ADULT SOCIAL CARE SCRUTINY COMMISSION REPORT

Update on Domiciliary Support for Task & Finish Group

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Wards Affected: All
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1. Purpose

1.1 To provide the Adult Social Care Scrutiny Commission with an update following the first Task & Finish Group Meeting on the 7th September 2021.

2. Summary

2.1 The Commission requested further information from Officers following the Scrutiny Commission task Group on the 7th September. This report details the response to the Commissions further questions.

3. Recommendations

3.1 The Adult Social Care Scrutiny Commission is recommended to:

a) note the content of the report and to provide comment/feedback.

4. Report

Further information on how ratings are used when assessing providers as part of procurement processes

4.1 During the procurement process, tendering organisations are requested to provide details of their Care Quality Commission (CQC) registration when completing their Invitation to Tender (ITT).

4.2 However, the Authority does not preclude organisations that do not have a current CQC registration (e.g. a new domiciliary care agency) from applying for a place on the Domiciliary Care Framework. Further checks including references from people supported, examination of an organisations financial standing, as well as a number of detailed method statements assessing quality are used.

4.3 If an organisation without a CQC registration is successful after the ITT phase, then the organisation would be required to successfully apply for a CQC registration as part of the Conditions Precedent process, as well as meeting the requirements of conditions precedent before providing support on behalf of the authority.

4.4 CQC ratings are not used during the ITT process as it would not be compliant with procurement rules to deny access to the framework

for a newer domiciliary care agency, where the CQC had not rated the organisation at that time. The CQC do not rate organisations on registration and it may take over a year before the CQC inspect and provide a rating.

4.5 The Conditions Precedent process and ITT Method statements are designed to ensure providers are of sufficient quality to start work on behalf of the authority.

How many people who are eligible for care do not take up the offer of a package of care?

4.6 The question was raised in the context of people not taking up services that they may be eligible for and the strain this may place on informal carers. It is not possible to be absolutely definitive on this issue. The reasons for a case closure are captured within Liquid Logic, with one reason being 'services declined / cancelled'. In the last 13 months (Sept 2020 – Sept 2021) 542 cases were closed for this reason, which is 11.92% of all cases closed. The rate is fairly consistent across months. This figure will exclude people whose services have been cancelled for reasons such as hospital admission or admission to care home, people who have died or where car is no longer required because they are independent or not eligible for ongoing support. However, it may include people who are on extended holiday or staying with a family member and people who do not draw on other informal care. It is also the number of cases closed, which will include a small number of duplicate records (an individual has had their case closed for this or another reason on more than one occasion in the period).

Local Authority spend on Contract Management

4.7 The costs of managing contracts with the external market are across both the contractual management staffing costs, and the staffing costs of brokerage in commissioning packages of care. In total these costs equated to £1.3m in 2020/21. To put this in context the value of the contracts for domiciliary and residential care in 2020/21 totalled circa (gross) £19.9m per annum, and £60.5m per annum (respectively). The specific contract management costs relating to these two contract areas therefore represent 1.3 % of the spend against residential care, and 2.6% of the spend against Domiciliary Care. It is also to be noted that the teams / staff supporting contract management for domiciliary and residential care also support a range of other contracts including supported living and extra care, community day opportunities, advocacy support, and preventative services.

Information on the Level of disparity between local authority and private market rates for care provision

4.8 Whilst the local authority does not routinely collect information on private market rates, in response to this request, a sample of private

rates were sought from Domiciliary Care Providers.

4.9 Provider's reported rates ranging from between £19.50 per hour and £21.50 per hour. Currently, under the Domiciliary Care framework provider hourly rates vary between £16.14 and £17.22 per hour (based on the rates each provider bid at contract award and which have been uplifted in subsequent years to reflect the impact of wage inflation and associated employer wage on-costs).

4.10 For residential care, information from one of the larger national providers of residential care suggests private rates are approximately 40% above council banded rates. Based on our highest banding of £629, the average self-funder weekly rate would be around circa £900 pw. Current banded rates are provided below:

Residential & Nursing Bands	**Finalised Weekly Banded Rate 2021/22**
Mental Illness/Drug or Alcohol Dependency	£500
Dependent Older People	£557
Learning Disability	£568
Highly Dependent People/Physical Disability	£629
Nursing Band – Accommodation & Personal Elements *	£594

Detail of alternative models of care adopted at other local authorities

4.11 During the last commissioning exercise in 2017 which led to the current contractual arrangements, benchmarking took place across other local authority areas with regards to informing our service modelling. In particular officers looked at models in Bristol, Wiltshire, Lincolnshire and Nottingham City as well as relevant policy in force at the time. Professor John Bolton's paper "Emerging practice in outcome-based commissioning for social care" also looked at models in a number of different local authority areas.

4.12 These models were chosen because the geographical locations are similar to Leicester with the exception of Wiltshire. The areas had also implemented or were about to implement aspects of models that at that time we were interested in exploring and we were keen to learn from their experiences. As we embark upon a new commissioning review to inform the next contractual arrangements due to start in 2024, this exercise will be repeated.

4.13 The Bristol model at the time was looking at introducing a large number of zones based on neighbourhoods. At that time we were also considering a zonal approach. Ultimately this approach failed in Bristol and led to problems with the allocation of packages of care. In addition Bristol also have an in-house reablement service which takes people with reablement potential because of the failure of external providers to deliver this.

4.14 The Wiltshire model at the time was focusing on an outcome focused model. This approach was adopted by us although we noted that Wiltshire's model included their in house team who were responsible for the reablement packages with the maintenance packages being delivered on the whole by external providers. In effect this is similar to our model in the city: generally people assessed as having reablement capacity go through our in house reablement team with those people requiring maintenance packages having them commissioned from the framework. However, we do require all external providers to use a reablement and outcome focused model of support and this is monitored through our usual contract monitoring processes.

4.15 In Lincolnshire they adopted a zoned model and a lead provider arrangement who subcontracted work out to other providers. This resulted in a weakening of the council's ability to oversee the quality of services being delivered. It also meant that some smaller providers were edged out of the market.

4.16 Nottingham City similarly had a zoned model but had experienced a loss of providers to a few big players; at that time they were also looking at dynamic purchasing for their spot contracts.

4.17 Taking all this into consideration and having undertaken a large amount of engagement with the provider market, it was agreed that the new (present) model would not include zoning – this is because providers naturally zone themselves anyway and already work across areas of the city with a recognition of which companies cover which areas. Providers will also move into other areas if there is a need to support other companies during times of pressure. Requirements to work using reabling and outcome focused principles were built into the contract and providers continue to work to these principles. At the conclusion of the commissioning review and having taken all findings into account, it was agreed that our current commissioning arrangements, whilst not cutting edge, delivered the best option for the people of Leicester and the introduction of improvements such as reablement and outcome focused principles, would improve the offer. This has proven to be the case as we have seen the demise of zoned arrangements and the failure of external markets in other areas to deliver purely reabling packages.

4.18 As part of the new commissioning review, we will again examine models of support delivered elsewhere to inform the service model going forward. A useful resource that members may find helpful is set

out in a paper by The Wales Centre for Public Policy (Dec 2020). This report brings together evidence about a range of models of domiciliary care from the UK and internationally. https://www.wcpp.org.uk/publication/alternative-models-of-domiciliary-care.

Further detail on why care providers cease their relationship with local authorities.

4.19 Local authorities cease their contractual relationship with providers in a number of ways as detailed below.

4.20 **Provider financial failure / withdrawal**: Over the course of a contract, a provider may withdraw from a contract due to financial failure or a failure to build their business to a sufficient level in the local area to support a sustainable profit margin. Financial checks and risk assessments of providers are conducted during the procurement process and any concerns raised with prospective providers. If information becomes apparent during the term of the contract that a provider is in financial difficulty then further checks can be made, and investigated by the Contracts & Assurance Service. Ultimately, a new provider in a local area will be loss-making until a sustainable level of business is achieved and there is a risk that a provider does not achieve this before the organisation takes a decision to withdraw. With this Framework Agreement, Leicester City Council has seen one provider withdraw due to being unable to achieve a sustainable level of work.

4.21 **Contract termination due to quality / safeguarding concerns**: The authority monitors providers quality and performance during the course of the contract. When quality or safeguarding concerns arise, the authority will investigate those concerns, and aim to support the provider to make improvements. An action plan will likely be introduced defining the improvements to be made and the deadline to make those improvements by. The Contract & Assurance Service may issue a Notice to Remedy a Breach (NTRB) of Contract in respect of serious or continuing concerns which have not been remedied. The Authority has the ability to terminate it's contract if a NTRB is not complied with, or if multiple (3) NTRBS have been issued within a 12 month rolling period. Ultimately, if this decision is taken, the contract will be terminated with a period of notice. With this Framework Agreement, Leicester City Council has terminated the contract of one provider due to quality or safeguarding concerns.

4.22 **Corporate sales**: At times, as in many sectors, private providers may be sold as a going concern to other private providers of domiciliary care. The reasons for this may vary, such as a corporate entity being sold, retirement of owners (in the case of small providers) or a rationalisation of corporate entities by larger organisations. In these cases, a contract novation is required, and the Authority will conduct the ITT process with the new owner of the provider to ensure they meet the Council's standards. It is likely

people who use the service, the staff, and local management will remain and the changes merely relate to the corporate structure. With this Framework Agreement, Leicester City Council has seen three providers experience a contract novation. In all three cases, local staff and people who use the service experienced no change to their care and support.

4.23 **Providers unable to meet Conditions Precedent**: As discussed earlier in this report, providers who are successful during the ITT stage, are required to meet conditions precedent, a set of conditions such as having a local office, a trained workforce, and policies and procedures that meet the Contract and Specification requirements. Providers who do not meet these standards following a number of visits and monitoring of their implementation plan risk the Authority withdrawing their place on the Framework. With this Framework Agreement, Leicester City Council has withdrawn three providers' contracts due to this reason. There is no impact on people who use the service as these provider's will not have started to provide services on behalf of the Council.

Workforce

4.24 Appendix 2 details a table of active Leicester City Council contracted domiciliary care providers and the number of staff employed by that agency.

4.25 It should be noted that not all of these staff will be dedicated to providing support for people commissioned by Leicester City Council. Some may be supporting private funding individuals, or other local authority / NHS funded people.

Financial Information on the increase in costs / demand / and expenditure recharged to partners.

4.26 Appendix one details the increase in demand and costs in relation to the Domiciliary Care Framework. Further details on care expenditure is detailed in the presentation provided with this report.

5. Scrutiny Overview

6 Financial

7 Legal

8 Equalities

9 Climate Change

10. Appendices

Appendix 1 – Data Update for ASC Scrutiny

11. Background Papers

None

Appendix 2 – Workforce Details

Service	Number of staff
NDH Care Ltd	6
CM Community Care Services Ltd	10
Sova Healthcare Ltd	16
Evolving Care Limited	19
Help at Home Danbury Gardens	22
Green Square Accord	23
Richmore Care Services	23
Hales Group Limited	27
Sure Care	27
Family Care Agency Ltd	30
Domiciliary Care Services (UK) Limited	31
Choices Care Ltd	33
Meridian Health & Social Care	33
Bonney Care Agency	34
Enable Inclusive Support Ltd	35
Spirit Homecare	36
Fosse Healthcare Ltd	41
Precious Hope Heath & Home Care Ltd	44
Private Home Care UK LTD	52
Raageh Care LTD	60
Sensitive Care Solutions Ltd	60
Care at Home (Midlands) Ltd	65
Amicare Domiciliary Care Services Ltd	67
Care 4U (Leicestershire) limited	68
Melton Care Services Limited	77
UK Care Team Ltd	77
Mi Life Care Services Limited	90
SELECT CARE SERVICES LTD	90
Adaptus Carers Limited	102
Carers Direct Homecare Ltd	104
Westminster Homecare Limited	125
Medacs Health Care PLC	130
Bluewood Recruitment Ltd	146
Help at Home	184
Aspire UK	202