



Homecare recommissioning - update report

Scrutiny Committee 8 June 2021



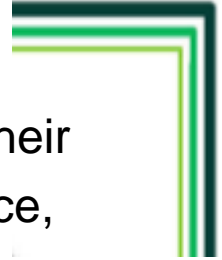
Hackney

Introduction



- Currently the Council spends in excess of **£21m** per year on homecare and supports over **1,200 people**.
- Given the importance of the service, commissioners wanted to ensure that elected members and partners were sighted on this work and had chance to comment on the proposals before the model is fully finalised and presented to Cabinet later in the year for formal approval.
- Commissioners have completed a number of engagement and co-production events with residents, staff and partners over the past year to determine the best model of homecare for re-procurement. The proposed model is discussed in this presentation for comment and approval by the committee.

What is Homecare?



- Home care is a form of support and assistance provided to people in their own homes and is a Care Quality Commission (CQC) registered service, meaning it is regulated and inspected through the CQC.
- Care can be provided through an agency, or through a personal assistant that the individual requiring care recruits themselves through the use of personal budget.
- The type of care provided is focused on supporting people to perform what are known as activities of daily living (ADL) such as bathing, dressing, eating, taking medication etc.
- Individuals must be eligible for care and support under the Care Act (2014) to be in receipt of homecare. The criteria are set nationally as 10 'eligible outcomes' covering issues such as, maintaining personal hygiene, managing and maintaining nutrition, and maintaining a habitable home environment.

What is Homecare?



- For a person to be eligible for services, their needs must relate to an impairment or illness which means they are unable to achieve at least two of the 10 eligible outcomes on a day-to-day basis, and that this has a significant impact on their wellbeing. This means that individuals will have high levels of need in order to qualify for social care support.
- Home care, along with most other forms of care provided by the council, is not free at the point of contact. People who are assessed as having eligible needs are also required to undergo a financial assessment which will determine what financial contribution they will need to make towards their care. Most people are required to contribute financially to some degree to their care. Some people are assessed as needing to pay for their care in its entirety. These people are known as self-funders.

Background



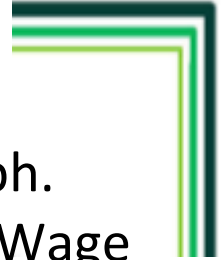
Adult Services

- 41 providers for Adult services, deliver 1,180,700 hours per week for 1,200 vulnerable adults
- For ASC, 8 framework providers deliver 78% of all hours and receive 79% of all spend (£16.8m)
- The remaining 33 providers commissioned on a spot purchase basis deliver 21% of all hours between them at a total spend of £4.6m
- 80% of all homecare staff are Hackney residents
- 7 framework providers and 15 Spot providers are registered as being based in Hackney

Children & Young People Services

- 238 Service Users (143 0-12 yr olds & 95 13-17 yr olds)
- Annual spend - £1 .5M
- 123,759.48 hours per year

Background



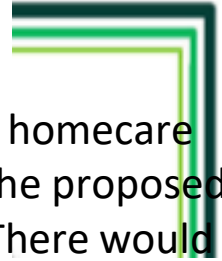
- The current average hourly cost of care in Hackney is £18.22 ph.
- This enables providers to pay care workers the London Living Wage and includes travel time, training costs, holiday pay, overheads, back office costs and a surplus (profit) for providers.
- The single biggest framework provider in Hackney provides care to 264 individuals.
- The smallest 2 framework providers are culturally specific to the Orthodox Jewish Community and provide care for just over 30 individuals between them. It is important to note that the carers are not from the Orthodox Jewish Community, but they do receive training and support around cultural considerations when delivering care.

What we have achieved through current commissioning arrangements



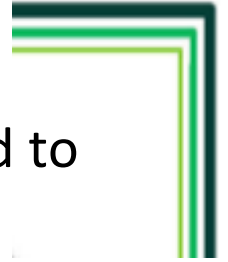
- All providers are required to pay the LLW to their staff;
- Homecare benchmarking has highlighted that LBH is one of the few Local Authorities to insist on the LLW being paid;
- All framework providers are required to sign up to the Unison Ethical Care Charter which:
 - Promotes continuity of care,
 - incorporates travel time,
 - aims for the reduction in the use of zero hours contracts and ensures care worker are given regular training.
- The Council recognises how home care workers are valued and how they are an integral to the health and social care system through the annual Hackney Care Workers Award.
- Home care workers during the first and second wave of the pandemic were the backbone of the service, ensuring our vulnerable residents could receive care.

New Proposed Contract Model



- The most significant change being proposed is that Hackney splits the delivery of homecare into 2 or 3 zones, known as patches. These patches would be clustered around the proposed Neighbourhoods and allow for a smaller geographic delivery area for providers. There would be 2 or 3 patches, as opposed to 8 neighbourhood. This is to allow for enough hours per provider to be attractive and give economies of scale and financial stability.
- The overall number of providers Hackney commissions would be reduced, with 2 lead providers per zone delivering 80% of all homecare in that zone for older and physically disabled people.
- It is further proposed that the delivery of 'specialist' homecare services is commissioned through specific lots to cover the whole of Hackney, as the volume is not large enough to warrant a smaller split. Specialist services includes: mental health, learning disabilities and Children and Young People home care.
- Volumes for LD/MH and CYP home care are small (less than 200 residents), so a single lot covering all specialist provision may be necessary.
- Further data analysis, engagement and modelling is being undertaken to determine the exact size, number and type of patches and lots required.

New Proposed Contract Model



- Further consideration needs to be given as to whether we need to commission culturally specific services, for example, specific providers to support the Orthodox Jewish Community and the Turkish Kurdish Community or whether this can be made a requirement that can be met through patch providers.
- A further 'Approved Provider' lot would also be commissioned to ensure sufficient capacity in the market to meet increasing demand, and to provide an element of choice to service users who do not want to use the providers in their patch for whatever reason. An approved provider lot would also allow the council to support smaller, Hackney based providers to build their capacity and retain their ability to deliver services in Hackney.

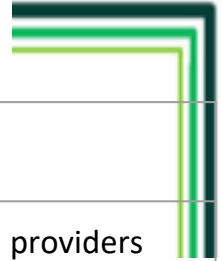
Model considerations - A patch based model



Benefits

Closer relationships between providers, the council and GPs	More financial certainty allows for more flexible use of allocated hours and more person centred, outcome based care
An overall reduction in the number of framework providers to allow for stronger relationship building and closer quality monitoring	Allows providers enough certainty around commissioned hours that they should be able to offer better economies of scale and better terms and conditions for staff
Patch based Framework providers have more financial stability which allows for longer term, planning, and the ability to offer fewer zero hours contracts	Fewer providers allows commissioners and social workers to support providers with more training for staff, for example, in manual handling, infection control or medication management
Providers supported and trained to work in a reablement/enablement way with residents	Greater stability and consistency for care workers and residents.
Better ability to work with providers to maximise the use of telecare and reablement approaches	Reduced travel time for carers

Model considerations - A patch based model



Challenges	Mitigations
Larger contracts usually mean bigger, potentially less local providers would be more likely to be able to win the contracts	Commissioners would work with procurement to support local providers with procurement training, and the approved provider list would be specifically tailored to attract smaller, Hackney based companies
Potentially reduced ability to manage any market failures	Each patch would have two different providers, and no provider would be allowed to deliver in more than one patch (possibly 2 if 3 patches in total). The approved provider list could be used to provide additional capacity
The number of existing providers in the market would potentially reduce	Any provider that is unsuccessful in bidding for the core patches would be able to bid to be part of the approved provider list
Reduction in choice of provider for residents	If a resident had a strong view or reason to want a provider other than the patch based providers, this could be accommodated through a direct payment or agreement by exception
Disruptive to existing care arrangements	The majority of care workers would likely be eligible for TUPE transfer to the new patch providers. However, individuals could also be offered a direct payment to maintain their current care arrangements if necessary

Consideration to bringing services back in-house

Commissioners have also given consideration to whether services could or should be brought back in-house. Whilst there are some clear benefits to bringing the service back in, there are a considerable number of challenges to this. These are both set out in the table below.

	Commissioned	In-house
Staff paid the LLW	✓ Yes	✓ Yes
Reduction in zero hours contracts	✓ Yes	✓ Yes
Named pool of carers for each client	✓ Yes	✓ Yes
Cost	£21m	£24m (cost of core service only, not including increase management, overhead and office costs)
Existing management expertise	✓ Yes	X No
Enhanced training and development for workforce	✓ Yes	✓ Yes
Council ability to meet Care Act (2014) responsibility to provide market sustainability and choice and control	✓ Yes	X No
Guaranteed payment for travel time, training and uniform allowances	✓ Yes	✓ Yes

Engagement Consultation and Co-Production (ECCP)



Engagement & Consultation - September 2020 to June 2021

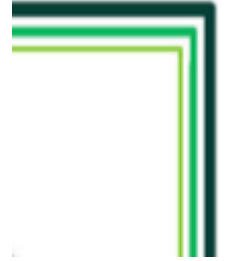
- Health Watch Hackney consulted service users, carers and care workers; overall response was low (C-19 pandemic). The key theme frequently stated was praise for care workers and their work is valued by service users and family.
- Focus groups have been held with health and social care practitioners, Brokerage and Finance and are on going
- Market Engagement events to gain view of the market have also been held and are ongoing

Co-Production June 2021 - December 2021

- Further co-production groups are being developed for service users/carers and health and social practitioner, the groups will feed into the development of the service specification and be part of the procurement process to select providers for the new contract model.
- Further iterations of the model will be tested with residents, staff and partners through these groups, including identifying mechanisms for feedback once the new model has been implemented and ongoing.

A project board and working group has been developed to support the recommissioning, both the board and working group have good representation from health and social care practitioners and strategic partners for example City and Hackney Dementia Alliance, CHCCG, Integrated Independent Team and East London Foundation Trust.

Next Steps & Timeline



- Co - Production Group established

June 2021

- Business Case/Option Appraisal to Cabinet Procurement &

September 2021

Insourcing Committee (CPIC)

- Tender out to the market

September 2021

- Tender returned and evaluated completed

end January 2022

Home Care Demographics*

Fig 1. Gender

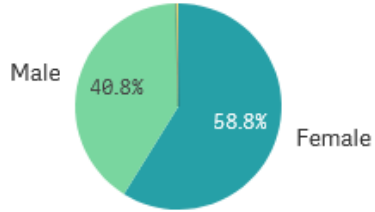


Fig 2. Carer?

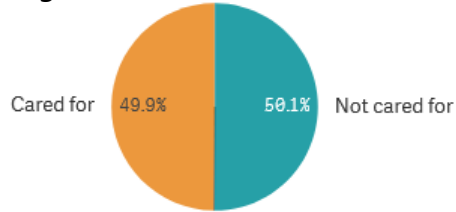
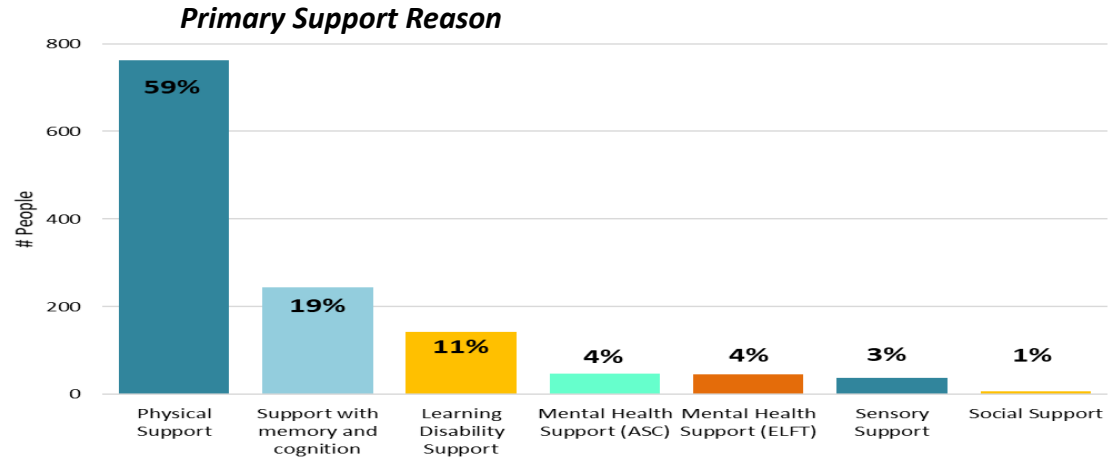
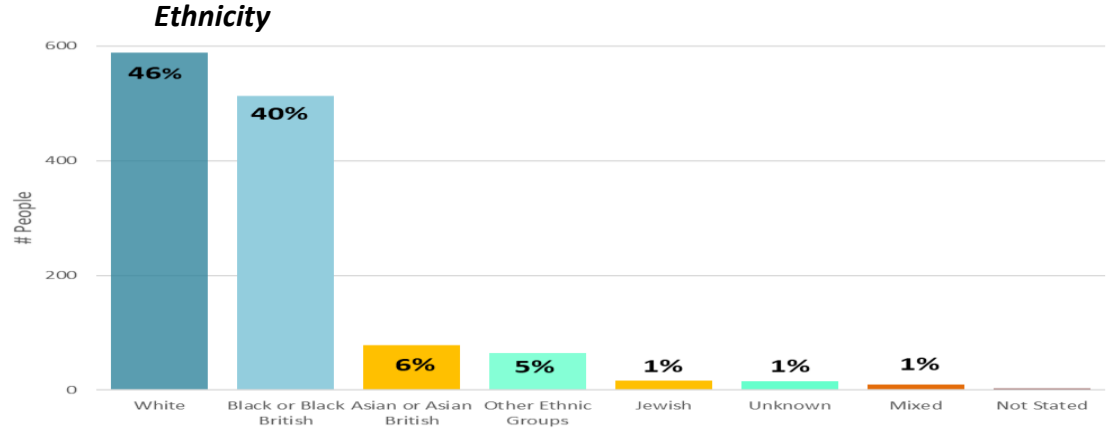
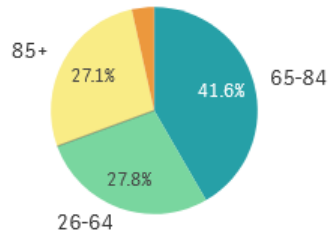


Fig 3. Age Band



*Qlik ASC Demand Model – Snapshot Oct 2020