

Midlothian Council Care at Home Tender Exercise

Report by Eibhlin McHugh, Joint Director Health & Social Care

1. Purpose of Report

The purpose of the Report is to advise Council of the outcome of the tender exercise for the procurement of Care at Home services for Older People and the implications of implementation of the new contracts and transition process.

2. Background

- 2.1 The external care at home service required to be re-tendered by March 2015, as no further extension could be awarded to the contracts awarded in 2010. The current providers SCRT, Care UK, Aspire and Carewatch UK deliver around 5,500 hours per week for care at home for elderly clients (see table at 3.1 for detail of how these hours have changed over recent years).
- 2.2 A project team consisting of Midlothian staff from procurement, legal services, contract and commissioning, care at home, field work and resource planning and management was supported by Rab Murray from the Joint Improvement Team. The key aim of this project team was to improve the quality and consistency of care at home services to residents of Midlothian.
- 2.3 Several factors have influenced this aim and enabled us to take a collaborative approach to designing the new tender:
 - Considerations from existing providers through our regular providers meetings
 - Emerging/existing national policy and performance targets, specifically:
 - Rebalancing Care
 - Hospital Delayed Discharge
 - Feedback from service users and their families
 - Lessons learned from previous tendering exercises both at Midlothian and elsewhere
 - Feedback from staff (especially Quality Assurance Officers)
 - Research from various sources:
 - Joseph Rowntree Foundation
 - COSLA
 - Scottish Government
 - Scottish Care
 - Care Inspectorate
- 2.4 Core requirements of the contract specification are to:
 - Support people to remain in their homes
 - Support people to return to their own homes
 - Promote reablement, supporting Service Users to gain or regain daily living skills and confidence

- Reduce and prevent the incidence of unplanned/avoidable and repeat hospital admissions and re-admissions.

2.5 It is useful to highlight here some evidence of the positive performance in Midlothian.

- In relation to the partnership delayed discharge targets, Midlothian continues to perform well against other partnerships in Lothian achieving zero delays for the 4 weeks census target consistently since October 2014 and performing well against the 2 weeks target in this same period. Performance is affected by a number of seasonal factors and nationally reported against particular months. The table below indicates performance against targets for the quarterly months to give an indication of trends as well as performance on those particular months.

	Delays	Apr 2013	Jul 2013	Oct 2013	Jan 2014	Apr 2014	Jul 2014	Oct 2014	Jan 2015
> 4 weeks	Midlothian	1	1	0	1	0	3	0	0
	Lothian	17	37	48	57	39	83	63	75
> 2 weeks	Midlothian	2	2	1	3	2	6	0	0
	Lothian	40	72	86	90	70	119	111	100

- In terms of the need to rebalance care, the Summary report on Social Work Spend and Activity for your Local Authority Area - 2005/06 - 2012/13 issued by Scottish Government in December 2014, provides evidence that Midlothian is achieving a shift in spend between institutional care to care at home. The figures presented below demonstrate that while there are higher rates of more intensive care at home packages (over 10 hours), the overall care at home hours are lower as are rates of care home placements.

	Midlothian	National	Midlothian	National
Rate of service area	2007 performance (per 1,000 population 65+)		2013 performance (per 1,000 population 65+)	
People supported in care homes	37.5	38.2	26.5	33.2
Home care hours	872.7	769.8	759	795.3
	2005/6 performance (per 1,000 population 65+)		2012/13 performance (per 1,000 population 65+)	
Receiving < 10 hours care at home	60.1	51.4	37.3	38
Receiving >10 hours care at home	16.7	16.9	18.5	17.8

2.6 A reablement approach encourages clients to do as much for themselves as possible with the view to keeping them independent longer. More recently, our in-house service has adapted to deliver a reablement model of care as have our extra care commissioned services. Some initial work had been carried out with existing providers with a degree of success. In the new contract we require the promotion of reablement. As part of an outcome focused tender evaluation submissions were assessed them on their experience of delivering a reablement model of care.

2.7 The follow key factors are incorporated into the new contracts to ensure quality and consistency of service and seek to achieve a confident, competent and

stable workforce to be able to respond effectively to the needs of older people in the community now and in the future:

- Guaranteed minimum hours for all care at home workers
- Minimum of the “living wage” for all staff
- Travel time for carers out of the working week & travel expenses awarded
- A call monitoring system to be in place to ensure consistency of visits and carers
- Clearly defined KPIs with SMART targets to be collectively agreed with new providers
- Compliance to Midlothian Council's Quality Assurance Framework
- Mandatory requirement for Business Continuity Planning and Phase Out & Exit Strategy
- Mandatory training including Child and Adult Protection, Moving and Handling, Administration of Medication, Food Hygiene and Nutrition, Infection Control, Personal Outcomes, Positive Behaviour Support, Record Keeping, Data Protection, First Aid/Health Emergencies, Continence Awareness and additional specialist training e.g. dementia awareness; peg feeding

2.8 Recognising that the landscape for delivery of such services has and continues to change, especially with the Integration of Health and Social Care, we identified that it is essential for the providers to work collaboratively across the Health and Social Care Partnership and seek continuous improvement in service delivery. Co-production is embedded within a personalised approach to care planning and delivery. It is also required in terms of working with other agencies and providers to continuously improve personal outcomes. To achieve this, the new contracts contain the following:

- A requirement to work in a partnership approach with other providers, voluntary sector and the statutory sector (including NHS) to avoid duplication and achieve positive outcomes for clients
- A need to demonstrate an understanding of Self Directed Support and how it impacts on clients
- An ability to promote positive destinations for young people and promotion of care as a career for school leavers
- A requirement to ensure effective working with the scheme managers of sheltered housing schemes

2.9 The Invitation to Tender was issued on 30th September 2014 and the contracts were awarded on the 20th January 2015 as follows:

Area	Provider
East	Care UK
Central	Aspire
West	Mears Care

2.10 For the purpose of this tender, Midlothian has been split into 3 geographical areas. Details of this split are provided in the appendix attached to the report. The 3 area split offers a larger allocation in the central lot which enables a degree of capacity to flexibly respond to potential pressures in delivery across boundaries.

- 2.11 When considering and evaluating the tender applicants the evaluation team examined the following areas when selecting providers:-
- Requesting feedback from service users and their families from the prospective providers
 - Seeking information on the terms and conditions of their staff
 - Examining previous Care Inspection reports and gaining feedback directly from the Care Inspectorate
 - Examining staff retention levels
 - Examining what systems they have in place and how successful they are i.e. call monitoring etc
 - Continuity of carers to clients POC
 - Existing and proposed commitments to promoting care as a career in schools & working with colleges to promote work opportunities
 - Financial costs of the service
- 2.12 The shortlisting and interviewing of providers was conducted by a selection of the project team, lead by Alison White, Head of Service. In addition, volunteer carers participated in the assessment of all submissions as well as interviews and final scoring. This element of the project was particularly useful giving a different perspective and challenging assumptions.
- 2.13 Since the tender has been awarded the following activities have been undertaken:
- Weekly meetings are in place with all providers from existing and new contract to work through the transition phase.
 - All service users have been contacted to advise that the contracts have been awarded and if they are likely to have a new provider, and encouraging them to contact us if they have any queries.
 - All relevant staff have been briefed on outcome of tender process and provided with Frequently Asked Questions to guide responses to service user queries.
- 2.14 Self Directed Support has been a significant new feature of this tender transition process, with a significant number (approximately 150) service users expressing an interest in SDS as a way to secure retaining their existing care staff. Additional correspondence had been sent to all clients advising them of how SDS works and what their rights and responsibilities are.
- 2.15 In addition, we have provided clarity to existing providers that Self Directed Support is a distinct process from their considerations of which staff are eligible to transfer to new providers under Transfer of Undertaking (Protection of Employment) Regulations 2006 (TUPE). At present, providers are exchanging information to conform with the 28 day notice periods required under TUPE. The effect of this is that all staff who are currently employed mainly in relation to our Care at Home Contract (i.e. delivered under Option 3 of SDS), are eligible until such times as individual service users considerations of other SDS Options are confirmed as changing.

3. Report Implications

3.1 Resource Implications

Currently service providers are being paid an average of £14 per hour, and have been pressing for increases in hourly rates of up to 4%.

The budget for Older People care at home for 2014 -15 is £4,842,793. This forms part of the overall resource panel budget of approx £27m.

The following reflects actual resource allocation and spend against budget as well as trends year on year:

Year	Total hours delivered	% increase from previous year	Spend	% increase from previous year
2010-11	299,598		£2,844,576	
2011-12	315,018	5.15	£3,334,670	17.23
2012-13	327,689	4.02	£3,782,355	13.43
2013-14	325,056	0.80	£3,967,433	4.89

The additional requirements added into this tender do not directly identify a higher hourly rate but, with the rate of inflation and employers being required now to set up pension plans, we were anticipating an increase in the hourly rate. Discussions had taken place prior to tender being issued where a possible 6 – 7% increase in the cost of external care at home had been identified.

Based on the hourly rates provided in the tender submissions, for the current level of care hours, estimated spend is in the region of £4.3M for 2015/16, £4.5M for 2016/17 & £4.8M for 2017/18.

3.2 Risk

A significant risk to current care at home services is the lack of a sustainable workforce. This tender seeks to redress some of the barriers to people choosing care at home and recognise the value of the work through promotion of living wage and commitment to contracted hours. A further approach to reducing longer term risk is closely linked to the promotion of positive destinations in ensuring a commitment from providers to that purpose. This will be supported with additional promotion of care as a positive career path through schools, colleges and wider community engagement.

Limiting contracts to providers only delivering one area out of three reduces risk to the overall sustainability of care at home external services. Also, the central area being larger provides greater sustainability by creating increased capacity through a larger pool of workers able to support neighbouring areas in the event they have shortages of cover etc.

3.3 Policy

Strategy

The service aims and specifications within the ITT are consistent with the national agenda Reshaping Older People's Care, the local Joint strategy for Older People and Joint Strategic Commissioning Plan 2013-16.

Consultation

As part of this process service users, carers, families and providers have been involved to ensure that their views/experiences and opinions are incorporated into the tender document. This has been facilitated through questionnaires to all care at home clients, focus groups, forums and individual sessions. Carers' representatives are participating in the evaluation of tenders.

Equalities

An Equality Impact Assessment has been completed. The most significant aspect of this is the requirement by providers to seek to diversify the workforce to meet our commitment to creating positive destinations for young people and also seeking to better reflect the diversity of our clients with the workforce.

Sustainability

Midlothian Council is in the forefront of moving away from zero hours contracts which have traditionally provided significant flexibility to the employer. However, there is a growing awareness that zero hours contracts disrupt the consistency and sustainability of the workforce and indeed are more costly to manage; resulting is a greater percentage of the rate that we pay, being spend on management rather than delivering care.

Establishing a longer term commissioning framework enables the Council to collaborate with major employers to create a more sustainable workforce for the future. Taking into consideration demographic change, and continued local and national commitment to Reshaping Care, there is an increased need to promote care as a career of choice for those entering or re-entering the workforce, or those seeking to change paths to something that has a greater sense of value to the community.

4. Recommendations

Council is asked to note the progressive approach being taken in adopting a commissioning approach that seeks to create a sustainable and valued workforce in the private sector to better meet the needs of our clients.

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