

**Wiltshire Council**

**Cabinet**

**23 July 2013**

---

**Subject: Progress Report on Help to Live at Home Service**

**Cabinet member: Cllr Keith Humphries – Public Health, Adult Social Care and Housing**

**Key Decision: Yes**

---

### **Executive Summary**

The purpose of the report is to:

- Update Members on the Help to Live at Home service in the light of Aster Living's decision to terminate contracts in three of the eight contract areas.
- To highlight to Members the link between well paid staff and good quality care.

### **Proposals**

That Members note the steps being taken to award three contracts for the provision of care and support services in Wiltshire.

That Members support the position that the Council is looking to promote by valuing the domiciliary care workforce and ensuring domiciliary care providers reward staff appropriately, recognising the link between well valued staff and quality care.

### **Reason for Proposals:**

A tendering process is required due to the termination of three contracts with the Council for the provision of Help to Live at Home services in South and East Wiltshire. This termination comes into effect on September 28<sup>th</sup> 2013. Work is well underway to re-let these contracts to ensure customers receive continuity of care.

**Maggie Rae**  
**Corporate Director**

## **Wiltshire Council**

### **Cabinet**

**23 July 2013**

---

**Subject: Progress Report on Help to Live at Home Service**

**Cabinet member: Cllr Keith Humphries – Public Health, Adult Social Care and Housing**

**Key Decision: Yes**

---

### **Purpose of Report**

1. The purpose of the report is to:
  - Update Members on the Help to Live at Home service in the light of Aster Living's decision to terminate contracts in three of the eight contract areas.
  - That Members invite officers explore further issues that will further value the work of the Help to Live at Home care and support workforce thereby improving the quality of care delivered to customers.

### **Background – Help to Live at Home Contracts**

2. Following extensive consultation with customers, carers and other stakeholders, the Council, in partnership with the NHS, designed an integrated care and support service. This service brought together a range of services that were previously provided by different organisations and included:
  - housing support to older people living in sheltered housing
  - personal care to people living in their own homes
  - rehabilitative care for people that have been discharged from hospital
  - Social inclusion and preventive activities.

It was decided that these services would be provided both to people eligible for financial support from the Council and to those funding their own care.

3. Consultation with customers highlighted difficulties customers had in accessing care themselves because they found the care market confusing with many different organisations appearing to provide similar services. Customers also emphasised that they valued choice in the service they received personally, rather than having a range of organisations from which to choose. In response to this the Council commissioned care and support services based upon geographical "patches" where a sole

provider delivers all the care and support in that area. This provides an attractive business model for providers giving them economies of scale, and reducing the amount of mileage for staff in between care visits. These benefits have resulted in lower unit costs benefitting the Council and provider.

4. As a result of this consultation, the Council took a decision to divide the county up into eight areas and to award contracts to one provider for each area thereby giving the successful providers economies of scale. This approach has resulted in one provider being responsible for all the care in their area, including the service provided into sheltered housing schemes. In taking this approach the Council ensured successful providers had an opportunity to develop the market in their area and to recruit local staff.
5. At that time the Council was purchasing care from approximately 80 companies. The move to larger contract areas and in awarding long term contracts of five years (+ two) reflected the Council's recognition that the service being commissioned was significantly different to previous services and would require significant changes in approaches to be taken.
6. The contracts that were awarded were "outcome based" with providers being paid once they have delivered the outcomes rather than being paid for the time they spent with a customer.

This approach is one that is unusual and has attracted a great deal of national interest from other local authorities. A conference hosted by the Department of Health was held in Wiltshire in June in response to the numerous requests we have had for further information about the approach that Wiltshire is taking. Staff from 24 local authorities from all over the country attended the conference at which the Department of Health representative commended the approach and recommended other local authorities took a similar one.

7. In 2011, four companies were awarded eight contracts with Aster Living being awarded three, two in South Wiltshire and one in East Wiltshire. The other companies being: Enara, Leonard Cheshire and Somerset Care.
8. In March 2013 Aster Living gave notice to the Council on all three contracts. As the Council is currently engaged in a re-tendering exercise it is not possible to give detailed information behind this decision. However, some of the reasons behind this decision include: significant difficulties in recruiting staff, the expected TUPE transfer from unsuccessful providers did not occur and the rural nature of the South Wiltshire area contributed to this decision.
9. This will affect in the region of 600 customers, 33 sheltered housing schemes and approximately 200 Aster staff.

## **Background – Quality in the Provision of Care and Support Services:**

10. The domiciliary care workforce is traditionally paid on an hourly basis with wages in Wiltshire around £7.50 per hour. Many staff are not paid unless they are with a customer (zero hour contracts). The United Kingdom Homecare Association (UKHCA) states that “The workforce is predominantly made of female part time workers and in 2010 Skills for Care estimated the average age of care worker at 25. Using “National Minimum Dataset” figures from Skills for Care, the average hourly pay for a care worker was £6.68”.
11. The approach many local authorities have taken to commissioning domiciliary care is to award block contracts based upon price and to drive down costs. The UKHCA in their review of home care provision states that: “Public spending cuts are placing greater pressure on local authority social care commissioners who are restricting the amount of care that they buy as well as the price they pay. UKHCA’s 2012 commissioning survey showed that over a third (34%) of the UK’s homecare providers were concerned about risks to the dignity or safety of the care that local councils require them to undertake for older and disabled people”.
12. This approach has resulted in incidences of poor care throughout the country and high levels of staff turnover (24% of staff leave each year according to the National Minimum Data Set)<sup>1</sup>, resulting in a lack of continuity for customers. (This evidence reflects the position locally which is monitored through contract management processes).
13. This is not to suggest that the workforce is not committed. There are many care workers providing excellent care to their customers week in and week out.
14. Developing a professional care workforce with salaried staff and clear career pathways is an aspiration of Help to Live at Home. The approach to commissioning the service - long term contracts and integrated care and support, is one that encourages the development of a different workforce. This has not yet been achieved. To date approximately 25% of the workforce are salaried, this includes office staff, but work is underway with all the providers to address this.

## **Main Considerations for the Council – Re-Tendering of Contracts:**

15. Expressions of interest have been invited from providers interested in delivering these contracts and to date in excess of 90 providers have done so. An information day has been held with two further bidders days planned.
16. The timescale is tight and tender documents included the evaluation criteria have been finalised and uploaded onto the Council’s procurement portal. The Corporate Procurement Unit has assisted with this.

---

<sup>1</sup> Recruitment and Retention of a Care Workforce for older people, Manchester Business School 2011

17. To take account of the difficulties experienced by Aster in recruiting staff and the volume of care that is currently being delivered by upwards of 15 sub-contractors it is proposed to divide the existing three contract areas into a smaller number of “lots”. Providers will be able to bid for a number of smaller contract areas. This will enable smaller providers who are currently delivering care as a sub-contractor to Aster to bid for that work. This promotion of opportunities for smaller local business reflects the Council’s approach to supporting local, small and medium sized enterprises.
18. Council officers are working closely with Aster staff to plan the transfer of service in the autumn to ensure disruption to customers is minimised. Currently, in South Wiltshire Aster has 11 sub-contractors providing 75% of all the hours being delivered in that area under this contract. This group of sub-contractors represent an important part of ensuring continuity in provision for customers and regular meetings are being held with them. This will be supplemented with individual meetings with each sub-contractor to better understand their position going forward. Some may be planning to submit tenders, whilst others may not be interested, this information needs to be gathered to plan for the period after Aster’s contract end and before the new provider(s) are able to take on the work.
19. Communication with those affected is a priority. When Aster gave notice, each customer received a letter from Aster and a separate letter from the Council which was followed up by contact from our operational teams to ensure customers had an opportunity to ask any questions or raise concerns. This communication was effective and few concerns were raised.
20. A customer care line has been established to respond to any concerns. Since the announcement of Aster’s withdrawal was made, there have been fewer than 10 calls from customers seeking further information.
21. A communication plan will be developed by the Council to ensure that all customers are fully informed about any potential changes to their service. This communication plan will be led by the Council.
22. Wherever possible care staff will be encouraged to TUPE transfer to the new provider so that customers continue to receive care from familiar care workers. This will be monitored closely.
23. Members are asked to note the progress made in awarding contracts and the approach being taken.

### **Main Considerations for the Council – Quality in the Provision of Care and Support Services**

24. In 2012 the Care Quality Commission, in its report “Not Just a Number – A review of Homecare Services” stated that:

“Some recent national reports have pointed to problems with home care services. The Equality and Human Rights Commission (EHRC) published its report *Close to home* in November 2011, which reported the findings of an inquiry into older people and human rights in home care, and uncovered areas of concern in the treatment of some older people and significant shortcomings in the way that care is commissioned by local authorities. An investigation published by *Which?* in March 2012 also uncovered failings in many areas of home care, and the United Kingdom Homecare Association (UKHCA) reported on a survey about how home care services are commissioned by local councils and trusts in its report *Care is not a commodity* (July 2012). A further report published in summer 2012 by the trade union UNISON includes the results of a survey of home care workers. In the report, *Time to Care*, the responses showed “a committed but poorly paid and treated workforce which is doing its best to maintain good levels of quality care in a system that is in crisis”. The report highlights how poor terms and conditions for workers can help contribute towards lower standards of care for people receiving home care services”.

25. The Help to Live at Home contracts give Wiltshire Council an opportunity to take an imaginative and different approach to addressing quality. We acknowledge the importance of the workforce and the need to develop an environment that values staff, recognises their contribution, enables them to develop a career in care and incentivises them to continue to care.
26. The Help to Live at Home contract has been designed to promote this new approach to the employment of care staff. By allocating contracts on a geographical basis this gives providers the opportunity to recruit local staff to deliver to local people. Furthermore, in bringing together both care and support functions this has brought salaried staff into the same workforce as those on hourly pay. Work is underway with existing providers to move from hourly based to salaries and to ensure staff receive remuneration that is commensurate with the importance of the work that they do.

### **Environmental and climate change considerations**

27. Help to Live at Home is based upon the idea that local care workers deliver service to local people and that wherever possible customers should be encouraged to access local resources. To this end the approach reduces the amount of travel care workers do between customers.
28. There are no environmental considerations with regard to the re-tendering work.

## **Equalities Impact of the Proposal**

29. It is often the case that care workers who provide services to people with mental health problems, those with learning difficulties or physical impairments are paid on a salaried basis. This is because many organizations providing these services are charities. The proposal to increase the pay of care workers and promote the move to salaries could result greater equity in the employment offered to the whole care force.
30. In accordance with the procurement regulations all providers involved in the procurement are being dealt with in an equitable way.

### **Risk Assessment – Re-tendering:**

31. It is acknowledged that transferring customers and staff has the potential for risks. This is being addressed through a risk management log and regular, weekly meetings with the Service Director.

### **Risk Assessment. – Quality in the Provision of Care and Support**

32. The link between the quality of care delivered and the pay of care staff providing that service has been made. It could be surmised that improved pay and conditions for staff will result in improved outcomes for customers and a reduction in risk.

### **Risks that may arise if the proposed decision and related work is not taken:**

33. The re-tendering is required to ensure care continues to be available in three parts of the county.
34. Failure to address the pay and conditions of care staff will continue to result in difficulties with recruitment and high turnover of staff with the resultant advice impact upon customers. Furthermore there is evidence to suggest that poor pay and conditions for care staff results in poor outcomes for customers and incidences of poor care.

### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

<b><u>RISK</u></b>	<b><u>ACTION PROPOSED TO MITIGATE RISK</u></b>
Failure to appoint provider	Consultation with potential providers about service to be commissioned and decision taken to offer South Wiltshire in five “lots” to facilitate bids.
Transfer of customers and staff between providers	Project management in place, with weekly meetings and lead officers to oversee the work.

Inability to recruit skilled and trained staff	Recognising the value of care staff by exploring options for increasing pay and conditions for staff
High turnover of staff	As above

### **Financial Implications**

35. The financial implications of the re-tender of the HTL@H contracts for the three areas affected are not yet known. These financial implications (including any transitional costs) will be evaluated as part of the HTL@H tender evaluation process. There is no additional budget provision for the overall H2L@H contracted services

### **Legal Implications**

36. The Council's legal team have been involved in the development of the tender documents and advised on the contract.

### **Options Considered**

37. The decision to tender the contracts had to be taken quickly to ensure continuity of service therefore no alternatives were considered. The only alternative would be to bring the service in house however, there was insufficient time to develop and implement this option.

### **Conclusions**

38. The Help to Live at Home programme has delivered a new and innovative service to older and vulnerable people in Wiltshire. This programme is based upon services designed with customers and puts the customer in control of the services they receive. By linking the payment of providers directly to the satisfaction of the customer and the achievement of their goals, Wiltshire is unique in the approach it has taken. This approach has attracted a great deal of interest from the Department of Health and other local authorities.
39. The decision by Aster to terminate their contract is unfortunate but there is considerable interest in bidding for these contracts.
40. The work of care staff is fundamental to enabling people to remain independently living in their own homes. The evidence that links the terms and conditions with the care provided requires further exploration.

### **\*Proposal**

41. That Members note the steps being taken to award three contracts for the provision of care and support services in Wiltshire and delegate the decision regarding the contract award to the Cabinet Member for Public



Health, Public Protection, Adult Services and Housing and the Corporate Director. The timetable for this decision is:

Return of bids	July 12 <sup>th</sup>
Evaluation	July 15 <sup>th</sup> – July 25 <sup>th</sup>
Contract award	August 8 <sup>th</sup>
Standstill period	August 12 <sup>th</sup> – August 21 <sup>st</sup>
Contract issued	August 22 <sup>nd</sup>

42. That Members invite officers explore further issues that will further value the work of the Help to Live at Home care and support workforce thereby improving the quality of care delivered to customers.

**\*Reason for Proposal**

43. A provider terminated three contracts they had with the Council for the provision of Help to Live at Home services in South and East Wiltshire. This termination comes into effect on September 28<sup>th</sup> 2013. Work is well underway to re-let these contracts to ensure customers receive continuity of care.

**Maggie Rae**  
**Corporate Director**

---

Report Authors: James Cawley, Service Director and Nicola Gregson, Head of Commissioning Older People - Tel 01225 771673

Background papers

None

Date of report: June 2013