

<b>Mayor and Cabinet</b>		
<b>Report Title</b>	Response to the Public Accounts Select Committee recommendations - Review of Community Services	
<b>Key Decision</b>	No	Item 9
<b>Ward</b>	All	
<b>Contributors</b>	Executive Directors of Community Services and Resources	
<b>Class</b>	Part 1	Date April 15 2009

## **1. Summary and Purpose of the Report**

- 1.1 In September 2007, the Public Accounts Committee presented a report to the Mayor which set out the Committee's views and recommendations in relation to Community Services.
- 1.2 The Mayor noted the comments of the Public Accounts Committee and the Executive Directors for Community Services and Resources were asked to comment and provide advice on the views and recommendations presented by the Scrutiny Committee.
- 1.3 This report provides a response from the Executive Directors for Community Services and Resources. Adult Social Care has been the focus of a transformation agenda and this report shows the considerable progress that has been made over the past 18 months to modernise the service and to ensure that robust systems and processes are embedded in order to deliver high quality, cost effective services.

## **2. Recommendation**

The Mayor is asked to note the contents of this report and the progress that has been made in relation to the modernisation of adult social care services, and to agree that the responses made by Community Services, as set out in this report, are submitted to the Public Accounts Select Committee (PAC).

## **3. Background**

- 3.1 In 2006/7, the Public Accounts Committee carried out a review of the structure and function of the Community Services Directorate. The review focused on two key areas: the rationale for the services that were brought together under the umbrella of the Community Services Directorate, and the demand and management of the adult social care budget.

3.2 Following the review, the Committee presented a report on its findings to the Mayor and made a number of recommendations in relation to the monitoring of the Directorate's progress and the provision of cost effective services.

3.3 The Committee recommended that:

Recommendation 1

*The Mayor and Cabinet Member for Community Services take regular reports on the Directorate's progress in tackling the key areas for improvements in cost and efficiency identified through its strategic budget review including:*

- *Targeting of resources and services on those in greatest need*
- *Completion of the planned review of charging policy in 2007/8*
- *Reduction of contract rates through smarter purchasing of residential care*
- *Changes to staffing levels and skill mix in Adult Teams*

Recommendation 2

*The Cabinet Member for Community Services give some attention to specific ways in which adult social care services might become more efficient through extra provision of cost effective but popular services. This might include accelerating the planned development of an appropriate range of supported accommodation with a corresponding reduction in spend on residential care; and increasing the uptake of the direct payments method of service provision.*

The Mayor requested a response to the recommendations.

**4. Response from the Executive Directors for Community Services and Resources**

4.1 As a general point a number of steps had been taken prior to the PAC report to improve the management of the budget within adult social care whilst maintaining a focus on performance. The report acknowledged the plans that were already in place at that time to further improve the service.

4.2 *Recommendation 1: The Mayor and Cabinet Member for Community Services take regular reports on the Directorate's progress in tackling the key areas for improvements in cost and efficiency identified through its strategic budget review.*

4.3 Both prior to and following the PAC review, the Mayor and the Cabinet Member for Community Services have received regular reports on the position of the Directorate's budgets, particularly within the area of Adult

Social Care. As part of the overall directorate budget discussions, the Adult Social Care budget has been routinely scrutinised at the briefing meetings that take place between the Cabinet Member for Community Services and the Executive Director for Community Services. During the early part of 2008/09, briefings were also provided to the Cabinet Members for Community Services and Resources to ensure that the budget savings identified for 08/09 were delivered and that any cost pressures arising from increased activity were appropriately managed. In addition, regular reports on the budget situation were presented to the Adult Social Care Task Group and the Adult Strategic Partnership Board which ensured that the budget for Adult Social Care was constantly examined in detail and that any activity by partners that might impact adversely on the budget received immediate attention.

- 4.4 The Public Accounts Committee suggested a number of areas on which there should be specific focus by the Mayor and the Cabinet Member for Community Services. This included a focus to ensure that resources and services were targeted on those in the greatest need. The timing of this recommendation coincided with the consultation exercise that was being undertaken by the Directorate in the latter part of 2007 on proposals to raise the FACS (Fairer Access to Care Services) eligibility criteria. The Mayor subsequently took the decision not to change the eligibility criteria and the criteria remains unaltered and residents with both substantial and critical care needs are deemed eligible for social care support.
- 4.5 However, to ensure that all social care support that is offered is cost effective, the process by which funding for care packages is allocated was critically reviewed. Currently all proposed care package costs are examined in detail before being approved by the care placement panel.
- 4.6 Following the Adult Social Care consultation on eligibility criteria and fairer charging undertaken between May and September 2007, the Mayor took the decision to increase the rates for care services. As a result of this decision, the proportion of a service cost charged to users increased from 80% to 100%, and the amount of a service user's income included in the assessment increased 50% to 75%.
- 4.7 In the summer of 2009, Adult Social Care services proposes to undertake a further consultation on a proposal to increase the amount of a service user's income included in the assessment from 75% to 85%.
- 4.8 The Public Accounts Committee also asked for smarter purchasing of residential care. The majority of the residential care contracts were renegotiated for April 2007 and achieved savings of £531k over a two year period. The renegotiation also allowed the removal of a number of block contracts thus reducing the payments the Council makes for unoccupied (void) beds by £223k.

- 4.9 In addition, the domiciliary care contract framework allowed for a renegotiation of prices. This renegotiation produced an additional 128k in savings. The contracts for 2008/09 are now in a steady state where the unit costs the Council now pays for residential and domiciliary care are competitive allowing for a stable provider market and an acceptable cost quality balance.
- 4.10 These actions have led to a total recurrent saving in 2007/8 and 2008/9 of £882K on contracted services.
- 4.11 The Committee also asked for consideration to be given to the changes in staffing levels and skill mix within the adult social care teams. As mentioned earlier, adult social care services have been the focus of a transformation programme. A strand within this programme has focused on reviewing and revising the assessment and care pathway that is followed before clients receive a care package. This work has included an examination of the staffing levels and skills in key areas of the service. In 2008/9, teams were established to review clients' care needs and associated packages of care. The teams were made up of trained support staff and released qualified social workers to focus on the initial community care assessments of client. This produced an efficiency saving of £240k and improved performance in the number of annual reviews that clients received.
- 4.12 Alongside this work, following the initial preparatory work undertaken throughout 2008, in January 2009, the Directorate brought together a team of experienced business support staff from the Older Adults and Occupational Therapy teams to create the nucleus of the new social care contact centre which will be fully operational from September 2009. This new single point of access will provide a much clearer route into services and will deal with all callers holistically.
- 4.13 *Recommendation 2: The Cabinet Member for Community Services give some attention to specific ways in which adult social care services might become more efficient through extra provision of cost effective but popular services. This might include accelerating the planned development of an appropriate range of supported accommodation with a corresponding reduction in spend on residential care; and increasing the uptake of the direct payments method of service provision.*
- 4.14 The transformation programme for adult social care continues to look at all areas of the service to improve the care provided for vulnerable residents, to better meet the personalisation agenda and to ensure that all available funding is used to best effect.
- 4.15 Work throughout the past year has included the outsourcing of the Community Equipment Store which achieved better value for money and a better service for residents many of who required less help as a results of

- the equipment or minor adaptation they received. This work was linked to an early intervention programme where Occupational Therapists assess clients and provide equipment and telecare in advance of any social care packages. This has produced an efficiency saving of £196k in 2008/9
- 4.16 In addition, for 200/10 an efficiency saving of £110k has been agreed as a result of reviewing working arrangements in the in-house domiciliary care service.
- 4.17 A management restructure in day services has reduced one supervisory post within the service with a saving of 42k.
- 4.18 In addition, the needs assessments for Extra Care/ Sheltered Housing have been completed. This includes the Stock Conditions survey of council owned extra care schemes (2) and sheltered housing schemes (19). A joint commissioning strategy is now being developed with proposals for future models for providing care and support to older people.
- 4.19 The strategy will consider whether there are other options within our extra care sheltered schemes to accommodate those people with greater levels of dependency than we are currently able to accommodate. Alongside this work, the Directorate has also reviewed the robustness of the process of admission to care homes. Managers are satisfied that appropriate scrutiny and challenge is in place to ensure that all community options are considered and that only those residents who require a care home placement are offered one.
- 4.20 In relation to Direct Payments there has been a considerable improvement over the past year. The offer of a Direct Payment has been set as the default offer within the new care assessment pathway. At March 2009, 418 service users had opted for a Direct Payment or 226 per 100,000 population aged 18+. This compares to 92.7 per 100,000 in March 2008. Improvements introduced following the PAC review included transferring the responsibility to the Brokerage Team in setting up Direct Payments and this has reduced the administrative tasks for social workers. A new development, within the mental health teams, focuses on providing carers with one off direct payments that can be used in any way that supports them in their caring role. This will be extended to other service areas this year. Direct Payments do not however in themselves reduce the cost of care packages.
- 4.21 The Directorate has also been successful in securing additional funding to support residents care and health needs. This has included the Communities for Health funding, the Well London fund, funding for a Working for Wellness service, and funding to install linked smoke alarms into vulnerable peoples homes. All of these funding streams have supported the preventative agenda which seeks to support and assist

residents in maintaining their health and well-being and reducing the movement into statutory care services.

**5. Crime and Disorder Implications**

There are no crime and disorder implications arising from this report.

**6. Equalities Implications**

There are no immediate or specific equalities implications arising from this report however all the developments mentioned above have been developed, or are being developed, within an Equalities framework.

**7. Financial Implications**

This report notes savings identified in Adult Social Care for 2008/9 and 2009/10. Overall, Community Services have identified savings of £1.493m in 2008/9 and £1.764m in 2009/10.

**8. Legal implications**

There is a provision in the Council's Constitution for responses to be made to reports and recommendations made by Overview and Scrutiny bodies. This report represents the substantive response.

The recommendations from PAC ask the Cabinet Member for Community Services to undertake certain activities. By law and under the Council's Constitution, executive decisions are taken by the Mayor, or in accordance with the Mayoral scheme of delegation. The Mayor has not given delegated authority to individual Cabinet members, though in accordance with the Constitution Cabinet members do have the role of being the spokesperson on all matters within their portfolio.

The references to changing of staffing and skill mix in Adult Teams is largely a managerial issue.

The Executive Director for Community Services holds the statutory position of Director of Adult Services under Section 6 Local Authority Social Services Act 1970 as amended.

**9. Environmental Implications**

There are no environmental implications to this report

## **10. Background documents**

A copy of the original report can be viewed at

<http://www.lewisham.gov.uk/councilanddemocracy/councilmeetings/mayorandcabinet/meetings/mayor%20and%20cabinet%20-%2005%20september%202007.htm>

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