AGENDA MANAGEMENT SHEET

Name of Committee	**Adult Social Care and Health Overview and Scrutiny Committee**
Date of Committee	**23rd February 2011**
Report Title	**Home Care Commissioning Strategy 2011–14**
Summary	This report outlines proposals for a new Home Care Commissioning Strategy for the period 2011 to 2014. Since the report to Cabinet in February 2010, which included plans to tender existing home care services, further work has been needed to significantly modify our requirements in light of changing financial constraints and the need to increase the pace of modernisation in line with the latest legislative and policy drivers. Committee is asked to consider the draft Home Care Commissioning Strategy 2011-14 and make recommendations to Cabinet as appropriate.
For further information please contact:	Kim Harlock Head of Strategic Commissioning Tel: 01926 745101
Would the recommended decision be contrary to the Budget and Policy Framework?	No.
Background papers	Cabinet Paper 25th February 2010 Rob Wilkes 01926 745371

CONSULTATION ALREADY UNDERTAKEN:-   Details to be specified

Other Committees	☐	....
Local Member(s)	☒	Not Applicable
Other Elected Members	☒	Councillor L Caborn, Councillor D Shilton, Councillor S Tooth, Councillor C Watson, Councillor C Rolfe, Councillor R Dodd
Cabinet Member	☒	Councillor Mrs I Seccombe
Chief Executive	☐	....
Legal	☒	Alison Hallworth, Adult and Community Team Leader
Finance	☒	Chris Norton, Strategic Finance Manager

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Other Chief Officers	☐	....
District Councils	☐	..:...
Health Authority	☐	....
Police	☐	....
Other Bodies/Individuals	☒	Michelle McHugh, Overview and Scrutiny Manager

FINAL DECISION   YES/NO

SUGGESTED NEXT STEPS: Details to be specified

Further consideration by this Committee	☐	....
To Council	☐	....
To Cabinet	☐	....
To an O & S Committee	☐	....
To an Area Committee	☐	....
Further Consultation	☐	....

Warwickshire
County Council

Adult Social Care and Health
Overview and Scrutiny Committee – 23rd February 2011

Home Care Commissioning Strategy 2011–14

Report of the Strategic Director of Adult, Health and Community Services

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Recommendations

It is recommended that the Committee:

- Consider the draft Home Care Commissioning Strategy 2011-14 and make recommendations to Cabinet as appropriate.

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1.   Background

1.1   The "mainstream" home care service (also known as 'domiciliary' care) was last tendered out across the private and voluntary sector in 2005, resulting in a range of contracts being awarded from April 2006 for up to 3 years. On 16/10/08, Cabinet agreed to endorse seeking an exemption from tendering under Contract Standing Orders for up to a further 18 months (i.e. from April 2009 to the end of September 2010) to facilitate the extension of existing contracts while the implications of the new personalisation agenda were considered and while the County Council's own 'In-house' service was modernised.

1.2   Permission was granted by Cabinet in February 2010 to enter into a tendering process to award contracts in the external sector on expiry of this 18 months extension period at the end of September 2010. However, significant political and financial changes have subsequently meant a revision of these plans including the need to increase the pace of modernisation across all of our home care services. It was felt that these changes were so significant that an overarching home care commissioning strategy was required to capture the range of complex issues and inter-dependencies in the proposed new models of service delivery.

1.3   The new Home Care Commissioning Strategy therefore provides details about demographic and market conditions together with the latest legislative and policy drivers. The strategy also highlights the case for modernisation of home care and the resulting implications for the County Council's internally run service, which will need to be refocused on one specialist area, 'reablement'. Appendices are also attached for reference including an outline procurement plan and risk log.

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1.4 A number of key factors stand out in the strategy as requiring special attention for consideration, namely:

➢ The need to ensure that customers and other stakeholders are consulted appropriately and that any disruption from the changes is kept to a minimum.

➢ Quality and choice standards are maintained and developed such as the close monitoring of providers through electronic visit recording systems and the implementation of fee rates that facilitate improved capacity in hard-to-reach rural areas of the county.

➢ Developments will dovetail with our implementation programme for personalisation and self directed support, such as the introduction of Individual Support Funds to enable customers more control over the allocation of their care.

➢ Warwickshire County Council currently spends approximately £18 million on external home care to provide 1.24 million hours of care per annum, with an average rate in the external sector of £14.62 per hour for block and call off contracts, and spot purchases averaging £15.76 per hour. Analysis estimates in-house provision, excluding reablement, delivers just over 2,000 hours per week (104,000 hours per annum) which equates to just 7% of total provision at an approximate cost of £26 per hour.

➢ In general terms, internal home care unit costs are higher than external unit costs for a number of reasons. These include higher rates of basic pay driven by equal pay legislation, better allowances in terms of the provision of pay enhancements, better terms and conditions, and a better pension scheme. In addition, external services have the facility to cross-subsidise local authority rates if they wish to, the potential to operate with lower overheads and the application of years of competitive testing which has forced external providers to continually challenge costs and quality. As a consequence only the best value external providers continue to operate. It should be noted that the prices quoted are the direct unit cost of the internal service and the direct price of externally purchased services, and these costs can be compared directly as both costs exclude overheads. Overheads would add approximately £2-£3 per hour to internal unit costs, but only up to £1 per hour to external costs.

➢ The requirement for the County Council and AHCS to make substantial savings to meet the requirement to reduce expenditure by at least 25% over the next 3 years. It is anticipated that the current financial climate will permit the current savings target of £150,000 to be increased as part of the procurement and financial remodelling process.

➢ Tough choices will be required to transform home care services to enable us to meet the required savings target. Therefore, in line with the County Council's intention of becoming an increasingly 'commissioning'

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rather than provider led organisation, it will be necessary to continue the modernisation of the council's In-house home care service to focus on one specific area i.e. reablement, thus requiring a transfer of the remaining internally operated mainstream, dementia care and fast response services to the external sector.

➢ The need for a whole systems approach with greater alignment and integration with health services including joint planning of the recent allocation of government funding to NHS Warwickshire for reablement and dovetailing with the successful In-house reablement service.

➢ The requirement to consider a more sustainable fast response service, again in partnership with health service colleagues to enable swift responses to emergencies which assist in maintaining people in their own homes.

➢ The need for a domiciliary care response service for increasing numbers of customers benefiting from assistive technology (telecare/telehealth) systems and who have no informal support networks.

➢ The opportunity to enable both the County Council and NHS Warwickshire to benefit from economies of scale and efficiencies in the new contractual arrangements by including the provision of continuing health care home care services in the overall tender process.

➢ The opportunity to include breaks for carers in the domiciliary care tender.

2. Conclusion

2.1 Committee is asked to consider the Home Care Commissioning Strategy 2010-14 and make recommendations to Cabinet as appropriate to facilitate the continued transformation and modernisation of home care services across Warwickshire. This will include detailed plans for the transfer of in-house mainstream, dementia and fast care services to the external sector.

2.2 It is proposed that the tendering process be implemented in line with the plans outlined in the strategy, but it is suggested that the method of procurement and the subsequent award of contracts are delegated to the Strategic Director of Adult, Health and Community Services, the Strategic Director of Customers, Workforce and Governance and the Strategic Director of Resources.

WENDY FABBRO
Strategic Director of Adult, Health and Community Services

Shire Hall
Warwick

February 2011

Warwickshire County Council

Home Care Commissioning Strategy 2011 – 14

Final Draft – 9 February 2011

Warwickshire
County Council

Working for Warwickshire

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8. Recommended Procurement Approach
    ➢ Why do we need to change our approach from the plans outlined to Cabinet in February 2010?
    ➢ How can we best secure these new services and achieve our desired outcomes within available resources?
    ➢ What are the key technical considerations for the forthcoming procurement of the new home care services?
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1.   Introduction

The agenda for adult social care is changing; there is a clear and real shift in direction through the Putting People First agenda with increased focus on personalisation, self direction and increased levels of choice and control for customers. These changes place a significant expectation upon adult social care and the way in which we operate in conjunction with our partners.

In addition, the recent economic downturn and the responses to that crisis have resulted in a real and imminent need for the public sector to shrink in line with the current political and economic landscape. The Adult Health and Community Services Directorate has put in place a radical set of proposals to reduce the level of spending in the Directorate by circa £20m over the next few years and has a transformation programme to deliver a number of initiatives to achieve its savings target.

Aside from these recent economic and political shifts there continues to be significant demographic pressure, with significant growth across all client groups. As the chart below evidences, this is particularly true in respect of older people, who form the largest proportion of the customer based and especially the over 85s.
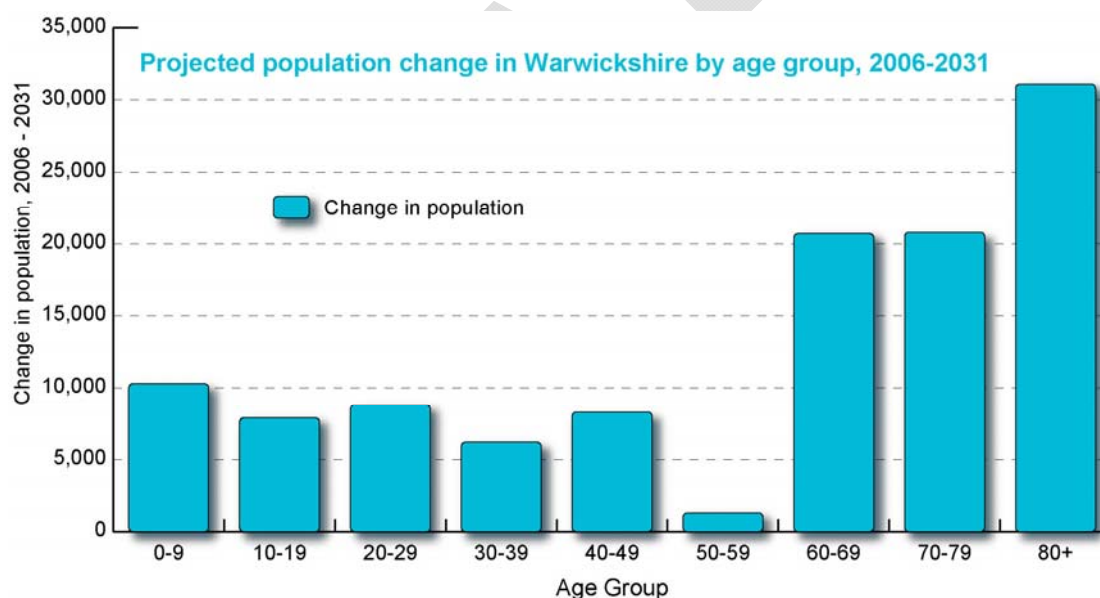

Table 1

As well as the ongoing growth in the older population, the number of people with dementia is increasing at a very high rate; with studies predicting a 37% increase to almost 11,000 people by 2025. Not only will this increase have an impact upon carers and statutory services but it will also mean that the types of services and support we provide will need to change.

One of Warwickshire County Council's corporate priorities is Care and Independence, with the aim to:

- Fulfil our duty of care to older and vulnerable people
- Offer everyone eligible an adult care personal budget
- Increase scope of reablement services

- Improve numbers of older people living independently in their own homes
- Continue to improve our relationship with Health services including transferral arrangements with GPs and of Public Health.

In his ambitions, Warwickshire County Council's Leader describes the authority moving towards becoming a strategic commissioner of services, significantly increasing integration of services with partners and working across organisational boundaries; particularly where there are complex, cross agency problems to ensure services remain sustainable and based around need.

In line with this, the Adult, Health and Community Services Directorate's vision is to:

"ensure people can maximise all opportunities to live independently. Our mantra is recovery, rehabilitation and reablement, where people need care, they have this delivered in the most personalised and cost effective way"

The Adult, Health and Community Services Directorate's transformation programme has been initiated to deliver a four year programme of change. With the help of the Care Service Efficiency and Delivery Programme we have developed a benefits realisation model that will provide an overarching framework for all projects within our transformation programme.

The benefits realisation model is illustrated in Appendix 1 and work has been undertaken to calculate the use of current resources across each stage of the model. The model clearly communicates the overarching direction of travel for all future initiatives and enables improvements to be evidenced. This model will be used to illustrate improvements by evidencing changes in how we manage the flow of customers (demand) by the way we use resources. Simplistically, this means changing the focus from dependence to independence though greater investment in enabling services and minimising the need for complex services through promotion of independence.

Firstly, we need to ensure that we have organised through the Council's Open Door Policy, a range of good quality information and advice that will enable people to meet their own needs outside of social care settings wherever possible. For all service users, our strongest emphasis must be recovery, rehabilitation and reablement. This will be our front line service, other than for a very small number of people and our assessment processes will only take place after people have been through reablement.

Everyone who is eligible for a service will be offered this in the form of a personal budget, which will be accompanied by a support plan describing how the budget can be used to deliver the agreed outcomes. Again, the support plan will focus on reablement and explore innovative ways in which community resources can be used to meet the assessed needs. We will continue to promote Direct Payments as a way of people utilising their personal budgets.

Our continued emphasis will be to help people remain in their own homes within the context of affordable choice. We will ensure that there is an increase in the supply of

services in the community that will enhance affordable choice and we will work in partnership with providers and personal assistants from all sectors to deliver choice.

It is customers who determine the quality of services they receive and we will continue to work with them to ensure they are safeguarded and empowered within the service they receive.

As such the key home care commissioning outcomes we aim to deliver are:
- More choice and control for service users
- More flexible, cost effective, integrated services that offer value for money
- Quality services at an affordable cost that focus on commissioning outcomes with a strong emphasis on enabling people to live independently
- Services that promote independence, recovery, rehabilitation and reablement
- Services that prevent ill health and promote well being
- Support for people to regain or attain independence outside of social care services wherever this is possible.

The overall aim of the home care commissioning strategy is therefore to provide services that support people to maintain their independence in their own homes.

2.   The Case for Modernising Home Care

The modernisation of home care services in Warwickshire is set within the context of the Coalition Government's Programme of reforming social care to provide much more control to individuals and their carers. Many of the drivers for change are outlined in the Vision for Adult social Care – Capable Communities and Active Citizens (published in November 2010), which focuses on the Government's commitments to:

- Break down barriers between health and social care funding to incentivise preventative action
- Extend the greater rollout of personal budgets to give people and their carers more control and purchasing power
- Use direct payments for carers and better community based provision to improve access to respite care.

This vision sets a new agenda for adult social care to make services more personalised, more preventative and more focused on delivering the best outcomes for those who use them; ensuring service users and their carers are given sufficient timely information and advice to enable them to have choice and control over their services.

People want to maintain independence and good health. A considerable amount of care needs can be avoided or significantly reduced if we intervene earlier. When people develop care and support needs, our first priority should be to restore an individual's independence and autonomy.

Meeting carer's needs is important as their support stops problems from escalating to the point where more intensive packages of support become necessary. Therefore

we need to recognise the value of offering a range of personalised support for carers, to help prevent the escalation of needs that fall on statutory services.

New technology opens up new horizons for care; from community alarms to sophisticated communication systems, telecare can help people stay in their own homes and live independently longer.

The government is supporting an expansion of reablement services across the NHS and social care, with £70m investment nationally in 2010/11 and up to £300m a year earmarked in the next Spending Review period. Reablement covers a range of short stay interventions which help people recover their skills and confidence after an episode of poor health, admission to hospital etc. We know that reablement can help people to continue to live independently in their own homes without the need for on-going social care packages and work is being undertaken with NHS Warwickshire to develop an integrated reablement model.

This strategy primarily focuses on those people who do require ongoing care. Many people need social care because of the effects of long term conditions and therefore good partnership working between health and social care is vital for helping them to manage their condition and live independently. Consequently continuing health care and community services will be jointly procured in the future.

The Supporting People housing related support programme also facilitates good outcomes; enabling people to live independently in their own homes and avoid more costly interventions. Therefore, strategic linkages need to be strengthened to avoid duplication and maximise benefits.

Warwickshire County Council is currently developing a prevention strategy, which it will be consulting on in the spring. Our aim is to develop community capacity and shape local service early intervention and preventative services, such as reablement and telecare to promote health and well-being and prevent dependency.

An aim of this strategy is for people to have choice and control about their care. Individuals not institutions should take control of their care and personal budgets, preferably as direct payments, are a powerful way to give people that control.

With choice and control people's dignity and freedom is protected and their quality of life enhanced. We recognise that information and advice about available services needs to be a universal service and that people funding their own care also require information and guidance about available services to help them plan how their care needs can be met. Warwickshire County Council is currently developing a resource directory to achieve this. The increased use of personal budgets will act as a catalyst for change. People will demand the services they want to meet their needs, creating truly person centred care.   These will be delivered by a range of organisations, including main stream and specialist providers from voluntary and private sectors that can respond to the demands of communities.

To meet the diverse needs of Warwickshire's population, we need to ensure there is diverse service provision where care and support is delivered in partnership between ourselves, individuals, communities, the voluntary and private sectors and the NHS.

To achieve this Warwickshire County Council will be taking a more proactive role in stimulating, managing and shaping the market; supporting communities, voluntary organisations and social enterprises to flourish and develop innovative and creative ways of addressing care needs. As such we will be moving away from traditional block contracts and increasing the use of personal budgets, including direct payments. To ensure a fair playing field for providers, strategic commissioners will work with suppliers to better understand market capacity and capability to promote innovation and incentivise best value.

In developing future home care models, Warwickshire County Council will have a greater focus on partnership working with, the NHS, Districts and Boroughs housing and other sectors to create more flexible, joined up services that achieve better outcomes for people and greater efficiencies.

Providers and commissioners of service are responsible for their quality and safety. We must ensure that staff provide safe, high quality care and that there are safeguards in place against the risk of abuse or neglect. However, this should not be at the cost of people's right to make decisions about how they live their lives. The Care Quality Commission (CQC) will continue to set the essential level of quality and safety home care providers must follow.

Within Warwickshire, each year a survey is sent to homecare service users to measure customer satisfaction and the following table shows the results for all block and call off providers, together with their utilisation from the sample week in November 2010, as well as their CQC star ratings at that time.

| | | Service Usage | | Excellent / Very Satisfied | | | |
| | | | | 2009/10 | | 2008/9 | |
Provider	Star Rating	Service users	Hours	Replies	%	Replies	%
Allied Healthcare Group	✦✦	137	1472				
Carewatch (South Midlands)	✦✦	136	1295	2	29	16	64
Crossroads Coventry & Warwickshire	✦✦	211	1861	16	73	NA	NA
Goldsborough Home care	✦✦	163	1442	11	85	NA	NA
Helping Hands Home care	✦✦✦	239	2299	26	79	29	60
Mobile Care Services Limited	✦✦	322	2698	22	81	33	62
Radis Community Care	✦✦✦	140	1474	9	69	NA	NA
The Care Bureau	✦✦	637	5499	46	72	64	63
Universal Domiciliary Care	✦✦	138	1387	6	67	12	60
Warwickshire Home Care Services	✦✦	140	1125	10	83	NA	NA

Key: ✦✦ = Good, ✦✦✦ = Excellent   *Table 2*

3.   Demographics and Analysis of Future Home Care Needs

The following charts show the population projection for Warwickshire and each of the five districts based on ONS data, split between 18-64 and 65+ age groups. This data suggests that there will be an increase of 38,000 adults living in Warwickshire over the next 10 years, equivalent to roughly 9% with respect to the 2010 figures.
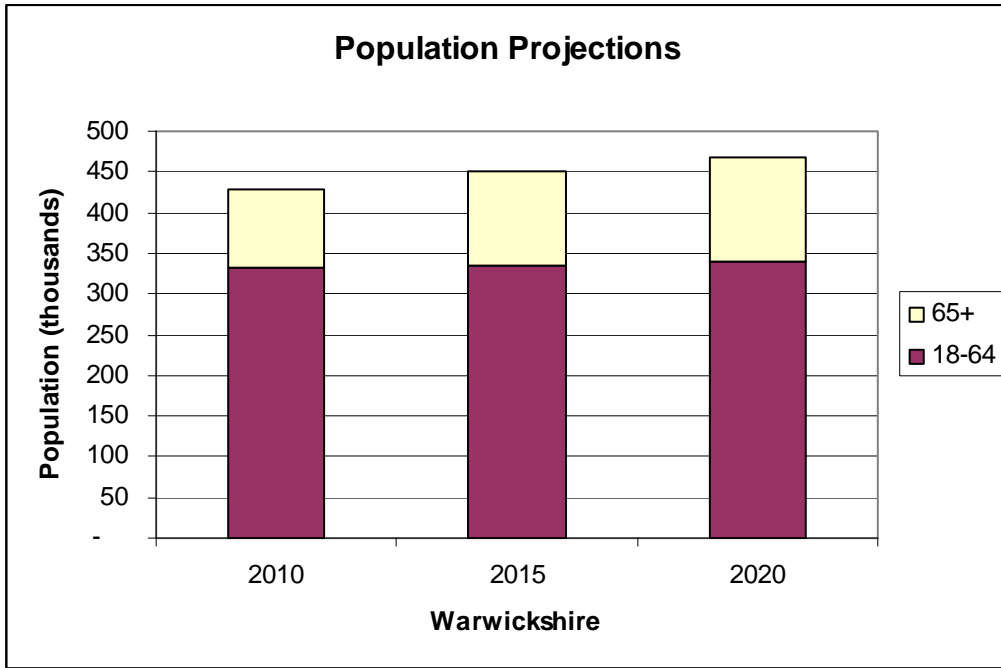
Population Projections

Table 3

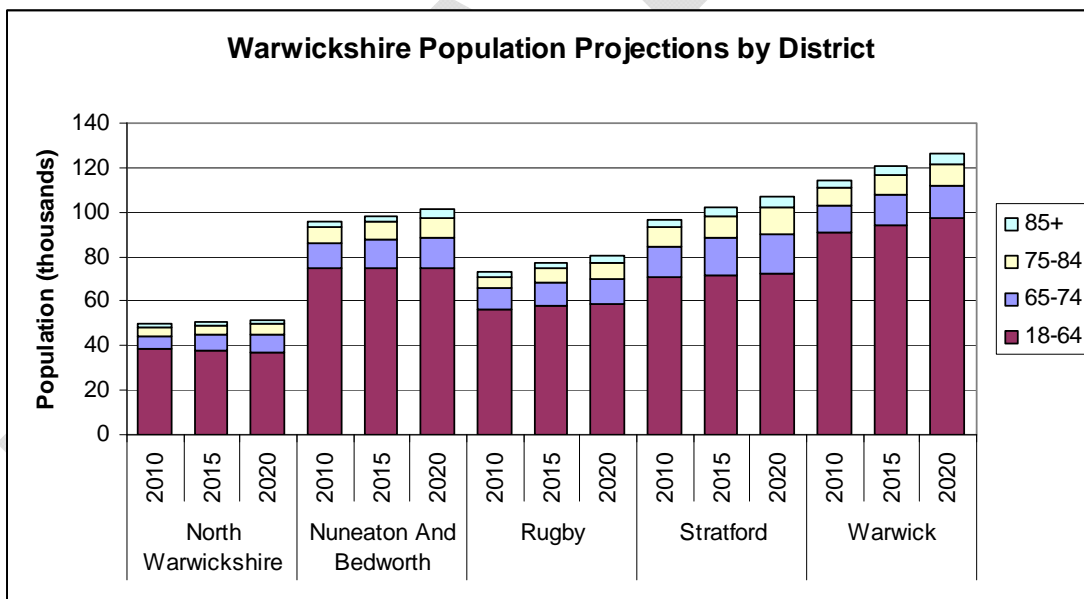**Warwickshire Population Projections by District**

Table 4

However, as the table shows above, the greatest increase in population expected is in 85+, where between 2010-20 we expect to see a 44% growth, with the greatest growth being in the Stratford district with an additional 1,800 (53%) growth. Significant increases in the number of people aged 85+ are also projected for North Warwickshire (46%) and Nuneaton and Bedworth (52%).

Whilst population projections indicate a 21.6% growth in people aged 65-74 and a 35% increase in people aged 75-84, the highest increases are projected in Stratford, North Warwickshire, and Nuneaton and Bedworth.

In addition to a growth in the number of elderly likely to access social care with home care needs, as the table below shows, we are seeing a growth in the number of home care hours and intensity of packages being delivered.

	1st January 2008	1st December 2010	Percentage Change
Customers	2,723	2,578	-5%
Hours per Week	28,492	30,965	9%
Hours per Customer per Week	10.5	12	15%

Table 5

Between January 2008 and December 2010 although the number of older people receiving home care reduced by 5% (2723 in January 2008 compared to 2578 in December 2010), the number of home care hours per week increased by 9% (28,492 hours per week in January 2008 compared to 30,965 hours per week in December 2010). The average number of hours per customer, per week increased by 15% in the same time period; from 10.5 hours per week in January 2008 to 12 hours per week in December 2010.

Analysis of home care packages of 20 hours per week or more showed that in March 2007 there were 127 complex, this increased to 245 in March 2010, an increase of 93%.

This has impacted on the total spend on home care for older people; which has risen from £21.2m in 2007/08 to £22.9m in 2009/10, an increase of 8%.
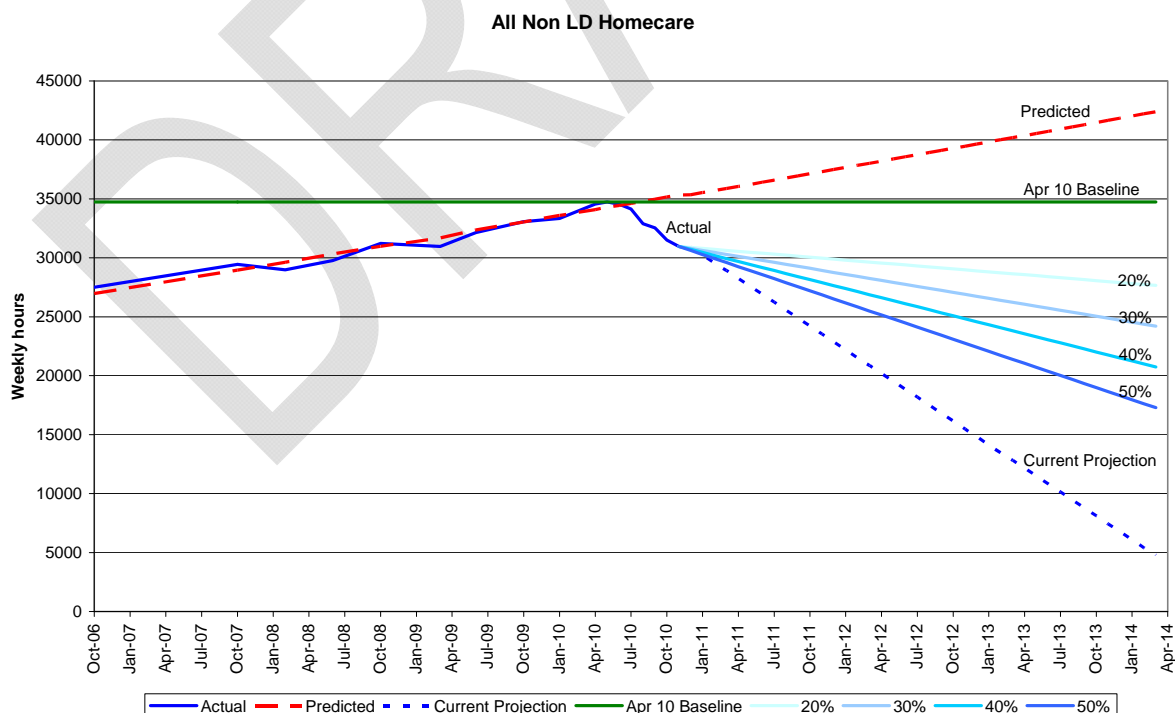

All Non LD Homecare

Table 6

The modelling undertaken and shown in the graph above indicates that if we did nothing to manage demand and mitigate against the ageing population, demand for

home care would continue to increase. This could result in a further 35% increase (11,000 hours per week) by 2014. Given the reducing resources that will be available, it is important that we change the social care offer and apply the principles of the new benefits realisation business model shown in Appendix 1 to reduce demand through the implementation of reablement and telecare to reduce demand for on going care.

The blue line in the graph evidences that since April 2010, the number of home care hours delivered per week has started to decrease, as the new social care offer has begun to be implemented; with the weekly hours decreasing from 34,544 in April 2010 to 30,965 in November 2010 (a decrease of over 10%). We are anticipating this will fall further as a result of the expansion of reablement and telecare services and a number of scenarios have been modelled. The blue lines on the graph indicate a range of assumptions of what future demand may look like in coming years, depending on the percentage reduction in growth we can successfully deliver modelled against the April 2010 baseline.

If we assume the population increase as projected and we are able to deliver a 20% decrease in demand against the April 2010 baseline through initiatives such as reablement and telecare, this would equate to an overall 35% reduction against the projected increase in demand shown by the red line on the graph. Assuming we stem the demand by this amount we would expect to reduce the number of hours we commission to 27,653 per week by 2014; a reduction of 6,591 hours per week compared to April 2010.

4. Resource Availability

The Spending Review settlement for social care requires rigorous prioritising of expenditure to ensure that as much money as possible goes to those most in need.

As a consequence of the Comprehensive Spending Review, Warwickshire County Council are required to make £60m of efficiency savings by 2013/14, with the Adult, Health and Community Services Directorate having savings targets of £19m to meet; an element of which will be achieved through the modernisation of home care services, improvements in the value we get from homecare contracts, and the development of the Reablement service.

However the Spending Review also allocated additional resources to develop reablement services jointly with Health. It is vital in utilising this new resource to redesign services that we deliver efficiencies and transform how social care is delivered by working in a more integrated way and improve outcomes for service users.

To strengthen and mainstream reablement services, the Department of Health will be amending the "Payment by Results" tariff from April 2012 so that the NHS pays for reablement and other post discharge services for 30 days after a patient leaves hospital.

5.   Current Service Provision and Market Analysis

Warwickshire County Council currently spends approximately £18m on external home care to provide 1.24 million hours of care per annum, with an average rate in the external sector of £14.62 per hour for block and call off contracts, and spot purchases averaging at £15.76 per hour.

Analysis estimates the unit cost of in house home care (excluding reablement cost) to be approximately £26 per hour, or £29.70 if management and support costs are included.

The "mainstream" external home care service was last tendered in 2005, resulting in a range of contracts being awarded in April 2006. Exemptions from tendering under Contract Standing Orders have since been granted to extend existing block and call off contracts until 31 March 2011, while the implications of the personalisation agenda was considered and the in-house service modernised.

There are currently 70 providers registered in Warwickshire and approximately 600 within the West Midlands as a whole. A number of these providers will only work with specific customer groups e.g. learning disabilities and market intelligence indicates that many will not wish to work across county borders, or do not currently have the capacity to do so. The contracting framework in Warwickshire currently comprises of:

- Block contracts where volumes are guaranteed to offer best value through economies of scale. There are currently 6 block contract home care providers covering 10 geographic areas and approximately 570,000 hours per annum, but no block contract in North Warwickshire.
- Call off contracts with no guaranteed volumes but access to referrals in preference to ad hoc or "spot" contractors in return for certain quality standards. There are 7 home care call off providers, covering 11 geographic areas and approximately 480,000 hours per annum.
- Spot providers which are ad hoc contract arrangements to meet individual needs, often in an emergency, but where packages can be transferred to block and call off contracts who are normally (but not always) less expensive. There are approximately 60 spot providers covering all parts of Warwickshire who provide about 45,000 hours per annum. However, work has been successfully undertaken during 2010 to reduce the level of spot contracted hours to achieve significant savings (over £300,000). Some of the changes included the renegotiation of prices downwards without the need to transfer to block and call-off providers, thus securing consistency for customers although not reducing the nominal amount allocated to spot contractors.
- In-house services delivered across the county to 2,300 service users (as at November 2010) providing 30,965 hours a week of care.

Services are currently provided to all customers assessed as needing home care between 7am and 10pm and are predominantly accessed by older people, but is also provided to people with learning disability, mental health and physical disability. However, the majority of "specialist" community support services across learning

difficulties have already been tendered and a separate framework is in place for these services.

72% of service users sampled in 2009/10 indicated they were satisfied with their home care service, an improvement on the 2008/09 score of 63%. 92% of respondents felt that their visits always or mostly took place at a time that suited them; again this was an improvement over the previous year's satisfaction rate of 89%. Nearly all respondents (98.7%) stated they were always or usually happy with the way they were treated. However, variation in satisfaction response rates was apparent when the results were analysed by provider as the table below shows and therefore work has been undertaken with providers, where necessary, to improve quality and satisfaction.

The current total expenditure per year on older people and physical disability home care services is £21.5m. The table below provides a weekly snapshot of current weekly activity (based on a sample week in November 2010), for home care services provided by both in house and external providers, excluding service users with a learning disability.

District		Mental Health	Older People	PDSI	Unknown	Total
North Warwickshire	Service Users	0	310	27	2	339
	Hours	0	2957	369	10	3335
Nuneaton & Bedworth	Service Users	3	616	75	6	700
	Hours	31	6129	1476	122	7758
Rugby	Service Users	6	407	54	0	467
	Hours	26	4043	829	0	4897
Stratford	Service Users	5	555	62	8	630
	Hours	32	5186	1001	47	6265
Warwick	Service Users	5	613	67	7	692
	Hours	187	6336	1900	104	8526
Unknown	Service Users	1	10	2	0	13
	Hours	14	61	108	0	183
Total	Service Users	20	2511	287	23	2841
	Hours	289	24712	5682	282	30964

Table 7: Number of service users and hours for each District split by Client group

In the sample week a total of 30,965 hours of care were provided to 2,841 service users, averaging at 11 hours per customer per week. However, there is variation between districts in the average allocation of home care hours per week per service user, Warwick being the highest with an average of 12.32 hours per week per customer and North Warwickshire at 9.8 hours. This is particularly interesting as there is no block provider in North Warwickshire and therefore in house provision is greatest in this district.

Type	Non LD Hrs	%	LD Hrs	%	Total Hrs	%
Block	11032	36%	424	2%	11456	21%
Call Off	9173	30%	58	0%	9231	17%
Spot	8569	28%	21739	97%	30307	57%
Internal	2192	7%	110	0%	2301	4%
Total	**30965**	**100%**	**22330**	**100%**	**53295**	**100%**

Table 8

As the table above indicates there are in excess of 30,965 hours of home care provided to non-learning disability clients in the county per week. 36% of hours are provided by block contracts with only 7% of hours being delivered by in-house provision. The split of external contract provision is further highlighted in the chart and table below.
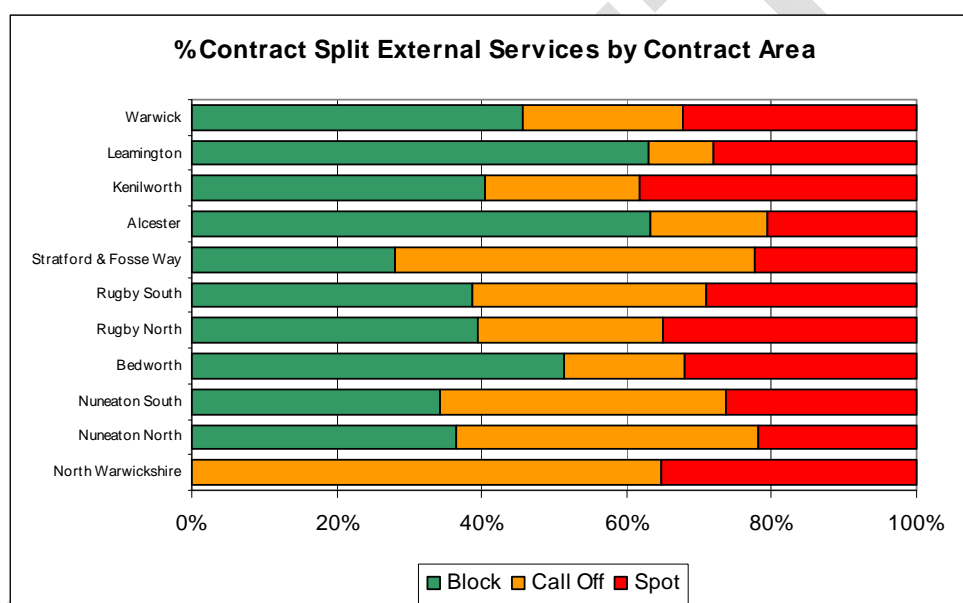

Table 9

District		Block	Call Off	Spot	Internal	Total
North Warwickshire	**Service Users**	0%	61%	23%	16%	100%
	Hours	0%	59%	32%	9%	100%
Nuneaton & Bedworth	**Service Users**	40%	33%	12%	15%	100%
	Hours	37%	28%	24%	11%	100%
Rugby	**Service Users**	39%	27%	22%	12%	100%
	Hours	36%	26%	30%	7%	100%
Stratford	**Service Users**	43%	37%	12%	8%	100%
	Hours	39%	36%	21%	4%	100%
Warwick	**Service Users**	61%	19%	12%	8%	100%
	Hours	46%	17%	32%	5%	100%
Unknown	**Service Users**	8%	38%	46%	8%	100%
	Hours	4%	18%	76%	2%	100%
Total	**Service Users**	41%	33%	15%	11%	100%
	Hours	36%	30%	28%	7%	100%

Table 10: Percentage split of Service users and hours for each District Split by Contract Type
Figures in red indicate a variance of 10% points or greater between Service Users and Hours

From the table above, it is possible to compare the variation in type of contract and its usage by district. Rural variations have built up pockets of spot providers in some areas of the county over time. Market forces have come into play where some providers have been more successful in securing business to the detriment of others.

North Warwickshire is distinguishable, due to its current lack of block provider as being the district making the largest use of both call off contracts (61%) and internal provision (16%). Nuneaton, Stratford and Warwick seem to be well serviced by their block providers. However, in Warwick whilst 61% of service users are provided for by the block contract, this only accounts for 46% of hours delivered; with 32% of the hours being provided through spot purchases. Whereas in Nuneaton and Bedworth 24% of the total hours are provided through spot provision but to only 12% of the clients.

By looking at the analysis in the table below, the variation in the number of hours provided in each district and range of service packages e.g. the percentage of clients receiving a low level of service across the county is apparent. The lowest number of service users is in North Warwickshire where there are 339 (12% of the total across the county). Nuneaton and Bedworth have the greatest number of home care packages with 25% of cases being provided here; closely followed by Warwick where there are 692 home care service users. There is wide variation in the weekly hours provided to customers as shown in the table below.

In looking at the size of packages being delivered it is apparent that 3% of service users are receiving less than 2 hours per week. When this low level service is analysed further, the variation in this practice across the county is clear, with 24 service users in Stratford (4% of their total service users) receiving less than 2 hours per week.

An additional 972 (34%) service users receive between 2 and 6 hours of care per week; with an additional 1295 (46%) receiving 7 to 14 hours. A total of 496 receiving more than 15 hours of care; of whom just 11% (315) receive more than 20 hours.

| District | Weekly Hours | | | | | |
	Under 2	2-6	7-14	15-20	Over 20	Total
North Warwickshire	4	135	148	20	32	339
Nuneaton & Bedworth	21	227	320	42	90	700
Rugby	10	162	209	32	54	467
Stratford	24	235	263	43	65	630
Warwick	18	209	349	44	72	692
Unknown	1	4	6		2	13
Total	78	972	1295	181	315	2841

Table 11: Hours bands for all non LD customers (internal & external)

The table below indicates how people aged over 85 are the predominant users of home care with over 40% of all users being 85+. This is constant across all districts. From the table it can be seen that Stratford has the highest (46%) proportion of 85+ home care service users. Therefore, given the population projections for further increases in the 85+ population, this will cause further pressure on social care demand and resources, unless the service model is changed to focus more on

recovering, rehabilitation and reablement to avoid the need for ongoing care packages.

District	18-64	65-74	75-84	85+	No DoB	Total
North Warwickshire	378	388	1258	1311		**3335**
Nuneaton & Bedworth	1352	1254	2254	2898		**7758**
Rugby	851	523	1550	1973		**4897**
Stratford	948	582	1843	2885	8	**6265**
Warwick	2126	1016	2041	3344		**8526**
Unknown	122	10	25	26		**183**
Total	**5777**	**3773**	**8971**	**12437**	**8**	**30965**

Table 12

As the table below evidences some of the differences can be explained when the usage of home care is standardised per 1000 population aged 65+. The highest standardised usage of home care is in the Nuneaton and Bedworth district where there are 30.29 service users per 1000 population accessed the service, which is well above the average for the county of 25.98.

District	Service Users 65+	Population 65+	Service Users Per 1000 population
North Warwickshire	310	11,200	27.68
Nuneaton & Bedworth	624	20,600	30.29
Rugby	408	16,900	24.14
Stratford	565	25,500	22.16
Warwick	619	23,400	26.45
Unknown	10		
Total	**2536**	**97,600**	**25.98**

Table 13

6.   The Future of In House Home Care

Tough choices will be required to transform home care services and meet efficiencies to deliver the required savings target. Despite growth in the private and voluntary sectors, Warwickshire County Council's in house home care service (excluding reablement) still delivers 7% of provision, in addition to leading on reablement services. However, the Leader's Ambitions are for Warwickshire County Council to move the authority towards being a strategic commissioner and to significantly increase integration of services with partners. In this way, the Leader is looking for us to work with other public sector organisations to ensure services remain sustainable and based around need. Therefore it is proposed that we continue to work with NHS Warwickshire to develop integrated reablement services but externalise in-house maintenance care.

Warwickshire County Council's in-house maintenance home care service delivers services from 7am to 10pm 365 days per year. As at November 2010, it provides approximately 2,300 contact hours per week to approximately 350 service users.

However the number of service users and hours of care delivered continues to fall, as no new referrals are being referred to the in house service. By 3rd January 2011 the weekly contact hours had fallen to 2274 and the number of customers decreased by six.

The table below indicates in-house's market share is now only 4% of the total home care market in Warwickshire, which is equivalent to 7% of non learning disability hours.

Type	Non LD Hrs	%	LD Hrs	%	Total Hrs	%
Block	11032	36%	424	2%	11456	21%
Call Off	9173	30%	58	0%	9231	17%
Spot	8569	28%	21739	97%	30307	57%
Internal	2192	7%	110	0%	2301	4%
Total	**30965**	**100%**	**22330**	**100%**	**53295**	**100%**

Table 14

The information below, taken in a sample week in November 2010, indicates the in house service provided care to 334 non learning disability service users who received 2192 hours of care that week. The majority of in house provision is centred in the north and east of the county with 14% of hours being provided in North Warwickshire, 39% in Nuneaton and Bedworth and 16% in Rugby. He total split of hours and number of packages is shown in the table below.

Contract Area	Non LD Hrs	Non LD Packages	LD Hrs	LD Packages	Total Hours	Total Packages
North Warwickshire	298	59	12	2	310	61
Nuneaton North	245	29	0	0	245	29
Nuneaton South	270	35	19	2	289	37
Bedworth	348	42	0	0	348	42
Rugby North	185	32	6	1	190	33
Rugby South	175	25	4	2	179	27
Stratford & Fosse Way	150	28	18	2	168	30
Alcester	130	23	6	2	136	25
Kenilworth	182	22	40	2	221	24
Leamington	110	20	7	2	117	22
Warwick	95	18	0	0	95	18
Out Of County	5	1	0	0	5	1
Total	**2192**	**334**	**110**	**15**	**2301**	**349**

Table 15

There is also a significantly different ratio of average contact hours provided to service users by in house services. In the sample week, 2301 hours of care were delivered to 349 service users; equating to an average of 7 hours per customer. This compares to 11.5 hours per week per service user in the external sector; indicating that in house may be providing services to the less complex / dependent cases.

Current staffing establishment within the in-house service is:

- Home Care Managers x 2 FTE

- Team Administrator x 0.41 FTE
- Team Clerk x 1 FTE
- Home Care Supervisors x 14.98 FTE
- Home Carers x 78.3 FTE

However staffing numbers are also declining with a reduction in December of 3.87 FTE home carers.

The current unit cost of in house service is £25.57 and the non-contact time of the service (including annual leave, sickness, training and travel) is 40% The implementation of reablement and the natural reduction in customer hours with the remaining home care service has had a dramatic effect on service utilisation. Home carers are employed within 5 hour bandings and Warwickshire County Council is contractually obliged to provide work up to the minimum of the banding. If this is not possible, a top up payment is paid to the home carer. Due to the lack of work for all home carers in certain geographical areas of the county, significant top ups are being paid, which is not an effective use of the resources available.

Therefore a number of options for the future use of in house home care services have been identified and apprised. The action plan for externalisation is attached at appendix D.

7.   Future Commissioning Intentions

Ongoing "Mainstream" Home Care

The mainstream or standard home care service will be tendered in line with the overall volumes and scope described in Section 5. However, changes will be introduced to the service specification to focus more on independence, recovery, rehabilitation and reablement. This will be essential to ensure that the progress customers make from passing through the earlier Reablement Service stage is not lost. A greater emphasis will be placed on achieving outcomes in care plans rather than the traditional task orientated approach.

It is anticipated that the procurement process, outlined in Section 8, will involve the application of 'framework' contracts to improve choice and quality. The introduction of 'Individual Service Funds', a way of calling off their entitlement in a more flexible way, will ensure that customers who do not wish to have a direct payment can take more control over their care, thus improving longer term outcomes. Measures are being taken minimise any possible disruption to customers when new contracts are awarded i.e. new referrals will be allocated to the framework contractors but existing care packages will remain in place wherever possible.

Reablement

Reablement services help people to regain independence after a crisis and can have a significant positive impact on people's quality of life. National benchmarking evidences that reablement is cost effective for authorities such as ourselves, in that people's care costs after a reablement programme can be around 60% lower than

for those who have not gone through a reablement programme. This significantly outweighs the initial costs of providing a reablement service.

In October 2010, Cabinet received an initial review of the in house reablement service. This showed that 54 out of the 83 people (74%) required no further support after reablement and of the 26% requiring ongoing support, there was an average reduction of support hours provided after reablement. These outcomes compare very favourably with national evidence outlined above. These outcomes compare very favourably with national evidence outlined below.

Nationally the success of reablement in improving outcomes for service users and reducing the cost for local authorities is evidenced in the Prospective Study undertaken by the Social Policy Research Unit and published by Care Services Efficiency in November 2010; where 3 out of the 4 schemes that participated reported 53 to 68% of service users left reablement requiring no immediate home care package. Of these 36 to 48% continued to require no care package 2 years after reablement. Of those who did continue to require a home care package within 2 years of reablement, 34 to 54% had maintained or reduced their home care package.

Service user outcomes reported from the study showed that reablement services have a significant impact on outcomes and the final report confirms that these benefits continued with significantly better social outcomes and improvement in perceived quality of life.

Analysis of the cost of reablement in the study highlighted that during the initial period, the cost of reablement exceeded that of conventional homecare. However over the course of the follow up period, this was more than offset by higher costs of conventional care, compared with post reablement. The survey outcomes indicate a break-even point, on average, for all recipients at approximately 30 weeks. The costs of social are services used by people in the reablement group during the 12 months of the study (excluding he cost of the reablement intervention itself) were 60% less than the cost of the care services used by people using conventional homecare.

The revision to the NHS Operating Framework 2010/11 introduced changes to the tariff to cover reablement and post discharge support, including social care. Reablement services help people with poor physical or mental health accommodate their illness by learning or relearning the skills necessary for daily living. Such an approach creates real opportunities for acute providers to work with GPs and local authorities and would require the full engagement of the wider health and care economy before discharging patients. It should encourage the use of services such as community health services, social care, home adaptations (including telecare) and extra care housing. These services should contribute to improved patient outcomes and significantly reduce the risk of emergency readmission into hospital, which increased by 50% from 1998/99 to 2007/08.

Alongside this there is now an intention to ensure that hospitals are responsible for patients for the 30 days after discharge. If a patient is readmitted within that time, the hospital will not receive any further payment for the additional treatment. This strengthens an existing expectation that avoidable readmissions due to poor quality

care are not reimbursed. From 1 December 2010, the Department of Health expects providers and commissioners to apply the provisions of this guidance if they are not already doing so, making hospitals responsible for a patient's ongoing care after discharge will create more joined up working between hospitals and community services and may be supported by the developments in reablement and post discharge support. This will improve quality and performance and shift the focus to the outcome for the patient. The department of health are leaving the exact method for determining how non payment should occur up to health economies' discretion in consultation with GPs and local authorities so that the NHS comes up with a solution that fits its circumstances.

Through the use of reablement services we aim to maintain independence and prevent people's needs from escalating, minimising g the need for on- going intensive packages of care or the need for admission to residential care.

Additionally allocations have been made to the PCT this year for post discharge support. NHS Warwickshire have received £660,000 via increased revenue resource and cash limit allocations this year to develop local plans in conjunction with local authorities and community health services on the best way of using this money to facilitate seamless care for patients on discharge from hospital to prevent avoidable hospital readmissions.

The DH have stipulated that a proportion of this funding should be used to develop current reablement capacity in councils, community health services, the independent and voluntary sectors according to local needs, Resources can be transferred to local partners, including setting up of pooled budgets wherever this makes sense locally.

PCTs are asked to use the plans developed for this year as a basis for coordinated activity on post discharge support in 2011/12 and 2012/13 when changes to the tariffs will take effect.   In 2011/12 non payment to Trusts for emergency readmissions will create savings for commissioners to reinvest in reablement and post discharge support in year, whilst the intention is that from 2012/13 the tariffs are increased to cover the cost of post discharge support, including reablement.

The DH intention is to create as simple and transparent system as possible, whilst recognising complexities such as patients who are treated by hospitals not in their local area. The DH have asked that partners work to ensure that people leaving hospital have access to appropriate levels of professional support that will enable them to live independently and as far as possible, fully return to life prior to hospital admission.

There is a commitment between Adult, Health and Community Services and NHS Warwickshire to cut the cost of frailty in the ways outlined above and joint work has begun to scope reduced need for acute hospital care and/or long term care through admission avoidance, early supported discharge and comprehensive geriatric assessment, within the following principles and four key changes of:

- emergency response services to identify people with frailty presentations and refer to rapid response step up intermediate care services

- patients requiring acute care in hospital or community settings should be under the care of old age specialist teams, with movement between wards or facilities kept to a minimum
- once acute care needs are met, patients should be transferred to post cute care services 9 in community settings - bed or domiciliary) with 24 hours of notification and assessed for their post acute care in these settings i.e. discharge to assess not assess to discharge
- comprehensive assessment should be undertaken during their post acute care, with discharge or transfer of on going services such as social care reablement, long terms conditions management, end of life care, or long term residential care.

Work with health colleagues is already underway to align Warwickshire's Reablement service with health. This will ensure that intermediate care services can directly access the reablement service once the customer has received their acute support within the community. There is also an expectation that reablement will play a fundamental part in preventing an individual admission to hospital by providing reablement and assessment within the persons home. Staff modelling is being undertaken to identify potential demand for reablement, once service access is extended to health. It is clear that the service will need to extend significantly to meet demand in the future. The additional DOH funding will be used to respond to this additional resource requirement.

In the interim, reablement has extended its assessment capacity to respond to winter pressure demand and additional staffing resource is being used from within the directorate to meet this increase in customer throughput. This will assist to ensure that hospital discharges are not delayed and the customer can be discharged into their home and receive a reablement assessment within a number of hours. The reablement service is also transferring front line staffing provision to Warwickshire Community Health to assist with the development of CERT (Community Emergency Response Team). This service is being developed to prevent hospital admissions by providing acute care and support to the customer within the community.

Carers Short Breaks

Informal carers are the main provides of care in the community and underpin social are services. However, caring can have a major impact on a carer's life and can affect their economic status, health and well-being as well as limiting opportunities to pursue independent social or leisure activities. Effectively supporting carers and ensuring they are able to continue in their caring role wherever possible can reduce carer breakdown and a subsequent dependence on higher cost services for the cared for person.

The 2001 census identified 53,221 carers in Warwickshire. Nearly 9,500 of these carers were providing in excess of 50 hours of care per week. More recent national research has since identified that the number of carers providing over 50 hours of care per week has doubled and that there is a direct correlation between a higher number of hours of care provided and the impact on the carer's health.

Carers short breaks can provide an opportunity for the carer to take some time away from caring and "recharge their batteries" to be able to return to their caring role

more relaxed and able to cope. Carers short breaks may also be used, where appropriate, as part of a support package to enable carers to return to or retain employment.

Our vision for carers is that by 2015,any individual, whether they are new to caring or have cared for a considerable period, will have timely access to breaks, which will be tailored to meet individual needs and enable carers to maintain a balance between their caring responsibilities and a life outside caring.   As an outcome of this service carers will be able to exercise choice and control in relation to their caring responsibilities; with thee services being provided flexibly to meet the needs of the carer.

Carer's short breaks (including 6 hour short breaks and up to 72 hours "In Your Place" breaks) have evolved in Warwickshire since introduced. The 6 appointed block and spot contractors are all CQC registered domiciliary care providers and provide "replacement care" to customers to allow carers to enjoy a short break.

The current budget for contracted carers short break services is £362,430 plus £121,000 for "In Your Place". However, where contracts have been exceeded spot purchasing has also taken place.

The rates at which Warwickshire County Council purchases such care are quite varied across providers and therefore it is proposed that we begin to mainstream these services and purchase carers short breaks via domiciliary care contracts in the future, once the current contracts expire.

This proposal would deliver the following opportunities:

- Increased choice for customers
- Increased services available to customers
- Increased spend with mainstream Domiciliary providers, possibly increasing future leverage and value for money
- Increased quality of services via EVR and other quality measures
- Increased visibility of providers via Contract Monitoring.

Rapid Response

National case studies suggest that an integrate crisis response service that responds within a four hour period can be cost effective and reduce unnecessary admissions to hospital and residential care.

In the sample week in November 2010, only 15.75 hours of fast response service were delivered by the in-house service to 2 service users, one in Bedworth and one in Rugby. However, in the 12 month period 01/01/2010 to 31/12/2010 the in-house service delivered an average of 90 hours of rapid response service per month; with the greatest number of hours being provided in the Bedworth area and fewest in Stratford.

It is clear that a fast response home care service is vital to assist with the prevention of carer breakdown and also to prevent hospital admission. The current in house

provision is bolted on to the maintenance service and decisions are required about how this service is provided in the future. It is recommended that the Fast Response service is externalised alongside the in house maintenance service. This ensures that the Cabinet recommendations of Reablement being in house provision core business are met. It also ensures that the service is provided at a competitive rate within the private home care market. If the Fast Response service was maintained in house, significant staffing infrastructure would need extending to meet the ongoing service demand. This would be costly to the directorate and would have a negative impact on meeting ongoing savings targets In the interim, work is underway with health colleagues so that the 'health line' can directly access the service. This will take pressure off intermediate care provision as fast response may be offered as an alternative. Health colleagues are clear that this fast response service provision is vital long term to contribute to individuals receiving crisis intervention within the community and away from hospital environments. This provision is currently free for up to 10 days with the expectation that following this period reablement may be offered to the customer, if they are eligible.

Telecare

Providing people's care and support in the most appropriate and cost effective way is vital. Telecare enables people to live at home independently for longer by providing technologies that make their homes safer and more secure. Self-evaluation form other council's indicate that adult social are could save at least 1.5% per annum of their home and residential care spend by introducing integrated telecare support.

Assistive Technology is defined by the Audit Commission as 'any item, piece of equipment, product or system that is used to increase, maintain or improve the functional capabilities and independence of people with cognitive, physical or communication difficulties'.

Telecare is an aspect of Assistive Technology and relates to a combination of equipment, monitoring and response and has been defined as the continuous, automatic and remote monitoring of real time emergencies and lifestyle changes over time in order to manage the risks associated with independent living. It can help individuals maintain independence, increase safety and confidence and support carers alongside traditional healthcare, social care and housing initiatives.

A strategic review of Telecare in Warwickshire evidenced that the physical response service to those customers without other key holders should be provided by a care provider.   Within the future home care commissioning intentions we will look to provide an emergency physical response service to support Telecare customers who require a home visit in response to an alarm if they do not have other key holders. The right response through a care provider is critical in responding appropriately to the customers needs and in reducing unnecessary hospital and residential admissions.

It is evident that Warwickshire will see a significant change in the profile of older people, with an increase in population and of numbers of people over the age of 70. This increase will also bring with it associated support and care needs for older people with more people living with dementia, learning disability and long-term

limiting illness, and in some areas particularly the north of the County, older people living in deprivation. Stratford on Avon is likely to see the most significant change where the population of older people and older people with dementia is predicted to increase more than other areas of the county.

There are currently 460 Telecare customers in Warwickshire. Based on experiences in Warwickshire and another local authority who have implemented a similar service model, the financial toolkit assumes there will be 220 new customers in 2010/11 rising to 400 new customers in 2014/15, giving an estimated total of 2000 Telecare customers in 2014/15. During these timescales it estimates that expenditure on Telecare will rise from £436,492 in 2010/11 to £1,079,840 in 2014/15. However, this expenditure will result in anticipated savings to social care of £493,453 in 2010/11 rising to £2,307,560 savings in 2014/15. These savings make significant assumptions about steep growth in Telecare, although growth in other local authorities has exceeded that predicted in Warwickshire.

Of the 460 current Telecare customers, there are approximately 30 customers in Warwickshire who require a physical response service from an external provider. Anecdotal information from other local authorities suggest that there are low numbers of customers without key holders who require a physical response service for Telecare with an average of 18 customers for two other local authorities.

Dementia Care

The National Dementia Strategy (Living Well with Dementia) published by the Department of Health in 2009, describes a joint commissioning care pathway including personal support in the home. This is an opportune time therefore to consider options for providing future models of support to people with dementia and their carers, in line with the national and local dementia strategy, as well as the needs of people with different stages of dementia to enable people to stay in their own homes for longer.

There are opportunities for service redesign that provide better outcomes for people with dementia , that offer more flexible and personalised care, as well as the realisation of savings whilst supporting people to maintain their skills and abilities, to maintain their social networks and to remain living at home.

Services provided (which can include SP home support services) offer a person support to live at home offering initially between 5-10 hours of support per week, increasing with progression/severity of condition. Services provided will need to range from:

- Home based support in respect of maintaining a safe and secure home, finances and paying bills, and staying healthy whilst maintaining the individuals right to dignity privacy and confidentiality
- Accommodation based personal support and care which includes delivering a 24/7 flexible care element to Extra Care and Very Sheltered Housing
- Generic Domiciliary Care where staff are trained in dementia awareness and are aware of how to refer to specialist services and memory assessment services

- Enabling of independence and retaining life skills through supportive enabling to complete tasks i.e. washing, dressing, eating etc. This will be a longer /slower process for the worker who will need to spend more time with the client, doing with not doing for
- 24hr support and care in the home which can include 'live in 'care to prevent admission to acute or specialist care or facilitate early discharge home from hospital
- Significant level of defined risk and complex/case management
- Intermediate care type services
- Support to maintain in-reach into a person's community
- Palliative care
- Respite to carers can be any element of above.

Common to all of the above will be a need to jointly commission with Warwickshire PCT and to ensure all workforce are trained in dementia and are familiar with dementia working.

Specialist Domiciliary care provision for people with dementia is a necessary component of support to enable people with dementia to be supported to live in their own homes.

Not all people with dementia necessarily require specialist dementia domiciliary care as their needs follow a continuum and many people's needs are appropriately met through standard domiciliary care where staff had been trained appropriately. Often this level of training need only be dementia awareness training. This may particularly be the case where a person's needs are primarily for personal care rather than mental health care.

However, there are a small number of people whose needs do require specialist care. The homecare requirements for people with dementia have been discussed with the Older People Mental Health Service Co-ordinator who advised that a specialist dementia service is only likely to be required where a Customer has challenging behaviour. If there is a primary healthcare need then the Customer may meet the eligibility criteria for Continuing Healthcare in which case health would be asked to fund the care package. Social care needs can however generally be met by homecare providers whose staff have received some dementia training at a significantly lower cost.

In November 2009, elected members in house approved the establishment of a 2nd specialist dementia in house home care service in Nuneaton and Bedworth, to mirror the one that had been operating in Stratford. To date there are a total of 61 service users who have received an internal dementia homecare service who all have a specific dementia diagnosis recorded on Carefirst. The table below indicates the length of time each of the customers spent in the internal dementia service, including those who are receiving on-going care.

As can be seen from the table below, since the launch of the internal dementia service there have been 61 service users, of these only 22 are still currently in receipt of an internal dementia service.

Length of service (weeks)	Number of Service users		
	Nuneaton & Bedworth	Stratford	Total
0-10	1	1	2
11-20		1	1
21-50	1	3	4
51-75	2	4	6
76-100	1		1
101+	4	21	25
Ongoing	16	6	22
Total	25	36	61

Table 16: All service users who have received an Internal Dementia service since roll out

In the November 2010 sample week there were a total of 26 service users in receipt of an in house dementia service and the table below identifies how and where the service is being provided.

District	Weekly Hours				
	Min	Max	Average	Total	Clients
Nuneaton & Bedworth	2.75	18.75	8.1	137.75	17
Stratford	0.5	16	7.9	70.75	9
Total	0.5	18.75	8.0	208.5	26

Table 17: Internal Dementia Service users in the sample week

The budget for the in house dementia services is £454,855.

The external provision of dementia specific services is provided through a specialist Dementia Homecare Service provider, who provided service to 32 service users in the sample week as detailed in the table below.

District	Weekly Hours				
	Min	Max	Average	Total	Clients
Rugby	3.5	49.0	15.0	240	16
Warwick	0.2	31.5	10.8	173	16
Total	0.2	49.0	12.9	413	32

Table 18: External Dementia Service Users with Dementia Homecare type in the sample week

The external provision of dementia home care service is provided through a specialist provider who provided a service to 32 clients totalling 413 hours and a range of other external providers. These are detailed below and it is noticeable that two providers (Helping Hands and The Care Bureau) provide the highest number of hours equating to 38% of the 1001 hours provided by the range of other providers.

| Provider | Weekly Hours | | | | Service Users |
	Min	Max	Average	Total	
Allied Healthcare Warwick	11.0	11.0	11.0	11	1
Alzheimers Society	3.0	3.0	3.0	3	1
Barnfield Care Agency	14.0	14.0	14.0	14	1
Bluebird Care	5.8	5.8	5.8	6	1
Bluebird Care (Stratford & Warwick)	7.0	7.0	7.0	7	1
Carewatch (South Midlands)	2.3	10.0	5.3	37	7
Carewatch (South Warwickshire)	14.5	28.0	21.3	43	2
Crossroads Coventry & Warwickshire Rugby	1.0	10.0	5.2	52	10
Everycare Rugby	3.0	30.5	12.3	37	3
Gateway Health And Social Care	6.3	31.5	19.6	59	3
Goldsborough Home Care	1.0	15.5	6.4	51	8
Helping Hands Home Care	2.0	21.0	9.1	110	12
Ingleby Care Ltd	4.3	8.3	5.8	17	3
Mobile Care Services (Atherstone)	3.0	15.8	6.7	73	11
Phoenix Employment Services Ltd	4.0	4.0	4.0	4	1
Radis Community Care	0.5	14.0	6.3	32	5
Sevacare (UK) Ltd	7.3	8.8	8.0	16	2
Surecare Warwickshire	3.5	14.0	8.1	49	6
The Care Bureau Ltd	0.8	35.0	9.4	272	29
Universal Domiciliary Care	7.0	28.0	17.5	35	2
Warwickshire Homecare Services	2.0	15.8	7.6	76	10
Total	**0.5**	**35.0**	**8.4**	**1001**	**119**

Table 19

Continuing Health Care

The key priorities in relation to NHS Warwickshire's requirements for a jointly commissioned home care service are as follows:

- To establish a framework of quality providers with improved contractual arrangements
- Improve the performance and quality monitoring of providers
- Create a foundation to enable the improvement of care outcomes to clients.
- To deliver affordable and Value for Money (VfM) Continuing Healthcare (CHC) Domiciliary Care services – a savings target of 8-10% on new packages.

The service specification will need to include the following elements (subject to further input from relevant clinicians):

- General i.e. end of life and standard personal care covering most older people
- Significant specialist groups i.e. Mental Health (including Dementia) and Learning Disabilities
- Specialist medical input i.e. Spinal Injuries, Acquired Brain Injury, Physical Disability Neurological conditions or complex medical care e.g. Ventilator use, Tracheotomies with Suctioning

The annual expenditure by NHSW is large (i.e. approximately £7m per year) and the tender would be structured in line with the above as three separate lots.

8.   Recommended Procurement Approach

In re-tendering modernised home care we aim to achieve a number of deliverables including affordability, quality, capacity, choice and accessibility across the county.

The outcomes required of future home care services will include:

- More choice and control for service users
- More flexible, cost effective, integrated services that offer value for money
- Quality services at an affordable cost that focus on commissioning outcomes with a strong emphasis on enabling people to live independently
- Services that promote independence, recovery, rehabilitation and reablement
- Services that prevent ill health and promote well being
- Support for people to regain or attain independence outside of social care services wherever this is possible.

Why do we need to change our approach from the plans outlined to Cabinet in February 2010?

Permission was granted by Cabinet on 25th February 2010 to tender for the mainstream domiciliary care service and plans were subsequently developed for a programme to award new contracts in October 2010. The two key guiding principles at that time were to commission more personalised services for customers as well as meet the requirements of Contract Standing Orders, especially as the contracts had already been extended well beyond their originally tendered timescale.

Engagement was undertaken with customers and providers that helped to inform how a more flexible approach would be taken to replace the traditional 'block' contracting arrangements. Open book accounting had been shared by providers to ensure that financial modelling was sound and that recent gains in quality across the service such as the introduction of electronic monitoring systems would be maintained.

The increase in personal budgets and direct payments take up over the coming years necessitates more flexible contracting terms and conditions and a more creative approach to market management to ensure the directorate is able to generate provision from which service users can directly purchase their care, if they choose to do so.

However, the directorate's need to quicken the pace of transformation across all services during the course of 2010 has meant that we have reviewed our key commissioning intentions, particularly in light of the growing financial pressures bearing on the County Council as a whole. The in-house reablement service continued to be rolled out across the county but an in-house 'maintenance' service still remained at a relatively high unit cost. A relatively small In-house specialist dementia home care service was also being piloted in the north and south of the

county but was not due to be evaluated until August 2010, too late for consideration in the 2010 tendering timetable. In order to promote the independence, recovery, rehabilitation and reablement of customers, it was also clear that a more integrated service would be required with telecare/assistive technology and other services.

How can we best secure these new services and achieve our desired outcomes within available resources?

Plans have now been formulated to procure a more integrated and transformational domiciliary care service which will include joint commissioning with NHS Warwickshire e.g. the inclusion of Continuing Health Care services in any new contracts. In line with the council's intention to focus on being a commissioning rather than a provider led organisation and to reduce overall costs, the In-house service will now need to be concentrated on the Reablement Service and so the existing Maintenance, Fast Response and Dementia services will be delivered by the external sector. It is proposed that the new tender process should take the form of a standard core home care specification with a range of modules for the specialist areas such as dementia care, carer's short breaks and telecare/assistive technology and fast response.

In light of the competing pressures for the re-commissioning and procurement of services it is important to address whether new services could be developed without tendering the bulk of the standard service which is stable and delivering good quality services (as reported by the Care Quality Commission compared with national and regional comparators). Under WCC's Contract Standing Orders, it is clear from discussions with corporate legal and procurement colleagues that whilst a short extension would be favourably considered to undertake a suitable tender process, it will not be possible to extend existing contracts by a significant period i.e. more than 6 to 9 months.

However, the opportunity will be taken during this major procurement exercise to update service models and specifications which are still largely based on those issued in 2005/06. For example, the implementation of 'Individual Service Funds' (ISFs), which are a new way of providing more choice and control by customers calling off their funds directly from the providers when they want rather than as now prescribed, will be included in the tender process as a requirement for providers to improve outcomes.

What are the key technical considerations for the forthcoming procurement of the new home care services?

A number of lessons were learnt from the previous tender undertaken in 2005/06:

- Block contracts could risk the transfer of customers against their wishes and TUPE legislation will not ensure the smooth transfer of staff if contracts change hands

- Clarity must be secured before the tender regarding the financial envelope available for the range of new and existing services, especially in light of

expectations regarding quality and efficiencies

- The procurement exercise must not be the key driving force – commissioning intentions need to include meaningful reference to customers and providers

- Referrals to the range of block, call-off and spot contracts need to be managed more closely to avoid inappropriate and costly transfers of work

- The costs of high cost home care packages will need to be compared more effectively with other service options to ensure that value for money is secured.

The main challenge will be the need to gain efficiencies and affordable prices whilst endeavouring to secure more choice and control for customers. Block contracts can deliver lower prices through guaranteeing income for providers whilst framework contracts are difficult to implement successfully in a social care setting. For example, the framework for community support services in Learning Disabilities services led to an overall increase in prices of approximately 7%, even through this had been predicted from the outset.

It is proposed that a framework approach is still undertaken but with the application of 'cost and volume' contracts i.e. an element of 'block' within the wider framework structure. We will also include enhancements to promote better coverage in hard-to-reach rural areas across Warwickshire. This was recently introduced as part of the wider work on driving up quality standards in home care and so specific areas have already been implemented in contracts and accommodated on our financial systems. The monitoring of quality standards will be an essential feature of any new contracts, including the continuation of the home care 'workbooks' for providers where key returns are collated such as electronic visit recording data, staffing profiles and the outcome of complaints etc.

Monitoring will be focused on what really matters most to customers such as the timing and duration of calls, the consistency of carers and being treated with dignity and respect. Electronic visit recording systems and customer surveys provide key reference data for contract compliance with providers. This approach will compliment the role of the Care Quality Commission (CQC), which has statutory duties to regulate and inspect providers in light of the new 'Essential Standards of Quality and Safety'. The CQC ensures that fundamental expectations are in place regarding customers' involvement, needs and safety and makes requirements on providers regarding their own internal checks on quality, staff skills and qualifications.

Value for money and affordability will also be reflected in how the framework arrangements will be structured. .A 'tiered' approach to the framework would see different levels of contracts depending on the level of services being offered by the provider, linked to what customers have been allocated in their personalised budgets. Certain providers could offer more cost effective domestic/cleaning services or even lower levels of dementia support as part of a more tailored menu of provision. However, some providers will focus on very high quality services which

will attract higher prices than normally allocated within personalised budgets. Customers will have the choice of 'topping up' payments should they wish to do so.

The tier aimed at those contractors who offer the essential services required by the bulk of customers and the County Council e.g. electronic visit recording, good customer satisfaction rates, price and monitoring requirements would be the first point of call for those customers wanting the council to purchase their care directly on their behalf. However, these and other tiers would be available to customers wanting to purchase services either on a mix and match basis or wholly through a personalised budget or direct payment.

It is proposed that the tendering of the in-house maintenance service is included in the overall procurement process but as a separate 'lot', especially as this will only appeal to a very small number of providers in the market given the complex legal and financial implications. The tender process will invite expressions of interest alongside the range of other home care services but special consideration will be given to the quality and capabilities of any new provider. For example, a proven track record of successfully transferring both staff and customers in a TUPE environment will obviously be critical in addition to meeting core service specification requirements. Robust communication and implementation strategies will be essential to ensure that all stakeholders, including elected members and trade unions are informed about how this will be achieved with the minimum disruption to staff, customers and their relatives.

It is recommended that the method of procurement and the subsequent award of contracts are delegated to the Strategic Director of Adult, Health and Community Services, the Strategic Director of Customers, Workforce and Governance and the Strategic Director of Resources. Consideration will have to be given by corporate legal and procurement colleagues for the need for to avoid or mitigate the transfer of customers as a priority despite the normal procurement process which can lead to the transfer of contracts. Clarity will be required for the intensity of home care packages i.e. in comparison with other models of care including residential settings. More robust measures will also be required to ensure that any contracts are used to maximum effect, possibly by applying new 'brokerage' models which would also serve to improve outcomes for customers.
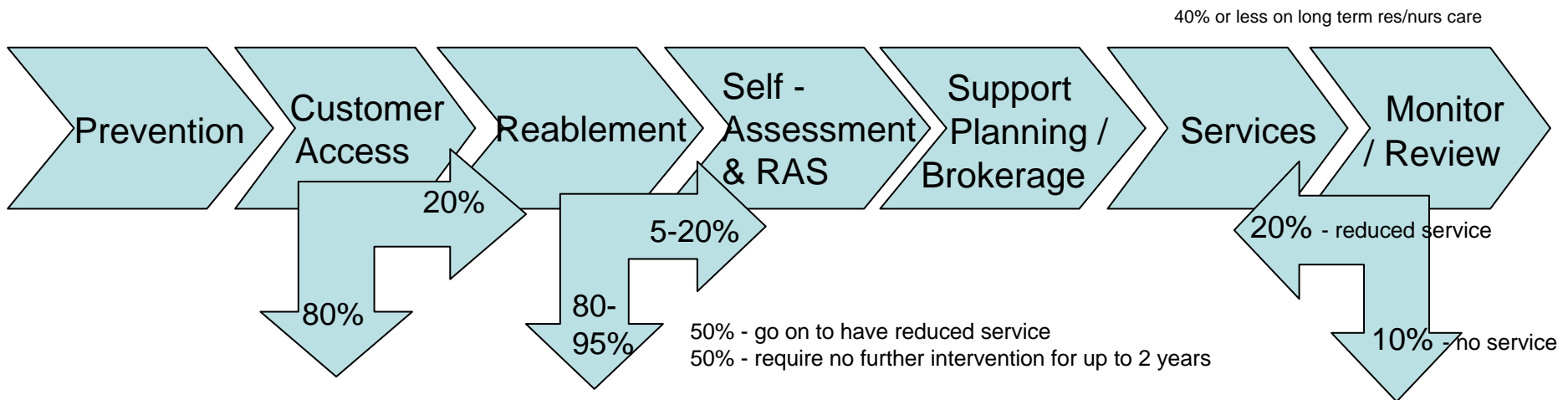
List of Appendices

A. New business model
B. Home care maps
C. Risk register
D. Outline procurement process and plan

Appendix A - Benefits Realisation

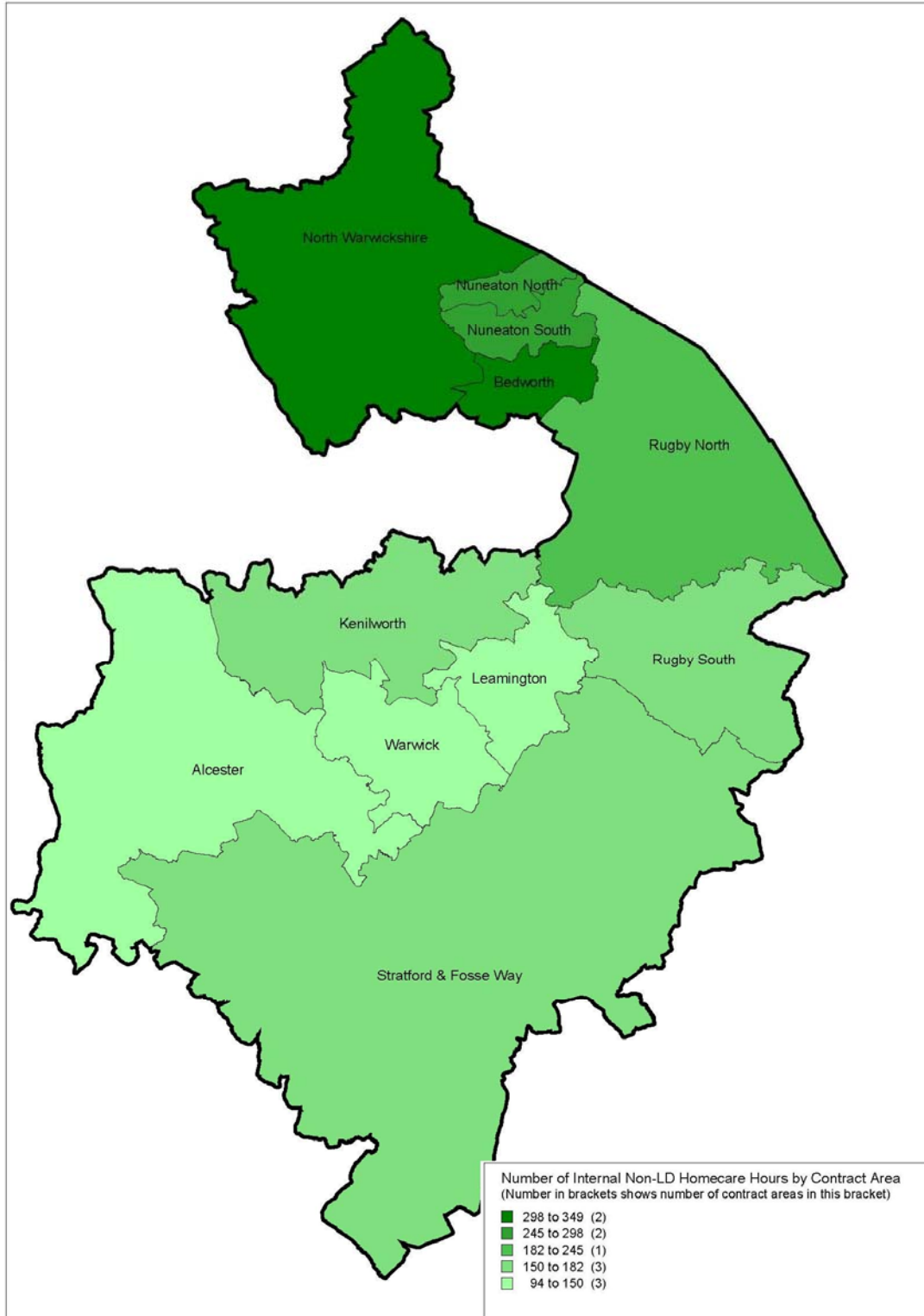*First time resolution*
Minimum number of steps to resolve

40% or less on long term res/nurs care

Prevention → Customer Access → Reablement → Self - Assessment & RAS → Support Planning / Brokerage → Services → Monitor / Review

20%

80%

80-95%

5-20%

50% - go on to have reduced service
50% - require no further intervention for up to 2 years

20% - reduced service

10% - no service

Safeguarding operates throughout the model

Warwickshire County Council

Appendix B

Number of Internal Non-LD Homecare Hours by Contract Area
(Number in brackets shows number of contract areas in this bracket)

- 298 to 349 (2)
- 245 to 298 (2)
- 182 to 245 (1)
- 150 to 182 (3)
- 94 to 150 (3)

Appendix B
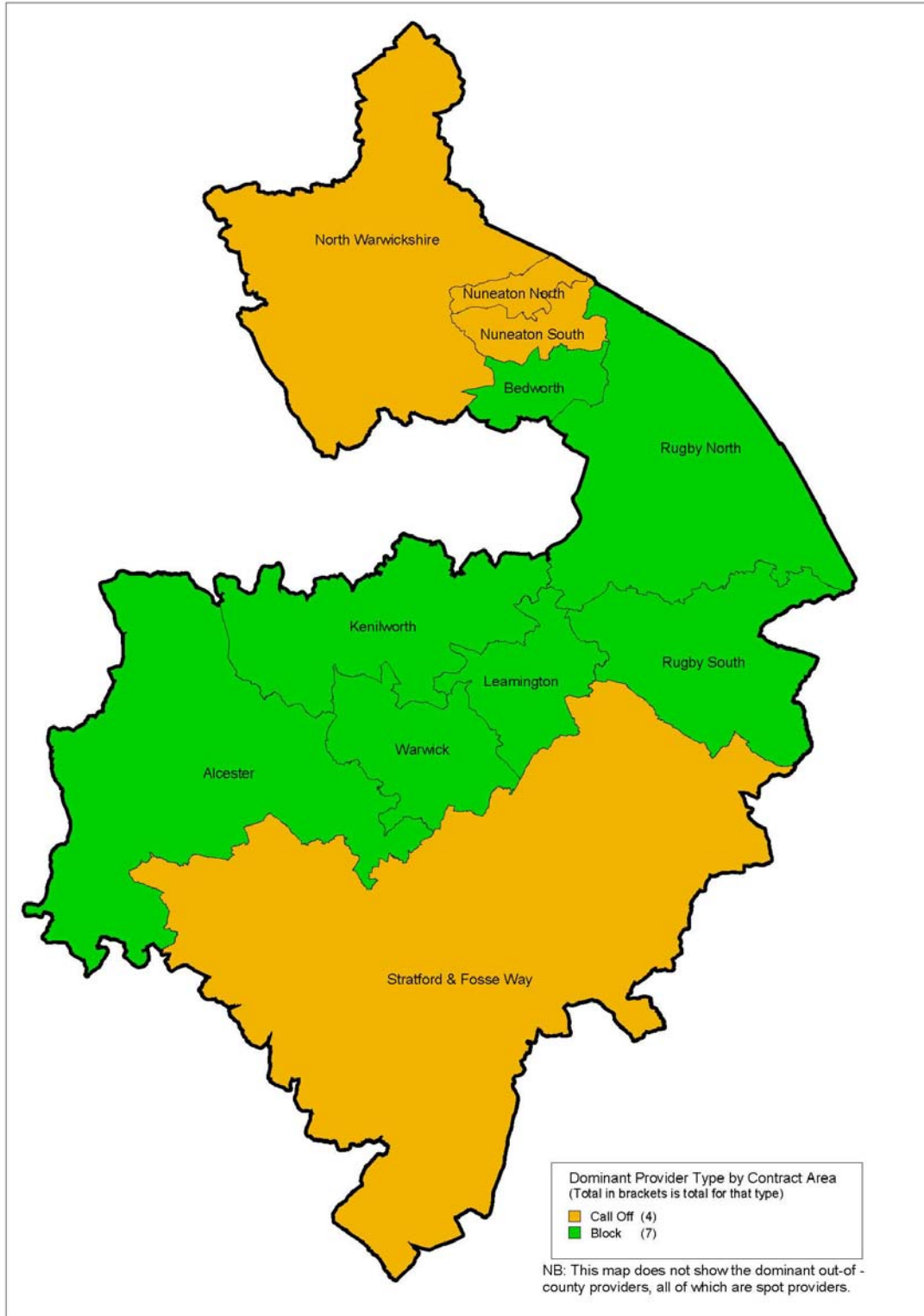
Risk Reference	Corporate Objective	Project/ Partnership Objective	Risk Owner	Review Date	Opportunity/ Threat	Risk Category	Cause	Risk Description Risk (Uncertainty)	Effect	Gross Risk P	I	Score	Risk Action (in place)	Net Risk P	I	Score	Further Risk Action	Risk Action Owner	Target Date
PROC1		Procurement Process	DSPP		Threat	Regulatory	Adherence to Contract Standing Orders	A procurement process is not in line with contract standing orders	A procurement project would become void and have to be run again; possible litigation from Applicants	1	5	5	All Procurement Officers are made aware of Contract Standing Orders and their effect. Line Managers are aware of work being undertaken by Procurement Officers and adherence to Contract Standing Orders	0	5	0			
PROC2		Procurement Process	DSPP		Threat	Regulatory	Adherence to UK Public Contracts Regulations	A procurement process is not in line with regulations	A procurement project would become void and have to be run again; possible litigation from Applicants; possible litigation from EU Commission	1	5	5	All Procurement Officers are made aware of regulations and their effect. Line Managers are aware of work being undertaken by Procurement Officers and adherence to regulations	0	5	0			
PROC3		Procurement Process	RW		Threat		Procurement Plan	Procurement Plan is not approved	Delay in procurement process therefore not meeting milestones and service delivery; could result in gap in service provision.	1	5	5	Detailed planning has taken place, existing contracts expire in October 2010.	0	5	0			
PROC4		Procurement Process	DSPP		Threat		Little or no response from market	Unable to continue with procurement process as non-competitive	Procurement process would have to restart; delay in process and therefore service delivery. Commissioners may have to revisit service specification and or budget to enable market participation.	1	5	5	Anticipate good response from market for framework and by extending marketplace to new providers.	1	3	3			
PROC5		Procurement Process	JR		Threat		Specification is not fit for purpose	Unable to start procurement process	Delay in procurement process therefore not meeting milestones and service delivery; could result in gap in service provision.	2	5	10	Specification will be robust and created in consultation with all stakeholders. Outcome based contract will facilitate WCC's response to personalisation.	1	3	3			
PROC6		Procurement Process	DSPP		Threat		Winning bids are not suitable	Winning bid does not meet the needs of service user, WCC, commissioners and or stakeholders	Abandonment of procurement process to avoid award of contract Award of contract to winning bid resulting in a poor service being delivered; potentially affecting service user lives	2	4	8	Appropriate weightings used to evaluate bids to focus highest weighting on most important sections (i.e. quality, service delivery).	1	3	3			
PROC7		Procurement Process	DSPP		Threat		Financial evaluation of Applicant organisations	Financial evaluation of Applicant organisations reveals risks that are high; especially in relation to SMEs, Third Sector and new organisations	Exclusion of SMEs, Third Sector and new organisations based on risk therefore resulting in larger organisations becoming predominant in service delivery	2	4	8	Framework agreements should extend opportunities for all organisations and extend choice for users.	1	3	3			
PROC8		Contract	JW		Threat		High prices	Move from blocks to framework	WCC cannot afford cost of services.	2	4	8	Opening market to more competition. Replacing spots with framework - no more spot prices.	1	3	3			
PROC9		Contract	JW		Threat		Customer Choice affected	Move from blocks to framework - providers able to take bookings from other local authorities, self funders etc. Possible geographical inequity.	Customers cannot get beds in their choice of provider/ local area.	1	4	4	Framework will increase choice and allow customers a real alternative to in house or block provision which resulted from the 2006 tender.	0	4	0			
										0	0	0		0	0	0			
										0	0	0		0	0	0			
										2	0	0		0	0	0			
										0	0	0		0	0	0			
										0	0	0		0	0	0			
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										0	0	0		0	0	0			

Domiciliary Care

Outline Procurement Process and Plan – 2011

Stage	Process	Timescale
1.	**Domiciliary Care Strategy – commissioning intentions** The key home care commissioning principles are as follows: • An understanding of local needs and priorities that have been co-produced with local citizens and communities • Service user choice and control over the range of services and support available. • Quality services at an affordable cost that focus on commissioning outcomes with a strong emphasis on enabling people to live independently • Support for people to regain or attain independence outside of social care services wherever this is possible • More flexible, cost effective services. The final strategy, which includes all of the required needs and service analysis, will be confirmed by O&S Committee in February 2011 and by Cabinet in March 2011. (Kim Harlock)	February 2011
2.	**Service Model and Specifications** Financial and service modelling will need to be directly linked to service specification requirements to ensure that the following areas are accommodated: • A core home care service specification (including links to the In-house Reablement service) • Carers short breaks – accommodation within core service specification • Rapid response service specification • Telecare/Assistive technology response service specification • Dementia care service specification (including any TUPE implications) • Continuing Health Care service specification • Any other specialist Health areas e.g. specific medial conditions • Hard-to-reach areas, particularly in rural areas of the county • Electronic visit recording and other quality/monitoring requirements • The externalisation of existing In-house maintenance provision The key focus will be to deliver the desired level of quality with resources, taking account of possible efficiencies and any inflation award for 2011/12. (Rob Wilkes/Andy Sharp & Mike Letters)	March 2011

3.	Customer and Provider Engagement Although a significant amount of engagement has taken place with providers during 2010, there has been only limited engagement with customers. Further engagement with customers will be required before the service models and specifications are finalised. Equality Impact Assessment to be completed and signed off by Tejay De Kretser. (Chris Lewington)	March 2011
4.	Procurement process for 2011/12 Procurement process and schedule to be confirmed including the following areas: • Type of process i.e. EU/Part B, Open/Restricted/Negotiated or Competitive Dialogue (bearing in mind the need to minimise customer transfers), application of 'tiered' approach with framework arrangements • Allocation and deployment of procurement resources • Finalisation of Procurement Plan, notices/advert, PQQ, tender pack, e-procurement, evaluation, implementation • Finalisation of contract terms and conditions • Contract Management System update and award notice (Paul White & Gen Davey)	March – September 2011
5.	Other key technical and implementation requirements The following technical issues will also be required before the tender can be implemented: • Extension of existing contractual arrangements via exemption for CSOs (to accommodate the length of the tender) • Communication strategy – regular briefings to Members and the media • Risk Log – maintenance and reporting of risks • Possible sub-regional procurement opportunities e.g. Coventry • Carefirst – development and testing of system codes • Brokerage – setting up process for referrals to providers post award • Legal support including TUPE and pension issues relating to the externalisation of In-house Maintenance service (Rob Wilkes/Andy Sharp & Paul White)	March 2011
6.	Tender and Award Project management of the overall tender, award and implementation process. Regular communication and progress updates in line with the Communication Strategy and Risk Log, including liaison with Localities Teams, customers and providers as necessary. (Paul White & Rob Wilkes)	October 2011

Rob Wilkes - Service Manager, 20th January 2011