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## PEOPLE AND HEALTH SCRUTINY COMMITTEE

### MINUTES OF MEETING HELD ON THURSDAY 19 MAY 2022

**Present:** Cllrs Gill Taylor (Chairman), Molly Rennie (Vice-Chairman), Piers Brown, Nick Ireland, Louie O'Leary, Jon Orrell, Mary Penfold and Belinda Ridout

**Apologies:** Cllrs Robin Cook and Bill Pipe

**Also present:** Cllr Tony Alford, Cllr Richard Biggs, Cllr Andrew Parry, Cllr Stella Jones, Cllr Jane Somper and Cllr Kate Wheller

**Officers present (for all or part of the meeting):**

Theresa Leavy (Executive Director of People - Children), Jonathan Price (Interim Corporate Director for Commissioning), Andrew Billany (Corporate Director of Housing, Dorset Council), David Bonner (Service Manager for Business Intelligence and Performance), Andy Frost (Service Manager for Community Safety), Ian Grant (Programme Coordinator), Claire Shiels (Corporate Director - Commissioning, Quality & Partnerships), George Dare (Senior Democratic Services Officer), Kate Critchel (Senior Democratic Services Officer) and John Miles (Democratic Services Officer Apprentice)

1. **Apologies**

Apologies for absence were received from Councillors Robin Cook and Bill Pipe.

2. **Declarations of Interest**

There were no declarations of interest.

3. **Minutes**

**Decision: That the minutes of the meeting held on 14 March 2022 be confirmed and signed.**

4. **Public Participation**

There was no public participation.

5. **Councillor Questions**

There were no questions from councillors.

6. **Urgent Items**

There were no urgent items.

## 7. **Cost of Care Information**

The Interim Corporate Director for Commissioning introduced the item to the committee and gave a short presentation. The presentation is attached to these minutes.

Following the presentation, the members asked questions and the following points were raised and noted:

- The council is at an early stage of the Cost of care process.
- The exercise would be carried out on a regular basis which would inform rates.
- The council does not commission 15-minute time slots for care, half an hour is the minimum.
- Working towards better joined up working with the new ICS and Care Dorset to through a workforce strategy.
- Creating apprenticeship opportunities in Care Dorset.
- Adapting offer to workers to help retain them.
- Costs in Dorset may be different to other places due to the rurality and travel times.
- Using early prevention to reduce the number of people needing a care package.
- Changing relationships with care providers to become partners.
- Having conversations with block contract providers about early indications of this work and how the commissioning strategies were shaping.
- The council may change some arrangements and contracting models.

The Chairman asked for a report to come back to the committee about domiciliary care, due to staff turnover and changes which would have budgetary implications.

## **ADJOURNMENT**

The Chairman announced that there would be a short adjournment at this point in the meeting.

## 8. **Annual Self Evaluation of Children's Services**

The Portfolio Holder for Children, Education, Skills and Early Help presented the report to the committee. The Executive Director for People (Children) set out a summary of the comprehensive Self-Evaluation of Children's Services to support preparation for the Ofsted inspection of services for children in need of help and protection, children looked after and care leavers.

The Corporate Director for Commissioning and Partnerships highlighted that the report set out the services strengths and areas for development. The report also identified the next steps for the service, and these included:

- Ofsted recognised the challenges around the support provided for care leavers and the service had addressed all issues that Ofsted had recommended be focused on.
- A Care Leaver Delivery Board was in place to drive through improvements.
- A Strengthening Services Plan was in place supported by a multi-agency Board.
- Transformation Plans had been considered by People & Health Overview Committee and it was suggested that scrutiny may want to review and see the impact of the transformation plan in the future.
- It was hoped that this report would help members to shape future scrutiny arrangements.

Councillors considered the issues arising from the report and during the discussion, the following areas were covered:

- Welcomed the detail set out in the comprehensive report.
- The additional provision/support for the rise in cost of living going forward and concerns about staff being able to cope with this additional workload. In response, the Executive Director confirmed that the council was already seeing families struggle due to extra costs. But staff provision was in place.
- Campaigning for families to take up their entitlement of free school meals.
- Officers were seeing more complexed needs and not necessarily more requests.
- Members were advised that the average case load was 15 with a handful of officers who had cases in the low 20's.
- There was no retention problem within the service, but a movement of officers across teams, where they wanted to try new challenges.
- Concerns expressed regarding framework providers for residential care and value for money; also, the review of the provision for children and young people who are disabled. In response, the Portfolio Holder advised that the service must deliver good or excellent provision for the county's young people and that applied to the fabric of the building. He indicated that he appreciated that young people may like and be happy with the provider, but the property in question did require some significant capital investment going forward.
- The Executive Director also highlighted the significant growth in in-house provision this year.
- Officers were congratulated on the work at the Harbour and Mockingbird project.
- Members acknowledged the value of early intervention.
- In respect of Children Protection plans, what were the key drivers that would determine whether support was stepped up or stepped down? The Executive Director advised that children protection was an edge of care activity that needed to be looked at closely. Current plans had been externally audited to ensure that the right children are on a plan.
- This has driven the families and safeguarding projects.

- In response to a question about the impact of 0-25 birth to 25 settled adulthood and a new way of working, there will be a new service design and the focusing on importance about talking across services, discussing the child's whole life. Including supportive programmes for employment, transport, and the visibility of children with disabilities and SEN.

The Chairman thanked officers for the report and welcomed the useful discussion that was held.

## 9. **Performance Scrutiny**

Councillors reviewed the performance dashboard. The following points were noted:

- HR issues - there were still concerns regarding the current staff turnover and in relation to short-term sickness (Covid absence).
- Noted that turnover levels in the People Directorates were slightly higher in these areas.
- Acknowledged and assured that in Children Services there was much movement between departments.
- In Adult Services, the Corporate Director for Commissioning advised that officers were not sure that this did accurately reflect the current position, a further report on this area would be brought to a future meeting of the committee.
- Homelessness - there had been a rise in the number of people presenting to the council as being potentially homeless. Work had been undertaken to secure existing or alternative accommodation. There was a reduction in private rental housing and a commitment to exit Bed & Breakfast accommodation. However, this was a complex situation and councillors welcomed a detailed report to come forward in the future.
- Hospital discharges – councillors felt that the commentary on the dashboard was unclear and asked for clarification for a future meeting.

## 10. **Committee and Cabinet's Forward Plans**

The Committee considered its forward plan and that of the Cabinet.

The Chairman had two scrutiny requests to report:

- Dedicated schools grant debt.
- Adult Social Care Changes including back office changes, quality assurance and digital.

Further potential items included:

- Care leavers review (future date to be confirmed)
- A piece of work for Somerset Council (on hold)
- Joint work with BCP Council on the Ambulance Trust and

- Healthcare Quality Audit (a working party, including Cllr Ireland, Cllr G Taylor, Cllr Pipe and Cllr Orrell). Any other member wishing to attend should contact the Chairman. The working group would report back to the committee on outcome of the meeting.

## 11. **Prevent and Channel**

The Chairman advised that the first part of the paper would be discussed in the public domain. Any detailed discussion would be held under the exempt element.

The Service Manager for Community Safety addressed the committee and advised that the report aimed to provide an opportunity for councillors to scrutinise the council's work in compliance with the prevent duty 2015 and to provide a further opportunity to scrutinise compliance with the channel duty guidance 2020.

The Programme Coordinator for the Community Safety Team set out the requirements on local authorities in terms of the prevent duty and guidance.

Councillors considered the report and raised points in the following areas:

- Prevent was a fast-moving picture that continually evolved.
- Channel Panels were multi-agency panel meetings
- Prevent should focus on all aspects of extremist behaviour and needed to be kept up to date with all the latest threats.
- At a local level, partners worked together to complete a local counter-terrorism local profile, to give an understanding of threat, issues, and intelligence in the area.
- In respect of concerns of hate presented on social media – how seriously should we take these posts? In response, officers advised that there was a whole spectrum of behaviour from peaceful protesting to extremist activity. The right response/intervention needed to be considered carefully with intelligence available for each activity concerned.
- In respect of training, a programme was in place for staff which was mandatory. The problem and issues around this area was that threats, and risk were fast moving and changing.
- Acknowledged the role of the community partnership, including working with Dorset Police.
- Noted that retraining was refreshed each 2 years.
- In respect of young people, the PAN Dorset Prevent Partnership has strong engagement with educational establishments, however future development should include youth providers on the frontline.

To enable councillors to discuss the case study in detail, The Chairman proposed that the committee move into exempt business.

## 12. **Exempt Business**

It was proposed by Cllr G Taylor seconded by Cllr M Rennie.

**Decision: That the press and the public be excluded for the following item in the view of the likely disclosure of exempt information within the meaning of paragraph 7 of schedule 12A to the Local Government Act 1972 (as amended).**

**13. Prevent and Channel**

The committee received and discussed a Channel Case Study Report.

**Duration of meeting:** 10.00 am - 12.57 pm

**Chairman**

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# Assessing the Fair Cost of Care

Summary of the process underway to  
develop a Market Sustainability Plan

People & Health Scrutiny Committee  
19 May 2022

# Why now, and why this matters

## A failing market

- Local Government Association, March 2022:  
 “Social care has been facing problems regarding **instability and unsustainability within the market for a number of years**... The role of the **workforce must be seen as fundamental** to delivering integrated, personalised and preventative care”
- National Care Forum, August 2021:  
 “Nearly 74% [of providers] have seen the **rate of [staff] exit increase** since April 2021. 46% of staff who are leaving are **leaving the sector altogether** – to go to health or hospitality for better wages and terms and conditions.”

## The cost/quality spiral, and local impacts

- Currently, **providers rated well** by Care Quality Commission – but the pandemic has delayed many inspections
- Some **evidence that quality is compromised**, so this may not sustain a new inspection round
- Workforce turnover**, both frontline and managerial leads to instability – leads in turn to reductions in quality
- CQC inspections coming to local authorities, with heavy emphasis on **how our purchasing practice drives market quality** – a substantial risk
- Within the last 2 years **6 Care Homes have closed**; financial viability has been an underlying factor for all
- Since April 2021, **182 home care packages have been returned** – 68% of cases were due to a lack of staff.

## Headline national policy

- Market Sustainability & Fair Cost of Care Fund announced December 2021, funded from the Health & Social Care Levy

2022/23	2023/24	2024/25
£162m	£600m	£600m

- Money must be used to increase fee rates and local authorities to conduct a fair cost of care exercise to understand local market conditions and cost
- End the cross-subsidy between private payers in the care home market and local authority ‘bulk’ purchasing
- Stabilise the workforce
- Dorset received £1.2m in 2022/23, allocations for future years yet to be determined





# Outline of the process

## What Government requires of Councils

- Undertake 'fair cost of care' exercises, including
  - local costs such as staff pay and travel time
  - return on capital for care homes
  - return on operations for homecare and care homes
- Submit a provisional Market Sustainability Plan in October 2022
  - Set out issues in current market caused by fee rates and future risks
  - Outline the pace at which the Council intends to move from current rates to 'fair' rates between now and 2025
- Submit final costed version, aligned to LA budget setting in February 2023

## What we have done so far

- Commissioned fair cost of care analyses, ahead of Government issuing the requirement to do the work
  - Consultancies appointed who were Local Gov Association or Association of Directors of Adult Social Services recommended
  - Market engagement process
  - Benchmarking with other authorities
- Undertook market engagement/launch processes
- Provided a number of extensions to deadlines to give maximum opportunity to engage
- Received draft reports and working through review/clarifications with authors

## Next steps

- Engagement with Department of Health & Social Care to confirm that the fair cost reports meet government requirement (confident this is the case)
- Implications for budget and shaping plan for coming years
- Clarity about external (government) funding needed
- Review with the market and continue to develop the dialogue

# Engagement

## Process setup

Launch event for each market segment (homecare, care homes, supported living)

Further specialised workshops to continue the conversation with some market segments

## During the process

Slow responses from all markets. Extensions given, to ensure that all possible opportunities to engage were offered.

Earlier discussions with home care providers fed into the process, asking consultancy to model £10.50/hr staff pay, to match competing employment sectors

## Process results

24 Older People's Care Homes completed survey (16 residential, 8 nursing; 24% of all) Consultant satisfied this provides a good level of confidence in the results

9 Older People's Home Care businesses responded, only 3 completed cost information. Widespread ask for us to use benchmarking data with other authorities instead. Strong effort to engage market means report can't be challenged as not representative. Benchmarking with 11 neighbours and 'most similar' comparators has also been completed.

9 Supported Living (learning disability/mental health) provided information; 4 deep-dives and 3 pre-engagement 1:1s. Reasonable spread across size of providers/geography.

Residential care for learning disability and mental health still underway as response rate low.

# Findings and key messages

## Supported Living – LD/MH

- Scenario that best responds to market feedback includes (amongst other factors):
  - New employer’s NI rates and inflation modelling
  - £10.50/hr wage, with short-notice pay enhancements, all hours paid at same rate
  - Moving to a single level of need calculation, rather than flex as evidence doesn’t support changes to hourly rates
  - Rate enhanced to allow for more handover time
- Raises Dorset from near-lowest in neighbouring and CIPFA group, to upper-middle
- Apply to those on-framework initially; renewal of framework is a key step in determining how to include those currently off-framework

## Home care for older people

- Workforce resilience vital to longer term market sustainability; higher wages for staff is key
- Paying £10.50/hour to staff brings working in care to a competitive level with retail and hospitality – a key ‘threat’ to local workforce recruitment/retention.
- Implementation of a rural rate will support achieving more consistent coverage across the county, regardless of time it takes to travel
- The modelling offers a robust negotiation tool. New rates assume key conditions are already in place; e.g. 45p mileage, all staff paid at contact time rates, and sickness and pension contributions.
- Initial feedback from Strategic providers is positive, offering opportunity to develop strategic relationships.
- Benchmarking indicates that paying at Model 3 (£10.50) brings us to the top of the mid-range of benchmark rankings.

## Care Homes for Older People

- DC currently pays on average at FPoC for residential and nursing, but pays higher for Dementia support.
- Dorset Homes provide higher levels of care hours per resident per week than Consultant’s benchmark.
- To pay all providers at FPoC rate is unaffordable, but offers a key opportunity to work with local market to seek higher/more sustainable funding streams from Government
- As with all averages, any implementation would see ‘winners and losers’ in relation to uplifted rates – again an opportunity to change our relationship with providers who are willing to work with us to develop services to meet the needs, and help us better understand some of the anomalies such as weekly care hours per resident

## Next steps

- Further work on the reports, responding to feedback from markets, and exploring the implications for contracting and placements
- Assessing financial implications, including likely Government financial support
- Establish a proposed approach to moving to 'fair' cost by 2025
  - To include how we establish new contracts and quality requirements alongside raised fee rates
  - Consider how to deal with those above 'fair' cost, and consistency of approach
- Complete draft Market Sustainability Plan, seek comments ahead of submission
  - Proposed to further involve both Scrutiny and Overview Committees ahead of Cabinet sign-off of the Market Sustainability Plan in early October