

Report of Director of Adults and Health

Report to the Scrutiny Board Adults, Health & Active Lifestyles

Date: 18 September 2018

Subject: Commissioned Homecare Services in Leeds

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

Summary of main issues

1. In 2016, the Adults and Health Directorate let a new homecare contract which commenced on the 1st June 2016. Members of the previous Scrutiny Board were informed in February 2017 of the outcome of the procurement process and the way the new contract was configured and how it was intended to operate. This report is to provide an update to the Scrutiny Board of the operation of the contract since it was let, the current quality of the services being provided under the contract and the future intentions of the Directorate in relation further development of commissioned homecare services in the city.

Recommendations

2. Members of the Adults, Health and Active Lifestyles Scrutiny Board are asked to:
 - 2.1 Note the current achievements and challenges in the commissioned home care market
 - 2.2 Note and consider the support put in place to improve and sustain the quality of commissioned homecare services.
 - 2.3 Consider any further scrutiny activity and/or actions as appropriate.

1 Purpose of this report

- 1.1 This report is to provide an update to the Scrutiny Board regarding the:
- Operation of the current Homecare contract since it was let in June 2016;
 - Current quality of services being provided under the contract; and,
 - Developmental support to providers and the future intentions of the directorate in relation to further development of commissioned homecare services in the city.

2 Background information

- 2.1 In 2016, the Adults and Health Directorate let a new contract for the provision of homecare services following extensive consultation and a rigorous procurement exercise to select suppliers, which commenced on the 1st June 2016. The new homecare model sought to meet the requirements of the Care Act 2014, and secure quality and value within a fair fee rate. The main features of the new contract included:
- A split of the city into six geographical areas with a primary homecare provider being appointed to each area. This would allow the primary providers to gain a greater knowledge of the local area to assist with recruitment and retention of staff and build up a sustainable level of work in that area.
 - A city wide framework to be awarded to a number of providers to support the primary providers.
 - An agreed fair fee structure established following a cost of care exercise using the UK Homecare Association pricing tool amended for local conditions.
 - Methods to incentivise good employment practices through adoption of the Unison Ethical Care Charter.
- 2.2 The intention of having a primary provider in each of the areas was to allow each provider to build a sustainable contract base and fully understand the nature of the services that would be required within the area they would be serving. The supplementary framework contract would then provide the means of allocating packages of care to a number of other providers in the local market where the primary provider was unable to provide the required capacity. The contract model was meant to address issues encountered in the previous open framework such as the ability to obtain care in specific geographical areas of the city and ability to deal with seasonal pressures.
- 2.3 Following the tender exercise four providers were appointed as the primary providers to cover the six geographical parts of the city:
- Hales Ltd – to cover two areas; Wetherby and North East Leeds
 - CASA – to cover South Leeds.
 - Medacs – to cover East Leeds

- Homecare Support – to cover two areas; West and North West Leeds.

In addition to this a further eight providers were appointed to the Framework Contract (in addition to the primary providers):

- A J Social Care Recruitment Ltd
- Care 24-7 Ltd
- GP Homecare Ltd trading as Radis Community Care
- Housing and Care 21 – now owned by Comfort Call
- Mears Care Ltd
- Nestor Primecare Services Ltd trading as Allied Healthcare
- Sevacare (UK) Ltd trading as Synergy Homecare
- Springfield Homecare Services Ltd

2.4 The specification in the contract sets out various minimum requirements for the delivery of the homecare service. As part of the homecare contract there is a Quality Standard Assessment (QSA) that sets the standards and quality expected in the delivery of homecare services and is a means of ensuring that providers deliver services to national standards and in accordance with contractual expectations. This can be used as a self-assessment tool by the providers to ensure they are meeting the contractual standards. All primary providers had to have a “Good” CQC rating to be considered eligible to be selected as a provider (except where they were a new provider into the city in which case, they would need to achieve a Good rating at their first inspection). At contract award, the primary providers had the following ratings:

Provider	Rating
CASA	Good
The Hales Group	New to Leeds no office in Leeds prior to June 2016- no rating
Homecare Support	Good
Medacs	Good

2.5 As part of the original commissioning process for the current contract, a ‘Fair Rate for Care’ exercise was undertaken, utilising the UK Home Care Association (UKHCA) costing tool, but adjusted in relation to management costs. This informed the fee levels that were set at the start of the procurement process.

2.6 As indicated above, the primary provider model was based on one provider delivering the bulk of the services in a particular geographical area and the fees that were set took into account the relative complexity of delivering home care in that area. Each of the geographical areas were categorised as either Urban, Rural or Super Rural and each of these categories attracted a different fee level based on the relative complexity of providing care in that particular area.

- 2.7 During the period of the procurement process, the Council signed up to the Ethical Care Charter (ECC) for Home Care and this resulted in the proposed fee rates being increased to enable and require the contracted providers to pay their care staff a rate above the National Living Wage (NLW) towards a notional 'Leeds Living Wage'¹ which at the time was set at a minimum of £8.01 per hour.
- 2.8 Delivery of the new contract commenced on the 1st June 2016 and has a contract period of 5 years to the 31st May 2021. Since the commencement of the contract there have been a variety of issues which have arisen relating to the quality of the services being delivered, and the ability of the primary and framework providers to provide all care packages under the contract.

3 Main Issues relating to the delivery of home care

Capacity within the contract

- 3.1 The model for the current contract required the primary provider to pick up the majority of care packages in their allocated area, with a small percentage of the work going to the framework providers. However, as can be seen from Table 1 below, primary providers are delivering 37% of the volume of services and the framework providers are delivering a further 30% of the total volume of service per week. In total, the primary and framework providers combined are delivering over 24,000 hours of care a week, but there is still a significant volume of service being delivered outside the contract which was not anticipated when the contract was let. The remaining 33% of services are being provided by approximately 40 providers across the city on a spot purchasing basis. All these providers are registered with the Care Quality Commission as domiciliary care providers.

Table 1

Contract	Provider	Weekly Invoiced hours during April 18	Percentage of total hours (excluding extra care)
Primary	CASA	2,945	
	Hales	2,071	
	Homecare Support	4,923	
	Medacs	3,387	
	Total	13,326	37%
Framework	AJ Social care	707	
	Allied	1,062	
	Care 24/7	250	
	Comfort Call	2,950	
	Mears	1,088	
	Radis	265	
	Sevacare	917	
	Springfield	3,597	

¹ Minimum pay rate agreed with Leeds Home Care framework providers

Contract	Provider	Weekly Invoiced hours during April 18	Percentage of total hours (excluding extra care)
Total		10,836	30%
Framework and Primary		24,162	67%
Total care hours for period		35,863	
Total hours delivered on a spot purchasing basis		11,701	33%

3.2 At the start of the contract in June 2016, the 12 providers combined were delivering approximately 63% of the commissioned hours, the majority of which they had inherited from their previous contractual arrangements with the Council. By December 2017, the 12 providers were delivering approximately 74% of the commissioned home care hours, with the remaining 26% delivered through spot purchasing arrangements from approximately 60 home care agencies. However, since that time the total number of hours delivered by the 12 providers has been reducing with the most recent data based on invoices for April 2018 showing the primary providers delivering 37% and the 8 Framework providers delivering 30%. The remaining 33% hours are being delivered on a spot purchasing basis.

3.3 Routine monitoring of provider capacity shows that there continue to be delays across the 12 providers agreeing to deliver the required service and the service start date.

3.4 At a strategic level, regular meetings are taking place with the directors or chief officers of the four primary providers together with commissioning staff to discuss overall performance in meeting the service requirements. One of the main issues being discussed is provider capacity to meet demand for services and the delays in packages being set up. Providers state that their ability to deliver the volumes of services is restricted due to ongoing recruitment and retention issues, with particular problems caused by high levels of staff turnover.

3.5 It is recognised that difficulties in the recruitment and retention of care staff is a national issue and not unique to Leeds. The strong local economy and choice of employment opportunities also means that there are less people who are interested in taking on the care worker role. This is particularly acute in the more affluent parts of the city.

Quality of Service

3.6 In terms of CQC ratings, all four of the primary providers have moved from being rated as 'Good' at the start of the contract in June 2016, to 'Requires improvement'. In terms of the framework providers, six are rated as 'Good' and one is rated as 'Requires Improvement'. One of the providers, formerly Ark, has now been acquired by Comfort Call, and is yet to be inspected (see Table 2 below for a full breakdown of ratings).

Table 2 - Contracted Providers - CQC Ratings – July 2018

Primary Provider	Date report published	Overall Rating	Safe	Effective	Caring	Responsive	Well-led
CASA	19/4 /18	Requires Improvement	Requires Improvement	Requires Improvement	Good	Requires Improvement	Requires Improvement
Hales	30/5/18	Requires Improvement	Requires Improvement	Requires Improvement	Good	Requires Improvement	Requires Improvement
Human Support Group	16/8/18	Requires Improvement	Requires Improvement	Good	Good	Requires Improvement	Requires Improvement
Medacs	30/12/17	Requires Improvement	Requires Improvement	Requires Improvement	Good	Requires Improvement	Requires Improvement
Framework Provider							
A J Community Care	29/6/18	Good	Good	Good	Good	Good	Good
Allied Healthcare	9/1/18	Good	Good	Good	Good	Good	Requires Improvement
Comfort Call Formerly Ark Home Healthcare	Comfort Call has not been inspected – Ark Home Healthcare was rated as Requires Improvement in November 2017 prior to the acquisition by Comfort Call, with the following ratings for each domain: Safe – Requires Improvement, Effective - Requires Improvement, Caring – Good, Responsive – Good and Well Led - Requires Improvement. Ark no longer trade in Leeds.						
Care 24/7	20/5/15	Good	Requires improvement	Good	Good	Good	Good
Mears Homecare Ltd	12/11/16 Not yet been inspected at their new office address	Good	Requires Improvement	Good	Good	Good	Requires Improvement
Radis	24/1/18	Good	Requires Improvement	Good	Good	Good	Good
Synergy	28/11/17	Good	Good	Good	Good	Good	Requires Improvement
Springfield	17/4/18	Requires Improvement	Requires Improvement	Requires Improvement	Good	Good	Requires Improvement

3.7 As can be seen from the table above, all the providers have received a rating of Good in the domain of 'Caring' and this would seem to be borne out with the findings of the service user survey mentioned in paragraph 3.9 below. It is also apparent that the providers with the greater number of hours and service users tend to be the ones who are currently only achieving a 'Requires Improvement' rating. Contracts staff within the Adults and Health Directorate are working closely with providers to support them to improve the quality of the care they deliver, including ensuring they have good and effective leadership.

3.8 During April and May 2018, contracts staff within the Directorate have been undertaking a comprehensive quality audit of the four primary providers, and there are a number of development areas that have been identified in relation to the quality of care being delivered. The providers are being required to develop comprehensive action plans detailing how they will make the required improvements and the timescales. Contract Officers will continue to work with and support the providers to ensure improvements are being evidenced and are being sustained. Regular relationship management meetings, provider forums and monitoring meetings will continue to take place with the providers. The monitoring activities have also included undertaking a service user survey, through the use of

a comprehensive customer satisfaction questionnaire developed by the Homecare Principal Officer.

- 3.9 In 2017, the Directorate commissioned Healthwatch Leeds to undertake a survey of service user experiences of their home care service. Healthwatch reported that, in general, whilst there were issues with aspects of the service that need to be dealt with by the primary providers, many people that Healthwatch spoke to as part of the survey expressed overall satisfaction with the care that they receive.
- 3.10 As part of the audit process carried out by the contracts team, a survey of service users for the primary providers was undertaken. Approximately 800 questionnaires were sent out with 210 completed surveys being returned (a 26% return rate). Again, similar to the Healthwatch survey, this survey found that service users, in general, were satisfied with the care services they received. Of the 210 respondents an average of 93% answered positively to the following four questions:
- Do you think your dignity and privacy is respected by the care workers?
 - Do you find your care worker friendly approachable and willing to listen if you have a problem and concern?
 - Do you think your care worker has respect for your age and changing ability good days bad days depending on your wellbeing?
 - Do you feel your care worker is always patient and kind in undertaking their duties?

However, there were areas identified where improvements still need to be made by the providers such as information provided to the service user relating to complaints information and general service information, spot checks being carried out by providers and support planning. The results of the survey are being used as part of developing comprehensive improvement action plans for each provider.

- 3.11 One of the main issues that is raised by providers is the recruitment and retention of their workforce. Whilst there are only 12 registered providers of domiciliary care under the Council's contract, there are approximately 116 domiciliary care providers registered with CQC operating in the city all competing to secure homecare staff. All providers have indicated that recruitment and retention of staff at this time is extremely difficult. Providers have stated that on average, for every five people they interview for the role of community homecare worker only one will actually start a position within the company.

Actions to improve the quality of the service

- 3.12 As part of the annual fee setting process for this financial year, negotiations have been undertaken to increase the current fees to enable, and require, the 12 contracted providers to pay their staff at a minimum rate of £8.25 per hour. This has resulted in the approval of a fee increase of between 6% and 6.7%.
- 3.13 The *One City Care Home* project, which members of the Board will recall the Directorate has now established, includes a Leadership Academy to assist providers with development and retention of good quality registered managers. The Leadership Academy offers opportunities for the home care providers registered managers to develop their skills and knowledge in the leadership and

management of a registered service. Included in the Academy is the **Lead to Succeed** programme, which is delivered through full day workshops on topics such as developing successful cultures, leading and managing the process of change and leading and managing the inspection process. This initiative should greatly assist registered managers and providers in achieving a good rating in the well-led domain.

- 3.14 Following the Commissioning Team's audit, the primary providers have produced detailed action plans on the areas for improvement which have been identified. Contract officers are working with colleagues in the Directorate's Organisational Development section to provide tailored training opportunities for providers' staff. One of the main areas where CQC find issues when carrying out their inspections is in the area of medicines management in the Safe domain. Contract Officers are working with colleagues from the Leeds CCG to explore ways in which providers can improve practice in this area. Contract officers will also be continuing their regular visits to the providers as well as regular provider forums that will include advice sessions on areas such as medication, deprivation of liberty standards, nutrition, safeguarding good practice etc.
- 3.15 With the ongoing work through the Contract Team with the providers, we have seen a marked reduction in the number of safeguarding referrals over the past year in 2017/18. We saw an average of 4 referrals for each primary provider each quarter. In the first quarter of 2018/19, we have only had 2 safeguarding referrals across all the primary providers. Similarly, the number of complaints have also fallen from an average of 10 complaints each quarter for each provider to an average of 4 during the first quarter of 2018/19. Safeguarding referrals are closely monitored by the contracts team as well as by the CQC through their inspection process.
- 3.16 Discussions are being held with the four primary providers to identify ways in which they can work together and ways in which the Council can support them to increase staff recruitment and improve retention rates. This includes the providers working together to set up a recruitment campaign in the early autumn to coincide with the new school and university terms commencing. These discussions will also be extended to include the 8 Framework providers.
- 3.17 The providers also have access to the *We Care* Academy Apprenticeship Scheme. This scheme provides the companies with access to people looking for work in care services, who have already been through pre-employment checks and training, to undertake a 4 week work placement. The provider will then guarantee an interview for that person at the end of the placement. Adults and Health will have a focus on promoting the *We Care* Academy with the providers over the next year. In addition, registered managers have been provided with advice from Organisational Development colleagues on ways to successfully recruit and retain the right people for their care staff vacancies through value based recruitment.
- 3.18 As mentioned above, the providers have indicated the difficulties they are experiencing in recruiting and retaining staff. The providers indicate that they have particular difficulties in retaining care workers as their terms and conditions of employment are not seen to be favourable compared to other work such as in the retail sector.

- 3.19 In order to help improve the retention of care workers, and in accordance with the Ethical Care Charter, the Council has been supporting the providers to improve the terms and conditions of their employment contracts. This includes minimal use of zero-hours contracts, appropriate payment for travel time and reimbursement of travel costs, the provision of, and payment for attendance at training, team meetings and payment of the Leeds Living Wage, which the Council has now increased to a minimum of £8.25 per hour with effect from April 2018.
- 3.20 The Council has applied a significant increase in the fee rates paid to providers to enable them to pay their staff a minimum hourly rate of £8.25. The new fee rates the financial year 2018/19 are shown in Table 3 below. For comparison, the table also details the fee rates that had been applied in 2017/18.

Table 3

	2017/18	2018/19	% Increase
Urban	£14.94	£15.94	6.7%
Rural	£16.59	£17.59	6%
Super Rural	£16.88	£17.89	6%

- 3.21 The Directorate is also looking at different ways people who want to work in care can do so. Work is currently underway for the development of micro-providers and individual self-employed care workers who are able to provide a personalised care and support service to people to enable them to remain living independently in their own homes through the use of Direct Payments. The Director of Adults and Health has approved a pilot through a delegated decision on the 17th August 2018 (D47889) with an organisation called Community Catalysts to encourage and nurture a number of new micro enterprises in the city who will provide homecare services. The Pilot project will run for a period of 2 years and will focus on areas of the city where traditionally it has been difficult for the main providers to provide care e.g. the rural areas between Leeds and Wetherby and Leeds and Otley. The organisation has developed a new model of service in Somerset to recruit and support micro enterprises to deliver home care in local communities where contracted providers have had difficulties in providing capacity.

4 Conclusions

- 4.1 There remain concerns about some aspects of the care services being delivered by the primary providers. Practical support is being provided to these providers to enable them to improve the overall quality of their care provision and to increase capacity to deliver the volume of services required.
- 4.2 Council officers will continue to monitor the services being delivered and ensure that the providers complete the required actions as identified in their improvement action plans and that they sustain the improvements. The Council will also continue to work with and support the providers to improve their recruitment and retention so that they can deliver the volume of services required.

5 Recommendations

Members of the Adults, Health and Active Lifestyles Scrutiny Board are asked to:

- 1 Note the current achievements and challenges in the commissioned home care market.
- 2 Note and consider the support put in place to improve and sustain the quality of commissioned homecare services.
- 3 Consider any further scrutiny activity and/or actions as appropriate.

6 Background documents²

6.1 None used.

² 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.