

# **‘A BETTER LIFE: PERSONALISED SERVICES FOR PEOPLE WITH LEARNING DISABILITY IN HEREFORDSHIRE’**

## **PORTFOLIO RESPONSIBILITY: SOCIAL CARE ADULTS AND HEALTH**

**CABINET**

**13 DECEMBER, 2007.**

---

### **Wards Affected**

Countywide

### **Purpose**

To advise Cabinet of two major developments for services for people with learning disability and seek endorsement of the approach.

### **Key Decision**

This is not a key decision

### **Recommendation**

- THAT (a) Cabinet endorse self-directed support as the mainstream service response to meeting the needs of people with learning disability from April, 2008, and authorise the Cabinet Member (Adult Social Care and Health) to agree the level of the Resource Allocation System; and**
- (b) Cabinet authorises officers to complete the partnership agreement negotiations on the detail of the contract with Focus Futures. A further report to be brought to Cabinet as a Key Decision for agreement of the contract and financial terms and conditions.**

### **Reasons**

The success of the modernisation and improvement programme for Learning Disability Services, developed following a comprehensive needs analysis and the Commission for Social Care Inspection, depends on a new model of service; moving away from a service led response to a model based on independence and choice. The two initiatives described in this report are key aspects of this approach.

### **Considerations**

1. There are currently 535 people with learning disability receiving services from Herefordshire Council. The joint Council and PCT (Primary Care Trust) service also supports 140 people placed locally by other Local Authorities who use local health services.
2. Learning disability is life long. There are degrees of impairment of intelligence that can create different difficulties in understanding new or complex information. This

might include a reduced ability in social functioning. Many people with learning disability also have sensory and physical impairments. They may also have other health problems such as epilepsy. Some experience an autistic spectrum disorder, which can make it difficult for them to interact with other people. Some show unpredictable or challenging behaviour especially when regular routines are disrupted.

3. National policy is set out in a white paper called Valuing People. It calls for good quality public services, which support and offer new opportunities for people with learning disabilities to lead full and productive lives as valued members of society and their local community.
4. This is reflected in the Community Strategy for Herefordshire, which promotes the independence and wellbeing of vulnerable and disadvantaged people.
5. The Council and PCT have made a commitment to working in partnership to improve the quality of life and opportunities available for people with learning disabilities. The aim is for people to live as independently as possible and to ensure that sufficient support is available to enable them to do so.
6. These strands are brought together by the Valuing People Partnership Board, which comprises representatives of service users, family carers, service providers, voluntary and community organisations and statutory agencies. The Board is a strategic body which works to identify the main issues, agree how proposals will be developed and put into place, and judge progress. The Board aims to engage widely, be outward looking and act as the champion for people with learning disability.
7. Learning disability services are commissioned jointly through the Council and PCT. The total budget for 2007/8 is £11.7 million of which the Council contributes £8.4 million and PCT £3.3 million. Additional money is spent on services which are mainly preventative in nature from the voluntary and independent sector who are also able to get grants from other sources.
8. Current social care spend on learning disabilities is at or below the average for the Council's family group of authorities and for England nationally. The 2006/7 per capita spend for 18-65s is £77.31, £87.16 for the family group and £90.85 for England.
9. Demand for services will continue to grow year on year. People coming into the service tend to have multiple needs and their parents have high expectations. Nationally and in Herefordshire this places a continuing and upward pressure on budgets, and this is likely to continue.
10. In Sept 2006 Herefordshire Council carried out a comprehensive needs analysis on the future social care needs for adults with learning disabilities in Herefordshire. This was in the context of increasing demand for services; higher public expectation and a historical pattern of financial overspend of the budget allocated to the service. This exercise concluded that the current level of expenditure would continue to be required to support the predicted number of additional service users over the coming five years, and to support current service users whose needs will increase. An additional £600,000 has been provided into the base budget this year to support the necessary change by providing more assessment, training and contract monitoring staff, additional advocacy and support for family carers.
11. The Commission for Social Care Inspection carried out an inspection of Herefordshire Councils service for people with learning disability in January and February 2007. The inspection report identified significant weaknesses in current

services. These weaknesses need to be addressed not just in Adult Social care but across the whole Council and its partners. An action plan has been instigated and progress is reported on all the Inspectors recommendations.

12. The Inspectors noted that Herefordshire Council placed more people in traditional residential care than comparator authorities. The impact of this is to tie up funding in buildings which cannot easily be released to invest in new community based services.
13. The inspectors welcomed the pilot work on self-directed care and recommended that Herefordshire Council should continue to promote individualised budgets.
14. In order to move away from the traditional, residential and building based service and to provide the more personalised service response which people with learning disability want, two major initiatives have been undertaken; a pilot of “**self directed support**” and a competitive dialogue process with potential partners to develop alternative models of **accommodation and support**.
15. **Self-Directed support:** The traditional social care model starts with an assessment provided through a social care professional. A list of identified needs is established, those needs meeting the authorities eligibility criteria are translated into a care plan, which sets out the options for providing the care and support required. The options are usually limited to services which the authority has commissioned or provide themselves - essentially a menu of predetermined services. The costs of such fixed provision are high and services are not sufficiently tailored to an individual’s personal wishes or requirements.
16. Self directed support (In Control) differs significantly in that the individual is helped to complete his/her own support needs assessment, identifying their needs and level of support they require. The level of need is translated into a resource band, which identifies the size of the individual budget. A plan is developed, either by the individual and his/her family or by independent “brokers” who establish the details of their support plan. The local authority confirms that the plan will meet the identified social care needs and that any risks are minimised.
17. A commitment to *Individualised/Personalised Budgets* sits at the heart of government policy for improving Social Care services. The Green Paper, *Independence, Well Being and Choice*, proposes that local authorities should develop models of care, which place the individual at the centre of the Social Care process. It recommends that local authorities build on the work of the *In Control* programme and develop individual budgets for adults assessed as needing social care.
18. This recommendation, which gives greater choice, flexibility and control to individuals, is also supported by the public. The Commission for Social Care Inspection MORI poll, as far back as 2004, found that ‘most people want to choose their social care with 73% saying that a person requiring social care should be able to choose their services and be given the money by the government or council to pay for them, rather than have the government or local council decide.’ This, and other more recent studies, have demonstrated increased public awareness and expectations of individualised service options, not only in Social Care but also in Health and Housing.
19. *In Control* is a development partnership between the National Family Carer Network and National Centre for Independent Living, Mencap, Care Services Improvement Partnership (CSIP), central government and approximately eighty local authorities. This improvement partnership is leading the delivery of a programme of change

towards self-directed support via individual /personalised budgets.

20. The programme of work for self-directed support has the following assumptions:
  - Individual / personalised budgets fit better with what everyone in the community wants and expects for themselves.
  - Implementing Individual / personalised budgets will provide local authorities with the tools to target the allocation of funds more effectively and fairly, which will lead to improved equality of access and financial efficiency.
  - The improved financial efficiency of Individual / personalised budgets will help Adult Services to better meet their responsibilities to vulnerable people and the wider community.
  - Individual / personalised budgets underpin the philosophy of independent living and supporting older people and people with disabilities to become active and contributing citizens.
  - Individual / personalised budgets are more likely to be understood and supported by the public and politicians in the longer term.
21. Herefordshire Learning Disability Services have been members of the national *In Control* programme since March 2006 and have been working over the last year to develop systems around Individual / personalised budgets.
  - At least twenty people with a learning disability in Herefordshire receiving an Individual / personalised budget and directing their own support.
  - A Resource Allocation Scheme has been developed and tested to enable the financial allocation of Individual / personalised budgets.
  - Those people who participated in Individual / personalised budgets work this year have been consulted about the impact of the new approach.
  - The Learning Disability Partnership Board and Carers' Groups have been consulted about the impact of the new approach.
  - The impact of the new approach on Learning Disability Services has been assessed from the point of view of both the service users and the Local Authority.
22. One of the most complex aspects of moving towards self directed support is the development of a Resource Allocation Scheme (RAS). It is the RAS that determines the amount of money available to the individual exercising their right to an individual / personalised budget and which would ultimately (taken as a whole system change) determine the total expenditure on Learning Disability Services in Herefordshire.
23. Twenty people were all offered budgets as part of the pilot this year, and they planned and arranged services within the financial allocations. The choices they made were either less or no more expensive than the traditional service (see participant snapshots)
24. Figure 1 outlines the current spend against the predicted spending costs using the *In Control* model. These predications are based on the profile of spending from a test group of fifty individuals.

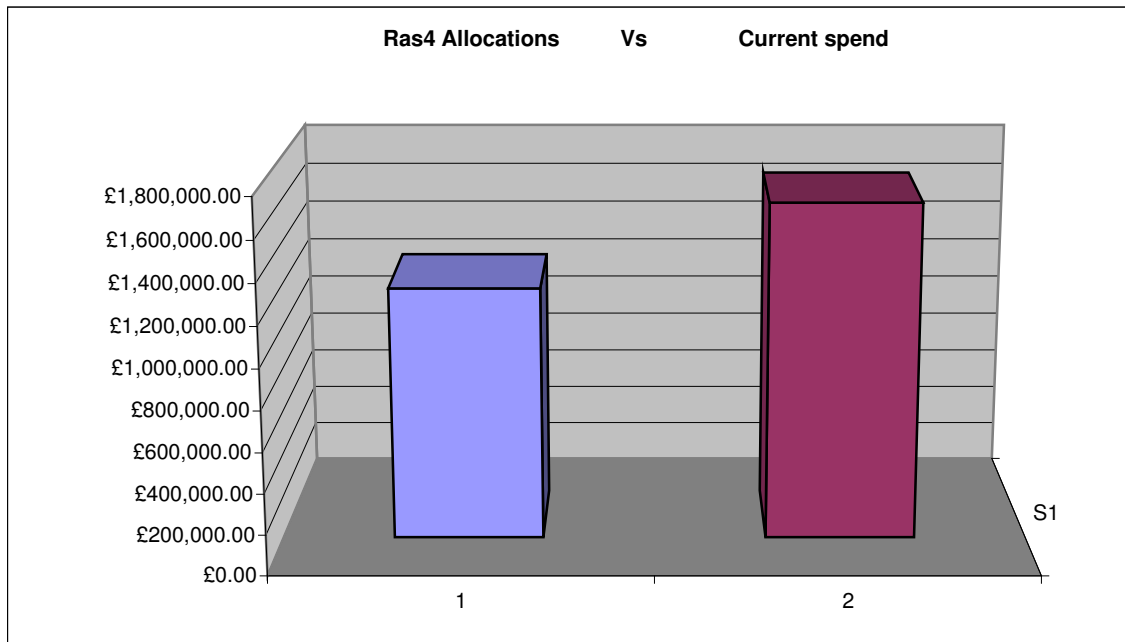


Figure 1

25. Comparing this data to *In Control* findings nationally the picture in Herefordshire is very similar to the pattern of expenditure nationally. Our local evaluation concurs with an emerging understanding across the national programme that individual / personalised budgets enable local authorities to predict and cap future spending. Part of this is the ability to maximise income from other sources, e.g. Independent Living Fund, health and community funding streams.
26. Participants in the Herefordshire programme reported greater satisfaction with the planning process and outcomes this year when they were provided with an individual / personalised budget. It gave them the opportunity to develop realistic goals and priorities and generated more commitment and ownership of the plan by all parties.
27. Further work is required to confirm a RAS for Herefordshire. This will involve a test of an additional sample of 50 service users to confirm that a fair budget is being set against an assessed level of need.
28. **Accommodation and support:** Where an individual lives is central to the nature of support and the opportunities available to them. The benefits and flexibilities of an individual budget are only possible if an individual is not living in institutional care. More people with learning disabilities want to have their own home in which they can determine how and who they are supported by. With the right level and quality of support an individual with learning disabilities can, for example, have a tenancy or own their own home through shared ownership.
29. As a result of a complex tender lasting more than a year using the competitive dialogue process, a preferred organisation has been selected to work in partnership with the Council to offer alternatives models of accommodation and support for adults with a learning disability.
30. Competitive dialogue (CD) is an European Union procurement process that incorporates a tender like any other more traditional tender process. The benefits of CD is that it has an extra stage before the invitation to tender where the buyer is able

to open dialogue with shortlisted suppliers to help create a specification that goes in the tender document. It is used where the buyer cannot easily arrive at a specification due to the complexity and or numerous solutions available. The CD process is a far more beneficial procurement process than a traditional tender as it allows for the dialogue stage. It is a fully compliant process introduced in January 2006 and the Council's Strategic Procurement manager advised it was the most appropriate procurement process for this particular project.

31. The property of Ivy Close, Ledbury Road will be leased to the successful party for a period of 25 years on a rent to be negotiated and then abated in line with the principal document.

The lease condition will include the following clauses:

- i. A full repairing and insuring obligation upon the tenant.
  - ii. No assignment or sub-letting without the Council's permission.
  - iii. Council's approval to any alterations or improvements to the property.
  - iv. A standard clause on forfeiture if the tenant fails to meet expected standards.
  - v. The precise wording and arrangements will be subject to negotiation between parties.
32. At the request of the Director an audit of this pre-contract stage was carried out to ensure the process secured value for money and took into account the Council's strategic priorities. Whilst there were some minor reservations over the relative weighting of the views of stakeholders, the conclusion of the audit was that the process was overall satisfactory and this did not distort the outcome of final selection of the partner organisation.
33. The criterion for the award of the tender was Cost (the most economically advantageous), and Quality and Technical or Professional ability based upon a 60:40 split/weighting in favor of Cost.
34. A detailed tender evaluation exercise evidenced that Focus Futures were the overall highest scoring tender (although they did not submit the lowest financial cost tender they were still within the stated budget). However, they were the highest scoring in terms of quality, technical and professional ability and convinced the tender evaluation group through their action plans and tender documentation that they have the right ethos, skills, capacity and capability to deliver the objectives (In contrast to the lowest cost tender).
35. In addition Focus Futures are experienced in the management and development of, not only learning disability services but also a wide range of services for vulnerable adults, and they will bring a wealth of skills and knowledge to Herefordshire.
36. As a result, the Director of Adult Services authorised officers to begin negotiations with the organization – Focus Futures - to agree the terms of the contract, which will commence in early 2008.
37. The principles of the partnership are:
- To ensure younger people with a learning disability are offered individualised

services to enable them to be supported as part of their local community.

- To ensure older people with a learning disability can remain in their local community, even when family members are no longer able to offer support.
  - To ensure that individuals who are currently in more institutionalised services (such as residential care) are offered the opportunity to become part of a chosen community.
  - To ensure resources are refocused to develop new opportunities which support the vision.
38. Within the above principles the contract will have a number of specific objectives and targets. These will include:
- Reducing the number of people living in registered care.
  - Increasing the number of people who are living in their own home with support.
  - Reducing the overall unit cost of services across the spectrum of accommodation and support options.
39. The contract will be legally compliant and based on the following principles:
1. The contract will be for a five-year period to allow sufficient time to implement change (the lease for Ivy Close is 25 years and will be a separate legal entity within the contract)
  2. The contract will be within the financial envelope available.
  3. The contract will result in savings across the accommodation and Support provision over the length of the contract.
  4. The contract will embrace individualised budgets and the provider will carry the financial risk for this.
40. A further report will be brought to cabinet to agree the final detailed contract.

## **Financial Implications**

Adopting individual budgets as the mainstream response to service user need provides an opportunity to deal with the ever increasing demand for services. It provides for quality services, tailored to the individual's needs, with potential budget savings.

The demand for services will continue to increase, especially with very disabled young people now reaching adulthood. Their aspirations are changing and people and their carers are now demanding provision which maximises their independence and choice and puts them in control of their own lives. The evidence shows that individualised budgets can provide a win-win situation, with people able to arrange community based housing and support services which more appropriately meet their needs and also cost less than the present residential care options. It is currently very difficult to find ways of reducing large budget overspends without affecting service and performance.

The accommodation and support partnership has a financial envelope (£3.2m) within current base budget and based on current services being transferred into the partnership. Using this resource base, the contract will require Focus Futures to provide new services, at a reduced

unit cost based on promoting independence and drawing in additional funds from, for example, housing benefit and Supporting People.

These two initiatives will have an impact on both improvements in range and quality of service and meeting demand for services but will not totally eliminate future pressures on the budget. Current spend on adults with learning disabilities is significantly above the allocated budget (approx 30% over) but still lower than comparator authorities and the England average

The current budget of £8.5 million is projected to overspend 07/08 by £2.6 million. It is difficult to see how savings can easily be made to bring this discrepancy in line without reducing services. There will continue to be significant overspending against the base budget, which will increase each year if no inflationary uplifts are applied, unless this is addressed. There are limited options that can be developed to deal with the budget gap.

The council has allocated £2.7m investment in adult social care to modernise services, of which £2.1m is intended to cover services for older people. There may therefore be some scope to vire some monies intended for services for older people – however this could have a negative impact on performance and service delivery for older people. We are also looking very carefully at the potential of additional Supporting People monies funding a greater element of the care provision for people with learning disabilities and at the possibility of additional income being secured from the PCT to address their relatively low investment in this area. Beyond those measures it is likely that action that would ensure the budget was brought back on line in 08/09 would require policy decisions on reducing services to individuals, changes to eligibility for service and moving people who are in settled residential placements to less expensive placements if they could be found. These initiatives would need to be carefully appraised for service and political impact.

Work is underway to explore the options outlined above including discussions with the PCT on a zero based budgeting exercise to agree joint objectives for the pooled budget and the relative contributions of partners and particular attention being focused on the PCT responsibilities under the new national framework for Continuing Health Care. This work will feed into the budget setting process for 2008/2009.

## **Risk Management**

The local Resource Allocation System has been based on national work from In Control which appears to demonstrate that self-directed support does not cost more than traditional services while providing an improved quality of service. It can be adjusted in the light of experience.

Detailed work that has been completed throughout the tender so no major risks are identified associated with the negotiation of the Accommodation and Support Partnership contract. However, we have identified a number of risk management strategies that will be adopted to ensure success.

- Engaging Herefordshire PCT in the contract negotiation process.
- Ensuring senior management engagement in the negotiations.
- Ensuring financial and legal services are engaged in the process.

Risks identified to the implementation of partnership are as follows:

- The partner does not deliver on the identified targets.



- The identified savings are not realised.
- Service users, carers and staff are not fully engaged
- Housing developments are not delivered.

The partnership contract will address these specific issues and detail the action to be taken to minimise the risk they present. The successful organisation has already completed a detailed risk log in relation to the contract.

A partnership steering group will be responsible for overseeing the implementation of the contract and ensuring targets are met and outcomes achieved. The steering group will include senior officers from Herefordshire Council and PCT Learning Disability Services and contract and procurement.

As a result of the negotiations and based on the above principles, a further report will be presented to Cabinet to agree the awarding of the contract.

## **Alternative Options**

The traditional model of service currently in operation does not have the potential to improve services or contribute to “capping” spend and is unsustainable. To continue with the current approach will bring ever increasing costs which will be unavoidable.

## **Consultees**

Following a seminar with service users and carers, the Valuing people Partnership Board wrote to the Cabinet member for Adult Social Care and Housing expressing support for the proposal that In Control becomes the mainstream response to meeting service user need.

Service users, staff and family carers have involved in both the choice of accommodation partner and what they will be expected to deliver.

The Peoples Union

Staff

Service users and carers

Herefordshire Primary Care Trust.

Service Providers

## **Appendices**

Appendix 1: Case Study – Hayley

Appendix 2: Case Study –Peter

## **Background Papers**

Future social care needs and services for older people and people with learning disabilities in Herefordshire – November 2007

Commission for Social Care Inspection Report on Services for People with Learning Disability and the Council’s action plan – Cabinet Report 21<sup>st</sup> June 2007 – Copy available in

Members' Room or, on request, from Stephanie Canham.