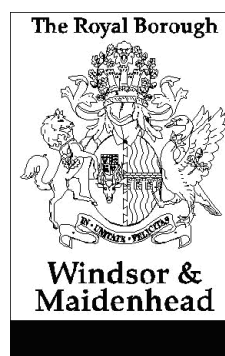


Report for:
INFORMATION



| | |
|--|---|
| Contains Confidential or Exempt Information | Yes – Report Part I Appendix 1 - Part II – Not for publication by virtue of paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972. |
| Title | Outcome Based Homecare Contract – Annual Review 2015-16 |
| Responsible Officer(s) | Alison Alexander, Managing Director and Strategic Director of Adults, Children and Health |
| Contact officer, job title and phone number | Hilary Hall, Head of Commissioning, Adults, Children and Health, 01628 683893 |
| Member reporting | Cllr Coppinger, Lead Member for Adult Services, Health and Sustainability |
| For Consideration By | Cabinet |
| Date to be Considered | 29 September 2016 |
| Implementation Date if Not Called In | Immediately |
| Affected Wards | All |

REPORT SUMMARY

1. In August 2015, the Royal Borough moved to a new way of commissioning homecare services. Instead of homecare being delivered to do things for people an Outcome based Service was put in place to enable residents to regain or maximise their independence.
2. The contract for the service was awarded to Carewatch Care Services Limited. This report sets out the benefits that have been delivered for borough residents in the first year of the contract's operation, together with the benefits expected in the second year of the contract.

If recommendations are adopted, how will residents benefit?

| | |
|---|--|
| Benefits to residents and reasons why they will benefit | Dates by which residents can expect to notice a difference |
| 1. Residents receive, in their own home, the service they require, at the right time, to enable them to remain healthy and to live independently. | March 2017 |

1. DETAILS OF RECOMMENDATIONS

RECOMMENDATION: That Cabinet notes:

- i. The progress in offering outcome based homecare services and the benefits it offers to residents.**
- ii. The plans for developing the service in the second year of the contract**

2. REASON FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

2.1 The Royal Borough commissioned homecare services for residents through an outcomes based homecare contract in 2015, to ensure:

- The best model of home and community based support for the benefit of residents.
- The service offer is aligned to the Care Act requirements. The provision of 'home care' services was financially sustainable.
- Satisfaction with service provision

2.2 The service specification requires the service provider to support residents to become more independent, rather than receive a daily service that is about the provider undertaking tasks for the resident so that the need for adult social care intervention declines. Outcomes based commissioning is based on the approach that the provider, Carewatch Care Services, innovate and uses a variety of aids/adaptations, including telecare as well as the resources of the voluntary sector, such as Carebank's befriending volunteers, to keep residents safe and independent.

2.3 Support residents to become, remain, independent enables our residents to stay in their own homes rather than moving to residential care. This approach aligns with the Care Quality Commission's view of the three important features of integrated care:

- Services working together across the health and social care sectors.
- People's control over the planning of their care.
- Achieving the results that are important to people who use services, their families and their carers.

2.6 In February 2015 the contract for Outcome Based Commissioning was awarded to Carewatch Care Service Ltd to commence in August 2015. The contract delivers a 15% saving in year one on the original cost of the homecare package (the cost of the package will vary dependent on need but is based on the rate of £17.95 per hour. Table 1 summarises progress against the original contract specification is.

Table 1: Summary progress in the Carewatch contract, September 2106

| Objective | Progress Sept 2016 |
|---|--|
| 100% of referrals for homecare taken by Carewatch | Achieved |
| Outcome Based Service in place for all eligible new users by August 2015 | Expected January 2016, start delayed – now active. |
| One monthly invoice for Homecare | Achieved |
| Carewatch to provide 50% of care directly and 50% through subcontractors | Achieved |
| Move from a large number of providers to one provider with sub-contractors – so that all hours are contracted via Carewatch | Achieved |

- 2.7 Moving from contracting with a number of companies to contracting with one company has reduced the number of hours spent in brokering care packages for residents. Instead more time is spent on assessments and monitoring of the service the company provides. It has also ensured certainty of supply and consolidated the provider market.
- 2.8 At any one time between 350-400 residents in the borough receive homecare packages. As at August 2016, 35 residents are receiving an outcome based service. One of the 35 residents has regained full independence through this new approach, see appendix 1: case study. This number of residents receiving an Outcome Based service will increase on a monthly basis as this is the only type of service available from January 2016.
- 2.9 The contract was due to start to deliver outcome based packages from August 2015. Implementation of the contract was delayed by six months to ensure that initial concerns about the quality of service were resolved. The issues experienced early in the contract relating to quality were largely related to: realigning the local workforce and moving from a dependency model of delivering ‘time and task’ care to people to a model that promotes independence through reablement. This is most simply expressed as moving from washing people to enabling them to wash themselves.
- 2.10 One year into the contract, the benefits now being delivered are:
- Stability in a struggling sector with the provider committed to taking all referrals.
 - A long term contract commitment of 5 years providing certainty of investment that will stabilise the workforce.
 - Higher wages for the staff delivering care.
 - No exposure to living wage increases during the five year term of the contract to the commissioner - RBWM.
 - A service delivering health outcomes – impacting on the level of service residents require from GPs.
- 2.11 Further benefits anticipated in year two of the contract are:
- Continue to expand the number of residents receiving the new type of service and those in receipt of the service have high quality independence plans.
 - The potential growth of the Outcome Based homecare service across East Berkshire authorities to make it more sustainable due to it being a common approach across a wider geography than RBWM.

- The opportunity to offer an independence plan to the 400 existing homecare service users in a sensitive and planned way.

Transferring from the traditional time and task contract to an outcomes based contract has meant the Royal Borough is recognised, nationally, as an example of “emerging thinking and planning of arrangements which others are keen to emulate” (Institute of Public Care discussion paper, April 2015).

| Option | Comments |
|---|--|
| To note the delivery to date and the further benefits anticipated in year two of the contract Recommended | Despite initial issues with implementation, the contract is now delivering outcome based packages of care. |

3. KEY IMPLICATIONS

| Defined Outcomes | Unmet | Met | Exceeded | Significantly Exceeded | Date they should be delivered by |
|---|-------|-----|----------|------------------------|----------------------------------|
| Increase the number of existing residents receiving homecare onto outcomes based homecare | 0 | 50 | 60 | 70 | August 2017 |

4. FINANCIAL DETAILS

Financial impact on the budget

- 4.1 Expected savings of £150k were achieved in Year 1 of the contract 2015/16 this was based on the economies of scale arising from the consolidation of numerous small and medium sized contracts with homecare providers to one single contract with a lead provider.
- 4.2 No OBC related savings were anticipated for 2016/17. Originally it was planned that OBC Savings would be delivered from 2017/18 of £220k however the delay in the contract roll out means that the 2017/18 saving will be £50k and the £220k will now be delivered in 2018/19.

4.3 The Table below outlines the savings that can be attributed and anticipated from the OBC contract:

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 |
|-----------|------------------|------------------|------------------|------------------|
| | Revenue £'000 | Revenue £'000 | Revenue £'000 | Revenue £'000 |
| Addition | £0 | £0 | £0 | £0 |
| Reduction | £150 | £0 | £50 | £220 |

5. LEGAL IMPLICATIONS

5.1 There are no specific legal implications relating to this contract at the time of this report.

6. VALUE FOR MONEY

6.1 The underlying premise of the approach is one of value for money. The outcomes based commissioning model is designed to ensure that the service is making effective and efficient use of the health and social care budgets.

7. SUSTAINABILITY IMPACT APPRAISAL

7.1 A sustainability impact appraisal is not applicable to this contract.

8. RISK MANAGEMENT

| Risks | Uncontrolled Risk | Controls | Controlled Risk |
|--|--------------------------|---|------------------------|
| Provider and sub contractors fail to deliver a safe effective service. | Medium | Contract has built in step in rights so that the Royal Borough can intervene if the contract is not delivering. | Low |

9. LINKS TO STRATEGIC OBJECTIVES

9.1 This contract supports the Royal Borough's strategic objectives of Residents First, Value for Money and Delivering Together.

10. EQUALITIES, HUMAN RIGHTS AND COMMUNITY COHESION

10.1 The contract supports equality of access to service.

11. STAFFING/WORKFORCE AND ACCOMMODATION IMPLICATIONS

11.1 None

12. PROPERTY AND ASSETS

12.1. The Royal Borough leases space in York House, Windsor to Carewatch to enable the service to be co located with the Adult Social Care teams, thus promoting joint working and communications.

13. ANY OTHER IMPLICATIONS

13.1 None

14. CONSULTATION

14.1 None

15. TIMETABLE FOR IMPLEMENTATION

N/A

16. APPENDICES

- Appendix 1 - Case Study (Part II)

17. BACKGROUND INFORMATION

- None

18. CONSULTATION (MANDATORY)

| Name of consultee | Post held and Department | Date sent | Date received | See comments in paragraph: |
|-------------------|---|-----------|---------------|----------------------------|
| Internal | | | | |
| Cllr Coppinger | Lead Member Adult Services, Health and Sustainability | 19/8/16 | 22/8/16 | |
| Russell O'Keefe | Strategic Director Corporate and Community Services | | | |
| Alison Alexander | Managing Director/ Strategic Director Adults, | | 24/8/16 | Throughout |

| Name of consultee | Post held and Department | Date sent | Date received | See comments in paragraph: |
|--------------------------|---|------------------|----------------------|-----------------------------------|
| | Children and Health | | | |
| Simon Fletcher | Strategic Director Operations and Customer Services | | | |
| Alan Abrahamson | Finance Partner | 19/8/16 | 19/8/16 | Section 4 |
| Terry Baldwin | Head of HR | | | |

REPORT HISTORY

| Decision type: | Urgency item? |
|-----------------------|----------------------|
| For information | No |

| Full name of report author | Job title | Full contact no: |
|-----------------------------------|---------------------------------------|-------------------------|
| Nick Davies | Service Leader - Commissioning Adults | 01628 683614 |