

BRIEFING NOTE

TO: SOCIAL CARE AND INCLUSION SCRUTINY AND PERFORMANCE PANEL
DATE: 25 March 2010

RE: DOMICILIARY CARE WORKING GROUP – FINAL REPORT

Purpose

To receive the final report of the Domiciliary Care working group established by the Panel at its meeting on 3 September 2009.

Background

The Panel identified Domiciliary Care as an important subject to investigate. The working group investigated a number of issues with the domiciliary care market, including a number identified via service reviews and also some highlighted in the media, and sought to recommend possible steps which could be taken to resolve them.

The Panel are asked to consider the final report and approve the recommendations for submission to Cabinet.

Recommendations

Recommendations

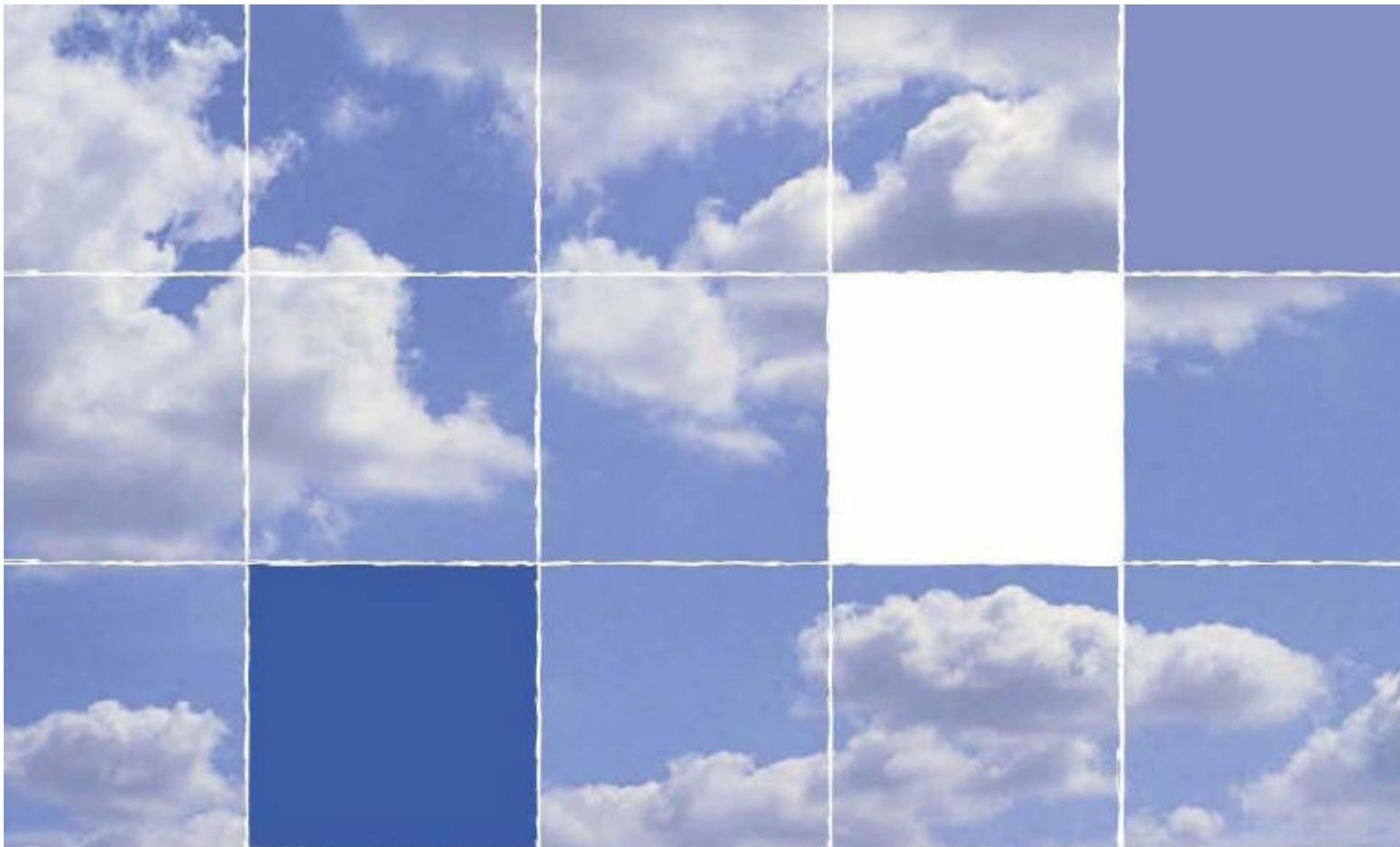
That:

- 1. an urgent review of the current procurement system, including block contracts, is undertaken;**
- 2. assurance is provided for the future as to actual service delivery of contracts. This should include an action plan against potential fraud to be reported to the Social Care and Inclusion Scrutiny and Performance Panel;**
- 3. an effective element of domiciliary care in-house services is retained in order to react to emergency situations and/or withdrawals from existing contracts by private sector providers. Services should be delivered based on comparative costs assessed on a like-for-like basis;**
- 4. further work be undertaken to develop the role of social workers in managing referrals, including concerns, to avoid delay in resolving issues;**
- 5. further work to be undertaken, working closely with delivery partners, to improve capacity in service delivery by increasing care visit call time windows;**
- 6. further work be undertaken on a joint commissioning approach between the Council and tPCT, including in relation to the role of community and health visitors and the community nursing service;**
- 7. that detailed work is undertaken in relation to understanding types of need, the geographic location of need and likely demographic changes over the next decade;**
- 8. e-auctions are no longer used for the commissioning of care services.**

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Domiciliary Care in Walsall

**Report by the Domiciliary Care
working group**

**To be presented to the Social Care and Inclusion Panel
– 25 March 2010**



Walsall Council

Chair's Foreword

The provision of domiciliary, or home, care is a critically important service to many Walsall residents. The working group was established to diagnose the current issues with the domiciliary care market, including a number identified via service reviews and also some highlighted in the media, and seek to recommend possible steps which could be taken to resolve them.

I would like to thank all those who have assisted the working group over the last few months including, the other members of the working group, officers from within Social Care and Inclusion and Procurement, as well as witnesses including representatives from private sector care providers, union representatives and Councillor Pete Smith.



*Councillor Tim Oliver
Lead Member, Domiciliary Care working group
Chair, Social Care and Inclusion Scrutiny and Performance
Panel*



*Councillor
Joan Barton*



*Councillor Rose
Martin*



*Councillor Ian
Robertson*

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Introduction

The Social Care and Inclusion Scrutiny and Performance Panel identified domiciliary, or home, care as an appropriate service to investigate during the 2009/10 municipal year. The Panel were keen to review the provision of domiciliary care following work undertaken by the service to review the management of the local provider market, including block and spot contracts, lessons learned from the tender and implementation of the contract from 1st October 2008, and the implications of Personalisation. The establishment of a working group was also prompted by reports in the media in relation to a number of concerns regarding the provision of care within a number of local authorities including Walsall.

Terms of Reference

The working group held an initial meeting to consider its terms of reference, these were then agreed by the Social Care and Inclusion Scrutiny and Performance Panel at its meeting on 3 September 2009. The agreed terms of reference were:

1. To diagnose the current issues with the domiciliary care market and resolve them;
2. Look at all the difficulties faced by stakeholders (service users, social workers, commissioners, brokerage staff and providers) when trying to place packages of care and resolve them;
3. Review the recent lessons learned activity for all stakeholders;
4. Look at how Personalisation will affect the market;
5. Look at the effectiveness of block contracts;
6. Develop working partnerships with providers;
7. To help providers to develop their business skills, in order to respond to tenders or changes in the market.

The working group's full terms of reference can be viewed at appendix 1.

Membership

Councillor Tim Oliver	Lead Member, <i>Labour</i>
Councillor Rose Martin	<i>Conservative</i>
Councillor Joan Barton	<i>Labour</i>
Councillor Ian Robertson	<i>Labour</i>

The working group's investigation was assisted by a number of witnesses:

Gary Mack	Head of Service (Commissioning)
Sharon Wright	Procurement Manager
Bimala Raulia	Contract Monitoring Manager
Mike Jones	Commissioning Manager

An expert adviser also provided support for the group:

Jack Collier	Formerly Director of Social Services, Shropshire County Council
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Methodology

In order to complete their work the working group held four meetings. This included discussions regarding key issues with officers, a local Councillor and local care providers:

The working group held two witness sessions and spoke to:

- Representatives from two local care agencies;
- Trade union representatives from Unite and Unison;
- Councillor Pete Smith;
- Walsall Council Officers from:
 - Social Care and Inclusion – Adult Services commissioning
 - Procurement

Report Format

The report is a summary of the evidence the working group received along with comments and suggestions for future action.

Domiciliary Care in Walsall

The working group were provided with a working definition of domiciliary care: *The purpose of domiciliary care is to help people remain independent and in their own home.* The standard process includes a Community Care Assessment to determine the appropriate level of care required e.g. two hours a day domiciliary care. In Walsall the domiciliary care requirement is 790,000 care hours per annum with a budget of £6 – 7.5 million.

The nature of provision has changed from “home helps” in the 1970s through to the 1990s with the introduction of the Community Care Act, 1990. The Act led to the transfer of funds for care services to councils, with the requirement to outsource 80% of services. As a result the Act created a mixed economy of public sector provision, including social services, the voluntary sector, and significantly an explosion in private sector providers who were now also able to access the market. Since the year 2000 many local authorities deliver a significant element of their home care through private sector providers. The working group also received guidance on the potential impact of the introduction of Personalisation. This will take place in a series of stages beginning in April 2010, and the associated individual budgets and direct payment options will enable care recipients to determine, and purchase, their own domiciliary care arrangements.

The working group also met with a number of different witnesses. Some of those discussions, including those with two local private sector care providers, are not detailed in the report but were the basis for some of the issues raised by the working group and guidance received from officers.

Block and Spot Contracts

Through commissioning and procurement processes local authorities purchase block contracts from private sector care providers: for example, 1,000 hours of care provision. Spot contract arrangements are also used to meet urgent or unexpected domiciliary care requirements.

Contract arrangements

In Walsall a number of block contracts are operated within each geographical area. Private sector care providers tender for the right to provide a certain number of hours of domiciliary care provision e.g. 30,000 hours per annum.

Block contracts were introduced in response to critical supply gaps that had been prevalent in the market under previous contract arrangements, resulting in the Council sometimes being unable to meet identified assessed need. Block contracts were considered a partial solution to this problem by virtue of guaranteed provision in return for guaranteed income. The block contract volumes were determined through analysis of actual domiciliary care services provided in the Borough over a 12 month period. However in order to minimise the



financial risks to the Council and ensure flexibility to accommodate changes in relation to the personalisation agenda the block contract volumes were set at only 60% of the identified need.

The working group heard that as block contracts originally represented only 60% of need identified at the point of tender, the Council also entered into spot purchase agreements which enabled block and additional spot purchased providers to deliver services on a Borough wide basis over and above the block volumes. There are strict placement criteria which have to be exhausted before any care is assigned outside of the blocks.

There have been occasions when it has been necessary to place care outside of a block for example, where a service user has a very specific need that the provider is unable to service or where the Council has suspended placements of new business under a block, pending resolution of a performance issue. The contracts make provision for payment adjustment in certain circumstances and the Council seeks to adjust block volumes/payments accordingly.

Spot Contracts

The working group learnt that all block providers deliver spot hours and usually they are in the same geographic areas as their block contracts. There was a variation to this in the east of the borough due to the termination of a block contract with a private sector provider in November 2008 when their registration was cancelled by regulator the Care Quality Commission (CQC - which regulates care provided by the NHS, local authorities, private companies and voluntary organisations). There have been examples where providers have had historical packages in one area prior to their block contract being awarded in a different area, and these cases were not transferred. This led to the provider being paid for an under utilised block in another area as well as for spot purchased hours in a further area. The working group heard that was not ideal and work is currently underway to reconcile this position. However, contractual obligation requires advance payment for blocks, while procurement regulations mean it is not possible to incorporate the spot purchases as part of the block contract.

Care agencies

There are currently fourteen care agencies operating in Walsall, with one suspended from receiving new business from the Council and further two on restricted hours for new business from the Council. The working group agreed that it is vital that the local market is developed to increase capacity and mitigate against over reliance on a limited number of providers. This will include the need to stimulate further participation in the local market. This is particularly important as concerns exist regarding the position of strength of some providers who are aware that the Council has little option but to use their services.

E-auctions

The working group learnt that prior to the procurement process for block contracts which commenced on 1st October 2008, E-auctions had not been previously used for the provision of care services by the Council. The working group received further guidance that evidence suggests that this approach can have the benefit of achieving the provision of domiciliary care at a rate that is affordable to the Council. There was a need to create savings which it was felt could be delivered by achieving costs based on the local peer group average of around £11.30 per care hour.

E-auction scores consisted of automatic calculation of the submitted price weighted in relation to individual providers' quality assessment scores. The e-auction was managed by an external supplier, with an operations centre on the Council's premises and providers participating by remote web access from their own premises. Providers were aware prior to the e-auction that winning e-auction scores would not by themselves guarantee any level of contract award, but that this was subject to the Council and tPCT's assessment of their capacity to deliver their proposed level of services, financial assessment, staff training plan and track record of delivering similar services.

Reasons for Failure: The cost of service delivery

The working group heard that there was a failure to undertake adequate profiling in terms of the average costs of other authorities. Also, a number of care providers did not make bids. Some feedback was received from some of the non-bidding care providers as well as the local Domiciliary Care Forum who explained that it was not an attractive contract for which to tender. The Domiciliary Care Forum has already provided some feedback on the process. Some improvements and further issues to be addressed have already been identified, including:

- having a better understanding of local needs and numbers;
- not sufficiently clear understanding of the outcome that the Council is seeking to reach;
- need for more consultation with service users to support improved specifications for tenders;
- input from practitioners on the specification;
- not sufficiently close working with procurement team and either a too wide or too restrictive a procurement process;
- exclusion of local providers and the loss of flexibility;
- it was also important that domiciliary care was delivered with local resources and employment.

The view of the working group

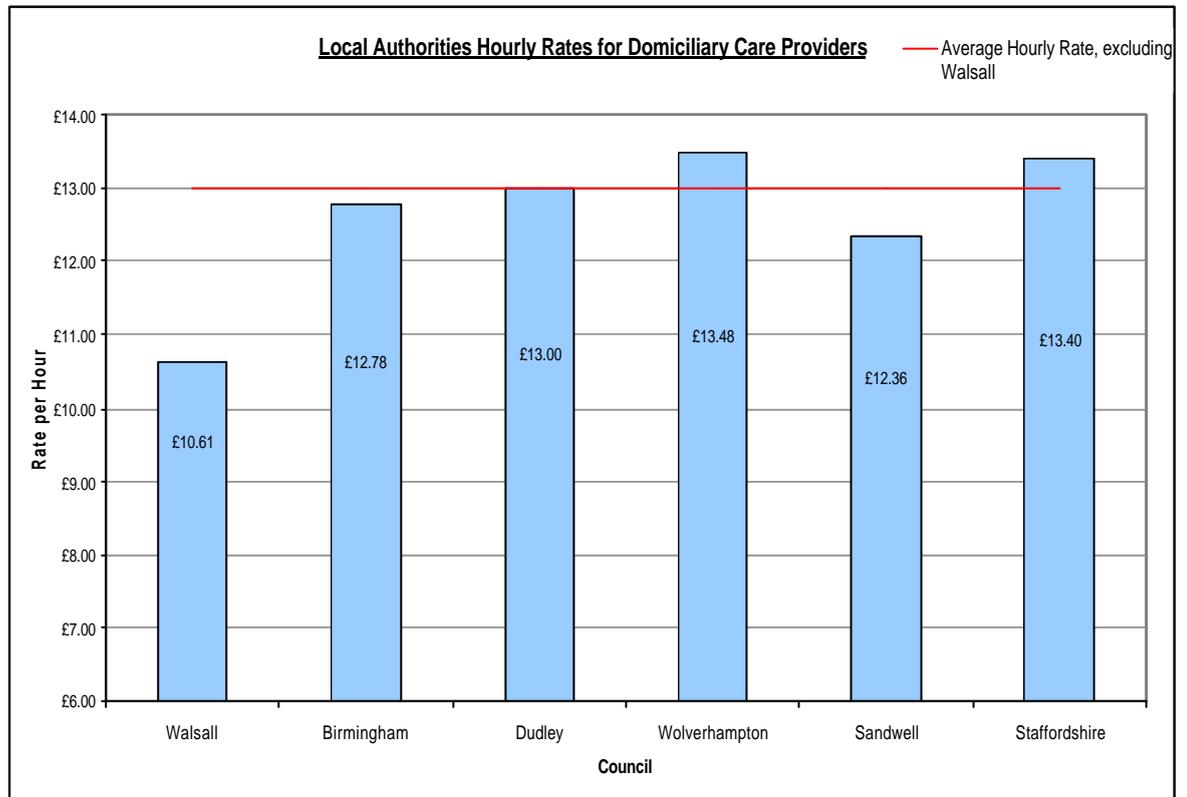
The working group were very concerned regarding the use of an e-auction which while suitable for capital procurement they considered to be an inappropriate way of commissioning care services. This view was supported by feedback received from some local providers who elected

not to participate in the e-auction as they determined that it was not possible to strike a balance between the level of care costs set by the Council and achieving an appropriate level of quality. This is further illustrated by Table 1 below which highlights the difference in rates paid to providers in Walsall and its neighbouring local authorities. (These rates were correct at the end of 2008). The working group were keen to emphasise that it was clear that the e-auction had almost certainly achieved too low a price which, while appearing attractive on paper and within budgets, was unrealistic in supporting sustainable good quality service provision and has significantly contributed to many of the problems identified by the working group. It was clear that an effective value for money assessment should include both cost and quality.

The working group also expressed the view that there is a need for further evaluation of the current procurement process with agreement that a process that gives value for money, including quality and long-term viability of providers, not simply based on the lowest price, is developed.

The working group highlighted the need for an urgent review of the current system of block contracts, in particular in view of the contradictory implications of the Personalisation agenda. The working group noted that there is a potential contract break for renegotiation as from October 2010 which should be used for a strategic review.

Table 1



In response it was the view of officers that getting the balance right between affordability to the Council and paying a rate which leads to sustainable good quality services will always be a complex matter for the Joint Commissioning Unit.

Contract monitoring

The working group learned that a range of activity is undertaken in relation to contract monitoring. Quality was assessed at the point of tender and monitoring throughout the course of the contract via structured contract monitoring processes and social work reviews. Contract monitoring is made up of two components, reactive and proactive monitoring.

Proactive Monitoring - is undertaken annually via a quality assessment and quarterly via a quantitative assessment that reviews a range of information regarding service delivery, utilisation and access to services. This information is used to assess performance on a desktop basis and trigger other forms of follow up monitoring such as on site monitoring visits, liaison with CQC and other statutory agencies.

Reactive Monitoring - is activated when a concern is received from a service user via their social worker, adult protection, customer care or CQC. The concern is logged, shared with key stakeholders, investigated and concluded on the basis of evidence compiled during the investigation process. The outcome of the concern is then used to inform the necessary follow up or remedial action that needs to be taken to safeguard the service user and Council which may range from monitored improvement action plans, to enforcement action under the contract if a remedy is not in place within a reasonable period of time.

A further improvement will be the introduction of electronic call monitoring, and this is currently under consideration. The advantages of such a system are that it leads to real time information, improves budget management and should avoid invoice queries that currently take up a lot of staff and provider time. This in turn should realise budget savings and provide a clearer financial position.

Contract concerns

The working group heard that a report is imminent from the Council's Internal Audit team which covers a host of activity for the period from October 2008. Any potential changes to the procurement process would be dependent on the outcome of the audit. The working group were also provided with other guidance:

- Investigations which have involved the police are subject to only a limited audit report. The level of disclosure will be affected by whether it is a criminal matter. For any investigation there is a statutory requirement for Adult Protection to inform CQC;
- Some concerns have been received in relation to the receipt of poor quality care. This has resulted in a number of referrals to Adult Protection. The working group heard that a challenge exists in undertaking investigations as often there is a lack of evidence to support claims made;
- The complaints procedure is a live process and is constantly updated. All complaints are received by the contract monitoring



team and then directed to appropriate colleagues, for example, Children's Safeguarding or Adult Protection;

- Complaints are looked at in parallel to the complaints report to identify where similar complaints have been received to highlight patterns and significant areas of concern. For example, if a disproportionate number of complaints have been received in relation to a particular provider. Where providers have hit the five or more concerns marker this may prompt further investigation and a report.

Concern Activity: April 2008 – December 2010

The working group heard that there were a number of different concern types:

- Care Planning;
- Security;
- Health and Safety;
- Needs and Risk Assessment;
- Protection from Abuse;
- Confidentiality;
- Equalities and Diversity;
- Complaints

The total number of concerns for all services was 389, of which 251, or 65%, related to domiciliary care. The working group heard that typically the greater proportion of concerns were experienced in domiciliary care. This is not unusual and also occurs at other councils. Concerns are subdivided into Open and Closed. Open concerns are active cases that the team is still working on with providers at various stages. This might include speedy resolution of the original issue, with remedial action having been taken, but with an ongoing 3 or 6 month review. The working group heard that there was a distinction between safeguarding activity undertaken by the Safeguarding team and contract compliance which is the responsibility of the Commissioning team.

The working group heard that at the introduction of the new contract arrangements in October 2008 there was a significant increase in the number of concerns which were largely a consequence of having to change provider. However officers acknowledged that the incremental fall rather than a more immediate decline in recorded concerns over the subsequent twelve month period indicated that there had been a difficult period of transition with improvements having been made following a review.

Monitoring of appointments with care recipients

The working group learnt that how providers monitor care staff arriving at the scheduled time with care recipients is one of a number of identified risks. Currently some providers use a system where a Personal Identification Number (PIN) number is entered into a phone to confirm that the carer has arrived at the home of the care recipient. Most providers now have some sort of electronic monitoring system. "PIN and Prove" involves the carer logging onto the system, providing

care, finishing, and logging off, this is then checked against the care plan. A number of concerns have been experienced including, “fiddling of the system”, whereby the care provider encourages the care recipient to enter the PIN number into the phone. Strategies to tackle this include mystery shopping.

The working group acknowledged the need to place the number of complaints in context. It is equivalent to one a week out of four thousand care packages. However, the working group emphasised the importance of learning from concerns and complaints to help improve the level of service received by service users as well as drive out efficiencies. The working group also expressed some concerns regarding the clarity and presentation of intelligence in this field.

Links with Personalisation

The challenges around arriving at a point where the different electronic monitoring systems used by the different private sector care providers are all able to communicate with the Council’s system is one of the issues being considered by the People First Programme. The Council’s Information Communication Technology (ICT) service is investigating what would be the most suitable and robust approach e.g. a bolt-on system. Difficulties exist in providing staff with monitoring cards as this would be costly.

Improving the management of concerns

The working group heard that there were a number of issues with the existing approach to the management of concerns. It might be possible to achieve the earlier resolution of concerns, for example, by developing an approach whereby an initial stage in the process would see a service user’s concern regarding a late call resulting in a social worker contacting the care provider directly to seek to resolve problems. A further piece of work currently underway relates to the classification of critical care needs aimed at creating a greater level of flexibility and capacity in the provision of care. For example, where a care plan states that a service user has a critical requirement of a 9:00 a.m. call, unless this is self-evidently necessary e.g. medical treatment such as the administration of insulin, it will probably be possible to create a wider call time window e.g. agreement that a carer can arrive within half an hour of the specified call time.

Other proposed improvements include the introduction of a system that links electronic call monitoring and the production of invoices. This is particularly important given that there are approximately 4,000 calls a day. This would tackle some of the inefficiencies currently being experienced in the system. For example, some agencies currently use manual time sheets which are completed on a monthly basis.



The view of the working group

Concerns

The working group acknowledged the need to place the number of concerns in context. It is equivalent to one a week out of four thousand care packages. However as service delivery is based on personal contact it is apparent that the system inevitably acts as a disincentive against complaints. Whilst acknowledging work undertaken on the gathering and analysis of complaints, significant concerns remain as to the effectiveness and thoroughness of the Council's intelligence in this area.

The working group also identified the need for work to be undertaken with partners to improve capacity in service delivery by increasing call time windows.

Monitoring

The working group also expressed strong concerns regarding the absence of monitoring at point of service delivery. A potential future role for social workers was identified in supporting a monitoring system. The working group also recognised that while a significant amount of information is provided by electronic monitoring making it a powerful tool, it still represents a limited means of maintaining the quality of care. However, the group emphasised the importance of effective monitoring in the delivery of high standards of care.

Other key Issues

The working group discussed a number of issues with officers in response to queries, some of which were raised by Councillor Pete Smith and others:

Qualifications

All providers must ensure at least 50% of carers are qualified to National Vocational Qualification (NVQ) Level 2. The Council expects the providers to pay for training and all future contracts will require this. It would be necessary to look at existing employment contracts to determine if providers are currently permitted to charge staff.

The working group thought it was reasonable that the providers should meet the cost of providing these qualifications. However, the working group also recognised that one of the difficulties for providers in funding qualifications is that within a competitive market care staff will frequently move between providers and so this might act as a disincentive for care agencies to fund training.

Bank holiday working

The working group learnt that zero hours contracts mean that care staff are not required to work more than their contractual hours. This is particularly challenging during seasonal holidays. However, many families do not request care, for example, on Christmas Day.

Financial management of care providers

The working group were informed that all care agencies had to demonstrate competence. The Council also retains the right to ask to see their accounts, staff payment records, contractual clauses etc. The regulator, CQC, can also seize documents. They also face a raft of strict EU legislation, including in relation to financial arrangements and equal opportunities, with breaches having the potential to create significant difficulties for providers.

Provision of care during unsocial hours

If a care plan has been agreed for a specific time the provider cannot refuse to provide the care. There is a requirement for the social worker who undertakes the care assessment via the brokerage team to change the care plan as necessary. It is made clear that the brokerage system should be flexible and be able to react to a care recipient's requirements, including the wish to make a short-notice alteration to a care plan. (For example, to amend the time a carer visits a service user from 9:00pm to 10:00pm). The contract arrangements with care providers run 24/7 and the care recipient's requirements must be met by the care provider. Any evidence that this was not happening would be considered a breach of contract and would result in an investigation. In addition, where necessary the out-of-hours social work team provide emergency care.

Suspending a provider

This course of action can be necessary as otherwise the Council might be subject to legal challenge. In the event of a suspension the Council is required to have a contingency in place. In the case of a recently suspended agency the suspension was lifted using a sound evidence base and this was validated by the regulator, CQC.

Recruitment

The working group heard that there have been significant pressures on the sector for both local authorities and private sector providers, particularly in terms of recruitment due to unattractive wage levels. A further challenge centres on the retention of staff, with many moving to other care providers for pay rises of as little as 3p per hour. In addition, the difficulties of providing care provision with a transitory workforce are intensified by significant anecdotal evidence that, for example, when a new local supermarket recruits the higher rates of pay offered often have the inevitable outcome of attracting care staff.

Payment Deadlines

Until earlier this year the target was to pay invoices within 30 days from the date of receipt into the Council. Following on from the recession, this target was revised to 15 days for "average payment time". The Council is achieving this target overall, but there have been some

delays within the Brokerage Team. These issues have been identified and will be addressed during 2010 to ensure that performance targets are met.

Perspective of Union Representatives

The working group heard that it was the understanding of unions that the Council's in-house care provision had been reported as the second highest unit-cost in the country. However, the union representatives queried whether this was based on a like-for-like comparison with other authorities or if in fact it included other corporate costs. Other concerns highlighted by the union include difficulties of travel time for care staff between care recipients, an apparent disparity between pay rates for the private sector care staff and Council employees, as well as an absence of monitoring at point of service delivery.

The view of the working group

Wage levels

A key concern was that any flexibility within wage levels which may have supported the retention of care staff and establishing a stable workforce was impacted by the detrimental impact of the e-auction process.

Flexible care

The working group also highlighted concerns in relation to the provision of flexible care as well as the suggestion of significant disparity in pay rates between the public and private sector. The group also felt that it was important for those issues in relation to capacity to be resolved, with this set to become increasingly urgent as a consequence of the introduction of Personalisation and individual budgets. It would also be necessary for the costs of staff training to be reflected in the contract price.

Average payment time

The working group were also very concerned in relation to payment deadlines and the use of "average payment time". Particularly as in terms of performance measurement it would be possible for a small number of prompt payments to mask very late payments. The working group felt that it would be more appropriate for an approach which measured performance of achievement against timescales to be employed.

Other Challenges

The working group felt it was important to highlight the significant pressure that demographic changes will place services under. Whereas the projected growth in those over 85 years old will further increase demand for specialist dementia care.

Consistency of Care

The working group learnt that a key challenge was achieving consistency of care. Following the financial failure of one care agency, work was undertaken to see if carers could then be transferred under Transfer of Undertakings (Protection of Employment) (TUPE) regulations to other care agencies and so enable the recipient to continue to receive care from the same carer. However, in a low wage market consistency of care will always be difficult, particularly with the continual threat of alternative employment, for instance supermarkets offering more attractive rates of pay. The working group were advised that the contractual break in 2010 will provide the opportunity to ensure that care agencies commit to better rates of pay for care staff.

Procurement options

There are also a number of options for future procurement. The new joint commissioning arrangements for health and social care will need to consider a number of key issues. These include how to provide effective care for older people within ethnic minority groups. There is currently a low take up of services within these communities who are traditionally hard-to-reach and solutions will need to be identified.

Work undertaken by Walsall Council

The difficulties experienced prompted the development of a Domiciliary Care Action Plan. This activity involved a number of stages and proposals including reviewing the Council's Care Plan to understand key issues such as capacity:

- For example, improving the approach to categorising urgent and non-urgent assessment and support. This represents a move away from a system where individuals are assessed within 24 hours regardless of urgency to a more flexible case-by-case needs-based approach;
- Other revisions of previous practice included responding to the greater block contract hour needs in the South in comparison to the North of the borough. This meant that the block hours arrangements were more aligned with supply and demand. This approach was enhanced by private sector care providers being limited to bidding for block contracts within the same area;
- Increased flexibility is being built into new contracts. However, contracts will retain the requirement for block contract providers to have the capacity to respond to emergency care needs;
- In respect of contract monitoring an investigation is currently being undertaken by the Council's Audit team in response to concerns that fraudulent claims are being made by private sector care providers. The contract monitoring team also check for other problems including call cramming. (Where care visits are ended earlier than agreed in care plans).



Creating Capacity

The working group learned that a key difficulty is that often block providers will tender and then only increase capacity to the necessary levels if they win the contract. Problems such as call cramming occur because they are unable to successfully increase capacity. Members felt that the proposal for a more flexible approach to assessments should help ease these problems. Officers explained that this will be part of a process of seeking to make the placement of care packages more flexible as well as introducing a four-day rule for the placement of those packages. Emergency care is also part of the block contract requirements.

Task versus Time

The current process of audit within the Council requires time oriented payment rather than task or outcome oriented payments. Task based payments would mean contracts based upon the outcomes being experienced by service users, and this has been an issue nationally where auditing the public purse has been easier if the reconciliation of the unit cost can be easily carried out against sub elements of that cost, e.g. 20 minutes or half an hour. The transformation of social care in line with personalisation will challenge this, and will require whole systems change that plan, manage and monitor care within an outcomes framework.

Reasons for Failure: Transition

Providers were made aware prior to and during the tender of the timescales for implementation. The contract start date was deferred from 1st July 2008 to 1st October 2008 in order to allow some additional time for transition. A series of operational meetings was held during August and September to manage the transfer of care between providers. New Contracts commenced on 1st October 2009. The process of transition was complex with some organizations concerned about confidentiality of client records, and there were some issues between different providers who were not prepared to work in partnership to ensure a smooth handover.

View of the working group

It became clear to the working group that the commissioning process has the affect of leaving over-capacity in some areas of the borough, and under-capacity elsewhere. The working group welcomed the work undertaken in the Domiciliary Care Plan and were pleased to note the progress made in a number of key areas, including greater flexibility in contracts. The group also felt it was important that care providers were encouraged to create stable workforces to assist in achieving consistent levels of care. However, whilst acknowledging that difficulties in providing absolute guarantees of the quality of care provided the working group repeated its concerns regarding effective monitoring.

Conclusions

Block Contract Arrangements

The working group expressed major concerns with regard to the procurement and implementation of area- based contracts. This included:

- *the detrimental impact of an e-auction approach in this field of social care leading to a perception that several service providers felt that failure was inevitable – a view with which the working group had considerable sympathy;*
- *the staffing implications of block contracts established with any TUPE staff transfers;*

The working group highlighted the need for an urgent review of the current system of block contracts, in particular in view of the contradictory implications of the Personalisation agenda. The working group noted that there is a potential contract break for renegotiation as from October 2010 which should be used for a strategic review.

Monitoring of appointments with care recipients

The working group expressed strong concerns regarding the absence of monitoring at point of service delivery. A potential future role for social workers was identified in supporting a monitoring system. The group also recognised that while a significant amount of information is provided by electronic monitoring making it a powerful tool, it still represents a limited means of maintaining the quality of care. However, the working group emphasised the importance of effective monitoring in the delivery of high standards of care.

Options appraisal

The working group were pleased with the review activity undertaken. However the working group also expressed the view that there is a need for further evaluation of the current procurement process with agreement that a more outcome-focused and flexible model is required. This would enable a more inclusive approach, with all relevant Council service areas involved throughout the process and deliver strengthened outcomes.

Contract Monitoring: Complaints & Concerns

The working group acknowledged the need to place the number of complaints in context. It is equivalent to one a week out of four thousand care packages. However, the working group emphasised the importance of learning from concerns and complaints to help improve the level of service received by service users as well as drive out efficiencies. The working group also expressed some concerns regarding the clarity and presentation of intelligence in this field.



The working group also identified the need for work to be undertaken with partners to improve capacity in service delivery by increasing call time windows .

The use e-auctions

The working group were keen to emphasise that it was clear that the e-auction had almost certainly achieved too low a price which, while appearing attractive on paper and within budgets, was unrealistic in supporting sustainable good quality service provision and has significantly contributed to many of the problems identified by the working group. It was clear that an effective value for money assessment should include both cost and quality.

Recommendations

That:

1. an urgent review of the current procurement system, including block contracts, is undertaken;
2. assurance is provided for the future as to actual service delivery of contracts. This should include an action plan against potential fraud to be reported to the Social Care and Inclusion Scrutiny and Performance Panel;
3. an effective element of domiciliary care in-house services is retained in order to react to emergency situations and/ or withdrawals from existing contracts by private sector providers. Services should be delivered based on comparative costs assessed on a like-for-like basis;
4. further work be undertaken to develop the role of social workers in managing referrals, including concerns, to avoid delay in resolving issues;
5. further work to be undertaken, working closely with delivery partners, to improve capacity in service delivery by increasing care visit call time windows;
6. further work be undertaken on a joint commissioning approach between the Council and tPCT, including in relation to the role of community and health visitors and the community nursing service;
7. that detailed work is undertaken in relation to understanding types of need, the geographic location of need and likely demographic changes over the next decade;
8. e-auctions are no longer used for the commissioning of care services.

Appendix 1

Work Group Name:	Domiciliary (Home) Care
Panel:	Social Care and Inclusion
Municipal Year:	2009/10
Lead Member:	Councillor Oliver
Lead Officer:	Gary Mack; Jack Collier (external support)
Support Officer:	Matthew Underhill
Membership:	Councillor Oliver Councillor Martin Councillor Barton Councillor Robertson
1. Context	
	The working group has been set up to look at the domiciliary care market in Walsall in light of recent lessons learned from the tender and the implementation of the contract from 1/10/08.
2. Objectives	
	<ul style="list-style-type: none"> • Diagnose the current issues with the domiciliary care market and resolve them; • Look at all the difficulties faced by stakeholders (service users, social workers, commissioners, brokerage staff and providers) when trying to place packages of care and resolve them; • Review the lessons learned for all stakeholders; • Look at how Personalisation will affect the market.
3. Scope	
	<ul style="list-style-type: none"> • Look at the effectiveness of block contracts; • Develop working partnerships with providers; • Help providers to develop their business skills, in order to respond to tenders or changes in the market.
4. Equalities Implications	
	Domiciliary Care is an area of local service delivery that operates in a way that recognises its legal and moral responsibilities in respect of equalities. This includes Equality Impact Assessments which the working group will have the opportunity to review.
5. Who else will you want to take part?	
	<ul style="list-style-type: none"> • People First Team (Brokerage); • Procurement Team • A working group has been set up recently which is pulling all the strands of the domiciliary care project together. This is an officer group, and is currently meeting to resolve contracting and operational issue. The outcome of these meetings can be shared with the SCI Panel working group as required.
6. Timescales & Reporting Schedule	

	The working group will look to feed into work to be undertaken this autumn to develop an action plan to vary contracts or re-tender by 1 st October 2010 where there is a break clause in the contract and update the Panel where appropriate.
7.	Risk factors
	The personalisation issues relating to Domiciliary Care are very reliant upon the development of "Putting People First" strategies led by the People First transformation team.

Date Agreed:	13 July 2009
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