Appendix A

Review of the Domiciliary Care Market in Lancashire

Reviewing care for older people – excluding Extra Care Housing and Supported Living

17th April 2013

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Executive Summary

A Steering Group oversaw the production of the "Review of the Domiciliary Care Market in Lancashire, and considered the findings of this report and drew some broad conclusions and highlighted areas for further investigation. These are detailed below, grouped in four sections headed, Market Conditions, Quality and Performance, Contracting and Workforce Development. A final section considers the options for the Preferred Provider Framework for Domiciliary Care for Older People.

Market Conditions

On the supply side there have been more providers recently entering the domiciliary care market in Lancashire despite declining Council expenditure on registered domiciliary care providers. This may be due to the impact of wider economic factors not just in the domiciliary care market but affecting health and social care and indeed the public sector as a whole. Comparatively low start up and entry costs into the market may make it an attractive business opportunity. However new providers cannot join the preferred provider scheme because once established it was closed to new entrants.

On the demand side the development of new support planning pathways means there is increasing volumes of business going through Direct Payments leading to appointments of Personal Assistants, reducing demand for domiciliary care via care navigation to the preferred provider scheme members. Where the need for domiciliary care provision is detailed in the support plan, it may or may not lead to a referral back via Care Navigation to preferred providers.

Looking ahead, the drive to integration with the NHS means there may be opportunities to divert increased volumes of business through to domiciliary care providers and this needs some exploration

Market conditions for domiciliary care provider are likely to get much tougher in the next few years. In its role as a commissioner of care, the Council should be more proactive in its approach to shaping the market, and ensure that the competitive framework focuses on the maintenance and improvement of good quality and high standards in domiciliary care. Efficiencies need to be strategically driven across the market. Focussing exclusively on controlling costs at a small scale and local level can be at the expense of frontline quality and performance.

Ensuring sufficient capacity and choice of domiciliary care throughout the county, including both rural and urban areas, needs to be prioritised. This means considering the merits of 'zoning' business activity, of variable price structures and including the calculation of travel times.
Quality and Performance

Nationally the picture often portrayed is of variable and at times poor quality and performance in domiciliary care provision. Locally the evidence indicates comparatively higher levels of satisfaction and performance in Lancashire, but there is no room for complacency. Some of the factors which have led to problems elsewhere in the country could become more significant here and lead to a fall in standards in Lancashire. Any domiciliary care provider scheme needs to actively incentivise and reward high quality and consistently strong performance and, in parallel, address and penalise providers of poor services.

Customers and relatives need to have a strong voice in setting and monitoring standards in areas such as timeliness, dignity, continuity and effective communication. However this needs to be underpinned by the technical standards set by regulators or detailed in specifications developed by commissioners.

Contracting

The existing domiciliary care contract is not ‘fit for purpose’ for a refreshed provider scheme, but the new draft contract – which has been widely consulted upon– should provide a firm basis for establishing the legal agreement for such a scheme. However, it needs to be checked to ensure it strikes the right balance between promoting the achievement of outcomes, and prescribing the delivery of specific service inputs and outputs.

Establishing a fair and sustainable pricing structure for domiciliary care is also necessary.

Workforce Development

Quality and performance requirements should directly impact on the design and delivery of training of staff. Training plans also need to recognise that there is an increasing complexity in many people’s needs requiring the development of specific skills.

Measures to reduce staff turnover also need to be considered. This means consideration of the terms and conditions expected of the workforce employed across the sector.

Options for Lancashire’s Preferred Provider Scheme for Domiciliary Care for Older People

The current Domiciliary Care Preferred Provider scheme expires at 31st March 2014. Some form of replacement is needed since it is key to managing the allocation of business to providers on behalf of older people, and determining price and quality and performance standards.

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Three broad options were considered for the future management of the Council's directly commissioned older people's business with domiciliary care providers.

a) There is the option of the Council striving towards a relatively "freer market" approach to the management of relationships with domiciliary care providers. Such an approach would mean having no preferred provider scheme at all and business being transacted via spot contracts with providers, with business initially allocated through new processes or pathways to be defined. The potential benefits could include greater innovation, diversity of services and suppliers, and improved choice for citizens. However it could lead to a rise in transaction and contracting costs for the Council, consuming a larger share of overall expenditure on business overheads such as management and travel since there may be even greater numbers of domiciliary care providers, meaning potentially less grip for the Council on quality, safeguarding and performance of services, with providers competing primarily on price by bearing down on frontline delivery costs.

b) There is the option of continuing with a preferred provider scheme of broadly the same size and structure to the present Lancashire scheme. However few, if any, other councils, have such comparatively large numbers of agencies on their domiciliary care preferred provider scheme. Effectively the current scheme operates as an accreditation scheme, with the Council setting and testing the achievement of quality and fitness for purpose thresholds at a given point in time. Arguably having excessive numbers of providers in the market contributes little to enabling true choice for the consumer or commissioner. It also is costly in terms of transaction and contractual costs, and militates against investment in the business or in the workforce. The sheer number and diversity of agencies means that strategic collaboration between the Council and individual domiciliary care organisations is complex and perhaps requires more management capacity than either party has available. Forums for collective engagement with providers go some way to tackling this challenge, but probably do not reach the whole sector.

c) However, the findings and consensus within the steering group suggests that a new domiciliary care preferred provider scheme should be devised which aims for Lancashire to have a sustainable and high quality domiciliary care market for those seeking a service contracted on their behalf via the County Council. The size and structure of this scheme would need determining in detail, but in general it would involve far fewer preferred providers, with whom the Council could foster a closer strategic relationship with an emphasis on trust, collaboration and continuous improvement in the delivery of good quality and safe services, ensuring the delivery of outcomes rather than output, and driving efficiencies via economies of scale.
However the phrase 'preferred provider scheme' was considered an outmoded label and it may be more useful to refer to a 'Framework' onto which providers who meet quality standards can be placed.

The notion of a 'Framework' scheme has a number of elements that service users, commissioners and government would expect to see in an effective care model: there is some control over entry and exit to ensure standards and safety without it being permanently closed and anticompetitive. It can support a mature and sensible relationship between the local authority as a bulk buyer and the provider sector that can facilitate local strategic planning for quality and capacity. A core issue is workforce development and capacity which would benefit from the strategic and coherent joint approach that would be easier under this model.

While it was accepted that there are pros and cons to each option, the consensus recommendation of the Steering Group was that more detailed work should be undertaken on the final option, of a redesigned Domiciliary Provider Framework scheme.
Introduction

The Domiciliary Care market in Lancashire provides support for nearly 5000 people through 129 providers employing around 4500 staff. Whilst the local authority funded market has contracted by over 11% in the past year it is still worth over £60 million per year and currently accounts for 16% of the Adult Social Care budget.

The provider base has grown rapidly in recent years and the number of domiciliary care providers active in Lancashire has continued to rise despite the economic downturn and reductions in local authority spend. The Lancashire market is reflective of the wider national picture with many small providers operating in localities and a handful of large providers operating across districts or the whole county. The largest providers occupy a very strong position in Lancashire - the top 12 account for £18.9 million of spend whilst the smallest 75 providers receive just £4 million.

Whilst every effort has been made to ensure that all the evidence presented in this report is as accurate and up to date as possible there are inherent limitations in presenting the state of an ever changing marketplace.

Two specific caveats should be taken into consideration throughout this report:

Firstly, Lancashire County Council has no robust information on the numbers or activity of self funders or how these service users’ private care arrangements interface with local authority provision. As such all references to total market value, service user numbers and hours of provision refer only to LCC commissioned activity.

Secondly, the baseline information collected and reported in this document refers to Domiciliary Care across all user groups, but excluding Supported Living for people with Learning Disabilities and Extra Care Services for older people. Wherever data does not reflect this and focuses on a broader or narrower client group this will be noted in the text.

The analysis of the findings in the report which are summarised in the Executive Report is designed to provide an overview of the current Lancashire domiciliary care market particularly for older people. This is in order to inform the development of options for the Council for its procurement of domiciliary care for older people in the future.

All referenced and supporting data is available at request by emailing michael.rudd@lancashire.gov.uk.
Strategic Context

The national policy drivers and important national changes

The recently published White Paper "Caring for our future: reforming care and support" –sets out an overarching vision for the reformed adult social care and support system that will:

- focus on people’s wellbeing and support them to stay independent for as long as possible
- introduce greater national consistency in access to care and support
- provide better information to help people make choices about their care
- give people more control over their care
- improve support for carers’
- improve the quality of care and support
- improve integration of different services

(More information about the white paper can be found at: http://www.dh.gov.uk/health/2012/07/careandsupportwhitepaper/)

Our vision for social care in Lancashire

There are two key documents which set out how LCC intends to implement these policy objectives. These are the Adult and Community Services Business Plan and the Commissioning Intentions both of which cover 2012 – 2015.

Our focus for the future is to enable individuals to maintain their independence and maximise their resources; with long term support needs being met through people choosing how to spend their personal budgets as opposed to this choice being determined by the local authority.

Our emphasis will be on recovery and rehabilitation within the community away from settings such as hospitals and residential care, and the utilisation of telecare and tele health will play a significant part in achieving the required shifts in activity. Whilst there will be a growing emphasis on prevention and early intervention, there is also a growing number of people with complex health and care needs, many of whom have lifelong needs.

Direct payments take up continues to be encouraged and made easier in Lancashire. However, we must work together to provide support to those older people, who do not want to take on the responsibility of a direct payment. Whilst we need to ensure that people are encouraged and offered every support to take a direct payment, if people decide not to take a direct payment this should be valued as their choice and a priority for us is that there is provision for this.

This rise in demand will not be matched by Government funding meaning a new approach is needed to how social care and support is delivered. Higher eligibility
thresholds for local authority funding have, in part, led to the increased number of people funding their own care. Regardless of funding, people want more choice and flexibility over how those needs are met.
1. Service User Satisfaction

In order to gauge the levels of satisfaction with domiciliary care across the county LCC commissioned a research project in October 2012 which was completed by the Lancashire Health and Wellbeing Partnership.

Through a combination of postal surveys, telephone interviews and face to face work the research team gathered the views of 944 current service users and 695 potential users. The views of family members were gathered through 31 postal surveys and three focus groups. Where possible, the local figures are placed in context against national figures and evidence.

When considering these figures some caveats should be entered. Research experience suggests that customers often feel that they need to give an answer indicating at least a reasonable level of satisfaction or else their service may be in jeopardy, and the surveys were carried out by LCC, not an independent agency, which may further influence the opinions given by service users. It is also important to note that satisfaction with a service will mean different things to different people as perceptions and expectations vary enormously.

1.1 Overall Satisfaction
This research shows that levels of satisfaction with Domiciliary Care are high across the county, with 90% of all current homecare users reporting that the service they receive is 'What I expected' or 'Better than I expected'.

In comparison, the Equality and Human Rights Commission Inquiry into Older People and Human Rights in Home Care (2011) reported that for those older people, friends and family members who responded to their call for evidence, around half said that they were satisfied with the service received.

1.2 Most Important factors when receiving a homecare service
Service users were asked to identify what the most important requirements of any home care service should be,

- 95% stated that 'being treated with respect and dignity' is very important, with
- 92% saying the same of having 'care workers who are well trained', and
- 82% of 'being kept informed about any changes to the care I receive'.

Similarly at a national level, the Human Rights Commission (2011) reported 'care worker skill and professionalism' as being important to service users, friends and family members, as was the 'value of informal conversation'.

These results reflect two key areas of need for service users - training and communication, and show that training needs to cover aspects beyond practical procedures such as moving and handling to encourage 'soft' skills such as communication and interaction.

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It should be noted that these results from service users do not reflect the actual level of training which a care worker has received as this is not something of which the service user would be aware, rather they reflect the perception of the service user of skill of the person delivering their care, this shows that the growth of inter-personal skills is as important as the key practical and procedural skills which carers require.

This personal element is further reinforced by findings that one of the key drivers for selecting a provider by potential service users would be the ‘personal qualities of the care worker’. This is often a reason given to Care Navigation for wanting a non preferred provider, however it is most often the case that service users do not get a direct choice of care worker, and due to the high turnover within the sector individual care workers are not available on a long term basis.

1.3 Dissatisfaction

Whilst levels of satisfaction are high across the county there are specific areas of dissatisfaction. 10% of service users stated that they are dissatisfied with the level of communication they receive about changes to their care, whilst of the family members polled 30% were dissatisfied with the amount of time the care worker was spending with their family member.

Supporting this, the North West report on domiciliary care, ‘Who is looking after Uncle Albert?’ (Lancashire Link, 2010), highlighted that one of the principal concerns of customers was not receiving their full allocation of paid contact time from their domiciliary care provider.

Many issues around communication are on a provider by provider basis and need to be addressed as such, but in some cases the concerns about the duration of contact time and punctuality may be as a result of misunderstandings around travel time and the actual amount of time allocated to a visit. This may come back to communication and keeping the service user and their family informed of the extent and limitations of the care which has been commissioned. However underpinning this are also real and substantive concerns about punctuality and the sufficiency of time for achieving the outcomes and undertaking the tasks set out in the support plan. This is an issue for both providers and the County Council and needs to be addressed as such.

1.3.1 Requests to change Agency

Issues around punctuality and duration of contact time are further confirmed by findings from the Care Navigation service as to reasons for people requesting a change in provider. Between October 2012 and January 2013 there was an average of 21 requests to change agency per month. Of these 74% were initiated by the service user and 84% of the total resulted in a change of agency with the remainder being resolved by either care navigation or social workers. Through October and November 33% of these change requests cited punctuality as the main reason for wanting to change providers, with a smaller group citing communication – although
these two groups overlap as very often the information not being communicated is a change to schedules or the late running of a care worker.

Similarly, the timing of care visits in relation to staff arriving too early or too late were a key finding of the previous research by Lancashire Link (2010).

Data suggests that this is not an issue inked to a single provider or group of providers.

1.4 Potential Service Users
With an ageing population there is a steady stream of people entering the domiciliary care market, and they too have very clear expectations of the care they want to receive.

The results of the potential users survey returned similar key messages to those of current service users, with the themes of dignity, respect and training all present.

Potential users also stressed the importance of care workers being available at times which are suitable, with 90% of respondents stating that this would be very important in their choice of provider.

1.5 Conclusions
Whilst the growing number of providers leads to a numerical increase in choice evidence from the Care Navigation Service indicates that service users are still following the recommendations that Care Navigation provide. Any questions being asked about providers tend to come from family members rather than service users themselves.

This survey pulled out three key themes to help improve service provision and perception:

- Quality training – including 'soft' skills such as communication
- Consistency of care
- Punctuality and duration of contact time
2. Finance

2.1 Overall spend
The total spend for Domiciliary Care in Lancashire for 2011-12 was approximately £60 million, comprising £42 million for older people, £12 million for physical disability, £3.6 million for learning disability and £2.4 million for mental health. This represents 15.6% of total Adult Social Care spend. This figure includes all facets of provision (spot contracts, vouchers, block contracts, domiciliary rehab and crisis).

2.2 Market Share
During 2011-12 LCC contracted domiciliary care for older people with 129 providers, of which 60 (46.5%) received less than £100,000 of spend and 12 (9%) received more than £1 million.

103 (80% of providers) received income from the Council of less than £500,000 of commissioned services each, this group of providers account for just under 35% of LCC spend. By contrast the single largest provider represents over £5 million in spend and 12% of the market. In total the 84 preferred providers account for 98% of total expenditure.

45 non preferred providers were contracted during 2011-12 via Care Navigation, these arrangements typically coming about as the result of a service user directly requesting the non preferred provider either at the initiation of a care package or as a change of agency. This is a rare occurrence and generally comes about as the result of a recommendation from a friend or relative or from local marketing efforts by the provider. On other relatively rare occasions, LCC will contract with non preferred providers where no preferred provider is able to fulfil a contract but this happens so infrequently that no data is recorded.

A recent survey with providers highlighted that the majority rely primarily on the volume of business they receive via the County Council. Approximately 75% of both preferred and non-preferred providers receive more than 50% of their business from LCC with 15% of preferred providers receiving more than 90%. Around half of all providers source up to 25% of their business from either private customers or other authorities / health, however when asked to rate out of 10 how important LCC business is to the viability of the care market in Lancashire more than 80% responded with a score of 8 or more out of ten, suggesting that LCC activity is crucial to the market and providers.

2.3 Financial Trends
Any financial analysis must also take into account the impact of changes to FACS criteria and increased charges which have led to a reduction in LCC spend.

The average number of weekly hours commissioned by LCC has fallen from over 58,000 in April 2011 to slightly more than 54,000 in February 2012, a fall of 6.9% which is part of a continuing downward trend. Over the same period the number of
service users with domiciliary care packages has fallen from 5,508 to 4,866 a fall of 11.6%.

All but one of the top ten providers has seen a reduction in business over the past twelve months, whilst the only provider to see an increase has gained just 0.6%. The average loss in business is 13.1% but this masks wide variation in the figures which see the largest reported loss of 23.2% and the smallest reported loss of 2.6%.

**Price structure**

Different rates are paid to preferred providers for full, half and quarter hours, approximately 67% of visits to services users aged 65+ are of 30 minutes or less. Under this scheme LCC pays £11.96 per hour for a full hour of care for an Older Person or person with a Physical Disability, £13.46 per hour for half an hour (so the provider receives £6.73) and in a few cases where 15 minute visits have been agreed the rate is £16 per hour (with the provider receiving £4). Non preferred providers are paid £11 per hour regardless of visit duration.
3. Commissioning Arrangement s

3.1 Preferred Provider Scheme
The Council currently commissions domiciliary care services for older people and adults living in their own homes through a preferred provider scheme. The scheme has been established as a ‘framework’ agreement in accordance with EU procurement regulations and runs for a four year period commencing April 2010. This means that it is ‘closed’ to new providers until April 2014. The council monitors the quality of services provided by preferred providers through a compliance framework. The Council also commissions a very limited number of services from providers that are not on the preferred provider list. This is usually in circumstances where a service user expresses a preference for a specific non-preferred provider.

Lancashire County Council operates the preferred provider scheme to enable it to procure domiciliary care in a way that delivers value for money and ensures a supply of good quality services for people who need care throughout the whole of Lancashire. The preferred provider scheme also supports the development of sustainable business relationships with a consistent group of providers, which is important in terms of supporting those providers to forward plan and to recruit and retain a stable workforce.

3.2 Care Navigation
The council runs a care navigation service which undertakes most of micro commissioning of domiciliary care. This is completed by the use of a Web Based Commissioning system that is only accessible by preferred providers. Should an individual service user indicate they wish to have their care delivered by a non preferred provider then this would be commissioned outside of the web portal. The care navigation team where possible fully discusses with the service user or their representative the choice of provider. In cases of urgent care the team will select a provider from the offers received that best matches the SU's request, and where there are multiple requests the team aim to allocate work on a fair basis to sustain market share and viability for all preferred providers.

3.3 Direct Payments
Central government continues to stress the importance of direct payments as a key vehicle for allowing service users to exercise choice and control, as of November 2012 there were 1920 people in receipt of a direct payment of which 72% were 65 or above. The single largest primary category is PDSI / frailty which accounts for 65% of all Direct Payments.

It is estimated that there are 3250\(^1\) Personal Assistants employed in Lancashire, making paid PAs almost as big a workforce as the 4800 staff employed by care agencies.

\(^{1}\) 1,300 adult DP recipient using payroll each recipient employing 2.5 PA's = 3250

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There is an ongoing project within LCC to look at changes to the Direct Payment process, recent consultation events with over 200 service users and staff delivered a clear snapshot people's perceptions of the current system.

Service users and their families felt that there is a lack of clear, concise information about direct payments. Whilst there are a wide range of information sources on the subject available through LCC and various other agencies, this information is often inaccessible to non-professionals and is in some cases contradictory. The central confusion rests with what many service users see as the overlapping or synonymous use of the terms Direct Payments, Self Direct Support, Personal Budgets, Estimated Budgets etc.

Direct payments processes are complex and for many the level of choice and responsibility can be daunting. In many cases the prospect of acting as an employer is a major barrier to the uptake of direct payments and the majority of older people still prefer the ACS operated 'Care Managed' option which limits the responsibilities and influence of the service user.

Social work staff also agree that whilst Direct Payments are an excellent option they are not well enough informed about the processes around DPs and the role of various elements of the system. This makes them reticent to really push direct payments even when they believe that it may be the best option for a service user.

The finance process for direct payments is complex and can take a long time to set up, but the level of difficulty is subjective with some finding the process far more daunting than others.

LCC has invested resources in simplifying the DP process through LCiL and Salvere in recent years, however the perception of the focus groups was that there are still a large number of professionals involved in the process of setting up a direct payment each covering a different area, which can lead to confusion over whom to contact and who is responsible for what.

The focus groups also identified that Direct Payments were not being offered in a consistent way across the county. This seems to stem from a combination of training and culture within PSC with some staff unsure about or unaware of the benefits or suitability of direct payments for certain client groups or in general.
4. Geographical Variation

The delivery of domiciliary care across Lancashire varies across the county. All postcode areas where care had been delivered were categorised as either predominantly urban, predominantly rural or a mix of urban/rural.

The county's postcode composition was mainly urban and mixed at 36.9% and 39.6% respectively, with rural postcode areas only accounting for approximately one quarter (23.5%). Not surprisingly, the urban and mixed postcodes had almost 90% share of the domiciliary care packages delivered across the county (an average of 3.8 and 3.9, respectively per postcode) and the concentration of domiciliary care provision in urban postcodes in particular is further highlighted with these areas accounting for almost half (48.1%) of the total domiciliary care hours delivered.

The data (which includes all packages of domiciliary care, not just those relating to older people) also shows that of 185 active providers at the time of the snapshot, 71 were operating in a single district, whilst a further 55 were reliant on a single district for at least 75% of their business at this time. Whilst there is wide variation in the numbers of providers in each area and the number of packages and hours these providers are working with, the maximum market share in each district at this time was approximately 15%, the exceptions to this are Lancaster and West Lancs which have a single provider responsible for approximately 1/3 of the market.
5. Workforce Development
The information on the Lancashire workforce was gathered from the NMDS-SC (www.skillsforcare.org.uk/research) and includes users of the following services: home care, home nursing care, domestic services, home help and meals on wheels. Whilst useful, all data should be considered carefully as it includes providers of Learning Disability care – this workforce is generally better trained, paid and has a different gender balance to the Older People’s Domiciliary Care workforce and as such the inclusion of this data does mask some underlying issues.

5.1 Workforce Demographics
The Lancashire Domiciliary care workforce comprises approximately 4800 individuals at any one time, of which approximately 80% are female. Lancashire has a higher than average male workforce (LCC: 19.4% - Nat'l: 13.2%).

The workforce has an even spread of ages with approximately 50% of the workforce aged between 40 and 60 years.

5.2 Working Conditions

5.2.1 Pay
The Domiciliary care workforce is largely a minimum wage\(^2\) or slightly above workforce. The median pay for a care worker is £6.92, rising to £8.04 for a senior care worker and £8.45 for a registered manager.

5.2.2 Contractual Status
The most common contractual arrangement for care workers in Lancashire is the Zero Hours contract, 40% of the Lancashire workforce is employed on this basis.

Whilst this contractual arrangement is attractive for many due to the ability to flex working hours around other commitments such as family, it has the potential to lead to issues when the amount of work available is being reduced (as is the case at present), it is also the case that many workers on these contracts will be unable to work at the certain times of day (i.e. before 9.30am or after 3pm) due to family and caring commitments. This leads to an excess supply of staff available between these hours and a lack of capacity at times of peak demand.

Working hours data which shows that the average working time for a care worker is 18 hours per week.

5.3 Turnover
Turnover is a major issue for the Domiciliary Care workforce in Lancashire, the turnover rate for the twelve months to November 2012 was approximately 33%, this has a strong negative influence on the skill levels and stability of the workforce through the constant introduction of new and untrained staff, whilst also speaking volumes as to the levels of job satisfaction and career prospects within the sector.

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\(^2\) The National Minimum Wage is set at £6.19 per hour for workers aged 21 and over.
This level of turnover also impacts upon service users, as identified in Section 1, one of the key issues for service users is continuity of care and perception of the skills of care workers. High levels of turnover make it impossible to maintain consistency in caring responsibilities and also mean that new, less well trained staff are constantly being introduced into the workforce.

The causes for the turnover rate are many and varied due to the diverse nature of the workforce. Career advancement is a positive reason for moving on, but it is also likely that the lack of security in employment and pay associated with zero hours contract will encourage people to move on to other employment.

5.4 Training
Overall 2/3 of the Lancashire workforce holds some form of qualification, and this is well above the national average. Staff training to Level 2 NVQ is part of the Preferred Provider contract and this will drive performance on this indicator.

The issues regarding staff turnover mentioned above may be an indirect result of these attempts by LCC and providers to deliver a well trained workforce. Level 2 NVQ qualifications are a gateway to various careers, and anecdotal evidence suggests working for a care provider may be being used as a way to gain free NVQ training with a view to moving onto another other training or posts in health and social care.

These conditions combine to make the care sector appear a comparatively unattractive prospect for many, with no guaranteed hours, low pay and the cost of travel. Despite this Lancashire appears to have a comparatively well trained and satisfactorily performing workforce as evidenced by the levels of customer satisfaction reported in section 1.
6. Provider Views

6.1 Provider Survey
As part of this review a survey of providers was issued in December 2012 to ascertain the views of preferred and non-preferred providers on a range of subjects, including the value of the preferred provider scheme and various LCC services such as the Safe Trader scheme. In total 62 surveys were completed and returned from 53 preferred and 9 non-preferred providers.

9 questions were posed which asked providers to answer on a scale from 1-10 with 1 being low and 10 high, no further guidance on scoring was given. For the purposes of this analysis a score of 5 and above is taken to represent average satisfaction with a score of 8 or above being very satisfied.

Each of the first five questions concerned the preferred provider scheme:

- How effective do you think the current scheme is in promoting a positive relationship between LCC and providers in Lancashire?
- How effective do you think the current scheme is in ensuring that people who need support in Lancashire can access domiciliary care services wherever they live?
- How effective do you think the scheme is in supporting the development of a care market in Lancashire which is able to deliver flexible high quality personalised support?
- How effective do you think the current scheme is in supporting a stable and sustainable care market in Lancashire?
- How effective do you think the current scheme is in supporting people who fund their own support to find a high quality care provider?

Opinions of the preferred provider scheme are generally high, more than 70% of providers scored each of these at 5 or above, with more than 25% scoring 8 or above for each question. However there is a split between preferred and non-preferred providers with each question receiving scores of less than 5 from 50% of non-preferred providers, furthermore more than 50% of the non-preferred providers scored 1 for the effectiveness of the scheme.

The main reason given by non preferred providers for their dissatisfaction with the scheme is that the list of preferred providers is fixed for four years and as such they believe that it is a closed shop allowing some poor providers to prosper whilst some high quality providers struggle outside the scheme.

Preferred providers feel that the scheme works well as it provides a strong framework for them to operate within, with clear guidelines and monitoring requirements, however some of the concerns of the non preferred providers do concur with the preferred providers, most notably the closed nature of the PP list allowing companies to provide poor care and still receive business. There are also
some concerns around levels of communication and the lack of information about the processes behind the web based commissioning service.

Four further questions focussed on specific LCC services

- How effective do you think the care navigation service is as a system for LCC to source domiciliary care services from providers in a fair open and transparent way?
- How effective do you think the safe trader scheme is in helping people to find and/or choose a domiciliary care provider?
- How important do you feel that LCC business is to the viability of providers and the domiciliary care market is Lancashire?
- Developments around personalisation and self-directed support: How effective has LCC been in communicating its intentions regarding the development of more flexible domiciliary care services (i.e. services which give people more choice and control over how their service is provided on day to day basis)?

The most striking response is that of question 8 regarding LCC business and market viability, which saw 96% of providers score at 5 or above and 82% score at 8 or above, this response was the same for both preferred and non preferred providers. Clearly the view of the market is that LCC business is essential to the future viability of providers.

The remaining results show mixed feelings about LCC services. The Safe Trader scheme scored 5 or above from just 50% of providers with similar results from both preferred and non preferred providers. The Care Navigation service scored 5+ from 67% of preferred providers but only 22% of non preferred providers scored this as 5 or above, with all the others scoring 1. However when the supporting comments are evaluated it becomes clear that the low scoring non preferred providers have scored 1 as they have no access to the Care Navigation service, those that have had some degree of contact have scored the service in the 5-7 bracket.

Taken in totality the results seem to reflect a split market with those on the preferred provider list fairly happy with their situation despite some issues, and those on the outside feeling marginalised and finding increasing pressures on their business. The general feeling within the preferred providers is that there are too many providers and not enough business to go around, whilst those non preferred have the opposite view, that the PP list restricts business and stops the market growing.

6.2 Compliance

A snapshot of current CQC compliance information was taken in November 2012 to ascertain levels of compliance across the county. At the time this data was gathered CQC had information on 104 preferred and 76 non preferred providers.
These figures show that CQC have some level of concern with 64% of providers. Of this 44 providers are subject to Minor Concerns, 14 to Moderate concerns and 2 to Major Concerns.

The data shows that compliance is more of an issue in the East of Lancashire where 81% of providers are subject to some level of concern, compared to the North where just 36% are. Providers in the East are also more likely to be subject to multiple concerns with 35% of all providers subject to multiple minor concerns compared to 13% in the North. It should also be noted that all four monitored 'out of area' providers' are subject to some form of concern.

The area most likely to be of concern to CQC is the 'Standard of caring for people's safety and protecting them from harm' which accounts for 32% of all concerns, whilst 'Standards of treating people with respect and involving them in their care' are of concern with just 9% of providers.

Non compliance is also more of an issue for non preferred providers. Non preferred providers are nearly twice as likely as preferred providers to be subject to CQC concerns – 28% of PPs and 51% of non PPs falls into this category. The difference is more marked when providers with multiple concerns are included, 6% of preferred providers have multiple areas of concern whereas 22% of non preferred providers are in this situation. The single least compliant group are non preferred providers in the North, 58% of this groups have at least one area of CQC concern.

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3 These providers are based in Blackburn and Blackpool and as such lie beyond the County Council footprint