

Cabinet
18 June 2015**5. UPDATE ON COMMISSIONING OF ADULT SOCIAL CARE SERVICES****Relevant Cabinet Member**

Mrs S L Blagg

Relevant Officer

Director of Adult Services and Health

Recommendation

- 1. The Cabinet Member with Responsibility for Adult Social Care recommends that Cabinet:**
 - (a) notes the progress made on plans to commission adult social care services currently provided by the Council as agreed by Cabinet in July 2014; and**
 - (b) approves that the final decision for each service is delegated to the Cabinet Member with Responsibility for Adult Social Care in consultation with the Director of Adult Services and Health.**

Background Information

2. Over half of all adult social care in Worcestershire is funded and purchased directly by individuals. Those people who are eligible under the Care Act for Council funding for adult social care are given a personal budget in line with their needs and financial circumstances. Some of them take this as a direct payment and purchase services directly. Others rely on the Council to commission services on their behalf. Over 80% of adult social care services funded by the Council are provided by the independent and voluntary sectors.
3. There are a number of developments in commissioning of adult social care services. Firstly, the Council is working towards greater personalisation of services in line with the requirements of the Care Act 2014. This includes introducing a payment card to make it easier for people to use their direct payment in a flexible way, arranging independent advocacy to support people to make choices where necessary, and the ongoing development of an e-marketplace on the Your Life Your Choice website so that people can see what services are available.
4. Secondly, the Council will be reviewing the market for care to ensure that it is sustainable. The Council is also actively developing new services as alternatives to

residential care. Using capital monies from the Department of Health, the Council will be investing £5m in Extra Care and Supported Living so that approximately 440 people will have the choice of a more appropriate care environment.

5. Finally, in July 2014 Cabinet approved the commissioning of the Council's in-house adult social care services with a view to finding alternative providers. This approach is consistent with:

- the Council's intention to become a strategic commissioning organisation
- the Council's intention to promote greater personalisation of all services so that people have control over their personal budgets and can commission services from providers directly or with support
- the Council's duty under the Care Act to ensure a sustainable market for adult social care, thereby ensuring and increasing choice both for self-funders and those people who are eligible for Council funding.

Commissioning of In-House Services

6. In July 2014, the Cabinet approved a programme of commissioning and included in this specific dates by which decisions would be brought to Cabinet for final decision, with an ambition where possible for the transition of all in-house adult social care services to new providers to be completed or underway by April 2016. These dates were informed by market engagement events held in 2014 which indicated that there was a willingness in the market to consider becoming a provider of in-house services.

7. Commissioning activity since then has made some progress. However, a number of challenges have emerged that make this timetable difficult. These include changes in the market and inter-dependencies between services that make the commissioning more complex than was originally anticipated.

Shared Lives

8. In July 2014 Cabinet asked that the outcome of commissioning of the Shared Lives service should be reported in July 2015 with a view to deciding on a preferred provider. By April 2015, further market engagement work had been undertaken and the tendering process commenced. This identified three potential providers. However, the market situation changed during the final stages of the tendering process with the emergence of a Community Interest Company (CIC) made up of a significant number of current professional Shared Lives carers. As a consequence, the tendering process was halted. Discussions have commenced with potential providers including the CIC, and following these, tendering will recommence in September. The plan is to complete

Woodlands Supported Living

commissioning by April 2016.

9. Any decision around the future provision of supported living arrangements at Woodlands was dependent on the Community Housing Group's (CHG) plans for the accommodation that the Council currently leases from them. Extensive discussions have taken place with the CHG resulting in confirmation in April 2015 that they were willing for the Council to seek an alternative provider for Supported Living in their accommodation. Work has therefore just commenced on the options for commissioning. Market development and engagement events will be held in September 2015. These will seek views from providers as to whether it is preferable to commission this service in its own right, or whether better value and greater market interest could be achieved by combining this service with any new services which will be developed as part of the Council's plans to expand Supported Living. The plan is to complete commissioning by April 2016.

Residential Care for People with a Learning Disability

11. These services fall into two groups: those providing replacement care (formerly referred to as respite care) and those providing long-term care.

12. For replacement care, a review of all services commissioned by the Council, which includes the independent and voluntary sectors and Worcestershire Health and Care Trust (WHCT), has identified three issues:

- (a) the need for replacement care requires further analysis of numbers and type of need in order to accurately predict supply requirements;
- (b) the cost of replacement care appears to vary significantly across the different parts of the market, and this needs further analysis in order to have confidence in the supply and quality of provision;

13. In light of the above, further work is required before a commissioning strategy can be developed for replacement care and decisions made on the future of the Council's own provision. This will be completed by October 2016. It is recognised that changes to replacement care will have a significant impact on service users and carers – and in the case of the WHCT provision, on children and young people too. Similar to the development of day opportunities, this needs to be managed at a pace which recognises people's understandable anxieties, takes full account of service user and carer needs and ensures that provision continues to be high quality and timely. It is planned therefore, that the commissioning of the Council's residential replacement care provision will be completed by April 2017. Consideration will be given to arrangements for sustaining the services during the interim.

14. In terms of long-term care, the number of service

users has reduced since the Cabinet report of July 2014 as a consequence of people choosing Supported Living and Shared Lives instead of residential care. This means that the Council needs to re-establish what level of residential provision it requires before going out to the market to ensure sustainability and this will be undertaken by September 2015. It is planned that following this, these services can be commissioned by September 2016. Again, consideration will be given to arrangements for sustaining the services during the interim.

Older People's Day Services and Older People's Respite

15. The Cabinet decision to cease new admissions was enacted. All users have had their support plans reviewed and alternative services have been identified in the independent and voluntary sectors. All users have transferred to new providers. Staff working in these services have been redeployed where possible, although it was unfortunately necessary to make a small number of individuals redundant.

Home Care for People with Dementia (Side by Side)

16. The service specification for this service has been developed. However, constraints on capacity in the home care market, and the recent changes and pressures in urgent care, will require the Council to consider carefully the impact of commissioning this service from an alternative provider. Although separately managed, staff from this service are deployed as a provider of last resort where there is a failure in the independent sector, and are also frequently deployed to support hospital discharges at times of escalation.

17. The Council has embarked on a comprehensive independent review of the adult social care market, including home care, which will report by November 2015. It is proposed that the outcome of this report, as well as agreement about the future commissioning of Promoting Independence services (see below), needs to be taken into account before proceeding with a tender for Side for Side.

Learning Disability Day Services

18. Following extensive consultation with service users and carers, the Cabinet Member for Adult Social Care agreed in December 2014, February and March 2015 final arrangements for new buildings for the Connect and Resource Centres in the North and South of the County. Implementation of these decisions is completed in the North and will be completed in the South by March 2016 – in the latter case the timescale is due to the capital works required to adapt the new Centres.

19. Before commissioning can take place, it is considered necessary to allow the new arrangements time to 'bed-in' so that staff and service users have a period of consistency and confidence before any approach is taken to commission services from alternative providers. It is also relevant that the

number of people using personal budgets to purchase day opportunities is reducing which means it is necessary to gain a more realistic understanding of the potential business available to the independent and voluntary sectors.

20. This means that there will be no active tendering in the North of the County before Autumn 2015 and in the South before Summer 2016. In the meantime, the emergence of new potential providers, such as Mencap in Malvern, will continue to be encouraged and commissioners will explore whether individual centres can be commissioned or social enterprises established. The services at the Resource Centres and the Connect Hubs will continue as outlined in the delegated Cabinet Member Decision reports published in December 2014, February and March 2015.

Integrated Recovery Services

21. Integrated recovery services include Timberdine, Howbury and the Grange, the Council's Promoting Independence service, as well as related NHS services. These support older people to prevent admission and allow discharge from the acute hospitals. Collectively these are funded by the Better Care Fund and the Clinical Commissioning Groups (CCGs).

22. Work continues with the CCGs on the specification for integrated recovery services in the North and South of the County. Procurement of these services will be led by South and North Worcestershire CCGs with input from the Council's Integrated Commissioning Unit. It should be noted that decisions about the future of these services will require agreement by the Health and Well-Being Board and will be reported by the Cabinet Member with responsibility for Health and Well-being.

County Enterprises Workshop

23. Responsibility for strategic leadership and management of this function transferred to the Directorate for Business, Economy and Community from 1 April 2015 in line with the Cabinet decision. This ensures that the workshop, which provides employment to people with disabilities who are not eligible under the Care Act for support, is focused on developing a sustainable economic model.

Financial Implications

24. The total revenue for budget for in-house provider services is £15.1m comprising of £7.7m Council base budget and £7.4m income. There are no specific financial savings attached to any of the commissioning proposals agreed by Cabinet in July 2014. However, there is an overall savings target of £300,000 for 2016/17 as part of Future Lives programme attributed to this, which will be achieved through addressing the cost and over-supply of replacement residential care for people with a learning disability.

HR Implications

25. It is recognised that the timeline for commissioning is

Equality and Diversity Implications

Contact Points

Background Papers

having an impact on recruitment and retention. The Directorate will continue to review what staffing measures it needs to put in place to ensure that the services remain viable and safe pending commissioning to the independent sector.

26. The Council is mindful of the need to exercise a high level of Due Regard to the aims of the Equality Duty as we carefully plan future service design and delivery. Equality Impact Assessments will be conducted where relevant and findings will contribute to the commissioning process

County Council Contact Points

Worcester (01905) 763763, Kidderminster (01562) 822511 or Minicom: Worcester (01905) 766399

Specific Contact Points for this report

Richard Harling, Director of Adult Services and Health
(01905) 766307
Email: rharling@worcestershire.gov.uk

Richard Keble, Head of Integrated Commissioning Unit
(01905) 728952
Email: rkeble@worcestershire.gov.uk

In the opinion of the proper officer (in this case the Director of Adult Services and Health) the following are the background papers relating to the subject matter of this report:-

Agenda and background papers for the meeting of the Cabinet held on 17 July 2014

Cabinet Member Decision reports – December 2014, February and March 2015