

Subject:	Review of Home Care Contract		
Date of Meeting:	January 21st 2013		
Report of:	Director of Adult Services		
Contact Officer:	Name:	Debbie Greening	Tel: 29-5739
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Key Decision:	Yes		
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report provides a review of the implementation of the new home care contract since its implementation on 4th June 2012 and identifies significant factors that have had an impact within the local home care market.
- 1.2 The purpose of this report is to secure agreement from Committee to take forward the proposed recommendations.

2. RECOMMENDATIONS:

That Committee gives agreement that

- 2.1 The training programme is revised for providers and assessment staff so that the Outcome Based Commissioning of home care model can be introduced over the coming year to take forward the personalisation agenda.

Subject to the budget set by Council in February 2013:

- 2.2. An enhanced rate is paid to providers for covering calls beyond 8pm in the evening with effect from 8th April 2013 as described in section 3.2.3.
- 2.3 The rates paid to providers are increased by 2% to reflect the increase in costs, particularly petrol with effect from 8th April 2013 as described in section 3.2.5.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 Background

- 3.1.1 Cabinet approved the re-tendering of the Home Care services in July 2011.
- 3.1.2 A full programme of consultation was undertaken which informed the service specification and the new home care contract came into effect on 4-6-2012 following the procurement process.

- 3.1.3 The number of home care providers who were accepted onto the Home Care framework agreement increased from 10 to 14 as a result of this process
- 3.1.4 The requirements of the new service specification necessitates a greater focus on person centred working, ensuring that service users have a strong sense of being in control of their services, receive care from regular care workers and receive a more flexible service in line with the personalisation agenda and recommendations from the Equalities and Human Rights Commission (EHRC) report “Close to Home” published in November 2011.
- 3.1.5 A range of Key Performance Indicators have been included in the new contract to monitor service provision. These include measures of continuity, punctuality and reliability which emerged as key themes from the service user consultation in 2011.
- 3.1.6 A significant requirement of the new specification is Outcome Based Commissioning of Home Care (OBC). The intention of this model of care is to increase opportunities for service users to exercise choice and control over their service. This type of care requires the number of care hours to be commissioned in blocks of hours rather than through prescriptive daily provision to enable greater flexibility for the service user. Having a consolidated rate system is important for delivering this model of care. A training programme for assessment staff and home care providers will be required before OBC can be implemented.
- 3.1.7 The use of the Council’s chosen Electronic Care Monitoring System (CM2000) is also a new requirement for all framework providers. The introduction of this system has provided a range of accurate data on quality and performance in areas such as continuity, punctuality, and duration of calls. The system ensures that the Council only pays for the care that has actually been delivered. Use of this system also requires a simplified consolidated rate system to enable efficient invoicing processes.
- 3.1.8 The introduction of a new schedule of rates for home care provision was introduced with the new contract following a process of benchmarking and consultation with providers. The consolidated rate system applied from the start of the new contracts from June 2012 and is attached as **Appendix 1**. The rates were based upon the local living wage as a starting point and included provision for a variety of costs to ensure that it was set at a reasonable level. The procurement process focussed on the quality of services and providers did not compete on price. Whilst some providers had indicated they could provide a service at a price lower than the new rates the Council set rates with a view to assuring quality.
- 3.1.9 The contract includes a requirement to work with the Council to further develop the Support with Confidence approval scheme for personal assistants, designed to train and support personal assistants (PA) and to offer a voluntary register accessible to those who wish to employ a PA as recommended by the EHRC inquiry into Home Care. In addition the new contract also included a specific clause relating to the Human Rights Act

3.1.10 The service specification also describes an expectation that service providers will facilitate and promote independence wherever possible supporting the use of assistive technology and equipment, providing short periods of intensive home care to maximise independence and linking into local resources to provide information and access to community based activities.

3.2 Findings from the review of the new framework agreement for provision of home care.

3.2.1 The review covers the period from 4-6-2012 to 30-10-2012 and a range of data and information was collected to inform the review.

3.2.2 Referral data and hours- The number of new home care hours for the period June to Oct 2012 totalled 2167. This figure does not include any Continuing Health Care funded clients, people paying with a Direct Payment or private customers. There is little change for the same period last year. The target set for taking on new work is for the main district provider to accept at least 60% of the work offered. For the period June to Oct 2012 there were 8 established providers operating as main district providers, and 3 new main district providers who were not yet operational in the city. It is accepted that the new providers will need time to establish their operational base and to meet the 60% target for accepting referrals. Of the 8 established providers, 4 were exceeding the 60% target, 2 were slightly below and 2 were 10% below the target. In three areas the main district provider is new to the city and not yet operating, this has an impact on the other providers who have been taking on work outside their main district to provide cover in these areas and explains why some providers are operating below the target level. We will continue to monitor this target to establish if all providers are achieving this as the new arrangements are fully embedded. Comparing this data with the previous year, prior to the new contract, it is worth noting that there were significant problems with 3 main providers during the same period last year causing them to be unable to take on any new work. There has been no recurrence of these issues since the introduction of the new contract this year.

UPDATE December 2012 There are now 10 main district providers covering 12 post code areas of the city. 1 new provider is due to take on work from January 2013.

Of the 9 providers operating, 6 are now meeting or exceeding the 60% target for accepting referrals. 3 are currently below target .1 new provider started taking work in November 2012 and is currently exceeding the 60% target.

3.2.3 Evenings

Approximately 500 hours per week are currently provided after 8pm at a cost of £457,921. All the providers have some calls beyond 8pm but the majority of hours are provided by Saga and Carewatch This is due to the previous contract arrangements where Carewatch and Saga were commissioned to operate evening runs for calls beyond 8pm in Brighton and Hove respectively. This was arranged in response to demand for late evening calls which the other providers could not provide at that time.

The new contract requires the home care service to be available between 7am and 10pm with flexibility for requests outside these hours.

Care providers are currently recruiting staff to cover these hours but some are reporting difficulty in finding people willing to work beyond 8pm.

Care providers also have a responsibility to ensure the safety of their staff and it is considered to be good practice to send workers out in pairs beyond 8pm in order to reduce the risk for lone workers. Where there is a need for these calls the Council funds two -carer visits.

Care Matching Team monitor requests for home care and their information shows that care can take longer to arrange with providers when there is an evening call requested (beyond 8pm). There has not been more than three people waiting for an evening service at any time during the period of monitoring but the delay in accessing care was significant, 5 days or more and on occasions the service user had to compromise and accept an earlier time than was requested

Increasing the rate for evening work by 50p per hour would incur an additional cost of £31,488pa based on current provision. This should encourage all providers to increase their availability for evening work.

3.2.4 Impact of the new rates system

Providers were asked about the impact of the new rates system for their business during the first three months of the contract implementation. The most commonly described impacts were the loss of an enhanced rate for evening and weekend work.

Providers were asked about the impact of the new contract in relation to the recruitment and retention of staff and the effect on staff turnover. Responses varied but 62% of Providers reported that recruitment had increased during this period whilst 25% reported a decrease when compared to the previous year. In relation to turnover, 50% reported an increase and 50% reported it had stayed the same or decreased. Key factors included petrol costs, more competitors in the market place, pay rates and the complexity of care. Overall we believe the actual number of care workers across the home care sector has increased. Increased turnover maybe linked to the new providers in the city who are offering better terms and conditions. However cost of living increases, including petrol costs, are also a factor. There is some anecdotal evidence that some care workers are taking up jobs in residential settings where petrol costs are not a factor. **Appendix 2** provides a summary of the current terms and conditions offered to staff across the sector. It is clear that providers are responding in different ways, with some considering how to address recruitment and retention issues and reviewing current terms and conditions. The three new providers have recruited more than 30 staff and continue to expand. They are paying rates ranging from £7.50 to £11 per hour. Some of the larger national organisations have been invited to the regional ADASS (Association of Directors Adults Social Services) meeting and this had prompted some positive discussions on a regional basis regarding quality of care provision and the terms and conditions of care workers.

Committee have previously received details of current terms and conditions of staff including rates of pay and provision of uniforms in a written briefing given in response to a petition from some home care workers.

3.2.5 Petrol Prices

Petrol price rises have a significant effect for many care workers who are required to use their cars to cover home care visits. The majority of providers do not pay petrol costs or travel expenses and for those that do this is often included as a payment within their hourly rate so the care workers themselves are sometimes not aware that they are receiving this towards their petrol. Exit interviews undertaken by providers has shown that the rising cost of fuel has had a significant impact upon staff retention figures.

It is recommended that there is a 2% increase in the rates paid for home care provision in recognition of the rising costs in this market.

3.2.6 Quality issues

Within the last 12 months all but one provider has been seen by the CQC and all are compliant with CQC requirements.

Quality is monitored using a range of information including Safeguarding and complaints data, service user feedback provided by the Lay Assessors Scheme and contract auditing activities. Where quality issues are identified the Provider is expected to produce an action plan to ensure improvements are made and progress is monitored through the contract monitoring process. No significant quality issues have arisen since the introduction of the new contract and there has been no recurrence of the difficulties experienced by some providers during the summer months last year. There has been a general improvement in continuity levels and one provider who was previously failing in this area has now improved.

The Electronic Care Monitoring System provides a valuable source of data and is used to monitor certain key performance indicators.

The targets set for these key indicators are:

Punctuality -85% of calls should be punctual (care workers arrive within 20 minutes of expected time)

Continuity- Continuity targets are set for the average number of care workers who visit a service user, proportionate to the intensity of the care package. The overall target is for 90% of service users to have continuity within the desired range.

CM2000 compliance levels- 90% of calls are logged at the service users home by the care worker.

For the quarter July- Sept most providers are reaching the targets for continuity, punctuality, and compliance with call monitoring.

Where providers are not meeting the targets for these indicators they are required to put an action plan in place to improve and this is monitored by the contract officers.

The Home Care Quality Portal is in development and will enable the Council to publish this information together with other quality data. This portal is expected to be available in 2013 and will provide valuable, transparent information on the

quality of home care provision to assist people in making decisions about a home care provider. Each provider will be rated using a simple Gold, Silver or Bronze code according to their quality standards.

3.2.7 New providers: Four new providers were awarded a place on the Council's Home Care framework following the tender process.

Martlets Care was already operating as a home care provider within the city and was awarded a contract as a back –up provider in 3 areas

Ark Home Health Care was awarded a place as Main District provider in Area 1 and back- up provider in three areas.

BS Home Care was awarded Main District provider in Area 3 and back-up in 2 adjacent areas.

Seva Care was awarded Main District provider in Area 10 and also one back up area. Unfortunately they have now withdrawn from the framework as they feel that the area they were offered did not offer the volume of hours that they needed to support development of a local office. These districts have been awarded to the remaining providers.

BS home care have started to take referrals from the first week in November and have 40 care workers in the recruitment pipeline. They have an interim manager and are training a new manager to take over the branch in around 6 months time. Ark have recruited and are training their staff they expect to be in a position to begin taking referrals after Christmas.

Since the new contract began on 4th June 2012 Martlets Care have received 63 requests for service from the Care Matching Team totalling 901.50 hours. They have accepted 29 requests totalling 344.75 hours.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

4.1 Information was collected from a range of sources to inform this review. This included:

A consultation questionnaire, sent to each of the 14 framework providers covering the period June-Aug 2012 asking for information about recruitment and retention, the impact of the new contract and the new home care rates.

12 providers (86%) returned a completed questionnaire. The results of this are included within the body of this report.

Information from Lay Assessors reports following interviews with service users; Safeguarding information; complaints information and other contract monitoring activities were also used to inform the review.

5. FINANCIAL & OTHER IMPLICATIONS:

5.1 Financial Implications:

The current gross costs against the home care framework contract are approximately £10.2 million per annum. The estimated savings following the introduction of the new rates are in the region of £0.5 million for a full year.

The 2% increase in fees and the enhanced rate to be paid to providers for covering calls beyond 8pm in the evening is expected to cost £0.235m and can be met from the inflationary uplift included in the budget proposals for 2013-14. In addition the home care contract together with the Electronic Care Monitoring System is expected to deliver a saving of £0.170 million in 2013/14 as reflected

within the budget proposals. The proposals are subject to agreement by Council in February 2013 as part of the budget setting process.

Finance Officer Consulted: Michael Bentley 20/12/12

5.2 Legal Implications:

Committee is asked to approve an increase in fee levels paid to Home Care Providers within the budget proposals for 2013/14 but prior to such proposals being agreed by Council. The approval sought can therefore only be on the basis of budget proposal agreement.

There are legal risks in imposing terms and conditions that go beyond the subject matter of a contract. The Procurement rules require that we only take into account matters that properly relate to the subject matter of the contract and are proportionate to the authority's legitimate requirements. However, the Council has recently agreed a new procurement approach as part of the process of seeking Living Wage accreditation. As part of this, steps will be taken to secure the Living Wage where possible.

Lawyer Consulted: Sandra O'Brien 08.01.13

5.3 Equalities Implications:

A budget EIA has been completed and this identified a need to complete a full EIA.

5.4 Sustainability Implications:

The recommended increase in fee levels is intended to maintain the stability of the home care market and keep businesses sustainable.

5.5 Crime & Disorder Implications:

There are no specific crime and disorder implications set out in this report.

5.6 Risk and Opportunity Management Implications:

Variations to the recommendations were considered. The proposals balance risk, responsiveness, sustainability and quality issues within the current budget proposals.

5.7 Public Health Implications:

Home care services are key in maintaining individual service users' independence enabling them to remain at home, supporting them to maintain or improve their health, assisting with medication, nutrition, personal care and all aspects of daily life.

5.8 Corporate / Citywide Implications:

Home Care providers work in wards across the city and the recommendations in this report will ensure that the service remains sustainable and responsive to need beyond 8pm.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The option of making no increase to the rates paid for home care was considered however there is a risk that this could lead to loss of experienced staff in the sector and there would be little incentive for care workers to take on work beyond

8pm which limits the choice available to service users who need a late evening call.

6.2 A range of different rates were considered . The recommendations included in this report are consistent with the current budget proposals.

7. REASONS FOR REPORT RECOMMENDATIONS

7.1 The recommendations of this report support home care providers to sustain the service and reflect the additional burden of increased petrol prices that have a particular impact upon some home care workers.

7.2 There is a need for some home care visits to be delivered beyond 8pm and an enhanced rate for this work will incentivise home care providers to respond to this need.

SUPPORTING DOCUMENTATION

Appendices:

1. Schedule of Rates for Home Care
2. Comparison of Terms and Conditions for Home Care workers

Documents in Members' Rooms

None

Background Documents

None