
***Meeting of the Executive Members for
Housing and Adult Social Services and
Advisory Panel***

16 July 2007

Report of the *Head of Adult Services*

***Update on the Review of the Home Care Purchasing & Commissioning
restructure***

Summary

1. This report summarises an evaluation of the Home Care restructure, which took place in December 2006. The evaluation compared the intentions as set out in the June 2006 EMAP report with the current position of home care services to assess the level of achievement of these planned changes. The evaluation considers:
 - The outcomes – whether the improvements proposed in the report were achieved
 - The process – whether the changes were undertaken in the way they were recommended in the report.
2. This report goes on to consider what lessons and implications there are for the future development of Home Care across the City.

Background

3. The Home Care restructure was subject to three previous reports to EMAP (Executive Member & Advisory Panel) before implementation on 4 December 2006. The main drivers for change were identified in these reports as:
 - Projected increase in numbers of older people, and therefore demand for services;
 - Ambition of customers to live at home, with support, for longer;
 - Impetus to develop enabling and re-enabling services;
 - A need to change employment models to improve face to face contact time, and to offer stability in the workforce;
 - Address projected overspends within the domiciliary care budgets;
 - Address fragmentation of provision to individual service users;
4. EMAP gave the final approval to the restructure on the basis of the report presented in June 2006.

In this report the changes to the services as outlined at Appendix 1 were agreed and were to be implemented primarily through:

- Contracting long term care on a locality basis through the independent sector
 - Refocusing the City of York Council (CYC) in-house services to provide a more specialist role in supporting the assessment of individuals when first in receipt of Home Care or for those with dementia or more complex needs (day & night) and for those receiving low level support
5. The new contracts came into place on 4th December 2006 and the new/additional CYC provision was started at the same time.

The services have now been in operation for seven months at the time of writing.

6. In putting this report together information has been gathered from the following sources:
- Data from the Home Care services, in-house and external
 - Data from finance, Human Resources and Care management sections
 - Quality assurance surveys of a sample of 25% of customers from each Home Care service
 - Comments and complaints received during the transition
 - Feedback from CYC staff and managers

Recommissioning Outcomes

7. The outcomes required from the restructure had two aspects:
- The required levels of provision of service from CYC and the independent sector.
 - The realisation of the benefits associated with the restructure.

Service Provision

8. In summary:
- We have successfully established the Independent sector Locality Teams in two of the three areas. The locality provider awarded the contract in the West had not recruited sufficient staff to cover the full contract. This meant that some of the customers for this area were absorbed into CYC services for continued provision and some were subject to additional contracts with other independent sector providers. Part of the Home Care contract in the area has subsequently been re-tendered and is on track for commencement on 23 July 2007. It is therefore anticipated that by the end of July this part of the restructure will be completed.
 - The tighter application in 2006/07 of Guaranteed Minimum standards of Fair Access to Care Criteria as part of the overall savings plan in Housing and Adult Social Care reduced the level of demand on home care and other services. Therefore, the actual hours of home care delivered reduced from the expected 7575 per week projected in the June 2006 report to 6254 per week during 2006/07.

- 90 people decided to take a Direct Payment to continue receiving a service from their existing provider rather than change to a new provider. Some people have opted to pay additional sums in order to do this. The numbers with a direct payment may drop over time. Whilst the extent of this movement was not fully anticipated it does mean that a lot more people now have direct control over their care services, in line with CYC objectives and national policy.
- The CYC in-house services have been established as per the approved restructure. The Promoting Independence Service and Home Support Service are fully staffed, but some adjustments were required to the specialist provision to take account of the fact that approximately 60 staff left the service during the 12 months period leading up to the change. The effect of these vacancies, and the continued high level of sickness combined with the need to allocate some CYC staff to provide services to customers who should have been cared for by the West Locality Team, resulted in contingency plans needing to be put in to place to ensure all customers received a service.

Benefits

9. The changes were expected to bring about the following benefits, some of which will only be measurable in the longer term:
 - Increase in capacity across services
 - Promotion of independence and re-enabling approach to service delivery
 - Improved quality, through better training, recruitment and retention as a result of guaranteed hours for staff
 - Closer links with care managers and health partners
 - Reduction in in-house non contact time to 25% by June 2008
 - Financial savings delivering a return to balanced budget plus and additional £110k pa savings
 - A reduction in the number of people receiving a service from more than one agency
 - The removal of any waiting list for customers.
10. Whilst these benefits have yet been fully realised, because of the delay in effectively implementing the full service model across all the localities, there is evidence that:
 - These changes to Home Care services played a major part in addressing a projected £1.6m deficit in the Adult Social Services budget and helped deliver a surplus of £205k at 2006/07 year end.
 - Most customers now receive a service that is managed entirely by one agency rather than several

- In the North and South East localities, where the locality teams are working well, capacity is increasing. This is now being reflected in the West area.
 - There is some evidence from the independent sector locality services that recruiting staff has been easier now that they can offer guaranteed hours.
 - Initial transitional problems that caused delays in receipt of home care for people being discharged from hospital have eased and currently there are no acute discharge delays due to home care provision difficulties.
 - The waiting list will shortly be removed for customers other than those requiring EMI (Mental Health) support
11. Priority has been given to ensuring that customers receive an appropriate service, even if the team expected in the original model does not provide it. Although the transition period did not go as smoothly as hoped, significant effort was put in by many staff and agencies to ensure that all customers received the care they required and any problems were actively addressed and managed as quickly as possible. Although there were a number of complaints at the outset of the change process from customers, more recent feedback indicates good satisfaction levels. Where concerns have been raised they have been about the confusion at the time of the changeover, and inconsistent times for visits. This last has been an issue which customers have raised previously and is not thought to be entirely specific to the restructure.
12. Not all of the additional savings have yet been realised, due to the temporary arrangements put in place to secure the care of some customers. The in-house services have not yet been able to fully address the issues to reduce the non-contact time within their services, partly because of the mixed function of the in-house services during the transition. Training for the new specialist services is underway. An evaluation is required following this to identify whether there is evidence that the Promoting Independence Teams are reducing the levels of need for services.

The Process

13. When considering the process the evaluation has looked at:
- The action taken against the recommendation in the June 2006 evaluation report
 - The project management arrangements that were in place. These were based on a project team comprising up to 4 people.
 - The risk management arrangements
 - Feedback from consultation
14. The tendering process for the Locality Team contracts worked well and in accordance with all necessary regulations. As a result of one provider being unable to fulfil the full contract value, a review was undertaken to check whether a different balance between cost and quality within the tender evaluations might have changed the results. The results would have been the same.

15. There were however improvements that could have been made to the overall project planning and delivery. The project was delivered with limited resources and very tight timescales. Because of the tight timescales for delivery of the changes, a discrete improvement plan was not produced for in house services as proposed. Customer communication was not as comprehensive as it might have been, mainly because of the contingency arrangements that had to be introduced to deal with the inability of some providers to offer the service planned.
16. The management of change for staff was undertaken in accordance with Council policy and guidance, but there were delays in the finalising of some contracts. Whilst there were sufficient hours available to provide the in house services, staff did not always want to work the hours and times that were required.
17. Key risks had been identified, and actions were taken to manage these. It was recognised at the outset of the project that there were risks involved in the tight timescales, but the need to deliver savings to bring the departmental budget back in balance meant that these risks had to be accepted. Contingency plans were made, however the impact of one of the external providers, and the in –house services both struggling to deliver the capacity required strained the contingency plans to the limit, and required intensive problem solving and troubleshooting.
18. One risk had not been adequately identified. This was the impact of the poor data quality on current provision at the time of transfer which:
 - Hindered a smooth transfer of care for some people whilst more accurate information was gathered on their patterns of care.
 - Has led to the need to increase projections of the level of demand for dementia services

Service specific issues

19. The inability of the West Locality Provider to deliver the full amount of care hours required by the contract has now been resolved through the re-tendering of part of the contract and the appointment of a fourth provider. A more robust project plan is in place to manage the changes, with improved communication in place with customers and between providers and care managers. The new contract will be active from July 23rd, but transfers of customers will be undertaken on a phased basis leading up to this date.
20. Within in-house services there are some issues which still need to be addressed and which apply across all services:
 - Reduction of non contact time
 - Delivery of agreed objectives for each service
 - Ensuring customers are in the most appropriate service to their needs
 - Recruitment issues and reduction of use of agency staff within the specialist services
21. There are also issues specific to some of the individual services. All of these issues are being addressed through an Action Plan, which will be agreed with the Commissioning and Contracts Team, in the same way that it would be with any external providers.

22. The contingency arrangements which were put in place at the time of transition will be reviewed in line with consideration of services' ability to address the capacity and delivery issues which led to the need for alternative arrangements.

Consultation

23. The key messages from the consultation in preparation for this report were:

- the project planning could have been improved with a greater level of resources available for this. These were however limited due to the projected budgetary position of the Adult services.
- The overall project would have benefited from phasing over a longer period and introduced at a different time. It is recognised this would have been beneficial but not possible within the resources available and in view of the imperative to ensure the social care budgets were not overspent to the extent predicted earlier in the financial year.
- The data on which the changeover was based was not reliable or up to date in all instances. This led to difficulties for customers, as it was not clear in all instances to the new providers what level of care was required.
- That the period of the restructure relied heavily on small groups of staff to troubleshoot due to these deficits
- Specialist services need clearer access criteria and some, such as the in-house home support service, require provision over a seven-day period.
- The communication with customers could have been improved. Whilst the helpline was useful, the number was needed earlier and better communication before the changeover and better information about the new service and stronger transfer arrangements would have improved customer outcomes. This is of course particularly relevant to the West area. In the North and South East areas the transition was smoother as the replacement services were better geared for the changes.
- The quality assurance survey was undertaken across all services. The results of the surveys reflect that there were difficulties for some customers and satisfaction levels did dip, at the early stage of the surveys. More recent results show increasing levels of satisfaction, some in line with the results of the Personal Social Services Customer Survey, undertaken in 2005, when levels of satisfaction with services amongst home care services was 95%. Customers concerns, where they have them, are in respect of:
 - o Inconsistent times of service delivery
 - o Confusion at the time of the change over to the new services.

Options

24. It is clear that the first phase of the home care restructure will only be completed when:
- the full provision of the hours re-contracted in the West area is available, (now anticipated at the end of July).
 - Council services can function appropriately with minimal short-term arrangements and agency support to supplement them being required. (An Action Plan for the in-house services is being agreed between the Service Provider and the Commissioning and Contracts team to achieve this).
25. There is however other action that needs to be considered to rectify imbalances within the current home care delivery position. Changing needs, and a better understanding of those needs mean that we will need to keep services under review.
26. The impact of these changes has not yet been examined in detail and it is proposed that further work be undertaken to fully understand the impact of any changes on both staffing requirements and customers, and to consult with staff where necessary. It is anticipated that some changes can be made with minimum impact on both staff and customers.
27. The proposal therefore is for the Executive Member to agree that changes be made between the levels of service in line with need and demand, within delegated authority. Where changes require Member approval a further report will be provided.

Analysis

28. The Review has identified that the demand for some of the services (Home Support and the Promoting Independence Teams) has not been as high as predicted.
29. Demand for specialist services to provide support for people with Mental Health (EMI) has grown to a higher level than the original planned increase.
30. Assuming referral rates do not change significantly, and if service levels remain unchanged, we may be funding services that are not needed and paying additional costs to supplement services that are in high demand.
31. The changes within the PCT may impact on the referral levels to the PIT teams, particularly because of the proposals to develop the health 'Fast Response' services, and an agreement to forge closer links between the team and social care services.
32. The development of a prevention strategy in line with the Health and Social Care White Paper, may have an impact on how staff in particular services need to be utilised
33. We have continued to experience difficulties in recruiting to the High Dependency Team. As a result one of the locality providers provide care to customers with higher dependency needs within their locality contract. This arrangement appears to be offering better continuity of care to the customer than the situation where agency staff supplements the Council in-house service. It also offers the potential to reduce the need for customers to move providers as their needs increase. This model therefore requires further consideration.

34. Further work is needed to scope and plan how any changes would be delivered, with a more robust project management approach. This would be undertaken using a new toolkit, developed within the Directorate to support staff manage medium sized projects. The Toolkit uses the principles of PRINCE2, the project management approach that has been adopted for large-scale projects, but makes the requirements simpler and easier to follow without specialist training.
35. The toolkit has been used to plan the further changes for customers that have been needed as a result of the re-tendering of part of the West Locality contract. These changes have been going smoothly to date.
36. The further work will include consultation with staff and Unions about the impact of any changes to service levels to staffing requirements.

Corporate Priorities

37. The Corporate priorities that are being met through the options considered in this report are:
- Improving the focus on the needs of customers
 - Improving efficiency and use of resources

Implications

Financial

- 38 The restructure and contracting efficiencies delivered a reduction in the projected overspend of £1.6m on home care services in 2006/07. In the four months following these changes from December 2006 to March 2007 the overspend reduced to £416k.
- 39 The 2007/08 budget for home care is £5.3m and following the restructure of services the projected overspend is £0.44m. This figure and the final 2006/7 figure include all direct payments costs including those that had previously been monitored separately from the home care budgets and which at quarter 2 in 2006/07 projected a £162,000 overspend.
- 40 Action is ongoing to deliver the service within the available budget and progress on this will be reported to members through the normal budget monitoring process.

Human Resources (HR)

38. Where services are to be further reviewed any changes that affect staff will be consulted upon, and managed in line with the Council's change management policies and procedures. Should there be any proposed changes trade union consultation will commence at the earliest opportunity.

Equalities

39. There are no equalities implications to the report

Legal

40. There are no legal implications to the report. The additional services provided for EMI care and Intermediate Care are contracted to November 2007. All other additional arrangements are 'spot contracts'.

Crime and Disorder

41. There are no crime & disorder implications to the report.

Information Technology (IT)

42. There are no IT implications to the report.

Property

43. There are no property implications to the report

Other

44. There are no other implications to the report

Risk Management

45. There remains a financial risk of overspend, but this risk has been much reduced. The remaining risk will be managed within the context of the overall budgets within Adult Services.
46. Demographic pressures continue to cause a risk, as the growing elderly population will impact on the type and volume of service needed. This risk will be managed through regular review of the trends and demands, with any further changes required to services delivered through managed change.
47. The risks associated with making further changes to services will be managed through the Project Toolkit, referred to in paragraph 34. Changes will be planned more thoroughly and will be phased in, with greater emphasis on timescales, resources needed to deliver the change and effective and consistent communication with customers.

Recommendations

48. That the Advisory Panel advise the Executive Member to agree that changes be made between the levels of service in line with need and demand, within delegated authority. Where changes require Member approval a further report will be provided.

Reason: to ensure better sustainability and cost effectiveness for services, to better reflect the actual demand for the new services and to provide customers with as seamless a service as possible

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Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers:

Review of Purchasing Arrangements for Home Care Report June 2006

Review of Purchasing Arrangements for Home Care Report January 2006

Review of Purchasing Arrangements for Home Care Report March 2004

Review of Purchasing Arrangements for Home Care Report July 2003

Review of Purchasing Arrangements for Home Care Report June 2002

Review of Purchasing/Commissioning Arrangements for Home Care Report December 2002

Appendices

Appendix 1 Home Care Service Descriptions

Home Care Service descriptions

The following provides a brief outline of the service model agreed by EMAP in June 2006.

