

## **North Somerset Council Decision**



**Decision Of: Executive Member**

**With Advice From: Director of Adults and Principal Head of Commissioning, Partnerships & Housing Solutions**

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**Directorate: Adult Social Services**

**Decision No: ASC038 (2021/22 Scheme)**

**Subject: Payment of Commissioned Care Hours**

**Key Decision: Yes**

**Reason: The decision affects services across North Somerset**

### **Background:**

The workforce challenges in adult social care are of national significance, with shortages in domiciliary care leading to bed blocking within hospitals as the lack of availability of domiciliary care has led to lengthy delays in discharge, which in turn is leading to queuing of ambulances outside many hospitals.

In North Somerset we have fared much better than most with acute shortages occurring in neighbours Somerset, Bristol and South Gloucester. However, we also recognise that recruitment of domiciliary care is still very slow and the wait for new packages is growing. The finalisation of the Discharge to Assess Business Care with the NHS will allow much needed investment in our reablement service capacity to begin and support the recruitment and retention of domiciliary care, as well as investing in mitigation measures such as the adoption of Technology Enhanced Care (TEC) to reduce ongoing demand.

One key measure to improving the recruitment of care workers is to amend how our strategic domiciliary care providers are paid. This will ensure greater certainty for care staff that what they will be paid will not be altered so as to guarantee with more certainty that they will be paid for planned visits.

In 2006 the council implemented Electronic Monitoring of domiciliary care service. This achieved budget savings and was a national movement in the way that domiciliary care was monitored and paid. Prior to Electronic Monitoring, care staff completed timesheets that were rounded up to the nearest 15 minutes after every visit. Service users were also re-charged in this way. As a result, Providers were being paid and service users being re-charged to the minute rounded up to the nearest 15 minutes at the end of every week.

There is no doubt that implementing Electronic Monitoring realised savings and reduced known behaviours such as staff clipping care visits. Recruitment was steady enough in those days to meet the demand for domiciliary care services and care was spot purchased from a framework of providers.

Over the last 15 years the market has seen a slowing down of recruitment. Gradually unmet need has developed and increased year on year. In 2015 the council undertook a recommissioning of its domiciliary care services, moving to four strategic area contracts with a spot purchase framework agreement to support any work the strategic area contracts could not take. It was hoped that by giving fewer providers the majority of the domiciliary care hours in North Somerset, they would be able to offer improved terms and conditions for staff such as reducing travelling time between visits, paying them for this travelling time which would increase take home wages.

The implementation of the national living wage and employer pension contributions have been a factor in rates rising however it appears these improvements in terms and conditions have still not been enough to make people want to look for a career in domiciliary care. Social care is still unable to compete with salaried health care jobs and staff regularly leave to work in health services, some as career progression but some for better pay.

The COVID-19 pandemic helped the social care market initially. Fewer people were asking for council services and people were losing their jobs so seeking work elsewhere. Unfortunately, with the easing of restrictions also came the demand for services rising again and people leaving their jobs in care, going back to industries that can offer either higher hourly rates or better security of pay. This has seen our unmet need climb to the highest it has been.

Below are the findings of a recent South West ADASS paper on the social care workforce.

- Recruitment is well below the levels needed to deliver the rising demand in home care.
- COVID-19 impact affects this further: furlough, isolation rules, vaccination legislation
- Retaining care workers when there are better employment opportunities either within or other sectors.
- Golden handshakes becoming the norm to encourage movement
- The impact of EU settled status has yet to work its way through the system
- Cleaners and holiday camp ancillary staff being paid £25/hr
- An ageing and exhausted workforce
- Carer workforces feel undervalued
- Nurses migrating to the NHS
- Recruitment advertising not reaching people
- Following legislation, the impact to mandate vaccination of care workers

The council has been exhausting avenues to support with generating interest in working in social care. North Somerset works jointly with Bristol and South Gloucestershire Councils on the Proud to Care campaign. We have held a recruitment webinar and pre-COVID-19, recruitment events in the town. We do regular social media posts and have paid for radio advertising over the last three months. North Somerset has been paying a Proud to Care

bonus to the strategic area contract providers for the past two years and we have offered ad hoc targeted bonuses in addition to the Proud to Care bonus when funding has allowed.

**Decision:**

To pay the providers of the Support to Live at Home contracts on commissioned / planned hours instead of payment on actual visits to the minute from the dates below. This means we would pay providers for care visits provided where the visit has ended early. The provider in turn would pay their staff for the full duration of the visit. No payment, however, would be made for visits that are cancelled with 24 hours' notice or where, for example, the client is in hospital / respite.

Area 1: 10 November 2021

Areas 2-5: 11 October 2021

**Reasons:**

The focus on paying for care based on commissioned hours rather than actual care by the minute is an important principle in meeting one of the key components of the Unison Ethical Charter for Care. This will be a key benefit to enable improved recruitment as the uncertainty associated with planned visits ending early due for example the wishes of the service user, would currently lead to the carer losing wages, this uncertainty of payment is a key drawback to recruitment.

Hourly rates offered to care staff have been approving but being paid to the minute, not knowing whether you will receive consistent wages at the end of the month isn't attractive to many workers. It can restrict staff from being able to apply for mortgages etc. It also contributes to the gender pay gap, with 82% of care staff being women according to a Skills for Care report - The state of the adult social care sector and workforce in England Published October 2020 (data correct as at 2019/20).

Other key findings from this report are:

- The estimated turnover rate of directly employed staff working in the adult social care sector was 30.4%, equivalent to approximately 430,000 leavers over the year. However, most of these leavers don't leave the sector. Around 66% of jobs were recruited from other roles within the sector;
- It is estimated that 7.3% of the roles in adult social care were vacant in 2019/20, equal to approximately 112,000 vacancies at any one time;
- Around a quarter of the workforce (24%) were on a zero-hours contract (375,000 jobs). Almost half (42%) of the domiciliary care workforce were on zero-hours contracts. This proportion was even higher for care workers in domiciliary care services (56%);
- The average number of sickness days was 4.7 in 2019/20, this equates to approximately 6.72 million days lost to sickness over the 12-month period;
- 82% of the adult social care workforce are female, the average age of the workforce is 44 years and 27% of workers are aged 55 and above;
- The majority (84%) of the adult social care workforce were British, 7% (113,000 jobs) had an EU nationality and 9% (134,000 jobs) a non-EU nationality;
- Since the introduction of the mandatory National Living Wage (NLW) care worker pay in the independent sector has increased at a higher rate than previous years. Care worker real term median pay has increased by 12% since September 2012.

**Options Considered:**

N/A

**Financial Implications:****Costs:**

Analysis of costs and activity indicates that this change would add around £185k to the annual costs of domiciliary care provided by the strategic providers.

**Funding:**

The funding of this change will come from the existing commissioning costs of services in the Adult Care Budget and, respectively, for End of Life and Continuing Health Care, the CCG budget, although, there is no additional funding available. However, the costs should be seen in the context that the current delays in fulfilling packages of care are leading to:

- a. increased long term care costs if no package can be provided as clients' situations deteriorates and / or
- b. more expensive alternative provision from spot providers, or a residential package of care is provided short term until the package can be filled.

These costs often far outweigh the cost of the original domiciliary care package. In these circumstances, whilst it's difficult to be more precise, these measures are likely to reduce the long-term costs of care required.

It is proposed that the Non-Residential Charging Policy remains unchanged and that service users are still re-charged to the minute based on the actual hours delivered.

**Legal Powers and Implications:**

Paying part commissioned hours will require a change control notice to the relevant contract clauses describing payment to the provider.

**Climate Change and Environmental Implications:**

N/A

**Consultation:**

N/A

**Risk Management:**

There is a risk that the council will overpay providers as commissioned hours in the council's finance system ContrOCC does not always match the providers planned hours. The Contracts and Commissioning Team will work with the Providers to ensure they are requesting decreases to Packages in a timely way. The Adult Social Care operational teams will pick these reviews up promptly to ensure ContrOCC is as accurate as possible.

There is a risk that other community-based Providers in North Somerset could see this decision as inequitable. We see moving to pay for all community-based services in this

way as a future aim. Currently, we must prioritise those services that have the highest unmet need.

There is a risk that other Providers in North Somerset could lose staff to the strategic providers. The council's priority is security of provision. The purpose of the Support to Live at Home contracts was for the majority of Packages to be with the area Providers and this is still where we want to be. The council is ultimately responsible for market stability and there are a sufficient number of domiciliary care Providers in North Somerset to allow for some natural attrition if this should happen.

**Equality Implications:**

Have you undertaken an Equality Impact Assessment? Yes, stage 1 EIA completed which has a positive implication.

**Corporate Implications:**

N/A

**Appendices:**

N/A

**Background Papers:**

N/A

**Signatories:**

**Decision Maker(s):**

Signed: .....

Title: Executive Member for Adult Social Care

Date: .....

**With Advice From:**

Signed: .....

Title: Director of Adult Social Services

Date: .....

Signed: .....

Title: Principal Head of Commissioning, Partnerships and Housing Solutions

Date: .....

**Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable:**