Contracting within Adults and Family Wellbeing

Trevor Boyd

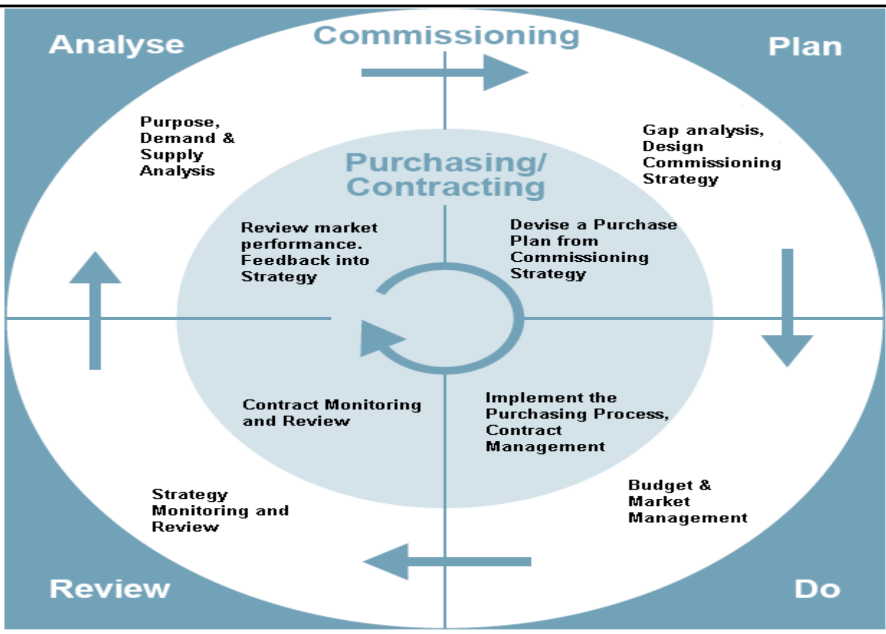
Buckinghamshire County Council

Strategic Commissioning and Procurement

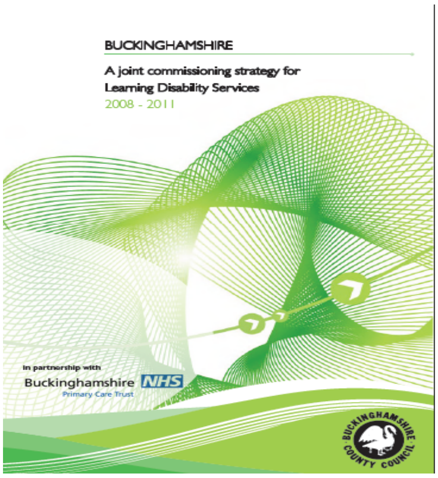
Buckinghamshire County Council

A New Vision for AFW – Capable Communities and Active Citizens

- The vision sets out a new agenda for adult social care based on a power shift from the state to the citizen, by committing to:
  - Extend the rollout of personal budgets to everyone who is eligible by 2013
  - Increase preventative action in local communities,
  - Keeping people independent and helping to build the Big Society
  - Break down barriers between health and social care funding
  - Encouraging care and support to be delivered in a partnership between individuals, communities, the voluntary sector, the NHS and councils - including wider support services, such as housing.
  - Making information about care and support available to everyone irrespective of whether they fund their own care.



Commissioning in Buckinghamshire – A strategic approach



http://www.buckscc.gov.uk/bcc/adult_social_care/commissioning_strategies.page?

Strategic Shifts in the Market Place

ALL SERVICE AREAS (from PSSEX 09/10)	GROSS TOTAL COST Expenditure excluding capital charges: In house (including joint serv.)	Provision by others (incl vol orgs)	TOTAL (including joint serv.)	% in house	Block or in house	Other
Nursing care	0	18,964	18,964	0%	1,320	17,644
Residential care	1,034	57,155	58,189	2%	30,359	27,830
Home care	9,937	26,206	36,144	27%	9,937	26,207
Day Care	10,322	3,503	13,826	75%	13,826	0
Other services	1,599	8,750	10,348	15%	1,599	8,749
	22,892	114,578	137,471	17%	57,041	80,430

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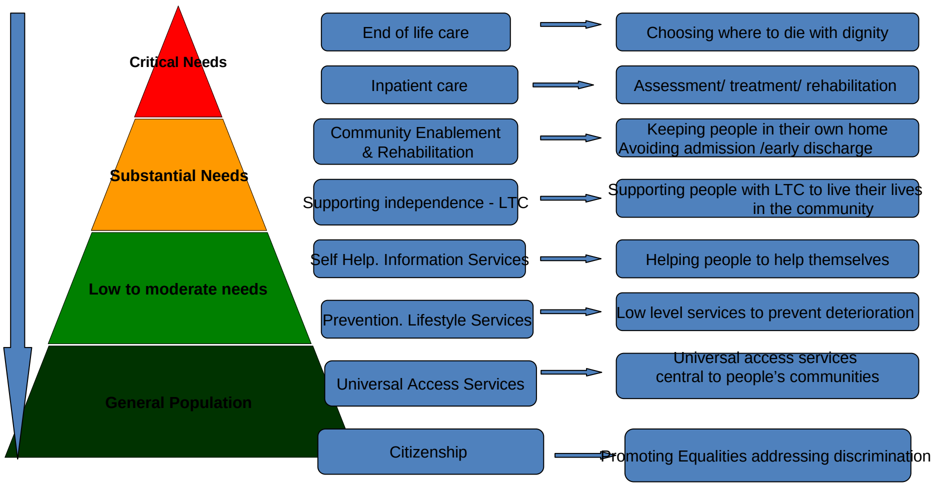

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Some Key Strategic Priorities -

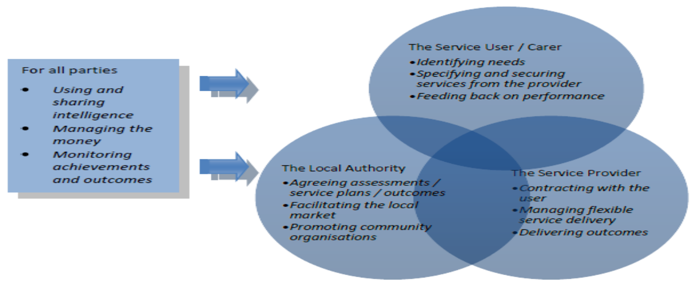
1- Modernisation of £20m home care and re-ablement
2- Modernisation of £10m day services
3- Modernisation of care and support services approximately £40m (Project Care, Project Abode. MLMH, building capacity, adult placement, Project Home Options, closing campus, ABI Service, Autism Service)
4- Integration with health – opportunities to bring to provider functions of BCC and PCT
5- Programme to modernise community equipment, telecare and telemedicine
6- Developing and modernising low level preventative services - £5.5 million
7- Developing a model to support personalisation of purchasing – development of brokerage and joint purchasing with the PCT
8- Development of electronic market place to support customers to have informed information around the range of service available to them
9- bringing resources into the Council – negotiate s.256 transfer from PCT 15 million, Extra Care £1.5 million

These along with other operational priorities will need to support the delivery of significant MTP savings

Personalisation - The changing balance of relationships

Figure 1: Traditional relationships

Figure 2: Future relationships?



Personalisation will change the way services are procured?

Who purchases?	What is the emphasis of the contract?	What are the key determinents of the purchase?
The Services User	Provding a service	Price
A third party on behalf of the service user	Meeting needs	Quality
The local authority	Delivering outcomes	Flexibility

The future – Shaping the Market

- Information about needs and service trends shared openly between commissioners and providers and future providers
- Internal and external providers are treated equally
- Supporting people to make good informed decision with their budgets
- Supporting people to come together to commission their own support i.e. consortia arrangements and increasingly service users providing service
- Making information available to the market about what people are spending their budgets on and what they would like to buy in the future so the market can shape itself
- Supporting providers and partners to transition
- Working with providers to stimulate what people want
- Strategic alignment of our priorities along side other agencies i.e. housing capacity requirements, Job Centre Plus,
- Recognising and enhancing the role that people have in the co-production of the design deliver and commissioning of services
- Building social capital and enhancing the natural networks and informal support mechanisms that people draw from in their local communities

Contract Management

Contract Management

- Contract is a legal agreement between a purchaser and a provider – establish a mutual expectation
- Clarify issues of payment, service to be provided, outcomes to be achieved
- Also set out how variations from the original intentions will be handled and how risk dealt with
- Contract will set out as a minimum:-
  - Contract period and timescale
  - Monitoring and reviewing arrangements
  - Specific expectations or provider re health and safety, confidentiality, insurance, complaints etc
  - Options for variation/ extensions
  - Dispute resolution
  - Termination or suspension
  - Safeguarding

Benefits of Contract Review and Monitoring

- Ensure service compliance with the specification and contract terms
- Receive Users and Carer Feedback
- Opportunity for strategic dialogue of provider about future commissioning intentions, policy changes, emerging, good practice,
- Opportunity to identify opportunities for efficiencies savings
- Opportunity to address safeguarding/ vulnerable adult issues
- Intelligence to be fed into strategic commissioning and procurement to inform commissioning cycle

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Current Services/Provision – No of clients

•Day Care	1,251
•Direct Payments	491
•Extra Care Housing	39
•Home Care	2,343
•Meals on Wheels	750
•Supported Living	276
•Other Community Based Services	1,010
•Residential Care	1,135
•Nursing Care	600
•Other Placements (including respite)	61
•In Touch Service Users	5,000
•In Touch Carers	1,000
•**Total Clients**	**12,146** **(as of 15th November 2010)**

Some clients access more than one service – the total number of clients at the bottom is the actual number of clients supported by BCC.

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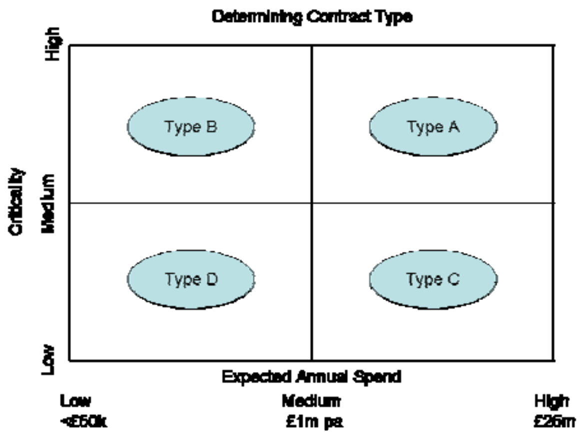
Profile of Expenditure and number of AFW (ASC) Contracts

Total ASC payments from SAP 2009/10	Total number of Provider Contracts
Over £5m	**4**
£1m - <£5m	**13**
£500k - <£1m	**21**
£250k - <£500k	**41**
£50k - <£250k	**155**
Less than £50k	**335**
Total	**569**

Contract Management Risk / Identifying Type of Contract



Market Challenges

- Monitoring of individual contracts as a result of personalisation – how do we do this ?
- Provider absorbing inflation – 0% uplift when national inflation target 2%
- Additional Major costs for providers
  - Minimum holiday entitlement increase – 8.3% increase of payroll
  - Compulsory employers pension – 3% on payroll
  - VAT applying to NI, pensions and contribution
  - Minimum Wage increases – 2.2% increase for 2010.11
- Providers in addition to holding inflation support delivering the majority MTP for the Council
- We need to have a good relationship with providers to deliver this and maintain good quality services for the most vulnerable

Future Developments

- Restructure of the AFW Contracts Function based on Corporate Contract Framework.
- Additional capacity to do it properly – invest to save
- Ensuring that ICT systems support our Contract monitoring, management and payments.
- Develop process aligned to care management review process to monitor direct contracts for service users (individual contract)
- Develop information flows to support requirements of other parts of the commissioning cycle
- Ensure that there is a proportionality of monitoring aligned to risk matrix