

North Yorkshire County Council

Executive

8 March 2022

Approved Provider Lists for Adult Social Care

Report of the Corporate Director – Health & Adult Services

1.0 Purpose of Report

1.1 For Executive Members to approve the procurement of four Approved Provider Lists for the following services:

- Home based support (home care, practical support and sitting service);
- Residential and Nursing Care Homes;
- Community Based Support (meaningful daytime activities); and
- Supported living

2.0 Executive Summary

- 2.1 Under his delegated decision making powers in the Officers' Delegation Scheme in the Council's Constitution, the Chief Executive Officer has power, in cases of emergency, to take any decision which could be taken by the Council, the Executive or a committee. Following on from the expiry of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, which allowed for committee meetings to be held remotely, the County Council resolved at its meeting on 5 May 2021 that, for the present time, in light of the continuing Covid-19 pandemic circumstances, remote live-broadcast committee meetings should continue (as informal meetings of the Committee Members), with any formal decisions required being taken by the Chief Executive Officer under his emergency decision making powers and after consultation with other Officers and Members as appropriate and after taking into account any views of the relevant Committee Members. This approach will be reviewed again at Annual Council in May 2022
- 2.2 Health and Adult Services (HAS) utilise a series of Approved Provider Lists (APLs) which enable social care services to be commissioned to support people within North Yorkshire ensuring the Council meets its legal requirements under the Care Act 2014.
- 2.3 Through the existing lists, the Council purchase regulated care from 359 care providers and approximately 80 non-regulated providers. These APLs have a combined estimated contract value of ~£170M per year.
- 2.4 The re-procurement will cease the three existing APLs and establish four new APLs covering the following services:
- Home based support (home care, practical support and sitting service)
 - Residential and Nursing Care Homes
 - Community Based Support (meaningful daytime activities)
 - Supported living

2.5 The re-procurement will seek to address current issues experienced within the care market and sector, details of which are included within this report.

3.0 Background

3.1 *(The following paragraph need only be included when the meeting is going to be held remotely)*

Under his delegated decision making powers in the Officers' Delegation Scheme in the Council's Constitution, the Chief Executive Officer has power, in cases of emergency, to take any decision which could be taken by the Council, the Executive or a committee. Following on from the expiry of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, which allowed for committee meetings to be held remotely, the County Council resolved at its meeting on 5 May 2021 that, for the present time, in light of the continuing Covid-19 pandemic circumstances, remote live-broadcast committee meetings should continue (as informal meetings of the Committee Members), with any formal decisions required being taken by the Chief Executive Officer under his emergency decision making powers and after consultation with other Officers and Members as appropriate and after taking into account any views of the relevant Committee Members. This approach will be reviewed again in February 2022.

3.2 The new APLs are due to be procured in 2022 and will have an initial term of 5 years, with an option to extend for two further periods of 1 year each i.e. a potential maximum term of 7 years.

3.3 The procurement and the move from three APLs to four will seek to achieve the following outcomes:

- strengthen whole system integrated care pathways;
- standardise terms and conditions of the APLs;
- move away from list types based on regulated and non-regulated activity, with a focus on personal needs and outcomes;
- ensure value for money of public finances given the care market's rising cost of care;
- introduce a new Quality Pathway to ensure continuous quality improvement;
- better contract notice periods to reduce the impact on a person's care plan and the wider care market sustainability;
- introduce discharge to assess processes to ensure a smooth transition from hospital.

3.4 A detailed assessment has been completed looking at the contract term, contract whole life costs, market engagement, financial considerations and contract changes.

3.5 A range of engagement activity has taken place to inform the procurement and wider transformation planning. The procurement of the APLs forms stage one of a wider transformation of the social care provider market. This transformation is expected to take 3-5 years and will be developed throughout the life time of the new APL contracts.

3.6 Service specifications and a standards and outcomes framework has been developed, which will enable monitoring and reporting on the outcomes of the services for people and Providers performance.

3.7 Costing models for each list have been developed; this will help the Local Authority to ensure responsible use of public money given increasing costs in the care market, while supporting Providers in the development of services and ensuring a sustainable market.

3.8 The Social Care Market in North Yorkshire remains fragile and is operating under significant pressure. Issues include the ongoing management of Covid-19 outbreaks in care settings, increased staffing pressures across all parts of the care system, provider failures and increased hospital discharge activity. The procurement of the APLs will provide a clearer environment for the Council to work with the care market to overcome these challenges and work on a transformation plan to create sustainable improvements in the overall care market picture across the County.

4.0 Issues

4.1 Impact on people:

4.1.1 People who are already in receipt of services under the existing APL will continue to receive the care and support from that Provider i.e. there will be no impact or change.

4.1.2 Where a person's needs change the service will be commissioned under the new APL. This could result in a change of Provider to the person and have a financial impact if the change in need requires additional care.

4.2 Impact on the market:

4.2.1 The Council acknowledge that the timing of the procurement may be problematic to some providers in the market due to the existing pressures.

4.3 Impact on the Local Authority:

4.3.1 The social care market is facing unprecedented issues related to cost increases and staffing pressures. There is a risk that costs will increase significantly for delivery of services under the APLS. Systems in place to attempt to mitigate against such impact and ensure responsible use of public money.

5.0 Performance Implications

5.1 The Local Authority have adopted the general principles of the outcomes framework developed and agreed with Association of Directors of Adult Social Services in the East of England. The framework will provide the ability to monitor and report on outcomes of the services for people and Providers performance.

5.2 The Standards and Outcomes Framework includes 5 domains and 16 standards and incorporates the Think Local Act Personal, Making it Real themes including "I" and "we" statements within the outcomes framework.

6.0 Policy Implications

6.1 This procurement is in line with the intentions set out within the Council Plan 2021-25 and the Health and Adult Services 2025 vision and priorities. The services in scope of the procurement have been developed in line with national policy and legislation.

7.0 Options

7.1 The Council provides some social care services namely elderly person's homes, day services, reablement services and a supported living service in one locality of North Yorkshire, however this provision alone is not sufficient to meet the demand for social care across the County.

- 7.2 The APLs ensure delivery of a wide range of services to meet the assessed needs of people living within North Yorkshire and is reliant upon the care market to ensure statutory obligations are met.
- 7.3 An options appraisal for the various routes to market has been undertaken which concluded the APL was the most appropriate procurement route. The procurement of APLs ensures the Council has a consistent, timely and legally compliant process by which to procure bespoke services from the care market based on individual need.

8.0 Financial Implications

- 8.1 The current APLs represent a total estimated spend of £170m per annum, this is expected to increase due to the pressures within the care sector.
- 8.2 The ageing population within North Yorkshire, a desire for people to remain in their homes and an increase in complexity of needs means demand for the services covered by the APLs is increasing. This will continue to put additional pressure on the budget.
- 8.3 The existing APLs were procured a number of years ago. Providers submitted rates at the point of application and other than inflationary uplifts rates have remained the same through the APL term. Due to the market pressures and the impact of the pandemic it is very likely that Providers will submit higher rates.
- 8.4 Although it is acknowledged that care costs are likely to rise, the Council will put measures in place through the procurement ensure best value.
- 8.5 As detailed in section 3.5 once the APLs commence the Council will commence a wider transformation programme, working in partnership with the care market. This will potentially see new models being commissioned i.e. lead provider models in some localities. As such throughout the term of the APLs alternative contracting models may be put in place and this would reduce the reliance on the existing contracts.

9.0 Legal Implications

- 9.1 Under Section 5 of The Care Act 2014 the Local Authority has a duty to shape and maintain an efficient and effective market of services for meeting care and support needs in the local area.
- 9.1.1 The market that is shaped should ensure that any person requiring Care and Support/Support services:
- Has a variety of providers supplying a variety of services to choose from;
 - Has a variety of high quality services to choose from; and
 - Has sufficient information to make an informed decision about how to meet the needs in question.
- 9.2 In order to fulfil our duty to promote diversity and quality in service provision the strategy and approach to re-commissioning these services includes effective strategies to shape the marketplace and commission the right services.
- 9.3 The re-procurement of the four APLs will be undertaken in accordance with the Public Contracts Regulations 2015 (under the light touch regime).

9.4 Some key changes will be introduced to the contract terms and conditions and requirements on Providers. External legal advice has been provided in relation to all changes and the drafting of the contract terms.

10.0 Consultation Undertaken and Responses

10.1 The Council's Strategic Market Development Board includes representatives from the Clinical Commissioning Groups, the Independent Care Group and the voluntary and community sector. The Board established a number of work streams to lead on the social care market transformation. Through the Board and the work streams, engagement has been undertaken throughout on the proposals for the procurement.

10.2 The Council also commissioned Inclusion North and Keyring, to facilitate engagement sessions with the market. These sessions provided valuable feedback, particularly relating to supported living services and community based support.

11.0 Impact on Other Services/Organisations

11.1 The APLs will provide the Council's Children and Young People Services and Clinical Commissioning Groups (moving to local Integrated Care Systems from April 2022) with the ability to procure services where appropriate.

12.0 Risk Management Implications

12.1 Risks are regularly reviewed and managed with required mitigations and controls put in place to minimise the likelihood and impact.

13.0 Equalities Implications

13.1 Consideration has been given to the potential for any equality impacts arising from the re-procurement of the APLs, the Equality Impact Assessment Screening Tool is attached at Appendix A. It is the view of officers that the proposals should not have significant adverse impact on any groups of people with protected characteristics identified in the Equalities Act 2010.

13.2 A Climate change impact assessment has been completed and is attached at Appendix B. No significant change is expected as a result of the procurement, however it is acknowledged that the wider adult social care transformation programme will provide further opportunities to make improvements.

14.0 Recommendations

14.1 Executive Members are asked to note the contents of this report, and to recommend to the Chief Executive Officer that using his emergency delegated powers he:

- i) Approve the re-procurement of the Approved Provider Lists; and
- ii) Delegates any associated decisions to facilitate the procurement of the Approved Provider Lists to the Corporate Director, Health and Adult Services and the Corporate Director of Strategic Resources

Richard Webb
Corporate Director – Health & Adult Services (HAS)
County Hall
Northallerton
02 February 2022

Report Author – Abigail Barron & Rachel Woodward
Report Presenter – Abigail Barron

Appendices:
Appendix A – Equality Impact Assessment Screening Tool
Appendix B – Climate Change Impact Assessment

APPENDIX A – EQUALITY IMPACT ASSESSMENT SCREENING TOOL

Initial equality impact assessment screening form	
This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate	
Directorate	Health and Adult Services
Service area	Service Development
Proposal being assessed	New Approved Provider Lists
Officer(s) carrying out assessment	Jonathan Prince
What are you proposing to do?	Procuring new Approved Provider Lists to purchase Adult Social Care Services, covering; Care Homes, Home Based Support, Community Based Support and Supported Living.
Why are you proposing this? What are the desired outcomes?	Existing Approved Provider Lists covering these services come to an end in Summer 2022, the Council is therefore

	require to have a mechanism to purchase Care/Support services from third party organisations, which is what the new Approved Provider Lists will achieve. The desired outcome is to continue to have a legal and effective way of securing care/support services in a timely manner, to meet assessed care needs of individuals.			
Does the proposal involve a significant change to current ways of working / service provision? Please give details.	The main initial change will be the addition of a dedicated Supported Living Approved Provider list, and services applying to lists based on service type rather than registration status. There should be little/no change to the end user as a result of the initial procurement, however it is planned across the lifetime of the provider lists that services will be transformed and modernised. Details of these changes will be set out as appropriate and further Equalities Impact Assessment will be considered as appropriate.			
Does the proposal involve a significant commitment or removal of resources? Please give details.	This proposal is not anticipated to remove any resource. As one of the Council's biggest spending areas and an area of increased purchasing volume, it is likely that it will result in additional resources being required.			
Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristics As part of this assessment, please consider the following questions: <ul style="list-style-type: none"> • To what extent is this service used by particular groups of people with protected characteristics? • Does the proposal relate to functions that previous consultation has identified as important? • Do different groups have different needs or experiences in the area the proposal relates to? You are advised to speak to your <u>Equality rep</u> or contact the legal team for advice if you are in any doubt.				
Protected characteristic	Potential for adverse impact			Please explain briefly why you have chosen this option and give details of potential adverse impact, if relevant.
	Yes	No	Don't know / No info	
Age		X		
Disability		X		
Sex		X		
Race		X		
Sexual orientation		X		
Gender reassignment		X		
Religion or belief		X		
Pregnancy or maternity		X		
Marriage or civil partnership		X		
NYCC additional characteristics				
People in rural areas		X		
People on a low income		X		
Carer (unpaid family or friend)		X		
Will the proposal have a significant effect on how other	The proposal will likely change some back office			

<p>organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.</p>	<p>functions for funding partners in the NHS, however it is unlikely to result in changes to the end users.</p>	
<p>DECISION Based on the above select one of the following options</p>		<p>Tick option chosen</p>
<p>1. No adverse impact - no major change needed to the proposal.</p>		<p>x</p>
<p>2. Adverse impact - adjust the proposal - The EIA identifies potential problems or missed opportunities. We will change our proposal to reduce or remove these adverse impacts, or we will achieve our aim in another way which will not make things worse for people.</p>		
<p>3. Adverse impact - continue the proposal - The EIA identifies potential problems or missed opportunities. We cannot change our proposal to reduce or remove these adverse impacts, nor can we achieve our aim in another way which will not make things worse for people. (There must be compelling reasons for continuing with proposals which will have the most adverse impacts. Get advice from Legal Services) COMPLETE MITIGATING ACTIONS SECTION BELOW</p>		
<p>4. Actual or potential unlawful discrimination - stop and remove the proposal – The EIA identifies actual or potential unlawful discrimination. It must be stopped.</p>		
<p>Explanation of why option has been chosen. (Include any advice given by Legal Services.) The procurement of the new Approved Provider lists should have no negative impact on the end recipient of services. Future transformation of services on the Approved Provider List is planned over the course of the list. The impacts of any changes will be assessed at the time they are proposed, however, it is unlikely that any of these will have a negative impact.</p>		
<p>Mitigating actions Ongoing review of Equalities Impact by project group</p>		
<p>Signed (Assistant Director or equivalent)</p>	<p>Dale Owens, Assistant Director - Prevention & Service Development</p>	
<p>Date</p>	<p>2 February 2022</p>	

Appendix B - Climate change impact assessment

Title of proposal	Adult Social Care Approved Provider List Procurement
Brief description of proposal	The majority of adult social care services commissioned by NYCC are currently purchased through Approved Provider Lists, which end in 2022. This project is looking at developing new Approved Provider Lists so that NYCC can continue to purchase service within a legal framework. These lists will cover: Care Homes, Home Based Support, Community Based Support, and Supported Living.
Directorate	Health and Adult Services
Service area	Service Development
Lead officer	Abi Barron
Names and roles of other people involved in carrying out the impact assessment	Jonathan Prince, Carol Armstrong, Hannah Brown, Helen Thirkell, Adam Grey
Date impact assessment started	14/2/21

Options appraisal

Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

An options appraisal took place to consider different methods of achieving the aims of this project, and was agreed by Health and Adult Service Leadership Team. NYCC has statutory duties under a range of legislation (including the Care Act 2014), to develop a sustainable care market in the County, which underpins why the project is taking place. It also a duty to make sure that there are services to respond to Adult Social Care needs, which are identified through the social care assessment process.

The options considered all related to different methods of purchasing services from the private sector, or providing some services internally as an authority. No options were identified that would have had a significantly different impact in terms of climate change.

What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

This proposal is likely to have an increased impact on costs to the Council budgets. This is largely relating to market forces, a highly competitive employment market and rising inflationary costs within the wider economy.

How will this proposal impact on the environment?		Positive impact (Place a X in the box below where)	No impact (Place a X in the box below where)	Negative impact (Place a X in the box below where)	Explain why will it have this effect and over what timescale? Where possible/relevant please include: <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	Explain how you plan to mitigate any negative impacts.	Explain how you plan to improve any positive outcomes as far as possible.
Minimise greenhouse gas emissions e.g. reducing emissions from travel, increasing energy efficiencies etc.	Emissions from travel		x		Many organisations who will be contracted will undertake travel as part of their job roles. Although this is not anticipated to increase as a direct result of this new contract, it is acknowledged that an increased volume of business through the contract is likely and therefore may increase emissions from travel.	Future developments (such as e-rostering) will be used to try and more efficiently plan travel to respond to care needs. Part of the care package brokering criteria will also revolve around minimising travel.	Encouraging care share, green vehicles etc...
	Emissions from construction		x		Organisations who are contracted with will not be required to undertake additional construction because of this project. Organisations may however, undertake construction to enter the	Encourage providers to consider construction emissions reduction when we become aware of new	

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where</p>	<p>No impact (Place a X in the box below where</p>	<p>Negative impact (Place a X in the box below where</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>	
					<p>care market in general, then apply to be part of the Approved Provider List.</p>	<p>developments, and through the planning process.</p>	
	Emissions from running of buildings		x		<p>Organisations who are contracted with will not be required to increase emissions from running of buildings as a result of this project. There is a potential that this project will result in future changes to some services that move away from building bases.</p>	<p>Providers may be encouraged to consider best practice in terms of building efficiency in line with government guidance, or to make changes as result of new legislation if required.</p>	
	Emissions from data storage		x		<p>Organisations who are contracted with will not be required to store additional data as a result of this project.</p>		<p>Providers may be encouraged to store data locally where possible in the future.</p>
	Other						

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where</p>	<p>No impact (Place a X in the box below where</p>	<p>Negative impact (Place a X in the box below where</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Minimise waste: Reduce, reuse, recycle and compost e.g. reducing use of single use plastic</p>		<p>x</p>		<p>Organisations who are contracted with will not be required to generate more waste as a result of this project.</p>		<p>Providers will be encouraged to minimise waste in their day to day operations. This will be done by promoting messages from the Council's waste teams.</p>
<p>Reduce water consumption</p>		<p>x</p>		<p>Organisations who are contracted with will not be required to consume more water as a result of this project.</p>		
<p>Minimise pollution (including air, land, water, light and noise)</p>		<p>X</p>		<p>Organisations who are contracted with will not be required to change practices impacting on pollution.</p>		
<p>Ensure resilience to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers</p>	<p>X</p>			<p>Organisations will be required to more rigorously plan to ensure their resilience for a range of business continuity scenarios. This will be enforced through the Quality Pathway that is embedded in the contract.</p>		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where</p>	<p>No impact (Place a X in the box below where</p>	<p>Negative impact (Place a X in the box below where</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> Changes over and above business as usual Evidence or measurement of effect Figures for CO₂e Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
Enhance conservation and wildlife		X		Organisations who are contracted with will not be required to change practices in relation to conservation and wildlife.		
Safeguard the distinctive characteristics, features and special qualities of North Yorkshire's landscape		X		Organisations will not be required to change practices in regard to this category. Any new services that arise in the County and apply to be part of the Approved Provider Lists will be asked to take regard of North Yorkshire's landscape through the application process and through the planning process.		
Other (please state below)						

Are there any recognised good practice environmental standards in relation to this proposal? If so, please detail how this proposal meets those standards.

Environmental sustainability within Adult Social Care is an area subject to growing research. Key findings from a King Fund paper can be found on the following link :

<https://www.kingsfund.org.uk/publications/sustainable-health-and-social-care>

Summary Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

This project is the renewal of contracting mechanisms that currently operate, and have done for a number of years. The project is planned to be delivered in two phases. There is little change anticipated in terms of climate change impact as a result of the first phase, which is the establishment of New Approved Provider Lists. The second phase is focussed around the transformation of services to be fit for the future, across the next 5 years. Potential Climate Change impacts will be anticipated and monitored when firm proposals for the transformation are drawn up.

It is acknowledged that the number of people requiring adult social care services in the future will increase, which may result in a negative climate change impact due to increased contract volume. Some of this increase may be offset by changes in practice within social care (e.g. fewer people in Care Homes) and changes within wider society (e.g. increased usage of electric vehicles, increase use of renewable energy etc...). This will be monitored during the duration of the contract with appropriate mitigations identified.

Sign off section

This climate change impact assessment was completed by:

Name	Jonathan Prince
Job title	Service Development Manager
Service area	Service Development
Directorate	Health and Adult Services
Signature	
Completion date	14/02/22

Authorised by relevant Assistant Director (signature): D Owens

Date: 14/02/2022

