

SHEFFIELD CITY COUNCIL

EXECUTIVE LEADER DECISION RECORD

The following decision was taken on 16 January 2017 by the Leader of the Council.

Date notified to all members: Thursday 19 January 2017

Please note that this decision is not subject to call-in, in accordance with the Fast Track process set out in Scrutiny Procedure Rule 17 of the Constitution.

1. **TITLE**

Home Care Stabilisation

2. **DECISION TAKEN**

(i) That the Leader gives delegated authority to the Director of Adult Services, in consultation with the Director of Commercial Services and the Cabinet Member for Health and Social Care to take action - including procurement and contract negotiation as appropriate - to secure reliable and good quality home care for the people of Sheffield, providing that:

a) The increased cost of home care in 2017/18 resulting from any actions taken do not exceed a maximum of £1.625m;

b) the measures taken are consistent with meeting the objectives set out in this report (at 1.8 in the report) – and in particular the need to continue to improve the quality of Sheffield’s home care offer and the working conditions of care workers;

c) that commercial and legal risks are assessed and monitored; and

d) updates on actions taken and any emerging risks are provided monthly to the Leader, Cabinet Member for Health and Social Care, and any other Committees that they advise.

3. **Reasons For Decision**

Our clear goal is to make sure that we have good quality home care available in Sheffield for people that need it to stay independent, safe and well in their own home.

The proposals and recommendations in this report allow us to focus on this goal whilst navigating through a period of significant uncertainty in the home care market; and, balancing the commercial, legal, financial, and customer risks.

4. **Alternatives Considered And Rejected**

Do nothing

There is no realistic “do nothing” or “status quo” alternative. Our home care contracts end in April 2017 and we know that at least one national provider will not be prepared to extend contracts in Sheffield.

Complete re-procurement

Our priorities over the last 12 months have been to increase stability in the home care market – by actively engaging and contracting with new providers and supporting existing providers through challenging times. This has left us without enough time to complete a full re-procurement of home care. However, we have also known for some time that a complete re-procurement presented too high a risk given the level of fragility in the market.

This fragility is a result of falling margins, rising costs and changes to regulation that have put unprecedented pressure on providers – many of whom are now considering whether to remain in the market at all.

The national fragility has been compounded locally by inherent weaknesses in our approach to home care (e.g. reliance on single providers, blanket use of time and task) and considerable changes in demand patterns – with home care providers being asked to provide 3,000 more hours of home care in just six months (23,500 hours per week currently compared to 20,500 hours per week in May 2016).

Just as importantly, we need to take a more fundamental look at what home care needs to look like in Sheffield in the medium-term to support our ambitions.

Other local authorities have attempted to re-tender their contracts in this highly dynamic environment and have had significant problems, which have driven up costs and negatively impacted on customers. Our recommendation is there that we remain flexible over the coming 6 – 12 months – increasing stability and doing detailed work on a future model.

5. **Any Interest Declared or Dispensation Granted**

None

6. **Respective Director Responsible for Implementation**

Executive Director, Communities

7. **Relevant Scrutiny Committee If Decision Called In**

Healthier Communities and Adult Social Care Scrutiny Committee