

Adults and Lifelong Learning Select Committee

13 February 2019

Adult Social Care Transformation Programme

Purpose of report:

This report describes the Adult Social Care Transformation Programme, the expected changes and transformation of Adult Social Care in Surrey and the anticipated impact and challenges.

Background

Overview

1. The delivery of Adult Social Care in Surrey, and elsewhere across the country, is framed by the requirements set out in the Care Act (2014). The Care Act places statutory duties on Surrey County Council (the Council) to promote independence and wellbeing; prevent, reduce and delay a person's requirement for care and support. The Care Act also clearly sets out who should be eligible for a Care Act assessment and subsequent care and support. The Council's approach to transforming Adult Social Care, delivering better outcomes for residents and consequently delivering the medium term financial strategy is to fully realise the benefits and opportunities arising from this legislation.
2. The Care Act regulations state 'at every intervention with a person, a local authority should consider whether or how a person's needs could be reduced or other needs could be delayed from arising. Effective interventions at the right time can stop needs from escalating and help people maintain their independence for longer.' The strategic vision and objectives for Adult Social Care are designed to deliver these requirements and to improve the wellbeing of all residents.
3. At present, the Council is supporting 20,288 people with care and support needs. 11,746 of these are older people being supported in care homes or in their own homes (3,009 Residential/Nursing Homes, 3,427 Homebased Care, 5,310 in the Community – includes carers) and 8,542 are younger adults living in supported housing or being helped to live independently in their own homes (1,109 Residential/Nursing, 1,301 in Housing with support, 934 Homebased Care and 5,198 in the community – includes carers)

Adult Social Care Vision

Vision

4. The Council's vision is that, irrespective of age, people are able to live safely and independently for as long as possible. If this vision is realised, not only will it improve the quality of life for the most vulnerable residents, but it should also deliver services within the resources available to the Council.
5. Put briefly it is necessary to view spending on individuals and their families as an investment which maximises the ability of individuals with Care Act eligible needs to lead independent, productive lives to the greatest extent possible; the Council's and service users' expectations need to be high.
6. This means a different model of service for all the Council's client groups; a different "care journey", with the following ingredients:
 - a) **A strength based/asset based approach**

Early contacts and interventions need to be maximising individuals' ability to solve problems for themselves with the help of family and community resources. This is vital to promote independence and discourage dependency. It is necessary to maximise the accessibility of all public services to clients; this includes access to health and housing, and employment.
 - b) **A reluctance to assess for long term needs when someone is in crisis**

The Council should assess people when they are at their best, not at their worst. But it is often when people are at their worst or in a crisis that they encounter social service. People can be ill in hospital, for instance, or have a breakdown in informal care, or bereavement. Younger adults can have an admission under the Mental Health Act, or face the prospect of elderly parents being no longer able to care for them. It is necessary to make sure that, for example, in hospital elderly people are discharged back home in nearly all cases rather than ending up facing a lifetime in residential care. A lifetime that can be all too short in some cases.
 - c) **Short term interventions to recover independence**

To assist this the Council must be prepared to offer timely help to get people back on their feet before their long term needs are assessed. This is called various things depending on the client group or the therapies delivering the intervention but it includes reablement, rehabilitation, and recovery.

d) Assessments for outcomes

If spending is thought of as an investment to promote independence then it is legitimate to think that some people's care needs will reduce over time. Providers of care must be asked to have this in their mind all the time. Reviews are a very important part of this process; they are how providers are held to account to achieve improvements sought by the Council.

e) Commissioning and Market interventions

The Council must be more assertive in the market to ensure that care can be purchased at an affordable price. The Council must consider managing services itself or through trading company Surrey Choices.

Surrey is not in the same position as other Councils; a large majority of people can afford to purchase their own care. This has positives and negatives in terms of the price paid for care.

Like most places Surrey has a sometimes fragile market for care, especially home based care. This means the Council must pay a price that is sustainable whatever the budget position. Two "costs of care" exercises for older people and people with learning disabilities have been undertaken and it is believed that the Council is paying a fair price for care at the moment.

f) An "anti-institutional bias"

Surrey has more people in residential and nursing care than national averages and are a huge outlier in terms of people with learning disabilities in residential and nursing care, only partly because of the legacy of old NHS long stay institutions.

If the Council is serious about promoting independence it must have the ambition that as many younger adults as possible move out of institutional care and into "ordinary living".

Making a Start

7. The Council originally set a cash envelope for Adult Social Care in 2018/19 of £382m. This included a savings target of £18.3m. In the summer the service was then asked to find a further £10.7m of savings to contribute towards the Council's target to deliver £40m of additional in-year savings in 2018/19. As at the end of December 2018, Adult Social Care is forecasting to over-achieve the additional in-year target set by £7m, resulting in £36m of savings in total

now forecast to be delivered in 2018/19, mitigating some of the risks for the 2019/20 budget.

8. As with all budgets of this kind, there is an arithmetical logic to this. The large majority of spend, 90% in fact, is client related. To achieve the savings in 2019/20 it is essential that client spend falls in 2018/19 to a level where the full year effect of current spend, plus unavoidable growth in demand numbers or costs is within the cash envelope. Given it is now the fourth quarter, the Council is aiming to achieve as close to an underspend of £20m this year to ensure some flexibility for any potential future pressures, such as an increase in demand (excluding one-off savings of various kinds) and this is the ambition.
9. There are three main drivers in delivering the underspend:
 - a) Reducing numbers in the system – by effectively managing demand; maximising independence by providing appropriate access to universal and short term interventions, such as reablement, preventing; reducing and delaying the need for longer term care and support.
 - b) Changing the pattern of care – by providing the most appropriate type of care to meet needs, promoting independence by offering home based care rather than residential care.
 - c) Reducing the cost of care – by ensuring the provision of care is outcome focused and still appropriate to the needs of people who use services whilst carrying out timely reviews and the provision of the most suitable accommodation at an affordable price through market management.

All of these approaches are being used, and all transformation programmes will impact on these drivers.

Adult Social Care Transformation Programme

Delivering the Change

The collective programme of change throughout 2019/20 and 2020/21 will build upon the work of 2018/19 to deliver transformation in Adult Social Care in Surrey and is shaped into the following transformation programmes. The Social Care Institute for Excellence (SCIE) are working with Adult Social Care as an improvement partner.

Practice Improvement

This programme will strengthen and enhance preventative services, change the conversation to focus on family and community resilience, develop an enhanced offer for recovery and reablement (including extending our telecare offer) and, for

those who after an assessment require care and support, to effectively manage and consistently review their care and support needs.

- a) The conversation at the front door will focus on outcomes that draw on the person's strengths and assets to achieve the lives they want for themselves, also ensuring access to information and advice to help them look after their health and well-being and to avoid, or delay, the need for social care. Reablement is key to maintaining or increasing independence.
- b) Resources will be targeted; practice and process improvement will result in a more efficient flow of work, better decision making and outcomes - reducing the dependence on services where appropriate.
- c) The workforce will be mobile, teams are currently trialling tablets that will enable them to complete assessments with the person present and reduce desk time needed to write up work.
- d) Case holding will reduce, moving to a task based 'see and solve approach'. People will be encouraged to self-serve wherever possible.
- e) Statutory support will be provided via pre-paid card direct payments as the default option, reducing dependency on homebased care services.
- f) As part of this programme, in line with the service review of Learning Disabilities, Adult Social Care is working to set up a specialist learning disability and autism team. The team will work to increase the number of people with a learning disability and autism living independently in their own homes with access to employment, friendship groups or other worthwhile pastimes.
- g) The rollout of this programme began last year, Adult Social Care are currently working with the last four locality teams before they begin the rollout to the specialist teams in May 2019 i.e. Mental Health, Learning Disabilities and Transition teams. SCIE will be working closely with the Council to ensure that the strength based approach is truly embedded within teams.
- h) This programme is aligned to the Adult Social Care vision is provide a strength based/asset based approach and deliver short term interventions to recover independence and prevent, reduce and delay the need for long term care.

All Age Disability (Transitions)

- a) The Council is developing an all age learning disability approach starting with services for young people aged 14-25 years and linking to the specialist Learning Disability Team based in Adults Social Care.
- b) The Council will improve local commissioning solutions by, for example, introducing a 'Local Offer Plus'.
- c) Residents will be involved in the development of local solutions and feedback will be collected from them regularly through a new resident focused performance dashboard.

- d) The Council will offer support to other areas of the business to deliver their outcomes and priorities, for example, within SEND post-16 work, embedding the family resilience model, and supporting the new approach for strategic commissioning.
- e) As part of this work, eight practitioners will join the Transition Team to focus on the preparation for adulthood for 14 to 18 year olds, this will include workers with mental health expertise in order to bridge the gap between Children's and Adult services.

Health and Social Care Integration

This programme will deliver of a holistic range of services. This will include new models of care that enable the Surrey population to access the right health and care at the right time in the right place and the adoption of a more active preventative approach.

- a) The work of the programme will align to the integration agenda; to develop a financially sustainable health and social care system that delivers improved outcomes for residents through the delivery of holistic services
- b) New models of care across health and social care teams will enable access to the right health and care, at the right time, in the right place
- c) Collaborative working will help prevent admission to hospital and support hospital discharge
- d) A move to a more preventative approach will help people live healthy, active lives, live independently and delay the need for care and support
- e) There are currently a number of joint initiatives that have been developed or are in development with health colleagues across the County. Many of these are now considered business as usual, Epsom Health and Care, for example, which is an integrated service that supports individuals to remain independent in the community. By working together to make the best use of rapid response and reablement they help individuals reach their potential and remain independent.
- f) The Council is developing discharge to assess models with health partners to ensure that people are at their best using a strength based approach and ensuring timely discharge from hospital. Annex 2 is a schematic of this process at Epsom General Hospital.

Accommodation with Care and Support

This programme will shape the accommodation with care and support market for older people and those with a learning disability. This will be achieved through the development of a commissioning strategy which includes a number of options to deliver the following priorities. For older people this will mean, for example, an increase provision of extra care accommodation, a residential care provision that

provides a home for life for people with complex needs with a shift away from offering traditional residential care for people with mild to moderate needs. For people with learning disabilities, for example, to develop more settled accommodation options for people to live independently with an individual care and support package based on their needs and preferences, developing local accommodation options with a wide range of support services.

- a) An enhanced range and capacity of options of accommodation with care, will be established in line with need and support will be provided to enable adults to live and age well.
- b) People will enter nursing care at a later stage in life.
- c) Surrey will have an additional 2,000 extra care units, 724 affordable, bringing the ratio of flats to population in line with the national benchmark. Benefits in diverting people away from residential care and ensuring a better home from hospital process.
- d) A residential and nursing commissioning strategy will be developed to ensure appropriate provision to meet demand, including in specialist areas.
- e) Learning disability provision will promote a shift from residential care to supported living options with an ambition over the next five years to halve the numbers of adults with a learning disability living in registered care homes.

Adult Social Care Market Management

In the short term, the programme focus on mitigating increases to prices of care packages, reduce the price of care packages that are outside of benchmarks and develop a separate pathway for full cost cases. To create longer lasting transformation the Adult Social Care commissioning strategy will be strengthened and capacity built by re-modelling the commissioning workforce.

1. The Council will build commissioning capacity and create a vision the market understands and agrees with, it will enhance commissioning capability, improving our ability to influence price and quality in the market.
2. The commissioning approach will be developed to complement Health and other major buyers in the market.
3. Conversations with providers will involve appropriate commercial and contract management expertise as well as social workers.
4. Better utilisation of Council resources and collaboration across areas of expertise.

Impact of Expected Changes

Impact on People Who Use Services

11. Many of these changes will be positive. Promoting independence will enable people to live better lives through reablement, rehabilitation and recovery, however, users may be potentially be impacted in respect of choice for long term residential and nursing placements. The Council will meet its statutory obligations, however, we may confine the offer of residential and nursing places to those that are reasonable and affordable for the Council. In some parts of the Council this may mean that families may not get the care home or location of their choice.

Impact on Providers

12. Again much of this will be positive as the Council seeks to build longer term relationships with providers where previously it has been reliant on spot purchasing. However, buying to a price will mean some parts of the market will not take business from the Council or will only do so for a short period (when they have a void or when they are newly opened for example). As business models can often be difficult to change rapidly, there may be a need to step into the market to build as well as buy. In the short to medium term it may be necessary to review previous messages signalled to the market about how much the Council is prepared to pay for care and support.

Impact on Partners within the Voluntary, Community and Faith Sector

13. The changes align to national agendas in promoting and maximising independence, providing more efficient services, integration, implementing new models of services with partners such as Health, preventing the use of high cost, often inappropriate services and managing within the reducing financial envelope. It also provides the opportunity to further develop relationship with the Voluntary, Community and Faith Sector to provide the most appropriate offer to meet the needs of the people who use services as well as carers.

Impact on health partners

14. The Council will continue to work with NHS colleagues through existing forums to ensure they are aware and consulted on the transformation programmes. At a local level these are the Local A&E Delivery Boards and the Local Joint Commissioning Groups. At a strategic level the Director is the Co-chair of the Surrey Strategic Health and Care Commissioning Collaborative and is a member of the following:

- Surrey Health and Wellbeing Board

- Surrey Heartlands System Oversight and Assurance Group
- Potential future member of the Surrey Heartlands Committee-in-Common

Adult Social Care Financial Position

Financial Position

15. A significant turnaround in spend is required to make Adult Social Care financially sustainable for the Council (see Annex 1, slide 2).
16. Through early changes to practice and ways of working, Adult Social Care is performing well in 2018/19 and is projected to significantly overachieve the £10.7m additional in-year savings target set for this year (see Annex 1, slide 3)
17. 90% of the budget is spent on supporting people and their carers'. The majority of care packages are currently commissioned on a "spot" basis. This accounts for 75% of gross Adult Social Care expenditure, see Annex 1, slide 4. "Spot" care packages are commissioned individually based on people's assessed care needs or direct payments are given to people to manage their own care provision. This is the key area of the budget impacted by demand and price changes and so must be the focus for delivering the savings required to bring spending within available resources. Spending on "spot" care packages has been reducing (see Annex 1, slide 5) meaning that the 2018/19 revised budget is now on track to be delivered on an ongoing basis. This has been driven by a reduction in the numbers of people receiving funded care and reduced costs of care compared to the previous increasing trajectory (see Annex 1, slides 6 – 9 for changes in the four biggest areas of care expenditure).
18. The 2019/20 budget set out in the Council's budget papers published in January includes the following key changes from the revised 2018/19 budget¹:
 - Budgeted pressures of £15m for demand², price inflation, Service Delivery changes and pay inflation.
 - A net increase to specific Adult Social Care government grant funding of £1m. This is made up of £3m of reductions to current funding streams offset by £4m of new Winter Pressures funding that the government included in the Local Government Finance Settlement.
 - A reduction in Adult Social Care's cash envelope of £6m.

¹ The 2018/19 revised budget includes the £10.7m of additional in-year savings allocated to Adult Social Care.

² Allowance has only been made for people transitioning from Children's, Families and Learning services – no allowance has been made for any other care groups including Older People

18. These three factors mean that £20m of savings need to be delivered in 2019/20 in order to balance to Adult Social Care's cash envelope of £365m. Annex 1, slide 10 sets out the 2019/20 budget construction. Annex 1, slide 11 lists the savings planned for 2019/20³.
19. £17.8m (87%) of the £20m of savings required in 2019/20 rely on successful implementation of Adult Social Care transformation programmes. The Practice Improvement Programme will have the most direct impact in the short term on reducing care expenditure by implementing an enhanced strength based approach to responding to people's care needs and effectively manage demand. Therefore, £16.5m of the transformational savings are planned to be delivered through Practice Improvement. The remaining £1.3m of transformational savings are planned to be delivered across the cohort of people who have transitioned from Children's, Families and Learning services in recent years through the measures being taken forwards in the All Age Learning Disabilities programme, phase 1 of which is focusing on the transition pathway. The remaining programmes are enablers to the savings and will help to constrain pressures within budgeted limits. The Market Management programme has a key role in managing price inflation within the £5m budgeted for 2019/20. The transformation programmes are also essential to ensuring the long term sustainability of the service, for instance in developing sufficient new alternative community care provision to replace more traditional forms of institutional care.
20. Early signs are positive but there is still much work to do. Based on the progress made to date, £5m of the £20m of savings required for 2019/20 were rated as green (achieved or clearly on track) in the budget papers. That would still leave at least £15m of savings to be delivered, assuming of course pressures are incurred as budgeted (the savings required could increase or decrease depending on the pressures actually incurred).
21. All efforts are being made to continue to deliver savings in the remainder of 2018/19 to help deliver next year's budget. Although these actions will have a relatively small impact on the current year position, the full year impact on next year's budget will be much more significant. For instance, full year spot care package commitments reduced by over £1m due to actions taken in December 2018. This reduces the £15m remaining savings requirement referenced above, assuming of course new pressures do not emerge in remainder of the year.
22. Performance in delivery of the transformation plans will be tracked and reported monthly against the financial savings target set for each programmes and across a set of key performance metrics. Work is ongoing presently to update the savings targets for each project and finalise a detailed set of metrics in light of the current changes to Adult Social Care's full year commitments. This will be completed by the end of February 2019.

³ For budget management purposes, transformational savings targets have been allocated across care groups. However, these savings will be delivered

Challenges to Implementation:

Potential Challenges and Mitigation to Implementing the Change

23. The significant challenge ahead, the scale, complexity and reliance on effectively managing internal and external dependencies cannot be underestimated. The key challenges and actions to mitigate against them are presented below:
- a) It is essential for effective change to be delivered and have an impact in a timely manner in-year and early in 2019/20 in order to respond to future budget pressures and prevent the need to cut services.
 - b) There is a risk that external levels of demand may be higher than budgeted which would adversely impact on the Council's financial position and ability to meet statutory duties which may in turn result in legal challenges with both financial and reputational consequences. This will closely be monitored and strategies and solutions implemented based on best practice, working alongside partners, such as the Voluntary, Community and Faith Sector.
 - c) The relative strength of providers given the large self-funding market in Surrey could mean we may not be able to influence prices to within our affordability caps or lack of interest in the market to work with the Council could lead to a lack of affordable provision. An improved understanding of the market, close engagement and collaboration with a wide range of housing providers forms our approach in developing the provision. In addition, the Council will learn good practice from other local authorities, for example, investment in change and capital has resulted in the average cost of supporting people delivers better outcomes and has the potential in future revenue streams from rentals etc.
 - d) Risk of provider failure or care homes exiting the market or impact to service quality and/or safeguarding.
 - e) The Council is embarking on a change in professional culture around an explicit new model of care. This will be challenging and take some time to fully embed amongst staff. In addition, the pressures on staff cannot be underestimated, it is essential staff are supported in learning new ways of working and workloads prioritised, vacancies appropriately filled with less reliance on unqualified staff.
 - f) There will be a reduction in choice as the Council's offer to people and their families will focus on the services we have already procured or the services that the Council is able to commission at the most affordable prices. This will mean the Council is not always able to offer people a care home placement in the borough or district where they live.

- g) The planned reduction in the number of people with a social care package funded by the Council could, at times, bring us into conflict with Health. The Council has worked hard to develop effective working relationships with health colleagues over a number of years. Collaboration, streamlining of service provision and integration of health and social care services where appropriate remain key priorities. Surrey has consistently performed well in areas such as avoiding delayed transfers of care for social care eligible patients. However, the focus on aspects such as avoiding assessments for people when they are in crisis could lead to challenges with Health partners.

Conclusions:

24. The report outlines the direction and the anticipated impact and challenges of the Adult Social Care Transformation Programme and how the programmes will collectively deliver the required change to manage demand and meet outcomes, whilst managing within budget.

Recommendations:

It is recommended that the Adults and Lifelong Learning Select Committee notes and endorses the transformation programme currently underway in Adult Social Care.

Next steps:

The next update on progress and delivery of the programmes to be presented to Adults and Lifelong Learning Select Committee on the 5 June 2019.

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Sources/background papers:

County Council Meeting 13 November 2018 – Item 9 – Annex 3, Full Business Case 2021 – Pages 11,12, 15 and 30

<https://members.surreycc.gov.uk/documents/s51914/Item%209%20-%20Annex%203%20Full%20Business%20Case%202021.pdf>

County Council Meeting 5 February 2019 – Item 6 – Revenue and Capital Budget 2019/20 to 2023/24

<https://mycouncil.surreycc.gov.uk/ieListDocuments.aspx?CId=121&MId=6656&Ver=4>

Annexes:

Annex 1: Adult Social Care Financial Summary

Annex 2: Operational Process Epsom General Hospital Discharge to Assess

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