

TRAFFORD COUNCIL

Report to: Executive
Date: 27th. January 2020
Report for: Decision
Report of: Executive Member for Adult Social Care

Report Title

Fair Price for Care: Homecare 2020-21

Summary

Every year the Council sets a Fair Price for Care which determines the hourly rate for homecare for the following financial year. This hourly rate is based upon an inflationary uplift to the current price.

This report makes recommendations regarding the annual uplift to the hourly rate paid to homecare providers in Trafford. It takes into account both the inflationary uplift for our standard homecare services in Trafford, and the enhancements to the homecare rate for selected providers as a result of the Homecare Transformation Programme, which commenced on 2nd December 2019 and runs until 31st March 2021.

Consultation has taken place on the differential between the transformation and the standard rates. Further consultation is required on the increase in the standard homecare rate.

Recommendation(s)

That the Executive approves the following for consultation, and further consideration in the light of consultation :

- an inflationary uplift of 4.86% to the hourly rate for standard homecare which will be an increase from £15.25 per hour to £15.99 per hour.

Contact person for access to background papers and further information:

Name: Karen Ahmed
Extension: 1890

Background Papers: None

Implications:






<p>Relationship to Policy Framework/Corporate Priorities</p>	<p>Low Council Tax and Value for Money</p> <p>Economic Growth and Development: Homecare annual uplift will contribute to improved workforce pay, conditions and retention, to stabilize the homecare market, supporting growth for local providers and improved skills for local people</p> <p>Services focused on the most vulnerable people: Homecare is a targeted service provided to the most vulnerable people, following a social care assessment.</p> <p>Trafford Together Plan: we are working towards an integrated commissioning system for homecare between the Council and Trafford Clinical Commissioning Group, who both commission homecare.</p>
<p>Relationship to GM Policy or Strategy Framework</p>	<p>Greater Manchester Population Health Plan 2017-2021: Age Well Priority: More people will be supported to live at home for as long as possible</p> <p>Greater Manchester Health and Care Board Urgent and Emergency Care Improvement and Transformation Plan: Homecare is integral to priorities around reducing delayed hospital discharges and urgent/unplanned care</p> <p>Greater Manchester Live Well at Home Strategy: This proposal is aligned with GM priorities to improve homecare and with GM Transformation monies, allocated to Trafford to transform homecare</p> <p>Commissioning Strategy and Market Position Principles: Our vision for the market and our commitment to coproduction is articulated in “Trafford Together,” our locality plan. This is a jointly agreed document which sets out the system wide changes we need to make to achieve our ambition over the next 5 years. This plan will be consulted upon during the year of engagement. The plan states that “In Trafford under the banner of the ‘Living Well at Home Programme’ we will integrate service provision to ensure better outcomes for Trafford residents and the ‘system’ in which we operate. We will adopt the principles of the locality plan by delivering person centred care that preserves independence by supporting more people to remain at home.</p>
<p>Financial</p>	<p>The proposed uplift will require additional investment in 2020-21 by the Council.</p> <p>The proposed uplift will increase the current hourly rate from £15.25 to £15.99. The additional cost of this would be £0.4m and will be funded from within</p>

	<p>the 2020/21 budget envelope.</p> <p>Further work to transform homecare provision in Trafford is underway. Any additional costs which are incurred through this work, will be funded through Trafford's allocation of the GM Transformation Fund</p>
Legal Implications:	The legislative requirements are detailed in the report.
Equality/Diversity Implications	<p>Decision-makers are under a legal duty to have due regard to the need to eliminate discrimination against home care recipients (as well as providers/staff), promote equality of opportunity between such persons and others and foster good relations between such persons and others. Therefore, it is important to take care that all the new rates are adequate to promote a diverse and high quality homecare market, in particular because of the risk that otherwise there could be an adverse impact on the welfare of vulnerable residents and/or staff and their ability to enjoy a quality of life comparable with those less vulnerable.</p> <p>Vulnerable residents include in particular the elderly, women and disabled persons. Staff are largely female and older persons, in particular females.</p> <p>Decision-makers need to be satisfied that both the lower and higher rates are adequate for the welfare of residents and staff. Older women are disproportionately represented in social care because they live longer. In addition, poorer residents will be the key recipients of funded adults social care, as they often acquire long term conditions and illnesses earlier that necessitate social care and they do not have the resources to fund their own care. The increase in rates will ensure that these groups of people are able to access services which meets their needs.</p> <p>A fuller report on equality/diversity implications will be submitted together with the results of consultation .</p>
Sustainability Implications	Not applicable.
Resource Implications e.g. Staffing / ICT / Assets	Not applicable.
Risk Management Implications	Not applicable
Health & Wellbeing Implications	<p>The recommendations outlined in this report will have a positive impact on the health and wellbeing of local residents in the following ways:</p> <ul style="list-style-type: none"> Local homecare workforce will experience improved pay and conditions which will improve their health and wellbeing and have a positive impact on workforce retention rate in

	<p>homecare locally</p> <ul style="list-style-type: none"> • People in receipt of homecare will experience improve quality of care by <ul style="list-style-type: none"> ○ ensuring adequate time for visits so that carers can do their job properly ○ providing statutory sick pay for workers so that they don't have to work with vulnerable residents when they are ill ○ improving access to training so carers can do their job well ○ improving local staff retention through improved pay and conditions leading to better continuity of care
Health and Safety Implications	Not applicable

1.0 Background

- 1.1 Trafford Council commenced its Homecare Transformation Programme on 2nd December 2019, following extensive consultation and a formal procurement exercise. The programme will deliver test and learn pilots, in specific postcode areas, alongside business as usual homecare delivery, as a means of testing out new ways of working.
- 1.2 The Homecare transformation programme has a focus on 5 key priorities:
- Technology: making better use of technology enabled care solutions to improve independence and wellbeing in terms of care at home
 - Prevention: developing solutions which improve and maintain health and wellbeing and reduce the need for residential and nursing care and prevent hospital admissions
 - Integration: improving joint working between commissioned and statutory health and care services to deliver better care at home for local people and improve the journey into and out of hospital
 - Place based working: aligning our commissioned services with neighbourhood models of working to deliver more personalised and asset based care
 - Workforce: improving pay, working conditions and skills for the commissioned care at home workforce
- 1.3 We have commissioned 5 test and learn pilots which will run from 2nd December 2019 to 31st March 2020. Providers who have successfully bid for these services have made the following contractual commitments which are aligned with Ethical Care Charter objectives.

Service	Provider	Geography
 Let's Talk: homecare	Star Domiciliary Compassionate Care Medacs Trafford Housing Trust	Old Trafford M41 (Urmston, Flixton, Davyhulme) Stretford Extra Care Facilities (boroughwide)
 SAMS In Reach	Absolute Care at Home Be Caring	UHSM for residents in M33 and WA postcodes Salford Royal for residents in M32
 Assisted Discharge	British Red Cross	UHSM and TGH
 Workforce development	Pulse Regeneration	Not applicable
 Programme Evaluation	Age UK Trafford	Not applicable

The transformation project workforce will be:

- paid the GM living wage as a minimum
- offered guaranteed hours or fixed hour contracts as a minimum
- paid appropriately for travel time, travel costs and other work related costs
- offered opportunities to meet with peers through regular team meetings
- able to fully participate in a commissioned workforce development programme for care at home services

- 1.4 Transformation providers are paid an enhanced rate compared to business as usual homecare framework providers, in recognition of the additional delivery, training and management requirements and because our transformation providers have made a contractual commitment to offer their workforce enhanced pay and conditions in line with UNISON's Ethical Care Charter. This is funded through the allocation of GM Transformation monies. We will monitor the impact of this through a formally commissioned programme evaluation. At the end of the programme we will recommission the entire homecare and reablement framework to incorporate our learning. This will include changes to delivery models and the wholesale introduction of a locally adapted Ethical Care Charter
- 1.5 The business as usual homecare provider framework continues to deliver homecare and reablement according to contractual requirements, whilst the transformation programme is running. This report outlines our plans to uplift the business as usual homecare framework hourly rate and the transformation rate.

2.0 Legislative Provisions

- 2.1 s5 (1) of the Care Act 2014 ("CA 2014") places a duty on local authorities to promote a diverse and high quality market of care and support services (including prevention services) for people in their local area. In particular, local authorities must act with a view to ensuring that there is a range of different services and providers to choose from. The Council must, under s5 (2) CA 2014, consider a number of factors when exercising this duty including the importance of ensuring the sustainability of the market and supporting continuous improvement in the quality of services; making available information about the services available to people in its area; the current and future demand for services in its area, and how this demand can be met by providers; the importance of carers and service users being able to undertake work, education and training; and the importance of fostering a suitable workforce whose members are able to ensure the delivery of high quality services because, they have relevant skills and appropriate working conditions.
- 2.2 Statutory guidance, guidance which the Council must have regard to in discharging its functions under s78 CA 2014, stresses the importance of the Council encouraging "a workforce that underpins the market" and encouraging training and development. When the Local Authority is commissioning services it must assure itself the fee levels do not compromise the homecare providers' ability to:
- meet the statutory obligations to pay the minimum wages; and
 - provide effective training and development of staff; and
 - pay remuneration that is least sufficient to comply with the national minimum wage legislation for hourly pay or equivalent salary. This will include appropriate remuneration for any time spent travelling between appointments
- 2.3 Local authorities must facilitate markets that offer a diverse range of high-quality and appropriate services. In doing so, they must have regard to ensuring the continuous improvement of those services and encouraging a workforce which effectively underpins the market through:
- standards
 - skills
 - qualifications and apprenticeships
- 2.4 It is recognised that the quality of services provided and the workforce providing them can have a significant effect on the wellbeing of people receiving care and support,

and that of carers, and it is important to establish agreed understandable and clear criteria for quality and to ensure they are met.

- 2.5 When commissioning services, local authorities should assure themselves and have evidence that service providers deliver services through staff remunerated so as to retain an effective workforce. Remuneration must be at least sufficient to comply with the national minimum wage legislation for hourly pay or equivalent salary. This will include appropriate remuneration for any time spent travelling between appointments.

3.0 Recommendation

- 3.1 Whatever option is adopted will be the Council's preferred option and not its final decision. A final decision will be taken in the light of a careful consideration of responses to consultation and a detailed consideration of equalities implications, in the light of the consultation.
- 3.2 Officers are proposing to offer an inflationary uplift of 4.86% for the financial year 2020-2021 which equates to an increase from £15.25 to £15.99 per hour.
- 3.3 There was a provisional agreement in 2019-20, to offer business as usual homecare providers an inflationary uplift of 60p per hour, each year, for the duration of the transformation programme. The proposed uplift of 4.86% represents an increase of 74p an hour.
- 3.4 Additionally there was an agreement to pay transformation providers an enhancement of 60p per hour, over and above the business as usual homecare rate, to deliver the test and learn pilots. This will be funded through GM Transformation monies. The table below explains how this impacts on the hourly rate for business as usual and transformation pilots:

Activity	2019-20 rate	2020-21 rate
Business as usual homecare	£15.25	£15.99
Let's talk Homecare (transformation pilot)	£15.85	£16.59

- 3.3 These calculations are within the available budget and make allowances for the living wage, travel and subsistence, equipment and consumable and non-salary related costs associated with homecare delivery.

4.0 Proposal Summary

- 4.1 The proposed uplift allows us to offer a competitive rate to our business as usual framework providers, whilst we continue to test out new ways of working through the homecare transformation programme.
- 4.2 The proposed uplift offers a competitive rate to providers and care workers, who might otherwise choose to work in neighbouring authorities such as; Manchester or Salford and this helps Trafford to meet growing demand for homecare
- 4.3 The proposal also supports continued commitment to the adoption of Ethical Care Charter principles by our framework providers, which support improved workforce pay and conditions to stabilise the homecare workforce and reduce staff turnover and, in

turn, reduce provider overheads and stabilises the market, laying the foundations for innovation.

5.0 Other Options

5.1 The main alternative options available to the Council are as follows:

Option	Advantages	Disadvantages
Do not apply an annual uplift	No additional cost to ASC homecare budget No additional procurement resource for contract variation	<ul style="list-style-type: none"> Providers may experience difficulties in paying their staff the required minimum wage Without a financial uplift which takes into account inflation we would not realistically have the option to seek Council's commitment to the adoption the ECC principals Market will be destabilised and people may go without care due to lack of capacity as providers withdraw from framework Staff turnover will potentially increase if providers can't apply an inflationary uplift to wages Local providers will lose workforce to neighbouring local authorities who have committed to the national and/or GM living wage
Apply a lower uplift	Reduced cost to ASC homecare budget	<ul style="list-style-type: none"> If we don't apply an uplift which takes into account inflation, the market will destabilise and all of the above disadvantages will apply
Apply a higher uplift	Potential for increased market and workforce stability	<ul style="list-style-type: none"> Increased cost to ASC budget which may not be sustainable The enhanced rate applied to transformational projects will offer less of an incentive to providers Increasing funding does not necessarily increase quality.

6.0 Consultation

6.1 Significant consultation has already taken place to allow us to prepare for, design and implement the Homecare Transformation programme. As a result of this we also made provisional agreement to uplift the business as usual homecare rate by 60p per hour, for the duration of the homecare transformation programme (dependent upon available budget). Providers are aware of this provisional commitment.

6.2 Further consultation on the standard homecare rate will take place.

7.0 Reasons for Recommendation

- 7.1 In the opinion of officers, subject to consideration of consultation responses and further consideration of equalities issues, but having already engaged to a considerable extent with local providers, the proposed uplift supports providers to commit to the National Living Wage and to pay travel time, travel costs, training time and other work related expenses
- 7.2 The proposed uplift allows us to offer a competitive rate to providers and care workers, who might otherwise choose to work in neighbouring authorities such as; Manchester or Salford and this helps Trafford to meet growing demand for homecare
- 7.3 We have already consulted with the homecare market with regard to our intentions during the course of the Homecare transformation programme regarding the differential rates, and further consultation is required on the standard homecare rate.

Key Decision *(as defined in the Constitution):*

If Key Decision, has 28-day notice been given?

Finance Officer Clearance HZ

Legal Officer Clearance DS

CORPORATE DIRECTOR'S SIGNATURE *(electronic)*

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

