

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Adult Social Care and Public Health
Date:	24 April 2015
Title:	Strategic Partnership – Care Assessment and Brokerage Services
Reference:	6606
Report From:	Director of Adult Services

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1. Executive Summary

1.1 The purpose of this paper is to seek approval to go out to tender for a Strategic Partner who will lead on, develop, co-ordinate and carry out needs assessments, financial assessments, support planning, brokerage and set up Care Accounts services for those that fund and/or arrange their own care.

1.2 Background

1.2.1 The Care Act 2014 modernises existing social care law and brings a number of important new responsibilities for the County Council, some of which come into effect in 2015, the remainder in 2016. This includes the responsibility to ensure that those who pay for their own care get the support in understanding their needs and obtaining appropriate support. It also give local authorities the ability to delegate functions, for example, needs assessments. The commissioning approach recommended in this paper seeks to address 3 of the impacts and developments from this Act, not only because the Act indicates development and places new duties in these areas but also to develop the County Council's offer to local people.

1.2.2 The duties to those that fund and/or arrange their own care fall into three main areas of responsibility:

- Assessment including needs assessments, reviews and financial assessments.
- Support planning and Brokerage Service for those who meet the needs eligibility criteria, but fund their own care. Brokerage is to include reviewing available and suitable care providers for people, recommending and setting up contracts for service, negotiating fees and assisting with the on-going payment of invoices and overview of those services.
- Setting up Care Accounts for those who meet the needs eligibility criteria, to record their progress towards the Care Cap.

1.2.3 The aim is that these should be available by direct access or by referral from Hantsdirect, recognising that some people who organise and fund their own care will

not want to make contact with a social care department and that for some their self-funder status may not be immediately apparent on first contact

2. Contextual information

The Care Act 2014

- 2.1 The Care Act places new duties on the County Council to develop information, advice and brokerage services for people who meet the needs eligibility criteria and who fund their own care and support.
- 2.2 Although small pockets of discreet service are in operation, there is a gap in the local market for the provision of brokerage and support planning services. There is a need to fill this gap as people with eligible care needs are making their own care and support arrangements and the Care Act establishes a duty on Adult Services in respect of brokerage support to self-funders from April 2015.
- 2.3 Little is reported specifically about the age, gender or ethnicity of self-funders, or the client group to which they belong. In a review of the older people's home care market, the Market Analysis Centre at the Institute of Public Care (2012) reported data from English Longitudinal Study of Ageing (ELSA) on the age and gender of self-funders of home care. Of men aged 65 to 70, 1.18% were self-funders; 3.33% of women in that age range were self-funders. Of men aged 75 and over, 4.23% were self-funders; 9.69% of women in that age range were self-funders.
- 2.4 Other reported characteristics of care home residents related to their marital status, home ownership and assets. Netten *et al.* (2001) found that self-funded residents were less likely to be married on admission than publicly-funded residents (15% and 20% respectively), and that 81% of self-funders admitted to care homes were home owners, although half had sold their homes prior to admission. Six per cent were found to be eligible for public support, 35% had low incomes but high assets, and 25% had low incomes and low assets.
- 2.5 Aside from the imperatives of the Care Act, the County Council has highlighted the need to improve information, advice and support for self funders.
- 2.6 Available evidence <http://www.york.ac.uk/inst/spru/pubs/pdf/sscrSelfFundSR11.pdf> gives no definitive figure for the number or percentage of people funding their own home care in England, but estimates suggest it is in the region of 20% to 25% of the home care market. About a quarter of people who were funded by local authorities also purchased additional support using their own money.
- 2.7 Patterns of self funding are geographically variable, with the highest proportions in South East England and the lowest in North East England. Older people are likely to be the largest group of social care self-funders, but some working-age people with adult-onset disabilities may also pay for their own care..
- 2.8 Both the numbers and importance of self-funders are likely to increase in future with implications for social care practice.

3. Option Appraisal

3.1 There are a number of key factors that have been identified in the analysis of the options. The timely and correct identification of self funders will be key to ensure that people access the right services and support. This is made problematic by the uncertainty of the level of demand for assessment and brokerage services. Service volumes have been estimated, but there is a fair degree of uncertainty around actual demand. The implementation of the Care Cap is seen as key to the likely level of demand.

3.2 Market provision of support for self funders appears underdeveloped and ad hoc. There are companies that assist with residential care placements, but the level of market penetration appears to be limited. The voluntary sector provides information, advice and support.

3.3 Because of the lateness of statutory guidance and clarity around funding, time is limited in the ability to develop options. The current transformational workload of the County Council raises concerns about the deliverability of an in-house option.

3.4 Options appraisal:

Do nothing

3.4.1 Doing nothing is not an option. The new duties arise from April 2015. Whilst in the short term, the service can deal with demand within existing capacity, this will not be viable once the Care Act starts to be publicised more widely and we move closer to the implementation of the Care Cap.

In house option

3.4.2 This option was considered looking at the potential of expanding existing teams to take on the additional responsibilities. Given the current workload on transformation and integration with health, there is considerable concern about the impact of such an expansion. Further, there is concern about the accessibility of such a service. There is considerable merit in a self-funder service and experience suggests that multiple entry points are the best way to reach out to this group. A Hampshire County Council only solution is not felt to meet the needs of this group well and a wholly in house option would mean that the County Council taking all of the risk around take-up, where as other options allow risk to be shared.

External provider contract provision

3.4.3 Market provision in this area is under developed. No service provider or organisation has been identified as meeting all of the requirements of potential service delivery with demonstrable track records. Brokerage services do not generally offer assessment and support planning, nor the depth of brokerage required. The voluntary sector has a key role in information and advice, and in identifying potential customers.

3.4.4 Given that demand is not fully known and changes could still be implemented to Care Cap delivery, contracting for a set provision would bind the County Council to terms that are not as flexible or responsive as they need to be to ensure rapid service development and the ability to right-size volume and price as demand comes through the system.

External provider developmental approach (Strategic Partnership)

- 3.4.5 The unknown level of demand going forward and the potential for late changes to statutory guidance and requirements of the County Council suggest that a developmental and flexible approach is taken to service provision. Variable demand for assessment and brokerage services and the proposed implementation of the Care Cap has yet to be determined and so securing an external Strategic Partner with whom the County Council can work will enable the anticipated level of flexibility and change.
- 3.4.6 The County Council has learned a great deal from its experience of developing the telecare service, where there were also considerable uncertainties about the volume and nature of demand. The developmental approach through a strategic partner has been effective in that it allowed flexibility in the development of the service and the ability to pull together a consortia that flexes with demand.
- 3.4.7 Therefore, a Strategic Partnership approach is proposed as the preferred way forward for this service. In this approach, the County Council will delegate the assessment, brokerage and Care Cap functions to the Strategic Partner. The partner may elect to provide all of the functionality themselves, but it is more likely that they will build a network of private and voluntary sector partners to deliver the different aspects of the service. The County Council would contract with the lead partner and will monitor arrangements put in place.
- 3.4.8 It is expected that the workload here will spike in the first few years from April 2015 due to the Care Act and the later introduction of Care Accounts and Care Cap. Delegating to the Strategic Partner will increase assessment capacity flexibly and cost effectively enabling the service to be co-located with self funder brokerage and linked with information, advice and guidance.
- 3.4.9 The Strategic Partner will develop service provision to encompass the introduction of the Care Account from 2016. Planning at this stage will ensure that IT developments are able to accommodate access by trusted partners. Utilising Strategic Partnerships enables the County Council to work flexibly with this unknown volume of Care Account set-ups whilst ensuring quality of service and ease of access for people in the community.
- 3.4.10 The brokerage service will be a chargeable service, with the charge levied by the provider. The County Council will monitor the fees to ensure that they meet the terms set out in the Care Act. It is expected that the provider will offer a menu of services with a range of fees depending on the level of service provided. Brokerage will involve a degree of fee negotiation, which will aim to achieve good value in relation to prevailing market conditions.

4. Procurement**4.1 Tender Timetable**

- 4.2 In order to start services in October 2015 the procurement process needs to begin as soon as possible. Given the time constraints, Strategic Partners will not have the time to form formal consortia before tender submissions, so it is planned to contract with a lead partner.
- 4.3 The recommended contract term is 3 + 1 + 1 years, a maximum contract value of £6,145,000 over the 5 year contract length.

- 4.5 Total proposed contract length is 5 years and would include the standard 6 month notice clause. This value represents the upper limit of contract value, as work develops finances will be reviewed to ensure that costs are minimised and reduced where possible. Contract volume has been estimated so additional review points will be scheduled to monitor performance, improve service and adjust finances as necessary.

5. Finance

- 5.1 The service splits into those elements to be funded by the County Council and those that should be self-funding by payment of a fee.
- 5.2 The provision of an assessment and maintenance of the care account is not a chargeable service. It is difficult to estimate the potential number of assessments that will be undertaken, based on self funder modelling the following additional volume has been indicated:

Year	Number
2016	8,989
2017	2,907
2018	2,907

- 5.3 In addition to the needs assessments, financial assessments are likely to be required to ensure that the service user is a self-funder and not eligible for local authority funding. We expect that any single request for an assessment and/or care account will result in multiple contacts to the Strategic Partner.
- 5.4 One of the new responsibilities is the duty to provide a brokerage service from April 2015 for non-residential care services to people who meet the need for care services, fund their own care and request that the council arrange that care.
- 5.5 The brokerage arrangement will have a fee attached to it. Some people with eligible care and support needs do not qualify for financial help from the council, because they have financial assets above the upper limit set by Government. The Care Act states that where an adult's needs for care and support meet the eligibility criteria but their financial resources are above the financial limit, the local authority must still meet the adult's needs if the adult asks the local authority to do so (they still pay for their own care). The Act also allows the local authority to delegate this function, although the County Council would remain responsible for ensuring that the service is legally compliant and of appropriate quality.
- 5.6 From April 2015, Hampshire County Council is required to provide this service to all self funders who ask the council to arrange non-residential care. Where the council arranges care on behalf of an individual who will be paying the full cost of their care themselves, the Care Act will allow the council to charge an arrangement fee to cover the cost incurred in arranging care. This can include the cost of negotiating and/or managing the care contract with a provider and covers any administration costs incurred.
- 5.7 Short term, in house arrangements from April 2015 are in place for Adult Services to provide this brokerage service for people who pay for their own care. From April 2016, the brokerage duty extends to residential care services. Although we are awaiting final Department of Health clarification, to the best of our understanding the

duty does not necessarily extend to giving people Hampshire County Council's rates for care and support services if they access those services through brokerage.

- 5.8 The Hampshire Brokerage service for self funders will source care services from the new Buy with Confidence Plus website. This website lists care providers and support agencies which have been quality checked and will be monitored by Hampshire County Council.

Maximum contract value and projected volume

- 5.9 The table below sets out the maximum contract values. The actual values will be determined by the successful tender and subsequent volumes of business.

	Year 1	Year 2	Year 3	Year 4	Year 5	Total for 5 years
Assessment and Care Account set up	950000					
Assessment and Care Account operation	660000	350000	360000	372000	386000	
Brokerage Service set up	550000					
Brokerage Service operation	465000	485000	500000	523000	544000	
Totals	2,625,000	835,000	860,000	895,000	930,000	6,145,000

- 5.10 These values represent the maximum range and it is anticipated that the contract value will be set here following further development work. For example the Strategic Partner will charge a fee for Brokerage services (initially and annually where ongoing) and final projected income will be deducted from the contract value.
- 5.11 The contract volume and capacity will be monitored and adjusted quarterly to reflect demand. The upper contract value over 5 years would be £6,145,000.
- 5.12 The 2015/2016 costs will be met from the Care Act grant, which includes an element for set-up and early assessments of self-funders for the care cap. The Department of Health have said that the on-going costs will be funded, but we do not yet know the amount of funding that we will receive. It is likely to be more than adequate to meet the costs of this contract, although may fall short in funding the fuller implications of the Care Cap.

6. Equalities Impact Assessment

- 6.1 The Care Assessment and Brokerage Service (CABS) focuses on empowering people with eligible care needs who fund their own care and support, providing timely, professional community care assessments, financial assessments, support planning, brokerage services and Care Accounts which are linked with the wider range of advice, information and support available from the local authority.
- 6.2 The strategic partnership approach to service delivery will be in line with Adult Services ethos, supporting people to stay connected to and feeling part of

communities, maintaining independence and resilience delaying and reducing the need for more intensive or poorly timed interventions.

- 6.3 People who access these services will be enabled to live as independently as possible. There are no negative impacts expected and the anticipated outcome will be positive in relation to age and disability with an aim to reach out to other minority groups and communities.
- 6.4 The service will respond positively to the needs of diverse individuals, specifically needs relating to the characteristics protected by the Equalities Act 2010. These are age, ethnicity, religion or belief, disability, gender, gender reassignment, sexual orientation, marriage and civil partnership. This applies to information about the service being made available in such a way that promotes equality of access. This also applies to the quality of service delivery across all groups of individuals.
- 6.5 As an assessment and support planning service it is important that the service is as accessible as possible. Demand and scope for this service is not yet known therefore the demographic analysis is not complete at this stage. Part of the contract monitoring will be to review access and service user profile so that and gaps in provision can be identified and targeted support can be improved as the service continues. Targeted communication and development work will be undertaken by the Strategic Partner to ensure that equality, diversity and accessibility is embedded within the service, the practitioners and the delivery organisations.

7. Performance

- 7.1 Delegating assessments to a Strategic Partner will ensure that the existing departmental capacity is not placed under further pressure.
- 7.2 To help monitor the impact of the Care Act nationally new reporting requirements are currently in the process of being established by the Association of Directors Adult Social Services (ADASS) and the Department of Health which will require the particular information to be recorded and reported quarterly from April 2015. This includes the total number of people who request an early assessment as a self funder. Details are still to be confirmed but it will be important to ensure any Strategic Partner has the ability to collect and report any information required for national and local reporting.
- 7.3 The development of assessment and brokerage services will meet expected increases in demand both due to demography and as a result of the implementation of the Care Act 2014. Brokerage services for self funders and increased capacity for assessments will support compliance with the Act and offer a more robust response for people who fund their own care and support.

8. Other Key Issues

Quality and Governance

- 8.1 Although a delegated function, the legal responsibility for assessments remains with Adult Services. In order to maintain quality, the contract will ensure that:
 - Assessments must be carried out by people with particular training or expertise, and that the training must be kept up to date.
 - The delegated organisation will be liable to the local authority for any breach of the contract, and as such this is the mechanism through which the County Council will

be able to ensure that its functions are carried out properly, and through which it may hold the contractor to account.

- The authorisation is in place whilst the contract is in place – this may be revoked at any time during contract length.
- Monitoring arrangements will ensure that the functions that have been delegated are being carried out to a high standard. This will involve building good working relationships which allow the County Council to guide third parties about how they are exercising the functions, but equally for the County Council to learn about innovations and knowledge that third parties may be able to provide.
- Since care and support functions are public functions, they must be carried out in a way that is compatible with all of the local authority's legal obligations.
- The Strategic Partner will be asked to determine eligibility and eligible spend relating to the Care Cap. This will be undertaken in line with the County Council's process.

8.2 Once introduced, the appeals process in relation to delegated assessments will be undertaken by the County Council.

8.3 Ownership of information will remain with Hampshire County Council. Providers will store the data securely on servers located within Europe.

9. Safeguarding

9.1 In order to respond appropriately where abuse or neglect may be taking place, anyone in contact with the adult, whether in a volunteer or paid role, must understand their own role and responsibility and access appropriate training, advice and support. This will include understanding local inter-agency policies and procedures.

9.2 In any organisation, there should be adult safeguarding policies and procedures. These should reflect statutory guidance and are for use locally to support the reduction or removal of safeguarding risks as well as to secure any support to protect the adult and, where necessary, to help the adult recover and develop resilience.

10. Dependencies

10.1 In order to provide Care Account set up from April 2016, Hampshire County Council will need to have an operational Care Account service and appropriate lead in time for partners.

10.2 The Buy with Confidence Plus website will need to have the required support and care services available to meet broker demand including non-care at home services.

11. Recommendations

That the Executive Member for Adult Social Care and Public Health:

11.1 approves the delegation of function in respect of self funders to the organisation awarded the contract as Strategic Partner to carry out assessment of needs and financial assessments, support planning and brokerage services

11.2 authorises the going out to tender for this service with an initial contract term of 3 years and the option for two 1 year extensions (3+1+1) with a maximum contract value of up to £6,145,000 over the five years and that a further report be brought back to the Executive Member in respect of the award of the contract.

11.3 authorises the Director of Adult Services to approve the final detailed specification and contractual terms for this service.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

<p>Hampshire safer and more secure for all:</p> <p>Services will contribute to meeting the social care needs of people in Hampshire in environments that are safe, empowering and valuing. People who fund their own care and support will be enabled to access quality Assessment, Planning and Brokerage services helping to identify and plan for social care and maximise their potential for independence.</p>	yes
<p>Maximising well-being:</p> <p>Services will allow people to identify and plan for social care needs, non-residential and residential care services which enable them to achieve and maintain their optimum level of independence, functioning and wellbeing by providing activities and opportunities that support them to remain active and engaged with their local community. Individuals will be empowered to think about their future needs and make the decisions and choices necessary to achieve this to the best of their ability. The service will support people to take control of the choices they make by offering access to other services that enhance and support well being and an improved quality of life.</p>	yes
<p>Enhancing our quality of place:</p> <p>Services will have multiple customer access points maximising opportunities for mobile and face to face contact as appropriate. Services will be provided in a number of different locations across Hampshire meeting the needs of people in our rural, urban and coastal communities. The service will be commissioned in a way that ensures that people can receive the service in as close proximity to their own home and community as is possible. This will help to ensure that individuals do not become socially isolated and can maintain links to their local community.</p>	yes

IMPACT ASSESSMENTS:

1. Equality Duty

- 1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
 - Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 1.2 Due regard in this context involves having due regard in particular to:
- 1.3 The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- 1.4 Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- 1.5 Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

- 2.1 The Care Assessment and Brokerage Service (CABS) focuses on empowering people with eligible care needs who fund their own care and support, providing timely, professional community care assessments, financial assessments, support planning, brokerage services and Care Accounts which are linked with the wider range of advice, information and support available from the local authority.
- 2.2 The strategic partnership approach to service delivery will be in line with Adult Services ethos, supporting people to stay connected to and feeling part of communities, maintaining independence and resilience delaying and reducing the need for more intensive or poorly timed interventions.
- 2.3 People who access these services will be enabled to live as independently as possible. There are no negative impacts expected and the anticipated outcome will be positive in relation to age and disability with an aim to reach out to other minority groups and communities.
- 2.4 The service will respond positively to the needs of diverse individuals, specifically needs relating to the characteristics protected by the Equalities Act 2010. These are age, ethnicity, religion or belief, disability, gender, gender reassignment, sexual orientation, marriage and civil partnership. This applies to information about the service being made available in such

a way that promotes equality of access. This also applies to the quality of service delivery across all groups of individuals.

- 2.5 As an assessment and support planning service it is important that the service is as accessible as possible. Demand and scope for this service is not yet known therefore the demographic analysis is not complete at this stage. Part of the contract monitoring will be to review access and service user profile so that and gaps in provision can be identified and targeted support can be improved as the service continues. Targeted communication and development work will be undertaken by the Strategic Partner to ensure that equality, diversity and accessibility is embedded within the service, the practitioners and the delivery organisations.

3. Impact on Crime and Disorder:

- 3.1 It is expected that this service development improves the lives of people living in the community, as such it is not expected to impact crime and disorder.

4. Climate Change:

- 4.1 How does what is being proposed impact on our carbon footprint / energy consumption?

Due regard will be given to environmental issues in service delivery – wherever appropriate carbon footprint and energy consumption will be reduced, for example, utilising remote and mobile technologies, limiting travel and utilising existing and local venues in partnership.

- 4.2 How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

By utilising new technologies and continuing to review as part of service development.