

		AGENDA ITEM 4
		PAF/01/19
Committee:	People and Families Policy and Scrutiny Committee	
Date:	10 January 2019	
Enquiries to:	Name: Graham Hughes Designation: Senior Democratic Services Officer Contact details: 033301 34574 Graham.hughes@essex.gov.uk	

RELATIONSHIP MANAGEMENT

As part of its induction programme the Committee had briefings on the care market and one of the issues discussed at some of them was supplier relationships.

A review of supplier relationships was undertaken by County Council Officers and a report published in November 2016. Coming out of that review was agreement to conduct an annual supplier relationship survey – the first of these was undertaken at the beginning of 2018.

The Committee considered the issue of supplier relationships at both its June 2018 and November 2018 meetings taking in the above November 2016 report, the results of the survey (challenging progress being made against the recommendations in the November 2016 report and highlight issues still not being addressed or progressed) and consideration of and alignment with the overall Care Market Strategy. An extract of the minutes from the November 2018 meeting are attached as **Appendix 1**.

The Committee requested a further information from Steve Ede, Head of Procurement, which is attached (**Appendix 2**). The Committee advised that they did not require Mr Ede to attend in this instance. In considering the further information attached, the Committee may decide that it wishes to follow up further clarifications with Mr Ede at another time. As further background **Appendix 3** is the presentation made at the November 2018 meeting.

The Committee also requested a discussion on executive oversight and leadership. Accordingly, Councillor Christopher Whitbread, Deputy Cabinet Member, and Nick Presmeg, Executive Director, Adult Social Care, have been invited to attend to respond to questions from the Committee. To introduce the discussion, and in consultation with the PAF Chairman and Vice Chairmen, they have been asked to come prepared to respond to the following initial/advance questions:

Cont 1/2

Advance questions

The Council has recognised that provider/supplier relationships had worsened and commissioned a report in 2016 to understand why relationships had worsened, understand how both parties perceived each other; assess the appetite for working together in the future and identify actions for improvement.

- Can you please explain how and by whom the findings of this report were discussed both within the political and officer leadership teams?
- Can you please indicate how addressing the issues identified in the 2016 report have been prioritised at a senior level and executive oversight of the proposed changes and improvements is maintained? How do you monitor progress?
- How did/do you ensure that The Care Market Strategy 2017-21 has (or is) addressing/encompassing the issues highlighted in the 2016 report and that there is also a strong link with developing current and further corporate strategies.
- Can you please outline the executive arrangements in place for leading the relationships with, and direction of, the market as expected under the Care Act.

What risk assessment is undertaken:

- on the impact on the County Council if provider/supplier relationships deteriorate?
- on the County Council not being able to meet its statutory role under the Care Act to provide market leadership etc?

[The 2016 report can be accessed here From <<https://www.livingwellessex.org/vision/market-shaping/provider-relationship-management/executive-summary-and-your-feedback/>>

Action required:

- (i) To consider the further information and subsequent discussion.
- (ii) To consider the structure of any further follow-up work on this issue.

Appendix 1

Extract of the Minutes of the meeting of the People and Families Policy and Scrutiny Committee, held at 10.05am in Committee Room 1 County Hall, Chelmsford, CM1 1QH on Thursday, 8 November 2018

Relationship Management

The Committee considered report PAF/23/18. Steve Ede, Head of Procurement, joined the meeting to introduce and supplement the report.

Background

There had been a perception that relationships between ECC and the care market were poor and getting worse. Additional responsibilities were also being imposed by the Care Act on market management and sustainability and the County Council had recognised that it could not meet these new duties without improving relationships with the care market. As a result, a review of supplier relationships had been undertaken by County Council Officers and a report published in November 2016 with a number of recommendations and actions to improve those relationships.

Actions taken

An update on progress was given with issues highlighted and clarifications sought during the subsequent discussion:

One of the key improvement actions was developing and maintaining a Care Provider Information Hub.

Only approximately 15% of care providers were represented through the Essex Care Association (ECA) and officers wanted to move that figure towards 40%. The ECA met quarterly. There were also monthly meetings of ECA Management with ECC.

Reference was made to the Hertfordshire model where to be able to bid for contracts provider had to already be a member of the provider care body.

Strategic provider groups were in place for learning disabilities and supported living, building on the approach piloted for domiciliary care.

There had been positive feedback on the sharing of the care strategy from providers. Officers had felt that it was important to share ECC's ambitions for the future market and seek views on future collaborative working to drive efficiencies.

Leadership

It was acknowledged that the County Council's leadership style towards care providers had been identified as a little dictatorial in the past and officers were trying to make it more open to provider ideas.

The original 2016 report had highlighted the responsibility and role of the county council's directors to develop and provide leadership of the market. Members queried how much progress had been achieved and the required actions for staff to support that role. It was stressed that there were structure charts in place illustrating how ECC procured and commissioned and which explained the roles of directors and how they complemented each other.

Some members pursued clarification on the level of senior director and Chief Executive awareness of the need to improve provider relationships and the actions being taken. Some members queried whether prevention was a big enough priority and focus for adult social care.

Capacity

In response to member questioning, Mr Ede considered that generally there were sufficient care home places for those who cannot afford top-ups. However, there was a significant challenge in providing sufficient nursing care places.

The key challenge for providers was workforce and a shortage of nurses was a significant pressure. Whilst changing pay rates for care staff may assist future recruitment and retention it was possible that it might not and that the County Council would have to work with the market to find other solutions.

It was proposed to increase ECCs base fees to encourage more providers to enter into the County Council's framework agreement.

It was thought that Brexit could exacerbate staffing issues. In addition, wage competition from other sectors such as retail for example, could tempt workers away from social care.

Consideration was being given to a joint workforce strategy with Health partners.

The County Council's Quality Team continued to provide support to care providers. Adult Community Learning also provided some courses that could assist care providers.

Aged debt

Payment issues - Work had been undertaken to speed up the process for submitting invoices and provide help and training to providers to enable them to submit

actionable invoices. The default payment term was 30 days although it could be significantly shorter.

Conclusion

The Chairman thanked Mr Ede for his attendance.

The following actions and requests for further information were agreed:

- (i) Provide further details of oldest debt
- (ii) Further detail on new entrants/closures in Care provider market.
- (iii) Further detail on the work being undertaken with Districts to promote good housing to keep people out of care or at least delay it.
- (iv) Further consideration of promoting career opportunities in schools.
- (v) A further update to focus at a strategic rather than operational level.

Members also suggested that the Committee should consider building in a review of Domiciliary Care into future work planning discussions.