

Birmingham City Council

Report to Cabinet

13 December 2022



Subject: REGULATED ADULT SOCIAL CARE COMMISSIONING STRATEGY - CARE HOMES, SUPPORTED LIVING AND HOME SUPPORT SENSORY LOSS 2023+

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Relevant Cabinet Member: Cllr Mariam Khan - Health and Social Care
Cllr Yvonne Mosquito - Finance & Resources

Relevant O & S Chair(s): Cllr Mick Brown - Health and Social Care
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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 010717/2022		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential: N/A		

1 Executive Summary

- 1.1 This report sets out a revised Commissioning Strategy for the Regulated Adult Social Care Sector to ensure that the Council's statutory duties to meet care and support needs and to have a diverse range/quality of services available for citizens under the Care Act 2014 can be met.

2 Recommendations

- 2.1 That the Cabinet is recommended to:
- 2.2 Approve the Regulated Adult Social Care Commissioning Strategy 2023+ in **Appendix 1**.
- 2.3 Approve the Procurement Strategy for Home Support Sensory Loss in **Appendix 2**.
- 2.4 Approve the Procurement Strategy for Care Homes (with and without nursing) and Supported Living services in **Appendix 3**.
- 2.5 Approve commencement of procurement activity, including the use of the Adults CareMatch Portal to conduct the procurement, to establish an electronic system to give commissioners access to a pool of pre-qualified providers of home support sensory loss, supported living and residential care (with and without nursing) services.
- 2.6 To delegate authority to the Strategic Director of Adult Social Care and Health in consultation with the Strategic Director of Council Management (or their delegate) and the City Solicitor (or their delegate) to appoint the successful providers to the CareMatch Portal.
- 2.7 To delegate the award of call off contracts for these services to the Directorate of Adult Social Care, the Director of Commissioning and the Head of Commissioning (Adult Care).
- 2.8 To delegate any modifications, to the electronic system or contracts, to the Directorate of Adult Social Care, the Director of Commissioning and the Head of Commissioning (Adult Care), including the annual setting of fees in line with the Commissioning Strategy and the Council's revenue budget and Medium-Term Financial Plan.
- 2.9 To delegate the recommissioning of Home Support Approved Premises to the Director of Adult Social Care and Health in consultation with the City Solicitor (or their delegate) and the Assistant Director – Procurement (or their delegate) via a contract variation to the Home Support – Prisons contract.

3 Background

- 3.1 The Council has a range of statutory duties and powers under the Care Act 2014 to assess the needs of citizens for care and support and commission a range of services that meet these needs. The Council currently commissions a wide range of regulated care and support services under the 2017 Commissioning Strategy approved by Cabinet.
- 3.2 The Council commissions care and support on behalf of almost 13,000 service users with eligible needs each year and the Council currently contracts with over 1100 independent care providers to deliver these statutory services, both within and outside of Birmingham.

- 3.3 The following contracts are currently within scope of the 2023+ Commissioning Strategy and the subject of this decision/report:
1. Flexible Contracting Arrangement – Care Homes and Supported Living from 1/5/18 – 30/4/23
 2. Framework Agreement – Home Support Sensory Loss from 1/5/18 – 30/4/23
- 3.4 Adult residential care is provided for those citizens who are over 18 and unable to live independently in their own home. Residential care is usually separated into two categories:
- Homes registered with the Care Quality Commission (CQC) to provide personal care - these homes are able to provide personal care services similar to those provided by home support but are delivered in a permanent care home setting. These are referred to as Residential Care (without nursing) and the regulation and commissioning is of both the care and support and accommodation.
 - Homes registered with the CQC to provide nursing care - these homes are able to provide personal care services but also have registered nurses to provide care for medical conditions or disabilities. Some nursing homes may also specialise in providing care for certain disabilities or conditions such as dementia. These are referred to as Residential Care (with nursing) and the regulation and commissioning is of both the care and support and accommodation.
- 3.5 Supported Living - any references within this report and associated documentation to 'supported living' relate to the Care Quality Commission's definition which means "schemes that provide personal care to people as part of the support that they need to live in their own homes. The personal care is provided under separate contractual arrangements to those for the person's housing. The accommodation is often shared but can be single household. Supported living providers that do not provide the regulated activity 'personal care' are not required by law to register with CQC".
- 3.6 Home Support Sensory Loss services for adults provides care in the citizen's home and can include help with the following:
- personal care including washing and dressing
 - housekeeping or cleaning
 - cooking and preparing meals
 - taking medications or health care needs; and
 - companionship or activity- based support.
- 3.7 The services outlined in 3.3-3.6 are currently regulated by the Care Quality Commission (CQC) under the Health and Social Care Act 2008 and associated

Regulations. This level of regulation provides assurance to the Council - and providers commissioned to deliver the services within the scope of this Commissioning Strategy 2023+ will continue to be required to be registered with the CQC.

3.8 There are other regulated adult social care services commissioned by the Council under the current Commissioning Strategy (2017), however these are **not within scope of this decision/report** as follows:

- General Home Support (all ages) – these contracts have been extended until 7/4/24 and are not currently due to be recommissioned. The current intention is to jointly commission these services with our NHS partners in 2024.
- Home Support Approved Premises – whilst this service was included in the previous Commissioning Strategy 2017 and associated contracts, there have only been 6 citizens supported by this service since 2018. The Council already commissions a Home Support – Prisons service which provides personal care to citizens with care needs in Prison settings. The Home Support - Approved Premises service provides personal care for citizens with care needs in registered housing specifically for ex-offenders in the community. It is therefore proposed to vary the current Home Support – Prison's contract to support citizens in Approved Premises in future. The procurement implications are set out in 7.4 and alternative contractual options set out in Section 4.
- Home Support – Quick Discharge and Quick Intervention Service – these contracts have been extended until 5/6/24 and are not currently due to be recommissioned. Discussions remain ongoing with NHS partners about this service in the context of the nationally mandated Discharge to Assess model.

3.9 The current contracts in scope (as per 3.3) have been extended until 30/4/23 and there are no further opportunities for extension under the Regulated procurement process followed in 2017/2018.

3.10 In 2017, the Council embarked on a significant change to the way regulated adult social care services were commissioned. This approach was consulted on widely with citizens, providers and partners and the final Commissioning Strategy was approved by Cabinet in December 2017.

3.11 Since this time, the Council, providers and partners have worked closely to mobilise the services and embed the necessary changes in the market. Furthermore, as widely publicised nationally, the sector has been significantly affected by the Covid-19 pandemic.

3.12 The 2017 Commissioning Strategy has largely served the Council, partners and providers well. The following summarises some of the key outputs and outcomes from the 2017 Commissioning Strategy:

- 75% of citizens are now supported by either Gold or Silver quality rated providers.
- Council Officers have worked with over 25 Inadequate providers since May 2018 to either improve or decommission their services safely.
- The Council has invested over £40m in the sector in annual fee increases since 2018, including increasing around 85% of care home packages at the start of the new contracts.
- Implemented an open book fee process for younger adult placements with robust commissioner challenge and engagement with providers in relation to their costs.
- Developed and implemented three cost of care exercises (some were paused due to the Pandemic) to review fees and set the Council's regulated adult social care budget.
- Improved relationships between providers and commissioners, with regular opportunities for dialogue and a named commissioner for every care provider.
- The geographic approach to commissioning has improved relationships amongst providers, allowed linkages with other local provision/support and ensured commissioners are closely aligned to local social work teams.
- All packages of care are now allocated based on the quality rating of the provider, rather than focussing on the cost of care.
- There has been an increase in citizen satisfaction and use of citizen feedback in our commissioning processes.
- We have implemented a new IT solution which has saved the Council over £400k per annum and has improved the speed and efficiency of identifying care providers for citizens.
- We now have in place contracts and quality assurance of younger adults' care homes and supported living provision and are working closely to improve the quality of services across the market.

3.13 Given; the benefits of the current arrangement; the recent impact of the pandemic on the sector; and ongoing cost and staffing pressures in a highly regulated market, a light touch refresh of the 2017 Commissioning Strategy has taken place. The focus of this has been to build on the success of the current strategy and bring the content up to date, with an ongoing focus on quality.

3.14 The Commissioning Strategy 2023+ in **Appendix 1** outlines our ongoing approach to the commissioning of social care and provides a framework for the future commissioning of services that will support us to achieve our key aims to:

1. Improve outcomes
2. Improve quality; and

3. Improve resilience and sustainability of the wider health and social care system.

3.15 The benefits of the Commissioning Strategy 2023+ are detailed below:

Aim 1: To improve outcomes

- 3.16 The Council will continue to commission high quality services to ensure better outcomes for service users.
- 3.17 The quality rating system will ensure informed choice can be made, giving service users and their family's choice and control over the services they receive.
- 3.18 The ongoing approach to pricing will stabilise the care sector and ensure it remains sustainable (taking into account any outcomes from the national Market Sustainability and Fair Cost of Care requirements which is described in more detail in 7.2), with fees paid by the Council, keeping pace with a number of significant cost pressures in the market - as allowed for by the Council's budgetary position. This will ensure better continuity of care for service users and allows providers to invest in the quality of their services.
- 3.19 The Council has set out clear quality standards that all care providers are expected to meet. This will set a benchmark against which service users can assess the quality of services they are receiving.
- 3.20 The inclusion of service user, family and carer feedback about the quality of services received will mean that this information is used to inform future commissioning decisions for other services users, again giving choice and control to service users.

Aim 2: To improve the quality

- 3.21 The framework will continue to provide an incentive to care providers to improve the quality of their services and also to be clear about how this should be achieved.
- 3.22 There will be a transparent quality rating system to inform service user choice but also to share with other commissioners and to inform decision-making across the health and social care system locally and regionally.
- 3.23 The Integrated Quality Assurance Framework will continue to provide a clear focus on quality, aligning resources and outcomes across health and social care. This will include a range of support for the sector to help them to deliver the best possible service.
- 3.24 Clear quality standards and tools will allow robust contract management.
- 3.25 The integration of customer feedback will drive up the quality of services, based on real service user experiences.
- 3.26 The quality rating system will increase the accountability of providers to both the Council and service users.

Aim 3: To improve the resilience and sustainability of our health and social care system

- 3.27 The Council will continue to contract with a range of providers which will improve the resilience of the market.
- 3.28 The Council's fixed fee or Guide Price (for younger adults care homes) will:
- Allow Birmingham City Council to plan both financially but also in terms of the types and volumes of services needed in future.
 - Enable care providers to plan and invest in the quality of their service, as they will know how much they can expect to be paid by the Council.
 - Be transparent and fair.
 - Keep pace with significant price pressures in the care market to ensure sustainability in future - within the constraints of the Council's revenue budget.
- 3.29 This proposal provides ongoing investment to the care market over the life of the contract, allowing investment and for the Council to work with care providers to tackle poor quality.
- 3.30 The Council will continue to work with our partners to develop an ongoing programme of support to the sector – including improving clinical support, supporting recruitment and retention, a package of targeted support to improve services and a wide-ranging training offer.
- 3.31 We will support young people entering the care sector through ongoing implementation of the Birmingham Care Wage.
- 3.32 All of the proposals will ensure the market is developed and reshaped to enable it to be transformed as we prepare for further integration across our health and social care system and for wider Social Care Reform.
- 3.33 The Adults Directorate has a bespoke IT solution (the CareMatch Portal) that is in use to operate the contracts for the services in scope of this report. Using this system allows successful providers to be passported directly through to our micro-procurement module. This system is then used to manage call-offs from the contract in the forms of individual packages of care for citizens. These call-offs are to meet the Council's statutory duty to meet care and support needs under the Care Act and the system allows new provision to be offered to citizens. The integrated procurement and micro-procurement modules, also interfaces with the Council's care records system (Eclipse) and payment systems (CareFirst and Oracle). Work has been underway for many months with all relevant IT suppliers to stress-test the systems and ensure a smooth transfer of data to meet statutory duties when new contract commence on 3 April 2023.

4 Options considered and Recommended Proposal

- 4.1 There are a number of elements to the proposal, so the number of alternative options are considerable. However, for the purposes of this report, these have been summarised based on the key considerations of the contractual nature of the relationship with care providers.
- 4.2 There are broadly four alternative contractual options to the arrangements proposed in the Commissioning Strategy in **Appendix 1**:
- 4.3 **Option 1** - Do nothing. This has been discounted because current arrangements come to an end on 1 May 2023. The future approach to commissioning of these essential services requires planning, development and ongoing investment as described above and to do nothing would put the Council at significant risk of destabilising the care market and being unable to meet its statutory duties to provide care.
- 4.4 **Option 2** – to extend the contract period for existing contracts – The Council let and advertised these contracts for a maximum period of 5 years – subject to satisfactory performance. This period has now elapsed, and no further extensions are possible under the Public Contracts Regulations 2015 and this option has therefore been discounted.
- 4.5 **Option 3** – Use a select list of providers and spot purchase individual packages of care and support - This option has been discounted for the same reasons as Option 1.
- 4.6 **Option 4** – Move to block contracted provision - Although the Council does still have a very small number of block-contracted providers (who offer the Council surety of supply), the Council has already reduced its reliance on block contracted provision, including internal Council operated provision. This has allowed us to provide choice for citizens (as required under The Care and Support and After-care (Choice of Accommodation) Regulations 2014) as well as to facilitate competition and to meet changes in demand for regulated adult social care services over time. This option has therefore been discounted.
- 4.7 **Option 5** - extend the scope of a new flexible contract with providers to cover the majority of other commissioned services such as day care, respite, all age groups and/or include provisions for NHS services such as Continuing Health Care. - This option has been considered however, the Council is keen to increase the number of citizens who direct and control their own care through the use of mechanisms such as Direct Payments. There is therefore limited benefit in incorporating all services, into a future contract, as this may undermine the Council's approach in this area. Furthermore, Commissioning arrangements with the NHS have identified an intention to move towards joint commissioning of regulated adult social care, however due to the recent establishment of the Integrated Care Boards/Systems and the need for new contracts to be in place for March 2023, there is insufficient time for joint

commissioning. Current commissioning intentions are for the joint commissioning of home support services from 2024.

- 4.8 In relation to the Home Support – Sensory Loss services, learning from the current commissioning arrangements has identified that although there are 41 current providers registered to provide this service, many of them do not have the specific skills and experience needed to effectively support citizens with sensory loss. Added to this, the fact that demand for this service is very low, with currently only 3 citizens in receipt of a commissioned service, we have considered options that address these issues. The Procurement Strategy in **Appendix 3** sets out the approach to awarding contracts only to those providers with the relevant expertise and experience. The following options were considered and rejected:

- 4.8.1 **Option 1** - Do nothing. This has been discounted because current arrangements come to an end on 1 May 2023. To do nothing would put the Council at significant risk of destabilising the care market and being unable to meet its statutory duties to provide care.
- 4.8.2 **Option 2** – to extend the contract period for existing contracts – The Council let and advertised this contract for a maximum period of 5 years – subject to satisfactory performance. This period has now elapsed and no further extensions are possible under the Public Contracts Regulations 2015 and this option has therefore been discounted.
- 4.8.3 **Option 3** – Spot purchase individual packages of care and support - This option has been discounted because it will not be compliant with the Council's Finance, Procurement and Contract Governance Rules.
- 4.8.4 **Option 4** – Move to block contracted provision – Due to the number of referrals for this service (10 since 2018) it would not offer the Council value for money to enter into a block contract. The volume of commissioned care required to make this financially viable for providers, would significantly outweigh the cost of the individual care packages. This option has therefore been discounted.

- 4.9 In relation to the Home Support – Approved Premises services, learning from the current commissioning arrangements has identified that although there are 49 current providers registered to provide this service, demand for this service is very low, with no citizens currently in receipt of a commissioned service. Permission is therefore being sought to vary the Home Support – Prisons contract as set out in 3.8 above, however the following options were considered and rejected:

- 4.9.1 **Option 1** - Do nothing. This has been discounted because current arrangements come to an end on 1 May 2023 and would not allow the Council to discharge its statutory duties to provider care and support for those leaving prison.

- 4.9.2 **Option 2** – to extend the contract period for existing contracts – The Council let and advertised this contract for a maximum period of 5 years – subject to satisfactory performance. This period has now elapsed and no further extensions are possible under the Public Contracts Regulations 2015 and this option has therefore been discounted.
- 4.9.3 **Option 3** – Spot purchase individual packages of care and support - This option has been discounted because it will not be compliant with the Council's Finance, Procurement and Contract Governance Rules.
- 4.9.4 **Option 4** – Move to block contracted provision – Due to the number of referrals for this service (6 since 2018) it would not offer the Council value for money to enter into a block contract. The volume of commissioned care required to make this financially viable for providers, would significantly outweigh the cost of the individual care packages. This option has therefore been discounted.

5 Consultation

- 5.1 The 2017 Commissioning Strategy was widely consulted upon in 2017. As there are minimal changes to the Commissioning Strategy 2023+ and based on legal advice, further consultation was not required.

6 Risk Management

- 6.1 Due to the scale of this procurement both in relation to the number of services users impacted and also the Council's expenditure on these services, the potential risks do need to be considered. However, the light touch review of the Commissioning Strategy should have mitigated the majority of these i.e. the approach is largely the same as the current arrangements.
- 6.2 The most significant risk to the implementation of the Commissioning Strategy 2023+ is if providers chose not to sign up to the new contract, resulting in insufficient supply to meet demand. However, given that the Council already has over 1100 in-scope providers signed up to our existing contracts we are confident that - with a strong communication plan – the majority of these providers will sign up to the new contracts. Given the minimal amount of change and the large number of existing providers, Commissioners are confident that providers will sign up to the new arrangements.
- 6.3 There are currently 114 providers who either; have historic agreements with the Council; who did not sign up to the new contracting arrangements; or who were unsuccessful and due to be decommissioned. Targeted communication will take place with these providers to ensure they are aware of the benefits of the new contract and the risks if they do not sign up this time around.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

7.1.1 Birmingham City Council has a clear vision for Birmingham, which is to create 'a city of growth where every child, citizen and place matters'. This vision, along with the Council's strategic outcomes and priorities, is described in its latest Council Plan 2018 – 2022 (published in June 2018) and are:

- Birmingham is an entrepreneurial city to learn, work and invest in
- Birmingham is an aspirational city to grow up in
- Birmingham is a great city to live
- Birmingham is a fulfilling city to age well in
- Birmingham residents gain the maximum benefit from hosting the Commonwealth Games
- Birmingham is a city that takes a leading role in tackling climate change

7.1.2 The aim of adult social care in delivering the Council's vision and the wider context is to protect and empower the most vulnerable citizens. This means supporting vulnerable people to maximise their independence, health and wellbeing, whilst ensuring that publicly funded care and support provides value for money for Birmingham citizens and is provided only when it is really needed.

7.1.3 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 Strategy comprises eight key elements:

- 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.
- 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.
- 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.

- 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.
- 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.
- 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.
- 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.
- Social Justice - Services should seek to improve social justice by tackling the reasons for discrimination and creating opportunities for all citizens.

7.2 Legal Implications

- 7.2.1 Under Section 8 of the Care Act 2014, a local authority can discharge its duty to meet assessed eligible need for care and support under sections 18 to 20 of the Act, by providing care and support at home or in the community or goods or facilities and the local authority can provide these by arranging for them to be provided by another person or body other than the local authority.
- 7.2.2 The Council is enabled, by Section 111 of the Local Government Act 1972, to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The Council therefore has a general power to enter into contracts for the discharge of any of its functions.

7.3 Financial Implications

- 7.3.1 It is estimated that £207m will be spent through the proposed contracts annually (i.e. on care homes, supported living and home support sensory loss), funded from the Adult Social Care budget.
- 7.3.2 The Council has already moved to a largely fixed fee (with the exception of the Guide Price/Open Book process for younger adults care homes) to allow for better financial planning and certainty for care providers and the Council alike.
- 7.3.3 There are robust financial savings plans across the Adult Social Care Directorate and these are largely focussed on reducing and delaying the demand for services and supporting independence, choice and control. The

contracts that are in scope of this decision, provide maximum flexibility to meet these changes in demand.

7.3.4 The amounts in Table 1 below shows the budget for services in scope over the next 3 years and assumes:

- Total Demand budget growth of £9.4m year on year apportioned by 22/23 budget
- Savings of £3.7m in 23/24
- Further savings of £5.2m in 24/25
- No further savings in 25/26

7.3.5 The budget estimates provided above and in tables below are subject to approval by Cabinet in February 2023 as part of Medium-Term Financial Planning process (MTFP). The recommendations in this paper will take into consideration affordability within the final approved budget for Adult Social Care Directorate.

7.3.6 The figures in Table 1 below do not take into account any fee increases required as part of the Market Sustainability and Fair Cost of Care Fund as summarised in 7.4.13 – 7.4.15. This ringfenced grant can only be used to prepare the care market for reform of the adult social care system and to increase fee rates paid to providers. It cannot be used solely to cover existing pressures.

Table 1 - Indicative Adult Social Care Revenue Budget for care homes/supported living and home support sensory loss:

	23/24	24/25	25/26
Budget	£210.247m	£212.059m	£217.510m

7.3.7 The Council's current Medium Term Financial Plan includes provision for inflationary pressures and for paying increases attributable to the National Living Wage as set out in Table 2 below. There is already a strong evidence-based approach to the setting of fees annually and the use of inflationary budget provision.

7.3.8 **Table 2 – Current Medium Term Financial Plan - Inflation Provision**

	23/24	24/25	25/26
Inflation Provision	£18.246m	£10.087 m	£12.801m

7.3.9 The figures in Table 2 is the annual increase year on year, a total cumulative budget of £41.134m over three years.

- 7.3.10 Any further implications for pricing changes for these services will be contained within the total funding available in Table 1 and Table 2 and any pressures arising from this will be contained within the approved budgets for the Directorate.
- 7.3.11 The amounts in Table 1 and Table 2 don't include financial provision or costs associated with demographic changes which impact on the volume of service users who are supported with their eligible care and support needs by the Council. This is funded separately under the Council's Medium Term Financial Plan.
- 7.3.12 As set out in the Commissioning Strategy 2023+ in **Appendix 1**, there are some specific fee-increase arrangements for care homes (with and without nursing) for under 65's as follows:
- From 3 April 2023, the Council will continue to operate a Guide Price and the 'open book' process for new packages of care in care homes (with and without nursing) for under 65's. This requires providers to submit a breakdown of their costs if the proposed fee is above the Guide Price. There will continue to be robust check and challenge of these fees in line with benchmarks and cost of care data.
 - For providers who are successfully awarded a new care homes (with and without nursing) for under 65's contract after 3 April 2023, their existing packages of care will be transferred onto the new contract at their existing fee rate. However, they will then be immediately eligible for any applicable annual fee increase.
 - For any provider who has not come onto the new contract either voluntarily or as a result of being unsuccessful at the tender stage, any annual increase will not apply, including those under previous contracts. The Council will continue to pay the existing fee applicable as at 2 April 2023 to that provider, until such time as that care package ends or they apply for and are awarded a new contract.
- 7.3.13 To ensure we can continue to attract young people into the sector, care must be a more attractive prospect than the alternatives. The Commissioning Strategy for Regulated Adult Social Care 2023 will therefore continue to require all contracted Birmingham care providers to pay Birmingham Care Wage to align to the National Living Wage (confirmed at £10.42/hour from 1 April 2023) and focus this on matching of this for under 25's through the Council's fee structure and contracts.
- 7.3.14 The Government have announced a range of social care reforms including People at the Heart of Care white paper, which forms "a plan for social care to ensure that older people get the best possible care, without the fear or anxiety of catastrophic social care costs". This is principally designed to:
- Remove anxiety about leaning on family or spending lifetime earnings

- Standardise social care quality, cost and commissioning arrangements, including for self-funders
- Require further integration across Health and Social Care

7.3.15 The Market Sustainability and Fair Cost of Care Fund is part of these wider reforms and is the element most likely to have a more immediate impact on the regulated adult social care market.

7.3.16 The Market Sustainability and Fair Cost of Care Fund is a Section 31 ringfenced Grant to support Local Authorities (LA's) with their Section 5 (of the Care Act 2014) duty to promote the efficient and effective operation of the care market. The Market Sustainability and Fair Cost of Care Fund's primary purpose is to; help LA's prepare markets for wider reforms; and support LA's to move towards paying a fair cost of care.

7.3.17 The Council has currently only received notification of its 2022/23 Grant allocation, although further announcements on funding for 23/24 and 24/25 are expected imminently. The sums in Table 1 and Table 2 are therefore exclusive of any such Grant funding and Grants will be distributed in accordance with the Grant Determination and Conditions.

7.4 Procurement Implications

7.4.1 The services in scope of this report will be tendered using the "restricted" procurement route under the Light Touch Regime of the Public Contracts Regulations 2015 (Regulations 74 to 77).

7.4.2 Procurement Strategies are set out in **Appendix 2 and 3** and give full details of the procurement approach and relevant procurement considerations for each.

7.4.3 An indicative timetable has been developed in conjunction with Corporate Procurement Services to ensure an alternative contractual arrangement is embedded by 3 April 2023. Communication activity will take place with providers and affected citizens at all appropriate stages of the procurement and implementation.

7.5 The proposed timeline is set out in Table 3 below:

Table 3: Indicative Procurement and Implementation timeline

Timeline	Activity
13 December 2022	Cabinet
20 December 2022	Commencement of tender
27 January 2023	Tender closes
30 January – 24 February 2023	Tender Evaluation
27 Feb - 15 March 2023	Delegated authority reporting

15 March 2023	Award letters issued
16 – 26 March 2023	Stand still period (<i>for Home Support – Sensory Loss only</i>)
27 March 2023	Final contract award and issue of contracts to commence
3 April 2023	Contract commences

7.5.1 The Procurement Strategy for Home Support Sensory Loss is contained in **Appendix 2** and the Procurement Strategy for Care Homes (with and without nursing) and Supported Living is contained in **Appendix 3**. These strategies have been developed to build upon the approach taken during the 2017/2018 tender and associated lessons learnt.

7.5.2 As set out in 3.8 and 4.9 above, Home Support Approved Premises will be procured in line with the Public Contract Regulations (2015) - where appropriate via contract variations.

7.6 Social Value

7.6.1 Social Value requirements will be included within the Council's ongoing contract and quality management arrangements. Providers will be required to submit a Social Value action plan as part of their annual Provider Quality Assurance Statement and will receive support from Commissioners in developing and reviewing these.

7.6.2 Providers will also be required to tell the Council about the steps they are taking in relation to Environmental and Sustainability implications of their services through their Social Value action plans.

7.7 Public Sector Equality Duty

7.7.1 An Equality Impact Assessment has been carried out to identify the impact of the proposed changes. Details of the Equality Assessment can be found in **Appendix 4**. As the proposals will impact on all users of commissioned social care services, the assessment has not identified any groups that will be adversely affected. The proposals are designed to improve the outcomes, quality of services and continuity of service for all service users regardless of their protected characteristics.

7.8 Environmental and Sustainability Implications

7.8.1 All successful providers are required to be familiar with the Council's aims for a Sustainable Birmingham and ensure that in its performance of the Service, it uses working methods, equipment, materials and consumables which minimise environmental impact. An Environmental & Sustainability Assessment is attached as **Appendix 5**.

8 Appendices

- 8.1 Appendix 1 – Commissioning Strategy 2023+
- 8.2 Appendix 2 – Procurement Strategy for Home Support Sensory Loss
- 8.3 Appendix 3 – Procurement Strategy for Care Homes (with and without nursing) and Supported Living
- 8.4 Appendix 4 – Equality Assessment
- 8.5 Appendix 5 – Environmental & Sustainability Assessment

9 Background Documents

- 9.1 12 December 2017, Adult Social Care Commissioning Strategy (Forward Plan Ref: 004083/2017)