



DERBY CITY COUNCIL

**COUNCIL CABINET**  
**5 APRIL 2005**

Report of the Director of Social Services

## **Adult Social Care Modernisation Board**

### **RECOMMENDATION**

- 1.1 To agree the terms of reference and composition of an adult social services modernisation board "Building for the Future of Adult Social Care.
- 1.2 To note the commissioning of consultants to produce a strategy for older people's supported accommodation, particularly for vulnerable older people to underpin the Boards work.

### **SUPPORTING INFORMATION**

#### **2.1 Background**

A report to Cabinet on 30 November 2004, identified a range of areas which it was considered worth reviewing in the context of the need to make a step change in the modernisation of adult social care and to identify areas that could contribute to the £500,000 reduction earmarked in each of the 2006/-7 and 2007/08 budget years.

- 2.2 The pressures within the Social Services budget in 2003/04 led to the Council making a one-year allocation of £1m in 2004/05 budget. This has been retained within the budget for 2005/06. These pressures primarily arise from Children's Services, in relation to agency placements for children. The indicative budget for 2006/07 and 2007/08 shows the Social Services budget as being reduced by £500,000 each year to take the £1m out of the budget. The IDEA report confirmed that the budget pressures did not arise from poor financial management and that there were no "quick fixes" that would enable these reductions to be made. In adult services continuing pressures arise from demand and demographics, national standards, integration with health, user expectations, national standards and national service frameworks, a fair price for care and modernisation of the delivery of care for the future. There are particular financial pressures in Learning Disability services. The conclusions of the IDEA report are at appendix 3.

The IDEA report did not produce a set of discrete recommendations. In relation to service issues it endorsed the overall direction and strategy and commented on a variety of issues the Council will need to confront in continuing its quest for modernisation, efficiency and excellence. Key amongst these are:

1. modernising the financial systems of the Council
2. improving medium to longer term financial and service planning
3. developing a Health, Housing and Social Services strategy around older people, particularly around housing, supported accommodation and care, including issues of capital investment
4. key decisions around the annual home care services, eligibility criteria, low level provision and choice of providers

With the exception of the Council's financial systems, these recommendations form part of the proposed work streams for the Board.

Because these are not quick fixes there is a need for a strategic approach to how the Council meets these pressures in future, taking into account the key national and local issues.

### 2.3 Key issues in Adult Social Care are:

1. The potential for a "New Vision for Adult Social Care". This is due to be published by the Department of Health in February 2005, though it is likely to be delayed. It is likely to strengthen requirements to move to Direct Payments and there is discussion of "individual care accounts" – a concept that might bring together Social Services and DWP and other budgets to give individuals more flexibility, in managing their own care.
2. Overall funding for Social Services anticipated for 2006/07 and beyond the next Comprehensive Spending Review period has not matched more than the 8% annual budget increases for the NHS. The King's Fund has commissioned Sir Derek Wanless to report on the requirement for older peoples social care services in England, to parallel his review of NHS financial requirements. This is in response to the repeated refusal of Government to commission such a review, as Sir Derek had recommended.
3. The Gershon Efficiency Review process, in social care, which is being lead by the Department of Health Care Services Efficiency Board and has highlighted:
  - commissioning and procurement of adult services
  - delivery of adult services
  - back office functions

as the three areas they are continuing to review. Effectively all of adult services falls within these headings and there are as yet no clear messages about where savings are to be had.

#### 4. Local Opportunities

Potential for integration with primary care, housing, Supporting People and lifelong learning.

- a) For older people city wide joint commissioning needs to be developed.  
Key gaps are:
- a vision for older people in Derby, including transport, leisure etc
  - a health, housing and supported accommodation strategy for older people and vulnerable adults.
- b) Integrated service delivery for older people across social care and primary care needs to be developed.

In the absence of a shared vision and joint commissioning, current planning for older people across all the public services is uncoordinated. Derby City Partnership has included the development of a Vision for Aging in Derby in its 2005/06 work programme, but it will be dependent on staff time from the Director of Policy's resources and from Social Services to move the work forward. These are under considerable pressure from the weight of other local and government initiatives.

5. The current Best Value Review of Home Care has been scoped to address difficult and sensitive issues about the level of need the Council will meet and the best way of meeting that need and in particular, the extent and the role of the in-house service.
6. Many Social Services buildings, homes for older people, day centres and office accommodation are poorly provided. Sheltered housing across the city is of variable quality. Primary care centres are due to be developed as part of the LIFT approach and should include Social Services staff.
7. The city does not have access to a tier of extracare housing, lying between sheltered accommodation and residential & nursing care. Any strategy to re-provide any of the city's older people's homes needs to be set in this context. Early exploration of the Extracare Village concept was thwarted by lack of a suitable site within the city boundaries and does not present a viable way forward at present.
8. New Government initiatives to reduce admissions to the acute hospital sector and presentations to A&E need to be joined up with Social Services, so that a co-ordinated care management approach is taken to the groups of service users who are repeat "attenders" to hospital services. One of the Council's LPSA2 targets addresses this area. Work is commencing with the PCT to develop a joint approach to Long Term Conditions Management, which needs to be integrated with existing assessment and care planning within Social Services.

The Local Area Agreement puts a new framework around the public health and preventative work with older people agenda, which may well provide an emerging joint commissioning forum.

9. Within mental health and learning disability joint commissioning and integrated service delivery are more firmly established, although the work to close Aston Hall Hospital has delayed the development work in learning disability services. Work is needed to develop those partnership arrangements, particularly around pooled budgets, staff transfers etc.

10. Within learning disability services in particular, the key issue is the growing demand for high cost residential and nursing home care and the lack of adequate funding streams to develop alternatives. Another of the Council's LPSA's addresses this area. The Supporting People budget in the city is set to reduce by approximately 17% over the next three years.

The Social Services department has two large hostels and two large day centres that need replacing with modern community based facilities. Development work in this area is needed. A project manager has been appointed to lead on the hostels reconfiguration.

11. Access to services & extended working  
Care Management staff in hospitals are now covering until 20:00 weekdays and working Saturday mornings. Extended working for home care, community support and other front line service staff is already well established. Arrangements for extended management cover for the out of hours home care service are in hand. More flexible working and increased access to services round the clock will be required in future.

#### 2.4 Modern working environments

Progress towards modern office environments, flexible working and mobile working needs a step change in both adults and children's fieldwork.

The Electronic Social Care Record (ESCR) supported by sufficient investment in tablets, laptops or equivalent IT facilities for mobile or remote working is key to modernization in this area.

We need to modernize processes and systems to assist with speed of access and delivery of services.

#### 2.5 In preparation for the Board some initial steps have been taken:

- An external consultant has been commissioned to act as "Critical friend" to the Best Value Review of Home Care to ensure that the review process appropriately challenges our conventional thinking
- Consultants with specific expertise in Extracare housing have been engaged to undertake an initial review of existing work on sheltered housing and housing for older people's strategies in the city, with a view to extending this to develop an accommodation strategy for vulnerable older people that will include our residential homes.

2.6 With this in mind, it is proposed that the Modernisation Board should consist of:

- 2 members from each party, to include:
  - Leader
  - Deputy Leader (and Cabinet Member for Housing)
  - Cabinet member for Social Care & Youth (and Cabinet Member for Supporting People)
  - Chair Social Care & Health Overview & Scrutiny Commission
- Chief Executive
- Director of Finance
- Representatives of the Derby Primary Care Trusts
- Director of Social Services
- Director of Policy

With a remit to review:

- the scope for joint commissioning and pooled budgets with Derby PCTs for older people's services
- review of home care and residential care for all adults
- the development of an accommodation strategy for vulnerable adults and older people
- modern working conditions and workforce issues
- the potential financing of capital investment
- other issues identified in the November Cabinet report (*see Appendix 2*)

2.7 There will need to be a number of work streams to support the Board

- Commissioning strategy
- Review of contracting and commissioning process for purchased care
- Integration between health and adult social care
- Older people and vulnerable adults accommodation strategy, including:
  - Residential care, sheltered housing, extracare, intermediate care and longer term care
- Learning disabilities, reprovioning of residential and day care and supported accommodation options
- Review of back office functions and investment in IT, software and connectivity, generating efficiency
- workforce planning and other human resources issues

2.8 The process will need to be project managed with identified project managers for each work stream. There will be significant capacity problems involved in managing this work and in undertaking work that is not already in the 2005/06 work programme. Early consideration will be needed on how to meet this requirement.

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<b>Background papers:</b>	None
<b>List of appendices:</b>	Appendix 1: Implications Appendix 2: Extract from report to Cabinet 30 November 2004 Appendix 3: Extract from IDEA report August 2004

<b>IMPLICATIONS</b>
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**Financial**

1. None at this stage.

**Legal**

2. None at this stage.

**Personnel**

3. None at this stage.

**Equalities impact**

4. None at this stage.

**Corporate objectives and priorities for change**

- 5.1 This accords with the Council's objective of **healthy, safe and independent communities** and furthers the priority of **modernising social care, including adult home care and the fostering service.**

## Social Services Budget Report 2004/05

Given in italics against each item, are detailed how the proposed Modernisation Board will consider these matters.

- 1 Evaluate the future of in-house residential care service particularly in light of investment required to bring the in-house service up to latest care standards, bearing in mind the need to ensure that the assessment of the financial benefit takes fully into account the changed market conditions. This needs to be set in the context of the need to develop specialist provision, extra care and intermediate care.

*This will follow on from the development of Health, Housing and Social Care strategy for supported accommodation.*

- 2 Review the overall success of the strategy to reduce numbers of people in residential and nursing care, relative to our comparator authorities, and identify what additional actions can be taken to reduce it further. This strategy needs to consider the available alternatives and to be undertaken in partnership with the NHS.

*As 1 above.*

- 3 Review eligibility for receiving a home care service to raise the threshold of need at which people will be entitled to be provided with home care, in the context of low level provision which is still relatively extensive compared with most authorities and has been receiving the attention of the Commission for Social Care Inspection.

*The Modernisation Board will consider this when the findings of the Best Value Review of Home Care are concluded.*

- 4 Review charging policy for home care services – raise maximum rate of £31.50, increase hourly rate from £4.50 per hour, allied to initiatives to increase further the take up of disability benefits.

*This has been considered as part of the 2005/06 budget.*

- 5 Consider the outcome of the Best Value Review of home care, which should assess whether there are any alternative models for providing this service, either directly or by other providers that would increase the effectiveness of the service. Externalising services does not provide the opportunity for cost savings that in the past largely came from lower wages in the independent sector. National Minimum Standards, the minimum wage, TUPE and other similar legislation means that the independent sector now experiences these cost pressures in the same way as the in-house service does.

*As 4 above.*

- 6 Carry out a fundamental review of learning disability services to establish how the most economic services can be provided. This is necessary but cannot commence until the programme for closure of Aston Hall is complete, as all capacity for planning and commissioning is fully committed to delivering the Council's share of the Aston Hall closure programme. We need to find a way to invest in services to support more people in the community and reduce the need for expensive residential and nursing placements.

*This will be a specific work stream.*

- 7 Consider whether the Council can afford to use Prudential Borrowing to develop internal residential services to meet more complex needs and reduce the requirement for more expensive external placements.

*This will follow on from 1.*

- 8 Review plans for the implementation of the electronic social care record to ensure that additional costs of IT provision is realistic and that plans are in place to realise savings from modernisation of business processes and that these are also reflected in budget planning.

*The ESCR/ICS/E-forms in adult and children's services, along with remote mobile and flexible working, form a main flank of modernising services and changing work practices. These processes need close engagement with our care system supplier Anite to develop a realistic timescale, manageable costs and prepare an overall budget consistent with Government requirements. Full implementation is expected to change the role of administrative staff in the service but there will be a significant transitional period when administrative staff will be needed to support the system. The Modernisation Board will overview this programme as part of the IT work stream.*

- 9 Review whether administration and support services are delivered as cost effectively as possible. As stage 1 we will be compiling information and comparative data on this to see whether any areas should be a priority for process review.

*The efficiency issues in administration and support services are unlikely to be any different in Social Services to those in other departments. Service by service reviews take place regularly as opportunity arises – online ordering of disability equipment, streamlining of fostering payments etc. Previous comparative exercises did not show spend to be out of line or exceptional. Other reviews have been initiated. A key areas for administration and support efficiency is the development of a new corporate finance system and more connectivity between the Personnel, Finance and core client systems to reduce duplication of efforts. Some of these are in hand a review of the issues will be presented to the Board as part of the IT work stream.*

- 10 Consider means to contain transport costs, either independently within the department or as part of wider processes arising from the Transport Best Value Review.



*It would be sensible for this to be incorporated into wider processes for the Best Value Review of Transport, as the main transport contract, other than taxis, has only recently been re-tendered and already incorporates double running of vehicles.*

- 11 Consider how the projected growth in specific grant funding in 2005/6 can best be used to help contain demand, as well as dealing with the service and performance requirements that accompany the funding.

*Most of the growth in specific grant funding has been incorporated into the base budget for 2006/07 to deal with demand pressures. A small percentage is being allocated to service and performance pressures. The additional one-off funding from the Access and Systems Grant.*

## **Conclusions**

71. Derby City Council is striving for excellence and the Social Services Department is seeking to improve upon its 2 star rating and achieve 3 stars. Whilst the services are undoubtedly improving and are well managed, it is unlikely that a 3 star rating will be achieved either this year or next as the resources being made available are unlikely to support a step change in performance and outcomes.
72. The Department now has an effective management structure that better provides for the capacity required to implement the modernizing agenda and the differentiation between Children's and Adults services to enable integration of Children's Services with Education and other partners. The Department is supporting a high level of innovative and reconfiguration projects and is working to full capacity on project management and service planning.
73. The Performance Management system is **exemplary** and provides managers with timely and accurate tools to aid decision making. This includes the Planning, Commissioning and Contracting functions which have the capacity and capability to provide Strategic and Operational Business Plans.
74. Completion of the structure with the appointment of the Head of Personnel is a critical success factor given the high risk to the Department of retention and recruitment of several areas of staffing especially that of Child Care Social Workers, Mental Health Social Workers, Care Managers, and Home Care staff.
75. The key Child Care areas of Child Protection, Children in Need, Children Looked After, and Family Support are soundly delivered but the cumulative stress to staff of high levels of vacancies, and the inability to meet some process indicators might affect the ability to maintain the current performance rating.
76. The Citywide reception and screening services, the joint protocol for Children with Complex Needs, and the Gatsby Project are **exemplars of best practice**.
77. The Council is taking a measured approach within its Local Strategic Partnership in developing responses to the Green Paper on integration of children's services, "Every Child Matters".
78. The high demand for residential and domiciliary support and the lack of capital availability hinder the prospects of real improvement in services for older people, and people with a physical and/or sensory impairment. The City might consider developing a wider strategy for older people, with Social Services and Health having a key part, but other facets of the "Better Government for Older People" agenda could be considered by other partners.
79. In Adult Services there is much purposeful activity around the integration of social care and health services. For people with physical and/or sensory impairments this is proceeding well and the DICES information and performance management system supporting the joint equipment service is a further **exemplar of good practice** that could be disseminated to other authorities, as is the dedicated Home Care provision in the Learning Difficulties services.
80. The progress to joint Mental Health services appears particularly dynamic and a comprehensive service should be in place in 2005.

81. Overall, services have set out on the modernizing trajectory and will over time achieve their objectives, given the appropriate resources, including a medium term capital strategy and a flexible, sustainable procurement strategy which takes advantage of available and developing capacity.
82. The operational analysis casts doubt on the likelihood of the department delivering the structural operational changes allowing the budget to settle at a level compatible with corporate aspirations. The reasons for this are inevitably complicated and there is clearly a need for both the drivers for this and the implications to be the subject of a common and more widely based understanding.
83. The Department has committed itself to an ambitious programme of devolved financial and performance management. This has been designed to respect corporate standards and timescales whilst responding to the specific demands of the service inspection regime. The systems that have been developed are to be applauded but inevitably consume far too high a proportion of scarce professional and technical capacity. The programme of change and realignment (to the devolved model) is in its early stages and the capacity of managers to accept the demands required of them is still to be demonstrated.
84. The incremental approach to system development is understandable in the absence of a well resourced and widely understood systems strategy leading to an integrated financial management information.
85. Despite best endeavours the budget process is relatively short term. The principal reasons for this would appear to be a function of:
  - The Department's inability to breakdown its financial plans and budgets to demonstrate the medium term relationship between investment, expenditure and outputs
  - The "restrictive" nature of the budget for 2004/5 and the relatively limited flexibility available to services
  - The limited flexibility associated with the devolved scheme operated within Social Services
86. The balance of responsibilities between the Director of Finance and the Director of Social Services is considered to be reasonable and appears to serve the authority well. The effectiveness of the scheme in place is weakened (despite high levels of goodwill) however by the by the difficulties of reaching a common understanding of underlying business fundamentals and cost levels. This could be tackled through more joint working and analysis but it is difficult to see how this could be achieved given the specific and relentless demands on the 2 finance operations and the effort required to "bend" old systems to produce and interpret basic financial management information. In the medium term significant improvement and sector best practice would only be accessible through the procurement of a modern integrated financial management system and a transparent support service system providing evidence of best value. Both of these areas provide an opportunity for joint discussion and planning