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## **Executive**

**8 September 2009**

Report of the Director of Housing and Adult Social Services

## **Locality Home Care Contracts**

### **Summary**

1. To seek the agreement of the Executive to extend three of the four Locality Home Care Contracts by an additional year to December 2010.

### **Background**

2. The current Locality Home Care Contracts were tendered in 2006 and awarded with a commencement date of 4 December 2006, apart from one, which was 23 July 2007. All are due to expire in December 2009 but with a variation option to extend for a further year.
3. Contracts were awarded to Riccall Carers and Goldsborough in the West of York, Carewatch in the South and Springfield Healthcare (York Helpers) in the North of the city.
4. Locality providers offer personal care to any customer needing ongoing care after a six week initial enabling service but who do not require a specialist care response because of complex needs.
5. The specifications for the contracts were developed following a review which involved users, carers, and providers, following on from the Best Value Review of 24 Hour Care for Older People. The contracts are block contracts, based on three localities, from which care managers can call off services for individual customers' needs. The contracts are time and task based rather than primarily outcome focussed.
6. Future contracts will need to be outcome focussed, and take account of the Putting People First agenda, which is transforming social care to offer more choice and control to customers. New specifications will need to be developed therefore, and these would need to take account of changes that are still under development with regard to 'personalisation' of services.
7. If we were to re-tender the contracts for December 2009, the process for specifying and procuring would need to start immediately to meet procurement regulations and guidelines. However the timetable would take us past the existing expiry dates and interim extensions would need to be agreed with the

Locality Providers. For this reason the report recommends that three of the four locality contracts be extended until December 2010 to give sufficient time for that work to be done. This will also give time for the full involvement of the More For York team in the procurement process.

## Performance

8. Throughout the life of the contracts regular monitoring of performance and quality has been undertaken of all the locality home care services, by the Commissioning and Contracts Team. This has included quarterly telephone surveys with a proportion of the customers to seek their feedback.
9. Recent customer satisfaction surveys, which contact 25% of each provider's customers, show the percentage of customers who are happy with the quality of care they receive:

Provider	Oct 2008	May 09
Goldsborough	100%	93%
Riccall Carers	90%	91%
Carewatch	88%	71%
York Helpers	93%	85%

10. Carewatch has been the subject of an Improvement Plan and so their customers have been surveyed further in July 09. This showed some improvement, with 80% of surveyed customers now satisfied with the quality of their care
11. There are no significant concerns about the quality of services provided by the other providers, all of whom have been inspected by the regulator, the Care Quality Commission (CQC) and judged to be good or excellent. Contract monitoring and customer satisfaction surveys confirm this position.

## Consultation

12. Discussion with Riccall, Goldsborough and York Helpers has indicated that they are willing to extend the contracts for an additional year.
13. Members are advised that there have been detailed discussions with Carewatch and by mutual agreement the contract with this company will not be extended. This means that arrangements will need to be made to offer an alternative service to those council customers using Carewatch.
14. Both Carewatch and the Council have agreed it is of the utmost importance to work together to ensure a smooth transition for customers.

## Options

15. **OPTION1:** To re-tender the Locality Home Care Contracts, in line with the original plan, with new services starting in early 2010 having agreed interim contract extensions with existing providers.

16. **OPTION 2:** To utilise the variation option to extend three locality contracts for a further year with Goldsborough, Riccall Carers and York Helpers
17. Whichever option is agreed alternative care provision will need to be put in place for Carewatch customers. Plans are being developed to achieve this, and customers will be contacted to consult with them about their options. Customers will be offered the opportunity to transfer to a Direct Payment if they wish, or the Council could commission additional care from current providers.

## **Analysis**

18. **Option 1:** This option would bring risks:

- We would have limited time to develop our specification for the services. This would mean that we could be committed to contracts where the service purchased is less likely to be fit for the future. To develop new specifications we need to understand more fully what support customers are wanting to access as part of more personalised services and we need to reshape any specifications to deliver services that are more outcome focussed rather than time and task focussed.
- We need to quantify the amount of service that we are likely to need to purchase once customers are offered the opportunity for individual budgets. If we do not do this there is a risk that we will contract for more care hours than customers want to access from locality providers.
- Limited time will also bring a higher risk that any change in a provider for customers will be more difficult to plan and to manage, and this could cause both distress to customers and reputational risk to the Council.
- There would be a financial risk that the cost of home care could increase through a re-tender exercise. This has not been allowed for within the budgets for the coming financial year.

19. **Option 2:**

This option would mean that we continue with service contracts that are not primarily outcome focused for a further year, but it will allow the time to plan our requirements more robustly, and thus reduce the risks identified with Option 1.

## **Corporate Objectives**

20. The provision of good quality, cost effective home care services contributes to the Corporate Strategy objective *“to be a city where residents enjoy long, healthy and independent lives. For this to happen we will make sure that people are supported to make healthier lifestyle choices and that health and social care services are quick to respond to those that need them.”*

## **Implications**

### **Financial**

21. The budget for 2009/10 reflects the current contractual agreements with the locality providers. Extending the contracts will not impact on these budgets, but a re-tender could lead to a change in costs.

### **Human Resources (HR)**

22. There are no HR Implications for the council in this report.

### **Equalities**

23. The re-tender timetable does not have any equality implications

### **Legal**

24. The current contracts allow for an extension for an additional year

### **Crime and Disorder**

25. There are no crime and disorder issues

### **Information Technology (IT)**

26. There are no IT implications

### **Property**

27. There are no property implications.

### **Other**

28. There are no other implications.

## **Risk Management**

29. Option 1 would bring risks that would be higher than 16. These have been outlined in the analysis section of this report.
30. Option 2 would reduce these risk to below 16

## **Recommendations**

31. It is recommended that Option 2 is agreed to reduce the risks identified and to allow for better planning to ensure we commission services that better meet customers needs, and which can offer more choice and control to customers

**Contact Details**

Chief Officer responsible for the Author:  
report:

Bill Hodson

Director of Housing and Adult Social  
Services

Gary Brittain, HASS

Commissioning & Contracts Manager

01904-554099

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

All

**For further information please contact the author of the report**

**Background Papers:** None