

NORTH LANARKSHIRE COUNCIL

REPORT

To: SOCIAL WORK COMMITTEE		Subject: PRIVATE SECTOR HOME CARE – PURCHASING FRAMEWORK
From: DIRECTOR OF SOCIAL WORK		
Date: 23 August 2001	Ref: JD/RM/DH	

1. PURPOSE OF REPORT / INTRODUCTION

- 1.1. The purpose of this report is to seek Committee's permission to pursue a strategic approach to the commission and purchase of home care services from private sector providers. This would allow the opportunity for increasing choice for service users who need and wish home care. Additionally purchasing arrangements and operational relationships with the private sector providers would be improved thus assisting the Council's ability to meet the challenge of developing services to meet the demand for support for people in their own homes and community care, in conjunction with its own Home Care service.

2 BACKGROUND

- 2.1 This report concerns the use of private sector home care providers who provide services purchased by the Council's in house capacity to meet assessed community care needs, mainly of frail older people.
- 2.2 Currently there are ten home care organisations on the Council's Approved Providers List. Services are arranged by Social Work Area Teams on a case by case basis as need arises. This means that the level of work and length of involvement can vary from case to case, as the Council and the Provider are not under an obligation to continue the care arrangements, i.e. both can terminate the arrangement at any time.
- 2.3 There are also contracts in place with a number of voluntary sector supported living providers and other voluntary organisations who carry out specialist care functions for people with learning difficulties or mental health problems as well as services for vulnerable young people and people with addiction problems. These more specialist services are not covered by the report.
- 2.4 Private providers in North Lanarkshire require to meet certain standards in order to be on the Council's Approved Providers List. (Councils have a statutory requirement in terms of Section 81 of the Local Government Act (Scotland) 1973 to draw up such a list.) Inclusion on the List follows a series of checks regarding policies, procedures, financial and insurance arrangements etc. and an assessment of the "fitness" of the person running the organisation.

- 2.5 Committee has previously agreed the terms under which private providers can be used to meet the growing demand for home care services. The continuing shift from residential to home support means that services need to increase and at the same time allow enhancement in more specialist or complex situations. The nature of services required to meet assessed need therefore needs more combinations of options available to both meet the demand and assure quality. The current pattern of purchasing can create some disadvantages for the Council, private providers and those needing assistance. These include:
- (a) monitoring quality standards becomes much harder;
 - (b) the provider has instability in income with resultant problems retaining staff;
 - (c) difficulties occur ensuring in adequate training and experience in the workforce;
 - (d) recipients of home care experience discontinuity if a private provider commences the service and it is subsequently transferred in house; and
 - (e) occasions where both the private sector and the in house service are involved in the same case.
 - (f) Possible confusion about which provider is responsible for some tasks, or at what times.
- 2.6 Officers of the Social Work Department have recently met with private sector home care providers to discuss issues with the current purchasing system in terms of the difficulties it creates for them in their attempts to deliver a quality home care service and ensure continuity of staff.
- 2.7 In the financial year 2000/2001, the Council purchased over £300,000 of private home care services. In addition to this, some service users purchased services from independent providers directly by using their Independent Living Service payments. These monies can be used in conjunction with Independent Living Fund money which is made available by central Government.
- 2.8 There are of course some older people who purchase their own services directly from independent providers with no involvement by the Social Work Department.
- 2.9 Independent service provision varies considerably across North Lanarkshire Council's Social Work Area Teams, where there is an uneven pattern of expenditure, brought about by local circumstances (including recruitment and retention issues and traditional practice). Equally, the providers are not uniformly active across North Lanarkshire with some providers operating in a relatively restricted geographic area.
- 2.10 The Scottish Executive has issued a number of reports and documents during the last year which are designed to promote its agenda for improving social and health care. Perhaps the most significant of these regarding home care are "Aiming For Excellence: Modernising Social Work Services In Scotland", "Community Care: A Joint Future" and "Better Care – For All Our Futures". In addition, the final outcome of consultation regarding long term care for older people, carried out by the Care Development Group, is currently awaited. Although the Executive has announced that it will fund free personal care for older people, detail has not yet been issued.
- 2.11 "Community Care: A Joint Future" has a number of significant implications for home care. It seeks to shift the balance of care for older people towards more care and more intensive care at home. It seeks to create more short breaks, and in particular to provide more short breaks for those carers providing most care. It wishes a service to be established to support people unable to get help from family or friends but who only require practical help – a shopping service, housework and practical assistance.

- 2.12 “Better Care – For All Our Futures” sets out the Scottish Executive’s plans for legislation on a number of issues concerning health and social care. The Paper highlights two particular areas concerning home care:
- (a) Firstly it indicates a commitment to promoting the notion of direct payments to all non-residential care services. (A self directed service scheme is presently being developed in the Social Work Department). At present older people are not eligible to receive such payments but as older people are the largest group of home care service users, there is considerable potential for people to opt to buy care from a provider other than the Council. While it will be entirely up to individuals to choose any provider they wish, it will be important to have alternatives to Council services which could be recognised to be reliable and of good quality.
 - (b) Secondly, the Paper indicates the Executive’s desire to “make a more level playing field between local authorities and other providers”.
- 2.13 From 1 April 2002 the Scottish Commission for the Regulation of Care will be established. This body will be responsible for registering and inspecting care services currently carried out by local authorities and health boards. Home Care which has not hitherto been subject to national standards, will also become subject to regulation by the Commission. Standards are being developed, at present, by a group set up by the Scottish Executive

3 PROPOSALS / CONSIDERATIONS

Current contracting arrangements

- 3.1 The current arrangements for the purchase of home care services in North Lanarkshire is not in line with the requirements of the agenda which the Council faces nor does it satisfactorily address the issues about ensuring consistency and quality for service users. Private sector providers report difficulties in maintaining their own financial security and the integrity of a competent workforce which can be guaranteed continued employment.

Requirement for strategic approach to assist quality and business planning

- 3.2 Private sector providers employed by the Council must be in a position to meet the anticipated and growing demand for home care services and at the same time deliver services which are of a high quality. To achieve this, they require to operate within a framework which allows a reasonable degree of stability within which business plans can be developed, staff can be recruited and trained, and financial commitments entered into. This requires the Council to give a reliable indication of the level of service required.
- 3.3 A more stable purchasing framework through a contractual framework whereby the Council entered into a number of contracts which assured the Council of an agreed level of service and quality, and assured providers of an agreed level of business over a reasonable time period.
- 3.4 Such contracts could only be successful if the proposed level of activity which made it feasible for providers to develop an infrastructure in their organisations which would facilitate the recruitment, retention, training and monitoring of their employees and assist in providing continuity of care for service users.

Proposal to contract on a basis to achieve an agreed level of service; a reasonable level of provider viability; and scope to meet future growth requirements

- 3.5 It is anticipated that from the evidence of past and present purchasing of home care services and from new obligations arising from the Joint Futures report, the Council will be likely to spend £600,000 on private home care services in 2002/2003. As a starting point in introducing a new contractual framework, it is considered that it would be feasible to specify the service required and tender for three new contracts for home care services. This approach would be likely to receive support from the majority of existing providers, although it would have the implication of a minority of existing providers being successful in the tendering process. Contracts could be phased in during the year, in line with sound operational management and a move away from the current arrangements.
- 3.6 The three proposed contracts would therefore have an approximate value of £200,000 each. It is intended that the specification would include a guarantee of a minimum number of hours with an element which would entitle the Council to access a percentage of the total contract for unplanned, emergency work to respond to urgent client need.
- 3.7 In addition, service providers should be able to provide service over at least one of the Social Work Departments three divisions (North, Central and South). This would ensure that optimal operational management efficiencies can be assured for Social Work staff who would require to integrate the use of Council and independent sector resources. Some degree of flexibility would be built in to new contracts to ensure capacity to respond to need across area boundaries where this was required.
- 3.8 The proposed new arrangements would facilitate the establishment of good monitoring arrangements by the Council's staff and further benefits in relation to developing joint training initiatives, service management and service standards.
- 3.9 In line with Council Standing Orders for Social Care Services, the proposed tendering process would require providers to demonstrate fitness to provide the service in terms of quality, reliability, value for money and organisational capacity to deliver the services which the Council needs.

Requirement to develop preventive domestic cleaning, shopping and laundry services

- 3.10 The Joint Futures Report requires every Council to develop a service designed primarily to support older people who require modest levels of support with domestic cleaning, shopping and/or laundry services. These would primarily have a preventive function.
- 3.11 It is considered that a domestic cleaning service could be specified within the proposed contractual framework for home care services. However, a wider range of providers including supermarkets and local laundry services would require to be considered for the other elements of the Joint Futures proposal.

Future role of the Council's in house service

- 3.12 Home care services in North Lanarkshire deal with a wide range of service users at present and there has been a considerable effort in developing home care in particular specialist areas. Further work is however required to shape and refine some of the services for those with the most complex needs. There is also a need to differentiate between practical household and shopping tasks etc. which may be provided on a preventive basis for older people who require no other services such as personal care, from the group of individuals who need either only personal care or some personal care and some domestic assistance.

- 3.13 Home Care services are currently composed of a number of core and more complex or specialist components which relate to different groups of service users. The new demands for home support services have produced new forms of training and integrated working between health and social work staff and expertise which the Council's own Home Care service is presently developing through its implementation of the Council's Home Care Review. In this context, the in-house service has shown its ability to develop an integrated approach to more complex areas of service. The Council has also helped not for profit organisations to develop services in line with the changing community care home support agenda. The Council already has some specialist services in place (including its own) to support people who have complex learning disability and mental health difficulties. It is also considered that the statutory responsibilities associated with the provision of home care for vulnerable children and families is an area which is more appropriately managed in an integrated way within the Council's wider fieldwork services and therefore should not be open to private providers. Another extremely complex area relates to older people with dementia or other mental health difficulties and the Council is currently involved with health partners in developing improved services. Their complexity in the home care context also appears better located within the Departments own services.

Role of Private Sector Provision

- 3.14 The services which seem most readily suitable for the independent sector, appear to be non complex older people's services where a combination of personal care and some domestic assistance is required and where regular patterns of service are likely to facilitate the monitoring and management of such services. In addition the notion of developing short breaks of respite for carers seems a suitable niche which could also be developed.

Next stages

- 3.15 Should the proposed approach be adopted, implementation would be progressed by joint work by the Social Work Department and Legal Services to confirm the detail of service specification, tendering process and contracts in line with Standing Orders approved by the Council for social care services.

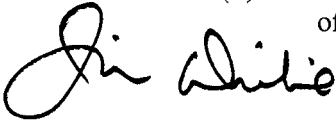
4 CORPORATE CONSIDERATIONS

- 4.1 With regard to financial implications, the proposed expenditure of £600,000 in purchasing independent sector home care services, would be met through existing community care budgets including additional funding made available for the Council during the current financial year to expand home care services in line with national and local priorities.
- 4.2 Discussion ongoing at the Scottish Executive Care Development Group will have implications for the manner in which Council's charge for personal care and this will be the subject of further reports to the Committee when detailed proposals are available.
- 4.3 There are no implications for Council home care support workers but the Trade Unions will be advised of the situation regarding the proposals to change private purchasing arrangements.
- 4.4 The proposals have no other corporate implications at this stage.

5 RECOMMENDATIONS

5.1 The committee is asked to:

- (a) approve a purchasing framework for private sector home care services which would involve three home care contracts delivering an agreed level of service to the Council;
- (b) note that :
 - (i) detailed implementation will be progressed jointly by the Director of Social Work and the Head of Legal Services;
 - (ii) a further report outlining progress made will be brought forward to a future meeting of the Committee.



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July 2001

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