

## HERTFORDSHIRE COUNTY COUNCIL

**ADULT CARE AND HEALTH CABINET PANEL  
MONDAY 3 JULY 2017 AT 2.00PM**

Agenda Item No.

**4**

### **LEARNING DISABILITY TRANSFORMATION**

#### Report of the Director of Adult Care Services

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Executive Member:- Colette Wyatt-Lowe – Adult Care and Health

#### **1. Purpose of report**

- 1.1 To request that Panel recommends to Cabinet that it agrees the closure of the current Invest to Transform Bid related to the 'Accommodation for Independence Project' and agrees a new Invest to Transform Bid (ITT), designed to deliver better choice and control in relation to accommodation for people with learning disabilities, and improve value for money for spend in this area using a 'whole systems' approach.

#### **2. Summary**

- 2.1 Cabinet agreed an investment of £1.65million of Invest to Transform monies in November 2015. The monies were allocated over four years to fund a team to facilitate changes and achieve savings through an 'Accommodation for Independence Programme'. The premise of the programme was to facilitate the large-scale conversion of residential care homes for people with learning disabilities into supported living accommodation.
- 2.2 In November 2016 the government launched a consultation proposing changes to the funding framework for supported housing as part of its implementation of Universal Credit. The proposed changes introduce a level of uncertainty for housing providers which means that there is less willingness from residential home providers to pursue conversion to supported living. The basis therefore of the original proposal is no longer achievable.
- 2.3 Nonetheless, accommodation and the associated care / support delivered into specific settings for people with learning disabilities is a major area of council expenditure and a strategic approach is necessary to deliver effective solutions which offer good outcomes for individuals and provide value for the public purse. The national policy direction is towards more choice and control, and options that promote independent living. Central to this is ensuring there are more 'settled

accommodation' options that give people control over where they live and how they are supported.

- 2.4 The paper therefore proposes a new Invest to Transform bid for £1.14m over three years as part of the ACS Adult Disability Service Efficiency Programme. The new bid is to create strategic planning and commissioning capacity for the service, and deliver solutions that will reduce the cost of future demand to the council, particularly in relation to accommodation costs.

### **3. Recommendation/s**

- 3.1 Panel is asked to note the report and recommend to Cabinet that it:

- a) agrees the closure of Invest to Transform Bid for the 'Accommodation for Independence Project'
- b) agrees a new Adult Disability Service Efficiency Programme Invest to Transform Bid designed to deliver better choice and control in relation to accommodation for people with learning disabilities, and improve value for money in this area by taking a 'whole systems' approach.

- 3.2 Panel's recommendation/s to Cabinet will be reported orally at the Cabinet meeting and circulated to Members in the Order of Business sheet.

### **4. Background**

#### *Original Invest to Transform Bid: Accommodation for Independence*

- 4.1 In November 2015 Cabinet agreed an investment of £1.65 million of Invest to Transform monies allocated over four years to fund a team to facilitate changes and achieve savings through an Accommodation for Independence Programme. The key objectives of the programme were to:

- significantly reduce the use of institutional type residential care provision in favour of promoting the development of more sustainable future proofed Supported Living services.
- convert up to 50% of existing residential care to supported living over 3 years.

<http://cmis.hertfordshire.gov.uk/hertfordshire/Calendarofcouncilmeetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/338/Committee/8/Default.aspx>

- 4.2 Savings of £7m were identified, predicated on the different funding arrangements in place in relation to supported housing where certain

costs were eligible to be charged to Housing Benefit, in comparison with traditional residential care where costs fall to the county council.

- 4.3 The Government launched a national Supported Housing consultation in November 2016 proposing changes to the funding regime to take effect in April 2019.

<https://www.gov.uk/government/consultations/funding-for-supported-housing>

- 4.4 The proposed changes will see a limitation on the level to which Supported Housing costs will be covered by Universal Credit. Alternative mechanisms are being considered by which to distribute the difference between amounts currently funded by Housing Benefit and amounts which will not be fundable under Universal Credit. This has created high levels of uncertainty for housing providers and a reluctance to change provision at this time, making the original premise of the bid invalid.
- 4.5 Whilst closure is recommended, the existing Accommodation for Independence project has delivered a detailed review of individual housing schemes and the development of options for future provision. A number of projects have been identified that will be pursued by the Integrated Accommodation Commissioning Team as part of 'business as usual activity'. Delivery of these schemes will generate ongoing annual revenue savings of £275k by March 2019. Costs incurred from the original £1.65m bid amount to £513k and therefore £1.14m is no longer required for this original bid.
- 4.6 The existing project has also identified learning points in relation to the intensive care management support required to work with people and families when considering a change in accommodation to ensure a successful outcomes. All of this must take place within a framework which is guided by what is in the best interests of the individuals concerned.

*Proposed New Invest to Transform Bid: Adult Disability Service Efficiency Programme*

- 4.7 The County Council's net budgeted spend on people with learning disabilities in 2017/18 is £153.2m. Benchmarking information<sup>1</sup> (2015/16 actual data) demonstrates that Hertfordshire is a high cost authority for learning disability expenditure, indicating that Hertfordshire's social care services for adults aged 18 to 64 (of which learning disability services form by far the greatest element) are some

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<sup>1</sup> LG Futures Financial Intelligence Toolkit 2016/17

9.4% more expensive on average than comparator authorities, after adjusting for expected regional cost differences.

4.8 The Adult Care Services Department has created an Adult Disability Service Efficiency Programme<sup>2</sup> which brings a 'whole systems approach' to delivering an efficient and effective service within budget. The programme recognises that the achievement of learning disability efficiency is a department-wide objective and drive. The approach aims to stabilise annual increases in care purchasing spend and maximise the amount of people supported within available resource. The programme has identified a lack of strategic planning and commissioning capacity and a need for the development of long-term and sustainable solutions. This is best done within a 'whole systems' approach based on best practice, and which requires:

- Detailed knowledge of service users and costs paid to meet needs
- Ensuring all opportunities to maximise independence are taken
- Ensuring all social workers, commissioners, and providers work to achieve outcomes
- Good partnership working with carers to achieve outcomes
- Alignment in support levels between children and adult services
- Good partnership working with NHS for those with very challenging behaviours
- A workforce with the right skill sets to support this agenda
- Housing strategies to support those who are suited to supported living
- Housing and associated strategies for those with more complex needs
- Culture change and time to achieve and embed new ways of working and service design.

4.8 A new Invest to Transform bid has been prepared which is attached at Appendix A. The intention of the bid is to create the capacity to support the drive towards efficiency and effectiveness that will see the County Council's spend profile move closer to other local authority comparators, reducing the cost of future demand to the council, particularly in relation to accommodation costs.

4.9 The Invest to Transform activity will focus on:

- a) Putting in place the overall framework for efficiency set out in paragraph 4.7
- b) Improving data, intelligence and strategic planning and commissioning capacity to analyse predicted demand, and working particularly with the Children's Services and Resources Departments to do this;
- c) Delivering strategies for effective demand management which will include a major procurement exercise in relation to supported living,

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<sup>2</sup> The Adult Disability Service comprises Learning Disability and Physical Disability services for adults 18-64

and other options to secure supply of appropriate accommodation, working particularly with the Property Service.

- d) Providing the care management, specialist housing and project support to:
  - Improve access to mainstream housing for people with mild to moderate learning disabilities
  - Improve access to mainstream residential and nursing care for older people with learning disabilities.
- e) Ensuring sustainable arrangements at the end of the period of the Invest to Transform bid.

4.10 A series of milestones have been identified that will guide activity and there will be regular progress tracking. Performance indicators to measure achievement of benefits will include financial measures, such as per capita cost reduction, and wider measures such as service user experience.

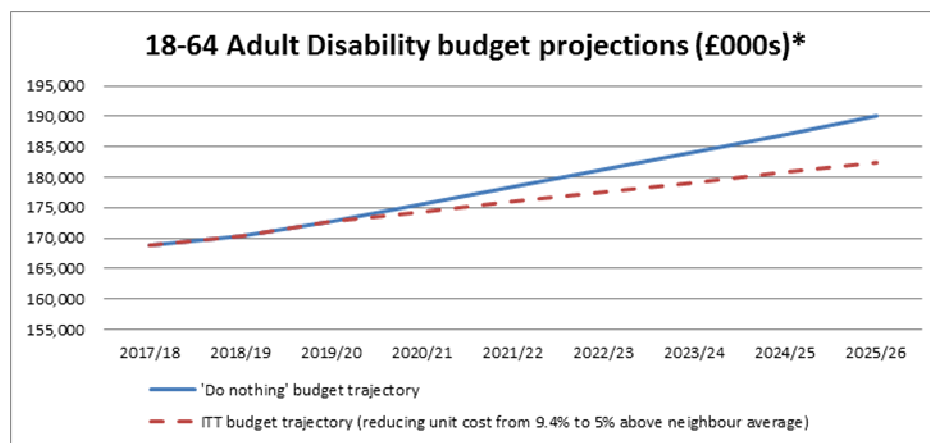
## 5 Financial Implications

5.1 The table below summarises the efficiency requirements in the current Integrated Plan relating to adults with learning disabilities

	17/18 £'000	18/19 £'000	19/20 £'000
Adults with Learning Disabilities	2400	3,100	5,600

- 5.2 The Adults Disability Service Efficiency Programme is targeted to deliver these amounts. Projects 2 and 3 in this bid will also support specifically the achievement of these efficiencies, for example the bid identifies £482k per annum of cashable savings in the work proposed to create access to mainstream residential accommodation for older people with learning disabilities.
- 5.3 Looking further ahead, the population of adults with learning disabilities in Hertfordshire is due to increase by 14.7% by 2030 and therefore, all things being equal, the council will need to expand future funding in overall terms.
- 5.4 The premise of the new Invest to Transform bid is to reduce the cost of future demand in this area of spend. The graph at paragraph 5.6 below models a reduction in per capita costs from 9.4% above nearest neighbour average (per the benchmarking report referred to in paragraph 4.6) to 5% above average by 2025/26. This percentage is felt to represent a realistic target given current performance, but work to improve data and cost information will help to understand the opportunities to achieve greater levels of efficiency beyond this.

- 5.5 The model uses IP figures to 2019/20 and beyond that assumes 0.6% annual population growth and underlying inflation of 1%. The thick line or 'do nothing' projection therefore assumes per capita costs increase 1% per year from 2020/21 onwards. The dashed line assumes this per capita cost increase can be made lower as a result of the Adult Disability Services Efficiency Programme and that these benefits start to arise from 2019/20.
- 5.6 By 2025/26, per capita costs are brought down by £1.5k per person from a 'do nothing' projection of £37.5k to £36k which results in a £7.7m annual financial benefit.



[\* assumes existing budget projections as per the 2017/18 Integrated Plan to 2019/20 and thereafter 1% underlying inflation and population growth]

[\* assumes relative reduction in unit costs from 2020/21 onwards from 9.4% to 5% above average]

- 5.7 The key risks in the model are around the timing and deliverability of the reduction in per capita costs, along with the assumptions on population growth and the underlying inflation rate. In particular a higher rate of inflation or population growth would see a much steeper increase in the 'do nothing' line.
- 5.8 The model will be able to be refined and its accuracy improved as a result of the proposals set out in the ITT bid, and the progress towards the reduction in costs will need to be carefully monitored.
- 5.9 The bid costs are £1.14m for creation of a staff team to deliver this activity to be incurred over the period August 2017 until July 2020. The costs cover:
- Programme management for the Adult Disability Service Efficiency Programme
  - Commissioning leads for Supported Living procurement and the management of specific commissioning work strands

- c) Care Management staff and management to oversee operational care management related tasks
- d) Senior Estates officer – to provide linkages between corporate property and support on suitability of property and associated opportunities.

## **6 Equalities Implications**

- 6.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the equality implications of the decision that they are making.
- 6.2 Rigorous consideration will ensure that proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment produced by officers.
- 6.3 The Equality Act 2010 requires the County Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.
- 6.4 An Equality Impact Assessment has been undertaken and this is annexed at Appendix B.

Background Information:

Appendix A – Invest to Transform Bid

Appendix B- Equalities Impact Assessment (EqIA)

Appendix C- Young People's Efficiency Programme Benefits Map

Are attached as separate documents.