

Cabinet Member for Adults and Health	Ref No:
February 2020	Key Decision:
Diagnosis and proposal to address service improvement requirements	Part I
Report by Executive Director Adults and Health	Electoral Division(s): All

Summary

Following the publication of the [Adult Social Care Peer Challenge Report](#) in May 2018 [an improvement programme](#) was implemented, structured around a series of 100-day plans. These plans aimed to make the service safer and have done so. The programme has successfully supported the management of operational pressures due to provider concerns and market capacity. In short, adult services have responded to many of the key findings of the peer challenge and have delivered a safer care environment for residents.

The service has always anticipated that once the immediate issues of safety were addressed adult services would require a sea change in the way the service operates to deliver the key aims of the vision and strategy notably, the realisation of independence and control for people and the delivery of the service is a sustainable financial envelope for the future. This requires whole-scale cultural change, together with relative system, process, practice and performance management changes. The scale of the improvement needs to be broadened and the pace needs to quicken

In October 2019, following a competitive procurement process Newton Europe Ltd (Newton) were commissioned to undertake a diagnostic assessment of adult services. The scope of the diagnostic included all adults' operational, commissioning, provider services and lifelong services. The findings were reviewed alongside internal and national data sets and form the basis of the recommendations.

The output of this assessment is a set of recommendations for key areas of focus with an emphasis on improving outcomes necessitating systemic changes in culture and practice. Implementation of these recommendations will have the added impact of reducing costs and therefore support longer-term financial sustainability. Options to address the improvement requirements are considered in the report.

West Sussex Plan: Policy Impact and Context

Action in this area supports the [West Sussex Plan 2017 - 2022](#) priority of independence for later life and the [vision and strategy for Adult Social Care in West Sussex](#) in which adults with care and support needs should have the best opportunity to lead healthy and independent lives. It would also support the delivery of the 'Building the West Sussex health and care system' joint vision with the NHS

and the [Health and Wellbeing Board Strategy](#), to make sure that residents 'start well, live well and age well'.

Financial Impact

The cost of a proposal will be finalised once the Council has settled its commitment to these as the right improvement priorities and has reviewed the options for their delivery. Different models are considered for resourcing the improvement work and the realisation of budget savings. It is critical that any proposal confirms the delivery of existing demand management assumptions in the medium-term financial strategy (MTFS) over the years from 2020/21 to 2023/24 and secures additional service improvements and consequent financial benefits this diagnostic work has identified. It is expected that on-going cumulative benefits of £18.8m will be realised for the County Council by making adult social care more financially sustainable.

Recommendations

The Committee is invited to review the output from the diagnostic work, assess the improvement priorities and opportunities and consider whether they meet the right service aims for the Council.

The Committee is asked to consider the risks and issues associated with work on developing proposals to deliver these improvements and how the Council may ensure that the investment which may be needed is effective, sustainable and provides value for money.

Proposal

1. Background and Context

- 1.1. In May 2018 a [peer challenge of Adult Social Care](#) highlighted several specific challenges for adult social care. These challenges were accepted in full by the Council and a 100-day plan was initiated followed by [a programme of improvement](#), structured around 100-day plans and milestones.
- 1.2. The improvement programme has been in place for a year and has made significant progress. For example, the service now has an [Adult Social Care Vision and Strategy for 2019-21](#), the Safeguarding Adults Board is Care Act compliant, deprivation of liberty (DOLS) assessments are now risk managed, progress is being made on the development of a safeguarding adults' hub, co-production with customers, carers and stakeholders is building, social work recruitment has improved and there is much better availability of data to support performance management
- 1.3. A model of [community led support](#) is being implemented, supporting people to participate community-based activities rather than requiring formal support and

reducing bureaucracy for front line teams. This will be rolled out across the county by the end of March 2020.

- 1.4. As the programme has developed, the scope of the improvement work has continued to grow. Operational pressures and provider concerns have had an impact upon on transformation capacity and culture change has been slower than anticipated. Budget pressures in adult services whilst manageable in year, will create recurrent difficulties if not robustly tackled with long term solutions. In response to these challenges, the Adult Social Care Improvement Board (ASCIB) agreed that consideration should be given to options for increasing the scale and ambition of the improvement programme through appointing an independent and expert organisation capable of supporting system wide change, building upon the current improvement programme. The outcome of the assessment recommends areas of focus that require embedded support at the front line of commissioning and operational practices. This would require a significant increase in capacity which is not available within the current services.

The procurement process and specification

- 1.5. A competition for the engagement and assessment process was undertaken under the Nepro framework by Bloom Procurement Services (Bloom). The tender submissions and subsequent evaluation were based on an assessment phase. The scope of the specification included an option to progress to a delivery phase if the outcomes presented a credible, affordable and sustainable implementation approach. These criteria now need to be tested in bringing a proposal forward and planning work on the next phase of an improvement plan.
- 1.6. Three potential partners were invited to bid for this work via mini-competition undertaken by Bloom and two submissions were received. Following an evaluation process Newton were identified as the preferred partner. Due diligence checks took place through discussions with three other councils, including an on-site visit to similar sized county councils who are currently in the delivery stage with Newton.
- 1.7. The diagnostic assessment took place during October and November 2019. The assessment involved over 150 front line staff and a small number of families in reviewing the outcomes for 175 customers in West Sussex. Extracts of these findings can be seen in Appendix 1.
- 1.8. The outcome of the assessment is credible as it is based on actual customers and outcomes and has been fully co-produced with front line staff and managers. The data has been triangulated internally and with national data sets and has been subject to rigorous scrutiny by finance and performance colleagues. The investment in any solution would use the iBCF and the Adult Social Care Support Grant.

2. Output Details

Outcome of the assessment phase

- 2.1. The outcome of the diagnostic assessment, which was based on information and opinions from front-line staff and customers, is consistent with the objectives in the vision and strategy, which over 100 local partner organisations

were consulted on. Those consulted included the NHS, voluntary and community sector organisations, West Sussex District, Borough, Town and Parish councils and organisations supporting residents generally or with specific conditions. Many comments were received, which were incorporated into the final version. The next phase of the improvement programme will be informed by this co-production. The assessment outcomes have been split into the areas of additional opportunities for older people and adults with a disability.

Older People

- 2.2. The diagnostic assessment highlighted that capacity in home-based reablement is lower than would be expected for a population the size of West Sussex. Reviews of existing cases alongside data analysis demonstrated that there is the potential for at least a further 1,900 customers to benefit from this type of short-term support each year.
- 2.3. In-depth case reviews showed 57% of decisions to place someone into long-term residential care were not the best thing for that person, and often ran counter to customers expressed wishes.
- 2.4. Detailed root-cause analysis shows a complex mix of factors are driving current performance, including;
 - A lack of capacity in key short-term reablement services requiring both operational commissioning activity to improve,
 - Frontline staff feeling excessive individual accountability, time-pressure, influence from partner organisations and families leading to non-ideal decisions about onward care being made, and
 - Variation in the outcomes achieved between and within teams, with limited data visibility and performance management culture embedded at team level.
- 2.5. From the diagnostic assessment the recommendations are an implementation programme of three key workstreams that will deliver operational improvement and an associated £11.3m of recurrent financial benefit by 2024/25. These are;
 - Reablement service improvement and commissioning,
 - Decision-making in hospital discharge social work teams, and
 - Decision-making in community social work teams.

Adults with a Disability

- 2.6. The diagnostic assessment indicated that 40% of people currently in adult disability residential care settings should not be there and could be living more independent lives in more independent settings. Additionally, 45% of those customers in supported living or supported at home have the potential to improve life skills but are not receiving support to do so.
- 2.7. Analysis of the transitions offer between children's and adults services indicated that only 17% of customers' families were aware of a plan to enhance the ability of their family member to adjust to life as an adult. Detailed root-cause analysis shows a complex mix of factors are driving current performance, including;

- Staff only being able to spend 12% of their time face-to-face with customers compared to 48% of their time spent on paperwork,
- An incorrect perception of a lack of current capacity in more independent settings such as supported living and shared lives,
- A genuine lack of capacity in the medium-term to meet the needs of the 40% of people in residential care who could move to more independent settings, and
- A geographically fragmented offer of support for progressing peoples' life skills, that is not evidence based.

2.8. From the diagnostic assessment, the recommendation is the development of an implementation programme of three key workstreams that will deliver operational improvement and an associated £9.1m of recurrent financial benefit by 2024/25. These are;

- Establishing a dedicated team to work with customers, their families and providers to support positive moves to more independent accommodation settings,
- Setting-up a coordinated 'progression' service with a strengths-based approach to decision-making in teams to maximise customers of independence through enhanced life skills, and
- Applying a consistent, strengths-based approach in transitions work to support independence on the journey of young people through to adulthood.

2.9. Extracts from the diagnostic assessment can be seen at appendix 1.

3. The Improvement Programme: One Programme, One Team

3.1. The implementation of the work described in this report would be the core of a second phase of the improvement programme. Other initiatives which are currently in progress but outside the direct scope of the proposals, such as improvements in mental health services and end-to-end system and process design, would need to be merged to form one programme with one integrated delivery team. The team would include any external resources commissioned and staff from the County Council's internal commissioning, service improvement and operational teams. The internal resourcing will be managed from within existing budgets. The programme would require a four-phase approach;

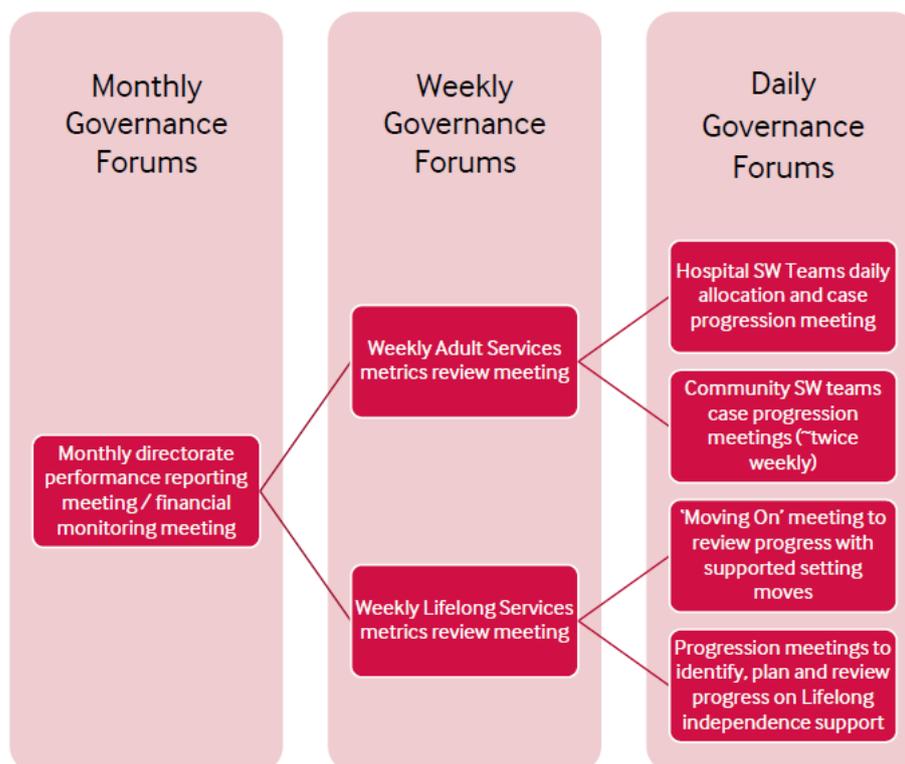
- **Mobilisation** (up to two months) This will include releasing existing resources, developing a detailed communication plan for staff, partners and stakeholders and undertaking a structured refresh and induction into the new improvement approach,
- **Design** (up to five months) this will involve detailed analysis and testing of solutions based on the assessment outcomes in specific identified areas of the county. This phase will also include continued delivery of the wider elements of improvement that are already in progress, all workstreams will follow the new programme methodology to ensure sustainability of approach. New ways of working will be developed and tested, including co-design with front-line practitioners with appropriate managerial and quality

oversight, robust measures to track performance will be achieved and training will take place on a range of key tools and methodologies,

- **Implementation** (up to six months) In this phase solutions and new ways of working will be rolled out across the county and embedded within teams. This will include front line engagement, building capability and capacity to affect the necessary scale and pace of change, establishment of key principles and subsequent rollout and tracking performance to the delivery of overall target, and
- **Sustainability** and knowledge transfer will be taking place throughout the programme and will be embedded as any external resources are withdrawn from the programme. This includes leaving the legacies of a culture that promotes independence in decision making and service effectiveness, foundations of a transformation methodology, increased transformation capacity within the service and effective transformation governance and operational and financial reporting.

Governance

3.2. To ensure that County Council priorities are dealt with consistently and investment is made where it is most needed, it is anticipated that the adult improvement programme will report to a new corporate improvement / transformation structure, which is expected to be established in 2020. More detailed oversight will continue through ASCIB, as well as contract monitoring against milestones and benefits realisation through programme steering groups. The role of members, both executive and scrutiny will need to be carefully planned. Benefits realisation and delivery will be monitored on a daily, weekly and monthly basis as indicated in the diagram below:



- 3.3. The next steps are to assess a range of delivery options which include working with Newton on a programme of service delivery, clarifying the management of benefit delivery and confirming how any plan would guarantee the delivery of benefits and their sustainability. Newton's continued input is one option as they offer a service to direct and guide the implementation of the improvement work they have identified. They also have a risk sharing cost model for such a service, directly linked to the delivery of benefits which is being closely considered within the options appraisal. There is a need to identify the optimum model for this work soon so that those improvement benefits can be realised soon.

Factors taken into account

4. Consultation

- 4.1. The results of the diagnostic assessment regarding outcomes for customers were shared with front line staff through three targeted workshops in December 2019. The Adults and Health Leadership Team (AHLT) have been fully briefed and together with finance business partners, have agreed that the findings are credible.
- 4.2. The assessment of options and the mechanisms for managing risk and securing the best delivery of the benefits is being discussed with legal and finance colleagues. The proposals have been presented at ASCIB and briefings have been arranged with relevant officers and Cabinet Members.
- 4.3. Health and Social Care Scrutiny Committee (HASC) has a presentation on the outcome of the diagnostic assessment on 15 January 2020 as well as this report. The County Council will engage with NHS partners to share the results of the diagnostic assessment. Those discussions will also include the next steps in the improvement programme, the cultural change required in the County Council and in its partnership with the NHS to embed and implement the new ways of working to achieve the anticipated financial benefits.

5. Financial (revenue and capital) and Resource Implications

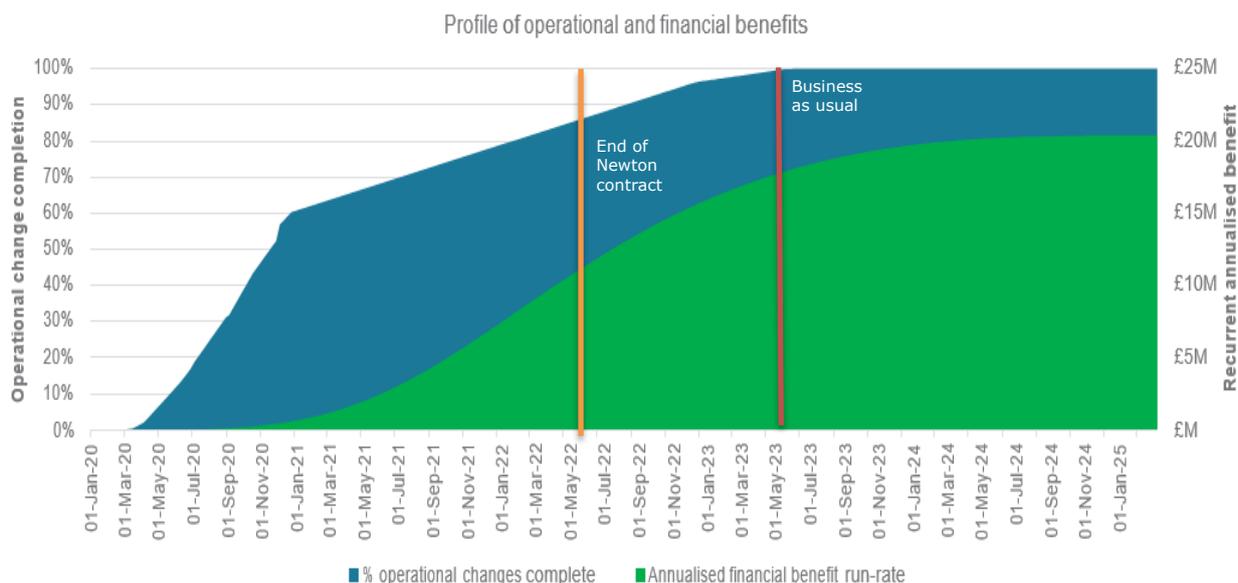
- 5.1. The County Council's MTFS assumes that the equivalent of cumulative demand pressures of £13.1m will be absorbed within the limits of the existing adults and health budget by 2023/24. Of that amount, actions are already in progress which separately are planned to deliver £2.8m of this sum in 2020/21. Against the remaining £10.3m, the diagnostic work undertaken by Newton has suggested the availability of an eventual £20.4m of recurrent savings by 2024/25. £1.6m of this will fall to the West Sussex Clinical Commissioning Group through the pooled budget arrangements for learning disabilities, leaving the County Council with potential benefits of £18.8m. This is £8.5m more than current MTFS assumptions.
- 5.2. £20.4m is a net amount which allows £1.6m to fund the consequential costs of increasing the reablement contract and developing a progression team to work with adults with a disability. This calculation is based on the findings described in section 2 applied to current customer volumes and average costs. For the most part these are rooted in an expectation that fewer people will be placed in

residential care, which is an area where existing performance is recognised as lagging behind national good practice, thus consuming a disproportionate share of the budget. The breakdown is detailed below.

Service	Area	Outcomes	Opportunity
Older People	Decision making	1,883 individuals could be supported in a more independent setting	£4.4m
	Reablement volume	1,920 additional individuals could access reablement each year	£4.7m
	Reablement effectiveness	40% increase in effectiveness of home based reablement	£3.5m
	Reablement costs	Increased contract cost to reflect need to recruit additional reablement staff	-£1.4m
	<i>Sub total</i>		<i>£11.3m</i>
Adults with a Disability	Moving on and decision making	100 individuals could end up in a more ideal setting with the right access to that setting 80 individuals could end up in a more ideal setting with less risk averse decision making	£6.8m
	Progression	180 individuals could reduce their need score through progression	£2.4m
	Potential progression costs	Cost of staff for dedicated Progression service team	-£0.2m
	<i>Sub total</i>		<i>£9.1m (of which £7.5m to WSCC; £1.6m to CCG)</i>
Total recurrent, annualised benefit		£20.4m (of which £18.8m to WSCC; £1.6m to CCG)	

5.3. Although most operational changes could be completed by December 2020, the profile of financial benefits will take time to build. For older people, this is because the opportunity to make savings will occur, in the main, when there is turnover in customers (i.e. every new customer experiencing a different approach). For people with a disability, where the solution may be to change their current settings, planning for those people and sourcing alternative provision will take time, and so some benefits will not be realised until further

on in the programme. The following chart shows the profile of financial benefits matched against the operational effort to realise them.



5.4. The quantum of operational activity which will take place would include working across the whole social care system to achieve a culture, system and process change that means that independence and diversion away from traditional paid-for services becomes the default position rather than assessment of need based on traditional solutions. In MTFs terms the table below shows how the financial benefits are estimated to grow. If delivered at these levels, further opportunities will be enabled for the County Council as part of future budget planning in every year between 2021/22 and 2024/25.

	Year 1 2020/21	Year 2 2021/22	Year 3 2022/23	Year 4 2023/24	Year 5 2024/25
	£m	£m	£m	£m	£m
MTFS efficiencies assumed	4.2	4.4	3.2	1.3	Not yet identified
Newton savings profile (CC element)	1.4	7.6	6.8	2.5	0.5
Other planned savings	2.8	0	0	0	0
Surplus/ (shortfall)	0	3.2	3.6	1.2	0.5
Cumulative MTFs efficiencies	4.2	8.6	11.8	13.1	13.1
Cumulative savings profile	4.2	11.8	18.6	21.1	21.6
Cumulative surplus/(shortfall)	0	3.2	6.8	8.0	8.5

6. Risk Implications and Mitigations

- 6.1. This is a medium risk given the current financial investment and the level of savings anticipated. The risk was higher at the start of the diagnostic assessment phase. Newton have engaged positively and consistently with front line staff and managers; the assessment outcomes have already been shared with staff and the implementation stage will be co-designed and tested with practitioners. Feedback from staff is that this engagement has felt different to previous consultants and that there is confidence in the findings supporting what is known at the front line.
- 6.2. There is a risk that the savings profile set out will not be deliverable. Evidence from other councils of similar size and complexity and due diligence with Newton is that their assessment plans have been credible and successful.

7. Other Options Considered

- 7.1 **To not to implement the recommendations of the Newton diagnostic assessment and to continue with the current improvement programme.** The risk of this approach is that the financial benefits are not to the scale and ambition of those outlined in the diagnostic assessment and delivery of the opportunity for the identified savings is significantly challenged. There is insufficient capacity and capability in the service to deliver such a challenging and ambitious programme. This is therefore not recommended.
- 7.2 **To deliver the outcomes of the diagnostic assessment without further Newton input.** This approach has been taken by some councils. This would require significant capacity over and above the improvement programme and there is very limited current capacity and capability internally to be able to deliver the necessary scale and pace of improvement needed. To undertake this work internally would require a significant increase the level of resources available to the programme which would need to be recruited. This additional capacity would need to have the required skill sets to undertake this work which will require wholesale culture change. Whilst this may be possible it would build in delays and there is a significant risk that these opportunities will not be delivered using this option. The impact of these delays will create a particular risk for the budget because of the demand absorption assumptions that are included across the duration of the MTFs. As discussed previously, the organisation needs specialist input and external challenge.
- 7.3 **To identify an alternative strategic partner or partner authority to undertake this work.** To meet procurement rules this could be undertaken via a new competition process with Bloom, through the CSS 2 framework or through full OJEU tender. Each of these options would build in a delay and increase the level of sunk costs, associated with the assessment phase which also forms part of the risk share arrangements if we proceed to a delivery phase. Based on the feedback received in advance of the assessment phase it is likely that any new partner would want to re-run the diagnostic assessment and potentially not fully understand the opportunities that Newton have presented. It is also unlikely that a new partner would work on an at-risk basis increasing further the pressures on the Council. Any delays to the process will delay the delivery of better outcomes and savings.

7.4 The primary option is to procure the services of Newton to direct and support the delivery of the improvement work through a further contract which requires financial investment in their resources.

7.5 The County Council would move to a delivery phase on the basis that the opportunities identified are significant. The considerations for commissioning Newton are based on several factors;

- Newton have a track record of supporting change at this scale across more than 40 councils including six counties with similar levels of challenges and all feedback has been positive, as detailed in Appendix 2,
- Newton's submission outlined a recruitment and retention approach that attracts individuals with high levels of educational achievement and skills in complex problem solving and analysis as well as delivery with and through others. These characteristics were evident in the Newton staff that took part in the assessment process and has been corroborated by feedback from other councils. The team that has undertaken the assessment have engaged effectively with front line staff and managers and provided evidence of both logical analytical skills and interpersonal motivational skills, and
- Their approach is a risk share arrangement which provides a transparent partnership arrangement and Newton would propose to put the fee at risk against agreed deliverable milestones. This approach would be set out within a contract.

7.6 Further due diligence is required to assess the viability and sustainability of this option. The likely level of investment would require complete confidence that the financial benefits would be realised as projected and would be sustained after the ending of Newton's work. The contractual arrangements to recover fees paid in the event that the later profiled benefits are achieved will also need to be tested. There is also the critical work of setting the baseline service levels and performance levels against which improvements will be modelled.

8. Equality and Human Rights Assessment and Social Value and Sustainability Assessment

8.1 Whilst the opportunities and benefits identified within this assessment are presented in relation to the financial opportunities, the changes proposed will increase the options for people with care and support needs in West Sussex to have improved independence and control over their lives.

9. Crime and Disorder Reduction Assessment

9.1 This proposal is not expected to have an impact on crime and disorder.

Kim Curry

Executive Director of Adults and Health

Contact Officer: Sarah Farragher, Head of Adult Improvement Programme

Appendices

Appendix A: An extract from the Diagnostic Assessment Executive Summary

Appendix B: Due diligence and evidence of delivery

No background papers.