

## CABINET – 19 APRIL 2011

### FINAL PROPOSAL FOR INTERNAL HOME SUPPORT SERVICE

#### Report by Director for Social & Community Services

#### Introduction

1. The internal Home Support Service has become increasingly unaffordable due to efficiency savings targets and the introduction of personal budgets. Cabinet decided in principle on 21st December 2010 to cease operation of the service, subject to the outcome of consultation with Service User groups and staff.
2. This report summarises the consultation process, the main issues that were raised, and the proposed actions in response to consultation. While some minor changes to the timing of transition are proposed, Cabinet is recommended to approve the cessation of all internal Home Support services for adults by April 2012, subject to the availability of suitable alternatives.
3. The report concludes with a summary of how staff and Service Users will be supported through the transition programme, including a timetable of the phased run-down of internal service by geographical areas. High priority is given to ensuring continuity of support for vulnerable people, and fair treatment for staff with an emphasis on supporting them to find alternative employment in the care sector.
4. The numbers of staff and Service Users are already falling through natural turnover. A freeze on recruitment and new entrants to the service is in place. At the end of March 2011, there were 320 staff employed across the range of services, providing support to 500 Service Users. It is estimated that there will be a reduction of a further 150 Service Users through natural turnover before the service finally ceases to operate in April 2012.
5. **Consultation Programme**  
Following the in principle decision taken by Cabinet on 21<sup>st</sup> December, a consultation programme was undertaken with UNISON, staff and Service User groups from 10<sup>th</sup> January to 10<sup>th</sup> April 2011. This period complies with the statutory requirement for major redundancy programmes involving over 100 staff.
6. Consultation papers were produced for staff and Service User groups, and these are available as background documents. Sixteen well-attended local meetings were held with managers and staff. Four groups representing Service Users were also consulted. The majority of questions from staff related to the process and terms of redundancy, and were recorded in a 'Frequently Asked Questions' paper which has been sent to all staff.
7. A wide range of comments and concerns were also raised during the consultation, and the main themes are summarised in the table below. This

shows the management response and key changes to the proposed transition programme. A more detailed summary is contained in **Annex 1**. Full details of comments and questions from each staff meeting are available as background documents.

<u>Consultation Theme</u>	<u>Action in Response to Consultation</u> <u>[Key Changes in Bold]</u>
<b>Staff/UNISON</b>	
1. Staff are sad to leave the Council, and to lose a valuable service, but resigned to the outcome	Noted. Managers to support staff through transition programme.
2. Staff have a reasonable understanding of what is likely to happen, and what support is available. Some staff did not attend meetings.	<b>All staff to have two individual meetings with line managers.</b> - Contact to be made with staff who did not attend meetings. - Issue 'Frequently Asked Questions'
3. Cuts are affecting the most vulnerable	- Alternative services of good quality will be arranged for all eligible Service Users. Reductions in Unit Costs will allow a broadly similar service to be purchased for a reduced budget
4. Reservations about Personal Assistant (PA) role, and risk to Service Users. Many staff did not have a good understanding of implications and benefits of PA work.	- <b>Personal Assistant Unit</b> has been set up to support staff and Service Users - <b>Information sessions</b> organised countywide to inform staff, and promote PA role. Strong interest shown so far.
5. Reservations about working in the private sector, possible loss of trained staff	- <b>Seminar with new contracted Providers</b> to assist recruitment process - Job Fairs and contact with prospective employers - General survey and individual questionnaires to be issued to staff about alternative employment preferences
<b>Service User Groups</b>	
1. Concern about availability and quality of alternative services	- <b>Transition timetable will be extended</b> if alternative services not available in isolated areas. - Additional contract monitoring to be set up, to ensure services are satisfactory
2. Loss of 'service of last resort' to provide support if alternatives are not available for some Service Users	- <b>Community Response Team</b> to be set up until market fully developed. [See para 13 below]. Temporary central group of 20+ staff on shifts to work with hard-to-place Service Users, or for care breakdowns.
3. Timetable for transition may be too short, with insufficient alternative capacity in some areas	- <b>Time allowed for transition extended</b> by at least a month in each area.
4. Deterioration of terms and conditions, loss of pension rights	- Noted. Additional promotion of Personal Assistant (PA) role will allow some staff

<u>Consultation Theme</u>	<u>Action in Response to Consultation</u> [Key Changes in <b>Bold</b> ]
	to achieve a higher hourly rate as PAs. Additional information issued to staff on pension rights, in FAQ format.
5. Quality, supervision and income security of Personal Assistants	- Risk noted. PA Unit will be enhanced, 'Support with Confidence' scheme will be actively promoted.

### **Impact of Consultation on Option Appraisal**

8. No substantive comments or alternative proposals were received during the consultation exercise which would require a change to the fundamental proposal set out in the Cabinet report of 21<sup>st</sup> December 2010. An updated Options Appraisal is attached as **Annex 2**. This report recommends that the Council should cease to provide an internal Home Support Service by April 2012 as set out in **Option f**, subject to the availability of suitable alternative support.

### **Replacement Services**

9. A substantial element of transition programme planning has been the development of reprovision arrangements to ensure that sufficient alternative support is available across the County. This is in two main areas: Domiciliary Care and Personal Assistants.

### **Domiciliary Care**

10. The proposed reprovision programme has been closely linked to a parallel tendering exercise for domiciliary care services, with new contracts due to start in July 2011. Strong interest has been shown by prospective bidders. 53 applications have been received from a wide range of existing and new domiciliary care providers. Competitive prices have been offered, but the total volume of available capacity from these providers is not known at this stage. Detailed discussions will be initiated with the most price-competitive providers in each Locality as soon as the awards are confirmed, so that recruitment of internal Home Support staff can be facilitated if they so wish. Several of the bidders are already seeking to appoint staff who are leaving the internal service.
11. Concern was expressed by staff and Service User groups during consultation about the quality of private sector domiciliary care alternatives. Members will be aware that around 75% of the Council's domiciliary care requirements are already provided by the independent sector (over 570,000 hours per year). 99% of domiciliary care purchased by the Council is from providers rated by the independent Care Quality Commission (CQC) as 2 or 3 star (good or excellent). By comparison with other Local Authorities, Oxfordshire is in the top quartile on domiciliary care quality overall. We are ranked top in our comparator group and second in our regional group. Data from the recent Home Support User Survey in Oxfordshire indicates reasonably high levels of satisfaction with external providers.

### **Personal Assistants**

12. The development of Personal Assistants (PAs) as an alternative to standard domiciliary care is a high priority for the Council. Employment of a PA gives Service Users much more choice and control, at a cost which can be significantly lower than agency prices. 320 PAs are already employed by 175 Service Users across Oxfordshire. 60 new Personal Assistants are in the process of being approved through the 'Support with Confidence' scheme, and 30 internal staff have already signed up to learn more about the role through local awareness sessions. Demand is not known in detail at this stage, and will become clearer when individual Service User visits take place, starting in June 2011. A 'Personal Assistant Unit' has been established to provide support for PAs and Service Users, including a matching service to link PAs with employers.

### **Contingency Plans**

13. The shortage of domiciliary care in certain areas (particularly in the South) is a recognised risk for the transition programme, although this situation should improve as new contractors are introduced from July 2011. In response to concerns expressed during consultation, a temporary 'Community Response' Team will be established. It will employ around 20 staff on a shift basis to pick up 'hard-to-place' cases, particularly requiring double-handed care, or in isolated rural areas. This team will partly mitigate the risk of alternative supply not being available when an internal locality team is phased out.

### **Transition Process**

14. An interim restructure has already been implemented to achieve the necessary efficiency savings of £1m. in 2011/12. If the proposal to cease to provide services internally is finally approved by Cabinet, this structure will be extended to provide resources for managing a substantial redundancy programme, and to arrange alternative services for all eligible Service Users.
15. If the decision is taken to cease to provide the services internally, all staff will receive formal notification of the outcome. They will then be invited to attend an individual meeting with their line manager to discuss alternative employment options, and will be given the date of their redundancy. A further meeting will be held immediately prior to redundancy to confirm alternative support arrangements for Service Users.
16. Following the decision of Cabinet on 19<sup>th</sup> April, all current Service Users will receive a formal notification of the outcome. If the proposal is confirmed, all Service Users will then receive a visit from a manager to discuss alternative support arrangements. Service Users who request a Personal Assistant will be allocated a Personal Budget immediately, and offered support with employment arrangements.

### **Timetable for Service Transition and Re provision**

17. The provisional timetable is set out as **Annex 3**. A further month has been added to the time allowed for transition in each area, as a result of comments received during consultation. The Relief to Carer service will now be phased out over eight months, rather than at the beginning of the programme as originally planned, again in response to consultation. Subject to decision of Cabinet, redundancy notices will be issued in phases to allow time for

recruitment to take place, and alternative services to be arranged. This timetable may need to be brought forward in some areas if staff or Service User turnover is higher than expected.

### **Care Quality Commission**

18. The Care Quality Commission has been informed of the proposed cessation of internal Home Support services, and the restructuring which has already taken place to achieve cost savings in 2011/12.

### **19. Impact Assessment**

An Equality Impact Assessment has been undertaken in respect of the proposed changes. The key changes following the consultation are:

- All staff will have two individual meetings with managers to help discuss any specific needs or questions.
- Local providers will be invited to seminars which will be arranged in advance of service users being transitioned to new arrangements.
- The Community Response Team will exist to support those service users with particularly high levels of needs, or in rural areas.

This assessment is available as a background document.

### **Financial and Staff Implications**

20. The estimated financial savings resulting from the closure and re-provision of the Home Support service were set out in the Cabinet report of 21st December 2010. Actual savings will not be known until all current Service Users have been found alternative provision, at prices which are not currently confirmed. Ongoing savings in a full year (excluding redundancy, retirement and closure costs) are likely to be in the £1.5-2.5m per annum range.
21. A significant number of redundancies is anticipated as a result of the re-provision of this service, because there will be limited opportunities for redeployment within the Council. Staff will be offered a range of options to assist them in finding alternative employment. The details were set out in consultation papers and staff meetings, and will be discussed again in meetings between individual staff and line managers. Every effort will be made to retain as many staff as possible within the care sector.
22. Around 30% of the staff employed in the Home Support Service are aged 55+, and will be eligible for early retirement if they are in the Local Authority pension scheme. While every encouragement will be given to these skilled and experienced staff to remain in the sector, some are likely to retire, and not be available to the care market.
23. **Key Risks and Mitigations**  
The Project Team has undertaken extensive analysis and detailed planning to ensure continuity of service. However, in a major programme of this nature, it is not possible to remove all risk while achieving significant financial savings. A summary of the key outstanding risks and mitigations during the implementation phase is set out below.

RISK	MITIGATION
a) Shortage of alternative supply, breakdown in new care arrangements	<ul style="list-style-type: none"> <li>- Community Response Team</li> <li>- Potential to adjust timing of transition to allow services to develop</li> <li>- Close monitoring of new contracts</li> </ul>
b) High cost of alternative support	<ul style="list-style-type: none"> <li>- Competitive tender</li> <li>- Strategic and tactical management plans to monitor and control expenditure in reprovion exercise</li> <li>- Contingency fund in transition phase</li> </ul>
c) Extended transition period, full savings not achieved in 2011/12	<ul style="list-style-type: none"> <li>- Minimum savings of £1m are expected in 2011/12.</li> <li>- Business Plan does not require full savings to be achieved in 2011/12</li> </ul>
d) Loss of experienced staff	<ul style="list-style-type: none"> <li>- Personal interviews with staff to assist with alternative employment</li> <li>- Close liaison with incoming providers</li> <li>- Strong support for staff who wish to become PAs</li> </ul>

24. The Director of Social and Community Services would like to extend his appreciation to internal Home Support staff and managers for their dignified and professional approach to consultation, at an extremely difficult time for their service. The commitment of these staff to the welfare of Service Users has been exemplary. The Director wishes to assure staff that every effort will be made to ensure continuity of support and care for Service Users affected by the reprovion of Home Support.

### RECOMMENDATIONS

25. **The Cabinet is RECOMMENDED to**

**(a) Note the outcome of consultation with staff and Service User groups, and agree the changes to original proposals set out in para 7 above**

**(b) Agree that the internal Home Support Service will cease to operate by April 2012, subject to satisfactory reprovion arrangements set out in paras 10-13 and any other necessary actions required to maintain continuity of service**

**(c) Request a progress report from the Director of Social and Community Services to Adult Services Scrutiny Committee in December 2011**

John Jackson  
Director for Social & Community Services

Background papers:  
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April 2011

**ANNEX LIST**

- Annex 1: Summary of Consultation responses
- Annex 2: Revised Options Appraisal
- Annex 3: Timetable

## **Annex 1 – Consultation Themes**

### **INTERNAL HOME SUPPORT – CONSULTATION UPDATE – COMMON THEMES FROM STAFF & SERVICE USER GROUPS**

This document includes the key themes from staff consultation meetings and service user group meetings held over the last few weeks.

#### **STAFF CONSULTATION MEETING – KEY THEMES & RESPONSES**

**Theme 1:** Staff are sad to go and sorry to lose a valuable service.

- This has been noted through the meetings and will be built into the final consultation report.

**Theme 2:** Staff have a reasonable understanding of what is going to happen and what support is available.

- Managers will undertake further work to contact those who have not attended a consultation meeting to ensure they are fully informed and involved.
- A survey is being conducted to get a better understanding of the assistance staff would like to help them find other work and access information and advice
- Frequently asked questions have been circulated to all staff
- All staff will have two individual meetings with managers to discuss their options

**Theme 3:** These cuts are affecting the most vulnerable people

- The efficiency savings will affect everyone. However, the reductions in unit cost should allow Service Users to buy a broadly similar service for less money.

**Theme 4:** There is confusion and reservations about Personal Assistant role

- During the course of the consultation meetings we have become clearer about the benefits of Personal Assistants.
- A series of three hour awareness sessions has been arranged for 150 staff.
- The PA Unit is currently being implemented and will support staff in becoming PAs and service users to find PAs.

**Theme 5:** There is concern about risk to Service Users who employ PAs

- All arrangements would be checked and monitored. Where a Personal Assistant, (preferably approved through Support with Confidence), is in place, a support plan will need to be agreed by the Council. Personal Assistants will not be appropriate for all service users.

**Theme 6:** There is concern about losing pay if/when working as a Personal Assistant the service user dies or goes into hospital

- The PA Unit will attempt to identify work and provide assistance to match hours Personal Assistants have available where circumstance change, but this cannot be guaranteed. If regular income is important then individuals may want to consider working for a care agency as well as being a Personal Assistant.

**Theme 7:** Service Users are worried or don't know what is happening.

- Letters have been sent to all Service Users and a helpline is available to discuss issues or concerns. When the final decision is made, Service Users will receive a further letter informing them of the next steps. The first potential step would be a visit from a member of Council staff to discuss the options available. Service Users will continue to have their care needs met, although their support will come from a different provider. Any alternative arrangements will be made in good time, and the Council will continue to have a 'Duty of Care' to all Service Users.

**Theme 8:** Personal budgets may not be spent properly by vulnerable Service Users.

- The assessment and support planning stages are designed to record and manage these risks. For example if a Service User was at risk then a direct payment may not be appropriate. It is important to emphasise that there is little evidence of this occurring.



**Theme 9:** Public and professionals don't know the service is closing

- At the moment the consultation is taking place with staff and service user groups on the proposal to close the service. There has been communication to all staff and service users informing them of the proposed changes. There have also been comments in the local media about the changes. When the final decision is made there will be a communication plan to inform people of the decision.

**Theme 10:** The whole closure process could have been handled better – bad timing with mileage / changes to terms and conditions

- Certain changes have been made by the County Council and apply to all staff and are out of control of the work on the service. The approach to communication has been well structured, consistent and open.

**Theme 11:** Why couldn't staff have been given option of reducing Terms and Conditions?

- The reduced Terms & Conditions would not have made sufficient difference to the cost of the service. The option was discussed with Unison but felt not to be viable.

**Theme 12:** There are reservations about working in the private sector which could result in a possible loss of trained staff

- Following the appointment of the new external providers a seminar will be held to assist recruitment process
- Job Fairs will be arranged to bring together staff and external providers
- Following the Cabinet decision a further survey and individual questionnaires will be issued to staff about alternative employment preferences

## **INTERNAL HOME SUPPORT – CONSULTATION UPDATE – COMMON THEMES FROM SERVICE USER GROUPS**

This document includes the key themes from service user group consultation meetings held over the last few weeks.

### **SERVICE USER GROUP CONSULTATION MEETINGS – KEY THEMES & RESPONSES**

**THEME 1:** Concern about availability and quality of alternative services

- Additional contract monitoring to be set up, to ensure services are satisfactory
- The transition timetable will be extended if alternative services not available in isolated areas.

**THEME 2:** Loss of 'service of last resort' to provide support if alternatives are not available for some Service Users

- Community Response Team to be set up until market fully developed. This will be a temporary group of 20+ staff on shifts to work with hard-to-place Service Users, or for care breakdowns.

**THEME 3:** Timetable for transition may be too short, with insufficient alternative capacity in some areas

- The transition timetable will be extended if alternative services not available in isolated areas.

**THEME 4:** Concerns about the deterioration of terms and conditions for staff such as the loss of pension rights

- This has been noted through the meetings and will be built into the final consultation report.
- Additional promotion of Personal Assistant (PA) role will allow some staff to achieve a higher hourly rate as PAs.

**THEME 5:** Concerns about the quality, supervision and income security of Personal Assistants

- This risk has been noted through the meetings and will be monitored closely through any changes.
- PA Unit will be enhanced, 'Support with Confidence' scheme will be actively promoted.

**THEME 6:** Concerns that service users will be left with no support

- High priority will be given to ensuring continuity of support for vulnerable people
- The County Council will continue to meet people's eligible needs

Following the decision of Cabinet on 19<sup>th</sup> April, all current Service Users will receive a formal notification of the outcome. If the proposal is confirmed, all Service Users will then receive a visit from a manager to discuss alternative support arrangements. Service Users who request a Personal Assistant will be allocated a Personal Budget immediately, and offered support with employment arrangements.

## ANNEX 2 – UPDATED OPTION APPRAISAL SUMMARY

<b>OPTION</b>	<b>IMPACT- USERS</b>	<b>IMPACT - STAFF</b>	<b>RISKS</b>	<b>5 YR SAVINGS</b>
A. Continue current service, run down to a residual service over several years	No change immediately but severe impact as the risk becomes reality.	Progressive reduction in hours. Voluntary redundancy. Does not address the viability of the internal service.	Collapse in demand, sudden loss of supply as staff leave due to reduced hours.	Nil
B. Restructure, reduce costs and Terms and Conditions Implement Feasibility Study savings of £1.3m, maintain services in-house	No change to service delivery, less access to managers. Service users would not be able to pay for the care from this source (although they would be able to pay for care provided by external agencies or personal assistants).	Significant changes to terms and conditions; redundancy of managers. Does not address the viability of the internal service.	Terms and conditions lead to high staff turnover; service is still too expensive for personal budgets	£6.5 million over five years
C. Transfer most staff to external private sector contractors - 80% of staff to external block contracts, TUPE applies.	Limited impact as service users still receiving similar level of care through same carers. However, care providers are unlikely to be willing to provide the care on this basis.	Limited impact if staff transferred to external providers with protected terms and conditions. Significant impact if providers are not interested in doing this (most staff made redundant).	External providers not willing to take on TUPE staff; TUPE inflates external market making it too expensive for personal budgets.	£9 million over five years
D Transfer most staff to a Social Enterprise – likely that TUPE would apply	Service users exposed to risks if this untested arrangement is unsuccessful. In addition, service users would not be able to pay for their care if they want to purchase this from the new organisation (although they would be able to buy that care from other providers or personal assistants)	Limited impact initially as staff transferred to new social enterprise provider with protected terms and conditions. However, potentially leaves staff exposed to significant risks in the longer term. This approach does not make the service viable.	Untested approach in Oxfordshire; unknown whether people would use with their personal budget; competing against a skilled external market. In addition, the new organisation would have the same problems as the internal service namely that its costs would be significantly greater than alternative providers.	£9 million over five years
E. Transfer some staff, make the remainder redundant - Transfer 50% of staff under TUPE, remainder are made redundant	Significant impact to users as will involve changing provider and changes of carer	Significant impact as staff made redundant or transferred to external provider	External providers not willing to take on TUPE staff; unclear whether TUPE could be applied in a selective way	£9.4 million over five years
F. Close the service by April 2012,	Significant impact to users as will	Significant as staff will have to find	£15 hourly rate may not be	£12 million over five

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<p>purchase alternatives at around £15 per hour</p>	<p>involve changing provider and changes of carer. However, this approach ensures that care providers are clear about the cost of home care and will need to provide care at that cost.</p>	<p>alternative employment through external providers or as personal assistants. Strong interest now being shown in PA role by internal staff.</p>	<p>delivered by the new home support providers; PA provision may not be accepted by Service Users. However, these are general risks that apply to all service users under self-directed support. If these risks emerge then the County Council will have to take action to ensure that good quality care is available.</p>	<p>years</p>
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**Annex 3 – Proposed Closure Timetable – April 2011 Version**

<b><u>PROPOSED CLOSURE TIMETABLE</u></b>		NB: Closure dates may be extended if reviews take longer than planned, or sufficient alternative support is not available			
<b>SERVICE AREA</b>	<b>LOCALITY</b>	<b>REDUNDANCY NOTICES</b>	<b>SERVICE USER REVIEWS</b>	<b>CLOSURE START</b>	<b>CLOSURE END</b>
		<b>2011</b>		<b>2011</b>	<b>2011</b>
Relief to Care	Countywide	May	May/October	June	December
Night Care	City	May	May/June	June	August
Vale	Abingdon, Grove, Wantage, Faringdon	May/August	June/September	July	November
South	Didcot, Thame, Wheatley, Watlington, Berinsfield, Wallingford, Henley, Goring	May/July	June/August	July	October
City	Oxford City	June/August	July/September	September	December
Cherwell	Banbury, Bicester, Kidlington, Yarnton	July/September	August / October	September	January 2012
West	Chipping Norton, Woodstock, Charlbury, Witney, Eynsham, Burford, Carterton	July/September	August / October	September	January 2012

