

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 18th October 2010

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WARD(S): All

PORTFOLIO: Councillor Small – Health & Wellbeing

PART I **KEY DECISION**

NEW ADULT SOCIAL CARE COMMISSIONING STRATEGY

1 Purpose of Report

- 1.1 To seek Cabinet support for and approval of a new commissioning strategy for adult social care services which sets out the priorities for the next two years. The strategy will support the delivery of the ‘Putting Me First’ programme and reflects changing needs for social care support. Implementation of the strategy will also ensure best use is made of limited resources to deliver agreed priorities and improved outcomes for service users.
- 1.2 To seek Cabinet approval of identified priorities for commissioning
- 1.3 To seek Cabinet approval to commission identified services over the next two years in line with procurement requirements and guidelines
- 1.4 To seek Cabinet approval to extend existing funding arrangements for services to ensure continuity of service during the re-commissioning programme period where required.

2 Recommendation(s) / Proposed Action

- 2.1 Cabinet are requested to resolve:
 - (a) That the draft commissioning strategy and priorities be approved
 - (b) That identified services be commissioned in line with procurement requirements and guidelines over the next two years
 - (c) That existing funding and contractual arrangements be extended where required to ensure continuity of service during the re-commissioning period
 - (d) That officers proceed with developing the detailed work programme to implement the strategy including formal consultation with users of services

3 Community Strategy Priorities

Implementation of the Adult Social Care commissioning strategy will contribute to the delivery of Community Strategy priorities in a number of ways:

3.1 Community Cohesion

- Promotes involvement in community activities;
- Reduces inequalities and promotes fair access to high quality services.

3.2 Health and Wellbeing

- Help people make positive informed choices;
- Intervene early to tackle serious health issues and promote healthier life styles;
- Maintain a person centred approach to service provision;
- Provide effective and tailored services for adults to allow them to live independent, socially inclusive lives;
- To work, often with other agencies, to provide support for improved health including early intervention

3.3 Community Safety

- Improve public information and help people have an active role;
- Within the overall provision of support and care services to ensure that the most vulnerable are protected and safeguarded.

4 Other Implications

(a) Financial

The total gross budget in 2010/11 for adult social care and Supporting People to fund externally provided services is £25,732,000. This is through a combination of block contracted services, grant funding with service level agreements and 'spot' purchased care packages for individual service users. This figure represent 59% of the total gross budget for adult social care and supporting people services including care management, and directly provided services.

The table below illustrates the current pattern of funding

		£	£
Supporting people			3,970,000
Block purchased services			
	Residential / Nursing	7,651,000	
	Domiciliary	2,111,000	9,762,000

Community based services			
	Advice and support (e.g. advocacy, carers support etc)	467,000	
	Care and respite (e.g. day care, lunch clubs, respite for carers etc)	716,000	
	Living at home (e.g. meals service, handyperson, equipment loans)	660,000	
	Out and about (e.g. transport etc)	56,000	1,899,000
Spot purchased services			
	Residential / Nursing	9,500,000	
	Domiciliary	265,000	
	Day Care	336,000	10,101,000
Total budget - externally commissioned services			25,732,000

There are efficiency savings identified in the medium term financial plan relating specifically to commissioning and supporting people which total £924K for the period 2011/12 to 2013/14. A further £100K in 2011/12 is identified relating to residential care block commissioning. Combined, this equates to 4.8% of the total expenditure on externally commissioned services. In addition measures arising from changes to commissioned services will also contribute to other agreed savings plans.

Future commissioning activity will be funded from within agreed cash limits.

(b) Risk Management

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
a) Resolve to agree the commissioning strategy and priorities	<p>Provides the opportunity to align social care services with needs and the requirements of personalisation and reduced resources.</p> <p>Possible risks that:</p> <ul style="list-style-type: none"> • Market cannot supply the innovative services required, at the right price. • Decommissioning is disruptive to relationships. 	<p>Implementing Commissioning Strategy will achieve savings whilst delivering new services according to need.</p> <p>Careful planning of future procurements with tolerances.</p> <p>Market engagement and constructive tender process, to encourage both competition and innovation.</p> <p>Sensitivity in de-commissioning existing services.</p>
b) Extend existing funding and contractual arrangements where required to ensure	Necessary to ensure continuity of existing services, as new tenders let / Services procured. No risk in extending contracts, but	N/A

continuity of service during the re-commissioning period	risk of loss of service during the transformation period, if extensions not possible.	
c) envelopment of detailed implementation plan	Detailed plan needed to deliver complex programme. Risks arising from amount of work to be undertaken in short timescales.	Project management approach adopted to all commissioning activity to ensure complex programme of work delivered within timescales and budget available
d) Significant changes to range of provided services	Risk to currently commissioned services and providers Threat of negative reactions from some agencies Opportunity to ensure most appropriate service models and providers	On-going consultation with provider agencies Phased approach will ensure stability within market

(c) Human Rights Act and Other Legal Implications

Commissioning of new services and the termination or extension of existing contracts will be carried out in accordance with relevant legislation and guidance including the council's constitution.

Contracts and service level agreements will be put in place for all commissioned services.

(d) Equalities Impact Assessment

An Impact Assessment will be carried out on the final strategy prior to implementation.

Equalities Impact Assessments will also be completed for specific de-commissioning and commissioning actions.

(e) Workforce

There will be no workforce implications for the council arising from the implementation of the commissioning strategy with the necessary work being undertaken within the existing staffing arrangements.

However, as a consequence of the decommissioning and commissioning activities there could be workforce implications for some provider agencies, specifically those that are not successful in the competitive tendering for the new service models and contracts.

5 Background

- 5.1 The local authority commissions services from a range of provider agencies in the private, voluntary and community sectors to deliver adult social care services.

Current service provision has grown up over a number of years resulting in a historical and disparate pattern of services. It is appropriate and prudent that the range of services commissioned is regularly reviewed to ensure that they are meeting the needs of residents and are delivering improved outcomes and efficiencies.

- 5.2 There are significant developments to the way that adult social care services are to be delivered arising from the implementation of 'Putting Me First' – the strategy for the implementation of personalised adult social care services in Slough. The type of services that will be commissioned and the resulting contracts will need to change to support the delivery of more person-centred services.
- 5.3 The draft Commissioning Strategy for Adult Social Care identifies the key priorities for commissioning in coming years to support the delivery of 'Putting Me First'.
- 5.4 The challenging financial climate and the reduction in resources available to local authorities make it more important than ever that robust, coordinated and effective commissioning arrangements are in place to ensure the availability of high quality and cost effective services which deliver improved outcomes for residents while making the best use of available resources.
- 5.5 Implementing the strategy will mean that some existing services will be de-commissioned while others may change in terms of the nature of the service and who provides it as a result of re-commissioning. There will also be changes to the nature of contracts for service provision.

6. **Detail**

6.1 Development of the Commissioning Strategy for Adult Social Care

- 6.1.1 The local authority commissions a wide range of agencies to provide adult social care services to the residents of Slough. These include services and support that form a part of an individual's care package to meet eligible needs following a Fair Access to Care assessment, as well as preventative community based services which can be accessed directly. Services such as Supported Housing and Floating Support are commissioned and funded through the Supporting People programme. The commissioning strategy covers all these services and relevant funding streams.
- 6.1.2 The services are provided by private, voluntary sector and not for profit organisations. The currently commissioned services in Slough have developed over time resulting in a historical pattern of generally 'traditional' services.
- 6.1.3 Commissioning takes place in a variety of ways dependent on the funding source and the price or volume of the service provided. In some cases formal tender processes governed by legislation, including European Union procurement guidelines, apply which result in formal contractual arrangements covering a number of years. In other cases grant funding is provided on an annual basis, these being underpinned by Service Level Agreements.
- 6.1.4 In addition to these arrangements, individual support for service users is 'spot' purchased from private and voluntary sector agencies.
- 6.1.5 The council is in the process of finalising policy, protocols and best practice guidance relating to commissioning which will be adopted when implementing this

strategy. These will include proportionate, consistent and transparent arrangements for the commissioning and subsequent monitoring of commissioned services. Outcomes which are clearly defined and measurable will be set out for each commissioned service and where possible and appropriate funding will be agreed for a defined number of years dependent on performance. Services commissioned will deliver agreed priorities.

- 6.1.6 The draft policy and protocols will be subject to consultation with relevant organizations, including Slough Compact.

6.2 Why do we need to make changes?

In developing the Commissioning Strategy for Adult Social Care for Slough the following have been taken into consideration:

- The development of person centred social care services through the Slough 'Putting Me First' programme.
- Information on the current and future needs of residents and service users to support targeting of services to those most vulnerable
- Reduced resources available to the council as a result of the national financial climate.
- Savings already agreed within the medium term financial plan.
- The importance of partnership working both within the council and with other agencies such as health services to meet needs and deliver agreed priorities
- Demographic data

- 6.2.1 The way that services are commissioned and procured by the local authority will also need to change. For example, contracts with provider agencies are likely to move away from block contract arrangements with fixed and guaranteed volumes to more flexible framework agreements. Guaranteeing the flow of business to providers will be far more challenging than in the past and will require those services to adapt.
- 6.2.2 These factors mean that commissioned adult social care services have to be reshaped to deliver flexible services which are responsive to individual needs and choice and to ensure that they are targeted appropriately to meet the needs of vulnerable people. Commissioning also has to ensure that services deliver agreed priorities and make the best use of available resources.

6.3 Commissioning principles and priorities

The Commissioning Strategy sets out the priorities and principles for the commissioning of adult social care services over the next three years.

We will promote, develop and commission care and support that:

- Is innovative and flexible in times of change and responsive to the needs and risks of our most vulnerable residents.
- Supports and enables people to live independently within their own communities for as long as is possible and appropriate.
- Achieves agreed outcomes and promotes choice and control in the planning and delivery of those outcomes.

- Is delivered to defined measurable and controllable quality standards.
- Demonstrates continuous effectiveness and efficiency to make the best use of the resources available to the Council.

Key priority areas for commissioning to deliver agreed objectives and priorities have been identified and are set out in the strategy. These are:

- Advice and Information across all care groups including carers;
- Brokerage and advocacy across all care groups for those who meet the adult social care eligibility criteria;
- Assistive technology for all care groups including emergency alarm response service
- Relief care and respite for carers;
- Dementia services to ensure they are more accessible for those under the age of 75 and are more community based;
- Residential, nursing and dementia care services reconfigured to reflect future demand;
- Day opportunities for older people reviewed and re-commissioned to enable greater choice and independence;
- Community based mental health services focusing on promoting independence and choice;
- Domiciliary care services to deliver greater independence for older and disabled people by encouraging people to do things for themselves, rather do things for them;
- Meals service
- Support for substance misuse and HIV clients commissioned in partnership with other Council service areas
- Community transport
- Supported tenancy and ‘extra care’ housing schemes for people with more complex and challenging needs; including those with mental health problems, physical disabilities, sensory loss, learning disabilities and autism.
- Shared Lives schemes to include a greater number of people who are at risk of social isolation and/or losing their independence.

6.4 What impact will the commissioning strategy have?

Implementing the new commissioning strategy will impact in a number of ways.

These include:

- Ensuring the provision of services that deliver agreed priorities and measurable outcomes which are closely monitored
- A focus on promoting independence and where possible reducing the need for statutory intervention and long term care
- Targeting services to support the most vulnerable
- Enabling service users to have greater choice over the support they receive
- Improving outcomes for local residents
- Making best use of the resources available
- Ensuring the provision of high quality and safe services

6.5 Implementing the strategy

- 6.5.1 The commissioning programme is extensive. It will be important that this work is carried out in a planned way to maintain stability within the market and continuity of service provision for users during the transitional period.
- 6.5.2 A detailed plan is being developed which sets out the actions needed in relation to all existing externally purchased services, including those where new contracts are required. This will include de-commissioning of some services and re-letting of contracts on a new basis. The programme will identify in more detail the timescales for commissioning and decommissioning of services. It is not possible to forecast the cost of individual contracts at this stage.
- 6.5.3 It is anticipated that the major part of the programme will be delivered in the next 18 months, with completion by April 2013. As many of the Council's contracts would normally expire in the next year, it may be necessary for some existing contracts to be extended while new arrangements are put in place in line with the detailed programme.
- 6.5.4 Cabinet is reminded that at the meeting of 8th April 2010, approval was granted to let contracts in excess of £250,000 for:
- Supporting People Funded services for Older Persons Floating Support Service, Mental Health Services, Learning Disability Services, Drugs Services and Homeless Service
 - Mental Health Day Care Services
 - Older Peoples Day care Services
 - Domiciliary Care Block Contracts

At the same meeting approval was also given to exemption from competitive tendering for continuation of contracts for:

- Mental Health Residential Services
- Nursing care Block Contracts
- Residential Care Block Contract (Gurney House)

7 Comments from other Committees

- 7.1 The draft Commissioning Strategy was presented to the Health Scrutiny Panel at its meeting on 23rd September 2010. The Panel noted the strategy and covering report. There were no specific comments arising.

8. Consultation

- 8.1 The draft Commissioning Strategy was presented to the regular providers forum meeting held on 23rd September 2010. A presentation by senior council officers covered the reasons why a new strategy is needed, the principles and the key priorities.
- 8.2 Agencies attending the meeting recognised the need to implement the new strategy and noted that there would be changes to current patterns of service delivery.

8.3 There will be further engagement and consultation with service users, carers and partner organisations as the detailed work programme is developed and the strategy implemented. This will include further discussions at the providers forum, as well as in partnership board meetings and other events such as 'Putting Me First' stakeholder consultation events.

9. **Conclusion**

9.1 The draft adult social care commissioning strategy sets out the priorities for coming years.

9.2 The strategy has been developed to reflect and respond to changing demographic needs, the developments in the provision of adult social care services as a result of 'Putting Me First', and the prevailing financial climate.

9.3 Delivering the strategy will involve a complex programme of work over the next two years. This will have significant impacts on current provider organisations as the range of services commissioned will change. There will also be changes to the nature of contracts for service provision.

9.4 Delivery of the strategy will ensure that commissioned services deliver the council's agreed priorities and deliver high quality and cost effective support which make the best use of available resources. The services commissioned will improve outcomes for local residents and support the delivery of person-centred support that enables people to live independently in their own homes for as long as possible.

9.5 Cabinet are asked to resolve:

- The draft commissioning strategy and priorities
- That identified services are commissioned in line with procurement requirements and guidelines over the next two years
- That existing funding and contractual arrangements are extended where required to ensure continuity of service during the re-commissioning period
- That officers proceed with developing the detailed work programme to implement the strategy including formal consultation with users of services

10. **Appendices Attached**

Appendix A - Draft Commissioning Strategy for Adult Social Care - August 2010;

11. **Background Papers**

- 1 Slough Borough Councils Strategic Commissioning Framework – June 2010;
- 2 Joint Strategic Needs Assessment for Slough - October 2009;
- 3 Joint Commissioning Strategy for Slough 2007 – 2015.
- 4 Putting People First (PPF) DoH December 2007;
- 5 Our Health, Our Care, Our Say DoH 30 January 2006;
- 6 PPF related Circulars issued in January 2008, March 2009 and March 2010.