

Appendix a



Argyll and Bute Council: Equality and Socio-Economic Impact Assessment

Section 1: About the proposal

Title of Proposal
Development of the smarter commissioning model of care at home services.
Intended outcome of proposal
Saving of £400k from £14m Care at Home and Responder service budgets which have been increased significantly in 2022/23 and will increase further in 2023/24.
Description of proposal

In November 2022, a significant additional investment (circa £3m) was made in commissioned care at home services across Argyll and Bute. This was in response to a number of care providers withdrawing service from Argyll and Bute. One of the main causes of this was inability to attract, recruit and retain staff and the number of people who had been assessed as requiring a service but unable to receive the service was growing. This picture was replicated across Scotland and was not unique to Argyll and Bute.

A contract modification was introduced identifying an increase in hourly rate of pay to care at home staff with the requirement for the full amount of 52p per hour be passed directly to staff delivering the care service, giving an hourly rate of £11.02. This was agreed in an attempt to attract new staff into the services and retain existing staff. It was intended that this would also improve the situation for commissioned service providers.

At the same time a process to deliver Smarter Commissioning was introduced to enable identification of down time and reallocation of care packages to make best use of all available resource. This was also designed to improve working conditions of staff.

This modification to the contract was put in place until the end of June 2023.

Details on the pay uplift for adult social care workers was announced on 15 December 2022 as part of the Scottish Budget for 2023/24. Scottish Government have confirmed funding to ensure the minimum hourly rate for workers providing direct adult social care would rise from at least £10.50 to £10.90 per hour. Argyll and Bute are currently paying a higher rate than the one stipulated and will continue to do so. However it is not affordable for the HSCP to increase its already higher rate by 40p for the full year.

This proposal seeks to ensure that the benefits of the investment are realised within the resources that are available in 2023/24. It is based on two elements –

1. The smarter commissioning process identifying efficiencies in the service.
2. Providers are currently receiving a higher rate than has been allocated through the Scottish Budget setting for 2023-24. All commissioned services will continue to be offered funding at level which supports a pay rate at £11.02. It is intended that consultation on the best way of achieving the saving will inform the final decision on contract uplifts.

The intention is to review how the new commissioning model operates in practice with proactive engagement with commissioned service providers to further implement service efficiencies and increase the skill and agility of the workforce. We will engage with providers in the coming months and monitor the impact of this work through the savings review process reporting to the Finance and Policy Committee.

The HSCP has already put in place arrangements that enable providers to pay their employees more than the new minimum rate set by the Government. It is also in the context of significant investment in the service during 2022/23. Consideration is being given to supporting strategic relationships with commissioned providers and going into a new commissioning phase supported by the developing Older Adults Strategy. Investment in the stability of the service aims to benefit the Argyll & Bute economy by employing local staff and developing the market and skills base.

Smarter commissioning offers a joint opportunity to develop effective models of care alongside providers.

Business Outcome(s) / Corporate Outcome(s) to which the proposal contributes

Balanced budget while managing risk to service provision
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Lead officer details:	
Name of lead officer	Caroline Cherry
Job title	Head of Adult Services Health and Community Care
Department	Health and Social Care Partnership
Appropriate officer details:	
Name of appropriate officer	Cath McLoone
Job title	Operations Manager - Resources
Department	Adult Services
Sign off of EqSEIA	
Date of sign off	

Who will deliver the proposal?
The proposal will be delivered in partnership with providers and the Contract and Demand Management Team.

Section 2: Evidence used in the course of carrying out EqSEIA

Consultation / engagement
The HSCP engages pro-actively with all care at home providers on an ongoing basis. The best way of delivering the saving will be developed following further consultation with providers.

Data
The HSCP has used data on service provision, demand and costs and has used this to develop the savings proposal. Local economic activity data notes a slowing down/ceasing of employment opportunities in multiple sectors in Argyll & Bute which potentially creates an opportunity for a training and recruitment approach to care at home services.

Other information

Gaps in evidence
To date the implementation of smarter commissioning is still being rolled out and there is not yet robust evidence of efficiency savings. There is however early evidence that the new approach is achieving service delivery efficiencies.

Section 3: Impact of proposal

Impact on service users:

	Negative	No impact	Positive	Don't know
Protected characteristics:				
Age	x			
Disability	x			
Ethnicity		x		

	Negative	No impact	Positive	Don't know
Sex		x		
Gender reassignment		x		
Marriage and Civil Partnership		x		
Pregnancy and Maternity		x		
Religion		x		
Sexual Orientation		x		
Fairer Scotland Duty:				
Mainland rural population	x			
Island populations	x			
Low income				x
Low wealth		x		
Material deprivation		x		
Area deprivation		x		
Socio-economic background		x		
Communities of place		x		
Communities of interest		x		

If you have identified any impacts on service users, explain what these will be.

When smarter commissioning was introduced the number of people assessed as requiring care but unable to receive this due to lack of capacity in the system reduced from 84 people requiring 814 hours in December 2022 to 54 people awaiting 563 hours of care. Although there has been considerable progress to reduce gaps in service, a significant number of people are still awaiting delivery of a care package. Availability of staff remains a constraint in this regard and this is addressed through the workforce plan.

Currently use of agency staff incurs high unit costs and if the partnership is able to attract staff to posts, this cost will reduce and there will be more delivery for the same amount of spend.

Impacts to service reflect on the most vulnerable within communities as care at home is provided not only to older people but increasingly to those with long term chronic illness. Awareness of where the impacts are will guide the developing commissioning process. The proposed saving should be considered in the context of significant investment in the new responder contract, increases in resources to area teams and investment in smarter commissioning.

The HSCP has already put in place arrangements that enable providers to pay their employees more than the new minimum rate set by the Government. It is also in the context of significant investment in the service during 2022/23. The negative impact of this saving will be minimised. The saving is effectively a reduction in inflation funding (possible as the HSCP has taken earlier action as described above) rather than a proposed service reduction. The saving of £400k relates to a total budget of £14m.

If any 'don't know's have been identified, at what point will impacts on these groups become identifiable?

People on low incomes are less likely to be able to find alternative temporary forms of care and the impact of this saving may be detrimental, if the saving is not managed carefully and in partnership with providers.

Impact on service deliverers (including employees, volunteers etc):

	Negative	No impact	Positive	Don't know
Protected characteristics:				
Age		x		
Disability		x		
Ethnicity		x		
Sex		x		
Gender reassignment		x		
Marriage and Civil Partnership		x		
Pregnancy and Maternity		x		
Religion		x		
Sexual Orientation		x		
Fairer Scotland Duty:				
Mainland rural population	x			
Island populations	x			
Low income	x			
Low wealth		x		
Material deprivation		x		
Area deprivation	x			
Socio-economic background		x		
Communities of place		x		
Communities of interest		x		

If you have identified any impacts on service deliverers, explain what these will be.

Although Providers were allocated additional funding to increase rates of pay, all providers are expressing concern about cost of living increases and cost of service delivery, especially around insurance – which in some cases has quadrupled in cost since Covid 19. They have also cited increased costs in rent, electricity and vehicle maintenance for more rural areas. The HSCP will uplift contracts for these elements in line with national rates.

Over the past year 4 providers of care at home service have ceased trading in areas of Argyll and Bute. This included large national providers withdrawing provision to certain areas where it became too challenging to continue with reduced staffing levels to small local providers who were unable to attract new staff to the service.

This in turn reduces contribution to the local economy and fewer jobs being available within certain localities.

The smarter commissioning approach is developing a model for Argyll & Bute that has a greater potential for sustainability although there are continued challenges in developing available workforce in island communities.

If any 'don't know's have been identified, at what point will impacts on these groups become identifiable?

N/A

How has 'due regard' been given to any negative impacts that have been identified?

A Care at Home Strategy is being developed during 2023-24, reviewing current service and identifying the future shape of service. This work along with development of a new contract will identify the needs of both service and providers going forward.

Work to develop smarter commissioning has developed a partnership approach to service delivery with service providers and enables changes to be made quickly and efficiently when demands on the service change.

Section 4: Interdependencies

Is this proposal likely to have any knock-on effects for any other activities carried out by or on behalf of the council?

yes

Details of knock-on effects identified

Providers have identified on-going recruitment issues and increased costs for their services especially around insurance, rent and electricity. 4 providers have withdrawn from service over the past year and another one has given notice to withdraw from an area.

Section 5: Monitoring and review

How will you monitor and evaluate the equality impacts of your proposal?

Regular meetings with all care providers.

Number of hours of care delivered and hours of unmet need are monitored through the weekly care at home and care home assurance group.

Care at home activity is also reported through Urgent and Unscheduled Care programme. Work on the Care at Home strategy will include review of current service and this work will involve service providers.