

<b>REPORT TO EXECUTIVE DIRECTOR FOR COMMUNITY SERVICES</b>			
<b>Report Title</b>	<b>Savings proposal update A7 - Cost Effective Care for Mental Health</b>		
<b>Ward</b>	<b>All</b>		
<b>Contributors</b>	<b>Joint Commissioning Lead – Adult Mental Health</b>		
<b>Class</b>	<b>Part 1</b>	<b>Date:</b>	<b>14 January 2015</b>

## **1. Purpose of the Update**

- 1.1. This update outlines the proposals to implement savings related to the adult social care spend on mental health residential care. These proposals are being considered as a component of the overall future programme 2015/16 revenue savings at the Mayor and Cabinet meeting on February 11<sup>th</sup> 2015.
- 1.2. The savings plans are incorporated into the overall savings package agreed with the South London and Maudsley Mental Health Trust (SLaM) for 2015/16 and is being agreed through the current contracting round.
- 1.3. The savings proposals are a part of an overall programme of efficiency savings within Mental Health Services across health and social care. The current savings plans are intended to have minimal impact on service users, carers and wider stakeholders, and have been developed to maximise opportunities to support the transformation of service delivery and care to improve outcomes.
- 1.4. This update provides further information on the intention to consider and establish alternative procurement and contracting approaches for mental health social care that support a focus on recovery and the improved delivery of outcomes for our residents.

## **2. Recommendations**

- 2.1. The Executive Director is asked to agree the proposed savings plans in order to achieve a recurrent saving of £250,000 in the social care mental health residential placement budget.
- 2.2. The savings proposals are focused on a series of measures to secure reduced costs in residential placements and improve patient and service related outcomes. The measures undertaken will be:
  - Joint commissioners and SLaM will work in partnership to reduce variation in existing residential placement prices across Lambeth Southwark , Lewisham and Croydon
  - To further embed the implementation of personalised budgets facilitating care in the community

- To continue to support the implementation of the Adult Mental Health Model, increasing capacity in community based care and reducing the requirement for inpatient and residential provision
- To implement the use of the care funding calculator for mental health residential placements to support the decision making process for spot purchased placements
- To consider alternative models of commissioning residential services such as Alliance Contracting.

### 3. Savings Proposals

- 3.1. **Working in partnership with LSLC to reduce variation in costs:** A cross borough forum comparing placement costs is being reconvened to benchmark current costs with all existing providers. Lewisham Joint Commissioners and SLaM will work with the other boroughs commissioning and service leads to ensure that all costs become equal across the four boroughs at the lowest rate where possible.
- 3.2. **Further embed the implementation of personalised budgets facilitating care in the community:** Joint Commissioners and SLaM will work in partnership to ensure that personalisation becomes a core component of the social care assessment and care package delivery process for mental health service users, focusing on community based solutions. Joint Commissioners will also support the development of the market for personal assistance in the community as a viable alternative to residential care.
- 3.3. **To continue to support the implementation of the Adult Mental Health Model:** the business case for the SLaM Adult Mental Health model is based on the core principle that an expansion in the capacity and quality of community based mental health services in conjunction with greater integration with primary and social care will support a reduction in demand for acute and residential placements. A systemic process of periodic reviews is also being implemented as a component of the AMH model as a result of patient transition between teams, facilitating more effective transition between services and stepped down care where possible. The AMH Model alignment with a Neighbourhood approach in 2015/16 will also enable the development of an improved integrated service offer ensuring that an individual's whole needs are met in community settings that are closer to home.
- 3.4. **To implement the use of the care funding calculator to support the decision making process:** Working with our providers we will implement the care funding calculator for residents and patients who require a residential placement. The care funding calculator will be used in conjunction with the review process and taking into account the service user's aspirations and goals to achieve good outcomes.

**3.5. To consider the use of alternative commissioning models such as Alliance Contracting:** Alliance Contracting facilitates the development of an integrated system of care, by establishing a shared vision, objectives and performance frameworks under one contract with all of the providers within the alliance. The intention is to align outcomes, effective relationships, shifts in culture and practice and commitment with operating efficiently. The development of effective relationships based on trust and commitment are principle components of establishing Alliance Contracts. The Mental Health Commissioning Executive group will consider this approach as a component of wider system change discussions.

#### **4. Financial Implications**

4.1. The savings proposals will be achieved through a reduction in residential placement budget allocated to SLaM. This reduction is a component of wider savings plan that is been applied to SLaM's Mental Health provision across Health and Social Care and is currently being negotiated via the 2015/16 Contract round.

4.2. The 2014/15 adult social care overall spend on mental health is £9.1m and is a revenue budget, the residential placement budget component of the overall spend is £3.3m (The savings are being applied to the placement component of the budget).

4.3. The proposed savings plans are aimed at streamlining the placement process and/or revising current contracting/procurement arrangements. These savings do not impact on Local Authority or SLaM staff. No staff consultation or TUPE consideration is required.

4.4. The savings proposals do not lead to changes to service delivery so will not require formal consultation with services users.

#### **5. Legal Implications**

5.1. The NHSCC Act 1990 places the duty upon Local Authorities to assess the community care needs of those in the community who appear to the Local Authority, to be in need of such services.. The duties and powers to provide services, both residential and domicillary based, are contained in numerous other pieces of legislation, including the National Assistance Act 1948, which covers the provision of residential accommodation to adults who because of their disability are in need care and attention not otherwise available to them, and the CSDPA1970.

5.2. All of the current legislation will be consolidated with effect from 01.04.15, when the provisions of the Care Act 2014 come into effect. Any change to the service provision for any individual can only take place following a re-assessment of need.

- 5.3. In addition, in making proposals for service changes overall, there must be proper and meaningful consultation with service users, their families and any stakeholders, to enable and facilitate clear understanding of the proposals and enable stakeholders to express their views effectively.
- 5.4. The Equalities Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. In summary the Council must, in the exercise of its functions, have due regards to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited under the Act.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
- 5.5. The Equality and Human Rights Commission (EHRC) has issued “Technical Guidance on the Public Sector Equality Duty” and statutory guidance the “Equality Act 2010: Services and Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to chapter 11 which deals in particular with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The Statutory Code and the Technical Guidance can be found at
- 5.6. [www.equalityhumanrights.com/legal\\_and\\_policy/equality-act-codes-of-practice-and-technical-guidance/](http://www.equalityhumanrights.com/legal_and_policy/equality-act-codes-of-practice-and-technical-guidance/)
- The EHRC has previously issued five guides for public authorities in England giving advice on the duty:
  - The essential guide to the public sector equality duty
  - Meeting the equality duty in policy and decision making
  - Engagement and the equality duty
  - Equality objectives and the equality duty
  - Equality information and the equality duty
- 5.7. The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duty and who they apply to. It covers what public authorities should do to meet the duty, including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: [www.equalityhumanrights.com//advice\\_and\\_guidance/public\\_sector-equality-duty/guidance-on-the-equality-duty](http://www.equalityhumanrights.com//advice_and_guidance/public_sector-equality-duty/guidance-on-the-equality-duty)

## **6. Equalities Implications**

6.1. There are no specific service changes as a result of the savings proposals therefore an Equalities Analysis Assessment (EAA) is not required at this stage.

## **7. Crime and Disorder Implications**

7.1. There are no specific implications related to Crime & Disorder

## **8. Environmental Implications**

8.1. These are no specific environmental implications arising from the update.

## **9. Conclusion**

The Mayor agreed to the delegation of this savings proposal on 12th November, 2014 to develop cost effective care for Mental Health. The recommendation is for the Executive Director for Community Services to agree the savings proposals outlined in the report as a component of the wider efficiency proposals that are currently be negotiated with SLAM.

### **Decision:**

Acting in accordance with Standing Orders, I hereby agree to the recommendations contained within this report.



Date 16/1/15

Aileen Buckton – Executive Director for Community Services