

People Scrutiny

21st November 2016



Report of: Netta Meadows, Service Director – Strategic Commissioning & Commercial Relations

Title: Home Care Update

Ward: Citywide

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Recommendation

That the Commission note the report and its content

Summary

This report outlines recent improvements in home care commissioning and some of the key challenges facing the sector and the Council

The significant issues in the report are:

The report notes that whilst progress has been made, recent changes to home care commissioning arrangements have not delivered the expected improvements.

The council faces significant challenges in relation to the price, quality, availability and funding of these services. The report also notes this is a national picture not unique to Bristol.

The report notes the next stages of the future commissioning process.



Policy

1. Not applicable

Consultation

2. **Internal**
Not applicable
3. **External**
Not applicable

Context

1. Introduction

- 1.1 There are significant challenges to commissioning and providing home care and the experience of Bristol City Council reflects that of its neighbouring Local Authorities and the picture across the country.
- 1.2 The key issue is that the number of people that choose to work in the home care sector in Bristol is not sufficient to provide the type and level of home care that people in the city require. The situation is too complex to present a simple set of causes and effects, but it is clear that the rates paid for home care services and the rates then paid by these organisations to their staff, are part of the reason why people choose not to work in this area. This has a major impact on the quality of care, with care providers typically experiencing a shortage of staff and / or high staff turnover, which means service user's will receive different care workers and people may leave their job with little or no notice.
- 1.3 In the last 2 years Bristol City Council has made significant changes to the way it commissions home care in attempt to overcome these challenges and try to ensure:
 - a. Residents receive the quality of care they require
 - b. The council can access the level of home care needed by Bristol residents
 - c. Care staff receive terms and conditions that give them an appropriate quality of life and encourage them to remain working in the home care sector

2. Changes to the way home care is commissioned

- 2.1 Historically, the Council has commissioned home care from 50 different organisations, who have all met the requirements that they are CQC registered and have passed the Council's accreditation process. These providers operated under a contract that did **not** require them to:
 - a. Commit to accepting a specific number of new referrals from the Council
 - b. Consider a service user's wider health and social care needs

- c. Systematically share information with the Council about how they operate
- d. Meet certain standards in relation to their staff terms and conditions – e.g. offer all new staff a guaranteed hours contracts

2.2 In recognition of these and other problems, the Council undertook a thorough and wide ranging review of these commissioning arrangements in late 2014 to establish if, and what, change was needed. The conclusion was that significant changes were required and the scale of the problem is well illustrated by the fact that at the time of the review, the BCC Brokerage Team were trying to find a care provider for 200 people. These people had i) requested a change in their care provider, or ii) been assessed as needing care, but no provider was available to deliver this care.

2.3 In August 2015, the Council introduced a new commissioning model. At the heart of this model was a proposition that the Council would; work with fewer providers, have stronger and more constructive relationships with them and use a funding arrangement that was less about an hourly rate for care and more about incentivising Main Providers to support people to achieve better outcomes. This model has been introduced elsewhere in the UK. There were 4 Main Providers that were required to:

- a. Operate in specific and defined parts of Bristol
- b. Be the preferred provider for the area in which they operate.
- c. Take on as many new referrals as possible
- d. Consider the wider health and social care needs of the people they support
- e. Support people to maximise their independence and live the lifestyle they want
- f. Use market leading terms and conditions for their care staff
- g. Deliver their services for a maximum of £14.20 per hour.

2.4 Since August 2015, the Council has commissioned as much home care as possible from the Main Providers, whilst continuing to support the providers that delivered care under the arrangements set out in 2.1 to ensure they maintain a safe and quality service. These organisations (36 currently deliver care on behalf of the Council) receive a standard hourly rate of £15.00 per hour, but with premiums for weekends, bank holidays etc. the average rate they receive is £15.64 per hour.

2.5 A key part of the new arrangements is that Main Providers will deliver services in a way that supports people to become more independent and be less reliant on home care. This is known as the 'Maximising Independence' model and a typical scenario is where a person has a fall, spends time in hospital and then returns home with a home care package. By offering the right type of care and support, a care provider can help the person regain their health, mobility and independence and over time become less reliant on home care and more independent more quickly.

2.6 The benefits of this approach to the individual are obvious, but it is also anticipated that this will save the Council money and incentivise the provider with whom the

Council shares the financial benefits and make it quicker and easier to access the right type and level of home care for other people.

3. Current Situation

3.1 At present, the Council commissions circa 20,000 hours of care per week to 1,800 different people. The annual cost of this care to the Council is circa £16m. Table 1 shows which providers deliver this care and which providers are taking on new referrals.

3.2 Table 1: Proportion of home care delivered and new referrals taken on.

Group of Provider	% of SUs
4 x Main Providers – Total care provision	32.4
4 x Main Providers – % of new referrals taken on in last 3 months	46
10 x Largest Providers – Total care provision	70.8
10 x Largest Providers – % of new referrals taken on in last 3 months	84.1
13 x largest Providers – % of new referrals taken on in last 3 months	90.5

3.3 Table 1 shows that Main Providers deliver a significant and increasing amount of care (32.4%) and take on almost half of new referrals made by Bristol City Council (46%). 5-10 other providers deliver the rest of the care commissioned by the Council.

3.4 In the time these contracts have been in place, the focus has been on ensuring Main Providers deliver safe and high quality services to as many people as possible. As a result, the Maximising Independence model, which marked an ambitious and different way of operating, has not yet come into effect.

3.5 In the last 15 months the Council has maintained the quality of services, reduced its total spend on home care services and developed close and transparent relationships with 4 Main Providers (2 of whom did not operate in Bristol prior to August 2015). A significant success has been that the number of people waiting for home care continues to fall and is now at 40, with fewer than 10% of these people waiting in hospital.

3.6 However, the Council expected the improvements to be greater and that:

- a. Main Providers would be delivering significantly more care (currently 32.4% of all Council commissioned care) and be taking on significantly more new referrals (currently 46% of all new referrals are taken on by Main Providers.)
- b. Most people who started receiving their care before August 2015, would have transferred to the Main Providers
- c. The number of organisations operating under the previous commissioning arrangements would be far fewer than the current number of 36.
- d. Main Providers would have supported many people to maximise their independence

4. Quality

- 4.1 The complexity of home care means that there will always be situations where care is not delivered as the service user would wish it to be. We encourage service users and their carers, family and friends to make us aware of their experience.
- 4.2 We receive very few formal complaints about home care. We know this is because of people's reluctance to complain rather than because things never go wrong, as many people make us aware of the problems they face by contacting their social worker or local Councillor. We have robust ways of collating and analysing all of this information and when things do go wrong, it is usually due to care:
 - a. Not being provided when it should be – Too late, too early or not at all
 - b. Not being provided to the required standard – Where there is a training / competence issue.
 - c. Being provided by staff the service user is not happy with – This could relate to gender, attitude, personality etc or regular changes in care staff.
- 4.3 This information does not give any evidence to indicate that:
 - a. The expected and planned increase in quality has materialised. Whilst the evidence is that quality has not worsened since the introduction of the new commissioning arrangements, it has not improved.
 - b. Different types of organisations provide better or worse care – E.g. 3rd sector or profit making, Main Providers or other providers.
 - c. Other local Authorities have fewer problems than Bristol, even where they pay different rates or commission / deliver services in different ways.

5. Future Commissioning

Night Time Care

- 5.1 This relates to home care delivered between 23.00 – 06.00, every night of the week.
- 5.2 90% of this service is delivered by a Main Provider and 10% by Council staff
- 5.3 Under the new arrangements, there will be 3 contracts awarded; 1 for each area of the City; South, Central and North. These arrangements will bring greater capacity, contingency and give more equitable and timely access to these services.

Secondary Zone Providers

- 5.4 The purpose is to create a further small group of providers the Council can rely on to deliver the care that people in Bristol require.

- 5.5 As with Main Providers, there will be 11 contracts, 1 for each zone in Bristol. These providers will have the same contractual requirements and relationships with the council that the Main Providers have, including receiving a rate of £14.20 per hour.
- 5.6 Secondary Zone Providers will be asked to take on any care packages that the Main Provider does not.

Secondary Framework Providers

- 5.7 This arrangement will cover all other home care providers that wish to deliver care on behalf of the Council. Providers will be required to demonstrate they meet specific standards set out by the Council and will have to share information periodically to show that they continue to meet these standards and requirements.
- 5.8 Referrals will be made to these providers, if they where they have not been taken on by a Main Provider or Secondary Zone Providers.

6. Challenges

- 6.1 Whilst we believe the new commissioning arrangements have delivered improvements, there are significant challenges ahead. These are not unique to Bristol as there is a national problem with capacity and quality in the homecare market.

Financial situation and rates paid to providers

- 6.2 Many care providers are reporting that they are on a financial knife-edge through having to balance the need to pay high enough wages to attract and keep staff, whilst remaining financially stable. In the last 15 months, over 10 providers have 'handed back' Council commissioned service users and the Council has had to quickly find another provider to deliver care to these people. 5 of these providers have stopped providing home care in Bristol, 1 of which was a Main Provider.
- 6.3 We expect this situation to worsen as because:
 - a. Providers need to increase wages – The introduction of the National Living Wage (NLW) means that many providers have to increase their rates of pay to i) to meet the legal requirement or to ii) exceed the NLW in order to compete with other employment opportunities.
 - b. BCC pays the lowest rates a provider will receive – Most providers will deliver care to self-funders (who typically pay the highest rates) and on behalf of Bristol's neighbouring Local Authorities (all of whom pay more than BCC). Furthermore, the Main Providers actually receive a lower rate than all other providers (£14.20 compared to £15.64).

Increased demand for home care

- 6.4 The demand for adult social care services continues to rise. More carers are being assessed, numbers of older people are rising and complexity and challenge of meeting the needs of young disabled adults and people with learning difficulties is a challenge. This will lead to greater demand for home care services.

Recruitment and retention of care staff

- 6.5 The limiting factor on the amount of care a provider can deliver is their number of care staff they are able to recruit and retain. This is intrinsically linked to the financial situation described above and the specific issues relate to:
- a. People leaving / not entering the care sector as the National Living Wage has made other jobs (e.g. retail) more attractive.
 - b. People choosing to work in care homes as this provides a more comfortable, safe and stable environment in which to work
 - c. The costs of recruitment, induction and training, which restrict the amount of recruitment activity a provider will do as the costs may exceed the benefits.
- 6.6 We know that nationally the number of social care positions increased by 18% between 2009 and 2015. The turnover rate of directly employed staff working in the adult social care sector is 27.3% and increasing steadily. A large proportion of staff turnover is a result of people leaving the sector soon after joining and the sector also has difficulties in retaining younger workers. This reflects the experience of home care providers in Bristol who report significant difficulties recruiting and retaining suitable people, despite the continued improvement in the terms and conditions they offer care staff.

Availability of provision

- 6.7 This is the main impact of the problems described in 6.2 and 6.3. In only a small number of cases is the Council's Brokerage Team able to access care that will start when a person needs it and deliver what they require. Typically, people are waiting for care because it:
- a. Cannot begin as quickly as necessary – May be needed with 1 day, but cannot start for 5 days
 - b. Is not in the right location – There may be availability in the north, but the person lives in the South
 - c. Does not meet a person's needs / preferences – It is common for a male care worker to be available, but the service user wants a female care worker, or a visit can be made at 08.00 – 09.00, but the service user wants this at 08.30 – 09.30.

7. Summary

- 7.1 The current situation in the home care market presents a significant risk and commissioning the type and level of care its residents require is becoming more and more difficult. For example, in Bristol there was an increase from 1,575 funded packages of residential and nursing care in September 2015 to 1,770 in June 2016.

Proposal

4. That the Commission note the content of this report and the presentation that will be delivered at the meeting.
5. That the commission support a detailed discussion about how we can address and overcome some of these issues and challenges as set out in this report.

Other Options Considered

6. No applicable

Risk Assessment

7. Not applicable

Public Sector Equality Duties

This report does not require a decision and so this section has not been completed.

A full Equalities Impact Assessment was completed and included in the report to Cabinet seeking approval to implement the changes described in this report.

Legal and Resource Implications

This report does not require a decision and so this section has not been completed.

Legal

Financial

(a) Revenue

(b) Capital

Land

Personnel

Appendices:

None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None