

Leader of the Council Briefing Note

In house domiciliary care

Date Issued: 12th February 2011

To: Roderick Bluh, , Leader of the Council

From: Jan Trethewey, Acting Director of Commissioning

Parish / Wards Affected: All

Purpose

To advise of the reasons for the decision to out source the Council's domiciliary care service with effect from April 2011.

1. Detail

- 1.1 The current Service Level Agreement (SLA), attached at Appendix 1, was agreed for the period 1st April 2008 until 31st March 2011. The basis of the SLA was to deliver 1,800 per week, 93,000 hours per annum of domiciliary care. The actual budget allocation of £1,300,000 to the services represents 101,000 hours per annum reflecting a 93% efficiency target.
- 1.2 The SLA was agreed by both parties and gave clear contractual requirements to reflect a) the needs of the service and b) to ensure that the previous under delivery of services was addressed. The SLA has been monitored throughout the period to analyse actual hours delivered via the Webrosta system.
- 1.3 For the financial year 2009/10 the total actual hours delivered was 45,523, giving an efficiency rate of 45.35%. Monthly performance meetings were initiated to understand the way in which this inefficiency could be addressed. Although in principle hours were available to deliver, the team were unable to either meet the 7 days per week required on new packages of care or deliver the hours at an acceptable time compared to those required by service users and commissioners.
- 1.4 By June 2010 the efficiency rate had reduced from 45.35% to 42.12%. At this point a performance notice was issued to the domiciliary care service. An immediate action plan was agreed, in conjunction with the Commissioning Team, to transfer all external shopping and laundry call from external providers to our in-house service. These services are not time sensitive therefore there would be no reason to be unable to deliver. It was hoped that this would improve the efficiency, at least as an interim measure and thereby reduce the actual spend to external providers. The average external agency cost is £15 per hour, including all on costs and overhead costs.

Further information on the subject of this report can be obtained from *Angela Plummer* on 01793 465847 or Email aplummer@swindon.gov.uk

Leader of the Council Briefing Note

In house domiciliary care

Date Issued: 12th February 2011

- 1.5 By September 2010, the end of the 6 months performance period, efficiency had increased to 46.4%. The aim during the 6 months performance was, as a minimum, to increase efficiency to 75% however this was not achieved.

Year to date performance and costs are:

- Cost per direct hours including overhead costs £42.86.
- Year to date actual hours delivered 22,254, giving an average of 505 hours per week.
- Actual spend to date £1,222,467.

The cost of purchasing the same number of hours from external providers would be approximately £350,000.

- 1.6 In light of the above, six months notice to the in-house provider was served in September 2010 in line with the terms and conditions of the SLA. Consultation with the Legal Department commenced to understand the implications of TUPE as the existing services would not be transferred to one provider but a number of providers through a tendering process.
- 1.7 In January 2011 confirmation was received from Legal Counsel that due to the number of providers involved, TUPE would be fragmented, i.e. a care worker could end up working for a number of different providers. There could be no guarantee that all care packages serviced by a care worker would be allocated to one agency. Consideration also had to be given to the fact that care workers are not always allocated to the same service user on a daily basis.
- 1.8 There are currently 90 service users in receipt of a package of care from the in-house service, totalling 408 hours per week. Of these 90 service users, 39 receive a shopping and or laundry call only, amounting to 47 hours per week. Therefore 51 are receiving direct personal care totalling 361 hours per week. The total cost of providing this service through external agencies will be approximately £320,000 per annum.
- 1.9 Competitive dialogue is currently underway with 5 providers to transfer hours by the 1st April 2011. To support service users, a transition period will be arranged between the in-house service and the new external agency during March 2011.