

BUSINESS CASE

Direct Award of new contract to Shared Lives South West



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I. EXECUTIVE SUMMARY

The aim of this paper is to present the historic and current delivery of the Shared Lives service in Plymouth and make recommendations for the next two years. We are seeking to increase the number of local available Shared Lives hosts and ensure that we pay a realistic and sustainable rate for this provision. If we are successful in the growth of this service and offer, it will provide opportunities to reduce costs to Plymouth City Council as well as offering more choice to our service users.

A Shared Lives Scheme is an alternative to home care and care homes for adults in need of support. A Shared Lives Scheme offers a personalised model of care and support, where carers share their lives and in most cases, their homes with those they support. Shared Lives Carers are self-employed carers/hosts supported by the provider, which is regulated by the Care Quality Commission.

A Shared Lives Scheme offers placements that provide people aged 18 years and older with accommodation and/or care or support which is provided by ordinary individuals or families in the local community. It is equivalent to fostering or supported lodgings for children and young people.

The current provider is Shared Lives South West, who were set up by Devon County Council in 2004, in conjunction with Plymouth City Council and Torbay Council, and are an award-winning charity with a strong national reputation, rated 'Outstanding' by the Care Quality Commission.

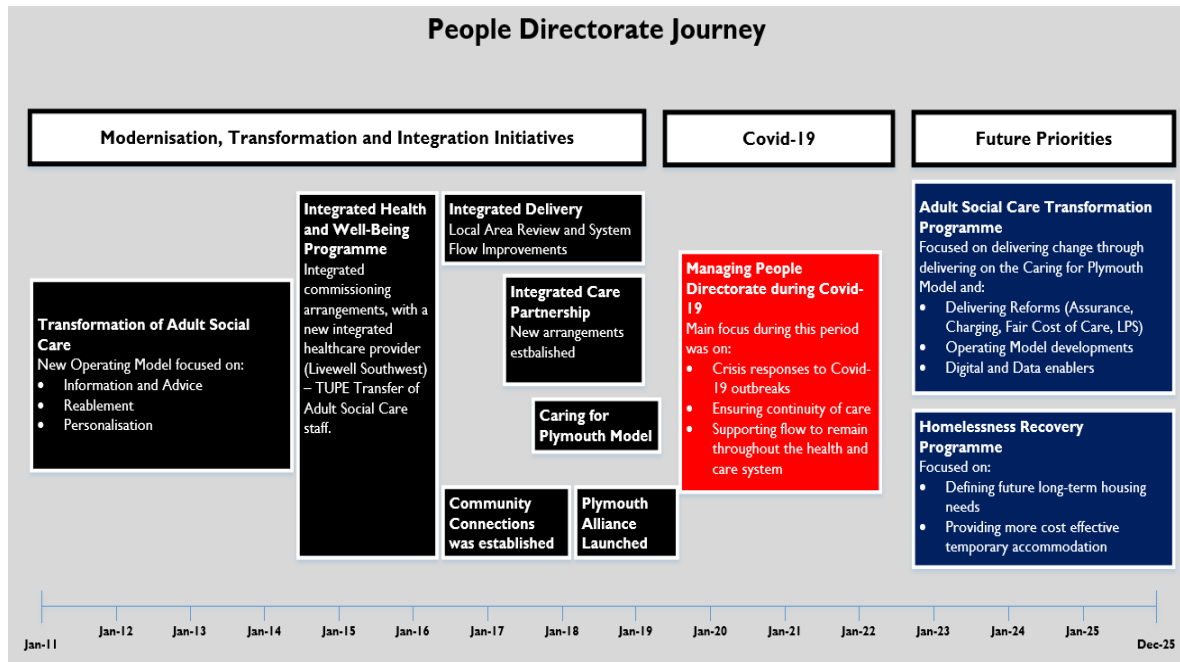
Plymouth City Council contract directly with Shared Lives South West. Other neighbouring authorities Cornwall, Devon, Torbay and Somerset currently commission with Shared Lives South West and it is our intention to continue to investigate if a peninsula wide commissioning approach or joint approach on some project areas will enable opportunity for cost efficiencies or shared resources.

A decision is sought to direct award to Shared Lives South West for a 2 year period to enable service delivery to continue for existing users, and for Plymouth City Council to carry out a focused piece of work with the provider to develop and grow the local offer, working in partnership with Livewell and Shared Lives South West.

2. INTRODUCTION

Plymouth City Council’s People Directorate has been on an aligned and consistent change journey to achieve modernisation, transformation and integration with health partners and communities for more than a decade, with the first phase of Transformation of Adult Social Care being mandated in 2011. The history of this journey is captured in Figure 1.

Figure 1. Adult Social Care Modernisation, Transformation and Integration Journey



In 2016, Community Connections was brought together to create a step change around how the council engages and works with communities and citizens. In 2018, the next major phase of change for Adult Social Care was outlined in the ‘Caring for Plymouth’ report, which sought to ‘enable people to live independent and fulfilled lives as part of their communities’. In April 2019, the Plymouth Alliance was launched, and homelessness, temporary housing, advice and support services were commissioned as part of the complex lives’ procurement including services such as substance misuse, and some mental health provision.

In March 2020, when the Covid-19 pandemic first presented itself, the above journey of change was temporarily put on hold, whilst health and social care partners across the city reacted and responded to the challenges and demands that the pandemic created.

In June 2023, to pick up on previous initiatives and to support the recovery of Plymouth’s health and care sector following the Covid-19 pandemic a new Directorate vision has been established to deliver a caring city where:

“People live in a place they call home with the people and things they love, in communities where they look out for one another, doing things that matter to people”

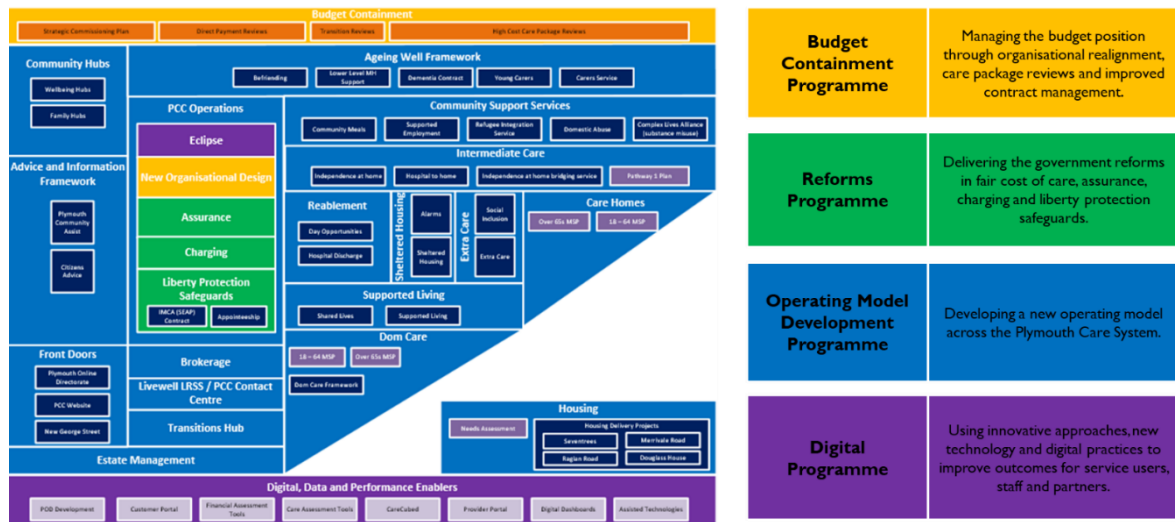
In line with PCC’s Corporate Plan to ‘work with the Police to tackle crime and anti-social behaviour’, to ‘build more homes – for social rent and affordable ownership’, to ‘work with the NHS to provide better access to health, care and dentistry’, and to ‘keep children,

adults and communities safe’ and with the direction from the Department of Health and Social Care, People Directorate has developed a long-term programme that will:

1. Continue to develop its Local Care Partnership (LCP) arrangements, continue to embrace and deliver integration with the ICB, and support the LCP’s overarching aims:
 - Improve health and wellbeing outcomes for the local population
 - To reduce inequalities in health & wellbeing of the local population
 - To improve people’s experience of care
 - To improve the sustainability of the health and wellbeing system
1. Manage the Directorate’s finances to deliver a balanced budget in 2023/24 and for future years;
2. Implement government reforms for Assurance, Charging and Liberty Protection Safeguards;
3. Embrace digital and innovative change that can improve the outcomes for people receiving care, people delivering care and people managing care;
4. Develop and implement new arrangements, processes, structures and culture that develops a more modern, strategic and dynamic operating model and workforce;
5. Deliver changes to the way we build, purchase, manage and use housing across social care, in particular, to improve the position of homelessness in the city.

This long-term programme is called the ‘Adult Social Care Transformation Programme’ and will run from 2023 – 2026. An outline of the model of this programme is presented in Figure 2.

Figure 2. ASC Transformation 2023 – 2026 Model



This business case is to develop a future Shared Lives offer to develop financial savings and provide better outcomes for people using these services.

3. CURRENT SERVICE OFFER

Within Plymouth there are currently 13 long-term Shared Lives clients and no short break placements; there are a range of client groups such as adults with a learning disability, physical disability or mental health need. Plymouth City Council wishes to see the use of Shared Lives Schemes grow and expand. This would happen via increasing the recruitment of host families via Shared Lives South West and also ensuring that the consideration and referral rate from adult social care is maximised.

Currently Plymouth City Council is funding the Shared Lives carers at a lower rate than our neighbouring authorities which could impact on recruitment and retention in the mid to longer term. Plymouth is now the lowest paying local authority in the region, paying between 2.8% and 12.3% less than other local authorities. The contract has not been reviewed for some years which has led to payments falling behind our neighbours and impacted on recruitment and retention of carers in Plymouth.

We are linking with commissioning colleagues across the peninsula to share our learning in relation to this service. There appears to be a joint consensus amongst local authorities that the Shared Lives model has the potential to reduce spend compared to supported living and residential options and also achieve better outcomes for individuals.

Shared Lives placements flex according to the need of the person but average £245 per week. This compares well to the average weekly cost for supported living of £653 and residential care of £1,100.

Our neighbouring authorities have a significantly greater take up of Shared Lives placements:

Devon	73
Torbay	28
Cornwall	130
Somerset	62
Plymouth	13

(Figures from August 2023)

The intention is to seek to grow the number of local carers by 30 over the next 2 years, 15 in year 1 and 15 in year 2. Allowing for the usual rate of carers leaving the service, the target is to have 28 local carers available by the end of the second year of the new contract.

There are challenges to the growth of the service via new carers; this is reflected in similar sectors such as fostering and supported lodgings. Cornwall and Devon are investing in a marketing and media service for Shared Lives South West which includes TV adverts, banners, job fayres, leaflets and radio and will share feedback on the effectiveness of this initiative. The aim is to increase the numbers of people applying to be host families for a Shared Lives offer across the South West.

Additional to this there is a need to consider how referrals are made to Shared Lives and ensure these are considered earlier in assessment and not at the stage when resourcing supported living and residential care is a challenge and needs have escalated.

The Shared Lives scheme will be expected to:

- recruit a range of appropriate short and long term Shared Lives carers;

- offer high quality shared lives placements to service users;
- expand the long term shared lives service to meet the needs of service users and the development priorities of the service purchaser;
- develop and expand the existing short break service to meet the needs of service users;
- offer support for service users referred to the scheme in Plymouth;
- help develop service users independent living skills;
- support service users to be empowered to make informed choices and decisions about their care and treatment and to take greater control over their lives;
- help develop service users to become more independent and move on to a more independent environment if appropriate;

4. CASE FOR CHANGE

The current Shared Lives South West contract expires on 30 September 2023, having been in operation since 2012. Market research has been carried out to consider if Shared Lives South West remains the most appropriate provider for the Council to contract with. On the basis of the overall quality of the service, continuity for service users, the desire to work with the local authority to try to grow the available offer and the value for money relative to other types of care provision, it is considered that Shared Lives remain an appropriate provider.

In the medium term we would like to work with the provider to grow the number of available carers to achieve better outcomes, including considering how the service can be marketed to attract new carers. In addition over the next 2 years we will explore the possibility of achieving this on a peninsula scale by joining-up arrangements with neighbouring authorities.

4.1 National Drivers

The following national strategic drivers support the recommissioning of services such as Shared Lives:

- **NHS Long Term Plan (2019):** Care to be increasingly delivered in people's homes or somewhere convenient, freeing up space in hospitals for those who need it most. Focus on expanding community care, support and prevention.
- **Care Act (2014):** Places a duty on local authorities to facilitate and shape our market for care and support; to ensure sustainability, diversity and continuously improving and innovating services. It includes the promotion of strengths-based approaches and particularly a focus on prevention and wellbeing.
- **Public Services (Social Value) Act (2012):** To consider how the services the local authority commissions and procures might improve the economic, social and environmental wellbeing of the Plymouth area.
- **Equality Act (2010) – Public Sector Equality Duty:** To eliminate unlawful discrimination, harassment, and victimisation, to advance equality of opportunity between people, to foster good relations between people who share a protected characteristic and those who do not.

4.2 Plymouth System Drivers

The following **partners' strategies and plans** must also support the procurement of domiciliary care:

- The **Local Care Partnership** supports the Government's policy Build Back Better: Our plan for health and social care. It aims to: improve health and wellbeing outcomes for the local population, reduce inequalities in health and wellbeing of the local population, improve people's experience of care, and improve the sustainability of the health and wellbeing system. Ultimately, the ambition of the Local Care Partnership is for people to receive 'the right care, at the right time, in the right place'.
- **Livewell Southwest's** mission is to support people to lead independent, health lives in the place, and the community in which they live.

4.3 Plymouth City Council Drivers

The following **council strategies and plans** must also support the commissioning of Shared Lives:

- The **Plymouth Plan 2014-2034** details the Local Authority's ambition to ensure people get the right care from the right people at the right time to improve their health and wellbeing.
- Plymouth's **Go Green Campaign** is a key driver for our procurements, with the goal for the City to be net zero carbon by 2030. This includes sustainable procurement and driving innovations to create change across the City.
- The Corporate Plan priority to keep children, adults and communities safe is a critical driver for the Shared Lives offer.

5. OPTIONS APPRAISAL

5.1 OPTIONS CONSIDERED

The table below presents a summary of the options considered, scoring methodology and recommended option.

OPTION 1	DO NOTHING
Description:	Let the contract expire on 30 September 2023 and revert to spot purchase
Pros:	None Identified
Cons:	We currently have 13 vulnerable adults accessing the existing provision and this approach would weaken our contractual rigour and potentially lead to higher costs.
OPTION 2	SEEK A NEW PROVIDER
Description:	We have carried out market research to consider the availability of other providers with the necessary skills and experience to support Plymouth clients
Pros:	Maintain a Shared Lives option enabling greater choice and opportunity to promote independence. Prevent people accessing supported living and 24/7 Residential Care unnecessarily, if they are able to live more independently
Cons:	We were unable to evidence other providers with the requisite experience to deliver an equivalent service and without disruption to service users
OPTION 3	JOIN-UP A PENINSULA OFFER

Description:	Commission a joint Peninsula Contract with neighbouring local authorities
Pros:	Opportunity to share costs, maximise resources to obtain greater efficiencies in recruitment of host families and referrals, joined up marketing campaigns.
Cons:	The Peninsula group is not yet ready to jointly commission in this way and unable to mobilise in time for the end of our contract. We need time to evaluate if this model would be beneficial.
OPTION 4	EXTEND EXISTING ARRANGEMENTS WITH CURRENT PROVIDER AND INCREASE THE RATE PAID TO CARERS
Description:	Continue provision of Shared Lives service x13 individuals via Shared Lives SW and invest in the service to increase the Carer Rate so it is comparable with our neighbouring local authorities and also offers an increase in paid breaks for carers
Pros:	Maintain a Shared Lives option enabling greater choice and opportunity to promote independence. Prevent people accessing supported living and 24/7 Residential Care unnecessarily. Our neighbouring authorities Devon, Cornwall, Torbay and Somerset have continued to contract with Shared Lives SW for shared lives support. If PCC followed this approach, it would provide consistency across the peninsula.
Cons:	Need to promote growth in host families and referrals. Additional investment used to increase Carers rate and consider how to support a marketing campaign for host families but this would still be more cost efficient than the other options.

5.2 OPTIONS SCORING METHODOLOGY

The following criteria were used to analyse each option:

- **Statutory Duties:** Will this option enable the council to carry out its statutory duties
- **System drivers:** Will this option support the strategies and plans in the system of health and adult social care?
- **Council drivers:** Will this option support the Council's strategies and plans?
- **Revenue cost:** Will this option fit the budget outlined in the MTFP after the changes?
- **User benefit:** Will this option deliver benefits to service users / customers (both internal and external)?
- **Ability to deliver:** How easy will it be to deliver the option?
- **Risk:** How risky is the option in comparison to the current situation?
- **Timescale:** How quickly can the option be introduced and implemented?
- **Future needs:** Does the option allow for future changes to the organisation, and to still perform as expected?

Each criterion was scored 0 – 3. The scoring was defined as:

- 3 – Exceed expectations
- 2 – Sufficient
- 1 – Partly sufficient
- 0 – Not met at all

5.3 OPTIONS APPRAISAL SCORING OUTCOME

	Do Nothing	Seek a New Provider	Join up a Peninsula Offer	Extend Existing Arrangements with current provider
Statutory Duties	0	1	2	2
System Drivers	0	1	2	2
Council Drivers	0	1	2	2
Revenue Cost	3	2	2	2
User Benefit	0	1	2	3
Ability to Deliver	0	1	1	3
Risk	0	1	2	3
Timescale	3	0	1	2
Future Needs	0	1	1	2
Score	6	9	15	21

5.4 RECOMMENDED OPTION

Based on the scoring above it is recommended that **Option 4: Extend existing arrangements with the current provider and increase the rate paid to carers is progressed.**

The following sections in the business case will outline our approach to deliver the recommended option.

6. PROPOSAL (THE RECOMMENDED OPTION)

The proposal is to extend the existing contract with the current provider “Shared Lives South West” for a period of 2 years to commence in succession of the current contract ending on 30 September 2023, to include additional investment in the service to equalise pay rates for carers and offer increased paid breaks. This will ensure current users of the service experience a consistency of service as well as valuing the efforts of current and new carers.

Over the next 2 years we will work with the provider to support the marketing of the service to increase the number of available local carers.

6.1 IMPLEMENTATION TIMELINE

An indicative timescale is as follows:

Activity Milestone	Date
Business Case approved (People Reporting Group)	4 September 2023
Portfolio Holder sign-off	14 September
Decision published	15 September
Contract Award	20 September
Contract Go Live	1 October 2023

6.2 FINANCIAL IMPLICATIONS

The Shared Lives Budget for 23/24 is £403,589. Based upon current spend the total cost of the new two year contract will be £807,178, this remains within the MTFP budget set for Shared Lives delivery.

If we increase the Carer Rate by 11.5% and increase the amount of paid breaks carers received by 1 week the financial impact for 2023/24 will be £12,500 for 6 months (Oct to Mar). The investment in this service will allow for cost avoidance within the Support Living budget. This is reflected in current forecasting and will be factored in to the MTFP for 2024/25.

6.3 RISKS AND MITIGATIONS

Risk	Risk Score			Mitigation	Revised Risk Score		
	Likelihood (1-5)	Impact (1-5)	RAG (1 – 25)		Likelihood (1-5)	Impact (1-5)	RAG (1 – 25)
The levels of demand coming into Shared Lives SW is greater than the budget allocated, meaning that PCC overspends	3	5	15	As part of the new contractual arrangements, contract monitoring against KPIs will take place and agree any new users coming into the service. In addition the Shared Lives budget will be reviewed regularly with finance colleagues as part of monthly monitoring arrangements.	2	3	6
The quality of the service reduces from the current good standard.	2	5	10	As part of contract monitoring we will review the quality and financial stability of the service, drawing on feedback, outcomes for services users and CQC outcomes and inspections. Quality Reviews can be instigated to share best practise and maintain quality standards if required.	1	3	3
Developing the service demand and resources at a manageable level and the service is used appropriately to meet need.	3	4	12	Project plan to be created to maximise and grow the service. This will include linking Shared Lives South West and ASC LIVEWELL to ensure referrals are appropriate. We will promote and develop recruitment of host families and clients via networking and referral pathways Networking with LIVEWELL to review individuals who might benefit from Shared Lives. Creating awareness sessions facilitated by Shared Lives South	2	3	6

				West to increase knowledge of the service offer. Ensuring that Shared Lives option is considered at the appropriate stage of referral.			
Developing the service in isolation and not drawing on best practice	2	3	6	Commissioner will attend regular (Approx. quarterly) network meetings with other commissioners across the peninsula, covering recruitment of host families, referral pathways, lessons learnt, best practice, opportunities for partnership working.	3	4	12
Carers leaving the service due to affordability, leading to a reduction in the number of placements and people being placed in supported living and residential care which is not required to meet their needs	3	3	9	Additional investment into the contract will enable an increased fee to be paid to carers and also secure an additional paid week as a break from their role. This will bring us in line with Devon and Torbay. This will enable greater opportunity to increase recruitment of host families and maintain the host families that are already established.	2	2	4

6.4 OUTCOMES AND BENEFITS

Strategic Outcome	Benefit Description	Benefit Category
The Local Care Partnership plan to receive 'the right care, at the right time, in the right place'.	The provision will achieve system efficiencies by supporting people to live in a more independent setting. This reduces the need for people to move into supported living and 24/7 residential services which improves their outcomes and in turn achieves financial efficiencies for the local authority.	Service User Improvements
The Local Care Partnership plan to receive 'the right care, at the right time, in the right place'.	Working co-operatively with partners Livewell SW and Shared Lives South West to refer individuals to this provision which will provide a more person centred service, whilst maintaining and building on the individual's independence. Giving the individual an improved customer experience whilst also giving opportunity to be less dependent on services in the future.	System and Partner Improvements
The Corporate Plan priority to keep children, adults and communities safe	Creating opportunities within the community to aid cost of living crisis and become a host family bringing additional income and benefits. Also helping to reduce social isolation and loneliness.	System and Partner Improvements