ADULT SOCIAL CARE : PHASE 2 BUDGET SAVINGS PROPOSALS

1 Summary

This paper provides further details on the following Phase 2 Budget Savings Proposals: COM 16, COM 17, COM 19 and COM 22. The paper is in two parts:

Part 1 provides details on the savings proposals to restructuring the care management and assessment teams (COM 19) and the associated administrative and business support (COM 16).

Part 2 provides details on the savings proposals to restructure and reduce the in house home care service so that it provides a re-ablement service (COM 17 and COM 22).

2 Policy Context

2.1 In considering where savings can be made in adult social care, officers have been mindful of the Government’s vision for transforming social care, more commonly referred to as the personalisation agenda. Previously set out in *Putting People First (PPF)* and more recently by the Coalition Government in "A vision for Adult Social Care: Capable Communities and Active Citizens".

2.2 The aim is to give individuals more choice and control in relation to how their needs are met. As well as providing services to those with highest need, there is a strong focus on prevention and early intervention, with the intention of keeping people active and independent, and delaying their need for ongoing health and social care services.

2.3 Lewisham’s Sustainable Community Strategy also supports the transformation of adult social care. Lewisham’s Strategic Partnership has set six priorities for action including building ‘Healthy, active and enjoyable’ communities, where people can actively participate in maintaining and improving their health and well-being. Progress towards this goal is measured by ‘an increase in the number of older people, disabled people and vulnerable people achieving independence and having choice over the services they receive’, and ‘an overall improvement in the experience of care users’.

2.4 These policy aims require health and social care partners to work together to review current service provision and make arrangements to refocus investment and operational practice towards providing care closer to home within an effective and efficient care pathway.

3 Implementation of the Personalisation Agenda in Lewisham

3.1 The personalisation agenda has been a catalyst for change in Lewisham. This is transforming the way in which the Council delivers services. Since 2008/9, adult social care has been working on this agenda with a particular focus on giving users more choice and control over the services they receive. This work has delivered improved benefits to both customer/service users and the council and has included work in the following areas:
• Admission avoidance
• Intermediate care
• Re-ablement
• Personalised care and support planning
• Safeguarding as the business of everyone
• Improved access to universal services
• Prevention to improve health and wellbeing
• Vibrant variety within the health and social care market place, driving quality and value for money
• Access to more specialist support where required.

4 Next steps

Officers now need to build on this work, continuing to improve customer experience, performance and to generate efficiencies and savings throughout the system. To achieve this, the service proposes to remodel the social care pathway and associated staff structures to remove duplication and provide a more streamlined process for clients as and when required.

The proposals to achieve this are set out in Part 1 and 2 of this paper. A glossary of terms is also attached – see Addendum 1.
PART 1 – RESTRUCTURING THE CARE MANAGEMENT AND ASSESSMENT TEAMS AND ASSOCIATED ADMINISTRATIVE AND BUSINESS SUPPORT (COM 19 & COM 16)

1 Savings proposals

1.1 Officers propose that the savings outlined in the budget paper be achieved by:

- Restructuring the care management and assessment teams and their administrative business support (COM 16) to deliver and support a more efficient and effective care management process. This proposal is expected to achieve savings of £350k in 11/12 and £500k in 12/13 by reducing staffing related costs.

2 Current staffing structure

2.1 The current structure for adult social care has been in place since 2005. It reflects a traditional approach to care management based on team configurations that have a specific client focus e.g. Older adults, Younger adults. Within these team structures, individuals that meet the council’s eligibility criteria for services are provided with an assessment of need and a care plan that identifies ways of meeting those needs through services that are either commissioned by the council from external providers on behalf of an individual or provided in house. Currently, the activity required to assess, review and record the care provided is replicated across each client group team. This is shown in the diagram below.

2.2 The proposal is to move away from each client team undertaking similar activity and, by aligning these processes, aim to achieve efficiency and avoid duplication. More importantly it will provide service users with a prompt and clear response that better meets their needs.
3 Proposed pathway and associated restructure

3.1 Officers have been developing a more efficient pathway for service users which will minimise the process and reduce waste. It will ensure that the right service response is in the right place at the right time. The intention is that individual routes through the pathway will vary according to needs, preferences and choice.

The pathway diagram below highlights the proposed reconfigured functions that provide the key elements of the personalised service user journey.

3.2 It is now essential that structural changes are implemented to ensure that staff roles and responsibilities match the new pathway and revised processes. The new process will improve the customer experience, by reducing duplication and waiting times. It will also provide early information and advice to customers enabling them to have more choice and control over the services they receive.

3.3 In addition, it places re-ablement and access to equipment and adaptations at the beginning of the pathway; this will help users to regain skills, confidence and independence and reduce dependency on long term services. The process also identifies and accommodates those service users who require ongoing support or more specialist intervention.

4 Staff Engagement and Consultation

4.1 The proposed model builds on work that has been ongoing over the past two years on the personalisation agenda. Similar models have been successfully introduced in other Councils. Management and staff have been involved in developing the model proposed for Lewisham. Two engagement events have taken place with staff in October and December with more planned for throughout the year.

4.2 Detailed proposals will be subject to formal consultation with staff and unions in accordance with the Council’s Management of Change procedures. A draft timetable is shown below.
5 Timescale

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2011</td>
<td>Consultation starts - 3 weeks for the consultation period</td>
</tr>
<tr>
<td>April</td>
<td>Consultation ends</td>
</tr>
<tr>
<td>May</td>
<td>Management response to issues raised in consultation</td>
</tr>
<tr>
<td>May</td>
<td>JCC meeting</td>
</tr>
<tr>
<td>May</td>
<td>Invite staff to apply for new roles</td>
</tr>
<tr>
<td>May/June</td>
<td>Shortlisting</td>
</tr>
<tr>
<td>June</td>
<td>Interviews for Service Managers</td>
</tr>
<tr>
<td>June/July</td>
<td>Interviews for all other posts</td>
</tr>
<tr>
<td>July</td>
<td>Staff advised of outcomes (offers are subject to appeal)</td>
</tr>
<tr>
<td>July</td>
<td>Redundancy notice letters issued together with appeal rights for displaced staff</td>
</tr>
<tr>
<td>July/August</td>
<td>Appeals considered</td>
</tr>
<tr>
<td>August</td>
<td>Outcome of appeals</td>
</tr>
<tr>
<td>August</td>
<td>Offers to successful staff notified</td>
</tr>
<tr>
<td>November</td>
<td>Implementation date (12 weeks after issuing redundancy notice letters as this is the maximum period of notice some staff may have)</td>
</tr>
</tbody>
</table>

6 Public Feedback

6.1 To date residents have made their views of their experience of the current process known when reviews of their care packages have taken place, as well as through direct correspondence. Representatives from voluntary sector organisations have been involved in the various forums that have been established to assist the Council with the transformation and modernisation of adult social care services.

6.2 Additional feedback on aspects of the current care pathway and customer needs have been given in the consultation that has taken place on proposals to increase the charges for non-residential services and Meals on Wheels.

6.3 Further engagement events will be arranged following the agreement to implement the new pathway.
PART 2 – RESTRUCTURING IN HOUSE HOME CARE SERVICE (Domiciliary Care) TO PROVIDE A RE-ABLEMENT SERVICE (COM 17 & COM 22)

1 Savings proposals

1.1 Officers propose that the savings outlined in the budget paper be achieved by:
• Restructuring and reducing the in house home care service to establish a re-ablement service (COM 17 and COM 22). This proposal is expected to achieve £620k in 11/12 and £600k in 12/13.

2 Definition of re-ablement

2.1 Re-ablement is an essential component within the new adult social care pathway. It is the provision of support, training and practice to restore a person’s independence so that they can undertake those essential aspects of daily living such as washing, dressing and mobility. Re-ablement relies on trained care workers to provide intensive support at the beginning of the programme, tapering off as the person gains more independence and confidence. Support is specifically tailored to meet the needs of the individual focusing on strengths and abilities. The emphasis is for the individual to undertake the task for themselves and for the reabler to provide them with the support and training to do so.

3 Case for re-ablement

3.1 There is a growing body of evidence from across the UK demonstrating that home based re-ablement services have a positive impact upon the ongoing health and wellbeing of vulnerable adults allowing them to remain at home for longer and without the need for ongoing packages of care. Further evidence for re-ablement is demonstrated through Care services Efficiency Delivery’s (CSED) research. A summary of these findings suggest:
• Nearly two thirds of people (62%) require no ongoing service, or a reduced service upon completion of re-ablement.
• 36% to 48% continued to require no homecare package after two years following re-ablement.
  This equates to a 45% reduction overall homecare hours for everyone referred.

4 Current provision

4.1 Currently the Council’s in-house homecare service provides approximately 8,500 hours of domiciliary care and reablement per month. This service is predominantly provided to older people who meet the Council’s Fair Access to Care eligibility criteria and equates to approximately 8% of the home care that is currently commissioned by the Council to ensure that people are able to live within their home setting for as long as possible.

4.2 The Council commissions domiciliary care from a range of external provider agencies at an average cost of £16 per hour. This compare to an hourly rate of the in-house service of £32 per hour.
Despite this significant difference in rates, in previous years it was considered necessary to retain an in house homecare service to accommodate specialist domiciliary needs, such as end-of-life care, dementia, mental health. In some cases it had been difficult to find and sustain services from external providers for these clients. However, the market is now firmly established and broad enough to be able to meet the needs of all client groups.

In December 2009, in response to guidance from the Department of Health, the in-house homecare service established a pilot to provide a re-ablement service. The aim was to help people regain their independence as much as possible before a longer term package of care was provided. So far, 224 people have received a re-ablement service. In addition, the service has continued to provide a domiciliary care service to 177 existing clients.

All homecare workers have been offered training so they can develop the skills required to provide a re-ablement service. The hours allocated to re-ablement work has varied depending on the individual worker’s contractual arrangements and their availability to accommodate a referral request. Some workers are on contracted hours that do not have the flexibility to meet some of our clients needs (eg evenings and weekends).

In addition, for over a year, there have been fewer mainstream domiciliary cases referred to the in house service approximately as these have been commissioned from the external providers who are on the commissioning framework. These external providers are contracted to provide a more flexible service that can meet the needs of clients, by providing early morning, evening and weekend care within the home.

As a result of the current staffing and employment arrangements, the in-house service cannot meet the increasing requirements of service users. This has resulted in the need to pay additional hours to some staff to meet re-ablement, and weekend and evening domiciliary care demands. Over a 3 month period, the average number of additional hours paid to existing employees to provide re-ablement and some homecare has amounted to 496 hours per week (costing £6,900 per week).

In addition, over the same period the average amount of hours “under contract or unused” was 344 per week (£4,800 per week). This is because the hours available from existing staff have not matched clients’ needs.

5 **Current Staffing**

5.1 There are 127 home care workers within the current staffing structure some of whom are on various part-time arrangements and 17 management and administrative staff at an approximate cost of 3.2 million pounds. The majority of staff are women.

5.2 The age profile of the Home care workers is as follows:
<table>
<thead>
<tr>
<th></th>
<th>North</th>
<th>South</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>60+</td>
<td>7</td>
<td>17</td>
<td>24</td>
</tr>
<tr>
<td>55-59</td>
<td>12</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td>50-54</td>
<td>19</td>
<td>18</td>
<td>37</td>
</tr>
<tr>
<td>45-49</td>
<td>11</td>
<td>12</td>
<td>23</td>
</tr>
<tr>
<td>29-44</td>
<td>10</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>59</td>
<td>68</td>
<td>127</td>
</tr>
</tbody>
</table>

6 Options that have been considered

6.1 In considering possible savings for this area, officers have considered several options including:

Option 1 – To commission from external sector agencies all domiciliary care and reablement services

This option would achieve savings of £1.3m. In terms of domiciliary care, this option would support the external homecare market and meet service user requirements. In terms of re-ablement, although this has been purchased successfully in some areas, there is a lack of long term data available to confirm that a fully externalised re-ablement model would achieve the same level of savings to ongoing care packages that have been achieved from Lewisham’s re-ablement pilot.

Although due consideration will be given to the implications of TUPE, it is likely that there will be redundancies.

Option 2 - To reduce and reshape the existing in house home care service so that it provides approximately 70% of the re-ablement service required, and to commission approximately 30% of reablement from the external market. To commission all domiciliary care from external providers.

This option would enable the Council to compare both internal and external providers of re-ablement. It would allow further analysis to be made on the benefits to service users and comparisons to be made on the outcomes and costs between the internal and external provision. Under this option all domiciliary care services would be commissioned from external providers. This option would achieve savings as the cost of domiciliary care from the external market can be provided more cost effectively. In addition a number of staff in whom training and development has been invested would be retained in house to provide a re-ablement service.

Although due consideration will be given to the implications of TUPE, it is likely that there will be redundancies.

The net saving from this option is £820k, after investment of £600k in re-ablement.
Option 3 - To retain and reduce the in-house home care to provide only specialist domiciliary care (e.g. end-of-life care, dementia, mental health). All re-ablement services would be commissioned externally.

This option is unlikely to achieve the savings necessary in the time period as the current employment contractual arrangement do not fully meet the needs of these clients and the Council would still need to purchase from the external market. Unless employment terms and conditions were renegotiated, the situation of paying for additional hours and being unable to fill unused hours would increase, thus putting further pressure on the budget. The issue of cost comparisons would also have to be considered as the in house service is currently more expensive than the external provision, and costs of in house provision may further increase as staff contracts are re-negotiated.

Although due consideration will be given to the implications of TUPE, it is likely that there will be redundancies.

Option 3a - As above but also providing a re-ablement service

This option is unlikely to achieve the savings necessary in the time period required for the same reasons as given in Option 3.

Option 4 - To retain the current service as it is

This option would achieve no savings and in the longer term is unaffordable as the current in house service is more expensive than the external provision. In addition, the current staff employment terms and conditions do not meet service users needs.

7 Recommended Option

7.1 Having considered the above options officers have concluded that Option 2 will better meet the demands of clients, provide increased value for money and achieve the savings required. It also provides employment, albeit at a reduced level, for some existing Lewisham employees who have been offered training in re-ablement.

8 Modelling Assumptions

8.1 In planning the delivery outlined in Option 2, officers have modelled the likely staffing requirements. This has been based on information from the current Lewisham pilot and the Department of Health’s Whole Systems modelling framework. This work was developed using the following assumptions:

- 70% contact time
- Average four weeks of re-ablement
- Average 12 hours of re-ablement per week (more hours in week 1, reducing over time)
- 25% not completing re-ablement
- Ongoing levels of care based on CSED evaluations

1 Care Systems Efficiency Delivery (Dept of Health)
• It would take 12 months to be fully operational.

Based on these assumptions, in a Lewisham context, the following has been concluded:

• There would be a caseload of approximately 90 clients at any one time from hospital discharge or new community referrals
• Around 1,500 hours of reablement service would be needed per week which equates to 40 FTE re-ablement staff.
• 110-115 referrals would be anticipated per month
• Around 820 fewer people per year would be in receipt of ongoing home care
• Around 400 people would be in receipt of lower levels of support such as equipment and assistive technology

The assumption above have been borne out by the outcomes achieved during the re-ablement pilot. Between July and December, 224 service users referred for re-ablement achieved the following results:

<table>
<thead>
<tr>
<th>Total number of re-ablement cases assessed</th>
<th>224</th>
<th>% of 224</th>
<th>% of those reabled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcome 1: Resolved with equipment / adaptations / assistive technology</td>
<td>97</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>For the clients receiving 6 weeks hands-on re-ablement</td>
<td>127</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td>Outcome 2: Received short term re-ablement</td>
<td>69</td>
<td>74</td>
<td>54</td>
</tr>
<tr>
<td>Outcome 3: No care package required</td>
<td>42</td>
<td>62</td>
<td>57</td>
</tr>
<tr>
<td>Outcome 4: Cases reviewed after 3 months, continue to require no care package</td>
<td>31</td>
<td>13</td>
<td>24</td>
</tr>
<tr>
<td>Outcome 5: Post re-ablement requiring care package of 7 hours per week or less</td>
<td>24</td>
<td>9</td>
<td>19</td>
</tr>
</tbody>
</table>

9 **Rationale for proposing Option 2 and financial implications**

9.1 The formal establishment of a re-ablement service within the Council is an integral element of the redesigned structure for adult social care. Benchmarking across other the London Boroughs shows that, in the majority of boroughs, re-ablement provision has been developed by refocusing the in-house domiciliary care service. This approach has enabled boroughs to explore the capacity of the local provider market whilst at the same time reduce the expenditure of ongoing domiciliary care through the retention of a skilled re-ablement workforce.

9.2 The development of re-ablement and the externalisation of mainstream domiciliary care realises savings in a number of areas.
• Refocus and reduce current in-house service to form re-ablement service (£520k in 11/12 and £300k in 12/13).

• Transfer of current client receiving services from in-house to external providers. At the moment the in-house service delivers 1,763 hours of mainstream domiciliary care per week to 199 people. The estimate is that the in-house service costs £32 per hour, with the average private domiciliary care agency cost at £16 per hour. Annually the estimated cost saving if the cases were to be transferred is £1.48m. From the analysis of the pilot, the service estimates that it has already achieved a saving of over £120k by reducing the number of clients needing an ongoing package of care.

9.3 It should be noted however that although savings can be achieved in the longer term through a reduction of on-going care costs, there is an initial ‘spend to save’ period as re-ablement is being introduced. This represents the period where clients are taken on by the re-ablement service, at a relatively high hourly cost compared to standard home care.

9.4 In the longer term, the flow of clients into standard home care is reduced through re-ablement, and overall savings are realised. Based on these assumptions, the projected level of potential savings achievable is £1-£2.5m within 3-5 years if a full re-ablement service is implemented within 12 months.

10 Staff Implications

10.1 Developing the current workforce to become re-abelers offers an opportunity to promote a clearly defined role for the service. The benefit to the council is that the relationship between assessment and provision is direct, and this reduces the cost of the service overall as there is no requirement for brokerage. In the longer term, this is a discreet service that could become a local social enterprise.

10.2 However, the number of staff required to provide a re-ablement service is significantly lower than the current staffing complement. Subject to detailed reorganisation papers being drafted and staffing structures being finalised, officers anticipate, based on a 70/30 split, a likely staffing complement of approx 34 FTE including management and admin staff. The exact details of the staffing structure will be developed in line with the Council’s Management of Change procedures.

10.3 Re-provision of the rest of the in house service will be done through the existing commissioning framework. Although due consideration will be given to the implications of TUPE, it is likely that there will be redundancies.
Addendum 1 - Adult Social Care – Glossary of Terms

Admission avoidance

The prevention of unnecessary A&E attendances and avoidable hospital admissions through integrated social care and health support.

Adult Social Care Services

These are services that are commissioned or provided by the Council that are available to help and support vulnerable adults. Some examples of adult social care services are residential care, day care, home (domiciliary) care, meals on wheels and respite care.

Assessment of Need

An assessment is the series of questions that helps determine someone's social care needs. Carers can ask for their own separate assessment. This assessment will decide what kind of support a person or their carer needs.

Care Plan

A Care Plan specifies what care or equipment is needed; who is responsible for providing the care, service or equipment; who is responsible for making sure the care plan is carried out; the names of key people involved and how to contact them; and when services will begin.

Care Package

A care package is the package of support and services that are provided to meet an individual's assessed needs, as set out in the care plan. It may consist of one or more services, which may be residential and/or community based.

Care Pathway

A Care Pathway defines the activities and tasks within the social care process which ensure that a client receives the information, support and care they need at the appropriate time and to the same standard to achieve agreed outcomes.

Direct Payment

A Direct Payment is where the Council gives a service user money directly to pay for their own care, rather than the traditional route of providing care for them.

Eligibility Criteria

Eligibility criteria are the standards used to decide who the Council can provide services for, and what those services will be. The eligibility criteria are used to assess the level of risk to a person's independence if help were not available to support them. These cover important aspects of a person's life, including:
• all aspects of health, both mental and physical, plus any concerns about behaviour which would threaten the safety of the individual or those caring for them
• the ability an individual has to control their situation and how far they can make choices about their life
• the ability to manage their personal care needs, domestic activities and look after their own dependants
• the possibility of involvement in leisure and social activities, paid and unpaid work, learning and volunteering.

People are assessed as being in one of four levels of need within the eligibility criteria. Each of the four levels of need describe the risk to a person if they do not receive support. The four levels are:

• Critical
• Substantial
• Moderate
• Low

Since 2005, Lewisham Council’s policy has been to make sure that it provides services to people with the greatest need. At present this means helping those in the top two levels of need:

• Critical
• Substantial

Financial Assessment

A financial assessment is when a Council officer looks at a person’s finances and works out what they should be charged or what contribution they should make to the services they receive.

Intermediate Care – see re-ablement and intermediate care below.

Personalisation

Personalisation is the term used to describe the policy framework which aims to give people choice and control over their lives and the services they receive. It moves them from being passive recipients of services, to being involved in selecting and shaping the support they require to achieve their self-identified outcomes.

Personal Budgets

In future, if a person is eligible for social care support following an assessment of need, they will be told the amount of money the Council thinks is required to meet your needs. This is called a Personal Budget. They may decide to use this money to arrange or manage their own services.

Re-ablement and Intermediate Care

Re-ablement is the provision of support, training and practice to restore a person’s independence so that they can undertake those essential aspects of daily living such as washing, dressing and mobility. Re-ablement does not require the same level of professional or medical input as Intermediate Care (see below) but relies on trained
care workers to provide intensive support at the beginning of the programme, tapering off as the person gains more independence and confidence.

**Intermediate care** is the short-term treatment or rehabilitative service that is designed to promote independence, to reduce the length of time a person might be in hospital unnecessarily, or to help to avoid unnecessary admissions to hospital. Intermediate care can be provided in hospital, a special unit or in a person’s own home. Although seeking the same aim as re-ablement, it differs from re-ablement in that it includes an element of therapy (such as physiotherapy) and generally more than one professionally qualified practitioner. It usually follows a significant medical event such as a stroke.

**Review Process**

This is part of the care management process which requires a review of a client’s care plan to ensure that the services and support receive still meet their assessed needs.

**Support Plan**

A support plan outlines how someone’s personal budget will be used to make the changes they want to in their life, and meet their needs.

**Safeguarding**

The activity which enables a vulnerable adult to retain independence, well-being and choice and be able to live a life that is free from abuse and neglect.

**Self directed support**

Self-directed support is where people are able to design the support or care arrangements that best suit their specific needs. LAC (DH) (2008) 1 *Transforming social care* states that “In the future, all individuals eligible for publicly-funded adult social care will have a personal budget (other than in circumstances where people require emergency access to provision); a clear, upfront allocation of funding to enable them to make informed choices about how best to meet their needs, including their broader health and well-being. A person will be able to take all or part of their personal budget as a direct payment.

**Universal services**

Universal services are the services that are accessible to all citizens in the borough and where a person does not need to come to adult social care services to use them. These would include, for example, services such as transport, housing and education