

C/R.5.319 Adult social care services investment to develop a transformation programme for all adult social care client groups

Overview

Context and current pressures

Across Cambridgeshire, demand for adult social care, older people and mental health services continues at a level that if fully met would exceed the available budget. There is a rapidly expanding population of frail older people within Cambridgeshire who have increasingly complex needs and support requirements, and all Council services are experiencing high levels of demand.

Whilst the Council has secured significant efficiencies in adult social care budgets, its services are already comparatively efficient. Cambridgeshire has amongst the lowest spending levels on adult services within its Chartered Institute of Public Finance and Accountancy (CIPFA) benchmarking group. The Council spends less than the national average on staffing and commissioning of adult social care, meaning that the majority of its spend is on hands-on care.

However our comparatively positive financial performance is unsustainable in the longer term in view of the following factors:

- **National Living Wage (NLW)**

The national living wage will increase further in April 2017. The care sector is a low paid occupation where this will have a significant impact. Providers are reporting significant recruitment difficulties across the County, struggling to attract workers to jobs, particularly in competition with other forms of lower paid work, such as retail. The national living wage leads to a permanent increase in costs.

- **Demographic and demand pressures**

Across Adult social care services, £3.8m of demographic pressures have been proposed for funding into CFA in 2017-18. The rationale for this is:

- There will be 760 extra Cambridgeshire residents aged 85+ in 2017 compared to 2016 – this is likely to lead to over 100 extra social care clients.
- The number of nursing dementia placements made by the Council has increased by 5% since the beginning of the financial year. There are emerging pressures on bed placement numbers.
- Last year saw an increase in the number of people known to Adult Mental Health services of more than twice the expected number.
- 79 young people with disabilities will start receiving support from Adults Service as they turn 18 next year.

Capacity gaps and shortfalls across the Council and independent sector typically mean there is an estimated £1,600k of demand awaiting care each month: either in hospital, awaiting a social care assessment in the community or with a short term service such as Reablement or Transitions, awaiting arranged care.

- **System-wide demand**

- Partners in the local health system are also facing significant pressures, compounding the challenges faced by adult social care. Collectively, Cambridgeshire and Peterborough's health and care system is one of the most challenged in England. Initiatives such as the Better Care Fund have encouraged closer working between health and social care services. However, NHS challenges continue, seen particularly in the increase in the number of non-elective (unplanned) hospital admissions over 85 years and Delayed Transfers of Care (DToC) including social care-related delays are also worsening. Social care makes a strong contribution to avoiding admissions by supporting people in their homes or in residential care. This creates an urgent need to transform services to address shared challenges through the Cambridgeshire and Peterborough Sustainability and Transformation Plan. (STP).

A number of strategies have been deployed with the Adult Social Care and Older People and Mental Health Directorates to increase financial control, manage demand and deliver services within the reducing budget. Strategies have included:

- Managers who hold care budgets being trained, supported and held to account for the budget their teams spend, resulting in a high level of scrutiny over spend in collaboration with Finance colleagues and the Heads of Service and Director.
- Not committing to additional spend in excess of the budget available in response to DToC pressures unless funded through the Better Care Fund
- A series of planned initiatives and transformation projects to reduce spend-set out in previous business plans.
- A focussed approach to reviews especially in Learning Disability and Physical disability and a review of policies has been taken through the Adults Committee.
- A focus on income and making sure that benefits are being applied for income secured in a timely way as well as reclaiming unspent direct payments.
- The introduction of Early Help and development of short term measures such as reablement, Assistive Technology, community equipment, double up Occupational Therapy project, as well as more collaborative working with neighbourhood teams to pre-empt hospital admission and the impact of increasing frailty.

GPC has recently confirmed transformation funding for a number of projects in adult social care and Older People's and Mental Health services that will support the continued delivery of savings through specific projects and work that will manage and reduce demand and contain costs. These investments include:

Title	Investment (£000, 2017-22)	Savings over five year MTFS (£000)
Specialist Support for Adults with Autism to increase their independence	50	-360

Using assistive technology to help people with learning disabilities live and be safe more independently without the need for 24hr or overnight care	232	-1070
Enhanced Occupational Therapy Support to reduce the need for double-handed care	180	-1260
Supporting people with physical disabilities and people with autism to live more independently	128	-8140
Increasing independence and resilience when meeting the needs of people with learning disabilities	750	-19605
Recouping under-used direct payment budget allocations for service users	174	-1975
Increase in income from Older People and Older People with mental health's client contributions from increased frequency of reassessments	46	-1905
Neighbourhood cares	1312	0
Enhanced response service	417	-1560
TOTAL	3289	-35875

The Council is now at a point where despite these significant transformation investments, the expected financial benefits will not be sufficient to meet continued challenges ahead. The budget is at a point of diminishing returns; the current trajectory of delivery of savings cannot continue without a significant step change.

This investment is proposed to provide significant additional investment to address the issues and challenges set out above. Across Adult Social Care and Older People and Mental Health Services, there are plans for £17,348k of savings in the Council's Business Plan in 2017/18 and 2018/19; between 2019 and 2022 there is a further £34m of unidentified savings across the two directorates.

Proposal outline

In order to continue to meet eligible need in a context of continued financial pressure, it is anticipated that the Council will need to considerably increase the scale and pace of the shift of focus described in Transforming Lives – away from high cost statutory services focussed on people who can no longer live independently towards proactive early help and reablement and meeting needs quickly, preventing escalation and promoting independence. The focus will be on doing everything possible to avoid someone requiring a statutory assessment and care package. Even where the statutory threshold is reached, people should benefit from self-help, community resources, friends and family, the voluntary sector, technology and equipment to help meet their needs alongside any traditional care provision.

In practice this is likely to require increased investment in services such as:

- Tier 2 services such as reablement that are focused on meeting immediate needs and then supporting the individual to return to independence.
- Community equipment and Assistive Technology.
- Adult Early Help.
- Housing related support.

- Increased personalisation through direct payments as the default method of service provision.
- Creative solutions to the lack of home care and investment in developing micro enterprises to deliver local home care solutions, such as Neighbourhood Cares.
- Developing a more personalised response to care needs based on planning around assets available in local communities.

The Council has already made a commitment to investment in each of these areas, but there is a need to move beyond projects and pilots to a holistic approach placing the needs of our clients at the centre of what we do. This requires a considered, whole system transformation of the way all aspects of adult social care are organised and delivered, with an explicit focus on reducing demand and containing cost as well as designing systems that make sense to those delivering and receiving services.

To support the development of that programme at the pace required, external specialist support will be required. Detailed analytical work is needed, taking into account the evidence available; best practice nationally and internationally; and to identify what key changes and interventions can effectively prevent or reduce demand for social care for adults in Cambridgeshire. It will also be necessary to ensure that the Council is operating in the most cost-effective way to meet need and managing risk. This work will be based on clearly articulated outcomes for service users that the service must achieve; and informed by the experiences of the Council's current service users, gathered through a significant engagement exercise.

Whilst the Council has some of the skills available internally to deliver this work, specialist expertise is required; alongside additional capacity to ensure that this work can be carried out at the pace required. Phase one of this transformation is the development of a specification to procure an external organisation or organisations to work with the Council, producing an authoritative report which describes a service model for the next ten years – and a plan for the Council to transition to that model. There are a range of organisations which have supported other local authorities in this work nationally and could bring specialist expertise and experience from other areas. Tasks would include diagnostic work and the development of a more detailed business case for a full transformation programme. This would include an external perspective on whether existing proposals are likely to deliver what is needed; or whether a different approach is required. The external provider(s) would need to work closely with Business Intelligence, the Council's Transformation Team, Commissioning and Adults Directorate staff and managers, building on the Council's knowledge and experience. It is intended that the Council would retain the intellectual property for the work commissioned.

A key consideration would be the need for the Council to meet its statutory duties and manage risk effectively. It is anticipated that the scope will include:

- analysis of management and financial information, performance data and existing service user data (complaints, compliments and annual survey)
- structured interviews with service users and their carers to identify any areas of inefficiency or where intervention at a different stage could have reduced cost

and improved outcomes – to ensure that our services are informed by the voices of our service users

- analysis of best practice nationally and internationally, including what changes the evidence available suggests will make greatest impact
- options and recommendations for supporting business cases that will offer the greatest return on investment
- development of a demand management strategy for adults, building on transformation and budgetary control work so far to understand where demand is being created and why
- identification of current system and process issues that are driving delay, cost, inefficiency or a poor customer experience
- a review of the role of IT in supporting transformation and an analysis of the technology and systems that could support the sustainability of the service.
- analysis of the financial impact of 'hidden costs' or needs that haven't been met and how these impact on the Council or other partners
- A review of existing transformation approaches, particularly the Neighbourhood Cares pilots, to understand their impact and whether they are likely to meet our needs if implemented at scale
- analysis of the interdependence of costs as a result of actions or decisions taken by partner organisations on the Council and vice versa, to inform the Council's approach to work through initiatives such as the NHS Sustainability and Transformation Programme.

The outcome of the work will include proposals for a new, fully costed service and demand model which would be sustainable in the context of current challenges.

Approach to investment

It is likely that the proposed transformation programme will require significant investment from the Transformation Fund. However, at this stage, GPC is requested to approve a smaller investment to support the development of the full Adult Services transformation programme alongside an external provider or providers. Providers will be commissioned via a competitive tendering process. At the time of writing, market testing is beginning and it is not possible to provide a specific sum for investment. A verbal update will be provided at the meeting and Committee will be asked to delegate authority to the Chief Finance Officer in conjunction with the Chair of General Purposes Committee to approve an investment for this diagnostic work. Due to the scale of work involved, officers anticipate a six-figure investment will be necessary.

Plans for the transformation programme will then be discussed and approved by Adults Committee, before a further business case is brought to General Purpose Committee (GPC) as required for the Transformation Programme. It is anticipated that the Transformation Programme would begin in Quarter 3 2017/18, and continue through the financial year 2018/19.

Outcomes expected

The immediate output of the work would be an authoritative report describing a service model for the next ten years – and a plan for the Council to transition to that

model. The proposed Adult Services Transformation Programme will support continued delivery of planned savings in adult social care over the next decade. It will ensure that the service is able to continue to meet eligible need, whilst shifting demand to reduce overall eligible needs in the community and supporting people to live more independently.

Risks

There is a risk that the Adult Services Transformation Programme does not identify the full level of savings required; or does not go on to deliver those savings. However, it is believed that working with an external provider to identify those savings offers the best opportunity to identify the savings required; and the risk of not investing to transform adult social care is significantly higher.

Community Impact Assessment

A community impact assessment for this proposal is presented as supporting information

Return on investment

This initial investment will not in itself demonstrate a return on investment. However it is anticipated that measures included in the Transformation Programme to be developed will be fully costed and allow decisions to be made at a later date about further phases of the investment. This limits the financial risk to the £500k first phase investment. The transformation programme will contribute to the £30m of savings required across adult social care budgets in 2018-22.

C/R.5.320 Adults service delivery – sustaining budgetary performance in the older people budget

Whilst longer term pressures will require significant transformation of adult social care services, the service requires immediate support to sustain its current budgetary performance.

Current budgetary performance

The Older People's Services and Mental Health (OPMH) Directorate is forecasting an underspend of £3.0m as at the December CFA Finance and Performance Report. This is over and above achieving savings of £6.177m allocated to the Directorate in the 2016/17 Business Plan.

The underspend position has been factored into the 'Ongoing underspends redistribution and rebaselining' proposal (A/R.4.022) in the 2017/18 Business Plan as part of the finance and budget review aspect of the corporate transformation programme.

Whilst the Directorate's financial performance in 2016/17 has been favourable, it is underpinned by some specific risks; and there is increasing evidence of rising demand for high cost packages. There is a risk that actions taken now to reduce costs of care and prevent escalation, could result in additional demand at a later stage - through the requirement for more intensive high cost specialist services to meet more complex needs. The Directorate has a number of challenges at present which are contributing to its underspend position, including:

- Pending waiting list for care - at any one time there can be on average 200 people waiting for care/an increase in care (£431k cost per month); some of these people will receive support from the reablement service as an interim measure.
- Due to difficulties in access to home care the reablement service isn't able to complete demand management and cost avoidance work it is best placed to do (£460K cost in September).
- Delayed transfers of care from hospital prevent us from paying for care that we have a statutory requirement to provide. Since April 2016 there has been average of 745 bed-days lost per month due to social care delays (around £650k per month).
- Waiting lists – there are currently 150 people waiting for an assessment from one Older People's team in Cambridgeshire, some of these people will not be receiving any services. Another sub-group of these will already be in receipt of services as a self-funder and be awaiting an assessment for local authority funding. (£241k cost per month).
- Outstanding reviews – the national standard is that a review takes place once a year. As of 31/12/16, 27% of people in receipt of long-term services for more than one year had received a review since 1 April 2016.
- Staffing difficulties – the Directorate continues to have difficulties in securing staff and carries a high number of vacancies- this is particularly acute in the

reablement service and in the largest Locality Team for South Cambs and City.

Taking all of this into account, it is estimated that the OPMH underspend includes approximately £1,600k of costs that will need to be met imminently. This means that the Council is operating outside its acceptable performance parameters, despite achieving good results in terms of financial control. This proposal is for a number of short term investments in additional capacity to ensure that we can manage potential risks in service provision and deliver planned savings.

These investments focus on prioritising care to the service users most in need of it, ensuring we can safely manage people's health and wellbeing despite the myriad pressures on the system and provide short term capacity in key areas to unblock the parts of the system working beyond capacity.

The proposals below represent a total £600k investment from the transformation fund and is requested to support sustained budgetary performance in Older People's and Mental Health Services in 2017/18, enabling the service to continue to manage demand whilst longer-term plans are developed.

Current service performance

As of 31 December 2016, 3,900 service users were receiving long-term services from the Older People and Mental Health Directorate. Cumulatively, between 1 April 2016 and 31 December 2016, 5,227 service users received long-term services from the directorate.

DToC performance – The average number of bed-day delays in Cambridgeshire stands at 2,682 per month for 2016/17 to date, higher than any previous year since records began in 2012/13. Those delays for which adult social care are responsible account for an average of 745 per month. On average, 1,973 bed-day delays per month are attributable to NHS organisations. Cambridgeshire DToC performance echoes the national picture, where each of the last 5 months (July 2016 – November 2016) are all in the top five months on record for the number of bed-day delays recorded.

Reablement performance – So far in 2016/17, the proportion of reablement packages completed where the service user is managing independently stands at 57%. The proportion of hours of genuine reablement activity delivered by the reablement teams has been reducing over recent months as the teams find themselves delivering mainstream domiciliary care to bridge the capacity gap in the independent sector. To date, for 2016/17 the proportion of mainstream hours delivered by the reablement team stands at 26%, up from 15% in 2014/15.

Assessment and review performance - In 2016/17 so far, 1,256 assessments have been completed by the OPMH directorate; 62% were completed within 28 days of referral. In the same period, 1,825 planned reviews were completed by OPMH directorate. Of these, 53% were completed on or before the due date. 835 unplanned reviews have been completed over the same period. As of 31 December

2016, 27% of people in receipt of long-term services for one year or more had received a review since 01/04/2016.

Any under-performance in the service can lead to increased pressure on budgets; particularly as any delays to an older person receiving the appropriate service are likely to result in that individual developing additional needs, and therefore requiring a more costly service.

Proposal outline

The £600k will be spent on a number of initiatives, which will collectively contribute to maintaining financial performance in adult social care, as outlined in 'return on investment' below.

Proposal summary:

Full Name	FTE	Cost (£000)
Additional capacity across a range of services:		
• Multi-Agency Safeguarding Hub (MASH)	1	30
• Early Help	3	109
• Social work following Reablement	2	86
• Care planning and reviews	2	90
• Peterborough City Hospital	1	15
Dedicated Continuing Healthcare Team to ensure ongoing health needs are met and funded appropriately	3	140
Centralising Brokerage of homecare to improve prioritisation	3	70
Dedicated capacity to focus on recruitment - having staff in place quickly, and managers focused on social work aids our financial control	1	60
Grand Total	16	600

Title	Additional capacity across a range of services
Cost	£330k
Description	<p>It is identified that investment in additional capacity in a range of different services would support the service to maintain its current performance as follows:</p> <p>MASH for Adults £30k for a two thirds contribution towards the cost of a social worker, to ensure that the team can continue to manage workload in line with risk response guidelines; improve monitoring of quality; and release the MASH manager to carry out management activities and continue to develop the service. This would be permanently funded after a year through resource being moved to the MASH from existing teams.</p>

	<p>Increased Investment for Adult Early Help (AEH) It is proposed to increase the AEH team by 3 posts for a year to broaden the range of advice offered and allow the Early Help Team to improve pathways into Reablement and ATT. This investment would be made permanent as AEH's work continued to divert activity away from long-term support, with the movement of posts from long-term teams to AEH.</p> <p>Dedicated social work capacity to ensure ongoing care is available for people after Reablement support This proposal will invest in two additional social workers in the reablement team. They would focus on ensuring that assessments happen earlier so by the time people reach the end of their period of Reablement support for their ongoing care is available to commence. This will reduce the risk of delays, minimise the time people spend waiting for care, ensure care packages reflect need, and allow Reablement teams to be deployed with a greater focus on increasing independence.</p> <p>Time limited increase in capacity to complete reviews This proposal would secure additional capacity to focus on carrying out reviews of people's care, ensuring that the support people are receiving is effective for their level of need, and that where possible people are supported to live more independently. The additional capacity would focus on particularly high cost packages where there is no known change as these reviews are more likely to result in a saving to the council.</p> <p>Contribution towards Peterborough City Hospital post Peterborough City Hospital is within the Peterborough local authority area, but receives patients from a number of different areas; the most frequent are Peterborough, Lincolnshire and Cambridgeshire. The three local authorities have agreed to invest in a joint post to focus on reducing delayed transfers of care (DToc) for people who are eligible for social care regardless of the local authority that they are based in . This will provide additional capacity in the hospital and support better management of demand across the three areas. Peterborough Hospital does not currently fine the Council for delays and retaining good performance is essential to this continuing.</p>
Outcomes	Increasing capacity across the range of services outlined above will focus on prioritising care to the service users most in need of it, ensuring we can safely manage people's health and wellbeing despite the myriad pressures on the system and provide short term capacity in key areas to unblock the parts of the system working beyond capacity.
Risks	Ability to recruit social workers remains a key risk as there is a limited number of skilled staff within the local workforce.

Title	Dedicated Continuing Healthcare Team to ensure ongoing health needs are met and funded appropriately
Cost	£140k, based on three posts.
Description	<p>In many cases, individuals with personal care needs will also have continuing healthcare (CHC) needs. If an individual is eligible for continuing healthcare following an assessment, they may qualify for the full cost of their personal care needs to be met by the NHS.</p> <p>If a CHC need is not correctly identified, this may lead to the individual, or the County Council, paying for care that should be funded by the NHS. CHC is also often linked to ongoing treatment for a health condition. If the need is not correctly identified there is a danger that the individual will not receive the most appropriate care, and this will lessen their chances of recovery and going on to live more independently. At present significant work is conducted by social work teams to support Continuing Healthcare assessments, including provision of information for assessments, completion of reviews, and monitoring and tracking the process. This is part of a joint action plan agreed with the CCG. Over time a backlog of this work has developed and temporary investment was made in the last quarter of 2016/17 to support teams, by conducting additional CHC-related work and clear the backlog. New cases have continued to appear quickly and additional investment would support teams to maintain current budgetary performance into the 2017/18 financial year.</p> <p>It is anticipated that once this backlog of cases has been dealt with, the capacity could be used to upskill team members to deal effectively with CHC cases as they arise, without the need of specialist additional advice.</p>
Outcomes	<p>This proposal would continue the temporary CHC manager post, recruiting further dedicated resource to support CHC work and clear the immediate backlog of cases. The proposed workers would also be able to upskill the general workforce to quickly identify when CHC may apply in order to ensure people receive the support that they are entitled to and that is most appropriate to their needs.</p> <p>Existing CHC work has given a return on investment to the Council based on people's needs being met more appropriately through Continuing Healthcare. It is anticipated that this investment will recoup costs in the short term.</p>
Risks	Ability to create social work capacity remains a key risk.

Title	Centralising Brokerage of homecare to improve prioritisation
Cost	£70k for three new care purchasing coordinator posts
Description	The Brokerage Team is based with the Contracts and Care Placements team, assisting the Older People's Locality and Discharge Planning Teams with finding care placements within

	<p>Cambridgeshire and beyond. The aim of the Brokerage Team is provide an effective, responsive service to the teams whilst ensuring best value for money is achieved</p> <p>At present, the team focuses on finding placements for individuals requiring residential and nursing care. However, there is insufficient domiciliary care capacity in parts of Cambridgeshire at the moment and the proposal is that centralising decision making about care would allow for better prioritisation and ensure that limited capacity is more effectively utilised.</p> <p>This would be achieved by extending a brokerage approach to domiciliary care services to secure care more quickly, and based on an overall assessment of risk and need – rather than care being sought on a case by case basis as is currently the case. This would help to reduce the size of the pending list and ensure that those service users most at risk are the ones who are least likely to have to wait for it to be available. This work would be time limited as Mosaic purchasing changes will lead to a review of distribution of CPCs in 12 months.</p>
Outcomes	<p>Centralising Brokerage will support the Council's shift in approach towards a new 'dynamic purchasing system', whereby the Council will move away from a closed framework contract approach to an approved list of providers updated quarterly. Management of that approach will require closer relationships with providers, and a better understanding of capacity in the market at any given time. This will support the delivery of savings in the Business Plan against A/R.6.143, which is planned to generate £306k of savings in 2017/18.</p>
Risks	<p>There is insufficient domiciliary care capacity in parts of Cambridgeshire at the moment; centralising decision making about care would allow for better prioritisation and ensure that limited capacity is more effectively utilised.</p>

Title	Dedicated capacity to focus on recruitment
Cost	£60k
Description	<p>The local social care and health system is facing severe personnel shortages at all levels; as a result the Council is facing a number of challenges relating to both recruitment and retention, with a number of key vacancies. This remains a key area of risk for the local authority, and many of the proposals outlined here will rely on an ability to secure additional capacity.</p> <p>This proposal will continue existing successful time-limited posts focusing on recruitment in hard to fill posts, and create a small associated budget to explore new recruitment methods, increasing the chances of filling key posts.</p>
Outcomes	<p>It is anticipated that a new dedicated post will help to increase the chances of filling vacancies, allowing the local authority to continue to maintain budgetary performance.</p>

Risks	Recruitment remains one of the most significant risks facing adult social care; this investment will support minimising that risk.
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Community Impact Assessment

A community impact assessment for this proposal is presented as supporting information.

Return on investment

A/R.4.022	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021- 22 £000	TOTAL
Investment	600	-	-	-	-	600
Savings	-	-1,861	-1,861	-1,861	-1,861	-9,305
Return on Investment						310%