
Executive

15 December 2009

Report of the Director of Housing and Adult Social Services

More For York - Adult Social Care Blueprint

Summary

1. At the meeting on 20th October the Executive received a report on progress on the More For York blueprints. As part of that report members approved the Vision for the Adult Social Care blueprint but at that time work was still in progress to develop two other projects covering:
 - Review of Home Care*
 - Elderly Person Residential Home (EPH) Review

*(*Home care includes 'Re-ablement' - a term used commonly across the country to describe services or interventions that are aimed at enabling people to regain their health and their independent living skills e.g. after a fall or a stay in hospital. The term 're-ablement' is used in this report as shorthand to describe this process.)*

2. This report provides more detail on these two projects and seeks approval for the next stage in the work. This starts by reaffirming the vision for services – i.e. what we want to achieve for our customers. It then sets out the reasons why changes need to be made to achieve that vision (more detail is set out in the annexes) and the principles that should underpin any changes. Finally, options are set out for members to consider.

The Vision – What are we aiming to achieve for customers and citizens ?

3. This was set out fully in the Adult Social Care blueprint approved on 20th October and has 4 main elements:
 - Services that are customer focused – simple to understand and accessible
 - Personalised approach and Choice – customers who are eligible for services will know how much money is available to fund their care and have the opportunity to control that directly if they want to.
 - Maximisation of independence and optimising people's health and well-being – support that enables rather than disables, intervenes early to prevent problems becoming acute and uses assistive technology.

- Universal support for everyone – all citizens to get the information, advice they need to live independently even if they are self-funders.

(Although this is seen as the prime responsibility of social care it touches upon the full range of local authority responsibilities [housing, community safety, neighbourhood services, transport, learning, employment advice etc] as well as the critical partnerships with the NHS, care providers and the voluntary sector).

- 3.1 The context in which this vision for change exists is set out in Annex 1. This lists the key factors that require the council to carry out these reviews taking into account demographic change and growth in demand; financial pressures; strategic challenges; immediate service challenges.

Why services need to change – the key issues

4. The key issues for consideration of the home care services review are set out in Annex 2. In summary they are:
- Comparative unit costs of the in-house and private sector services
 - Targets for the in-house ‘re-ablement’ service to achieve its aim of enabling as many people as possible to live independently without the need for extensive packages of care
 - Capacity issues to ensure there are no ‘blockages’ in the system so that people are not waiting to receive re-ablement support or to move on to long-term care services
 - Setting out clear standards and expectations for all services i.e. commissioning for the outcomes to be achieved for customers and monitoring performance closely
 - The importance of a positive partnership and fruitful integration with the NHS
5. The key issues for consideration of the residential care services review are set out in Annex 3. In summary they are:
- The council’s role as a provider of a large number of residential care homes
 - Demand for ‘standard’ residential care is falling but demand for more specialist care is rising
 - Comparative unit costs of the in-house and private sector services
 - Understanding the investment needed to the council’s homes to bring them up to the standards expected by customers in the future
6. There is an important link to the housing strategy for older people to explore the potential for extra care housing to be a realistic alternative for more people.

Strategic Objectives and Principles of changes in Home Care and EPH provision

7. Both projects are critically inter-dependent. The changes to provision needed to reduce reliance on residential care are dependent on an

effective range of health and social care support services in the community. The projects will therefore be successful if they achieve the following joint outcomes:

- ❑ ensure that services meet the expectations and needs of older people in terms of quality, range and the positive impact on their lives
- ❑ maximise opportunities for choice and personalisation
- ❑ increase the capacity to re-able people, maximising their independence and minimising their need for support services
- ❑ increase the service capacity in the city to meet increased demand (e.g. by freeing up existing investment through minimising the unit cost of services)
- ❑ harness the creativity and capacity of alternative solutions in the third sector, not-for-profit and private sectors and in the wider community

7.1 This means focussing on the outcomes we want to achieve for people through the provision of services rather than focussing on the detailed service arrangements. To do this we need to begin with a strong emphasis on Commissioning – setting out very clearly what providers are expected to achieve for their customers and working with them to ensure they hit the agreed standards consistently. This rigour must apply equally to those services provided directly by the council as it does to those supplied by independent care providers.

8. The role of the NHS is also critical to the success of the overall strategy for adult social care support. The appointment of a Locality Director for York and the re-launch of the Adults Commissioning Group (City of York Council, NHS in North Yorkshire and York [PCT] and York Health Group [GPs]) provides the best opportunity for many years to agree and act on joint priorities and to look for more integrated ways of delivering services on the ground. An example of this is joint work on extending assistive technology to enable people to monitor their own health and to relay essential information back to GPs (tele-health)

Delivery timescales and milestones

9. Both these reviews need to be initiated quickly if they are to have a significant impact in 2010/11. Each depends on the outcomes that the other will provide to successfully deliver the overall transformation in adult social care services.

The Home Care review needs to focus on defining the services to be commissioned and their outcomes in time to shape the Home Care market testing planned to be issued in April 2010.

The EPH review is a project that also needs to be started now. It is a longer-term piece of work that will release its benefits over a number of years. The agreement of a strategy and plans will reduce the existing uncertainty in the service. It is proposed to bring back further reports on progress in March and July 2010.

Home Care Review Options

10. Option 1 – Status Quo

Cost – The Long Term Commissioning Strategy projected annual increases in the costs of meeting care needs based on the current configuration of services of at least £10m between 2007 and 2020.

11. Analysis

Maintaining the status quo would leave many of the current issues unresolved. It would not resolve the need to increase the supply of home care, tackle the need for more efficiencies or provide a plan to bear down on increasing costs by reducing expenditure in some areas of work. It would also make the potential overspend set out above more likely to occur.

12. Option 2 – Limited changes to in-house services

Potential savings - £150k

13. Analysis

The proposed work would involve further reviewing the operation of the in-house team to maximise efficiency within existing Terms & Conditions and working practices. The emphasis would also be on more cost-effective use of temporary /agency staff, further minimising sickness absence and maximising customer contact hours. However, there would be a 'ceiling' on improvement by operating within the current arrangements that would inhibit more savings through efficiencies.

14. Option 3 – Significant Changes to in-house services

Potential savings - £800k (to be validated)

15. Analysis

The proposed work would involve negotiations with staff and trade unions on making significant changes to the existing Terms & Conditions and working practices of the in-house team and implementing electronic rostering to maximise customer contact hours. The savings would only be realised if this work achieved a significant reduction in the direct costs of the service to the council.

16. Option 4 – Market testing of all or part of in-house services

Potential savings – £1.7m

17. Analysis

This level of saving could only be realised if all the current in-house services were subject to market testing. There would be an option to market test some of the services and to continue to invest in improvements in those retained in-house (e.g. market test the care services and the home support service but retain the re-ablement service in-house). That option would reduce the level of savings.

EPH Review Options

The narrative below sets out the options available to the authority in determining its future approach to EPHs. It is recommended that options 2 and 3 are implemented as they are sequential, logical and demonstrate both financial and service improvement for CYC and best value for customers.

18. Option 1 – Status Quo

Cost – The Long Term Commissioning Strategy projected annual increases in the costs of meeting care needs based on the current configuration of services of at least £10m between 2007 and 2020.

19. Analysis

Leaving things as they are is not a viable option given both :

- the increasing projected annual costs set out above and
- the need to improve facilities in the council's EPHs

Residents are telling us that different services will be needed in the future and the current model of care does not meet many people's aspirations. We need to be planning the changes now to ensure that care in York reflects best practice and value for money.

20. Option 2 – Improvements in costs pending a full asset review

Potential Savings - £140k

21. Analysis

A reasonable target would be to achieve a 2% saving from the current budget of approximately £7m, including corporate recharges and other overheads. This would involve:

- Reviewing the management and allocation of staffing/temporary staff etc.
- Demand management – linking vacancies to savings, more efficient resource allocation between housing options and residential care
- Impact and benefits of use of EPHs for Respite and Day Activities
- Procurement - of meals/food, temporary staff, fuel etc.

More work will need to be done to validate the potential savings from this approach.

22. Option 3 – Full asset appraisal and long-term re-commissioning plan

Potential Savings - until a full asset appraisal and long term re-commissioning plan are carried out, it is difficult to quantify precisely what the potential savings could be although it is anticipated that they are likely to be significant.

23. Analysis

Work is underway to assess the suitability of all the current EPH buildings to provide care to the standard required. The outcome of this work will be brought back to members in 2010 but is expected to confirm that some homes would require very significant investment to remain viable in the longer-term. The report will also quantify the volume and type of residential care the council will need to commission in the future. This information will enable members to plan changes needed more effectively.

24. Discussions are underway with NHS colleagues about the potential for closer joint working on new and more integrated models of care e.g. for older people with dementia. There may also be potential to increase the short-term use of the council's homes for people who need support outside hospital before being able to return to their own homes.

Consultation

25. In 2008 older people in York told us that they wish to be offered care wherever possible in their own homes, but to be able to access residential care when their needs are for specialist care, because of very high physical dependency, or because of high levels of confusion and memory loss. They wanted to be assured of the quality of care that is provided. They trusted the Council to provide good quality care, but there was an understanding that the Council might not be the most cost effective provider for care, and that care in the independent sector can also be of good quality.
26. The proposals within this report have been discussed with the trade unions through the departmental Joint Consultative Committee.

Corporate Objectives

27. The provision of good quality, cost effective home care services contributes to the Corporate objective of *"Improve the health and lifestyles of the people who live in York, in particular among groups whose levels of health are the poorest"*
- Other relevant objectives are *"Improve efficiency and reduce waste to free-up more resources"* and *"Improve our focus on the needs of customers and residents in designing and providing services"*.

Implications

28. Financial

The options outlined in this paper could realise efficiency savings within Adult Social Services of in excess of £2m per annum. The exact savings would need to be developed further once it is clear in terms of the overall strategy, and more detailed analysis is then conducted. The Council's Medium Term Financial Strategy sets out the need for significant efficiency savings in coming years, with an expectation that all areas of the Council will deliver significant improvements in efficiency. Further pressures on public spending are likely to require the Council to have to

seek additional savings in coming years over and above those already set out in the current Financial Strategy.

29. Human Resources (HR)

The no change and limited change options do not have any significant anticipated impacts on staff.

The significant change option for in-house services has impacts in terms of changing working practice and could impact upon existing contractual arrangements with staff.

Market testing home care services currently provided by the council may involve staff transferring employment to a new provider(s) under TUPE.

30. Equalities

Staff

Any changes to working arrangements would be subject to consultation in accordance with the Council's change management policies.

Customers

The customers of EPHs are vulnerable people, some with dementia and other mental health needs, others with high levels of physical and/or social dependency. Any changes to service provision will require very careful management and be subject to consultation.

Customers of home care are also vulnerable and there would need to be very good communication related to any change of providers with people given choice about how the service is delivered through personal budgets.

31. Legal

Changes to service provision in relation to adult social care must be taken in the context of the statutory framework. There has been much litigation in this area and it is important that the Council understands the legal risks that it is taking as the review progresses. At this stage, there are no immediate legal implications but it is important that any review is conducted with an understanding of that framework in order to minimise the risk of legal challenge.

Home Care

There may well be legal issues arising from any change to staff terms and conditions and these will need to be considered at the appropriate time. If there is a decision to market test the service this is likely to give rise to a further range of issues, including TUPE.

Legal issues will also arise if the changes to the way the service is delivered also lead to changes in the nature of the service delivered to those in receipt of them. It is important that any such changes are managed appropriately to limit the risk to the Council.

EPH

There are a range of legal issues which will arise in any reconfiguring of the service which are likely to include the contract for agency staff, the

status of any in-house casual staff agency and the transfer of casual staff from EPHs to one or the other option. The staff terms and conditions will need to be fully understood to support the delivery of a more flexible workforce.

Any change to the configuration of EPH requires consultation and careful consideration of the results of any such consultation. It is important that legal advice is taken at an early stage in this process to avoid the risk of legal challenge.

Contract Review and Change

This will also require detailed legal advice. Understanding our contracts and our scope for change, as well as making the best of tender opportunities will be critical to delivering improved value for money.

32. Crime and Disorder

There are no direct implications anticipated from the proposals in this report.

33. Information Technology (IT)

Members have already given support for the approved IT development plan to implement electronic home care monitoring.

34. Property

There are no direct implications anticipated from the proposals in this report. The next report to the Executive will give more detail on the asset appraisal of the council-owned buildings in which residential care is provided.

35. Other

External providers, both not for profit and private sector, in home care and EPH sectors, provide the majority of these services in York. They will be looking to the Council for clear messages on future commissioning intentions to help them decide on their investment decisions to increase or modernise capacity in York.

36. Risk Management

Any significant change programme to front-line services involves potential risk. The projects would be formally managed with a risk log and detailed actions to mitigate risk. Key risks to be noted at this stage include:

- ❑ Strained industrial relations during detailed consultation about significant changes
- ❑ Maintaining levels of service during any changes to the way in which the council employs agency or casual staff
- ❑ Maintaining safe and responsive levels of service should there be a transfer from one provider to another
- ❑ That timescales slip and/or costs are not reduced in line with projections (or more likely that continued growth in costs due to increasing demand is not sufficiently restrained)

- Insufficient supply to enable the care system to operate more effectively
- Insufficient capacity to commission and monitor services as planned

Recommendations

- 37. That the Executive decide which of the options set out in paragraphs 10-17 would be the best way forward for home care services.
- 38. That the Executive approve the proposed way forward for the EPH review as set out in paragraphs 18 to 24.
- 39. That the Executive receive further reports in 2010 confirming the work required to deliver the savings for the approved options.

Contact Details

Author:

Bill Hodson
 Director of Housing and Adult Social Services

Chief Officer Responsible for the report:

Bill Hodson
 Director of Housing and Adult Social Services

Report Approved

Date 1 December 2009

Specialist Implications Officer(s) *Alison Lowton Interim Head of Civic, Legal and Democratic Services, Angela Wilkinson Head of Human Resources, Ian Floyd, Director of Resources*

Wards Affected:

All

For further information please contact the author of the report

Background Papers:

City of York Long-Term Commissioning Strategy for Older People 2006 – 2021 (2007)

Annexes:

- 1 - The wider context for change - overview of reasons for change in Home Care and EPH provision
- 2 - Home Care Review – Key Issues
- 3 - Elderly Persons Homes (EPH) Review – Key Issues