budget to purchase day opportunities support, this will help ensure services are designed around individual needs and preferences. This will include needs and preferences which are related to protected characteristics.

8.5. Human Resources

8.5.1. No human resources implications are expected as a result of developing the flexible purchasing system.

8.6. Risk Management

8.6.1. The identified risks and mitigation are:

Resistance to new services or changes to existing services from carers and people who access day opportunities

- Support carers and people who access day opportunities and keep them informed about any new services or changes to existing services
- Ensure co-production of any new services with people who access day opportunities and their carers.

Negative impact on existing friendships and support networks from changes

- Aim to maintain and support existing friendship groups wherever possible.

Demand for adult social care packages of support continues to rise outstripping the impact of a more cost-effective model of delivery

- We also need to ensure that any new models can absorb any potential growth in the number of individuals coming through transition and a potential increase in demand from those with dementia accessing day opportunities.

Potential of a further resurgence of COVID-19 impacts on the numbers who attend day opportunities

- Day opportunities services are being supported by colleagues in Public Health and the NHS, who have provided infection control audits and training to day opportunities services to help minimise the risks to people who access day opportunities and staff.
- If building based services were unable to operate, we would mitigate this via the already well established implementation of virtual support sessions and outreach support where necessary. Systems are in place to ensure services would be supported for appropriate PPE.

8.7. Rural Communities

- 8.7.1.** The development of a flexible purchasing system will seek to promote the availability of day opportunities provision that can be accessed easily by people in rural communities across Cheshire East.

8.8. Children and Young People/Cared for Children

- 8.8.1.** Whilst there are no direct implications for children and young people, it is proposed that the move to a more personalised offer will create a wider range of enabled services which will be more attractive to young people preparing for adulthood than at present. Providers would then be able to enter work around transitions to ensure a seamless journey for these individuals.

8.9. Public Health

- 8.9.1.** Through continued joint working with the Public Health Team and Primary Care services, day opportunities providers will continue to promote healthy lifestyles with people who access day opportunities. The development of a

community hub style approach to service delivery in the future will enhance this further.

8.10. Climate Change

8.10.1. Ensuring a more personalised range of services for day opportunities may have a positive direct impact on carbon reduction measures, by reducing the number of journeys to building based services by both staff and people who access day opportunities. It will also reduce the electricity and gas usage required to support building based provision if more support is being delivered in community settings over time.

Access to Information	
Contact Officer:	Mark Hughes, Senior Commissioning Manager mark.hughes@cheshireeast.gov.uk
Appendices:	Appendix 1 – Equality Impact Assessment – Day Opportunities Strategy Appendix 2 – Day Opportunities – Challenges and Learning from COVID-19
Background Papers:	Cheshire East Corporate Plan 2021-2025 Cheshire East Day Opportunities Strategy 2022-2027