

Operational Decision Record

Publication Date 23 November 2022	Decision Reference Number 4781
Decision Title	
Purchase of Care Cubed Place Based Licenses to support the Market Sustainability Exercise	
Decision Value	
£58,000	
Revenue or Capital Spend?	
Revenue	
Department	
People Directorate	
Contact Officer (Name, job title, and contact details)	
Claire Labdon-West, Interim Commissioning Lead for Adults Karla Banfield, Commissioning and Market Services Manager	
Decision Taken	
<ol style="list-style-type: none">1) To approve the expenditure of £58,000 over 2 years on Place Based Licenses for Care Cubed. CareCubed offers a digital solution to regional benchmarking to inform the Market Sustainability exercise being carried out by the Commissioning Team as well as supporting colleagues in Adult Social Care in talks with providers when securing support packages.2) To approve the award of the contract to Care Cubed through a call off process from a compliant framework.3) To delegate the authority to award and sign the contract to the Director of Commissioning and Procurement	
Reasons for Decision and Background Information	
<p>In December 2021 the DHSC published initial guidance on a new fund, the Market Sustainability and Cost of Care Fund, available to local authorities to support them to begin preparing local care markets for reform and moving towards paying a rate for adult social care. Further detailed guidance was published on 24th March 2022. This fund aims to support a sustainable social care market in the context of the government's commitment to wide ranging reform of the adult social care system to protect citizens from unpredictable costs, offer more choice and control, ensure quality and that care is accessible to those that need it. The government white paper 'People at the Heart of Care', published in December 2021, outlines a 10 year vision for reform that puts personalised care and support at the heart of adult</p>	

social care. A total of £1.4bn is to be made available nationally through this fund over the next 3 years, and in 2022-23 Nottingham City Council has received an allocation of £1.043m. To prepare markets using this funding in 2022-23, DHSC expects local authorities to carry out activities such as: conducting a cost of care exercise, engaging with local providers to improve data on operational costs and self funders, strengthen capacity for greater market oversight, and increasing fee rates as appropriate to local circumstances.

The Cost of Care Exercise as defined by the DHSC is focused on the residential market for citizens over the age of 65 and homecare for over 18s. Nottingham City Council intend to utilise the approach set out by the government and expand on this to incorporate the rest of the adult market.

Phase 2 of the Market Sustainability Programme:

- To strengthening internal commissioning and contract management capacity
- To procure external resource to undertake work associated with these grant conditions,
- To provide greater market and provider oversight
- To engaging with providers for the purpose of both the cost of care exercise and market sustainability plan to better understand the potential impact of reform on the local market.
- To develop and executing a market sustainability plan

The Commissioning Team will carry out a market sustainability exercise to develop a comprehensive understanding of the market, including the strengths, weaknesses, and areas of opportunity. The outcome will be the production of a full market Sustainability Plan which will set out a range of activities which are required in order for NCC to achieve a sustainable market. This will inform the Commissioning Plan.

CareCubed is a secure web based tool which calculates a cost of care across different provider settings. The tool uses an evidence based approach pulling on national benchmarking data to give a clear baseline for cost. This can be used on an operational basis to inform negotiations and has a strategic purpose as it provides retrospective analysis on costs within the market which can be used for market shaping activities. CareCubed is available across residential and supported living settings and will be an important tool in this programme of work.

The fee includes unlimited user access accounts for CareCubed, annual updates on costs models, online support and account management. The benefit of the Place based license is that providers can submit their costs directly to CareCubed.

IESE who deliver CareCubed were funded by The Care and Health Improvement Programme (delivered by ADASS and the LGA) to deliver the free national tool for phase 1 of the DHSC mandated Cost of Care Exercise.

The organisation are also on a consultancy framework which enables Nottingham City Council to award a contract through a compliant call off under that framework.

The £58,000 fee will purchase 2 years of licenses with a 20% discount and a comprehensive implementation and training package which includes how to optimise the use of the software as well as training in negotiation skills to support the use within the market. IESE are currently developing their technology to incorporate other planned changes within ASC reform, including changes to the savings cap and means test and these developments would be available to NCC as part of the fee.

Other Options Considered and why these were rejected

- 1) To do nothing: this option was rejected as there are challenges across the whole market and without addressing these then we cannot hope to achieve a long term sustainable market. The work required by the Cost of Care exercise, although important, was narrow in it's scope and would not deliver the improvements required across the whole market.
- 2) To use national tools released by the Local Government Association/CHIP: this was rejected as the tools provided nationally only relate to the areas in the DHSC Cost of Care exercise, namely residential care for the over 65s and homecare for over 18's. Nottingham City Council intend to take a broader approach to encapsulate the whole market which is not supported by national tools. The full capabilities of CareCubed are also not available as part of the CHIP tool.

Reasons why this decision is classified as operational

- The decision has a total value under £150,000
- The proposed expenditure is within existing adult social care policies and do not commit the Council to any new activities. The findings of the market sustainability exercise will inform future decisions about the approach to funding for adult social care services. CareCubed will also deliver a useful tool to support colleagues in ASC when commissioning services for individuals.

Additional Information

Procurement Comments

The proposal involves using a framework to award a contract. The framework has specific call-off terms for awarding contracts. Provided the

framework process is followed, the award of contract would be compliant with procurement law and therefore there would be no significant Procurement concerns
Paul Ritchie, Procurement Category Manager 20/09/2022.

- Councillor Williams, Portfolio Holder for Adult Care and Local Transport has been consulted and supports the recommendations
- An EIA is not required because this decision does not include proposals for a change to a service, policy or function. This market sustainability assessment will inform the consideration of the future approach to market sustainability and funding for adult social care, and any impacts and risks will be considered at the time of any future decisions.

Decision Maker (Name and Job Title)

Catherine Underwood,
Corporate Director for People



5/10/22

Scheme of Delegation Reference Number

1

Date Decision Taken

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