

Item No. 9.	Classification: Open	Date: 15 May 2012	Meeting Name Cabinet
Report title:		Home Care Contract Monitoring Report	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Dora Dixon-Fyle, Health and Adult Social Care	

FOREWORD - COUNCILLOR DIXON FYLE, CABINET MEMBER FOR HEALTH AND ADULT SOCIAL CARE

This report details the delivery, quality and performance monitoring record of homecare provision under the contracts that were approved by Cabinet from June 2011.

Our home care services provide essential support to vulnerable people with social care needs in order to help them live independently and safely in their own homes. As an administration this is one of our most important duties.

The people who actually carry out the work which can include tasks such as personal care, practical domestic duties and emotional support are vital to the service users and their carers, and they are also important to us. That is why I am proud that we are looking at how London Living Wage can, in the future, be applied to all our new contracts.

Following the re-tendering of the homecare contract I have held regular and robust meetings with the senior management of both agencies which we now work with. In addition I have made personal visits to their offices, engaged directly with service users, their family/carers and also the employees, i.e. home carers themselves. The contracts will continue to be monitored to ensure that high standards remain.

RECOMMENDATIONS

1. That Cabinet Members note the delivery of the contracts has met all the quality and performance standards under the contract over the first six months of operation.
2. That Cabinet Members note the summary of how the transition from previous to new contracting arrangements was approached; that through the support of the dedicated transition team service users were given the choice to remain with their current providers on a personal budget and that far greater numbers than anticipated chose to take up a personal budget.
3. That Cabinet Members note that while there were challenges that arose during the transfer process that had some impact on the quality and consistency of service delivery, there have also been examples of good practice over the past six months that has ensured the most vulnerable residents in the borough received care with real dignity and sensitivity.

EXECUTIVE SUMMARY

4. Ensuring the delivery of good quality and cost effective Home Care services is an important part of adult social care provision in Southwark. With over 1,000 adults receiving some form of home care service in Southwark these services can support the delivery of the Adult Social Care Vision, allowing residents of Southwark to remain as independent as possible, in their own homes for as long as possible.
5. The re-tendering of Home Care services in Southwark, which concluded in January 2011, introduced new contracting arrangements that created two, borough wide, cost and volume contracts for universal home care and one contract for specialist home care. The new arrangements commenced incrementally from June 2011 to allow as smooth a transition as possible from the existing arrangements, which involved 18 different cost and volume contracts with 18 different providers, to the new contracting arrangements.
6. In line with councils commitment to support greater choice and control and increase the use of personal budgets, users were given the choice to remain with their existing provider by taking up a personal budget and over 400 users out of just over 1000 users chose to remain with their existing provider.
7. The process of transition from the previous contracting arrangements to the new arrangements was complex and challenging for the two main providers and scaling up to deliver a much greater volume of hours proved more challenging than anticipated. This was in part due to fewer staff TUPE transferring from existing providers than was anticipated as a result of many more users opting to stay with their existing provider under a personal budget arrangement.
8. Overall, the delivery of home care services under the two home care contracts has met all the quality and performance standards under the contract over the first six months of operation. Both providers have had regulatory inspections by the Care Quality Commission during this period. Early challenges arising from transition have been addressed and this report provides a summary of the delivery of contracted home care services in Southwark during its first six months of operation between June 2011 and December 2011.

BACKGROUND INFORMATION

9. In 2007 the Government announced the introduction of Personal Budgets for everyone eligible to receive publicly funded Adult Social Care Services. The commitment to this policy was confirmed by the Coalition Government with a further drive to ensure that those eligible for Adult Social Care services should be supported to self manage their personal budgets through direct payment.
10. Within this wider national policy context and because the current Home Care Contracts were due to end in April 2011 a retendering was carried out to secure new contracting arrangements.
11. The tendering for Home Care services concluded in January 2011 with the award of contracts for two Universal Contracts and one Specialist Contract for Continuing Drinkers and Acquired Brain Injury. Contracts were awarded for an initial three-year period with a start date of 16th May 2011.

12. Taking account of the national policy context contracts were awarded with reducing guaranteed minimum hours of 200,000 hours in Year 1, 150,000 hours in Year 2 and 100,000 hours in Year 3 for universal home care to reflect the anticipated increase in personal budgets over the lifetime of the contracts and the impact of a greater focus on re-ablement focused services.
13. The tender also set out to deliver a number of other outcomes including:
 - Address issues of variable cost with hourly rates ranging from around £12 per hour to £19 per hour, aligning costs more robustly with quality.
 - To obtain better value for money for the Council by simplifying the contracting arrangements and introduce a flatter pricing structure based on standard hourly rates, hours supplied, antisocial hours enhancements.
 - To reduce the number of guaranteed hours enabling Home Care provision to respond to policy developments and reshape services in line with the Personalisation Agenda.
 - To provide borough wide services enabling effective matching of service users and suitable care staff.
 - To increase levels of expertise and integrated working to meet needs of service users requiring specialist care (people with acquired brain injury and continuing drinkers).
 - To manage contracts in partnership with providers and maintain service quality and a focus on meeting service users' outcomes.
14. Following the award of these contracts the process of transitioning from the existing arrangements to the new arrangements commenced in June 2011 and concluded at the end of August 2011. Under the existing arrangements there were 18 different providers delivering home care services to over 1,000 service users. The process to transfer care packages to new providers was complex and presented all stakeholders with a number of challenges and these are summarised in the next section.

KEY ISSUES FOR CONSIDERATION

Implementation of the new contracts

15. The process of transition from the existing arrangements to the new contracting arrangements commenced in June 2011. The transfer process was managed through a dedicated team to ensure a co-ordinated approach between operational staff, project managers within commissioning, providers, users and their carers and family members.
16. In line with the national priorities and the Council's Vision for Adult Social Care, a key part of the transition process to the new contracting arrangements was to ensure that all service users were offered a personal budget and the choice, on a level playing field of price, to remain with their existing provider under a 'Managed Account Provider' arrangement (MAP) or to take a direct payment and plan and arrange their own care and support.
17. This involved consulting with just over 1,000 service users, their families and carers to establish users' preferences and whether they wished to transfer to the

new providers on a council managed personal budget, whether they wished to remain with their existing provider through a MAP personal budget or whether they wished to opt for a direct payment for their personal budget and plan and arrange their own care and support..

18. Where service users chose not to take up a direct payment or a MAP personal budget, arrangements were put in place to transfer their package of care to one of the two new contracts. This was approached in a way that sought to ensure an even geographic spread of service delivery for both contracts across the whole borough and that the level of care hours transferring to each provider was broadly similar. Below is a summary of the timetable that was followed for the transfer of care packages from existing providers where users opted for the Council to continue to manage their personal budgets.

- Monday 27th June: Home from Hospital, Age Concern
- Monday 11th July: Plan Personnel, First Choice and SDA
- Monday 18th July: Care UK
- Monday 25th July: SAFSS, Goldsborough, Elibariki and Somali Carers
- Monday 8th August: Allied Healthcare
- Monday 22nd August AG Care, Brook Street Homecare, Carewatch Lewisham and Chrysalis (Medacs)

19. Nationally among older people in particular, the take up of personal budgets has been relatively low compared to other care groups such as learning disabilities and physical disabilities. In this context the transfer process represented an opportunity for the Council to encourage and promote personal budgets and direct payments as a means of enabling them to have greater choice and control of their care and, in the context of the home care tender have the option of remaining with their existing provider under a MAP personal budget.
20. Over 400 users chose to remain with their existing providers opting to take personal budgets under a MAP arrangement. Based on national trends a far greater number than anticipated chose to remain with their current provider. This should be noted as a positive outcome that has allowed individuals to choose their care provider and table 1 in appendix A summarises the providers who are delivering home care under the MAP arrangements. The table also details the number of clients as at January 2012 and the hours of care delivered.
21. While this was very much a positive outcome for individual users it gave rise to a number of challenges in relation to the transfer of care for those people who opted for the council to manage their budgets.
22. As the process progressed and increasing numbers of users chose to remain with their existing provider, far fewer care staff transferred to the two new contracts than had been anticipated.
23. Under the TUPE regulations where there is an organised grouping of employees associated with the delivery of a contracted service, those employees have a right to be consulted on whether or not they wish to transfer to the new organisation taking over a contracted service. Typically many, if not all staff would transfer to the providers of the new home care contracts. However in the context of significant numbers of service users opting to stay with their existing

care provider, existing providers were able to give a realistic alternative offer to care staff to stay with their existing employer and not transfer.

24. Under TUPE staff have a right to choose to remain with their current organisation where alternative ongoing work can be offered, in this case, to continue delivering care to users who opted to stay with their existing provider. This meant that while some care packages and service users were transferred to the new contracts the workers associated with these packages did not always transfer. The two new contractors faced significant challenges around scaling up the staffing levels during and immediately after the final transfers in August.
25. Table 2 and 3 in appendix one illustrates the increase in the number of clients and number of hours of care being delivered for both contractors and how this rose dramatically during the transfer period from June to August. As noted above due to lower numbers of staff transferring than was anticipated, this led to some service delivery pressures and an increase in the level of service alerts during and immediately after the transfer periods.
26. By way of illustration of the scaling up needed in relation to staffing, as at April 2011 London Care employed 80 care workers and by end of December this has increased to 172 care workers. For Enara as at April 2011 they also employed 80 care workers and by the end of December employed 221.
27. The following sections of the report provide a summary of the monitoring of the contracts between the end of June 2011 and December 2011. Key data for the first 6 months of full operation referred to in these sections is presented in Appendix A and examined in relation to delivery, performance and quality in paragraphs 39 to 68.
28. A range of mechanisms have been put in place for monitoring the contract which include the following:
 - Weekly contact between contract monitoring officers and the branch managers. This sometimes involves face to face meetings as required.
 - Designated contacts within operational teams have been established to act as the primary liaison point between the council and the providers' branch managers for day to day delivery of care
 - Monthly senior managers meeting chaired by the Head of Commissioning with providers' regional directors to allow issues to be raised and addressed and any improvement plans to be reviewed
 - Monthly reporting of service alerts and safeguarding data to adult social care SMT and the senior managers' quality and safeguarding information exchange meeting involving stakeholders from Southwark BSU
29. In addition to the above, periodic director level meetings are held with the providers led by the Deputy Director for Adult Social Care.

Contract activity summary

30. Appendix A provides the key contract activity data in summary form. Table 2 and Table 3 shows the monthly numbers of services users and the monthly hours of care delivered. Both of the two main providers already delivered home care services in Southwark. This table shows how the client numbers and hours of care delivered increased rapidly from June through to the end of September as

the process of transferring users who opted for a council managed personal budget took place.

31. As noted in paragraphs 17-25 the transfer process was complex and there were a number of challenges for providers and other stakeholders in managing this as smoothly as possible. For both providers the number of users almost doubled; for London Care user numbers increased from around 150 to just over 300 during this period with a corresponding increase in the number of hours of care being delivered from a monthly total of 5,200 in June to 12,300 in September. For Enara the number of users increased from just over 200 in June to almost 400 in September and the hours of care delivered increased from just over 8,200 to just over 13,600.
32. The two main contracts deliver home care to around 60% of the total number of service users receiving home care and these users account for around 50% of the hours delivered. The providers delivering home care under a MAP personal budget deliver to around 40% of the total number of users and these users account for around 50% of the hours.
33. The Council also spot purchases some home care packages – some relate to more specialist and complex home care packages, many of which have been in place for some time and fell outside of the transfer process. Some spot purchased packages have been put in place at times when the two main providers had experienced challenges around scaling up their activity or did not have sufficient care staff availability in specific geographic areas.
34. As noted in paragraph 13, the two home care contracts are subject to minimum guaranteed hours that decrease over the lifetime of the contract. The first year guarantee is 200,000 hours and based on current projections averaging the monthly care hours delivered between October 2011 and December 2011 both agencies are projected to deliver just under the guaranteed minimum at present. However, through the review of spot purchase arrangements over the coming months and the transfer of these care packages to the two main providers, combined with ongoing prioritisation of referrals of council managed home care packages to the two main contracts, minimum hours guarantees should be met.
35. From April 2012 a new centralised team will be launched with simplified business processes which will ensure that utilisation of the main home care contracts is maximised where users choose a council managed budget. The centralised approach will ensure consistency of ordering and use of contracts as this team will “gatekeep” the setting up of home care packages working closely with the two providers.
36. When the contracts were awarded the specification included a requirement to work towards implementing electronic home care monitoring. At this stage both providers have electronic monitoring systems set up. It remains that the Council is in the process of undertaking a full business case analysis to establish what the implementation options are and whether pursuing this requirement would in fact be cost effective given wider process improvements that have helped reduce transaction costs and improve monitoring accuracy.

PERFORMANCE AND QUALITY

37. There are a number of key measures the Council considers when assessing the performance and quality of home care services. The previous section summarised contract activity which allows the Council to monitor and understand delivery and responsiveness to presenting need, that is its ability to provide packages of care for users opting for a Council managed personal budget.
38. The following is a summary of the main quality measures the Council examines in relation to home care services and these include Safeguarding alerts, service delivery alerts, complaints and compliments and external regulatory assessment of home care services by the Care Quality Commission (CQC).

Safeguarding

39. Summary data in relation to safeguarding alerts for the main home care contracts is provided in table 5 of appendix A. Safeguarding alerts can cover a range of issues from physical abuse and mental abuse to financial abuse and neglect. The most common form of Safeguarding alert relates to financial abuse; however in relation to home care services safeguarding alerts that have been raised have primarily related to neglect due to care tasks not being delivered.
40. Safeguarding alerts and safeguarding investigations linked to Home Care services make up a small proportion of the overall number of safeguarding alerts received on an annual basis. In the first 3 quarters of 2011/12 there were 387 safeguarding alerts across all Adult Social Care service areas. For the same period there were 19 safeguarding alerts linked to the two home care contracts held with Enara and London Care. Safeguarding alerts for the two home care contracts therefore represent only 5% of all safeguarding alerts.
41. In September and October there was a slight increase in safeguarding alerts for London Care and this was during the period where they were experiencing some challenges associated with the final transfers of users and care packages.

Service delivery alerts

42. The Council has a well established system for routinely collecting day to day service delivery concerns. These are referred to in this report as 'Service Delivery Alerts'. It is important to contextualise this aspect of quality monitoring and distinguish between this and formal Safeguarding alerts and investigations which are also covered in this section.
43. Service Delivery Alerts can be raised by a wide range of individuals including the service user, carers, family members and other stakeholders involved in a person's care such as social workers, hospital staff and care workers. All alerts are logged and followed up by contract monitoring officers in conjunction with social workers and other relevant stakeholders.
44. Alerts range from minor concerns to more substantial concerns. Minor concerns would include issues such as whether users' preferences are being taken into account in relation to how they would like their care delivered and poor communication between care worker and the service users or their family/carers. More substantial concerns would include issues such as the timeliness of the

care worker attendance, missed visits and quality issues such as ensuring dignity and respect at all times during the delivery of care.

45. Service alerts across the spectrum are seen as a good way of identifying issues at an early stage way that can inform service improvement. They serve as a helpful mechanism to ensure that the delivery of care is personalised to individual needs and wishes and the Council encourages users, carers and family members and other stakeholders to raise service delivery.
46. In some instances more substantial concerns raised through the service delivery alerts are also recorded and reported as formal Safeguarding investigations. This should be noted in relation to the figures in table 4 and 5 as some service alerts will also be recorded as safeguarding alerts. Contract monitoring staff work closely with the Safeguarding team and operational teams to ensure a proportionate and appropriate response in every instance.
47. Table 4 in appendix A provides a summary of service delivery alerts for the period April 2011 to December 2011. In total to the end of December 2011 there have been 63 alerts with 22 relating to London Care and 41 relating to Enara. Table 6 presents this data as a figure per 100,000 care hours delivered. Overall there has been an average of 35 alerts per 100,000 care hours delivered with Enara and London Care having an average of 40 and 28 respectively. When comparing this to other providers delivering care under MAP arrangements the average per 100,000 hours of care delivered for MAP providers is 42 which is broadly comparable with Enara and slightly higher than London Care.
48. During the process of transition and transfer of care packages from existing providers to the two new contracts there was an increase in service delivery concerns. This was most noticeable for the period August 2011 to October 2011. As noted earlier there were challenges around scaling up during the final transfers. Fewer staff transferred under TUPE than was expected and this led to some pressure on delivering the hours of care that transferred with service alerts being raised mainly being around the timeliness of care workers attendance. As can also be seen from the monthly alerts data the number of alerts reduced back to longer term trend levels after this period.

Complaints and compliments

49. Formal complaints regarding home care services can be received directly by the Council but are also received by the home care providers themselves. Generally but not exclusively in the first instance complaints would be raised with the provider for them to resolve and respond to and this is reflected in the complaints data reported under the contract.
50. During the period covered by this report there were four formal complaints raised with the council's complaints team; two for Enara and two for London Care.
51. All four of the complaints were upheld and the following is a summary of the issues raised in each individual complaint
 - Missed visit and poor communication from branch office to user to keep them informed
 - General complaint about care workers demeanour and record keeping around tasks / hours provided
 - Double handed package delivered single handed

- Late arrival of care worker

52. This compares to the data recorded by providers that is summarised in table 7 of appendix A. Overall the two providers have received 27 complaints with Enara and London Care receiving 21 and 6 respectively. Both providers have a system of recording, tracking and responding to complaints and examine complaints for themes that can help improve service delivery. For example Enara has put in place a training and development plan to address and improve communication with users, their family and carers and skills training around continuity of care and person centred approaches to delivering care in people's homes.
53. The themes noted within both providers' complaints data are similar to those raised within formal complaints that the Council has investigated. The focus therefore of contract monitoring input is to ensure that these themes are addressed through training and development of staff. The service delivery alert system also allows the tracking of early signs of concerns about the delivery of care and is used to pick up on and address issues before they become an issue of formal complaint.
54. In contrast to complaints both providers have a proactive approach to understanding what has worked well. Table 7 in appendix A also provides data on compliments received. A total of 28 compliments have been received by the two providers, with London Care reporting 3 compliments and Enara 25. Table 8 provides a sample of the compliments received from Enara and further feedback from wider stakeholders has been received, for example the community health team working with people at the end of their life commented "I was really impressed with the homecare worker from Enara. He was very compassionate and sensitive and both the service user and family spoke very highly of the help and support that he was providing".

Regulatory Compliance

55. The Care Quality Commission (CQC) undertakes regulatory inspections of registered services including domiciliary home care services. CQC no longer provide star ratings; rather, they inspect service delivery against a number of broad headings within which there are groupings of 28 Outcome measures. The following is a summary of the main headings under which the outcomes are grouped and full details of the CQC regulatory, outcomes and judgement framework are available as a background document or at

http://www.cqc.org.uk/sites/default/files/media/documents/guidance_about_compliance_summary.pdf

- Personalised Care, treatment and Support
 - Safeguarding and safety
 - Suitability of staffing
 - Quality and management
 - Suitability of management
56. The CQC then makes an assessment against a selection of the outcome domains and report these as either Compliant, having Minor concerns, Moderate concerns or Major concern.

57. Both Enara and London Care have been inspected since the award of the new contract and the following is a summary of the CQC findings.
58. Enara was compliant with the all outcome domains with the exception of minor concerns noted in relation to outcome domain 7 Safeguarding. The inspection took place in December 2011 and the full report is available publicly on the CQC website.
59. London Care was compliant in most of the domains inspected however moderate concerns were noted in relation to Care and Welfare of people using the services, Safeguarding and Supporting Staff. The inspection took place in September 2011 and the full report is available publicly on the CQC website. With reference to earlier sections of this report, the CQC inspection took place at a time when London Care were under greatest pressure resulting from the final transfers. As noted there were challenges around the scaling up of their operation to deliver more care hours to a larger number of users and this had some impact on the quality of care delivered.
60. Many of the issues that CQC identified had already been identified through the service delivery alert process. Drawing on this information and in response to the issues identified by CQC action plans were agreed to address concerns. Through the monthly senior managers contract meetings progress against these action plans has been monitored and service improvements have occurred and are reflected in the lower number of service delivery alerts in November and December.
61. Overall the assessment of contract delivery, performance and quality taking account of the key measures summarised in this report is that all quality and performance indicators have been met over the period covered.
62. In relation to the specified outcomes sought through the retendering process the new arrangements have delivered:
- A simplified and more streamlined approach to council managed and commissioned home care services
 - Efficiency savings of £633k
 - Choice for users on a level playing field of price, that enabled over 400 users to take a personal budget and choose their care agency / remain with their existing provider
 - Through a simplified and more streamlined approach the ability to more closely track service delivery, issues of quality and performance

Community impact statement

63. The services provided under these contracts are provided to people affected by all six strands of the Council's equality agenda as care is provided to members of the community according to need. The diverse nature of Southwark population is reflected in those people needing care and receiving home care services under these contracts.
64. Under CQC registration all Home Care providers are required to proactively demonstrate their commitment to equal opportunities, and have been assessed to ensure that they have a satisfactory record in relation to diversity.
65. The universal services and the specialist service are able to meet a wide range of needs sensitivity.

Resource implications

66. There are no specific resource implications arising from this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Communities, Law & Governance

67. This report provides an explanation and analysis of the way in which the recently procured home care services have been delivered during the first six months of the contract term, following the management and monitoring of those services by officers in line with the contract conditions.
68. Section 3 of the Local Government Act 1999 places a duty on a Best Value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The report explains (i) the measures which have been put in place, both during the procurement process and following the award of the contracts to ensure compliance with that statutory duty, both now and in the future, and (ii) the nature and extent of the efficiencies which have been achieved to date as a result of their implementation. Those measures form part of the monitoring and management functions and powers which are conferred upon the Council under the terms of the service contracts.

Finance Director (F/I:988)

69. This contract award has delivered savings of £663k through reduced hourly rates for care. In addition, the transfer of many service users to personal budget has contributed to this saving.
70. Although the target minimum hours have not been achieved for Year 1, the Council has negotiated with the service provider to avoid any financial penalties for this. It is anticipated that minimum hours will be achieved in Year 2.
71. Budget provision has been made in 2012/13 to ensure the Council has resources to fund the increase in hourly rates in Year 2 of the contracts.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Gateway 1 Procurement Strategy	160 Tooley Street London SE1 2QH	Jonathan Lillistone 020 7525 2940
Gateway 2 Contract Award	160 Tooley Street London SE1 2QH	Jonathan Lillistone 020 7525 2940
Care Quality Commission – Compliance standards	160 Tooley Street London SE1 2QH	Jonathan Lillistone 020 7525 2940

APPENDICES

No.	Title
Appendix 1	Home Care Contracts data

AUDIT TRAIL

Cabinet Member	Councillor Dora Dixon-Fyle, Health and Adult Social Care		
Lead Officers	Susanna White, Strategic Director of Health and Community Services		
Report Author	Jonathan Lillistone – Head of Commissioning Health and Community Services		
Version	Final		
Dated	3 May 2012		
Key Decision?	No		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title		Comments Sought	Comments included
Strategic Director of Communities, Law & Governance		Yes	Yes
Finance Director		Yes	Yes
Director of Adult Social Care		Yes	Yes
Date final report sent to Constitutional Team			3 May 2012