

Report of the Director of Adults and Health

Report to Scrutiny Board (Adults, Health and Active Lifestyles)

Date: 2 April 2019

Subject: Homecare Update

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

1 Purpose of this report

- 1.1 The purpose of this report is to provide members of the Scrutiny Board with an update on the developments in commissioned home care services since the previous report in September 2018.

2 Background

- 2.1 The Director of Adults and Health submitted a report to the Scrutiny Board in September 2018, which provided an update to the Board on the operation of the commissioned homecare contract and the quality of services being provided. This report will provide members of the board with an interim update on some of the developments that have taken place in respect of the contract since September 2018, with a more detailed report being provided later in the year.

3 Summary of main issues

Update on primary, framework and spot providers.

Primary providers

- 3.1 In September 2018, it was reported that all 4 Primary providers under the contract were rated as Requires Improvement by the CQC. Since this time, Medacs, the primary provider for the east and south east areas of the city, has been re-inspected and has achieved an overall rating of Good, with Good in all 5 domains. CASA has now rebranded its business as Be Caring and will be due to be inspected by CQC within the next couple of months. Hales were re-inspected in November 2018 and whilst they retained an overall rating of Requires Improvement, they increased the number of domains rated as Good from 1 to 3 in Safe, Caring and Responsive.

Framework providers

- 3.2 In November 2018, CQC issued a notice under their statutory responsibilities that Allied Healthcare were in danger of imminent financial failure. The company was put into administration and as this was a national issue affecting nearly all council's in England, planning and communication was coordinated through the Association of Directors of Adult Social Services. The outcome of this process was that Allied Healthcare was purchased as a complete entity by Health Care Resourcing Group Ltd and continued to trade as Allied Healthcare. The Framework contract was novated to the new company following a delegated decision by the Director of Adults and Health on the 21st January 2019. There was no disruption in service for any of the Allied service users.
- 3.3 Two businesses under the framework have been transferred to other providers. AJ Community Care has been sold to Synergy, who are currently a framework provider and Radis homecare business in Leeds has been transferred to Lotus Care who are a spot provider. This leaves the current number of framework providers at 6.

Spot provision

- 3.4 There are currently approximately 38 spot providers who are delivering care packages for adults and Health. At present, the spot providers continue to deliver approximately 33% of the total volume of services however, Adults and Health are working with the Primary and Framework providers to reduce this and ensure as much work as possible is provided under the contracted providers.

Payment for Service User Hospitalisation

- 3.5 The main concerns relating to the primary providers is their ability to provide sufficient capacity because of difficulties in recruiting and retaining sufficient care staff to enable them to deliver the volume of services required. Over the past few months officers have been meeting with the providers regularly to determine how Adults and Health can support them to improve capacity.
- 3.6 Following discussions with the primary providers about the difficulties in staff retention, we have sought to vary the terms of our contract in relation to payments made to providers when a service user is admitted to hospital. Until recently, the process has been to cease the package of care after the first 24 hours when a service user is admitted to hospital. This means that the Council ceases payment for the package of care and as a result, the provider is not able to pay their care staff for the hours that they would otherwise have been delivering. One provider stated that in any one month, they could have 500 care hours which they do not get paid for because the service has been cancelled when service users go in to hospital. This has been identified as one of the main causes of a higher turnover of care staff. This also helps ensure availability of the staff to restart the package of care as soon as the service user is ready to be discharged from hospital during that two week period, thereby preventing avoidable delays.
- 3.7 We anticipate that by agreeing to pay providers for up to two weeks when a service user is admitted into hospital, we will see a reduction in the numbers of people delayed in hospital awaiting a care package and we are anticipating that this will have a positive effect on staff retention.

- 3.8 The Director took a delegated decision (Reference: D48206) on the 21st December 2018 to vary the current contract to allow a payment to the provider for a period of two weeks from the date a service user goes into hospital and this has now been implemented.

Rapid Response Service (now known as the Interim Homecare Service)

- 3.9 The issues around delayed transfers of care are well documented and various periods throughout the year compound these issues with people staying in hospital longer than necessary due to difficulties in arranging appropriate care and support to enable timely discharge. This has a system wide negative impact but can also be detrimental to the individual involved, and their carers, as people are at greater risk of ill health e.g. hospital acquired infections and increased levels of dependency.
- 3.10 In order to alleviate these issues the Director took a delegated decision on the 21st December 2018 (Reference: D48205) to establish a pilot scheme to allow the providers to fund a staffing model which will facilitate discharge of a person with the appropriate support within 24hrs of someone being deemed medically fit to leave hospital. This is an invest to save model as the longer people stay in hospital the more likely it is that their needs will increase resulting in more intense and costly care and support packages.
- 3.11 This service was originally referred to as the Rapid Response Service however, given a number of other services in the community with a similar name, it has been decided to call this service the Interim Homecare Service to avoid any possible confusion.
- 3.12 Through the pilot service we are seeking to test different arrangements where the providers recruit a small team of staff who are all on salaried contracts. We would like to see if changes to the employment contracts between the provider and their care staff will help attract more care staff into home care and result in a lower rate of staff turnover.
- 3.13 A pilot scheme is already in operation with Be Caring in the south of the city and officers are in discussions with other primary and framework providers to establish the service in the other areas of Leeds.

Bringing home care services in-house

- 3.14 Finance colleagues have undertaken high level calculations of the cost of bringing all the externally commissioned home care services in house. Based on the current volume of home care hours being commissioned from external providers; and using 2018/19 fee levels, the estimated cost on an in-house service would be significantly more than the current projected cost of £24.37m. Further details and breakdown of the estimated additional cost will be provided to Scrutiny Board members by way of a confidential briefing note.
- 3.15 Within the Care Act 2014, Section 5 (1) has placed a new duty on the local authority to promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person in its area wishing to access services in the market —

- has a variety of providers to choose from who (taken together) provide a variety of services;
- has a variety of high quality services to choose from.

3.16 This duty does not just apply to the local authority commissioned services but to the care market as a whole.

3.17 Section 5 (2) d also states that in performing the duty in 5 (1) local authorities must have regard to the importance of ensuring the sustainability of the market (in circumstances where it is operating effectively as well as in circumstances where it is not).

3.18 The statutory guidance that accompanies the Care Act also refers to local authorities having a responsibility for the sustainability of the market. Section 4.35 of the statutory guidance states:

“Local authorities should consider the impact of their own activities on the market as a whole, in particular the potential impact of their commissioning and re-commissioning decisions, and how services are packaged or combined for tendering, and where they may also be a supplier of care and support. The local authority may be the most significant purchaser of care and support in an area, and therefore its approach to commissioning will have an impact beyond those services which it contracts. Local authorities must not undertake any actions which may threaten the sustainability of the market as a whole, that is, the pool of providers able to deliver services of an appropriate quality.”

Payment of the local living wage

3.19 The Council allocated a fee increase of between 6% and 6.7% for 2018/19 to enable the providers to increase their pay to care staff of a minimum of £8.25 per hour. Our monitoring activities show that the primary providers are paying their staff an average of £8.45 per hour with some providers paying £9.00 per hour. The providers have also increased their pay for travel time and mileage to reflect the actual costs of travel.

3.20 We have been working with the primary providers to regularly consult with their staff regarding their contract terms and conditions, including offering their staff minimum guaranteed hours whilst ensuring there is some flexibility offered to those staff who want to work on reduced hours due to their other commitments. This has taken various forms with direct financial benefits such as increased pay rates including payment for travel, increased training, team meetings and supervision. We have been monitoring the changes that the providers have been implementing.

Engagement with the Unions

3.21 Adults and Health have facilitated a meeting between TU representatives and the primary providers and have encouraged the providers to invite the TUs to their offices to meet with care staff.

3.22 Adults and Health have assisted in issuing Unison's Ethical Care staff survey, encouraging providers to circulate the survey to their care staff and to encourage the care staff to complete these. The response rates of the survey have been very low and so officers have been working with the primary providers to simplify the wording

of the questionnaire to make it more accessible to care staff. We have also enabled the survey to be returned to the Council and have provided pre-paid envelopes to encourage a higher response rate. We have agreed to assist with the questionnaire being circulated on a more routine basis.

- 3.23 Adults and Health have established a new resource to undertake routine monitoring of compliance with the principles of the Ethical Care Charter across the contracted home care providers. These staff will also start to monitor staff pay and conditions across other local home care providers and other adult care service areas and we will continue to monitor the primary and framework home care providers' compliance with Ethical Care Charter as part of routine contract monitoring.

4 Recommendations

- 4.1 That the Scrutiny Board considers the details presented in this report and determines any further scrutiny activity and/or actions as appropriate.

5 Background papers¹

- 5.1 None used

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.