



HEALTH, SOCIAL CARE AND WELLBEING SCRUTINY COMMITTEE - 19TH JUNE 2018

SUBJECT: DOMICILIARY CARE FRAMEWORK

REPORT BY: CORPORATE DIRECTOR SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT

- 1.1 To seek members views on the recommendations proposed to progress the commissioning of a new domiciliary care arrangement, minimising disruption to individuals who currently receive the service whilst increasing capacity to meet identified needs.

2. SUMMARY

- 2.1 To outline the current arrangements for the provision of externally commissioned and internally provided domiciliary care in the Caerphilly Borough.
- 2.2 To highlight some of the difficulties and issues facing the domiciliary care sector on a local and national basis.
- 2.3 The report will make recommendations in respect of a way forward the future commissioning of external domiciliary care

3. LINKS TO STRATEGY

- 3.1 Social Services and Well Being (Wales) Act 2014
- 3.2 The domiciliary care tender process contributes to the following well-being goals within the well being of Future Generations Act:
- A prosperous Wales
 - A healthier Wales
 - A Wales of cohesive communities.
- 3.3 Regulation Inspection Social Care Act (RISCA)

4. THE REPORT

- 4.1 As of the last week of March Caerphilly County Borough Council currently commissions 9000.5 hours per week of external domiciliary care. This is a snap shot figure as the amount of care provided and commissioned varies on a daily basis
- 4.2 In the same week the in house homecare service, Home Assistance Reablement Team (HART) provided 2922.25 hours per week of support. not including travel time. Emergency Care at Home and Reablement provided a further 722.30 hours of support excluding travel time.

- 4.3 Current arrangements for commissioning are by way of a Framework Agreement with 9 providers that was established via a formal tender process undertaken in 2012. The length of the contract was for 4 years with an option to extend for a further 2 years. The option to extend the contract was implemented and the current arrangement came to an end at the end of November 2017. All current providers agreed to an extension of the existing arrangements while this work is undertaken.
- 4.4 In addition to the framework, there are 2 providers that were given direct awards having failed to get on to the framework at the point of tender. This was agreed as these were evidenced to provide a good quality of care and it was identified we needed to have sufficient capacity to meet identified needs of vulnerable people.
- 4.5 In 2016 following a lengthy period of having limited capacity within the existing framework and the direct awards to respond to new work, especially in relation to the discharge of people from hospital. The decision was made to establish a supplementary framework to respond to the increase need. As a result 3 new providers were introduced to CCBC. Despite this action capacity issues still remain.
- 4.6 A CSSIW review identified in 2015/16 that the domiciliary care market is very fragile with a serious lack of capacity – this lack of capacity comes at a high cost for individuals, families and public authorities with increasing pressure on delayed transfers of care from hospitals. The review focussed on 2 factors that were felt to be driving some of the behaviours in the system, namely –
- ❖ 'General workforce shortages, resulting in 'call cramming' and 'call clipping' at certain times of the day in some areas'.
 - ❖ 'Overzealous application of procurement and finance rules which can result in a tendency to drive down prices in the short term, punitive contract terms and a need to account for every penny spent'.
- 4.7 In March 2017, Mihomecare terminated their contract with CCBC on the grounds that the service was unsustainable. This resulted in almost 1000 hours/a week of care and support for 88 different people across the borough needing to be re-brokered. This included HART and 2 of the other providers who worked closely with us to ensure there was the minimal amount of disruption to the continuity of care for people in the community.
- 4.8 The above points and the fragility of the sector need to be considered in the context of the following –
- ❖ Increasing complexity of need for those supported at home.
 - ❖ The role of HART, in house home care provision – the percentage share of the market has increased following the termination of the contract mentioned in 4.7.
 - ❖ Increase in general demand for service – since the establishment of CCBC's existing framework arrangement in 2012, there has been an increase of just over 2000 hours of domiciliary care commissioned per week.
 - ❖ Changes in the workforce and issues with recruitment and retention.
 - ❖ Development of regional commissioning arrangements and collaboration.
 - ❖ Implementation of the Act and the need to change practice to focus on what matters to people and develop personal outcomes.
 - ❖ The need to trust the providers and work together to identify capacity in the services which can be reinvested for other people.
 - ❖ Implementation of Regulation Inspection Social Care Act (RISCA) which requires domiciliary care staff to be registered and suitably qualified. The need to evidence zero hour contracts are only in place when it is an individual staff members choice.
 - ❖ Delayed transfers of care that are coded each month as waiting for a package of care.

- 4.9 In order to ensure that CCBC is best placed to respond to all the market pressures, driving forces and influencing factors to securing a sustainable domiciliary care provision provided in an outcome focused way for the future, a project group has been meeting in order to develop the following –
- ❖ A service specification and contract – to include a domiciliary care service for children and young people and also respite sitting service.
 - ❖ A proposal for the new arrangement.
 - ❖ An agreed tender process.
- 4.10 The service specification and contract has been reviewed and the only outstanding part is the section relating to Finance and Payment. This section is dependent upon the arrangements with the new WCCIS IT system and a decision to be made regarding how CCBC will expect providers to report hours of service they have delivered.
- 4.11 In relation to the proposal for a new arrangement, there have been 3 consultation sessions with the current providers, discussions with people using the current service and the project group meetings. In addition there has been some communication with Leonie Cohen a Lawyer specialising in procurement and social care, with an intention to engage in more detail with her once we have a final proposal that has been agreed by SMT.

Following consultation, the proposed approach will seek to ensure continuity and consistency for the people currently in receipt of a service, while increasing the number of providers available and therefore increase capacity to meet future demand.

- ❖ The service/contract will have the overarching title of 'Care At Home'.
- ❖ A Prior Information Notice (PIN) will be issued through Sell2Wales to try and establish how many providers may have an interest in submitting an application to tender – at this point providers will be asked to identify where in the Borough they would be looking to provide and also which part of the service they would wish to tender for.
- ❖ All the existing providers would retain the hours they have at the point of tendering as long as they successfully complete the tender exercise and only new hours would be brokered out to the new arrangement.
- ❖ The contract will be for a 10 year period – 4years with 2 + 2 + 2 years (or similar) – as long as performance is maintained at an agreed level this would help all providers to invest in their business, plan for the future and secure financial resources where necessary.
- ❖ The overall service would have 4 lots –
 - Domiciliary Care for Adults
 - Domiciliary Care for Children
 - Respite sitting for Adults
 - Respite sitting for Children.
- ❖ The borough will be split in to North, South and East in line with the Neighbourhood Care Network (NCN) footprint.
- ❖ Providers will be able to bid on any or all of the lots.
- ❖ Hourly rate – providers to submit their own hourly rate. However the possibility of a 'floor' and certainly a 'ceiling' rate to be set by the Local Authority in order to ensure that services are sustainable and affordable. Work has commenced on this on this based on the hourly rates that we currently pay and in the context of the increases on 1st April for the National Living Wage, pension contribution and mileage.
- ❖ The submitted hourly rates would need to include mileage costs but those would need to be clearly delineated from the care and support costs.
- ❖ In terms of brokering hours to a provider, the hours will be offered as a block on a weekly basis with an indication of times that the 'eligible' needs of the individual should be met eg. Morning, afternoon, tea, evening.
- ❖ Splitting the day into slots will require a practice change for assessors in terms of not specifying or agreeing specific call times. It will be for providers to negotiate with individuals/families call times that they can provide to meet eligible needs and outcomes.
- ❖ Use of single handed equipment will be promoted as a potential way of increasing capacity.

- ❖ The new hours will be brokered in accordance with the areas that are identified and the lots applied for. Given the fact that supply out strips demand packages will be allocated on a first response system, which will be reviewed annually or sooner if required.
- ❖ Providers on the new arrangement will submit the actual service delivery hours for payment. It will be acceptable if the hours submitted are under the planned hours for the service (number yet to be agreed) and CCBC will not look to 'dock' the provider for the lack of those hours, but in the same way, should the planned hours go over then CCBC will not pay for those hours. For any regular, significant difference in hours either over or under then those situations will need to be reviewed and amended accordingly. In the event of emergencies where there is a large increase in hours for a person such as an individual with no family being unwell, falling and waiting for an ambulance etc, those will need to be submitted separately and in writing in order to be addressed.

4.12 Despite the fact that there is a requirement to tender for a new Care at Home Service, there are risks associated with this process –

- ❖ There is the potential for a significant increase on the current costs for this service hence another budget pressure. This will be because of the new hourly rates that will be submitted by current and new providers that will take in to account the increase in the NLW to £7.83 and the 1% pension uplift both on 1 April 2018.
- ❖ The introduction of RISCA – providers will see changes to the way that regulation affects services on both a delivery and management level – it is anticipated that providers may seek to pass any associated cost to commissioners e.g. cost of registration for domiciliary care workers.

5. EQUALITIES IMPLICATIONS

5.1 There are no immediate equalities implications although any equality impact assessments required would be carried out at an appropriate time and in line with legislation

6. FINANCIAL IMPLICATIONS

6.1 The overall value of the delivery of commissioned domiciliary care, including the respite sitting service as at January 2018, based on 2017/18 prices was £7.37m.

6.2 The financial implications are difficult to predict currently but given the increases in National Living Wage, pension contributions, need to pay travelling time etc. the hourly rate for these services submitted by existing providers and new is almost certain to increase. This will then be a further pressure on the adult services budget.

6.3 The current average hourly rate that we pay for packages of domiciliary care under the current contract is £16.36 per hour and or every 1% increase in this average hourly rate the additional cost to the directorate would be £75k per year.

7. PERSONNEL IMPLICATIONS

7.1 There are no specific personnel implications identified in this report.

8. CONSULTATIONS

8.1 All consultation is contained within the body of this report.

9. RECOMMENDATIONS

- 9.1 That members consider and agree the approach being proposed in 4.11 in relation to the tender process for a Care at Home Service and agree the way forward.
- 9.2 That the risks associated with this process are acknowledged and understood.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 In order to ensure that the future commissioning of externally provided domiciliary care is fit for purpose.
- 10.2 To engage further with Leonie Cohen, Lawyer to discuss the approach CCBC is proposing to take and ensure that it is compliant with the 'light touch' regime prior to being advertised. Procurement will facilitate this process.
- 10.3 Members are consulted prior to report going to cabinet.

Author: Viv Daye, Service Manager, Commissioning
Consultees: Dave Street, Director of Social Services
Adult Services DMT
Mike Jones, Interim Service Manager Finance
Andrew Watkins, Senior Accountant, Finance
Zoe Lewis, Senior Accounting Technician, Finance
Project Team
Senior Management Team
Corporate Management Team