

EAST AYRSHIRE COUNCIL

CABINET – 29 SEPTEMBER 2010

OLDER PEOPLE STRATEGY - CONTRACTED CARE AT HOME SERVICES

Report by Executive Director of Educational & Social Services

1. PURPOSE OF THE REPORT

- 1.1 To update Cabinet of progress in relation to developing East Ayrshire Older People Strategy.
- 1.2 To seek Cabinet approval for a process of commissioning external Care at Home Contracts that fully takes account of the Strategy.
- 1.3 To seek agreement to extend the Care at Home contracts that the Council has with our 3 existing independent providers for a further year.

2. BACKGROUND

- 2.1 Social Work Committee in April 2006 agreed a “Strategic Direction of Older People Services in East Ayrshire 2006-2011.”
- 2.2 In summary it was agreed to develop a community care infrastructure that supported older people to live at home when it was safe and practical to do so. It was recognised that the “Supported Accommodation Strategy for Older People” also agreed at that time would fit within the over-arching strategy for older people’s services and that the Council would work to shift the focus of directly delivered services towards community based supports.
- 2.3 It was further agreed to continue development of a framework for joint services with health in order to establish an over-arching strategy for older people’s health, housing and community care services in East Ayrshire.
- 2.4 Since that time there have been significant successes including the completion of Rosebank Resource Centre in Kilmarnock, establishing Housing for older people on the Cessnock Gardens site in Hurlford through partnership working with an RSL and more recently the commissioning of new Council Housing for older people.
- 2.5 Partnership arrangements have evolved from the previous Joint Future Partnership, to the current Community Health Partnership arrangements as a result of which Community Care planning arrangements and the National Community Care Outcomes Framework have been fully integrated within Community Planning.

2.6 The period of the current strategy approaches completion in 2011 and it is proposed that arrangements are developed that establish a new Older People Strategy that covers the period 2011 to 2015 in line with Community Planning arrangements.

2.7 In May 2010 Cabinet received a report on Social work Sustainability within this report an outline was provided of the “Reshaping Care for Older People” programme. In terms of a general approach, the following over-arching principles are promoted:

- Older people are an asset not a burden: demographic change creates a challenge but these shifts also offer a potential solution in that older people provide far more care and support than they receive.
- We are adding healthy years to life – we need to push back our concept of older age, with less of a focus on “over 65” years and more on “over 75”.
- We need a shift in philosophy, attitudes and approaches that moves us away from measuring success by how much we do to how many, towards measuring success by how many older people can be enabled to stay independent and well at home and remain out of the formal care system.
- Services should be outcome focussed - which requires personalised/patient focused support designed to optimise independence and well-being through an enabling approach.

The two most fundamental areas that need to be addressed and agreed relate to the model of social care we deploy and the costs and funding of care that addresses both total costs and the balance of funding contributions between citizens and the state.

2.8 As part of engagement in respect of “Reshaping Care for Older people in East Ayrshire” an event was held in the council chamber on 9 September 2010, this brought together elected members, people who use services, family carers, the elderly forum and staff from across community planning partners. It is proposed that the outcomes of this engagement programme are utilised as a cornerstone of the East Ayrshire Older People Strategy 2011/2015.

2.9 In line with arrangements for the review of the Community Plan it is proposed that the draft strategy together with an outcome focused action plan for 2011-2015 are developed by end October 2010 and presented as part of the wider consultation process to the Older People Conference on 26 November 2010.

2.10 Following agreement of the Older People Strategy, an implementation and commissioning plan will be developed by March 2011 that will detail the models, focus and balance of services that need to be supported, delivered directly and purchased to achieve the desired outcomes.

3. CONTRACTED CARE AT HOME SERVICES

3.1 The Care at Home service is a key element of the community care infrastructure providing personal care and support, enabling older people to live in their own homes safely for as long as possible. The service plays a vital role in East Ayrshire’s commitment to shifting the balance of care from hospital based services to community

services, and the shape and focus of the service will be a major element of the commissioning plan.

- 3.2 The service is delivered through a mixed economy of directly provided services and externally purchased services.
- 3.3 In relation to the externally purchased services the Council has tendered for their Care at Home contracts on two previous occasions. The most recent tender was awarded on 1st April 2007. Three providers were awarded a contract and these are due to come to an end on 31 March 2011.
- 3.4 In line with the contractual arrangements and the Council's duties for continuity of care we are required to make provision from April 2011. One option is that the Council could put these contracts out for competitive retender with the intention that the contract would start on 1st April 2011. Based on an initial risk assessment that has been undertaken by the Social Work service, and for the reasons outlined below this is not considered to be the best option available at this time.
- 3.5 Our internal homecare service has been going through a period of significant restructuring and remodelling of the service. The restructuring has taken place in the context of the sustainability review of the service and the overarching principles of reshaping care and personalised support. The internal service is being remodelled to become a re-ablement service which is not structured around times of support but is indeed structured around the support the person requires to maintain their independent living skills. The intention is that the external services that we commission are designed on the same basis, however at the current time they are designed around individual need being met at specified times throughout the day. This is a significant shift as it means the way services specified, structured, managed, and monitored is going to have to be adjusted.
- 3.6 The second reason is that both internal and external service provision has reduced in the last two years. Financial implications show that the trend of Council spending has come down last year and it is projected to reduce further during this current financial year. This makes it difficult for the Council to continue with contracts that are based on guaranteed minimum levels of service as the risk is that these are overestimated and the Council ends up purchasing services it doesn't require
- 3.7 Thirdly there is an ongoing national debate surrounding procurement practice and its compatibility with the commissioning of social care services. A number of interest and campaigning groups have formed around the issues of tendering and re-tendering.
- 3.8 This debate has resulted in the Joint Improvement Team on behalf of the Scottish Government drafting guidance entitled Procurement of Care and Support Services. This guidance was only presented to COSLA for approval on 27 August 2010 and has yet to be officially implemented. We will require to consider the implications for East Ayrshire. The draft guidance is clear that Councils do have to carefully assess the benefits and risks to service users when considering whether or not service should be subject to competition. This assessment also has to be balanced against EU rules that require services to be subject to competition.

- 3.9 Permission is therefore sought to extend the existing contracts for a further 12 months to engage with our existing Providers in piloting a service based on the re-ablement model during the period of extension which would run from 1st April 2011 to 31 March 2012. Any pilot would be subject to there being no increase in costs but rather that costs may be restructured to take account of the remodelling that is required. The intention would be to bring a forward a follow up report prior to the recess in 2011 outlining what our intentions would be beyond the proposed extension period.
- 3.10 During this period of extension there will also be a consultation undertaken with older people who use the service about their views on the service redesign, any future tendering and the impact that may have on the continuity of care that they receive. It will also seek people's views on whether or not they would wish to take a direct payment so they can arrange their own services. Guidance from the aforementioned Procurement of Care and Support document is clear that there is an expectation of a public authorities to undertake this consultation.

4 FINANCIAL IMPLICATIONS

- 4.1 The total net Social Work spend on services for older people in 2009/10 was £31.050m. The report on Social Work sustainability to Cabinet in May 2010 evidenced need for investment of £2.359m over the period 2010/2013 to address demographic trends.
- 4.2 Council spend during the last 3 years on contracted care at home services has been as follows:

Table 1: Council spend on Contracted services

Provider	Spend 2007/08	Spend 2008/09	Spend 2009/10
Constance Care	£1.018m	£1.077m	£0.993m
HRM	£1.292m	£1.138m	£0.967m
ILS	£0.565m	£0.695m	£0.832m
	£2.875m	£2.910m	£2,792m

- 4.3 In the context of the Older People strategy and sustainability agenda within Social Work services it is not at this point straightforward to project future spend. Predictions about budgetary reductions at a national level and implications in East Ayrshire make it difficult for the social work service to specify with any certainty a guaranteed minimum level of business. Guaranteeing business is one of the most effective mechanisms the market has for keeping the hourly rate lower.
- 4.4 In 2010/2011 the Providers have settled for an uplift less than they were contractually entitled to and have also had to accept a reduction in their guaranteed minimum hours.
- 4.5 Any service redesign will be undertaken on the basis of the Providers' existing rates.

- 4.6 These proposals take account of the work being undertaken to deliver a sustainable Social Work service in East Ayrshire.

5 POLICY AND LEGAL IMPLICATIONS

- 5.1 The development of the Older People strategy supports the Council and Community Planning partners in addressing policy objectives in respect of shifting the balance of care, and equalities duties in supporting opportunities for older people and access to services.
- 5.2 The specific element of this report in relation to care at home services has implications for the Council in terms of procurement procedures as permission is being sought not to subject these contracts at this time to competitive tender. To date, there has been one enquiry from another firm asking what our plans are in terms of tendering and they will be advised of our intentions as soon as these proposals have been approved by Cabinet.
- 5.3 Council standing orders stipulate at section 20 (1) and (2) that where a Head of service wishes to extend a contract or wishes to negotiate a contract with one specific provider permission must be sought from Cabinet.
- 5.4 The Scottish Procurement Policy Note 10 dated August 2008 states that there are a number of circumstances whereby Part B services may not require open competition and it states that contracting authorities do not have to open up all services to competitive tender at the same time.
- 5.5 The approach that Social Work is proposing for these Care at Home contracts is one that takes account of the Council's duty to ensure best value as well as its need to have contracts in place to protect some of its most vulnerable service users.
- 5.6 The proposals are such that Social Work will require support from colleagues in the Procurement Team to progress the service redesign and make any variations to the existing and future contract.

6. COMMUNITY PLANNING IMPLICATIONS

- 6.1 These proposed arrangements will help deliver efficient and effective Social Work services and in so doing promote the Health and Wellbeing and Community Safety elements of the Community Plan.
- 6.2 The strategy and associated action plan will be presented to a future CHP committee for partnership approval and endorsement as part of the overall development of the Improving Health and Wellbeing Action Plan of the Community Plan.

7. RISK IMPLICATIONS

- 7.1 The proposal within this report gives the Council an opportunity to redesign services for older people including the externally provided Homecare service, therefore minimizing the risk to the service users, Providers and the Council. It also allows for a full consultation with service users and carers in the redesign of the service and to seek their views about future competitive tendering, thus reducing the risk to the Council in respect of procurement practices.
- 7.2 Other Providers are likely to become aware of this decision and could complain that they have been excluded from council business. To mitigate the risk of such challenge it is proposed subject to the development of the Older people Strategy to guarantee the market place a tender for the service circa August 2011 with the reengineered service starting April 2012.

8. RECOMMENDATIONS

- 8.1 Members of Cabinet are asked to:
- (i) agree the proposals and timeline for developing East Ayrshire Older people strategy
 - (ii) approve the proposals in respect of extending contractual arrangements for care at home services for 1 year.
 - (iii) otherwise note the content of the report

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15 September 2010

LIST OF BACKGROUND PAPERS

NIL

Anyone wishing further information should contact: Eddie Fraser, Head of Service: Community Care, telephone number 01563 576920.

IMPLEMENTATION OFFICER: EDDIE FRASER