

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	3 November 2009
Report of:	Phil Lloyd - Head of Adults Services / Ceri Harrison - Head of Transformation
Subject/Title:	Transformation of Services for Adults – Phase 2 (Key Decision – Forward Plan Ref CE09/10-28)
Portfolio Holder:	Councillor Roland Domleo

1.0 Report Summary

- 1.1 This report updates Cabinet on the current and next stages in the Redesign of Adults Social Care Services, the achievability of the Medium Term Financial Strategy (MTFS) targets and the decisions now required to ensure these are met. Acceleration of the radical approaches inherent within the Redesign is needed in order to attempt to meet the 3 year MTFS now emerging. On current estimates this may require Adult Services to deliver a further £7.9m by Year 3 over and above the £4m target set for the current year on the incoming budget of £76m. This would constitute a 16% reduction over 4 years and its achievement may well pose major risks if it is applied fully.
- 1.2 This report sets out the next stage of proposals which are needed to address rising demand, reducing costs, improving choice and modernising service provision. All proposals are in keeping with the overarching principles and strategy of personalised, preventive and 'lean' Adults Services but the pace and scale at which they may have to be introduced as a result of financial pressures within the Council may pose risks and these are identified.
- 1.3 Significant savings and transformation of services are planned however, as part of the agreed strategy and these are set out below.

2.0 Decision Requested

That Cabinet decide to

- 2.1 Reduce the current in-house provision of routine domiciliary care services as this service can be provided at an acceptable quality and cost by the independent sector.

- 2.2 Redefine the primary function of the in-house domiciliary care service as a reablement¹ service.
- 2.3 Review the provision of the Housing Network support for Adults with Disabilities and consider the business case for securing that service from an independent provider.
- 2.4 Undertake a fundamental review of use of buildings within Adult Services aiming to rationalise and localise functions across services and partners.
- 2.5 Agree to address the issues presented by the inherited provision of Community Support Centres looking at the rationalisation of the current stock of 5 centres being replaced by the enhanced facilities at Lincoln House (already agreed by Cabinet as part of the Dementia Strategy) and the creation in the future of a purpose built new facility, subject to a business case being made to Cabinet in future and taking into account the previous public consultation exercise.
- 2.6 Agree to consider how much directly provided service should continue (and how long for) in order to mitigate against market failure (or other emergency) and resolve in principle that the Council's role in direct service provision should be to provide the most complex services of last resort.
- 2.7 Agree to explore the option for running existing in house provision as 'arms length' and/or jointly with health to exploit commercial benefits and freedoms from such models and maximise efficiencies.
- 2.8 Agree to review significantly the current service level and performance from the shared transport service jointly with the Head of Regeneration and Central and Eastern Cheshire Primary Care Trust to identify what transport should be commissioned strategically.
- 2.9 Review the current provision of the hot meals service.
- 2.10 Approve and progress the list of specific joint commissioning and integrated service provision initiatives with Central and Eastern PCT.
- 2.11 Undertake a joint review with the Corporate Procurement service to identify savings to be achieved by more effective contracting arrangements.
- 2.12 Note the fact that this redesign constitutes a 3 to 5 year strategy to invest in front-end services and ultimately reduce the current level of care costs which will present budget pressures in the interim; and make provision corporately for contingency funding in respect of the required changes in Adults Social Care in order to mitigate the risk of too much change too quickly.

3.0 Reasons for Recommendations

- 3.1 The above policy changes have been proposed to improve the services that we offer to our customers, to allow them to have real choice in how they spend their individual budgets and benefit from enhanced preventive and reablement

¹ Reablement can be defined as a focused, time limited intervention of services, which are aimed at addressing and improving a physical or mental disability but which should improve outcomes for individuals at an early stage.

services. At the same time, by using our building assets more effectively, employing staff more efficiently, prioritising what we do and running the services in a professional 21st century manner, we will liberate substantial resources which can be used to improve service provision and/or deal with budget pressures.

4.0 Wards Affected

4.1 All

5.0 Local Ward Members

5.1 All

6.0 Policy Implications including - Climate change - Health

6.1 All proposals in this report are fully consistent with the approved policies and principles in relation to the Redesign of Adults Social Care Services agreed by Cabinet on 16th June 2009, and the Council's Transformation Principles agreed by Cabinet on 14 July 2009. **(See Appendix 1)**

7.0 Financial Implications for Transition Costs (Authorised by the Borough Treasurer)

7.1 None.

8.0 Financial Implications 2009/10 and beyond (Authorised by the Borough Treasurer)

8.1 There are many benefits of the transformation of Adults Social Care but from a financial perspective the initiative is, in part, aimed at investing in prevention and reablement services in order to reduce demand on the social care system and therefore reduce overall care costs – a major percentage of the revenue budget. However, this is a medium to long term strategy and will take time to have the desired impact. In the current year therefore there is still an inherent pressure on care costs which includes an underlying overspend against a growing population and this needs to be recognised within the Council's approach to budget management and monitoring. A significant proportion of the temporary funding was to meet overspending against care costs whilst the strategy takes effect – this could take up to 5 years due to the nature of the service being provided and the costs to be taken out of the system.

8.2 Many proposals within this report are aimed at reducing costs or increasing income whilst still meeting the Council's statutory duty of care. At this stage, it is estimated that a further £5.9m net (£7.2m gross to absorb growth) over and above the current year £4m target could be achieved over the next 3 years but this is contingent on the provision of

temporary funding being available, growth numbers estimated correctly and appropriate and realistic timescales being applied. Specific budget changes will be incorporated and refined within the Council's budget setting process now underway but will be set within the context of the policy direction set out in this report and addressing the outcomes of consultation where appropriate.

- 8.3 Cabinet approved the earmarking of temporary funding for the implementation of the Redesign of Adults Social Care Services. As stated above, some of this amount was to offset the effect of care costs reducing over time and therefore help to address the short term budget pressure identified above. It is anticipated that change management costs and redundancy provision within this will also be fully committed to achieve the transformation. A further £1.4m Social Care Reform Grant will be allocated from Government to Cheshire East Council in 2010-11 for this purpose, but it may be necessary to set aside further additional temporary contingency funding, access the Corporate pot for redundancy costs, and / or carry forward any unspent monies into next year from the current temporary provision. This will be clarified as the budgetary position emerges during the year and will be confirmed as part of the mid year and three quarter year review process.

9.0 Legal Implications (Authorised by the Borough Solicitor)

- 9.1 All proposals within the Redesign of Adults Social Care Services must take place within the framework of existing community care legislation. All proposals are therefore being developed in conjunction with Officers from council's legal service to ensure the Council continues to meet its statutory community care duties. Arbitrary reductions in service may expose the Council to legal challenges. It is therefore essential that any rationalisation of services takes account of the impact of such actions on service users and their families and ensures the Council can continue to meet any assessed eligible need for community care services.
- 9.2 As the proposals set out in this report impact particularly on disabled people, Members must have due regard to their obligations to promote disability equality under the Disability Discrimination Act 2005. Reviews of service provision set out in this report will need to include equality impact assessments which can be taken into account when detailed proposals are brought back to Members.

10.0 Risk Management

- 10.1 As mentioned above these proposals are in keeping with the strategic aims of the Council for the provision of social care. The level of savings required however may be in excess of what is achievable without serious risk to service users and which may put the Council in breach of its statutory duties. Officers have advised the level and pace of change which is deemed to be manageable. This programme is

managed based on Prince 2 methodology and a risk register is monitored and managed by the Head of Service and Programme Board.

11.0 Background and Options

- 11.1 At its meeting on 16 June 2009, Cabinet approved the implementation of the Redesign of Adults Social Care Services. Several recommendations were approved including the provision and enhancement of information, preventive and reablement services, the introduction of a resource allocation system, integration with Health and the creation of locality teams operating lean systems.

Vision and Strategic Aims

- 11.2 In line with these changes leadership development work with the newly formed Adults Senior Management Team has been undertaken to identify the overall purpose and strategic aims of Adults Services and this is quoted below:

'The Vision of the Adult Services of Cheshire East Council is that adults who need help will get the help they require to promote their wellbeing, health and care.

The Purpose of the Adult Services of Cheshire East Council is to get the greatest possible increase in independence for those adults, families, carers and communities who need help. We will do that by:

- *Listening to people so that we understand their needs and the risks they face.*
- *Helping everybody to get the information and advice they need.*
- *Agreeing with people what outcomes they want to achieve.*
- *Helping people who need, or who are likely to need, public funding to find the services which will be right for them.*
- *Doing the things which we are required to do by law and regulations.*

In doing those things we will:-

- *treat everybody with dignity and respect.*
- *demonstrate the ASPIRE values which the Council has agreed.*
- *get the Council, its partners and local people to pull together in support of our Vision and Purpose.'*

Progress to date

- 11.3 Operational progress since the approval is significant. The first locality team was launched in Wilmslow on 9th July and is operating new lean ways of working against a well documented (now copyrighted) process map. The remaining roll out across the Borough is shown at **Appendix 2**. Evidence is gathering that fewer users coming through this system are requiring care packages, although this needs to be substantiated. Direct Payments and Individual budgets have increased from 20 per

month to 50 and the LAA target is being constantly monitored and managed. Evidence is also building that users are expressing an interest in purchasing leisure services to improve their outcomes from within individual budgets and this will have implications across the wider Council, particularly Health and Wellbeing services. A pre-loaded payment card is being piloted to make the personalisation process easier for users. ICT kit and support for flexible and mobile working has been rolled out to 130 staff.

- 11.4 In addition, Provider Services are currently undergoing a major restructure with a planned reduction of approximately 95 posts to date which will deliver annual savings in excess of £1m, through redundancy and other mechanisms. Further work is being done to finalise the Resource Allocation System and this is expected to be complete by December. Overall the change programme is on track but there is still a great deal to achieve requiring continued clear direction, strong leadership and effective staff engagement and good will.

LGA / DoH Progress Measures

- 11.5 These changes are set within a national context and all council's are under the spotlight to transform – not tinker with – social care services. Indeed Social Care Reform Grant is allocated to councils based on such progress. The LGA, DoH and ADASS have now published a set of progress measures for Councils to establish relative performance which will be considered by the Care Quality Commission and may ultimately be incorporated within the Council's CAA. These measures are set out below and it is clear that at this stage Cheshire East Council is well placed to meet these measures as a result of its current policy development and scale of change:

Effective partnerships with people using services, carers and other local citizens

Self directed support and personal budgets

Prevention and cost effective services

Information and advice

Local commissioning

The supporting document can be found at the following link:

<http://www.idea.gov.uk/idk/aio/13603402>

- 11.6 Additionally, the Government Green Paper on future funding of care emphasises the need for Councils and PCTs to shift the direction of services towards prevention and reablement, increase choice and control and deliver better services and support for carers. The proposals in this report allied to the June 16 report ensure that Cheshire East Council is well placed in respect of this agenda also.

Next steps and options

The following sections outline the recommended way forward for the next phase 2 of transformation of Adults services in Cheshire East Council:

Future of Provider Services

- 11.7 Provider services currently run by the Council accounts for 40% of current year budget at a total of £29.1m. The Council has a strategy to ensure that these costs are fully covered by income from a variety of sources in order to prepare for a more commercial and efficient approach to service delivery.
- 11.8 Provision covers a huge range of services including the provision of general and specialist Domiciliary Care (home visits, reablement and support); daytime activities and domestic support and care for older people and users with learning and physical disabilities and mental health needs; facilities which provide respite for carers; community support centres and day services for older people.
- 11.9 The first phase of transformation has involved the bringing together of all provider services under one arm of the structure in order to rationalize the incoming staffing structures and make significant efficiencies. This is set to achieve over £1m permanently by the end of the next financial year. The next phase is concerned with reshaping this leaner and more clearly defined set of provider services to respond effectively to the need for services that increase independence and individual outcomes and reduce care costs thereby addressing financial pressures most effectively.
- 11.10 The overall direction of travel builds on the Council's agreed transformation principles of focusing on core business, transferring services to other agencies who are better able to deliver; sharing services, getting local, and investing in preventive services.
- 11.11 The following major specific decisions are required to reshape in house provision in the short to medium term:
 - 1. Reduce the current in house provision of routine domiciliary care services as these are capable of being provided by independent providers. This would involve service users being redirected out of in-house home care service into external provision on a phased basis through their scheduled service review. The Council should retain discretion to continue this service only where a gap can be identified or if there is an assessed need for continuity of care.
 - 2. Re-designate the above service to deliver reablement. This will keep people better for longer and reduce pressure on the social care system and care costs and fulfil the Council's policy to grow its reablement service and promote independence.

3. Review the provision of the Housing Network support for Adults with Disabilities and consider the business case for securing that service from an independent provider.
4. Undertake a fundamental review of use of buildings within adult's services and seek to rationalize and localize functions across services and partners.
5. (As part of 4) agree in principle to address the issues presented by the inherited provision of Community Support Centres which are now heavily under subscribed and will soon be unfit for purpose. This would involve developing the Council's agreed Dementia strategy by rationalizing the current stock of 5 centres to be replaced by the enhanced facilities at Lincoln House in Crewe and the creation of a purpose built new facility. This would be subject to a business case being made to Cabinet in future and taking into account the previous public consultation exercise on this matter.
6. Determine how much directly provided service should continue (and how long for) in order to mitigate against market failure (or other emergency) and provide the most complex services of last resort and Agree in principle to explore the option for running existing in house provision as 'arms length' and/or jointly with health to exploit commercial benefits and freedoms from such models and maximise efficiencies.
7. Note the purchase of new uniforms in order to highlight the new identity and focus for provider services within Cheshire East. Staff are currently still wearing County Council logos, and uniforms are worn within former older peoples i.e. Community Support Centres, Home Care and Day Services. New uniforms would be available to wider groups of provider staff and would cost in the region of £65K to be funded from the temporary monies approved by Cabinet in June and / or LGR transitional funds.

Transport

- 11.12 The Council's budget for social care transport is £1.8m, however the current level of transport offered is over and above assessed critical and substantial social care needs and as such is a discretionary service. It is felt that in terms of overall priorities the Council should consider diverting this resource to other more critical aspects of care. It is also felt that this service in some ways encourages dependency and works against personalisation and independence.

It is proposed that Cabinet agree to fundamentally review the current transport service (currently delivered through the shared Integrated Transport Unit) and that this be carried out jointly with the Head of Regeneration and Central and Eastern PCT to determine the best delivery mechanism and set

new levels of service. In the advent of personal budgets, the provision will be split between resource to pay for individually commissioned transport; and strategically commissioned public and community transport so that it is fully accessible to most people assessed as having critical or substantial care needs. 'Internal' Shared service providers could decide to offer transport but would not necessarily have an agreement with Social Care to do so.

Meals

11.13 The Council's budget for the provision of community meals is £692K plus administration costs (2 FTEs for billing etc). The requirement to provide hot meals however could be delivered through more efficient mechanisms than through the current 'meals on wheels' contract, although help to prepare a meal is and can be carried out by Home Care providers.

It is proposed that the new contract for provision of hot meals removes any current level of subsidy and allows sufficient flexibility to ensure that meals are only provided to those with an eligible need and that meals are provided to a good quality from a variety of providers in line with increased choice and control for users.

Health

- 11.14 Meaningful joint commissioning and integrated service provision with health is essential if both organisations are to address their financial pressures and provide best value for money. The following is a list of principles for Cabinet to adopt to underpin these developments:
- To take a proactive front-end approach to Prevention and Reablement
 - To drive down the costs and drive up the quality of Health & Social care services
 - To work towards true integration – being willing to cede control
 - Deliver services on more local basis
 - Develop multi-disciplinary teams
 - Ensure we have a good information 'offer'
 - To include emergency response
 - To review levels of internal provision
 - Utilise the least possible resources from either party
 - Aim to reduce demands on the system
 - Ensure innovation is embodied in our thinking

The future model will include the following (subject to successful pilots):

- Develop a joint reablement/rehabilitation service
- Develop a joint Continuing Health Care assessment process & team
- Develop a joint Long Term Conditions assessment process & team
- Develop a coordinated approach for Very High Intensity users
- Develop a coordinated approach for COPD users
- Develop a single point of contact methodology (inc Safeguarding)

- Establish the potential for shared accommodation (inc IT compatibility)
- Establish a shared Leadership Development Programme
- Embed Carers contingency planning
- Develop an Integrated Discharge Team

It is recognised that delivering such a large agenda together is potentially difficult and time consuming. However, a significant effort will be made to connect the work of the Council with that of the PCTs. In the event that any of the suggested agenda cannot be accomplished, Adult Services will still proceed with a programme of transformation that will aim to improve performance and outcomes within a balanced budget. Clearly there will be more benefits to the public and more savings if the process is completed jointly. At this stage, progress is being made with the above list of projects and in particular the development of multi-agency team working through the high intensity user project (above). This is currently being piloted and is well underway in Wilmslow and which will be rolled out across the Borough during the rest of the year in line with the roll out of local teams.

Procurement

11.15 A number of significant contracts are in operation for the provision of social care – ie. £32.2m Nursing and Residential (out of total forecast care costs of £50.3m). Traditionally these have been developed and negotiated from within the service. Other organisations report major benefits by dealing with such contracts on a more corporate and commercial basis.

It is proposed that a joint review with the Corporate Procurement Service and the PCT is undertaken to identify savings to be achieved by more effective contracting arrangements building on work done to date.

Staff Roles including the Role of Social Workers

11.16 The redesign of social care and application of lean systems thinking has lead to a fundamental review of staff roles. New roles are being designed to fit the new world and make the best to use the expertise and skill of staff.

11.17 It is clear, however that there is a future for social workers within this model. Their skills are needed where they will be most effective. Their role should therefore be targeted to safeguarding issues, adult protection and any areas where there is a statutory requirement for qualified Social Workers for e.g. in the field of Mental Health. It is proposed that a tiered approach to the allocation of work is developed so that there is a clear correlation between the complexity of the work a member of staff does and the training supervision and pay that they receive.

It is worth noting that there is a National Social Work Taskforce which will be examining social work with both children and adults and this will also have implications for the future role and training of Social Workers

In general terms, staff have been briefed throughout the redesign and many are directly involved in the programme of change. A staff newsletter and briefing is issued fortnightly highlighting the main developments and actions required. Unions are also consulted on a regular basis.

Other

11.18 Other mechanisms to make efficiencies and savings are being introduced but this report highlights the main changes which require political approval at this stage.

11.19 Members are also asked to note that the service intends to bid for Specific Government Grant of £2m to support a common assessment framework and related critical ICT implementation and integration of systems such as PARIS and Sharecare. This will require the Council to operate as a demonstrator site but there are benefits in taking this approach to deliver the redesign and improve current systems and information as well as taking pressure off the current capital programme. The outcome of the bid will be known in December.

Involvement of Service Users

11.20 Steps will be taken wherever appropriate to involve and engage those users who are affected by the proposed changes to service delivery identified in this report. The Council has a duty to involve users in changes which affect them. This will be done through the Local Involvement Networks and engagement with the voluntary sector where appropriate. Equality impact assessments will also be carried out to ensure that any future decisions take account of the effect of changed services upon specific service user groups.

12.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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Transformational principles

1. Delight our Customers

- **Easy access** to services that people need **from the place they need it**
- **Locally based** services which reflect how **families and communities live**
More services to **keep people well and safe** for as long as possible
- **More personalised services**, to give people **more choice and control** over resources available to them
- **First point of contact resolution** for the majority of customer enquiries and issues.

2. Manage our Costs

- **Better and more flexible use** of Council and partner assets and resources.
- **Services to be provided** by those people / organisations **best placed** to deliver
- **Sharing of support services** with partners where appropriate
- **Only provide services** which are **core to our business**
- **Better use of appropriate technology** to modernise and improve service delivery
- **Outcomes measurement** and evidence of improvement and value in all we do

3. Develop our Culture

- **Lean services to suit customers** and not ourselves, understanding the **end-to-end** customer journey and experience
- **Actively engage and involve** customers, communities, partners & employees
- **Experiment** with new methods and take sensible risks, learn from our mistakes.
- Invest in and **support our people** to learn and develop so that they **grow with the organisation**
- Work as **one team** across organisational boundaries to build "Team Cheshire East".

PHASING OF ASCR ROLLOUT – Update Sept 09

AREA	TIMING
Knutsford Wilmslow	Completed July 2009
Macclesfield Poynton	Nov 2009
Congleton	Jan 2010
Crewe Nantwich	Feb 2010
Additionally	
Pan- Borough Review Team	Oct 2009