

11 January 2017		ITEM: 10 (Decision 01104399)
Cabinet		
Domiciliary Care - New Service Model and Procurement		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor Sue Little, Portfolio Holder Adult and Children's Social Care		
Accountable Head of Service: Les Billingham, Head of Adult Social Care		
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health		
This report is Public		

Executive Summary

The purpose of this report is to inform Cabinet about the new service model for domiciliary care in Thurrock and agree to commence the procurement of this new service.

It explains the current national and local domiciliary care situation and the impact this is having on the delivery of domiciliary care in Thurrock

The report details the new direction of travel to support people at home highlighting the new approach, Living Well at Home, as an integral part of the second phase of Building Positive Futures. It provides an update on the progress of the Living Well at Home project and how the current difficulties have impacted on the delivery and implementation on our pilot of that new approach.

The report sets out the procurement timetable which is scheduled to begin on the 16th January 2017.

1. Recommendation(s)

Cabinet are asked to:

1.1 Agree the future redesign of the service model to support people to live well at home

- 1.2 **Agree to commence the procurement for domiciliary care services and delegate the award of the contract to the Corporate Director of Adults, Housing and Health in consultation with the relevant portfolio holder.**
- 1.3 **Agree a 6 month extension to the current domiciliary care contract from the 1st April 2017 until the 30th September 2017.**

2. Introduction and Background

- 2.1 In June 2016 and November 2016, reports were presented to Health and Wellbeing Overview and Scrutiny Committee updating members regarding the current domiciliary care market in Thurrock and outlining the new service model and procurement timeline. On both occasions Health and Wellbeing Overview and Scrutiny agreed with the direction of travel and commissioning intentions. They reported the pressures locally and nationally being experienced by domiciliary care providers. Locally the termination of one contract and a failing Care Quality Commission (CQC) inspection of a spot commissioned provider resulted in 1,620 hours being brought back to be delivered internally through the creation of Thurrock Care at Home, Thurrock Council's internal domiciliary care service.
- 2.2 Thurrock Council's declared basic rate is currently set at £13 per hour for domiciliary care (enhancements are paid known as resilience payments to reflect complexity and market pressures). Compared to neighbouring Local Authorities and the Eastern Region Thurrock's rate is considerably less. All Local Authorities are currently reviewing the rate for home care, but many are starting at a much higher point.
- 2.3 The UK Homecare Association (UKHCA) published a report in October 2016 called 'The Homecare Deficit 2016' which updated The Homecare Deficit report published in March 2015. This report highlights the extent of under-funding for domiciliary services for older people across the United Kingdom, with 9 out of 10 Councils failing to pay a "realistic price" for homecare. The UK Home Care Association calculated the minimum price councils should be paying was £16.70 per hour and that anything less than this can cause instability to local markets, resulting in low pay and poor working conditions for the domiciliary care workforce.
- 2.4 The Care Quality Commission (CQC) report: 'The State of Care 2015/16' has stated that Adult Social Care services across the country are approaching a tipping point which is impacting on quality and putting immense pressure on hospitals and other health and community services. This reflects what is happening here in Thurrock. As is evident, domiciliary care providers nationally are in a state of crisis and realise through both the outcomes of the UK Homecare Association Report: 'The Homecare Deficit' (March 2015) and the findings of the Burstow Commission Report: 'Key to Care' (December 2014), that change is required. However, fundamental change is difficult to achieve when providers are in a cycle of trying to provide a service with the challenges of capacity, ability to recruit and retain staff, concerns about

funding levels and working to a contract that we recognise is not fit for purpose due to low level declared rate and large geographical areas. As such, we want to work with providers to move to a better way of delivering care.

- 2.5 Thurrock Council currently commissions on average 4300 hours of care per week. With 1900 of this being provided in house and 2400 hours being provided externally. Like our external providers Thurrock Council is struggling to recruit care staff within the area.
- 2.6 In May 2016 CQC inspected the Joint Reablement Team issuing them with 'Requires Improvement' status and a warning notice to Thurrock Council. An action plan was created and overseen by senior management to ensure that the service was brought back up to standard. During the delivery of the improvement plan it became apparent that inherent problems regarding quality and delivery of support had been transferred to the Council by creating Thurrock Care at Home to deliver the hours transferred from commissioned providers. The concerns resulted in a self-embargo of Thurrock Care at Home in September 2016, this meant that no new care packages would be delivered until the quality of the service had been significantly improved. A follow up inspection of the Joint Reablement Team was completed in November 2016 by CQC who found improvements from the implementation of the action plan and are confident that any breaches in the regulations have been addressed resulting in CQC removing the warning notice.
- 2.7 The self-embargo and decreasing capacity within the system has resulted in a waiting list being created for service users to receive support. This list is risk assessed on a daily basis and care is allocated to those in highest need. The waiting list has resulted in delayed transfers of care from hospital which is a significant concern rarely experienced in Thurrock until the last few months.
- 2.8 The current domiciliary care contract was procured in April 2014 and awarded for three years with the facility for a one year extension, the contract was for the successful providers to deliver services across the whole of Thurrock. It is clear that the current contract pertaining to price and geography is not delivering a sustainable service. This has been evidenced through one provider giving notice on the contract, the over use of spot commissioning and the extensive travel time between visits putting additional strain on providers. Following detailed discussions with other local authorities and the anticipated increase in demand, the 'Living Well at Home' commissioning approach was created to support residents of Thurrock to feel empowered and live well at home.

3. Issues, Options and Analysis of Options

- 3.1 The 'Living Well at Home' vision followed much research into approaches by other local authorities; in particular Suffolk, Wiltshire, Torbay and Calderdale. It also incorporates the lessons that have been learnt from the successful Building Positive Futures transformation agenda in creating communities that support health and wellbeing, creating homes and neighbourhoods that

support independence and creating the social care and health infrastructure to manage demand.

3.2 Living Well at Home is incorporated within the vision of the next phase of Transforming Adult Social Care, Living Well in Thurrock. Living Well In Thurrock compliments Thurrock's CCG 'For Thurrock in Thurrock' approach and has four key principles :

- Reducing inequality in health and wellbeing
- Prevention is better than cure
- Empowering people and communities and
- Connected services.

Living Well in Thurrock is concerned with providing good quality services and providing Thurrock's residents with the best opportunities to remain well and achieve a good life. The three key elements include:

- Creating stronger communities
- Building for Health and Housing
- Services that enable people to achieve a good life.

Living Well at Home's aim is to enable people to achieve a good life by the development of a new approach to domiciliary care and creating neighbourhood based solutions which include a mixture of formal and informal responses to the outcomes an individual wishes to achieve.

3.3 More people than ever require care and yet there is difficulty both nationally and locally recruiting and retaining staff. There are also capacity issues which are worsened by staff having to travel to different parts of the borough to deliver support. This means that they don't get to know the people of the local area or the alternative services as well as they could. As such, the Council wants to redesign how care and support is delivered, moving away from traditional services and anchoring it in the local community.

3.4 There will be a lead provider in each area who will be expected to engage and collaborate with other organisations and support the development of local resources/solutions where there is a gap. The provider is also expected to work with people in the area who do not currently meet the Council's eligibility criteria for domiciliary care but whom are considered vulnerable and may require adult social care in the future without some form of intervention now (they may be in receipt of a lower level intervention e.g. equipment, assistive technology, meals on wheels) to prevent the need for formal services in the future.

3.5 By changing the way care is organised and looking for solutions for people in their local community, the Council encourages the improvement of services people receive, ensuring that people feel part of their community and are as independent as possible. The support will enable a range of outcomes that are important to the person to be met, this may include, leisure, meeting

nutritional needs, social contact (including reducing social isolation and loneliness), enabling religious belief together with many other aspects of community life.

3.6 As part of this redesign, we will be achieving :

- less reliance on formal services thereby containing demand,
- increased access to the local community for socially isolated people,
- reduced travel for staff and thereby cost,
- increased independence for service users
- providers who are part of the community they work in, who are aware of the resources available locally
- staff who are able to signpost and support service users to access a wide range of organisations and groups. Also an increase in recruitment and retention of staff as providers and the caring role will take a more central role in the local community.
- an increase in the number of micro enterprises.

3.7 To support the development of the redesign of the service, a pilot is being implemented in partnership with the community, the voluntary sector, housing and health. The evaluation of this pilot will influence the commissioning intentions and will be testing our initial ideas about the redesign of the service.

3.8 In June 2016, Health and Overview and Scrutiny Committee report it was noted that a pilot would commence within the South Ockendon area. A short procurement exercise was completed in early August 2016 and was evaluated by the voluntary sector which awarded the pilot to Thurrock Care at Home. Due to the self-embargo imposed on Thurrock Care at Home it was considered inappropriate for the pilot to be awarded to them. The decision was taken to award the pilot to the two other providers who put forward a bid. This has allowed close working between the voluntary sector and private providers.

3.9 Due to the time frame for procurement and existing provider and service user relationship, two areas have been identified to undertake the pilot. The areas are Stifford Clays and Corringham. The pilot commenced in early November 2016 and we will be evaluating the outcomes which are meeting individual needs and connecting people with their local community.

3.10 To ensure that the pilot informs the commissioning intentions, an extension to the current contract is required so that a comprehensive evaluation can be reflected within the specification. Additionally this will provide some stability to current internal services. The extension will be required from the 1st April 2017 until the 30th September 2017.

The redesign of domiciliary services focuses on delivering care and support in a different way to how it is delivered currently. As noted a Thurrock wide service with the current declared hourly rate means the market is not

sustainable. The proposal is to create a specification that details the successful providers are lead providers in each locality and that they coordinate the domiciliary support and community support within each locality.

There will be three level of need and support identified :

- a. high support needs where bespoke packages of care will be developed;
- b. standard support needs where the more traditional domiciliary services will be delivered and
- c. moderate / community support needs which will focus on community connections and early intervention and prevention.

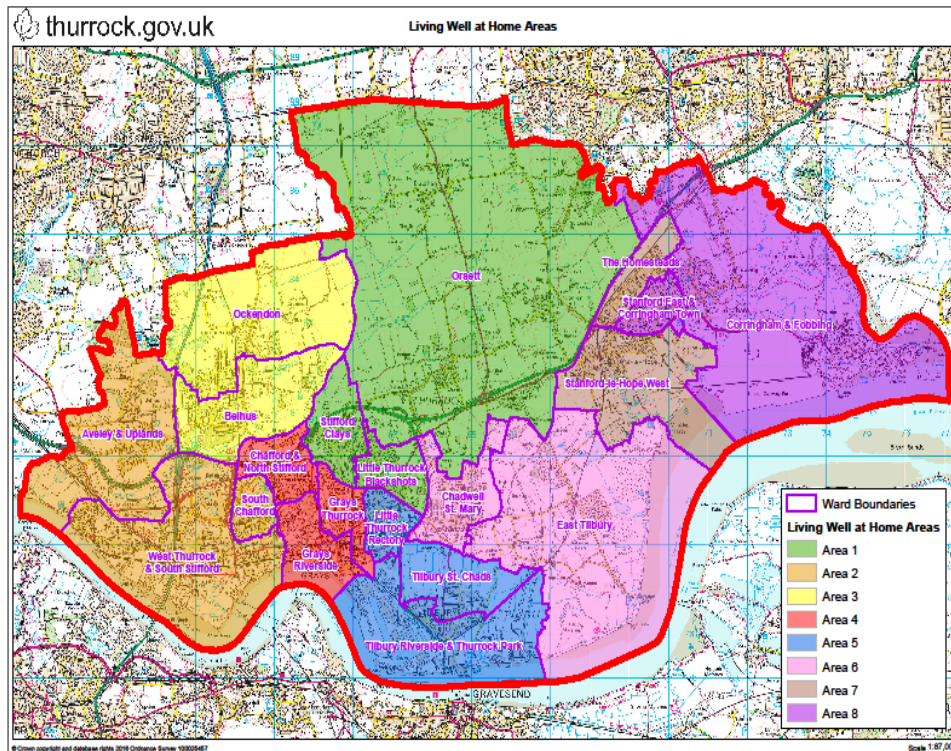
We considered whether to have a declared rate or a tendered rate. The option for a tendered rate is considered the most appropriate choice both locally and regionally. This allows potential providers to set a competitive rate. The tendered rate will apply to the higher and standard rate while an alternate funding method will be required for the moderate / community level – we will be looking for innovative solutions from the tenderers. However, there will be consistency of charging across Thurrock.

As regards our own in-house service we will take a decision based on the tenders received as to whether this is maintained. It is the current officer view that this allows us the flexibility to respond to emergencies and should be focussed on the area least popular with tenders received.

The proposed localities for the delivery of domiciliary care under the new contract are detailed below based on the wards and health super output areas which mean that services will be delivered more locally reducing travel time and ensuring more community focus.

In order to ensure that we don't end up with a situation where one provider totally dominates the market we will also be restricting the number of lots that a provider can be awarded, so providers will be asked to express an interest in the geographical areas they have a preference for. The existing out of hours contract operates on a Borough wide basis. In order to ensure that there is consistency and because of economies of scale we will be going out to tender for this as a single borough wide lot.

The proposed geographical boundaries are detailed below :



Area 1		Area 5	
Ward	CCG Locality	Ward	CCG Locality
Stifford Clays	Grays	Little Thurrock Rectory	Grays/ Tilbury
Little Thurrock Blackshots	Grays Tilbury	Tilbury St Chads	Tilbury
Orsett	Grays / Corringham	Tilbury Riverside and Thurrock Park	Tilbury
Area 2		Area 6	
Ward	CCG Locality	Ward	CCG Locality
South Chafford	Grays	Chadwell St Marys	Tilbury
West Thurrock and South Stifford	South Ockendon / Grays	East Tilbury	Tilbury
Aveley and uplands	South Ockendon		
Area 3		Area 7	
Ward	CCG Locality	Ward	CCG Locality
Belhus	South Ockendon	Stanford Le Hope West	Corringham
Ockendon	South Ockendon	The Homesteads	Corringham
Area 4		Area 8	
Ward	CCG Locality	Ward	CCG Locality
Chafford and North Stifford	Grays	Stanford East and Corringham Town	Corringham
Grays Riverside	Grays	Corringham and Fobbing	Corringham
Grays Thurrock	Grays		

3.12 The procurement timeline for Living Well at Home is as follows:

Selection Questionnaire Published	16 Jan 2017
Selection Questionnaire Closing	17 Feb 2017
Selection Questionnaire Evaluation	To 13 Mar 2017
Invitation To Tender Issued	13 Mar 2017
Invitation To Tender	21 Apr 2017

Closing	
Invitation To Tender Evaluation	To 22 May 2017
Notification of result	24 May 2017
Final award	7 June 2017
Contract starts	1 st October 2017

4. Reasons for Recommendations

- 4.1 For Cabinet to agree the future redesign of the service model to support people to live well at home
- 4.2 Agree the procurement for domiciliary care services.
- 4.3 To agree a 6 month extension to the current domiciliary care contract from the 1st April 2017 until the 30th September 2017

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 Two successful soft market testing events have been held to stimulate the market. Our current providers and other potential providers within the market attended and participated in a workshop style forum. A further market engagement event was held on the 1st December 2016, potential providers attended and engaged in discussions about the proposed model, levels of support and price development. This is a collaborative approach to achieve the living well at home vision which has been very much appreciated by providers.
- 5.2 The Engagement Group which has been formed across Social Care, the CCG and the voluntary sector to guide consultation will support the design of further engagement with service users and the wider community to ensure that what is important for people who receive care at home is included within the project.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 Although this could impact on all five strategic priorities, it mainly focuses upon priority four 'Improve health and wellbeing'.

7. Implications

7.1 Financial

Implications verified by: **Jo Freeman**
Management Accountant (Social Care & Commissioning)

There are significant pressures facing Adult Social Care. The 2016-17 budgets already reflect the Thurrock Care at Home function being carried out in-house and increase in National Living Wage. Pressures in Adult Social Care have been included in budget monitoring reports presented to Directors Board on a monthly basis. More long-term financial implications of further transformation within the service will be provided as the procurement process progresses.

7.2 Legal

Implications verified by: **Paul O' Reilly**
Projects Lawyer

The Legal Services Officer has discussed the issues and potential service model options as may arise from the pilot with the authors of the report and the Living Well team and can advise that all options are feasible and achievable under legal and procurement procedures and good practice. Legal Services will support the Living Well team throughout the pilot stage and the further procurement exercise as required to ensure the success of the project and reduction of risk to the Council.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Community Development and Equalities Manager

Community support provided through domiciliary care enables some of our borough's most vulnerable residents to remain independent, including older people, and people with disabilities. As highlighted by the pilot planned for Living Well at Home, it is essential that the voice of the resident drives the principles for how we transform the service in the future. A review will aim to improve efficiency whilst ensuring that the new offer remains person centred.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

Not applicable

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Health & Wellbeing Overview and Scrutiny Committee Report: '*Domiciliary Care Update*' 9 June 2016 and November 2016

9. Appendices to the report

- Appendix 1 – Procurement Report for Domiciliary Care

Report Author:

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Commissioning Officer

Adults, Housing and Health