

**EFFICIENCY IMPROVEMENT AND
TRANSFORMATION PROCESS**

BASELINE REPORT

CHILDREN EDUCATION AND SOCIAL CARE

INDEPENDENT HOME CARE SERVICES

06.07.2009

CONTENTS

1. Description of Current Service	Page 3
5. Financial and Resource Considerations	Page 7

1. National Policy and applicable legislation

1.1 The policy agenda for older people's health and care is set out below:

- **National Service Framework (NSF) for Older People** (March 2001) which set service standards for NHS services, followed by **A new ambition for old age: next steps in implementing the NSF for Older People** (April 2006). This later document set out three priorities for future development of NHS services used by older people: Dignity in Care, Joined-up Care, and Healthy Ageing
- **Our Health Our Care Our Say** (DH, 2006) on community services for all adults including older people.
- The **National Strategy for Housing in an Ageing Society: pre-strategy** (DCLG, May 2007) launching a debate on how housing can contribute to improved quality of life for older people. The national strategy for older people is about to be launched and includes a section on Extra Care policy and Extra Care is implicit in the Supporting People framework. A third bidding round for Extra Care schemes is expected to be announced in the near future.
- The **Long term (Neurological) Conditions National Service Framework (NSF)** (DH, March 2005) aims to transform the way health and social care services support people to live with long-term neurological conditions.
- **Putting people first: a shared vision and commitment to the transformation of adult social care** (DH, 2007) sets out a radical reform of public services, enabling people to live their own lives as they wish, confident that services are of high quality, are safe and promote their own individual needs for independence, well-being and dignity
- **Dementia Strategy**

However the policy context should also be seen in the context of national policy drivers that consider the wide-ranging factors that impact upon Older People themselves. The Audit Commission and the Better Government for Older People (BGOP) partnership's 2004 study, **Seven Dimensions of Independence**, reported the factors that older people themselves had identified as having most impact on their daily lives. These were.

- Housing and the home
- Neighbourhoods
- Social activities, social networks and keeping busy
- Getting out and about
- Income
- Information
- Health and healthy living

The Association of Directors of Social Services (ADSS), **All Our Tomorrows** highlighted the importance of prevention and of community engagement across the whole older population in developing strategies for future services, rather than, as in the past, by focusing on the small proportion of people who are existing users of specialist services, particularly in health and social care.

NB: Strategic drivers for other client groups (LD/MH)
Statutory responsibility for service provision

1.2 Policy Themes

The national direction as outlined in the various strategies above focus on the following aspects:

- The need to address the demographic impact with changes to services
- A focus that doing more of the same is not an option
- An increasing emphasis on personalisation and individual choice
- A driver on the use of technology to support the ageing population
- An acknowledgement of increasing service user expectations
- A greater role for prevention and early detection
- The need to ensure greater integration of services
- Specialisation of services especially preventative services
- The development of independent living options
- Timely access and ease of access

These policy approaches have influenced the range of services that are commissioned within Stockton.

1.3 Service configuration and local policy decisions

Home (domiciliary care) is the provision of a range of support services for social care needs within the individual's own home. Packages of care are assessed in relation to need and equate to a minimum of one hour of support per week to in excess of twenty-five hours per week. The types of care provided may vary but can include interventions to meet personal care needs and social needs, such as shopping. This service is needs-led, in line with the Council's Fair Access to Care eligibility criteria.

Independent sector providers deliver in excess of 6,000 hours of home care per week, which is approximately 90% of the total home care service delivered. This service is provided via block purchase arrangements ('block' contracts) and cost and volume ('spot') contracts. The current block purchase arrangements were awarded on 1.4.08, following a tender process, and guarantee the associated providers an agreed amount of hours of home care provision in a particular geographical area. Any activity above this amount is paid on a cost and volume basis. A spot contract is awarded after an organisation has been accredited by the Council and does not guarantee home care hours to the provider.

1.4 Possible review outcomes and cost profile

A number of home care providers are going through the accreditation process so that the preferred providers' list can facilitate client choice, in line with personalisation. Many direct payment recipients choose to purchase home care from providers accredited by the Council, rather than directly employing a Personal Assistant. The current unit cost is £10.50 and is paid for all home care hours delivered through both block purchase arrangements and cost and volume contracts. This is lower than that paid by a number of other local authorities (please see Table 1 below) and was commended as an example of efficiency by the Care Services Efficiency Delivery Programme (CSEDP) in 2007. Therefore, the profit margins for providers are relatively low, which increases their vulnerability during an economic downturn.

Local authority	Unit Cost 2008-09 (£)
Stockton	10.50
Middlesbrough	10.76
Hartlepool	11.25

Darlington	11.25
Redcar	10.76
Durham	11.23
Newcastle	11.20
Gateshead	11.25

Table 1

Breakdown of current unit cost 2008-09

Service Elements	Fee
Care Staff Salary	£7.13
Care Staff NI	£0.37
Holiday Pay	£0.29
Other costs e.g. uniforms	£0.05
Branch Staff Salaries	£1.14
On call costs	£0.05
Employers NI	£0.11
Rent	£0.41
Utilities	£0.01
Recruitment e.g. CRB	£0.10
Travel & Subsistence	£0.03
Legal & Professional	£0.01
Printing Postage & Stationary	£0.11
Telecommunications	£0.10
IT consumables	£0.02
EBITDA	£0.56
Travel Cost - Staff	Nil
Call Monitoring (5 years)	Nil
Total Cost	10.50

Table 2

Due to the proportion of home care provided by the independent sector, the in-house service would be unable to support the need for home care if providers were unable to continue operating in the area. This would result in a significant risk to service users of not having their needs met.

1.5 The service is provided by the following companies:

Home care provider	Hours provided per week
Brookleigh Caring Services	
Careforce	
DH Home care	
Nestor	
Care UK	
Allied	
Purple care	

A number of specialist providers have been accredited to work in Stockton:

Home care provider	Hours provided per week
Choices	
Avalon	
ABIES	

A contingency plan is in place so that a 'buddy' system can be implemented if one provider is unable to meet the needs of the relevant population, for example in the event of excessive new client referral or higher than usual levels of staff sickness.

1.6 Community focus and demographic change

There is a strategic plan to develop a preferred providers list, in line with personalisation, and for the block purchase arrangements to be phased out.

The contract and service specification have been developed into a new outcomes based contract and service specification which has been forwarded to providers for their comments.

1.7 Performance

CQC registration and rating in relation to National Minimum Standards.

Contract compliance process.

Monitoring complaints, commendations and adult safeguarding alerts.

2. FINANCIAL AND RESOURCE CONSIDERATIONS

2.1 What are the costs of the service?

The current budget for Independent Homecare provision is £3,728,292.

The unit cost for this service is £10.76 per hour. This is lower than that paid by a number of other local authorities (please see Table 1 above).

2.2 What is the Council's commitment to contracts or other arrangements?

The council also provides a homecare service through Independent Providers. Block contracts for an agreed number of care hours are given to the Independent providers who are geographically based across the authority. A small number of Spot contracts are also given.

2.3 Charging Policy

The cost to clients for homecare services through the charging policy is £12.24. The unit cost is calculated based on an average cost of the in-house and independent sector homecare service costs

2.4 How have Gershon efficiency savings impacted on the service and how is the service planning to meet future Gershon efficiency targets?

Supplies & Services budgets have remained at 2008/09 prices in order to meet budget pressures in 2009/10. There is also efficiency of £382,000 within Adult services which has to be achieved during 2009/10. Planning is ongoing as to how these savings will be met.

06.07.09