

EAST AYRSHIRE COUNCIL

SOCIAL WORK COMMITTEE: 26 JANUARY 2006

INDEPENDENT SECTOR CARE AT HOME CONTRACTS

Report by the Executive Director of Educational and Social Services

1. PURPOSE

- 1.1 To advise members of the current position in relation to contracts with external providers for care at home services and seek approval for an extension of existing arrangements within the context of the Council's standing orders.

2. BACKGROUND

- 2.1 Arrangements for the provision of care at home services by Independent Sector providers were consolidated via a tendering exercise undertaken in 2002/03. The tender arrangements identified 6 'lots' which were based around geographical areas which were aligned to the operational arrangements in place at that time. The existing 'block' contracts expire on 31 March 2006.
- 2.2 The contracts commenced in April 2003 and were for an initial period of 1 year with options to extend for a further 2 periods of 1 year. These options have been taken up by the Council.
- 2.3 The bulk of the Council's purchasing from the Independent Sector for care at home services is via these 'block' contracts. However, there continues to be a level of business conducted with providers outwith the block contracts under 'call off' contract arrangements. The rates payable to providers with which, the Council has both 'block' and 'call-off' contracts have been consolidated, resulting in one agreed rate irrespective of contract type.
- 2.4 Care at Home services are complemented by low level maintenance and shopping services provided by Helping Hands, a longstanding voluntary sector partner of the Council.

3. STRATEGIC CONSIDERATIONS

- 3.1 In considering future care at home purchasing arrangements the Council requires to take account of the following:
 - Changing demographic trends which identifies that whilst the population of East Ayrshire is projected to reduce over the next 10 years, actual numbers of over 75s will increase and consequently will form a significantly higher proportion of the overall population.

- Finding the right balance between care at home service provision and care home provision in the context of national policy, local need and finite resources
- Financial priorities
- The findings of the Sheltered Housing provision review and the formulation of a Care Home Strategy which are currently in progress
- Changing operational arrangements in the context of the Joint Future Partnership and the emerging East Ayrshire Community Health Partnership.

4. PROPOSED ARRANGEMENTS FOR 2006/ 07

- 4.1 In order to enable full consideration of the issues identified in section 3, and ensure that future purchasing arrangements meet the needs of our communities, it is proposed that we review our homecare purchasing requirements during 2006/07.
- 4.2 In order to facilitate such considerations it is proposed that the retendering of homecare services be deferred for a further year.

5. POLICY/LEGAL IMPLICATIONS

- 5.1 Council Standing Orders relating to contracts allow for such an eventuality as per Clause 9 (3).

6. FINANCIAL IMPLICATIONS

- 6.1 It is proposed that the existing contractual arrangements in relation to the block contracts continue for a further year. The existing contracts give only an indicative commitment on behalf of the Council in terms of volume. The services can therefore be delivered within available resources, with actual rates payable being agreed with providers on the basis of the arrangements set out within the contract. This takes into account the Retail Price Index (underlying rate) at the 1 April 2006 and any appropriate fluctuations. (Examples of fluctuations could include any additional financial burdens as a result of enhanced regulatory requirements which may have come into force subsequent to the original contract terms being agreed).
- 6.2 It is further proposed that within available resources we continue existing contractual arrangements with Helping Hands in relation to the low level maintenance service and shopping service. This non statutory service complements care at home provision. Again, this arrangement will be subject to available resources.
- 6.3 The rate payable to providers with 'call off' contracts only, requires to be negotiated annually with each individual provider, as under the terms of the 'call off' contract, providers are entitled to amend their rate once per year.

7. COMMUNITY PLANNING IMPLICATIONS

- 7.1 The provision of care at home services supports the Council and its partners in achieving the priorities for East Ayrshire set out in the Community Plan.

8. RECOMMENDATIONS

- 8.1 It is recommended that members:
- i. approve the proposal to conduct a review of homecare purchasing arrangements;
 - ii. approve the proposal to extend existing purchasing arrangements for a further year subject to budgetary considerations; and; and
 - iii. otherwise note the contents of the report.

John Mulgrew
Executive Director of Educational and Social Services
09 January 2006

List of Background Papers

1. East Ayrshire Council Care at Home Contract PS/02/12/55
2. Report on the Joint Future Group 2000
3. Regulation of Care (Scotland) Act 2001
4. Better Outcomes for Older People – Framework for Joint Services

For further information please contact:
Eddie Fraser, Senior Manager Community Care, telephone: 01563 554825

IMPLEMENTATION OFFICER: JACKIE DONNELLY