



## Healthier Communities Select Committee

### Report title: Adult Social Care Review update

**Date:** 25 February 2021

**Key decision:** No.

**Class:** Part 1

**Ward(s) affected:** All

**Contributors:** Tom Brown, Executive Director of Community Services

### Outline and recommendations

The purpose of the attached paper is to provide the Healthier Communities Select Committee with an update on the council's *Adult Social Care Review* following the committee's recent consideration of related budget cut proposals. Specifically the report details current activity to procure a delivery partner to support the Council in achieving the outcomes of the service-wide review and realising £7m of savings in 2021/22.

- Members of the Healthier Communities Select Committee are recommended to note the report.

### Timeline of engagement and decision-making

**26 February 2020** – Budget report to Council

**10 June 2020** – Council's response to COVID-19 – financial update report to M&C

**9 July 2020** – First 2020/21 financial monitoring report to M&C

**7 October 2020** – Financial stabilisation and medium term budget update report to M&C

**11 November 2020** – Round 1 Cuts proposals report to HCSC

**3 December 2020** - Round 1 Cuts proposals report to PAC

**9 December 2020** – Round 1 Cuts proposals report to M&C

**13 January 2021** – Round 2 Cuts proposals report to HCSC

**2 February 2021** - Round 2 Cuts proposals report to PAC

**3 February 2021** – Round 2 Cuts proposals report to M&C

## 1. Summary

- 1.1. The purpose of this paper is to provide the Healthier Communities Select Committee with a comprehensive update on the council's *Adult Social Care Review* following the committee's recent consideration of related budget cut proposals.
- 1.2. The recommendation to undertake a review of Adult Social Care, with a specific focus on demand management and benchmarking with other local authorities, was raised by the Public Accounts Committee (PAC) on 3<sup>rd</sup> December 2020 in response to the Round 2 cuts proposals. The referral was received by Mayor and Cabinet on 9<sup>th</sup> December 2020 at which it was agreed to consider PAC's comments.
- 1.3. The council is in the process of commissioning an external supplier to provide a management consultancy service for this review. This service will provide strategic and analytical capacity to identify the best way of delivering transformational change at pace and scale within Adult Social Care.

## 2. Recommendations

- 2.1. Members of the Healthier Communities Select Committee are recommended to note the report.

## 3. Policy Context

- 3.1. The Council's strategy and priorities drive the Budget with changes in resource allocation determined in accordance with policies and strategy. The Council launched its new Corporate Strategy in 2019, with seven corporate priorities as stated below:

### Corporate Priorities

- Open Lewisham - Lewisham will be a place where diversity and cultural heritage is recognised as a strength and is celebrated.
- Tackling the housing crisis - Everyone has a decent home that is secure and affordable.
- Giving children and young people the best start in life - Every child has access to an outstanding and inspiring education, and is given the support they need to keep them safe, well and able to achieve their full potential.
- Building and inclusive local economy - Everyone can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.
- Delivering and defending health, social care and support - Ensuring everyone receives the health, mental health, social care and support services they need.
- Making Lewisham greener - Everyone enjoys our green spaces, and benefits from a healthy environment as we work to protect and improve our local environment.
- Building safer communities - Every resident feels safe and secure living here as we work together towards a borough free from the fear of crime.

### Values

- 3.4 Values are critical to the Council's role as an employer, regulator, securer of services, and steward of public funds. The Council's values shape interactions and behaviours across the organisational hierarchy, between officers, and members, between the council and partners and between the council and citizens. In taking forward the Council's Budget Strategy, we are guided by the Council's four core values:

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- We put service to the public first.
- We respect all people and all communities.
- We invest in employees.
- We are open, honest, and fair in all we do.

- 3.5 All suppliers would also be expected to protect our existing corporate commitments to upholding the London Living Wage and Ethical Care Charter in our contracts as we believe in investment in our local economy and paying everyone a fair and decent wage.
- 3.6 Following the initial emergency response to the COVID pandemic, a COVID 'recovery' plan has been developed for the whole health and care system in Lewisham. Our ambition for our recovery is to create a strong, sustainable and accessible health and care system which supports people of all ages: to maintain and improve their physical and mental wellbeing, to live independently and well, and to provide access to high quality care whenever they need it. To achieve this we need to deliver care in our communities which is proactive, joined up, cost-effective, and helps to prevent ill-health and promote wellbeing. The 'COVID19 - Lewisham system recovery plan' sets out our plans for the next 18 months and the ASC review must remain aligned to this, both in terms of its approach and implementation.

## 4. Background

- 4.1. A budget savings process is well underway Council-wide and there is an urgent need to deliver £40m over the next three years (2021-24) as described in the Financial Stabilisation Medium Term Plan.
- 4.2. This financial position illustrates the impact of the severe financial constraints which have been imposed on Council services due to a decade of funding cuts. This situation has been compounded by the Covid-19 pandemic and the need to protect Lewisham's most vulnerable residents.
- 4.3. As part of the budget-setting process, Adult Social Care (ASC) put forward savings proposals that were considered by Mayor and Cabinet on 9th December 2020 and 3<sup>rd</sup> February 2021 (Round 1 and Round 2).
- 4.4. A summary of these savings proposals is as follows:

Ref	ASC saving proposal	Savings (3-year total)	Mayor and Cabinet Decision
<b>B-11</b>	Improved usage of Better Care Fund across partnership	£1m	Consult and Return
<b>C-02</b>	Day Service and Supported Learning Integration	£150k	Consult and Return
<b>E-04</b>	Fees and Charges – Client Contributions	£82k	Agreed
<b>F-01</b>	ASC Demand Management	£3m	Agreed
<b>F-06</b>	Reduce Care Costs – Adults with Learning Disabilities and Transitions	£760k	Agreed
<b>F-09</b>	Reduction of in-house adults passenger transport	£600k	Consult and Return
<b>F-24</b>	ASC service improvement programme	£4.279m	Consult and Return
<b>Total:</b>		£9.871m	

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- 4.5 These savings proposals were reviewed by both Healthier Communities Select Committee (11 November 2020 and 13 January 2021) and Public Accounts Committee (3 December 2020 and 2 February 2021).
- 4.6 £7m of these ASC savings must be realised in 2021/22, more than any other service area in the Council. To help deliver these savings within the required timeframe, a full-scale review of ASC must be undertaken. The objective of this review is to identify sustainable financial benefits through service change and improvement, whilst continuing to provide good outcomes for Lewisham residents.
- 4.7 The recommendation to undertake this review of Adult Social Care - with a specific focus on demand management and benchmarking with other local authorities - was put forward by the Public Accounts Committee on 3rd December 2020.
- 4.8 In response to this recommendation an external partner is currently being sought through a 'mini-competition' process. Once appointed, this supplier will provide strategic capacity and diagnostic capability to deliver the review at pace. The formal start date of the supplier-led review is expected in April 2021.
- 4.9 COVID-19 has had a significant impact on ASC and this has included delaying some of the cuts for the current financial year (2020/21). For example, delays in undertaking face-to-face reviews has meant that we have not been able to get a full-year effect of expenditure reductions on placements in some cases. However, work that is underway is showing good progress and after COVID related costs are removed, ASC will underspend this year. We fully expect to achieve these savings in full in 2021/22.
- 4.10 The following reports that have previously been received by Healthier Communities Select Communities also provide additional financial context to the current budget savings:

Asset Based Approach to Adult Social Care (report to HCSC – 3 September 2019)  
<https://councilmeetings.lewisham.gov.uk/documents/s67229/04%20asset-based%20approach%20-%20030919.pdf>

Cost of Adult Social Care – additional information provided on cuts in 2018/19  
<https://councilmeetings.lewisham.gov.uk/documents/s59737/Appendix%20b%20The%20Cost%20of%20Adult%20Social%20Care.pdf>

Adult Social Care Budget (report to PAC – 6 November 2019)  
<https://councilmeetings.lewisham.gov.uk/documents/s68858/06%20Adult%20social%200care%20061119.pdf>

## 5. Scope of the external ASC review

- 5.1. The service-wide external review of ASC will be undertaken in a phased-approach:

**Phase 1 – Diagnostics and delivery planning**

**Phase 2 – Design and implementation**

- 5.2 Only Phase 1 is subject to the current procurement process. Following completion of Phase 1, the review will briefly pause to assess whether Phase 2 can be delivered in-house. If Phase 2 is to be delivered by an external supplier, then further procurement will be undertaken in adherence with the Council's Constitution. Phase 1 and Phase 2 may be undertaken by the same supplier.

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- 5.3 The service specification for this procurement set out the following requirements for inclusion in Phase 1 of the review:
- a) Work in partnership with ASC to achieve the £7m of savings in 2021/22.
  - b) Build a detailed understanding of potential areas for ASC service improvement using existing service-related intelligence, business insights, live studies, user experiences and stakeholder engagement.
  - c) Ensure that every stage of the review is data driven, evidence-led and linked to tangible outcomes.
  - d) Highlight any specific barriers (including issues of capacity, capability, policy and organisational culture) that would need to be overcome to implement improvements in these areas.
  - e) Quantify the potential in each opportunity area and detail on the specific operational hurdles that must be addressed to release this potential.
  - f) Build a benefits model illustrating the rate at which improvements are expected, and the resultant financial gains.
  - g) Establish an order of priority for improvement opportunities framed by robust rationale.
  - h) Develop a supporting narrative for transformational change that ASC staff can work consistently towards.
  - i) Impart skills or knowledge transfer to key council staff through mentoring or training opportunities throughout the lifecycle of the project.
  - j) Provide the identification of opportunities to either work with or train Lewisham officers in order that they are able to deliver part of any potential implementation process.
  - k) Develop a vision for change and create a future service offer that elected members and officers can have confidence in and Lewisham residents can understand.
  - l) Identify the best approach to any culture change that needs to be initiated and support the council in the design and roll-out of this.

- 5.4 At the end of Phase 1 (July 2021) of the review, there is an expectation that the following two outputs will be delivered by the supplier:

- 1) An independent **Diagnostic Report**, setting out the opportunities available to improve service delivery as well as the financial and performance benefits that could be realised as a result. All recommendations and conclusions contained within this report will be underpinned by robust data and clear evidence.
- 2) An **Implementation Plan** for the delivery of Phase 2 of the review. This will set out the strategic approach alongside key activities and timeline, as well as resource requirements, dependencies, assumptions and risks.

- 5.5 Although, Phase 2 (Design and Implementation) is not part of the current procurement process, potential suppliers have been advised of the proposed scope within the service specification. This is to ensure that Phase 1 will lead seamlessly into Phase 2.

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However, there will be the flexibility to make modifications to our requirements for Phase 2 following a thorough consideration of the outputs from Phase 1. The council is also retaining the option to delivery Phase 2 of the review in-house.

5.6 Phase 2 requirements as currently described in the service specification are as follows:

- a) Co-design solutions to the prioritised service changes through collaboration between key stakeholders and consultancy (if appointed).
- b) Pilot solutions, whilst measuring the impact of improvements and continue to refine these alongside key stakeholders.
- c) Fast-track implementation of preferred solutions in accordance with agreed timescales.
- d) Ensure all service changes are sustainable and benefits (both financial and outcomes-based) are fully maximised and realised.
- e) Identify and support the implementation of any culture change required to underpin the successful delivery of these service changes or new ways of working.

## 6. Timeline

- 6.1. The submission deadline for bids received through the 'mini-competition' process was 17<sup>th</sup> February 2021 with the evaluation and moderation of tenders taking place in the week commencing 22<sup>nd</sup> February 2021.
- 6.2. The earliest award decision will be the 16<sup>th</sup> March 2021 with the earliest contract commencement on the 6<sup>th</sup> April 2021.
- 6.3. It is anticipated that Phase 1 of the Review will run for a 10-week period between April and July 2021, at which point there will be a pause to assess whether to procure external support for the delivery of Phase 2 or to undertake this in-house.

## 7. Internal Delivery Action Plans (DAPs)

- 7.1. Whilst the external review will contribute towards the delivery of savings in proposals F-01 (ASC demand management) and F-24 (ASC service improvement programme), the realisation of these savings is not wholly contingent on the appointed supplier.
- 7.2. Running alongside the external review are the Delivery Action Plans for each saving. These are internal documents that continue to be developed within the service area to identify and track the key activities required to delivery the saving.
- 7.3. The appointed supplier will take account of the areas of focus detailed in the Delivery Action Plan (DAP) at each stage of their analysis and address these as part of the overall review. They will also work in partnership with ASC to strengthen these interventions and the evidence-base underpinning them. However, ASC retains responsibility for the DAP and will continue to drive progress of this throughout the review.
- 7.4. The Delivery Action Plan that underpins savings proposals F-01/F-24 is focussed around the following improvements:
  - I. Continue to implement new ways of working to improve the management of demand from the community and hospital pathways.
  - II. Continue to shift the culture of practice from deficit to strength-based model of assessment and support planning to promote independence.
  - III. Ensure Assessment performance, productivity and unit costs are cost efficient through benchmarking against statistical neighbours.

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- IV. Assess providers in the market place to determine whether the alternative offer is better placed to meet residents' needs.
- V. Improve commissioning and contract monitoring arrangements for domiciliary, residential and day care services.
- VI. Improve performance and productivity of casework flow and underpin with leaner system processes.
- VII. Ensure there are end dates on care plans and priority plans to re-assess individuals' package of care and support.
- VIII. Implement improvement plan for short term enablement intervention in order to reduce/delay costs of longer term care.
- IX. Modernise and transform building-based day centre provision.
- X. Work with NHS partners to improve access to rehabilitative therapies and recovery.

7.5. Progress against actions within the DAP and the delivery of savings is regularly monitored through the following channels:

- **Weekly** meeting of the ASC Delivery Board, chaired by Director of Operations, Adult Social Care.
- **Bi-weekly** monitoring report to the Chief Executive on the reviews of packages/placements, including the number of cases reviewed and the cost reduction achieved.
- **Monthly** meeting of the Adult Social Care and Joint Commissioning Savings Delivery Board, chaired by the Executive Director for Community Services.
- **Monthly** 'Task and Finish' groups.
- **Monthly** meetings of Community Services Business Partners for Finance, Human Resources and Strategic Transformation.
- **Monthly** exceptions reporting to the Service Delivery and Redesign Thematic Programme Board, chaired by the Executive Director for Housing, Regeneration and Public Realm, with escalations to the Strategic Change Board (EMT) as required.

7.6. In addition, 3 separate programmes have been set-up that encompass the delivery of the following savings proposals with corresponding boards/working groups overseeing activity and monitoring progress:

Ref	ASC saving proposal	Oversight
<b>C-02</b>	Day Service and Supported Learning Integration	Future of Learning Disabilities Day Services Working Group
<b>F-06</b>	Reduce Care Costs: Adults with Learning Disabilities and Transitions	Transition Demand Management Working Group
<b>F-09</b>	Reduction of in-house adults passenger transport	Passenger Transport Board

7.7. These programmes are also included as part of the monitoring detailed in para 7.5 above.

7.8. Progress in delivering savings proposal B-11 (Improved usage of Better Care Fund across partnership) is addressed in agenda item 5 'Better Care Fund review update'.

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## **8. Financial implications**

- 8.1. External support is being sought through a tender process that is expected to conclude by March 16th. Costs associated with commissioning this additional capacity are being funded from corporate resources. As the process is currently underway, specific implications are not available.

## **9. Legal implications**

- 9.1. There are no direct legal implications arising from the implementation of the recommendations in this report.

## **10. Equalities implications**

- 10.1. Equality Act 2010 brought together all previous equality legislation in England, Scotland and Wales. The Act included a new public sector equality duty, replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. 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.
- 10.2. The Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by 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.
- 6.3 The appointed supplier will be required to comply with the Council's equality and diversity policies.
- 6.4 Addressing inequalities within the health and care system, especially those impacting upon our Black, Asian and Minority Ethnic (BAME) communities, is a key priority for the Council and its partners. This focus has been sharpened in response to the disproportionate impact that COVID-19 has had on these communities. Any changes to ASC services originating from this review will need to be mindful of this, with a thoroughly consideration of the equality implications for our most vulnerable residents alongside appropriate mitigation to reduce any negative impacts.

## **11. Climate change and environmental implications**

- 11.1. There are no anticipated climate change and environmental implications arising from this review of ASC. However, any proposed service changes or recommendations must be mindful of the Council's intention of becoming a carbon neutral borough by 2030 and observe our commitments in the Climate Emergency Action Plan that was agreed by Mayor and Cabinet in March 2020.

## **12. Crime and disorder implications**

- 12.1. There are no direct crime and disorder implications arising from the implementation of the recommendations in this report.

## **13. Health and wellbeing implications**

- 13.1. There are no direct health and wellbeing implications arising from the implementation of the recommendations in this report.

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## 14. Report contact

14.1. Steward Weaver-Snellgrove, [Stewart.Weaver-Snellgrove@lewisham.gov.uk](mailto:Stewart.Weaver-Snellgrove@lewisham.gov.uk)

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