

## Summary Sheet

### Council Report:

Cabinet and Commissioner Decision Making Meeting – 10 April 2017

### Title:

Commissioning Intentions for Jointly Commissioned Services with Rotherham  
Clinical Commissioning Group (CCG) – Community Occupational Therapy Services

### Is this a Key Decision and has it been included on the Forward Plan?

Yes

### Strategic Director Approving Submission of the Report

Anne Marie Lubanski, Strategic Director of Adult Care and Housing

### Report Author(s)

Karen Smith, Joint Commissioning Officer, Adult Care and Housing

### Ward(s) Affected

All Wards

## Executive Summary

The Community Occupational Therapy (COT) service is a jointly commissioned service between the Council and the Rotherham Clinical Commissioning Group (CCG), via a pooled budget arrangement under a Section 75 agreement covering the Better Care Fund (BCF).

The COT Service is currently delivered under a block contract agreement by The Rotherham Foundation Trust (TRFT). The current contract expires on 31<sup>st</sup> March, 2017.

The service provides assessments for adults, older people and children who are permanently or substantially disabled and their carers. The overall cost of COT services in 2016/17 is £746,000 per annum, with the Council contributing £372,000 towards the service and the CCG contributing £374,000 per annum. The Council is the lead commissioner for this service and is accountable to the Health and Well Being Board and the Better Care Fund Executive Group.

A formal review has recently been completed by the Council and CCG in order to:

- (a) Ensure that the service is meeting the needs of customers and their carers
- (b) Reduce the waiting times for assessment
- (c) Reduce the number of customers being referred to the service by signposting them to alternative services at the first point of contact
- (d) Carry out analysis of performance data to predict demand and capacity of service

- (e) Carry out analysis and evaluation of customer and carer satisfaction rates and outcomes
- (f) Examine whether the service promotes Value for Money.

The review demonstrated that the COT service was carrying out assessments for low level/single need customers and that resources need to be diverted towards providing assessments to support complex needs (e.g. moving and handling techniques to support carers, prescribing major adaptations). In addition to this, it was identified that Assistant Practitioners/OT Assessment Officers (formerly known as Technical Officers/Social Services Officers) could be upskilled to carry out assessments for level access showers, straight stair-lifts and ramps and that the level of paperwork completed was onerous and needed to be streamlined.

It is, therefore, recommended that the contract for the Community Occupational Therapy Service be extended for one further year to allow alignment with the Adult Care Development Programme (including the BCF Work Programme) and the evolving Specialist Housing Strategy. Within the extended period to April 2018, providers will be expected to achieve all recommendations highlighted in the COT review report and to work with the Council and the CCG to implement new models of service delivery.

The Lead Commissioner arrangements for the Community Occupational Therapy Service are proposed to be assigned to the Clinical Commissioning Group (CCG) as they have the largest financial stake and greater capacity to lead this activity. The Better Care Fund Section 75 agreement with Rotherham CCG allows for the assignment of the Lead Commissioner responsibilities, which has been approved by the Better Care Fund Executive Group.

Extension of the current contracts for a period of up to 12 months will ensure that services can be redesigned, will allow time for the purpose and nature of future preventative services to be agreed in line with the Council's and CCG's Transformation programmes, Corporate Plan, Health and Wellbeing Strategy and the Better Care Fund Plan 2017/19. It will also ensure appropriate commissioning actions are taken to streamline services and ensure funding streams are appropriately placed prior to commencing a competitive tender process.

## **Recommendations**

1. That the Clinical Commissioning Group be designated as Lead Commissioner for the Community Occupational Therapy Service.
2. That the proposal to extend the contract for the Community Occupational Therapy Service for a period of up to 12 months from the 1 April 2017, for the reasons identified in Section 3 of this document, be noted.

## **List of Appendices Included**

None

## **Background Papers**

None

## **Consideration by any other Council Committee, Scrutiny or Advisory Panel**

No

**Council Approval Required**

Yes

**Exempt from the Press and Public**

No

**Title:** Commissioning Intentions for Jointly Commissioned Services with Rotherham Clinical Commissioning Group (CCG) – Community Occupational Therapy Services

**1. Recommendation**

- 1.1 That the Clinical Commissioning Group be designated as Lead Commissioner for the Community Occupational Therapy Service.
- 1.2 That the proposal to extend the contract for the Community Occupational Therapy Service for a period of up to 12 months from the 1 April 2017, for the reasons identified in Section 3 of this document, be noted.

**2. Background**

- 2.1 The Community Occupational Therapy (COT) service is a jointly commissioned service between the Council and the Rotherham Clinical Commissioning Group (CCG), via a pooled budget arrangement under a Section 75 agreement to facilitate the Better Care Fund (BCF)
- 2.2 The COT Service is currently delivered under a block contract agreement by The Rotherham Foundation Trust (TRFT). The current contract expires on 31<sup>st</sup> March, 2017.
- 2.3 The service provides assessments for adults, older people and children who are permanently or substantially disabled and their carers.
- 2.4 The overall cost of the COT services in 2016/17 was £746,000 per annum, with the Council contributing £372,000 towards the service and the CCG contributing £374,000 per annum. The Council is the lead commissioner for this service and is accountable to the Health and Well Being Board and the BCF Executive Group.
- 2.5 There are 3 FTE OT Assessment Officers (formerly known as Social Services Officers) employed by the Council and funded from the adult care budget. These posts are currently part of the COT service and carry out assessments for customers with low/moderate needs who require equipment and minor adaptations and perform the same duties as The Rotherham Foundation Trust Assistant Practitioners (formerly known as Technical Officers). The costs of these posts amounted to £93,350 in 2016/17.
- 2.6 The client groups served are as follows:
  - Older People (65 years and over)
  - Adults with Physical Disabilities (18 to 64 years)
  - Mental Health (18 to 64 years)
  - Learning Disabilities (18 to 64 years)
  - Children's (0 to 17 years)
- 2.7 The service is commissioned to assess 3,500 customers (plus or minus 5%) which amounts to between 3,325 and 3,675 assessment per annum. The service completed 3,294 assessments in 2015/16 and 2,133 between April

and November 2016 (8 months), which amounts to a predicted 3,200 assessments for 2016/17. Therefore, this is slightly under the target set for 2016/17.

- 2.8 From April 2015 to November 2016, the COT service carried out a total of 171 assessments for children and a total of 176 home visits. 34 children were in the age group 0 to 4 years, 56 aged between 5 to 9 years, 59 aged between 10 to 15 years and 22 aged between 16 to 17 years.
- 2.9 The service has struggled to meet the increasing demand due to the number of contacts received in Year 1 which amounted to 3,491 which increased to 4,056 in Year 5 of the contract, thus resulting in the OT backlog increasing. This amounts to a 16% increase in the referral rate or 565 additional customers per annum. This increase in referral rates is predominantly due to the increasing demographics of older people (42,700 in Year 1 of the contract [2011/12] to 50,800 in Year 5 of the contract [2016/17], with a further predicted increase to 54,200 by the year 2020)<sup>1</sup>. The commissioning of the social care prescribing service has also impacted on the referral rate to the COT service over the last two years in terms of an additional pathway for referrals to the service.
- 2.10 In 2015/16 there were a total of 550 contacts terminated – 71 admitted to hospital, 192 terminated by customer, 105 by carer, 127 by adult care, 58 died and 1 moved to another area. The majority of these customers where their assessment has been terminated will have received some telephone input/support from the COT service to provide information and advice around alternative services available in the community to provide support.
- 2.11 The average waiting times for assessment significantly increased to 51.06 days in April 2016, against an agreed maximum target of 95% of assessments carried out within a maximum of 28 calendar days. An OT backlog group was established in June 2017 as the number of customers waiting for an assessment had increased to a total of 599, with a maximum of 22 weeks for a qualified OT assessment and 10 weeks for an Assistant Practitioner (AP)/OT Assessment Officer (OTAO) assessment.
- 2.12 The OT Backlog Group and Joint Commissioning Performance Group, consisting of key stakeholders from the Council and CCG, collectively agreed the following actions to reduce the OT backlog:
- (a) Single Point of Access and Housing Repairs teams to directly issue low level types of equipment
  - (b) Upskilling APs/OTAOs to carry out assessments for level access showers, ramps (up to 2 steps) and straight stairlifts, under the close supervision of a suitably qualified OT
  - (c) Streamlining the number of referral forms completed by amalgamating the minor fixings and minor adaptations forms.
  - (d) Reduced the amount of inputting on the assessment document within the Liquidlogic case management system according to individual needs/ complexities.

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<sup>1</sup> Projecting Older People Population Information System - POPPI

Further actions identified within the review will be completed during the months of April to July 2017 as follows:

- (a) Allocate 1 x WTE OT post to the Single Point of Access team on a 3 months trial period to assist with signposting customers to alternative services
- (b) Work more closely with adult social care to look at new care packages with the aim of reducing costs
- (c) To continue to work in partnership with the Learning Disability Occupational Therapy team to assess clients living at Cranworth and find suitable alternative accommodation, including the provision of equipment and adaptations to support complex needs
- (d) Develop an options appraisal to inform future commissioning arrangements

2.12 Following the implementation of these agreed actions, the OT backlog has now reduced to 147 in March 2017, with a maximum waiting time for assessment standing at 8 weeks for a qualified OT and 3.5 weeks for an AP/OTAO assessment. It is predicted that the COT will be able to achieve all contractual targets by May 2017, as the service is continually reducing the backlog by around 60 to 70 assessments per month.

2.13 The outcomes from services provided to the client groups served by the Programme demonstrate its usefulness and effectiveness in preventing onward progression into health and social care. It is a cornerstone of Rotherham's integration and BCF Programme, critical for compliance with Care Act principles around devolution of decision-making to customers, and achieving a diverse and rich care and support marketplace.

2.14 Given the need to fundamentally change the Adult Care offer and to move forward to the service working more closely together, the service delivery model will need to develop and change and it would not be prudent to tie the Council into new three year block contract arrangements at this time.

2.15 It is proposed instead that the contracts for the services be extended for one further year to allow alignment with the Adult Care Development Programme (including the BCF Programme), the Children and Young People Service (CYPS)-led Transitions Review and the evolving Housing Strategy. In the extended period to April 2018, providers will be expected to work with the Council and the CCG to implement new models of service delivery.

2.16 This will also ensure appropriate commissioning actions are taken to streamline services and ensure funding streams are appropriately placed prior to any consideration of a tender process taking place.

### **3. Key Issues**

3.1 The proposals contained in this paper contribute towards the statutory functions of Adult Care and the 4 aims of the Rotherham Joint Health and Well-Being Strategy (2015/19) which includes:

- (a) All children get the best start in life
  - (b) Children and young people achieve their potential and have a healthy adolescence and adulthood
  - (c) All Rotherham people enjoy the best possible mental health and wellbeing and have a good quality of life
  - (d) Healthy life expectancy is improved for all Rotherham people and the gap in life expectancy is reducing
- 3.2 The service also contributes to the jointly agreed metrics of the Better Care Fund (2017/19) and the Rotherham CCG Annual Commissioning Plan (2016/19) in reducing permanent admissions to residential and nursing care and avoidable hospital admissions. The BCF metrics scorecard reveals that the number of admissions to residential care (by end of November 2016) rate is significantly lower than the target and the performance for non-elective hospital admissions is currently under target and within contract plans.
- 3.3 The service also contributes to the Adult Social Care Outcomes Framework (ASCOF2B) in enabling customers to remain in the community for longer than may be possible if they did not receive the input from the COT service.
- 3.4 The service contributes towards the Rotherham Community Transformation programme which aims to achieve savings and efficiencies, whilst service the local community with the same standard of care.
- 3.5 Reductions to budgets and changes to funding streams make the future of the current services uncertain and the purpose and nature of future preventative services needs to be agreed and aligned with the Council's and CCG's transformation programmes.
- 3.6 Failure to appropriately assess service provision, analyse need/demand and suitably manage risk/impact to customers will lead to inappropriate services that bring further cost implications to the Council through Adult Care, CCG, Children and Young People's services and Housing.
- 3.7 A new service model needs to be developed to address projected increased need, but this needs to be delivered within the same financial envelope in 2018/19. The current model of provision may not be affordable in the future in terms of delivering on key performance targets such as responding to assessments within 28 calendar days. A future options appraisal will need to consider how these issues are addressed so that we can meet the needs of the local population in a timely manner.
- 3.8 The recent review has highlighted a potential cost pressure associated with the service of £141,098 per annum relating to the management and contribution costs. Rotherham CCG, as part of their 2017/18 NHS Standard Contract with TRFT, have requested a comprehensive review of the community services management and contributions funding across community services to determine whether this is actual or perceived.
- 3.9 A soft market testing exercise was carried out between August and October 2016 which revealed that the market for specialist OT services currently is

under-developed and there is a risk no suitable provider is identified to deliver the new service model within the existing financial envelope. For example, all COT services within the Yorkshire and Humber region (Sheffield, Barnsley, Doncaster, Derbyshire, Bradford, Leeds, Calderdale) are provided by NHS Foundation Trusts or Councils.

- 3.10 Extending the contract for a period of one year from April 2017, will allow for a further review of the current service model, which is part of the BCF work programme. This will also allow for commissioners to understand projected future needs by 2018/19.

#### **4. Care Act and BCF Implications**

- 4.1 The key drivers of the Better Care Fund plan is to move towards integrated commissioning and the development of integrated health and social care services, through the use of either pooled budgets and/or partnership agreements.
- 4.2 The BCF long-term plan sets out the vision that health and social care teams will work in an increasingly integrated way under a common set of objectives. Commissioning plans will be aligned to the Health and Well Being Strategy to achieve maximum efficiencies, maintain service quality and also to drive forward the prevention agenda. The COT service will become part of the whole system commissioning model to ensure that the service becomes person centred, promotes value for money and is able to provide integrated care which supports people with complex needs to remain independent in the community.
- 4.3 The introduction of the Care Act has resulted in an increase in demand for OT assessments as carers have a legal entitlement to an assessment and for information, advice and support and also the impact of the social care prescribing service playing their preventative role in the community.
- 4.4 The COT service will be expected to arrange and make available services that prevent, delay or reduce the need for higher levels of care and support. The Act places responsibility of identifying people in the local area who might have care and support needs that are not being met which will also increase the workload of therapy staff.

#### **5. Recommended Proposal**

- 5.1 Our recommendation is to assign the Lead Commissioner arrangement for the Community Occupational Therapy Service to the Clinical Commissioning Group (CCG).

The Better Care Fund Section 75 agreement with Rotherham CCG allows for the assignment of the Lead Commissioner responsibilities, which has met with approval from the Better Care Fund Executive Group. Therefore, there is a need to change commissioning arrangements and the requirement to develop a new service specification prior to tender.



The Clinical Commissioning Group will publish a Voluntary Ex-Ante Transparency (VEAT) notice in the Official Journal of the European Community (OJEU).

Cabinet approval	Paper to Cabinet outlining the intentions	Karen Smith/ LA and CCG Commissioning Team	April 2017
CCG to complete VEAT Notice	VEAT Notice to be published on OJEU website	CCG Commissioning Team	April 2017
Continue to monitor and oversee actions contained within the COT review report to ensure the backlog achieves and remains with contractual obligations	Closely monitor performance data through the Joint Commissioning Performance Group and BCF Executive Group	Karen Smith/ CCG Commissioning and LA Performance Team	April to July 2017
Analysis of current provision (increased need/demand/gap analysis)	Closely monitor performance data through the Joint Commissioning Performance Group and BCF Executive Group	Karen Smith/ CCG Commissioning and LA Performance Team	April to July 2017
Consultation with service users, current providers and partners	Focus groups, face to face interviews, surveys	Karen Smith/ RMBC Performance Team	April to September 2017
Carry out an options appraisal to inform commissioning arrangements for joint funding of services with the CCG, including options to tender the service. A new service model will need to be developed within the same financial envelope.	Considering reconfiguration of existing model or procurement	Karen Smith/ LA and CCG Commissioning Team	August to September 2017
New service specification and contract developed	Review of current provision and develop new service specifications	Karen Smith/ LA and CCG Commissioning Team	September 2017
Implementation of new model	Dependent on outcomes of options appraisal	Karen Smith/ LA and CCG Commissioning Team	October to March 2017

This recommendation allows the Council and CCG the opportunity to carry out a thorough consultation programme with the existing provider (TRFT) and other key stakeholders, including customers and carers, comparator authorities and other interdependencies which would ensure that a robust

commissioning exercise is completed to provide the best model of service delivery which is fit for the future, sustainable and promotes value for money.

The Council and the CCG will develop a new service specification which will incorporate a proposed new model of provision which will focus on delivering on the Care Act's "Prevent, Reduce and Delay" agenda and will closely tie in with the re-ablement, assistive technology and equipment offer so that this becomes a more preventative type service, rather than a re-active service in future. The new service specification will be signed and agreed by the Better Care Fund Executive Group.

## **6. Consultation**

- 6.1 Consultation needs to be finalised with existing providers, current and previous customers and partners to identify any gaps in the current provisions prior to building the new specifications.
- 6.2 A tender that includes Council and The Rotherham Foundation Trust employees requires a period of formal consultation with Trade Unions and staff as this process may result in a TUPE transfer to a new provider. Early notification of this service going out to tender needs to be communicated to Trade Unions and staff.

## **7. Timetable and Accountability for Implementing this Decision**

- 7.1 The timescales for this piece of work will be around 12 months in order to facilitate a successful conclusion.

## **8. Financial and Procurement Implications**

- 8.1 The current total annual contract values for the COT contract is £746,000 for 2016/17, which is financed by the Better Care Fund under a Section 75 pooled budget arrangement with the CCG.
- 8.2 There are 3 x FTE OT Assessment Officers employed by the Council funded from the adult care budget. These posts are currently part of the COT service and carry out assessments for customers with low/moderate needs who require equipment and minor adaptations and perform the same duties as the TRFT Assistant Practitioners. The costs of these posts amounted to £93,350 in 2016/17.
- 8.3 Consideration needs to be given as to whether all funding will come under one service specification and contract. This would give the contract a total value of £839,350 per annum which would cover both the Council and The Rotherham Foundation Trust elements of the service.

## **9. Legal Implications**

- 9.1 To assign the Lead Commissioner arrangements for the Community Occupational Therapy Service to the Clinical Commissioning Group (CCG). The Better Care Fund Section 75 agreement with Rotherham CCG allows for

the assignment of the Lead Commissioner responsibilities, which has been approved by the Better Care Fund Executive Group.

9.2 The Clinical Commissioning Group will publish a Voluntary Ex-Ante Transparency (VEAT) notice in the Official Journal of the European Community (OJEU)

9.3 To mitigate the above risks, in 2017/18 there will be a full review and options appraisal for reconfiguration or tender of the process based on a robust benchmarking and engagement with customers/carers exercise

## **10. Human Resources Implications**

10.1 The proposal affects Council employees (as well as TRFT employees) as there are 3 FTE OT Assessment Officers posts that are part of the COT service carrying out the same function as the Rotherham Foundation Trust Assistant Practitioners by providing assessments for equipment and minor adaptations.

10.2 If the existing contracts are not extended, the proposal will have redundancy or TUPE implications for the current providers (The Rotherham Foundation Trust and the Council) should both elements of the service be decommissioned or the service is awarded to an alternative provider following the competitive tender.

## **11. Implications for Children and Young People and Vulnerable Adults**

11.1 The Community Occupational Therapy Service will work with children from 0 to 17 years and vulnerable adults from age 18 upwards.

11.2 Failure to appropriately assess service provision, analyse need/demand and suitably manage risk/impact to customers will lead to inappropriate services that bring further cost implications to the Council through Adult Care, CCG, Children and Young People's services and Housing.

## **12. Implications for Partners and Other Directorates**

12.1 There is a need for careful consideration to be given to services as this will have a direct impact on the Housing Directorate (adaptations function), CCG, The Rotherham Foundation Trust and Rotherham, Doncaster and South Humber NHS Foundation Trust as the service provides assessments for all client groups.

12.2 There is a need to establish at an early stage with regard to future commissioning intentions from our partner organisations. This will have implications for any new service specification and/or tender process. The new service specification may need to include identifying suitable alternative therapy services to pick up on the workload. This process will include consultation with customers and their carers to determine an appropriate outcomes framework and new service model.

12.3 The contracts contribute towards the BCF Programme and Health and Wellbeing Strategy with Rotherham CCG.

12.4 The BCF Programme contributes to statutory provision of services to meet the Council's duty of complying with the Care Act's "Prevent, Reduce and Delay" agenda.

### **13. Risks and Mitigation**

13.1 If the contracts terms are not extended the Adult Care Development/ Transformation Team, the Council and Rotherham CCG will be unable to link successfully with partners and Directorate colleagues to deliver on their strategic programmes and achieve the efficiencies identified.

13.2 The current contract has a 6 month notice period which does not give us sufficient opportunity to carry out the level of work and timeframes required for an appropriate tender process, a robust customer and carer engagement exercise and benchmarking exercise, for the existing provider to complete all actions identified within the COT review report and to ensure that services are value for money and appropriately meet the needs of the people who access them in the future.

### **14. Accountable Officer(s)**

Approvals Obtained from:-

Strategic Director of Adult Care and Housing:	Anne-Marie Lubanski
Assistant Director of Strategic Commissioning:	Nathan Atkinson
Finance Manager:	Mark Scarrott
Principal Officer/Contracts Solicitor (Legal):	Ian Gledhill/Kavita Ladva
Senior Category Manager (Procurement):	Lorna Byne
Human Resources Business Partner:	Odette Stringwell

Karen Smith, Joint Contracts Officer, Adult Care and the CCG

Claire Smith, Head of Long Term Conditions and Urgent Care, CCG