

WIRRAL COUNCIL

CABINET 6 NOVEMBER 2008

REPORT OF THE DIRECTOR OF ADULT SOCIAL SERVICES

## **PROGRESS TOWARDS THE TRANSFORMATION OF ADULT SOCIAL SERVICES**

### **1. EXECUTIVE SUMMARY**

- 1.1 Delivering the Transformation of Adult Social Services is critical to the Council's strategic objective: To improve health and wellbeing for all, ensuring people who require support are full participants in mainstream society. In particular the programme gives focus to the improvement priority of 'promoting greater independence and choice'. The report involves a number of key decisions, first identified in the forward plan in December 2007.
- 1.2. The decisions required in this report will enable the Director of Adult Social Services to deliver cashable efficiencies over the medium term as outlined in his report to Cabinet of 4<sup>th</sup> September 2008. These are integral to achieving a stable and sustainable budget, and to contribute to the Council's projected budget deficit reported elsewhere on this agenda. The report also responds to a request from Cabinet at its meeting of 25<sup>th</sup> September 2008 for further analysis of the Department's Value for Money Profile as published by the Audit Commission.

### **2. BACKGROUND**

The rationale for transforming Adult Social Services has been presented to, and agreed by Cabinet over the summer months and most recently on the 16<sup>th</sup> October 2008. This latter report gives authority to implement significant changes to service delivery in line with the new agenda and at the same time deliver sustainable efficiencies of £710,000 in the current financial year and £2,124,000 in 2009-10. It was reported to members that this delivery will help offset the projected budget deficit and help achieve the £3.5m overspend previously reported to Cabinet but not contribute to the new year efficiency target.

This report presents further options to (i) help achieve a stable budget and (ii) deliver cashable efficiencies that can be taken into account in setting the 2009-10 budget and beyond.

The final section of the report provides further analysis of the Value for Money (VFM) Profiles for DASS previously reported to Cabinet on 25<sup>th</sup> September 2008. These are detailed in Appendices 4(a) to 4(e). The options contained in this report and that of the 16<sup>th</sup> October 2008 will have a positive impact on future VFM Profiles, however the impact of these still need to be analysed and will feature in a further report to Cabinet.

### **3 FUTURE PLACE OF PROVIDER SERVICES**

The approved programme sets a direction of travel for DASS and the potential impact on directly provided services has previously been reported to Cabinet. The key drivers are the need to sustain services that are fit for purpose, represent good value for money and consistent with the development of personalised support. Alongside this is the need to achieve sustainable efficiencies to contribute to the corporate budget deficit. These factors need not be contradictory.

In order to develop a coherent strategy for provider services an options appraisal has been conducted to explore the feasibility of re-configuring and/or outsourcing directly provided support services

Whilst this represents a major shift for DASS, over the last decade Councils with Social Care responsibilities have outsourced many of their services and developed their role as 'commissioners' rather than direct providers of support. Wirral has followed a similar pathway by supporting and developing a mature and robust market for domiciliary and residential care. Currently 84% of support provided to people in their own homes, and 95% of residential and nursing care is provided by the independent sector. Elements of support that have remained in-house include Day Care, Respite Care, Transport, Assessment and Re-ablement and Supported Living services. These services will need to change in the light of the Personalisation agenda and the greater emphasis on achieving Value for Money for services that people want.

Outsourcing can provide many benefits to an organisation however these need to be based on a sound business case. Cabinet have already agreed the closure and re-provision of Mendell Lodge, Rosewarne and Feltree House and members are reminded that the unit cost of in-house residential care is significantly higher than the price in the independent sector for the same service. Cabinet have also agreed the transfer of the remainder of the long term home care service and the expansion of the in-house Home Assessment and Re-ablement Team (HART) where the cost differential reported to Cabinet in October 2008 is even more apparent.

The Personalisation, Localisation and Integration drivers demand a different approach to commissioning. As partnerships and capacity grows within the voluntary and community sector, providers will play a more significant role in developing and delivering personalised support, exploiting the advantage of flexibility and access to funding sources outside the scope of statutory agencies with closer connection to the local communities they operate in and serve.

This new environment fundamentally challenges the continuation of Council provided services within DASS and the business case attempts to assess a range of scenario in preparation for when the majority of people have access to, and want to be in control of, their personalised, Individual Budget.

### **4 OPTIONS FOR 'OUTSOURCING AND SERVICE DETAILS**

- 4.1 The department has undertaken an option appraisal – detailed in Appendix 1 and based upon this recommends an Open Tender (Specific Functions) approach.
- 4.2 If Cabinet is minded to pursue an approach to outsourcing, service areas (specific functions) could be broken down into blocks:
- Intermediate Care
  - Day Services
  - Transport
  - Respite Care (Learning Disability)
  - Residential and Respite Care (Physical and Learning Disability)
  - Respite Care (Mental Health)
  - Respite Care and Long Term Care (Older People/EMI)
  - Long Term Care (ALD/Supported Living)
- 4.3 Full details of these services are given below, the current service costs and recommended timescale for consultation and outsourcing.

## **5 Intermediate Care**

- 5.1 Intermediate care is currently provided at Poulton House (Wallasey) and Pensall House (Pensby).
- 5.2 Poulton House currently offers 38 beds, 25 of which are registered for intermediate care, 12 are for respite and 1 is a permanent placement. The building is deemed fit for purpose for the next three years after which there is a high probability major capital expenditure will be needed to maintain its registration status. Cabinet have agreed to cancel the proposed investment of £1.5m on this facility in accordance with the emerging commissioning strategy for Intermediate Care and opportunities that may arise from the development on the adjacent site which will create 79 additional Extra Care beds. The unit cost is £483 per week if the facility is operating at 100% occupancy.
- 5.3 Pensall House offers 25 beds. The facility is currently assessed as 'fit for purpose' and has potential to remain a 'going concern' either directly provided or outsourced. The unit cost is £582 per week at full occupancy.
- 5.4 Whilst the independent market has indicated a general willingness to offer this type of service under contract to the Council and Wirral PCT, it has not been sufficiently tested. It is therefore proposed to consult with stakeholders, including private providers, with a view to offering the service via open tender in September 2009 with an anticipated commencement date of 1<sup>st</sup> April 2010. In the meantime Intermediate Care services will continue to be offered by current providers. This does not preclude existing providers submitting such a tender.
- 5.6 If this proposal is agreed it paves the way to begin discussions around the development of a new community facility at Poulton House in conjunction with Wirral PCT and Wirral Hospital Trust. This will be considered as part of the

Wirral Integrated Services Project and Integrated Care at Home. Pensall House may offer a different solution given its size and potential for acquisition and private development as an ongoing residential/respite care home.

## **6 Day Services**

- 6.1 Council agreed a budget efficiency of £700,000 in 2008-09 on out-of-home activity. The potential for slippage against this has been reported to Cabinet with the full year impact remaining on target for 2009-10. These efficiencies are being achieved through better housekeeping and procurement of private day care. However with the implementation of Individual Budgets it is considered likely, although not inevitable, that people will begin to choose a different mix of support that meets their need during the day. For this reason Day Services provided by the Council need to be reshaped to be more flexible in order to respond to any changes in demand over time.
- 6.2 Further consultation with people who use services and their carers will need to be undertaken in 2009 to determine the best shape, source and volume of day time support services that need to be commissioned over the medium term. Whilst open tender is the model recommended in this report, it does not preclude existing services, staff, or users themselves from submitting such a tender (including that in the form of a Social Enterprise)
- 6.3 Budget efficiencies arising from this will not be certain until the consultation is concluded and early lessons from early Individual Budgets pilot are learned. Therefore no account is taken in the 2009-10 budget proposals at this stage.

## **7 Transport**

- 7.1 DASS operates 29 vehicles, procured and maintained by Technical Services, employs 58 staff and transports approximately 730 people to day services, 132 to respite care and other forms of day time services (including colleges). The total number of journeys is 260,364 per year and the total running cost of the service is £1.8 million. The unit cost per trip is therefore £6.91.
- 7.2 It is inevitable that the reform of day time activity will have an impact on the Transport Service. Furthermore the re-ablement ethos now being embedded across all provider services has resulted in some people, previously using specialist transport services provided by the Council, accessing public transport. This will continue to grow with the onset of Individual Budgets so the focus needs to move to 'Travel Training'. The actual provision of Transport is therefore a service that can be tendered in the open market. The service volume to be tendered will need to match with developments in day services, however it is considered feasible to run this tender in advance of the day services tender on a cost and volume basis in order to establish a variable contract that can be reconciled to the volume of day care. Based on the unit cost of existing providers (private hire taxi companies, and 3<sup>rd</sup> sector providers) there is potential for efficiency savings of up to 20%. (£360,000 in a full year assuming current volumes are maintained and fuel prices remain stable at current rates). Actual savings are likely to exceed this in line with the

anticipated reduction in demand alongside that for day care. The latter remains uncertain and will be considered for budget savings in 2010-11 as part of the next stage of out-of-home reform efficiencies. The suggestions on the future of DASS transport have also been discussed as part of the corporate review of transport procurement.

## **8 Respite care (Learning Disability)**

- 8.1 Respite care for people with a learning disability is provided mainly at Maplehome in Birkenhead. Up to 23 people use the service at any one time and the annual cost is £1,208,900. The unit cost is therefore £1,008 per week.
- 8.2 As with day services, it is likely that people availing themselves of Individual Budgets will choose different ways of meeting their need for respite care. This may jeopardise the facility's future economic viability. However this will not happen in the short term so it is proposed to maintain the service 'as is' and consult with users and carers about the prospect of outsourcing in the future. There is currently no established market for respite care for adults with learning disability and the service is critical to maintaining people in their own homes and supporting carers. If the Council decides outsourcing is an option this should be done via an open tender but with the uncertainty of demand it is proposed to defer this until later in 2009.

## **9 Residential & Respite Care for Physical and Learning Disability**

- 9.1 Girtrell Court provides residential care for 13 people with a range of complex disabilities and 5 people attend respite care at any one time. The unit cost of £1,129 per week was reported to Cabinet at its meeting of 9<sup>th</sup> July 2008. At this meeting Cabinet authorised the Director of DASS to consult with stakeholders about the home's future.
- 9.2 This consultation commenced on 30<sup>th</sup> July 2008 and involved Wirral Advocacy and Involvement Services Partnership. Independent advocates were asked to carry out direct consultation with residents on a one-to-one basis and three people were represented by Independent mental Capacity Advocates because of their limited capacity.
- 9.3 The resident's feedback is that it is difficult for some people to think of other options for themselves as they have limited knowledge of what is, or might be, available to them. However only four people said they wanted to remain at Girtrell Court, with the rest wanting to move on and learn more about what might be on offer to them. The next stage of the consultation is to involve the families of the residents and arrangements are now in hand to meet with them on an individual basis.
- 9.4 In respect of people who use Girtrell Court for respite care, eighteen people who use it were contacted. Initial indications are that they and their carers value the service and are seeking assurance that the Council will continue to offer it to them in the future.

9.5 It is too early in the consultation process to offer a clear option for a Cabinet decision on the future of Girtrell Court so it proposed to maintain the service 'as is' for at least 12 months during which time realistic options will be presented to Cabinet. No efficiency savings are therefore proposed for 2009-10.

#### **10.1 Respite Care (Mental Health)**

10.1 Respite care for adults with mental health needs was formerly provided at Rosewarne in Oxton. This facility closed in March 2008 and was transferred to Fernleigh in Leasowe saving £500,000 in the current financial year.

10.2 There is a market for residential services for mental health, although it is currently under developed to offer crisis beds for short term support. There is also the consideration that residential-type support might not be the best option for people who need support in a crisis in order to maintain them at home. As other community services need to be developed, it is suggested the facility remains operational 'as is' for at least the next twelve months, whilst at the same time consultation is undertaken with stakeholders, including Wirral PCT and Cheshire and Wirral Partnership Trust to see if a joint service venture can be established to offer community support alongside a safe residential environment that better suits the peoples' needs. Once specified this can also follow the model of an open tender. No savings from this proposal should be built into the 2009-10 budget but it may be an option for subsequent years.

#### **11 Respite Care and Long Term Residential Care (Older People/EMI)**

11.1 The remaining home offering services for older people provided by Wirral is Meadowcroft in Bromborough. The home has 23 beds, and has an annual running cost of £880,700. The unit cost is therefore £734 per week at full occupancy.

11.2 It is proposed to offer this facility as a going concern via open tender. This will protect existing residencies and maintain provision in the Bromborough area where there are fewer vacancies than the Borough average. If there is a successful tender, even at the maximum price paid by the Council, it could realise a budget efficiency of up to £230,000 depending on the extent of TUPE costs. Staff and residents have not been consulted on this proposal so this will have to be undertaken before any final decision is reached.

#### **12 Long Term Residential Care ALD**

12.1 This service is currently provided at Sylvandale in Bromborough. 23 beds are provided at an annual running cost of £1,245,100. The unit cost is therefore £1,038 per week. A smaller service is also provided at Manor Road with 4 places.

12.2 People who use Sylvandale have complex needs and there is no current market that suggests outsourcing is a realistic option in the short term. However the needs of the existing residents may be better met in a 'Supported

Living' setting with them enjoying the benefits of more independent living with personal support. Many of the residents enjoy alternative day time activities and attend other Council facilities (eg Day Centres). It is proposed that the Director of Adult Social Services consult with existing residents and their families about this proposal to see if it is an option they would like to proceed with. As this consultation has not been undertaken yet no budget efficiencies are proposed for 2009-10.

### **13 Supported Living**

- 13.1 268 people are supported in a range of independent tenancies at an annual cost of £6,271,200. The unit cost is therefore £450 per week. In addition 90 people are supported by in-house services at a unit cost of £598 per week.
- 13.2 Negotiations are currently underway with independent Supported Living providers on the hourly rate to be paid from 1<sup>st</sup> April 2009. A Fair Price model similar to that adopted for independent domiciliary care providers has been developed which indicates potential efficiencies of about 10% will be achieved on re-tender. This extrapolates to savings of £650,000 in a full year, all of which may be achieved in 2009-10 and taken account of in setting the Budget.
- 13.3 An open tender for services provided in-house will take longer to realise savings as staff would have to be re-deployed. It is therefore proposed to conduct these tenders in two phases, the latter beginning to realise savings from September 2009 of £347,000 in 2009-10 and a further £347,000 in 2009-10.

### **14 OTHER BUDGET EFFICIENCIES FOR CONSIDERATION**

- 14.1 The above presents options for Cabinet to consider as part of the 2009-10 Budget deliberations in respect of directly provided services. Other efficiency options are being developed that Cabinet are asked to comment on these and not progress.
  - (a) Further reductions in management and support arising from the outsourcing of in-house provider services. Whilst further work is required to analysis this in more detail it is believed savings of £100,000 in each of £209-10 and 2010-11 are achievable.
  - (b) A review of admin support is currently underway. This focuses on secretarial support provided within Headquarters (Westminster House) and admin provided to Access and Assessment Branch. Savings of £100,000 are considered achievable within 2009-10 as the new structure are finalised.
  - (c) Cabinet are reminded of a decision last year to renegotiate prices paid for residential and nursing home care. Savings of £900,000 have already been built into the budget for 2009-10 (bridged from 2008-09) and these have only in part been achieved through reduced Nursing Fees. Negotiations are continuing and a further report will be presented to

Cabinet in December on the potential to increase this further. Members are also made aware of the national lobby against Council's reducing fees and the risks associated with terminating the contract to achieve this. However Wirral rates are above regional averages and efficiencies must be achieved.

- (d) The provisional Reform Grant settlement for 2009-10 is £1.5 million. Currently only £0.5 million of this ring fenced grant is committed. The remaining grant may be used to fund Individual Budgets which will have an impact on the Community Care budget and therefore has potential to reduce the budget.

## 15 CAPACITY TO DELIVER

- 15.1 The options in this present a major challenge for the Council. Over the next two years it represents some of the biggest changes ever implemented in DASS. Bearing in mind the need to keep services safe for people who currently depend on them and the financial pressures already facing the Department Cabinet are asked to consider the need for additional temporary resources from the Efficiency Budget to provide extra capacity to manage the change. This capacity needs to be in the form of professional support (eg legal, finance etc) and Cabinet may wish to consider appointing consultants with a proven track record of delivering such a change. The extent of such consultation will depend on the options agreed by Cabinet and will therefore need to be subject to a further report to Cabinet.

## 16 FINANCIAL AND STAFFING IMPLICATIONS

- 16.1 The financial implications in this report are summarised as follows:

Option	2009-10 Efficiency £	2010-11 Efficiency £	Total Proposed £
Intermediate Care (Poulton)	0	TBC	0
Intermediate Care (Pensall)	0	TBC	0
Day Time Services	0	TBC	0
Transport	180,000	180,000	360,000
Maplehome	0	TBC	0
Girtrell Court	0	TBC	0
Fernleigh	0	TBC	0
Meadowcroft	0	230,000	230,000
Sylvandale	0	TBC	0
Supported Living (external)	650,000	0	650,000
Supported Living (internal)	347,000	347,000	694,000



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1,177,000	757,000	1,934,000
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16.2 Further work is required to assess the potential and risk of where these options are marked TBC (To Be Confirmed).

16.3 The savings outlined above are dependent upon the costs of any EVR being met from the corporate Efficiency Budget and not from the DASS budget.

16.4 There are major staffing implications for all of these proposals which will need further discussion.

## **17 EQUAL OPPORTUNITIES IMPLICATIONS**

17.1 All of the projects supporting the Transformation Programme are subject to equality impact assessments ensuring people living in vulnerable circumstances and those from minority groups are not adversely affected.

## **18 COMMUNITY SAFETY IMPLICATIONS**

18.1 The Personalisation Agenda cross all domains of personal life. The Integration and Localisation agenda heralds new working relationships with other community and statutory agencies promoting joined up services delivered at a more local level. New links are being formed with Merseyside Fire and Rescue and Merseyside Police to add capacity to supporting people in crisis and wherever possible preventing that crisis through earlier intervention and support.

## **19 LOCAL AGENDA 21 IMPLICATIONS**

19.1 New business processes to underpin the new offer from DASS are to be more streamlined with less duplication in terms of accessibility and process. New working practices demand greater flexibility and enhanced use of technology, thereby reducing the need for paperwork and staff travel.

## **20 PLANNING IMPLICATIONS**

20.1 These will emerge as services are re-configured. Particular implications will arise from supporting more people in Supported Living and Extra Care rather than tradition residential and nursing care, and the reform of daytime services.

## **21 ANTI POVERTY IMPLICATIONS**

21.1 This is a key feature of the shift to low level, preventative services. DASS has integrated delivery and management arrangements with the Department of Work and Pensions in order to promote the take up of Pension Credit and Attendance Allowance, and has an effective Welfare Benefits Service providing advice and support to the whole population of Wirral.

## **22 SOCIAL INCLUSION IMPLICATIONS**

22.1 Also key, is the development of socially and universally inclusive community based services.

### **23 LOCAL MEMBERS SUPPORT IMPLICATIONS**

23.1 The move towards three Locality Structures will have an impact on all wards and ensure there is equality of access and provision whilst recognising the particular needs of diverse communities.

### **24 BACKGROUND PAPERS**

24.1 None used in the preparation of this report.

### **25 RECOMMENDATIONS**

25.1 It is recommended that Cabinet comments on and agrees in principle with the proposals to outsource in-house provided services by open tender as set out in the report subject to a further report being brought to Cabinet outlining in particular the staffing, service and financial implications.

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20<sup>th</sup> September 2008

## APPENDIX 1

### OPTION APPRAISAL

Following extensive research on what other Council's have done and guidance issued from various Government agencies, a number of options exist ranging from 'do nothing' to full outsourcing via open tender. These are:-

#### Do nothing

Maintain the service 'as is' without any organisational change

#### Creation of an 'arms length organisation' - of all current functions

An organisation which separates the governance and management of service, ie commissioner and provider functions under the statutory umbrella of the Council. The organisation could operate for up to three years, with full independence being a medium term possibility. It would operate under a scheme of delegation, so while remaining under Council control would produce independent accounts and operate commissioned support services via a Service Level Agreement.

#### Creation of several 'arms length organisations' - of a range of specific functions

As above. However the service mapping exercise has illustrated that some services fall within specific functions that might benefit from being a more discreet entity and not part of a wider, more diverse business (eg Supported Living Services).

#### Creation of an 'arms length organisation' - of combined functions

As above. Some services are interrelated and co-dependent and may be combined as larger discreet businesses in order to deliver better value for money. (eg Day Care and Transport)

#### 'Right to request' Social Enterprise - of all current functions

This option recognises staff and service users' rights to request to set up a Social Enterprise to deliver services. The Council would be obliged to consider any such proposal, and if Cabinet agreed the business case, DASS could commission the service via a three year contract

#### 'Right to request' Social Enterprise - of specific functions

As above. This may entail specific services (eg a specialist Day Centre) proposing to deliver the current service as a Social Enterprise.

#### 'Right to request' Social Enterprise - of combined functions

As above. Using the Day Centre analogy an example of this would be a Day Centre coupled with a part of the Transport Service associated with people using that service.

### Open Tender - All services

Under this proposal the Council would specify the service shape for the whole Care Services Division over the short, medium and long term and follow an open tender process in accordance with Council Standing Orders. This option would not preclude the tender from the Council, its employees or people who use services.

### Open Tender - of specific functions

As above. The tender would be for parts of the Division under separate contracts (eg Respite Care, Supported Living etc)

### Open Tender - of combined functions

As above, (eg Day Care including Transport, Respite and Long Term residential care etc).

A preliminary appraisal was conducted on each option in order to establish a short list of 5 for further consideration. These five options are considered to be the only feasible options Cabinet are asked to consider. This resulted in the following against which a more detailed appraisal was conducted.

Creation of an 'arms length organisation' (All functions)

Creation of an 'arms length organisation' (Specific functions)

Creation of a Social Enterprise (All functions)

Creation of a Social Enterprise (Specific functions)

Open Tender (Specific functions)

## **APPRAISAL TECHNIQUE**

The appraisal technique is set out in Appendix 2 and results in the following assessment which was undertaken by members of the Transformation Programme Board and the DASS Strategic Leadership Team.

## **SUMMARY OF OPTIONS APPRAISAL**

Option →	(a)	(b)	(c)	(d)	(e)
Personalisation & Localisation	140	210	300	330	400
Benefits to people who use services and carers	60	110	120	135	130
Social Inclusion & positive health impact	120	145	185	195	205
Corporate governance and accountability	125	135	140	145	155
Organisational Benefits	100	120	140	150	155
Financial Benefits	130	150	125	170	280

Commissioning	85	115	100	120	145
Grant total	760	985	1,110	1,125	1,470

The option with the highest weighted score is Option (e) - Open Tender for Specific functions. Subject to Cabinet agreement it is therefore proposed to take this option further to the next stage of service design and specification in preparation for a series of open tender exercises to be conducted in 2009 and 2010. This process will be undertaken in conjunction with colleagues in Legal Services and the Corporate Procurement Unit.

The following are the Specific Functions (ie all services currently offered by DASS) to be prepared for the next stage recognising the need for further consultation with people who may be affected and their local communities. This consultation will also confirm the potential phasing of the programme as set out in the following paragraphs.

Intermediate care

Day Services

Transport

Respite care (Learning Disability) - Maplehome

Residential & Respite Care for Physical & Learning Disability - Girtrell Court

Respite care (Mental Health) - Fernleigh

Respite and long term residential care (Older People/EMI) - Meadowcroft, Pensall and Poulton House

Residential care (Learning Disability) - Sylvandale and Manor Road.

Supported Living

## APPENDIX 2

### OPTION APPRAISAL

1	<b>Personalisation and localisation</b>  <i>To achieve the Transformational change the selected option must support and enhance DASS's ability to deliver personalised support.</i>	<b>Weight</b>
1.1	To what extent does this option enhance the control of individuals over the care they receive?	20
1.2	To what extent is this option likely to achieve Wirral's aspiration for localisation services and increase capacity of provision within the borough?	15
1.3	To what extent does this option provide opportunities to innovate?	15
1.4	To what extent does this option increase the choice of services available?	20
1.5	To what extent does this option enable specific changes in services to be implemented quickly?	20
1.6	To what extent does this option support the citizenship model of care and the shift towards individual budgets?	15
	Sub-total	105
2	<b>Benefits to people who use services and Carers</b>  <i>In supporting an option DASS must be able to demonstrate that it offers additional benefits and service improvements</i>	
2.1	What extent does it provide an enhanced opportunity for carers' needs to be promoted and responded to locally and differentially?	15
2.2	To what extent does the option enhance the opportunity for local user run services to be promoted?	5
2.3	To what extent does the option enhance local accountability to people who use services and carers.	5
2.4	To what extent does the option enhance the opportunity for more a holistic assessment of need to be developed?	10

2.5	To what extent does it enhance pathway management between local and specialist services that may be provided both in and out of area?	10
	Sub-Total	45
<b>3</b>	<b>Promoting Social Inclusion and positive health impact</b>	
3.1	To what extent does the option enhance the development of a consideration of the wider context of an individual's life?	10
3.2	To what extent does the option promote the links with local services to ensure that issues can be quickly addressed?	10
3.3	To what extent does the option provide the opportunity to promote relationships and enhance inclusion?	15
3.4	To what extent does the option promote employment and life long learning opportunities both internally and externally?	5
3.5	To what extent does this option ensure that the protection of vulnerable adults and individual risks are managed as a priority?	15
3.6	What extent does it promote responses to the needs of ethnic minority groups in the development of services that are culturally sensitive?	10
	Sub-total	65
<b>4</b>	<b>Corporate Governance and accountability</b>	
4.1	To what extent would the option satisfy the need for short and direct lines of accountability to ensure flexibility?	5
4.2	To what extent would the option promote improved accountability to local communities?	5
4.3	To what extent would this option require limited adjustment in DASS to accommodate governance arrangements?	5
4.4	To what extent would this option enhance lay representation in the governance and accountability framework of the organisation?	5
4.5	To what extent does this option require the development of new skills and infrastructure?	5
4.6	To what extent does this option ensure effective monitoring, risk management and performance management?	20
	Sub-total	45
<b>5</b>	<b>Organisational benefits</b>	

5.1	To what extent would the option fit with the strategic direction of the PCT and Local Authority?	15
5.2	To what extent does the option enhance opportunities for recruitment and retention?	5
5.3	To what extent does the option afford opportunity for the provision of a wider integration of services and the development of managed service networks?	5
5.4	To what extent does the option enhance the ability of DASS to influence providers to be innovative and accommodate new methodologies in intervention?	5
5.5	What extent does it offer the potential for a supportive infrastructure to enhance delivery models that are devolved, local and integrated?	10
5.6	To what extent does this option support an entrepreneurial approach?	5
	TOTAL	45
<b>6</b>	<b>Financial Benefits</b>	
6.1	To what extent does this option support the delivery of DASS efficiency targets?	25
6.2	To what extent does the option likely provide financial stability thus minimising risk to the authority?	25
6.3	To what extent does the option ensure the cost effectiveness of service development including the ability of the organisation to attract new funding and investment?	5
6.4	To what extent does this option support the implementation of RAS and the promotion of individual budgets?	20
	Sub-total	75
<b>7</b>	<b>Commissioning</b>	
7.1	To what extent does this option support DASS ability to specify delivery?	5
7.2	To what extent is this option likely to be supported by the market response in the short term?	5
7.3	To what extent is this option likely to be supported by the market in the medium to long term?	10
7.4	To what extent does the option have capacity to provide robust data to support the JSNA and commissioning strategies	15



7.5	To what extent would the option enhance locality commissioning?	5
	Sub-total	40
	Grand Total	420

The weighting rationale is:-

<b>Weighting Rationale</b>	<b>Score</b>
Critical (Must be delivered to ensure the stability of the department and in turn our commitment to support all people who currently receive services.)	25
National Priority (Department must demonstrate direction of travel to modernise and improve delivery to people who use our services)	20
Key Corporate/Local delivery issues/ (Must be inline with helping people and communities in Wirral to thrive)	15
Essential for improved partnership delivery and integration to provide joined up and seamless service to people who use them	10
Highly desirable (mutual benefit to users carers and the department)	5
Desirable (Benefit to specific groups)	2
Non key benefit (Bonus element to the option)	1

Each criteria (1.1 to 7.5) is ranked 1-5, and this is multiplied by the weighting factor to determine the score.

1 = No potential to deliver benefits

2 = Limited potential to deliver some benefits

3 = Likely to deliver some benefits

4 = Likely to deliver most benefits

5 = Full benefit likely to be achieved

## APPENDIX 3

### Options Appraisal scores

Q No	Option 2 Arms Length All	Option 2a Arms Length specific functions	Option 3 Right to request All	Option 3a Right to request specific functions	Option 4a Open Tender specific functions
1.1	40	40	60	60	80
1.2	15	30	30	45	60
1.3	30	30	45	60	60
1.4	20	40	60	60	60
1.5	20	40	60	60	80
1.6	15	30	45	45	60
2.1	15	45	30	45	60
2.2	5	10	15	15	10
2.3	10	15	15	15	10
2.4	20	20	30	30	20
2.5	10	20	30	30	30
3.1	20	20	30	30	40
3.2	20	20	30	30	30
3.3	30	45	45	45	45
3.4	10	10	15	15	15
3.5	30	30	45	45	45
3.6	10	20	20	30	30
4.1	10	15	15	15	15
4.2	10	15	15	20	15
4.3	15	15	10	10	15
4.4	15	15	20	20	15
4.5	15	15	20	20	15
4.6	60	60	60	60	80
5.1	30	30	45	60	60
5.2	15	15	20	15	15
5.3	10	15	15	15	15
5.4	15	15	15	15	20
5.5	20	30	30	30	30
5.6	10	15	15	15	15
6.1	50	50	25	50	100
6.2	50	50	50	50	100
6.3	10	10	10	10	20
6.4	20	40	40	60	60
7.1	15	15	15	15	20
7.2	10	15	10	15	20
7.3	20	30	20	30	40
7.4	30	45	45	45	45
7.5	10	10	10	15	20
<b>Total</b>	<b>760</b>	<b>985</b>	<b>1,110</b>	<b>1,245</b>	<b>1,470</b>

## **Audit Commission Value For Money Profiles 2007/08**

### **Audit Commission VFM Profile Description**

Older People Services

### **Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)**

In 2007-08 Wirral spent £842.93 per person aged over 65 compared to the 'nearest neighbour' average of £875.37 per person. Wirral currently ranks 10<sup>th</sup> out of 16. In 2006-07 Wirral ranked 9<sup>th</sup> out of 16, spending £828.85 compared to the group average of £845.92.

Wirral supported an average of 32.3 older people in residential/nursing care per 1,000 aged over 65 compared to the group average of 30.8. Wirral currently ranks 8<sup>th</sup> out of 16. In 2006-07 Wirral ranked 9<sup>th</sup> out of 16 with an average of 31.2 compared to the group average of 32.0.

The unit cost of residential/nursing care for older people ranks 3<sup>rd</sup> out of 16 at £449 per week compared with a group average of £414.50. In 2006-07 Wirral ranked 10<sup>th</sup> with a unit cost of £388.17 against an average of £400.96.

The level of Intensive home care provided by Wirral per 1,000 population aged over 65 was 32.6 in 2007-08 compared to an average of 39.2. Wirral ranked 14<sup>th</sup> out of 16. In 2006-7 Wirral were ranked 4<sup>th</sup> out of 16 with 46.5 people supported compared to the group average of 40.6.

The average cost of home care provided by Wirral in 2007-08 was £11.40 compared to an average for the group of £14.04. Wirral ranked 15<sup>th</sup> out of 16, the same ranking as 2006-07. The unit cost in 2006-07 was £10.00 compared to the average of £13.13.

### **Basis of indicator (e.g. cost divided by population)**

Cost divided by population aged 65 and over.

### **Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)**

RA and PSSEX1 return, ONS Population stats.

### **Lead Department for indicator**

DASS

### **Any alternative performance indicators for this area**

See above

### **Reasons for performance (e.g. Council policies, definition basis etc)**

- Growth agreed 3 years ago to increase the unit cost of Residential and Nursing Home care aligned to quality premiums to stabilise and develop the market.
- Council policy to set eligibility criteria for services under FACS at *substantial and critical*

- Intensity indicator high as a result of reviewing our low level support and people electing to make their own arrangements following an increase to the Council's charging policy.
- Demand for services for older people continues to rise and this is evident in the Trust's reporting of increased activity in hospital.
- Contracts for domiciliary care creates budget efficiencies through E-Monitoring and economies of scale by reducing number of providers to 8.

#### **Actions undertaken (if any) to improve performance/costs**

- 3 year stepped increase in the Fairer Charging policy for non-residential support will increase assessed income and motivate some people to make their own arrangements as it becomes more cost effective for them to do so.
- Reform of out-of-home (day) services will reduce the budget for Older Peoples Services by £150,000 in 2008-09.
- Reduction of Social Workers and change of skill mix in Access and Assessment Teams (fieldwork) will reduce Older People's assessment costs by £105,000 in 2008-09.
- Reduction in management and support costs will reduce the budget by £180,000 in 2008-09
- £1.295m is taken out of the costs of home care through the transfer of in-house long term support to the Independent sector (£550k in 2008-09 and £750k in 2009-10).
- The development of Individual Budgets will see further improvements and cost reductions, but this will not be evident until 2009-10.
- The development of Locality based, integrated services will mean more people access low level, preventative support rather than rely on statutory services. Financial impact is uncertain but the plans are to reduce spending by £3.7m over three years across all service areas.

#### **Planned future actions to be undertaken**

- On-going budget review/cost control.
- Renegotiation of contracts for residential and nursing home to reduce fees by £900,000 from 1 April 2008
- Re-alignment of Quality premiums to match CSCI assessment
- Recovery of 'windfall' gain to Nursing Homes as a result of new RNC rates paid by Department of Health

## Audit Commission Value For Money Profiles 2007/08

### Audit Commission VFM Profile Description

Adults with Learning Disabilities

#### Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)

In 2007-08 expenditure in Wirral on people with learning disabilities was £95.60 per person aged 18-64 compared to the group average of £94.81. Wirral ranks 7<sup>th</sup> out of 16, the same ranking as 2006-07. In 2006-07 Wirral spent £95.08 per person against an average of £90.80.

Wirral is below average for the number of people supported in residential/nursing care at 11.6 per 10,000 population aged 18-64 (average is 12.2) but is ranked 2<sup>nd</sup> highest in terms of the number helped to live at home at 1.0 per 1,000 population aged 18-64 compared with the group average of 0.6.

#### Basis of indicator (e.g. cost divided by population)

Cost divided by population aged 18 to 64

#### Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)

RA and PSSEX1 return, ONS Population stats.

#### Lead Department for indicator

DASS

#### Any alternative performance indicators for this area

See above

#### Reasons for performance (e.g. Council policies, definition basis etc)

- Incidence of learning disability is higher in Wirral than its comparators (source: Joint Commissioning Strategy). This may, in part, be due to services being available (eg day services, special schools) that are not as available in neighbouring authorities.
- Council policy to set eligibility criteria for services under FACS at *substantial and critical*
- Council policy to support people in their own home rather than residential care - which can be less cost effective but has better outcomes for people.
- Wirral has been successful in implementing the CHC criteria for joint funding with Health. A further £300k is expected in 2008-09.
- Demand for services for people with learning disabilities continues to rise as a result of older carer breakdown and transition of young people with disabilities into adulthood.

#### Actions undertaken (if any) to improve performance/costs

- Reform of out-of-home (day) services will reduce the budget for Learning Disability Services by £450,000 in 2008-09.

- Reduction of Social Workers and change of skill mix in Access and Assessment Teams (fieldwork) will reduce assessment costs for Learning Disability by £35,000 in 2008-09.
- Reduction in management and support costs will reduce this budget by £60,000 in 2008-09
- The development of Individual Budgets will see further improvements and cost reductions, but this will not be evident until 2009-10.
- The development of Locality based, integrated services will mean more people access low level, preventative support rather than rely on statutory services. Financial impact is uncertain but the plans are to reduce spending by £3.7m over three years across all service areas.

**Planned future actions to be undertaken**

A new Team has been established as part of the Reform agenda to review services for people with a learning disability. This will entail a re-negotiation of Supported Living contracts which is the main area of overspend.

## Audit Commission Value For Money Profiles 2007/08

### Profile Description

Adults with Mental Health problems

### Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)

In 2007-08 Wirral spent £42.60 per person aged 18-64 on Mental Health Services compared with an average of £31.92. Wirral currently ranks 3<sup>rd</sup> highest, an improvement on last years ranking of 2<sup>nd</sup> highest. Spend per person in 2006-07 was £43.55 against an average of £31.37.

Wirral ranks 2<sup>nd</sup> highest in the group in terms of the average number of people supported in residential/nursing care at 7.7 per 10,000 population aged 18-64 and 3<sup>rd</sup> highest for the number receiving home care at 0.6 per 1,000 population aged 18-64. The comparator group average is 4.6 and 0.3 respectively.

### Basis of indicator (e.g. cost divided by population)

Cost divided by population aged 18 to 64

### Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)

RA and PSSEX1 return, ONS Population stats.

### Lead Department for indicator

DASS

### Any alternative performance indicators for this area

See above

### Reasons for performance (e.g. Council policies, definition basis etc)

- Council policy to set eligibility criteria for services under FACS at *substantial and critical*
- Health Services in Wirral show a different pattern with Wirral PCT spending less on Mental Health Services than its comparators.
- Wirral still funds too many people in residential care, but many have been resident for many years so it will take time to change the profile.

### Actions undertaken (if any) to improve performance/costs

- Reform of out-of-home (day) services will reduce the budget for Mental Health Services by £50,000 in 2008-09.
- Reduction of Social Workers and change of skill mix in Access and Assessment Teams (fieldwork) will reduce assessment costs for Mental Health by £75,000 in 2008-09.
- Reduction in management and support costs will reduce this budget by £125,000 in 2008-09
- The development of Individual Budgets will see further improvements and cost reductions, but this will not be evident until 2009-10.
- The development of Locality based, integrated services will mean more people access low level, preventative support rather than rely on statutory services.

Financial impact is uncertain but the plans are to reduce spending by £3.7m over three years across all service areas.

**Planned future actions to be undertaken**

The Adult Accommodation Strategy is being developed which will offer more choice to people where they receive support.

DASS intends to roll out a Fair Price Model for negotiating a reduction in the unit cost of residential care.



## Audit Commission Value For Money Profiles 2007/08

### Profile Description

Adults with Physical & Sensory Disabilities

### Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)

In 2007-08 Wirral spent £55.58 per person aged 18-64 on services for people with Physical Disabilities against an average of £43.52. There has been an improvement in the ranking from 2<sup>nd</sup> highest in 2006-07 to 4<sup>th</sup> highest in 2007-08. Expenditure in 2006-07 was £56.67 against an average for the group of £42.93.

Wirral ranks 2<sup>nd</sup> highest (the same ranking as 2006-07) in terms of the average number of people supported in residential/nursing care at 5.8 per 10,000 population aged 18-64 compared to a group average of 4.3. Wirral also ranks 7<sup>th</sup> highest in terms of the number of people helped to live at home per 1,000 population aged 18-64 at 3.0 compared to a group average of 3.1.

### Basis of indicator (e.g. cost divided by population)

Cost divided by population aged 18 to 64

### Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)

RA and PSSEX1 return, ONS Population stats.

### Lead Department for indicator

DASS

### Any alternative performance indicators for this area

See above

### Reasons for performance (e.g. Council policies, definition basis etc)

- Council policy to set eligibility criteria for services under FACS at *substantial and critical*
- Wirral still funds too many people in residential care, but many have been resident for many years so it will take time to change the profile.

### Actions undertaken (if any) to improve performance/costs

- Reform of out-of-home (day) services will reduce the budget for Physical and Sensory Disability by £50,000 in 2008-09.
- Increased use of assistive technology is likely to impact in this area
- Reduction of Social Workers and change of skill mix in Access and Assessment Teams (fieldwork) will reduce assessment costs for physical and sensory disability services by £35,000 in 2008-09.
- Reduction in management and support costs will reduce this budget by £60,000 in 2008-09
- The development of Individual Budgets will see further improvements and cost reductions, but this will not be evident until 2009-10.
- The development of Locality based, integrated services will mean more people access low level, preventative support rather than rely on statutory services.

Financial impact is uncertain but the plans are to reduce spending by £3.7m over three years across all service areas.

**Planned future actions to be undertaken**

- The Adult Accommodation Strategy is being developed which will offer more choice to people where they receive support.
- DASS intends to roll out a Fair Price Model for negotiating a reduction in the unit cost of residential care.

## **Audit Commission Value For Money Profiles 2007/08**

### **Profile Description**

Service Strategy

### **Performance per Audit Commission Profile (e.g. high cost, highest quartile etc)**

Wirral was reported as spending £617,000 on Service Strategy in 2007-08 and was ranked 2<sup>nd</sup> out of 16. The figure included some central services costs that were not apportioned to operational areas. The actual cost of service strategy should have been reported as £405,000. This correction reduces the cost per head to below average for the comparator group.

### **Basis of indicator (e.g. cost divided by population)**

Actual costs

### **Source of indicator information (e.g. RA return, Sec 52, ONS population, etc)**

RA and PSSEX1 return

### **Lead Department for indicator**

DASS

### **Any alternative performance indicators for this area**

None

### **Reasons for performance (e.g. Council policies, definition basis etc)**

- Unapportioned overheads

### **Actions undertaken (if any) to improve performance/costs**

- The correction apportionment of overheads from Service Strategy to operational areas will reduce the reporting of this VFM profile to below the comparator average from 2008-09

### **Planned future actions to be undertaken**

None

