

Cabinet

12 October 2023

Housing with Care Framework

Recommendations

That Cabinet authorises:

- 1) The Executive Director for People, in consultation with the Portfolio Holder for Adult Social Care and Health, to commence a procurement process in partnership with NHS Coventry and Warwickshire Integrated Care Board for the provision of a framework for care services in Housing with Care schemes.
- 2) The Executive Director for People to enter into all relevant contracts for the provision of a framework for care services in Housing with Care schemes on terms and conditions acceptable to the Executive Director for Resources.
- 3) The continuation of direct award arrangements for care contracts in new schemes that will open before the new framework is in place and which become necessary during the lifetime of the framework for the reasons set out in this report.

1. Executive Summary

- 1.1 Commissioning activity for the care delivered in Housing with Care schemes has previously been based on the Supported Living Working Age Adult framework.
- 1.2 Following consideration by officers, the 2023 Working Age Adults framework is not appropriate for commissioning care for customers in Housing With Care schemes, and that there are advantages in having a separate Housing With Care framework agreement (please see 5.5 below). Therefore, whilst previously care for customers in Housing With Care schemes was commissioned using the Supported Living framework (which is now part of the Working Age Adults framework), this will not be an option going forward. This is because the arrangements for care for those customers in Housing With Care schemes need to include elements that are not covered in the Working Age Adults contracts e.g. agreements with housing providers around housing referral pathways for customers and care operating models.
- 1.3 A Housing With Care framework of care providers to commission care for customers in Extra Care Housing and Specialised Supported Housing will

provide a more consistent, efficient, and transparent way of engaging and contracting with the market for care delivery in these settings. It is proposed that the term of the framework be 5 years plus the option to extend a further 5 years.

- 1.4 A 2011 Cabinet approval permits the award of spot care contracts in a residential, supported housing and support at home setting for a period not exceeding 4 years subject to certain conditions, for example where specific needs or provision can only be met by a non-framework provider. The proposals in this paper address this requirement and take steps to reduce the requirement for spot purchase through the establishment of a framework.
- 1.5 The Council's Procurement team has set out a plan for the tendering of the Housing With Care framework. The new framework will aim to be in place for February 2024. A project plan has been put together to support the achievement of the required actions including the formulating of specifications and contracts.
- 1.6 In addition to the project plan, a working group consisting of stakeholders across the Council's Commissioning and Legal Services teams and the Integrated Care Board (ICB) and the ICB's Commissioning Support Unit, will work together to complete the service specification and other contract schedules required to start the tender process. This will also include input from operational colleagues and service customers to ensure the suitability of the services being commissioned.
- 1.7 Current annual commissioned spend by the Council on the care delivered in Housing With Care Schemes is £8.3 million per annum across 23 schemes. Taking into consideration the market engaging with the Council's Commissioning team with developers providing high level proposals to deliver an additional 14 schemes over the next 3-5 years, using the current spend levels as indicative, spend under the proposed framework is likely to be around £5.3 million a year. This estimate comes with the caveat that actual costings will depend on the number of customers with care and support needs referred to the services, their level of need and any future changes to the cost of care.
- 1.8 Engagement has taken place with partners and the Joint Commissioning Board (commissioning partnership with the Integrated Care Board) supports the proposals to tender these services.

2. Financial Implications

- 2.1 The development of a framework for Housing With Care will provide the opportunity to review the services on offer and to help shape the provider market. As an accommodation-based support solution, Housing With Care schemes for customers who are 65 years, or more are approximately £20 per week cheaper than the average domiciliary care package due to not having to factor in travel costs (as the care provider usually provides services for

multiple customers in the same scheme). For customers in the 18-64 years age range, the reduction in cost per week is greater at £111 per week when comparing an average supported living package (£974) to an average Housing With Care specialist scheme package (£863). Efficient commissioning of further schemes using the framework will increase cost efficiencies for the customer cohort that would have accessed community-based provision should the services not exist

- 2.2 For every customer supported in a Housing With Care scheme that otherwise would have been living in residential care, the Council is avoiding paying the accommodation costs for the resident as this is met through housing benefit. It is also likely to support those customers' independence. Data shows 180 clients in residential placements with the same level of banding under the Council's Resource Allocation System as those in Housing With Care schemes. A recent example saw a customer in a residential provision move into a Housing With Care provision leading to an efficiency of £329.63 per week or £17140.76 per annum.
- 2.3 Within the current Medium Term Financial Strategy, Adult Social Care have a £500k a year cost avoidance efficiency for Housing with Care as an alternative to traditional provision, as the Housing with Care model can, for some customers, lead to cost efficiencies as evidenced in in 2.1 and 2.2. In order to support current and any future financial strategies, it is necessary to increase the available Housing with Care provision. Services available through a framework will provide additional opportunities to place more customers in Housing with Care schemes, maintaining their independence, whilst supporting commitments to cost efficiency programmes within Social Care.
- 2.4 As part of the project, the Council's Commissioning team will be working with Market Management and Finance colleagues to understand the Housing With Care rate to set a fair and consistent costing, including factoring in cost efficiencies associated with limited staff travelling.

3. Environmental Implications

- 3.1 Housing With Care schemes, as an accommodation-based support solution contribute to reduce carbon emissions due to care staff being based on site rather than driving from one care and support call to another as seen in community-based provision.
- 3.2 Scheme construction and delivery will also comply with environmental requirements set out within the Local Planning Policies for each of the district and boroughs which include policies on carbon offsetting, greener construction methods and bio-diversity requirements.

4. Supporting Information.

- 4.1 Housing With Care is an accommodation-based support solution which provides purpose built specialised housing in conjunction with care and support for residents. In Warwickshire, the Housing With Care Portfolio includes Extra Care Housing for over 55s and Specialised Supported Housing for Adults with Disabilities.
- 4.2 There are two commissioning methods for the development of Housing With Care schemes. The first is where the Council commissions the development of a scheme on a piece of land owned by the Council in return for a lease of the property and at the same time commissions the care to be delivered to customers at the scheme. This is usually done through a single formal tendering process during which the Council specifies the requirements for the development of the scheme (via a building specification) and also requests a right to nominate suitable customers for the scheme under a nomination agreement with the housing provider. The care contract is also awarded part of this tender. The second method is through market shaping using schemes developed independently by providers at their risk, but where the Council has negotiated a nomination agreement with the housing provider and awarded a care contract to the care provider(s) providing care at the scheme through a new spot or existing care contracts (including framework agreements).
- 4.3 Due to limited and suitable land available from Strategic Asset Management for the development of schemes on Council land, the commissioning of care at new schemes is likely to be undertaken using schemes developed independently by the market.
- 4.4 It had been thought that care could be commissioned for customers placed at provider developed schemes under the new Working Age Adult framework in the same way that the Supported Living Framework had been previously used to commission services for such customers. However, it is now clear that a separate framework is required to commission care services at Housing With Care schemes. The inclusion of Housing With Care services in the Working Age Adults framework would have caused further delays to the procurement of Working Age Adult services and it became apparent that there would be advantages in having a separate Housing With Care Framework agreement as it can be tailored to the specific services for the provision of care in Housing With Care schemes which require additional contractual requirements for core support and nominations agreements (with the latter often including Housing and Planning departments).
- 4.5 Due to Housing With Care schemes often supporting customers with shared responsibility with Health through Section 117 of the Mental Health Act, and customers funded through Continuing Health Care, colleagues in the Integrated Care Board have been consulted. It is intended that the Housing With Care framework will be jointly commissioned with the Integrated Care Board but not under arrangements under Section 75 of the National Health Service Act 2006. This means that the Council and the Integrated Care Board will jointly develop the specification for services and go out to tender at the

same time with the intention that contracts are awarded at the same time for the same period, although each organisation will enter into their own contracts with providers and there will be no pooling of budgets for these services. The Council will lead the procurement for both organisations and a Memorandum of Understanding will be put in place to govern these arrangements.

5. Timescales associated with the decision and next steps.

- 5.1 Tender documentation will be finalised and completed for January 2024 by which time the service specifications and contracts for the framework will be completed.
- 5.2 The invite to tender of the new framework will go live to the market February 2024 and will run until March 2024. The evaluation of submissions will be completed by end of May 2024.
- 5.3 An award report outlining the outcome of the tender will be presented to the Executive Director for People beginning of June 2024. It is anticipated that the new framework will then go live beginning of July 2024.

Appendices

There are no appendices.

Background Papers

There are no background papers.

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The report was circulated to the following members prior to publication:

Local Member(s): County wide report

Other members: Adult Social Care and Health Overview And Scrutiny Committee Chair and Spokes Group