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Report of Director of Adult Social Services

Report to Executive Board

Date: 22nd April 2015

Subject: New Design Model for Home Care Services in the City

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):		No
Are there implications for equality and diversity and cohesion and integration?		No
Is the decision eligible for Call-In?	Yes	
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:		No

Summary of main issues

1. In November 2014 a report was submitted to the Executive Board of the Council outlining the work that had been undertaken up to that date on the proposed significant redesign of homecare services in Leeds. The report identified the proposed service model which emphasises the need to improve outcomes for people; the proposed pricing model, the proposed contract type and the desire to adopt Ethical Care Charter Standards. This report gives further detail on that redesign and includes recommendations on the intention to initiate a process which will conclude with the letting of new domiciliary care contracts with independent and third sector providers in the city in June 2016.

2. Commissioned home care services in the City are currently secured under the terms of the Community Home Care Framework Agreement, this contract was let in 2010, that contractual agreement is now nearing its end and this has created a unique opportunity to recommission home care services which meet the requirements of the Care Act 2014, secure quality and value within a fair fee rate that incentivises good employment practices by care providers.

3. Adult Social Care (ASC) has a statutory duty to provide services to people who have 'eligible' care needs, as defined in the Care Act 2014. Non – specialist domiciliary support is provided to people with eligible needs in their homes by a range of independent and third sector companies and to a lesser extent by the Local Authorities own directly provided service. The current expenditure by ASC on the provision of home care services is in the region of £27m per annum.

4. Whilst the current contracts and services are generally working well, new requirements have led officers to undertake extensive work over the past year with a range of key stakeholders to determine how home care services could be redesigned to become more focussed on improving outcomes for people they serve. The outcome of that engagement and the decisions which will need to be made as a consequence, prior to the commencement of a procurement exercise are set out in this report.

5. The new design for domiciliary care services, their organisation and planned delivery within the City has been co-produced with people who use such services, their carers and service providers. Trades Union colleagues have been specifically engaged in the desire to adopt Ethical Care Charter Standards particularly with regard to quality standards, the proposed fee structure and the proposed service delivery model.

Recommendations

6. Executive Board are recommended to endorse the proposal to commence procurement of external homecare services.

7. Executive Board are asked to note the content of this report and endorse the proposed service model and pricing arrangements.

8. Executive Board are recommended to approve a procurement process based on 100% quality weighting with a range of fixed prices.

9. Members of Executive Board are invited to note the comments of members of the Health and Wellbeing Scrutiny Board who have examined the issues, risks and proposed remedies (Attached at Appendix 1).

10. Executive Board are recommended to approve that the Executive Member for Adult Social Services sign the Unison Ethical Care Charter at the appropriate juncture after the governance processes of the Council in relation to this report have been completed.

11. Members of the Executive Board are recommended to agree to delegate the decision to award contracts for the provision of external homecare services to the Director of Adult Social Services.

12. Members of the Executive Board are recommended to agree that the Head of Commissioning, ASC will be accountable for the completion of this work subject to Executive Board approval.

1. Purpose of this report

1.1. To inform Executive Board members of progress to date with the re-commissioning and re-design of the external home care services and the proposed service delivery model for the external provision of homecare services.

2. Background information

2.1. The existing independent sector homecare contracts ran from 1st October 2010 to 31st October 2013 and were extended in September 2013 for a period of two years (in line with the clauses contained within the existing contract) to allow for substantial consultation and to prepare for a significant re-commissioning exercise.

2.2. The independent sector, including the 32 home care framework providers (representing both national and local businesses) delivered 86% of the total commissioned home care support in Leeds in 2013-14, this equates to 1,525,701 hours of support annually. The contracts generally have worked well in terms of quality and value, the latter feature has allowed ASC, over the term of the contracts, to constrain spending in this area against a backdrop of increased need among the population.

2.3. The overall aim of this re-design of home-care services was to create and implement a new service delivery model for independent sector home care provision in Leeds. As indicated previously, the expiration of the existing contract arrangement presented a unique opportunity to respond to a range of national issues including, the introduction of the Care Act 2014 and the impact of the Equality and Human Rights Commission Inquiry into Home Care of Older People.

2.4. As the previous report on the agenda of this Executive Board has indicated through the West Yorkshire Combined Authority each Council has agreed to adopt a Charter to support Low Paid Workers. The recommendations contained in this report compliment the recommendations described therein and respond to reports such as the 'Time to Care' report published in 2014 by the trade union, Unison, and the Key to Care report published in December 2014. These developments continue to drive and shape the strategic direction of care provided to people alongside their need to be personalised, to maximise people's independence and for care to be provided in ways which is seamless.

2.5. The Human Rights Act, requires local authorities to take into account their 'positive obligations' to actively promote and protect the rights of people as described in the Convention and therefore maintains that all providers of publicly funded home care should consider themselves bound by the Human Rights Act. The report highlighted the ways in which companies organised their call schedules which sometimes conflicted with public service values of dignity, choice, fairness and equality which should underpin practice.

2.6. The Care Act emphasis on people experiencing personalised care over which they exercise choice and control (an 'outcome' based model of care) requires

changes to be made to systems and processes by ASC and independent sector home care providers to facilitate a move from activity which is specified, commissioned and delivered on a pure 'task and time' basis, to one which is significantly more defined by the people receiving care.

2.7. The integrated nature of health and care services has been increasingly reflected by health and care commissioners working much more closely in these areas hence officers representing three Clinical Commissioning Groups (CCGs) are actively involved in the Home Care/Personal Assistance Commissioning Board, which has been established to oversee this programme of work. Home care is of crucial importance in preventing inappropriate hospital admissions, and facilitating timely discharge.

2.8. The Care Quality Commission's report "State of Health and Social Care 2012-13" gives evidence of the connection between poor quality care and high numbers of unplanned admissions of older people into acute or long term care. Securing timely home care packages for hospital discharge is most important when demand for hospital beds is high; but this is exactly the time when securing packages is most challenging.

2.9. A range of challenges and opportunities exist to better meet the needs and expectations of people receiving care in their own home, to ensure that the people providing that care do so effectively and are well supported and fairly treated by their employing organisation in so doing. Through this re-commissioning process the opportunity also existed to prepare the sector for the inevitable increase in demand which will arise in the coming years as a consequence of the shifting demographic profile of the City, this will require providers to actively plan recruitment and retention initiatives to secure a sufficiency of care workers in the City.

2.10. Recent data from the Sub National Population Projections 2012 notes that in Leeds over the period 2012 to 2021 the numbers of people aged 60+ as a proportion of the population are expected to increase from 20% to 21%, the number of people aged 65+ are expected to increase from 15% to 16% and the number of people aged 80+ from 4% to 5%.

2.11. The number of people with dementia in Leeds is expected to increase from 8,500 in 2015 to 12,000 in 2025. It is estimated from data on local GP registers that, in Leeds, 80% of people with dementia are supported at home.

2.12. The demographic trend does not only affect numbers of older people with care needs, but also the complexity of need. The Care Quality Commission has commented that: Overall CQC is finding that the increasing complexity of conditions and greater co-morbidities experienced by people are impacting on the ability of care providers to deliver person-centred care that meets individuals' needs. It is also seeing increasing pressures on staff, both in terms of the skills required to care for people with more complex conditions and in terms of staff numbers.

2.13. To assist in this overall process, a cross sector and cross party strategic homecare group was established in November 2013. This group, which consists of elected members, service provider representatives, service user representatives, NHS representation, trade union representation and other ASC representation, has provided information and guidance to the Officers undertaking this work to date and the newly designed model highlighted later in this report are reflective of the input of this group to date.

2.14. In addition, a Health and Wellbeing scrutiny working group was established in November 2014 to oversee this work and provide advice and assurance to this work. Their findings are attached as an Appendix 1 to this report which is welcomed by the Chair of the Strategic Advisory Group and Officers who would like to thank all members of the scrutiny working group including Councillor Coupar, service users and service providers for their contributions. Information from the scrutiny report will be used to inform the next stage of the commissioning process.

3. Main issues

3.1. A Framework arrangement is currently in place with 32 providers registered on the framework. The current contract was due to expire in October 2015. Given the complex nature of the issues to be addressed through this commissioning process, a further extension was sought to extend the current framework arrangement for a period of up to twelve months, thus allowing sufficient time to re-design and cost the new model of service, secure the necessary agreements and complete the procurement process.

3.2. Whilst the current contract and services are generally working well, as previously described, the re-commissioning of these services presented a unique opportunity to radically redesign home care services in the City to address a range of issues which included; personalised 'outcome based' commissioning; consistency of staff providing services; flexibility of service providers to meet needs of service users; the use of 15 minute visits, the recruitment and retention of staff, including the use of zero hours contracts.

3.3. In addition the proposed pricing model allows for progress on a range of staffing issues, including; staff travelling expenses and travelling time payments, and aspirations in relation to the introduction of the living wage.

3.4. The proposed commissioning and contracting model has been developed and is covered in more detail in the report below, the proposal is designed to lay the foundations for meeting the requirements of the Ethical Care Charter standards (Appendix 2), including improved terms and conditions for homecare staff. Together these will help provide a care workforce sufficient for the future needs of the City.

3.5. Following extensive consultation and analysis of information, options were created and appraised by a broad cross-section of stakeholders including: Service users, Councillors, NHS partners, trade unions, and providers (contracted and non-contracted).

3.6. Listed below in Section 3.7, 3.8, 3.9 3.10, 3.11, 3.12 and 3.13, are the options that arose out of this co-production process, which have been determined as being the preferred options that will address the issues previously identified in this report.

3.7. Contract Type

3.7.1. A number of contract types were appraised by all stakeholders and then discussed by the Homecare Strategic Commissioning Group. The clear preference was for a contract which gave providers some guarantee of business whilst retaining some of the benefits of a Framework Agreement.

3.7.2. The initial outline proposal would see the existing Framework Agreement ceasing when the additional contract extension expires and be replaced with a new contract arrangement. This envisages a small number of 'primary providers' who will be responsible for delivering all care packages within a particular geographical zone with a number of other 'secondary' providers having the ability to undertake work where the primary provider is unable to do so. Care providers will be expected to compete in a procurement exercise to undertake either role.

3.7.3. In anticipation that there will be some people who do not wish to transfer to another provider (where the new provider has not been granted another contract with LCC) ASC would offer additional information and support to enable them to purchase their own care using a direct payment or individual service fund from their existing provider. Where there are any issues relating to possible change of care provider that cannot be resolved through direct payments or discussion they will be resolved on a case-by-case basis.

3.7.4. Further work will be undertaken in autumn 2015 to identify the potential numbers of service users that could be affected and to produce an action plan that will allow us to proceed with this option but in a way that causes the least disruption for service users.

3.8. Pricing Model

3.8.1. During the consultation there was widespread support for a model which would include an inner and outer area based price. This reflects the geography of the City which has differing travel requirements and contains some areas where it has been traditionally difficult to recruit and deploy care workers; consequently individual providers could potentially submit one price for inner Leeds and one price for outer Leeds.

3.8.2. Further consultation work with providers agreed that there would be six zones, 3 urban, 2 rural and 1 super rural zone with a fixed price for each zone. The fixed price would differentiate between an urban zone and a rural zone. (Map at Appendix 3)

3.8.3. The pricing model is crucial to providing organisations in terms of their sustainability, the quality of care they can offer and the circumstances of their workforce, however, the pricing model is also critical to the Authority in terms of its overall affordability during continuingly adverse financial circumstances. Hence,

further significant work has been undertaken (based on the United Kingdom Home Care Association (UKHCA) template), to determine a fair but affordable fee structure, this is based on extensive analysis of information submitted by service providers identifying the actual costs of delivering homecare within the Leeds market place. This includes staff wages, management costs, training, office overheads and surplus. (Appendix 4 identifies the different proposals and associated costs). By having a fixed price model this will allow the procurement process to focus on the quality and efficiency of the service provider.

3.8.4. Whilst it is acknowledged that LCC aspires to implement the living wage, implementation of the living wage is dependent upon future local government funding settlements. Thus it is recommended that Option 3 (Appendix 4) is implemented and a staged approach is taken to introduce the living wage during the five year contract period subject to the detail of the Local Government funding settlement over that same period. Appendix 5 identifies the associated costs of adopting a staged approach.

3.9. Introduction of Unisons Ethical Care Charter (including Terms and Conditions of Home Care Staff)

3.9.1. Throughout the consultation there was support from all stakeholder groups to try and move to implementation of Unisons Ethical Care Charter (attached at Appendix 2), it is worth noting that much of the Charter relates to the quality of the service delivery, this is covered by paragraph 3.13 the Quality Standards. However elements of the Ethical Care Charter relate to staff terms and conditions of provider organisations. The known financial impact for the Council of implementing all of the ethical care charter standard requirements is complex and the implications of this are set out in Appendices 4 and 5. Naturally, to incentivise organisations to comply with all the expectations of the Charter due regard was given to our assessment of the costs in the establishment of the pricing model described previously.

3.9.2. As indicated earlier, the new model of home care, its organisation and planned delivery within the City has been developed as an outcome of extensive co-production with service users and their carers, service providers and trade unions specifically taking account of the Ethical Care Charter Standards particularly with regard to the quality standards, the proposed fee structure and the proposed service delivery model which we believe can only be delivered if staff have appropriate terms and conditions of employment in relation to the fundamentally important work that they do.

3.10. Locality-based Services

3.10.1. There was strong support for more locality based services; ensuring staff could assist service users to engage more in local communities and for home care staff to have much closer links particularly to local statutory sector teams, especially the 13 integrated NHS and Social Care teams and, importantly with other local third sector services. This will be a requirement of the new service specification and associated quality standards.

3.10.2. It is proposed, therefore that we divide Leeds into three areas with six 'lots' broadly coterminous with the areas covered by the CCGs. (Appendix 2) Within these three larger areas the arrangements would require providers to have a locality-focus to their service delivery teams broadly associated with the thirteen integrated health and social care neighbourhood teams. The model envisages 1 primary provider per lot who would be responsible for delivering all services within the area they successfully tender for; however, a framework arrangement will also be put into operation in case the primary provider is unable to deliver the required service.

3.11. Outcome Based Commissioning

3.11.1. In discussions with stakeholders there is a general agreement that we need to carry forward into the new contract the elements relating to outcomes-based commissioning and service delivery included in the existing Framework Agreement. This is a key area within the Care Act which is due to come into effect in April 2015 and is at the heart of the personalisation of services for service users.

3.11.2. An outcomes based approach has been adopted by Adult Social Care within the adult care assessment and care planning methodology to ensure individualised personalised care is offered to eligible service users. This approach also ensures compliance with the requirements of the Care Act. ASC client record systems, assessment and review processes are being amended to reflect the outcome based personalised approach. It is proposed that this approach will be extended to encompass personalised care delivery by commissioned homecare providers under the new contract.

3.11.3. However in order to ensure effective implementation of outcomes-based commissioning of homecare further work has been undertaken with Access and Care colleagues, service users and service providers to identify the developments needed within shared processes, information systems and performance management methodology. New processes are being developed to ensure outcome based commissioning and delivery can be achieved by the contract start date. This will ensure that services are commissioned on an outcomes and hours basis and will place the onus on the service provider to identify, with the service user how best those identified outcomes can be achieved.

3.12. Procurement Model

3.12.1. All providers will be required to compete for a place on the new contract arrangements and will be subject to an evaluation of quality.

3.12.2. Based on the Fair Rate for Care exercise that was undertaken we believe that this has given us sufficiently reliable information (along with national reports) to develop a fixed price that is reflective of the market place in Leeds, and will allow us to focus on quality and avoid the downward spiral of pricing that has caused difficulties in the provision and continuity of home-care services elsewhere in the Country.

3.12.3. It is acknowledged that best value can often be achieved by obliging companies to compete on price as well as quality; however, our work to date has concluded that any concessions gained by the Council in price from providers will, in all likelihood perversely result in compromised terms and conditions for care workers. After careful analysis of all legitimate costs faced by providers, we are proposing rates which are sustainable for providers, meet the current aspirations of their workforce and represent best value for the Council.

3.12.4. Expectations from the Care Act with particular regard to personalisation and outcomes will be introduced within the contract terms and conditions and the new quality standards and all providers will have to demonstrate that they can meet these expectations at procurement and during the lifetime of the contract.

3.12.5. In order to reduce the risks associated with having fewer providers a framework of other providers will also operate. This will also enable direct payment/individual service fund holders a choice of provider as well as supporting options for self-funders.

3.12.6. The procurement process will give us an opportunity to take account of the Social Value Act and we will determine how additional social value can be sought from providers as part of this process.

3.13. Quality Standards

3.13.1. A set of robust quality standards have been co-produced with both service users and service providers to which providers will be held accountable in the newly commissioned homecare services. Providers will have to demonstrate that they can meet the standards as part of the procurement process and then during the lifetime of the contract.

3.13.2. The standards are themed together and comprise of 10 standards relating to the following areas: Leadership, management and accountability; workforce development; Needs and Risk Assessment, Person centred care; Security health and Safety; Safeguarding; Compliments/Complaints; Diversity and Inclusion; Empowering service users and Social Care Commitment. Service User Dignity is a theme that runs throughout all of the standards.

4. Corporate Considerations

4.1. Consultation and Engagement

4.1.1. All existing homecare service users (approx. 3,000) were issued with a request asking them if they would like to participate in the review of the existing homecare services. 238 completed requests were returned to Adult Social Care. Of these completed requests 152 service users requested a questionnaire be sent to them, 72 requested face to face meetings and 14 requested a focus group. The information from these questionnaires and meetings informed the options described above.

4.1.2. A service user reference group was established through Leeds Involving People and fourteen meetings were held with this reference group (between January

2014 and March 2015) in order to ascertain what works well with the current contract and how improvements could be made in the future. Future meetings will be scheduled to take place so that service users can contribute to the evaluation of the new services.

4.1.3. People using both Osmondthorpe and Mariners Day Resources were also consulted and approximately 15 people participated in either the focus groups or completed a questionnaire about homecare services.

4.1.4. Nine consultation events have been held between February and September 2014 for the existing contracted service providers and non- contracted service providers.

4.1.5. A Homecare Leadership Group was established on September 2014 through Leeds Care Association and this group of contracted and non-contracted providers contributed to the development of the quality standards. The group met on eight occasions. The Leadership Group also approved in principle the methodology used to determine the fixed price.

4.1.6. A Homecare Strategic Commissioning group was established in November 2013 and this group which consists of elected members, service provider representatives, service user representatives, NHS representation, trade union representation and other ASC representation have informed and provided guidance to the Officers undertaking this work.

4.1.7. At its meeting on the 16th March 2015 the Strategic Group agreed with the proposed new service model and to recommend the Leeds Quality Standards. The group also endorsed the methodology used to arrive at the recommended fee structure (which has homecare providers as part of its membership). This structure has been further consulted on as part of the commissioning process.

4.1.8. A report from the Health and Wellbeing Scrutiny Board working group is attached as an addendum to this report.

4.1.9. Any views expressed as part of the consultation have been considered and wherever possible have been used to inform the decision making process.

4.1.10. Furthermore information gained from all of the consultation was utilised to develop the service specification and other associated contract documentation especially with regard to key issues identified by service users e.g. consistent and trained staff.

4.2. Equality and Diversity / Cohesion and Integration

4.3. An Equality and Diversity Impact Assessment was undertaken when the original framework agreement was developed and a further assessment has been undertaken as part of the re-design and re-commissioning process and is attached at Appendix 6.

4.4. Council policies and City Priorities

4.4.1. The proposals outlined in this report will help to deliver a number of crucial elements of the Adult Social Care 'Better Lives' strategy by helping local people with care and support needs to enjoy better lives. With a focus on: promoting choice, helping people to stay living at home, joining up health and social care services. These in turn support the ambition for Leeds to be the Best City in the country, in addition the proposals will contribute to the achievement of the objectives set out in the city's Health and Well-Being plan: people will live full active and independent lives, people's quality of life will be improved by access to quality services, people will be involved in decisions made about them and the city's Priority Plan by contributing to the indicators for: best city for health and wellbeing, best city for business, best city for communities.

4.5. Resources and value for money

4.5.1. A 'Fair rate of care' exercise (based on the UKHCA template, Appendix 7, page 18) was undertaken in June 2014 in order to: a) determine the actual cost of home care in the Leeds market so that a review of the current price could be undertaken and: b) establish the potential base rate for the new contract that will commence after the procurement process has been completed.

4.5.2. All contracted framework providers were contacted at the end of May 2014 to inform them that we would be undertaking a Fair Rate for Care exercise which we would be inviting them to participate in. The template documents were sent to providers in the first week of June 2014 and due to the poor number of responses the deadline for completion was extended several times.

4.5.3. In total 13 providers (out of 32 on the framework) completed the template documents, reflecting a good sample and range of providers. However it should be noted that not all providers fully completed the documents and in effect only 10 responses could be utilised.

4.5.4. The information gleaned from this exercise was used as part of a suite of information from local providers and national reports to inform the urban price, the rural price and the very rural price of the proposed new contract model. It is worth noting that contracted homecare providers have not been paid an inflationary award since the contract commenced in 2010.

4.5.5. The proposed fees are contained in Appendix 4 – and it is recommended that option 3 is implemented, that is to say to pay a rate that increases the current wage paid to front line care workers in Leeds which is guaranteed to be above the minimum wage and move to introduce the Living Wage within the lifetime of the contract, the costs of which are given in Appendix 5.

4.5.6. The proposed fee rates are higher in comparison to many other local authorities according to the Home-care Deficit report published in March 2015 by the UKHCA, however, it is uncertain the extent to which that survey is comparing the cost of like with like services.

4.5.7. All core cities were contacted in January 2015 by ASC officers to ask about the rates that they pay their home-care providers however, only 3 authorities responded to our request for information However, it is known that some of these other local authorities are just starting the process of re-commissioning their home-care services and have aspirations to increase the fee's that they pay.

4.5.8. In determining the proposed fee's we have assumed that the primary providers who operate in the urban areas will be able to achieve efficiencies within the areas by better planning how staff are deployed to meet the needs of service users. Thus we have reduced the hourly rate accordingly as we have assumed that staff will travel less between clients thus reducing the travel time and travel expenses. In both the rural areas and super rural area we have assumed that staff will travel more and have adjusted the proposed fee by including a higher element of staff travel time and staff travel expenses.

4.5.9. Early indications are that to implement the full ethical care standards related to staff terms and conditions the cost to the council based on the current number of hours of service delivered is circa £2.5m per annum (Appendix 4) excluding any demographic pressures.

4.5.10. Part of our assessment of affordability was to also assess the impact on the uptake of Council benefits if staff conditions were permanently improved as a consequence of this process. Research undertaken by the Joseph Rowntree Foundation has highlighted for every £1 of public spending saved 80p goes to central government, 10p to NHS commissioners and 7p to the local authority. It was also noted within the report that areas with high levels of in-work poverty would gain the most from increasing pay levels which would lead to raised demand and spend in the local economy, thereby directly benefiting local businesses.

4.5.11. Through the West Yorkshire Combined Authority (previous report on the agenda) each Council has agreed to adopt a Charter to support Low Paid Workers. This covers a number of areas including:

- Adopting the Living Wage for directly employed staff; reflecting affordability issues and options to phase this

- Giving more consideration to non-pay issues – a better and relevant package of staff benefits, focus on training and development for low paid workers, ensuring HR policies are assessed so they are "poverty-proofed" and improving engagement

- Wider responsibilities of Councils in society to address pay for commissioning of services in areas where low pay prevails and to use social value policies to achieve this

4.5.12. The subject of much recent public debate, it is widely recognised that many staff who work in the homecare sector work to the terms of zero hours contracts and thus are unable to get mortgages or have difficulties renting property hence the proposal to guarantee to primary providers all work within the lot for which they have tendered (subject to service user choice). This would enable providers to better plan their business and be able to offer staff a set number of contracted hours per week.

4.5.13. Local home care providers and NHS commissioning colleagues have indicated strongly that securing a sustainable and sufficient workforce is a challenge and concern for the health and care economy in Leeds. Securing a consistent standard of pay and conditions across the sector, including payment for travel time between calls, supports the local authority's duty under the Care Act to ensure sufficient provision of services in the care market to meet local needs.

4.5.14. Currently no budget provision exists within Adult Social Care for these proposals and a budget would need to be found from within the overall council resources.

4.6. Legal Implications, Access to Information and Call In

4.6.1. Legal services have been consulted and will continue to be consulted as part of the ongoing re commissioning process.

4.6.2. Officers from the PPPU continue to be involved in the process and are represented on both the Home-care Project Board and the Home care Project Team.

4.7. Risk Management

4.7.1. The procurement process will be conducted in accordance with the Council's Contract Procedure Rules in order to ensure that a fair, open and transparent process is undertaken.

4.7.2. Risks are being managed throughout this process. Risks have been identified and recorded and mitigating actions have been identified.

5. Conclusions

5.1. Much work has been undertaken to date to ensure full understanding of the issues affecting homecare service users, homecare staff and the wider homecare market within Leeds. This has enabled a refined operating model to be developed.

5.2. Considerable work and detailed research, analysis and modelling were conducted to fully understand what the overall impact will be when setting the fixed prices for both the urban and rural proposed rates.

5.3. Further detailed analysis was undertaken, along with further consultation to ensure that the proposed service model will meet the needs of service users in the future but also provide for improving the circumstances of those people

providing that care; this included developing a detailed understanding of the overall financial implications for the Council.

5.4. The proposed model will reduce the number of service providers who we contract with but we need to be assured that these providers offer good quality services that can provide safe effective services that are flexible enough to meet the needs of the service users. The use of a framework to support the primary providers will continue to ensure diversity of available provision, and reduce the risk of over-concentration in the local care market.

5.5. Clearly this is an ambitious proposal with huge potential for building on and improving the quality of homecare in Leeds, however the extensive consultation that forms the basis of this report has demonstrated that for each element there are both risks as well as opportunities, these have included: pricing model, reduction in number of providers staff terms and conditions, service model and affordability.

Pricing Model – based on the Fair Rate for Care exercise that was undertaken we believe that this has given us enough information (along with national reports) to develop a fixed price that is reflective of the market place in Leeds, and will allow us to focus on quality and avoid the downward spiral of pricing that has caused difficulties elsewhere in homecare.

Reduction in the Number of Service Providers – by reducing the numbers of primary service providers we contract with this will enable us to develop closer working relationships and be more responsive, alongside the provider to identify and potential issues and work with the provider to resolve the issue. By working with fewer providers this should lead to more integrated and community based working and any risks are mitigated by having a framework of a wide range of services providers underpinning the primary contract.

Staff Terms and Conditions – There is strong evidence from national reports and local consultation that by improving staff terms and conditions there is improvement in delivery of homecare particularly in regard to staff recruitment and retention. There is also great consistency of staffing for service users which has a positive impact on their health and wellbeing and also for further development and training of staff.

Affordability – Whilst it is recognised that finding additional funding under the present financial challenges faced by the Local Authority it has been noted that this is an investment in one of the most significant services and workforce in the city and as was noted within the consultation ‘if not now, when?’

5.6. The recommendations in this report are those that it is felt both give us the best chance of harnessing these opportunities whilst also reducing any associated risks.

6. Recommendations

1.1. Executive Board are recommended to endorse the proposal to commence procurement of external homecare services.

1.2. Executive Board are asked to note the content of this report and endorse the proposed service model and pricing arrangements.

1.3. Executive Board are recommended to approve a procurement process based on 100% quality weighting with a range of fixed prices.

1.4. Members of Executive Board are invited to note the comments of members of the Health and Wellbeing Scrutiny Board who have examined the issues, risks and proposed remedies (Attached at Appendix 1).

1.5. Executive Board are recommended to approve that the Executive Member for Adult Social Services sign the Unison Ethical Care Charter at the appropriate juncture after the governance processes of the Council in relation to this report have been completed.

1.6. Members of the Executive Board are recommended to agree to delegate the decision to award contracts for the provision of external homecare services to the Director of Adult Social Services.

1.7. Members of the Executive Board are recommended to agree that the Head of Commissioning, ASC will be accountable for the completion of this work.

7. Background documents[1]

None

[1] The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.