



SHEFFIELD CITY COUNCIL Cabinet Report

Report of: Richard Webb Executive Director - Communities

Date: 12th December 2012

Subject: Securing and Sustaining Good Quality,
Personalised Social Care Services for Adults

Author of Report: Paul Brooke 273 6960

Summary:

The purpose of this report is to seek agreement to progress the strategic aspirations of 'Standing Up for Sheffield' by the development of a business case for the future of the current Council directly provided (In-House) social care services for adults.

The report responds to key statements of intent within the Corporate Plan 'Standing Up for Sheffield' recognising that the Council 'cannot carry on doing the things we have always done' and that it must "ensure and assure the delivery of services. This means we will not always be providing the service ourselves..." and that 'although the services we deliver and the way we deliver them may change we will, in many cases, remain a provider of services, particularly for the highest risk issues, such as safeguarding.'

This report sets out the scope of current services under consideration and the broad options for change open to the Council, consistent with 'Standing up for Sheffield'.

The report follows an exploratory review carried out by Officers in consultation with the Cabinet Member for Health, Care and Independent Living that identified the potential for improving outcomes, improving quality and achieving savings from alternate delivery arrangements that require a detailed business case to examine the case for change for each service that is currently directly provided.

The report proposes a period of public, employee and stakeholder consultation to inform and shape the design of good quality personalised

health and social care services that maximise independence, support local choice and provide a sustainable strategic future.

The options to be considered for the Council directly provided services include continuing with the current arrangements, progressing new organisational arrangements such as a Local Authority Trading Company, Social Enterprise, Employee Mutual, Joint Venture Company, Partnerships options and tendering to the social care market.

Reasons for Recommendations:

The policy direction set out in the Corporate Plan 'Standing up for Sheffield' requires consideration of alternative delivery arrangements for existing In-House services. An exploratory review carried out by Officers in consultation with the Cabinet Member for Health, Care and Independent Living has identified broad options for change which indicates the need for Officers to undertake more detailed analysis of the options informed by the views of stakeholders. This will lead to a detailed business case to inform future decisions.

The nature of the potential changes to Council directly provided services impact on a staff group of over 1,000 employees and supports approximately 13,000 customers across Sheffield. Clear communication, involvement and inclusion in shaping the future of services are essential.

The core outcome 'Better Health and Wellbeing' in the Corporate Plan 'Standing Up for Sheffield' is clear that our approach to promoting lifelong health and wellbeing, promoting independence and having effective and efficient care will require a shift of funding towards individuals and communities. Self Directed Support and personalised budgets are providing opportunities for people to have greater choice and control over the services they want to meet their needs. The recommendations made are in order to develop a business case for how the current resources invested in In-House services need to change to support this development.

Recommendations:

1. Approve city wide customer and public consultation about service redesign and alternative service options.
 2. Approve a formal consultation with staff and trade unions about service redesign and alternative service options.
 3. Approve the development of more detailed proposals in the form of a business case which will be submitted to Cabinet in late 2013
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Background Papers: None.

Category of Report: OPEN

If Closed add – ‘Not for publication because it contains exempt information under Paragraph... of Schedule 12A of the Local Government Act 1972 (as amended).’

* Delete as appropriate

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Hayley Dolling To be identified within the proposed detailed business case
Legal Implications
YES Cleared by: Nadine Wynter To be identified within the proposed detailed business case
Equality of Opportunity Implications
YES Cleared by: To be identified within the proposed detailed business case
Tackling Health Inequalities Implications
YES To be identified within the proposed detailed business case
Human rights Implications
NO:
Environmental and Sustainability implications
NO
Economic impact
NO
Community safety implications
NO
Human resources implications
YES To be identified within the proposed detailed business case
Property implications
YES To be identified within the proposed detailed business case
Area(s) affected
City Wide – All Wards
Relevant Cabinet Portfolio Leader
Cllr Mary Lea
Relevant Scrutiny and Policy Development Committee if decision called in
Healthier Communities and Adult Social Care
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

REPORT TITLE

Securing and Sustaining Good Quality, Personalised Social Care Services for Adults

1. SUMMARY

- 1.1 The purpose of this report is to seek agreement to progress the strategic aspirations of 'Standing Up for Sheffield' by the development of a business case for the future of the current Council directly provided (In-House) social care services for adults.
- 1.2 The report sets out the scope of current services under consideration and the broad options for change open to the Council that are consistent with the Corporate Plan 'Standing Up for Sheffield', in the context of increasing demand, challenging savings requirements, and a major shift to prevention and personalisation, within a rapidly developing adult social care economy.
- 1.3 The broad options for change are;
 - Retaining and reorganising services 'In House'
 - Retaining control of services within a new arrangement (Local Authority Trading Company/Employee Mutuals)
 - Partnership development (Social Enterprise/Joint Venture Company/Community Interest Company)
 - More traditional tendering of services which would be taken on and run by other organisations or companies.
- 1.4 No single option for change would meet Sheffield's requirements or be appropriate for all current directly provided services. The emerging direction of travel however is that the current organisational structures will need to change and options for alternatives need be explored in detail. The report recommends the development of a full business case to support and inform future decisions.
- 1.5 The report recommends a period of public, employee and stakeholder consultation to inform and shape the design of good quality personalised health and social care services that maximise independence, support local choice and provide a sustainable strategic future. This is consistent with 'Standing Up for Sheffield' in that *'through change, local choice and redesign we will ensure solutions for the city are inclusive and effective'*.

2. WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE?

- 2.1 The report supports the key strategic approach to current challenges as set out in 'Standing Up for Sheffield'. The recommendations reflect that a new role for the Council will be to *'ensure and assure the delivery of services. This means we will not always be providing the service ourselves...'* and that *'although the services we deliver and the way we deliver them may change we will, in many cases, remain a provider of services, particularly for the highest risk issues, such as safeguarding.'*

The current financial challenges require the Council to make best use of resources to meet the needs of vulnerable adults. To support the people of Sheffield in meeting these challenges 'Standing Up for Sheffield' identifies that, *'we cannot carry on doing the things we have always done'*.

- 2.2 This report proposes working with customers, staff and stakeholders in the development of a business case. Critical to this work will be to seek options for closer working and integration with health care services and providers to maximise our efficiency and targeting of resources to where most impact and return on investment is gained. The work proposed by this paper will seek to identify ways that customers will benefit from changes to our, and our partners, organisational structures.

3. OUTCOME AND SUSTAINABILITY

- 3.1 The strategic outcome 'Better Health and Wellbeing' in the Corporate Plan 'Standing Up for Sheffield' is clear that our approach to promoting lifelong health and wellbeing, promoting independence and having effective and efficient care will require a shift of funding towards individuals and communities. Self Directed Support and personalised budgets are providing opportunities for people to have greater choice and control over the services they want to meet their needs.

Resources that are currently allocated to Council directly managed services will need to move towards individuals through personal budgets. This is currently happening, however, the higher costs of Council services (when compared to other providers) may result in people no longer being able to choose the Council as a provider due to cost. Without a clear plan for the future there is a risk that the Council will no longer have a place or any direct provision within the market.

- 3.2 The Better Health and Wellbeing Strategic Outcome identifies the need to move the balance of funding into longer-term preventative work and early short-term interventions. This means that to respond effectively to the financial challenges we need to redesign existing services and focus our core delivery on this work. The Council is often in the best

place to support people at the point of crisis and change, however, longer term support will be purchased by individuals through personal budgets.

Our role in longer term support will focus increasingly on ensuring that the range of community options and service providers available for people to choose is of high quality, individualised, and supports people to retain their independence. This report seeks to develop a business case for the re-alignment of current in-house resources to respond to the policy direction set out in the Corporate Plan.

4 BACKGROUND

- 4.1 Officers from the Communities Portfolio in consultation with the Cabinet Member for Health, Care and Independent Living have been considering how the Council can best fulfil its function of ensuring and assuring good quality, personalised care and support for the citizens of Sheffield; and how the Council's directly managed adult social care services can contribute to this, with the objective of identifying opportunities for improving outcomes for vulnerable adults, improving quality, and achieving savings.

This work sought to identify the potential for ways to achieve these objectives in the context of increasing demand, challenging savings requirements, and a major shift to prevention and personalisation, within a rapidly developing adult social care economy, in the context of:

- Securing improved outcomes for vulnerable adults in line with 'Standing up for Sheffield' and in particular the Better Health and Wellbeing Strategic Outcome and its priorities, values and outcomes
- Maintaining and improving, where possible, the quality of the existing services, taking into account local Member and wider public concern on recent problems associated with Southern Cross and other provider failures elsewhere in the country
- Achieving revenue savings for the Council in line with Council's requirement to reduce its spending over the next four years

Consideration was given to the key issues facing adult social care, testing services against the hypothesis that *'the Council should maintain a direct relationship with [the directly provided] service'*. Consideration was also given to the risks of change, commissioning options and the market, equalities impacts, and alternative funding and delivery models.

In broad terms it was concluded that:

- Some services may still need to be provided directly by the Council
- The Council will retain a key leadership role in the city to ensure and assure quality through workforce development and shaping and monitoring the provider market
- Some services may achieve better outcomes if controlled by the Council but in a new structure such as a Local Authority Trading Company
- All alternative models for future options should be considered, including employee ownership or Mutuals- which would need support but could present good opportunities
- Some services could potentially be released from Council control and provided by other organisations
- Where services could be released from Council control the Council would retain a key role in ensuring and assuring quality in the market
- Some services may benefit from partnership arrangements, in particularly with the NHS
- The risks associated with any change should be manageable within the Council's risk appetite
- There are no inherent negative equalities impacts with potential changes although this would require detailed assessment
- A full business case should be developed to inform future decisions on the current In-House services

5 PROPOSALS

5.1 Options for consideration

Although not necessarily an exhaustive list, a number of potential options for future consideration were identified:

- Retaining and reorganising services 'In House'
- Retaining control of services within a new arrangement (Local Authority Trading Company/Employee Mutuals)
- Partnership development (Social Enterprise/Joint Venture Company/Community Interest Company)
- More traditional tendering of services which would be taken on and run by other organisations or companies.

Future options will be considered in the context of strategic commissioning priorities and arrangements.

5.2 **Scope of directly provided services**

The services to be included in the consideration of future options include the Adult Social Care services that are directly provided and managed by the Council:

Adults Provider Services (Care4you and Physical Disabilities and Sensory Impairment Service) including;

- Complex Home Care
- Short Term Intervention Team
- City Wide Care Alarms Service
- Community Support Services
- Adult Placement, Shared Lives

Joint Learning Disability Services including

- Supported Living
- Day and Employment Services
- Community and Tenancy Support
- Short Breaks (respite) Services

Equipment and Adaptations Service

5.3 **Additional areas for consideration**

The Assessment and Care Management services and resources have yet to be considered, although the business case development will consider and scope opportunities for redesign that may impact and include social work functions and these should not be excluded from the scope of work.

There will also be a need to consider and explore the current and potential partnerships with the NHS and in particular the Sheffield Health and Social Care NHS Trust. Service redesign options will need to consider opportunities for partnership development to maximise efficiencies and to drive quality improvement.

The Council currently has a comprehensive set of arrangements in place for quality assurance in social care and the wider market. A Market Development Board has been established to review these arrangements, and where necessary take action to improve them. This Board will oversee the continued development of the Quality Assurance Framework, workforce development in all sectors, reducing the risks and impacts of provider failure, and promoting innovation through co-production. The business case proposed in this report will take account of, and be consistent with, these developments.

5.4 **Employee Implications**

The total number of employees within the services defined as

specifically in scope (see 5.2) is approximately 1,100 full time posts.

The development of alternative service options would require significant workforce changes. These could range from internal restructuring to potential transfer to other organisations (TUPE).

It is important that this valuable workforce is supported during any process of developing and implementing change through involvement, inclusion and consultation at an early stage.

It should be noted that as the development of personal budgets continues, some areas of in-house services are not able to 'compete' or are not open to be purchased by service users. The implications for the current workforce of not developing alternative structures are uncertain though the current trend is a reduction of posts as activity reduces. Taking the recommendations forward will provide a clear strategic plan that will reduce uncertainty.

5.5 Governance and project delivery arrangements

A Delivery Board has been established to ensure that, subject to Cabinet approval, the recommendations are taken forward to the next stages of consultation, business case development and Cabinet approval. The Delivery Board will then manage the full programme delivery.

The remit of the Delivery Board will be to;

- Agree scope and methodology
- Fully specify the benefits and outcomes being sought;
- Identifying the underpinning principles for the programme, (e.g. co-production and consultation).
- Ensuring good quality communications through a clear Communication Plan
- Scoping and securing the capacity for delivery for each stage of the programme of work
- Ensuring timely and effective delivery of the planned programme
- Ensuring clear brief for the Programme/project Manager/s
- Ensuring full reports and updates as required within the governance structure.
- Identifying links, dependencies and impacts on other internal and external programmes.
- Working with other corporate programmes where it is appropriate

The Delivery Board will be sponsored jointly by the Director of Care and Support and the Director of Commissioning and will be accountable to the Communities Portfolio Leadership Team Programme Board.

The project has two key phases;

1. Project initiation to Full Business Case and Cabinet approval
2. Programme Implementation

The resource requirements are identified in 7.2

The outline timescales planned are; (this will require detailed scoping)

- November 2012 – Delivery Board initial scoping workshops
- December 2012 - Cabinet report seeking agreement to develop the full business case and proceed with stakeholder consultation
- September/October 2013 - full business case completed
- April 2014 Programme implementation will be underway

5.6 Consultation and Involvement

The project will have a clear Communication Plan to support all stakeholders with timely and accurate information.

The nature of the potential changes in service delivery arrangements mean that a broad customer base may be affected by any changes taken forward. The business case development phase will need to engage with existing customer and service user forums and networks to ensure that recommendations taken forward meet the needs and aspirations of the people of Sheffield within the Council's financial resources.

Consideration of alternative service and organisational structures such as a Local Authority Trading Company or a partnership development will require formal consultation with employees. The business case development phase however, will seek to engage with existing staff in the identification of options and service redesign opportunities at the earliest stage. Learning from other regional developments is clear that employees will need support to consider options such as Public Service Mutuals and the project will seek to draw in resources from the Cabinet Office and Department of Health.

6 LEGAL IMPLICATIONS

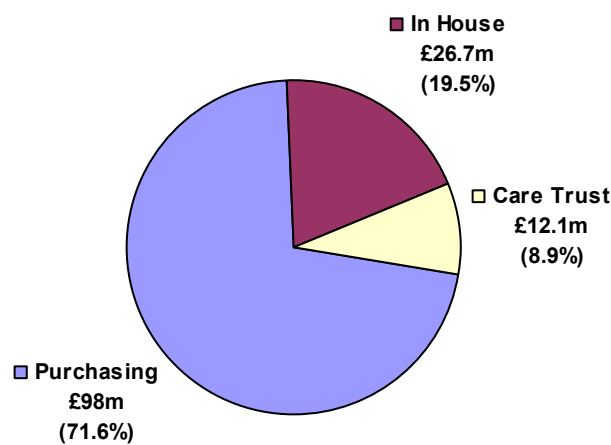
- 6.1 There are no direct legal implications to the decision to carry out consultation. The legal implications of any proposal in the resulting business case will be fully considered when that is reported to Cabinet.
- 6.2 A key element of the business case to be developed will be to consider in detail the legal implications of any alternate structures or service models.

There are clear examples of Local Authority Trading Companies, Joint Venture Companies, Social Enterprises and Public Service Mutuals from other regions that have explored and tested the legal structures that would be considered in the business case.

7 FINANCIAL IMPLICATIONS

7.1 Services in scope

Proportion of total 2012/13 budget for Care and Support Services between Independent Sector provision, In House Services and Care Trust



The total budget for In-House services as defined in scope (see 5.2) is £26.7m and represents 19.5% of the total Care and Support budget of £137m. This excludes Supporting People, Assessment & Care Management, and support services (e.g. Commissioning & Contracts, Financial Assessments, Payments & Recovery)

The business case development will consider the Council infrastructure on-costs associated with the current level of In-House activity. Any new organisational structures or alternative delivery models will impact on the corporate financial balance.

7.2 Delivery of business case

The estimated costs for the initial phase of project delivery (the consultation and Business Case) are £97,000. A breakdown is provided as Appendix 1, and includes appropriate senior management capacity and, Business Information Solutions, and other corporate support

The project costs will be funded from existing Communities Portfolio cost centres and by the release of key Officers time.

The funding of programme costs for the implementation of subsequent changes would be addressed as part of the business case.

8 EQUALITY OF OPPORTUNITY IMPLICATIONS

- 8.1 The consultations proposed will be provided in accordance with the Council's Governance and Involvement Guide (2011)

The proposed business case to be developed will consider in detail the equality of opportunity implications of any alternate structures or service models and produce a detailed Equality Impact Assessment in accordance with the Equality Act 2010.

9 HUMAN RESOURCES IMPLICATIONS

- 9.1 The total number of employees within the services defined as specifically in scope (see 5.2) is approximately 1,100 full time posts.

The development of alternative service options would require significant workforce changes. These could range from internal restructuring to potential transfer to other organisations (TUPE).

- 9.2 The proposed business case to be developed will consider in detail the human resources implications of any alternate structures or service models.

10 PROPERTY/ASSET IMPLICATIONS

- 10.1 A key element of the business case to be developed will be to consider in detail the property and asset implications of any alternate structures or service models.

11. ALTERNATIVE OPTIONS CONSIDERED

- 11.1 The development of a full Business Case as proposed by this report will consider other potential change options and provide evidence for any future recommendations for change.
- 11.2 The Business Case will carry out a full programme risk assessment and Equalities Impact Assessments to inform future decisions.

12. REASONS FOR RECOMMENDATIONS

- 12.1 The policy direction set out in the Corporate Plan 'Standing up for Sheffield' requires consideration of alternative delivery arrangements for existing In-House services. An exploratory review carried out by Officers in consultation with the Cabinet Member for Health, Care and Independent Living has identified broad options for change which indicates the need for Officers to undertake more detailed analysis of the options informed by the views of stakeholders. This will lead to a detailed business case to inform future decisions.
- 12.2 The nature of the potential changes to Council directly provided services impact on a staff group of over 1,000 employees and supports approximately 13,000 customers across Sheffield. Clear communication, involvement and inclusion in shaping the future of services are essential.
- 12.3 The core outcome 'Better Health and Wellbeing' in the Corporate Plan 'Standing Up for Sheffield' is clear that our approach to promoting lifelong health and wellbeing, promoting independence and having effective and efficient care will require a shift of funding towards individuals and communities. Self Directed Support and personalised budgets are providing opportunities for people to have greater choice and control over the services they want to meet their needs. The recommendations made are in order to develop a business case for how the current resources invested in In-House services need to change to support this development.

13 RECOMMENDATIONS

- 13.1 1. Approve city wide customer and public consultation about service redesign and alternative service options.
- 13.2 2. Approve a formal consultation with staff and trade unions about service redesign and alternative service options.
- 13.3 3. Approve the development of more detailed proposals in the form of a business case which will be submitted to Cabinet in late 2013

Report: Securing and Sustaining Good Quality, Personalised Social Care Services for Adults

Analysis of funding required	£	Funded from:	Ledger code	£	
Based on 9 months Phase 1					
Project Manager (backfill arrangements)	15,000				
Assist Accountant 0.4 fte Grd 8	12,000				
Commissioning Manager F/T Grd 9	35,000				
Business Information Solutions	25,000				
Consultation and research costs	10,000				
	97,000			0	
		One Off			
	0			0	

Page 53
One Off
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Agreed by ASCLT on :

Signed ASCLT Chair

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