

Bath & North East Somerset Council

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| MEETING: | Wellbeing Policy Development and Scrutiny Panel | |
| MEETING DATE: | 7 th October 2011 | AGENDA ITEM NUMBER |
| TITLE: | Domiciliary Care Strategic Partnership | |
| WARD: | ALL | |
| AN OPEN PUBLIC ITEM | | |
| List of attachments to this report: | | |
| None | | |

1 THE ISSUE

1.1 This report presents an update on the Domiciliary Care Strategic Partnership Contract, which is in place with the following five providers:

- Carewatch
- Agincare
- Somerset Care
- Care South
- Way Ahead

2 RECOMMENDATION

The Panel is recommended to:

2.1 Note the performance of each of the Domiciliary Care Strategic Partners;

2.2 Note the likelihood that, by mutual agreement, the Council's current contract with Agincare will not continue beyond the initial 5-year term and the options for the future provision of services currently provided by Agincare.

3 FINANCIAL IMPLICATIONS

- 3.1 Any transfer of services from Agincare could result in a transfer of Agincare staff providing these services in accordance with Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Agincare's employees are on Local Authority terms and conditions, which are generally more favourable than those of independent sector employees of home care providers. As with the current contract future contractual arrangements are likely to reflect the additional cost of transferring staff's terms and conditions.
- 3.2 Agincare B&NES is no-longer recruiting new employees and it is therefore possible that the staff team employed by Agincare could decrease over the remaining life of the current contract. This will potentially result in a further decrease in the hours of service delivery from Agincare, which, in turn would result in an increase in the cost per hour of care delivered under the current contract.

4 THE REPORT

- 4.1 The Local Authority has a rolling five year contract in place with each of the five domiciliary care providers set out in paragraph 1.1. The first five year break clause in the contract occurs at the end of March 2013.
- 4.2 During the last financial year the Authority spent £4.525 million on services commissioned through this domiciliary care partnership arrangement.
- 4.3 The Local Authority's in-house home care service staff team transferred under TUPE regulations to Agincare B&NES, one of the five strategic partners. At the time of transfer the service amounted to 1200 care hours per week. Agincare, following lengthy discussions, has stated that they cannot agree to carry on into the next five year period under the current contract arrangements. Careful consideration was given to proposals to vary the contractual arrangement made by Agincare. However, Commissioners believe that transfer of the remaining hours of home care to an alternative provide will secure improvements in both value for money and quality of care.
- 4.4 None of the other four providers (Carewatch, Care South, Way Ahead or Somerset Care) have to date expressed a wish not to continue under their current contract arrangements and there are currently no concerns about the performance of any of these other four providers.
- 4.5 Carewatch, Care South, Way Ahead and Somerset Care have been extremely supportive to the Council and responsive with regards to taking over care packages from other providers who have given notice. Ensuring that vulnerable people continue to receive a service they need to remain living in their own home.
- 4.6 All of the strategic domiciliary care providers successfully provided a service to people during the snow last winter.
- 4.7 Carewatch, Care South, Way Ahead and Somerset Care have demonstrated a willingness to support the Council in making financial savings and have accepted inflationary uplifts lower than those suggested in the contract.

4.8 The following tables shows each of the Domiciliary Care Strategic Partner's 'target hours' agreed at the start of the contract; hours of service commissioned; and number of service users as at the 6th September 2011.

| AREA | PROVIDER | TARGET HOURS | HOURS ACCEPTED | NUMBER OF SERVICE USERS | NUMBER OF VISITS |
|----------------------------|---------------|--------------|----------------|-------------------------|------------------|
| Bath North | Agincare | 391 | 68 | 16 | 104 |
| Bath North | Carewatch | 719 | 553 | 80 | 774 |
| Bath North | Way Ahead | 519 | 396 | 63 | 607 |
| | | | | | |
| Bath South | Agincare | 576 | 172 | 33 | 254 |
| Bath South | Care South | 470 | 241 | 40 | 416 |
| Bath South | Somerset Care | 670 | 740 | 91 | 909 |
| | | | | | |
| Keynsham | Agincare | 310 | 173 | 30 | 245 |
| Keynsham | Way Ahead | 602 | 611 | 65 | 874 |
| | | | | | |
| North East Somerset | Agincare | 593 | 257 | 41 | 396 |
| North East Somerset | Care South | 739 | 626 | 73 | 839 |

| Provider | Target Hours | Total Hours Accepted | Total Number of Service Users Supported |
|----------------------|--------------|-------------------------|---|
| | | | |
| Agincare | 1870 | 670 | 121 |
| | | | |
| Care South | 1209 | 867 + 39 = 906 | 113 + 1 = 114 |
| | | | |
| Way Ahead | 1121 | 1007 + 42 = 1049 | 128 + 5 = 133 |
| | | | |
| Carewatch | 719 | 553 + 688 = 1241 | 80 + 80 = 160 |
| | | | |
| Somerset Care | 670 | 740 + 25 = 765 | 91 + 6 = 97 |
| | | | |

- 4.9 The total commissioned hours across the whole Strategic Partnership is 4631 out of a total commissioned hours of 5112 as at the 6th September 2011.
- 4.10 When the in-house Home Care Service was transferred to Agincare in September 2009 the service was delivering 1200 hours per week. Agincare are now only consistently delivering 600 -700 care hours a week. Over the term of the contract Agincare recruited only a small number of new staff (approximately 12) on a casual basis. In spring this year, Agincare sought additional funding from the Council to continue to employ these casual staff. The Council was not in a position to provide the requested additional funding and, as a consequence, Agincare decided not to continue to employ these casual staff. Agincare B&NES are no longer taking on new staff either on a casual or permanent basis.
- 4.11 Since July 2011 there has been a slight increase in the number of care hours being commissioned outside of the domiciliary care strategic partnership. Whilst to some extent, this reflects individuals exercising their right to choose the provider of their home care services. However, the Commissioner will need to monitor this trend closely and will continue to seek to ensure best value from its contracts with Strategic Partners.
- 4.12 Commissioners are planning on the basis that the Council's contract with Agincare will cease on 31st March 2013. It is essential that continuity of service is secured and that the Council achieves both good quality care and value for money from the future provider of this service. In light of legal advice, two options have so far been considered. These are i) to prepare for, and go through an open tendering process for any hours delivered by Agincare; and ii) to re-distribute the hours to the remaining Strategic Partners.
- 4.13 The option of re-tendering is unlikely to be attractive to providers because of the low volume of care hours likely to transfer following re-tendering and the financial implications associated with any potential TUPE transfer of the current Agincare staff on current terms and conditions.
- 4.14 There is also insufficient evidence to suggest that there is a need to introduce another provider as the volume of work currently being commissioned from the strategic partnership has remained fairly static since the commencement of the contract and the other four strategic partners have demonstrated that they have the capacity and flexibility to pick up work across the whole of Bath & North East Somerset.
- 4.15 The redistribution of the hours delivered by Agincare amongst the other four strategic partners is likely to be achievable and could be progressed within the existing contractual arrangement. Analysis of any potential TUPE implications will need to be undertaken in sufficient time to enable a smooth transfer of both the service and associated staff to take place.

5. RISK MANAGEMENT

- 5.1 Planning for the transfer of the service will be subject to a full risk-assessment in accordance with the Council's policy and this risk-assessment will be reviewed on a regular basis over the next 18-months.

6 EQUALITIES

Once drawn up, plans for managing the transfer of service will be subject to a proportionate Equalities Impact Assessment in accordance with Corporate guidelines

7 CONSULTATION

7.1 Select from: *Ward Councillor; Cabinet Member; Trades Unions; Overview & Scrutiny Panel; Staff; Service Users; Stakeholders/Partners; Other Public Sector Bodies; Section 151 Finance Officer; Chief Executive; Monitoring Officer*

8 ISSUES TO CONSIDER IN REACHING THE DECISION

8.1 Customer Focus; Human Resources; Other Legal Considerations

9. ADVICE SOUGHT

The Council's Monitoring Officer (Council Solicitor) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

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| Background papers | <i>None</i> |
| Please contact the report author if you need to access this report in an alternative format | |