Local Government Association

directors of adass adult social services

Adult social care efficiency programme

The initial position

Contents

Acknowledgement to Professor John Bolton

Introduction

The Local Government Association's (LGA) productivity programme was set up in 2010. The aim of the programme is to:

- support councils to improve productivity and deliver savings
- bring councils together to share innovation and learn from each other
- engage central government and partner organisations in a debate about longer term and more radical options to improve productivity.

The productivity programme focuses on three areas, one of which is adult social care. As part of this strand of work the LGA, in 2012, launched an Adult Social Care Efficiency (ASCE) Programme. The ASCE programme aims to develop and implement comprehensive and innovative approaches to help make further savings while protecting key services and delivering the vision for social care. Grants were made available to participating authorities to fund external support to challenge and refine current savings plans and transformation strategies in line with the Association of Directors of Adult Social Services' (ADASS) whole systems approach to managing reduced resources. The intention is that through working with these authorities, the programme will develop evidence about how savings can be delivered for the benefit of all local authorities.

The LGA gained support from both the Department of Communities and Local Government (DCLG) and from the Department of Health (DH) who matched their interest in the programme with an investment of £300,000, making the total ASCE programme budget £1million. A steering group was established from the three major stakeholders (LGA/ADASS, DCLG and DH). Professor John Bolton, former strategic finance director at DH was appointed as the consultant to provide professional expertise and support to the programme.

In November 2011 local authorities were invited to bid to take part in the programme. Bids were received from over 50 authorities and the steering group approved 44 bids to go forward within the programme. Forty of these were for individual councils, two were joint bids and two were regional or sub-regional bids. In total 57 councils are participating in the programme. In March 2012 each council received a grant of £20,000, the aim of which was to employ an external consultant to assist with diagnostic tools that would help to identify areas for efficiency and savings.

The 44 different schemes have used 18 different consultancies to support their work. No single consultancy is working with more than four councils. Some councils were using the grant to employ a project manager to oversee their savings programmes. About half of the councils in the programme brought in consultancies which were new to the council to work with them on the diagnostic

phase, the others continued relationships they already had with consultancies who already knew the council. The work of many of the consultancies has been of a very high standard and most of the councils have had more than £20,000 worth of consultancy time to complete the diagnostic phase. The overall impression is that where the consultancy was new to the councils there appears to have been greater challenge and more potential for new savings.

On completion of the diagnostic councils were proceeding with their own programmes to deliver efficiencies. The LGA will monitor their progress, offer support and advice where appropriate and provide opportunities to come together and share practice as the programme develops. Some councils have continued working with the consultancies paying for their continued services from their own resources. In many of these cases the councils had developed a lot of confidence in the consultants' ability to support the delivery of the agreed savings. Many of these consultancies are paid an amount dependent on the savings that are secured by the council – the 'risk and reward' model.

During the summer of 2012 Professor John Bolton visited all 44 schemes to confirm what the councils were doing and agree with each council (or group of councils) the exact nature of their contribution to the overall programme. The findings from these visits can be shown as follows in section 2. For most of the councils they had just started to focus their work on savings following the diagnostics they had received prior to the visits from the LGA.

The LGA will undertake a review of the progress of councils early in 2013, at the mid point of the delivery period in late 2013 and in 2014 as a final programme report. All councils have submitted their 2011/12 outturn for activity and finances to the LGA in order that a base line of the data has been established and any claims for savings can be triangulated with the data.

In the final evaluation the LGA will look to consider what evidence has emerged from the work of the councils on the impact of their savings programmes on the local populations. This is a critical part of examining whether the changes made by councils have been experienced as improved ways of delivering services or cuts in the services they are receiving. Most councils have put their efficiency savings within a transformation programme for adult social care (sometimes part of a wider council-wide transformation programme) – the nature and effectiveness of that transformation is important in determining the outcomes that are achieved. Also the engagement of councillors in supporting and understanding the transformation is a further feature which will need to be evaluated.[1]

The level of savings required

There is a significant range in the levels of savings that are required from one council to the next within their medium term financial strategies. One council has to make savings of less than five per cent of their adult social care budgets from 2009/10 – 2012/13 whilst others are making savings of over 25 per cent during the same period. (the highest reported projected saving is 48 per cent during this comprehensive spending review (CSR) period 2010/14).

1 www.local.gov.uk/local-productivity

Year	Average savings per council as a percentage of their net spend (data from 38 of the councils in the programme)	Total savings from councils who reported them to the programme for year
2009/10 (pre CSR from Coalition Government[2])	2.0%	£53m
2010/11	3.2%	£91m
2011/12	5.4%	£170m
2012/13	5.4%	£156m[1.5]

The national data indicates a 7 per cent reduction in reported spend by all councils on adult social care (from 2010-12)[3]. This is at a time when the reported spend by councils on all their activities reduced by 13 per cent. The councils in this programme are reporting a slightly higher reduction in their projected spend (8.6 per cent) during this same period. It is likely that some of those councils with the greatest challenges would want to join the programme so that may be a reason for the higher figure.

Only a few of the councils reported to the programme their future savings plans in their medium term financial strategies beyond 2013. Those councils who did offer figures they appeared to stay at around 4 per cent (from 13 councils). These are projections that are being made before the next CSR. As the programme moves forward it will aim to capture from these councils the level of savings that must be achieved to balance their books.

The programme aims to capture how such major reductions in budgets have been achieved and to set a culture within local authorities that they can learn from each other as they go through this process.

1.5 This is from 34 local authorities

2 CSR – is the Comprehensive Spending Review by the Government which sets the grants for local authorities for the next three years – the conclusion to the next review is due to be reported n 2013/14.

3 Sources – returns by councils to central government

The programmes in the councils

Councils who have joined the programme have agreed to contribute in different ways to increase the knowledge base within local government on how to deliver savings within adult social care.

22 councils will use their full savings programme to give evidence for this programme; 10 will focus their evidence on savings that they intend to make from spend on services for older people; five councils will look for savings in partnership with health; three have a focus on preventive services; two on procurement; one with a focus on services to adults with a learning disability and one where three boroughs are looking to establish a single adults and children's social care directorate.

1. Full efficiency review

Council	Any special notes
1. Bradford	Strong emphasis on customer journey from the beginning and strong partnership with voluntary sector
2. Cheshire East	Look at demand management including self funders who run out of money
3. Cheshire West and Chester	Traditional approach to efficiency savings with some focus on demand management
4. Hampshire	Focus on day care, transport, telecare and self funders who run out of money
5. Hackney	Focus on demand management and reducing costs
6. Hounslow	Includes potential partnership with Richmond and with health
7. Kent	Focus on demand management, reablement, telecare, procurement and optimisation of resources
8. Kingston	Includes demand management, individual staff performance and support to carers as a preventive measure – includes strong partnership with consultancy to support delivery of programme.
9. Lambeth	A focus on the entry point to services with more effective use of technology and sign posting to other services. Reduced duplication in assessment processes. Active follow up for those discharged, or sign posted away, from social care
10. Lincolnshire	Focus on demand management
11. Liverpool	Possible partnership with Wirral and Warrington
12. Peterborough	Former care trust with health – focus on demand management
13. Poole	Focus on demand management and self-funders who run out of money

14.	Portsmouth	Focus on demand management including partnership with voluntary sector
15.	Stockport	Focus on demand management including partnership with voluntary sector and on personal budgets
16.	Suffolk	Focus on demand management including reablement, work with health and customer journey
17.	Swindon	Commissioners from local authority looking to drive savings through provider arm which is part of health trust – review of demand management taking place
18.	Tameside	Focus on demand management
19.	Warrington	Focus on demand management. Working collaboratively with other NW authorities through the ADASS NW Finance Group
20.	Waltham Forest	Full efficiency programme
21.	Wirral	Traditional efficiency savings with possible partnership with Warrington and Liverpool
22.	Enfield	Full efficiency programme

2. Councils focusing on older people's services

1.	Coventry	Focus on demand management with an emphasis on telecare
2.	Calderdale	Focus on demand management
3.	Durham	Focus on demand management
4.	Central Bedfordshire	Focus on demand management
5.	Luton	Focus on re-ablement
6.	Solihull	Focus on demand management with an emphasis on telecare
7.	Shropshire	Focus on demand management
8.	South Tyneside	Focus on demand management
9.	Torbay	Focus on re-ablement for existing customers as part of the Care Trust (with health)
10.	Wiltshire	Helped to Live at Home Programme – focus on outcome based assessment and commissioning

3. Councils focusing on 'prevention'

1.	Cumbria	Focus with voluntary sector on prevention as a means of managing demand
2.	Gateshead	Focus on local research evidence
3.	Stockton	Focus on local research evidence

4. Councils focusing on partnerships with health

1.	Havering, Barking and Dagenham and Redbridge	Three boroughs working with health partners to find savings
2.	Northumberland	Social Care part of an acute provider trust looking to manage demand for residential care from hospital
3.	Richmond	Partnership with health to improve already high performing intermediate care services
4.	Southend	Working with health provider trust to develop partnership working
5.	Staffordshire	Focus on personal health budgets – looking to provide efficiencies

5. Councils focusing on collaborative partnerships

1.	Darlington, Hartlepool and Redcar and Cleveland	Focus on the establishment of a single Adults' and Children's Social Care Directorate for all three councils

6. Councils focusing on adults with learning disabilities

1.	Croydon	Examination of transition and other ways to promote independence for adults with learning disabilities which reduce spend

7. Councils with a focus on procurement

1.	Former six Berkshire Unitary Authorities – led by Wokingham	Collaborative procurement between the councils
2.	Yorkshire and Humberside – led by Wakefield	Developing a model of open book procurement to assist with the purchase of higher cost packages of care

Comments on council programmes

The majority of councils have wide ranging savings programmes. One of the aims within this programme will be to identify the areas where councils were most successful in delivering their stated ambitions. In the early discussions a number of different emerging practices were discussed and all of these will be evaluated during the course of this programme. Issues of note include:

- how partnerships with the voluntary sector can contribute to reducing demand on state funded social care services
- the nature and practices of individual members of social care assessment staff and the impact this has on the costs of care for their customers
- the growing interest in outcome measures and how this might assist in getting the right help to people at the right time
- the way in which procurement takes place and how to sustain good quality services whilst looking for efficiencies
- the benefits (and disadvantages) of councils working together
- the role and use of telecare in adult social care
- the role and nature of personal budgets as a contribution to efficiency savings
- the challenges of helping those who will be self-funders so that they get the right help and to reduce the risk that they run out of money
- the role and nature of re-ablement including working with longer-term clients and for other client groups – not just older people
- the impact of joint work with health on efficiency savings.

The programme should continue to provide a rich source of information which should assist all local authorities in meeting the challenges that the current economic climate sets for them.

Emerging lessons on efficiencies in social care

Most of the recent reports on efficiencies in social care[4] have found three main ways of achieving efficiencies. These are:

- reducing the numbers of people who need care
- reducing the costs of care
- reducing the bureaucracy of care.

The LGA programme contains all of the above examples played out in different councils in a variety of ways.

Reducing the numbers who need care in an effective way

It is important to consider the evidence base that might be supporting the thinking of councils who are in this programme.

One feature that is common to over 75 per cent of the councils in the programme is a desire to see how they might meet the challenges which are posed by demographic pressures in their budgets – an ageing population and more people living longer with complex disabilities.

It is interesting to note that this is not a new challenge for councils and is one in which they have been very successful in managing over the last decade. Despite the strong concerns expressed by those in the sector about the current demographic pressures there is clear evidence that actually the numbers of people (except in Learning Disabilities) who are receiving state support from councils has been and continues to reduce. This is not a uniform trend and there have been more significant reductions from some councils than for others. But learning how those councils have managed this demand and understanding whether this has produced better or worse outcomes is an important part of this programme.

Two very different London boroughs - Westminster[5] and Hackney have both adopted political visions for social care which build on the principle of promoting independence. Warwickshire County Council, Suffolk County Council and Manchester City Council amongst others have laid out in their visions for adult social care with their aim being to create a better social care system where the council intervenes to reduce the care people may need through a process which supports people through difficult times. A new model of social care is developing within local government which has at its heart a set of services which enable service users to recover or recuperate, bereavement counselling, using volunteers to tackle social isolation, recovery programmes for those with mental ill health, recuperative programmes for older people who have been in hospital, rehabilitation programmes for those with newly acquired disabilities and promoting independence programmes for those with learning disabilities. Alongside this approach

4 Reports in the last three years have been produced by the Audit Commission (Improving value for money in Adult Social Care), ADASS (Getting Fit for the Future), Institute of |Public Care (Models for Funding Allocation in Social Care – 'The £100 Million Project'- November 2011 and others.

5 The Westminster Vision for Social Care is on the council web site as the "Adult Social Care Mandate" – September 2011; The Hackney Statement of Commitment – Promoting Independence is on their council web site;

more practical help is available in the form of assistance to help, in a personalised way, people to manage their own condition. This may take the form of helping through an expert patient programme someone to better manage their long term condition or helping a person and their carer look at how to best manage a deteriorating condition e.g. helping a person and their carer in the early stages of dementia to consider ways that might help them live with the condition.

Many councils have found that increased demands are not coming from new customers entering the care system but from the growing demands of those who are already receiving services. This is a common feature of what is happening in many of the councils who are in this programme. Why might this be? Perhaps for some older people this is as a result of ineffective, low intensity care. For others they have found that once they start needing care they give up doing things for themselves and this may accelerate their personal decline. This pattern is in line with Forder's study from 2007 which also shows that the lower the threshold for state support, the higher the levels of admissions to residential care. It is also worth noting that PSSRU found in 2007 that those councils which retained their FACS eligibility criteria at moderate or low had higher levels of state funded admissions to residential care than those that had critical or substantial criteria. (29 older people per 100,000 admitted to residential care on average from the low or moderate councils to 24 per 100,000 for the critical and substantial groups)[6].

None of this is new to many within local authorities. For the last decade adult social care has been required to deliver efficiencies and this has in part been achieved through managing demand. The evidence is clear in England that the number of people being helped through public funds is either stabilising or declining. The first table shows that the number of people receiving help through home care, equipment and meals on wheels has been falling over the last 6 years

(particularly since 2008). Some may argue that this is related to the tighter application of eligibility criteria by councils. This argument falls when one looks at the facts which shows that it was in an earlier period (2003 – 2005) that the majority of councils moved their criteria to helping only those with critical and substantial needs. We also know from other studies that those who tightened eligibility criteria during this period did not particularly see a fall in the numbers of service users[7]. (The small increase in take up of direct payments by older people in this period will account for a part of this decrease). The combination of increased use of domiciliary care re-ablement, a further push on direct payments, an increase in the numbers of self-funders (as pension values increase and home-ownership amongst older people) and better advice on community options means that it is likely that these figures will continue to fall for the next few years despite the demographic pressures from an ageing population.

6 Self-funded care for older people: an analysis of eligibility, variations and future projections. PSSRU Discussion Paper 2505 – October 2007.

7 Cutting the Cake Fairly – CSCI 2008 Report for the Department of Health on the impact of tightening eligibility criteria

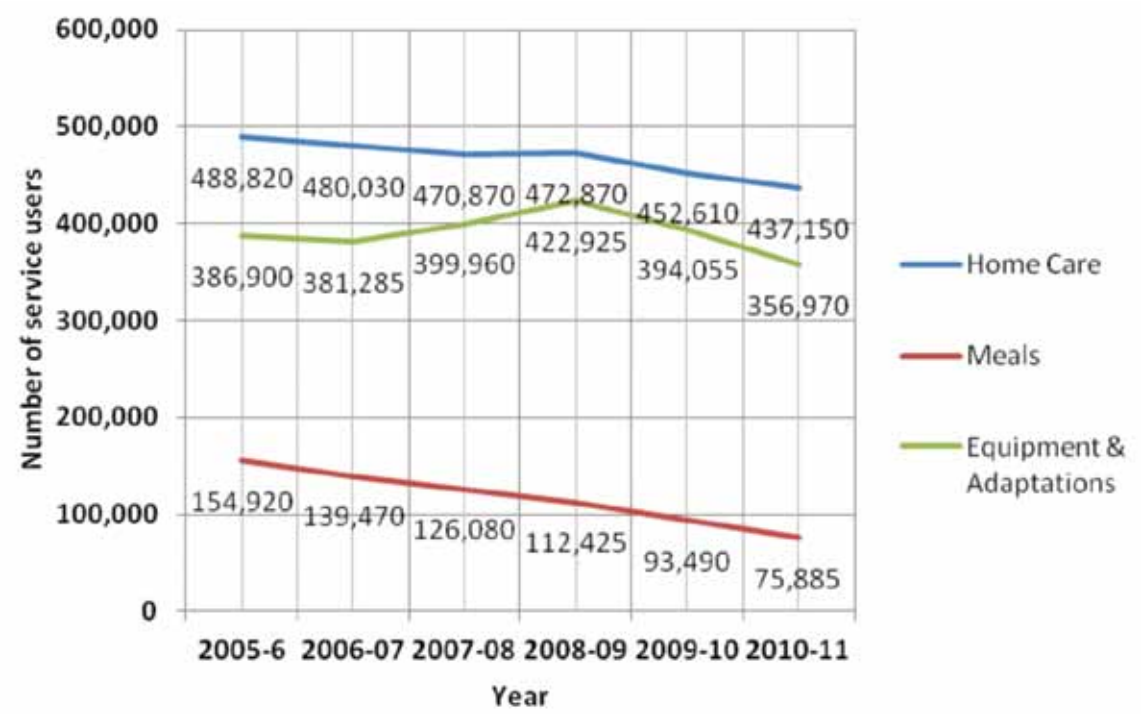

Table 1: Number of clients receiving community-based services in England during the period, provided or commissioned by the CSSR.

Source: NASCIS

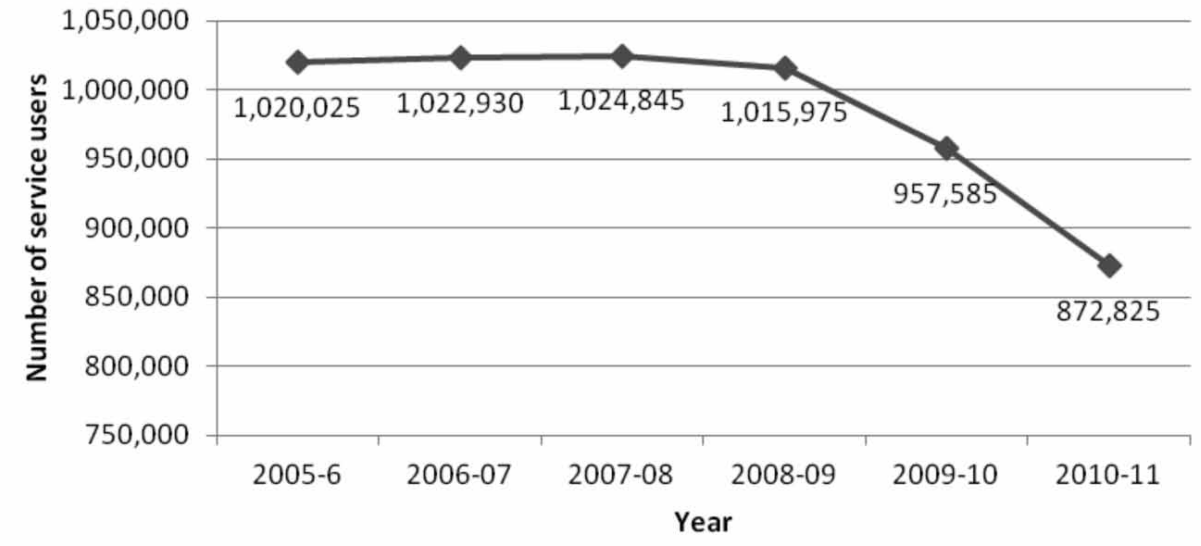

Table 2: Number of clients 65 and over receiving community based services during the period, provided or commissioned by the CSSR

Source: NASCIS

The Government's policy for well over two decades has been that people should wherever possible be supported to live in their own homes rather than in residential care so it is not surprising to see a continued steady fall in the numbers of older people supported by the state in residential and nursing care homes (Table 3).

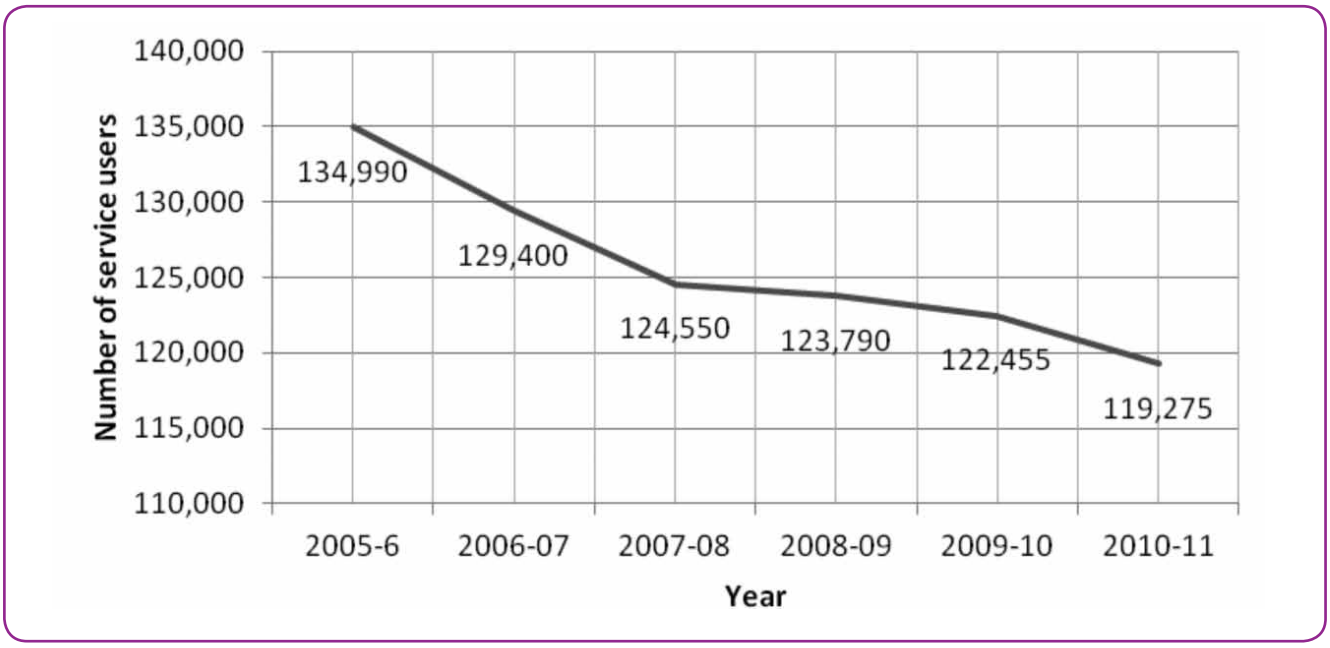

Table 3: Number of residents 65 and over supported in residential care in England at 31 March

Source: NASCIS

The LGA programme has a significant number of councils believing that they can still further reduce the demand from new people entering the care system through a number of means:

Reducing the demand for domiciliary care

- commitment to re-ablement for every new customer entering the care system
- offering re-ablement to some existing customers
- tight application of eligibility criteria – moving from moderate to substantial with a focus on re-ablement and promoting independence
- focus on reducing some of the higher cost packages of care
- focus on some of the very low packages of care (linked to re-ablement)
- use of assisted technology where appropriate
- assisting older people who are socially isolated through befriending and other community based initiatives.

Reducing admissions to residential care

- ensure that Intermediate Care is delivering its intended outcomes (with Health)
- always make sure that you have given time for a person to recover from the crisis that led to the assessment for possible residential care, eg do not assess a person for residential care from a hospital bed
- make sure that older people are receiving the best possible health care
- consider housing based alternatives
- falls prevention strategies.

New practices – outcome-based approach – Wiltshire

An innovative approach to the management of demand comes from Wiltshire who have developed an outcome based approach to the commissioning, procurement and the delivery of services for older people in their "Helped to live at Home" programme. They have found some early evidence that the approach offers help to older people at critical times when they need help but does not necessarily mean that those older people need that help for ever. Between April and September 2012, 61 per cent of people who used a Help to Live at Home Initial Support Plan did not need ongoing care. 19 per cent needed ongoing support but it cost less per week than Initial Support. 20 per cent needed ongoing support that cost more per week than Initial Support. The average price for an episode of Initial Support was £1200. 12 customers left the H2LAH service and moved to a care home. One of the many interesting features of this approach is that there is no specialist re-ablement service – as all interventions of domiciliary care have the principles of reablement at their heart.

New practices – reducing the need for domiciliary care – Torbay Council

A slightly different approach has been taken by the Care Trust (joint Health and Social Care services) in Torbay. They have decided as part of the review of the services that older people receive that there should be a robust process that examines either an offer to the older person of a programme of reablement or examining with the older person alternative ways of meeting their care needs. This was in an early stage of delivery but was showing some early signs of success with older people, though was raising some concerns from their relatives.

The councils who are still looking to develop improved practices appear to focus on all parts of the social care journey. Emerging lessons include:

- the first aim of any intervention is to look to see what solutions might be available that will keep people out of the care system. This will include, amongst other things, helping people who may need to be better connected with their local community, ensuring people are getting the right financial advice, linking carers into relevant networks, ensuring people are getting the right health care or advising them on housing options. This is an issue that Bradford, Calderdale and Stockport are all exploring in this programme working closely with the voluntary sector they are finding more ways that help people without "sucking" them into the care system unnecessarily (see evidence below).

New practices – building community capacity – Bradford

Bradford City Council are working closely with their voluntary sector to look at how people who need a little bit of help can receive this within their communities without having to "come into the formal care system". Their aim is to help people at an early stage and prevent their need for further care. They have built on the success of their earlier work within their Older People's Partnership Project.

- a focus on an intervention for a person at a time of crisis that looks to resolve the issues rather than immediately plan for longer-term care. This includes not admitting people to residential care from a hospital bed; supporting people through bereavement and loss including loss of physical ability both emotionally and practically and looking to focus on longer term outcomes and goals
- a focus on recovery, enablement, rehabilitation and promoting independence that should apply to everyone whatever their condition. The view of reablement as a six week domiciliary care service will need to change so that everyone in receipt of care is being supported to achieve their goals that assist with independent living. This should apply to both young and older people who need care
- a performance framework which measures the outcomes to be achieved in meeting common goals
- and most importantly a focus on outcomes at all stages which involves all partners. People will not be solely assessed for their needs but on their potential to achieve higher outcomes
- a focus on the customer taking some responsibility to manage their own condition as part of a preventive measure and to set their own objectives and goals – as long as they contribute to helping promote their own independence
- partnership working between health and social care with a focus on agreed joint outcomes that deliver greater independence. This might include improved dementia care, incontinence support, stroke recovery programmes, falls prevention programmes and other planned interventions that improve outcomes for older people.

Reducing the cost of care

Most councils are seeking ways to lower their costs. The most common way is to look to reduce costs of procured services. There has been a number of ways in which councils have been reducing costs over the last few years:

- not paying inflationary increases to providers
- looking to pay the lowest price for services (giving cost a higher weighting than quality in the tendering process)
- using care cost calculators to re-evaluate the cost of care packages for individuals
- ensuring balance of care packages moves towards providers with lower costs
- procuring services in a larger quantity through groups of councils procuring similar services together
- using open-book accounting to have more transparent understanding of the real costs of care
- putting out to tender those services which the council had previously run for themselves

New practices – developing open book accounting – Wakefield with Yorkshire and Humberside

Wakefield Council's Commissioning Team has developed a software package that assists them in calculating the cost of any residential care packages. They are now trialling this with their colleagues across Yorkshire and Humberside. The package helps them disucss with providers the "real" cost of residential care and then assists them in looking with the providers as to where efficiencies may be made by them to reduce costs in an agreed way.

- establishing social enterprises or other bodies to take over the running of previous in-house managed services
- reviewing higher cost placements or packages of care made by councils
- ensuring that Resource Allocation systems do not provide packages of care with high costs
- reducing the number of staff employed by the council for assessment, commissioning, administration, etc
- reducing the net costs of services through increasing the citizens' contributions to the costs of services and removing previous subsidies that were provided for some (particularly in-house) services
- moving people from higher cost care settings (eg residential care) into services that cost councils lower amounts (supported housing)
- providing alternative lower cost services to those traditionally offered eg telecare replacing some domiciliary care or extra care housing replacing some residential care
- encouraging creative solutions to packages of care established through personal budgets including Direct Payments
- replacing more expensive posts with people who can carry out the same tasks at a lower cost, eg qualified social workers replaced by skilled assessment and care management staff.

These are all ways in which councils have reported that they are reducing the costs of care either for groups of services or for individual care packages. There are some risks emerging to these practices which councils ought to note as they pursue further ways of reducing their costs.

There is a price beyond which the cost of care cannot fall. There is some anecdotal evidence from councils that as the cost of care falls people may need more and more of that care in order to meet their needs. This is particularly so for domiciliary care. This issue is also explored in the earlier section when demographic pressures are examined. For older people receiving domiciliary care the evidence suggests that fewer people are receiving domiciliary care but those who do get help in this way often require more and more help quite quickly – there may be several reasons for this increase but one of them is likely to be as the price of the care has fallen so the quality of the care has also reduced to a point when people are not getting their needs met in the time allocated for the visits. This will encourage customers (their carers), providers and assessment and care management staff to all agree that more care is needed.

In addition, Providers of care will not stay in business if the cost of delivering care climbs above the price which councils are prepared to pay for that care. This has already led to some providers resorting to Judicial Reviews to ensure that councils match the costs of care in their purchasing. It is expected that the costs of care cannot continue to be held at artificially low prices. Councils can expect that there will be an increase in the costs of care (at least in line with inflation) during the next CSR period. There may be still a small number of excessively high cost placements in residential care that can be challenged but it is likely that the rest of the market will require a reasonable fee for a good service.

Related to this, there does appear to be a close correlation between investment in numbers of assessment and care management staff and admissions to residential care. This is shown in the DH's document – Use of Resources in Adult Social Care[8]. Those councils who had more assessment staff were usually (but not always) those who made fewer costlier placements in residential care[9]. In the LGA programme one consultancy has worked with a number of authorities to identify the performance of individual workers in relation to the costs of care packages that they arrange. They have identified that different workers show very different preferences when they assess needs with some workers consistently finding lower cost creative solutions whilst others will frequently go for the higher cost residential care package. The consultancy has been able to assist the authority in setting better ways to ensure consistency in the outcomes achieved from their processes for assessing needs.

New practices – managing practice on the ground – Kingston-Upon-Thames

Kingston-Upon-Thames report positive benefits from their diagnostic which showed them some uneven practices between care managers in their assessments and the consequent packages of care that are arranged for different people with similar needs. They are now working with the consultancy, who undertook the diagnostic, to look to improve practices and to ensure greater consistency between team members to find creative and better lower cost solutions to meet the needs of eligible customers.

Reducing the bureaucracy

During the early period of the Care Services Delivery and Efficiency Team at the Department of Health (CSED 2005-10) there was a strong emphasis on reducing the transaction and process costs for social care. These included improved use of IT to encourage workers to be more flexible, linked to reducing office working as workers became more mobile. Alongside that were sharper processes that ensured reduced duplication and clarification in the assessment and care management processes. There are examples of councils who have reduced their process costs for adult social care through "lean-thinking" approaches. The consultants working on the LGA programme report that councils still have more unproductive processes than their counterparts in industry.

Councils continue to examine their 'back office' functions to look to reduce their costs. Many councils are reporting reductions in

the number of people employed to work in finance, administration, personnel, IT and other 'support' functions. This has undoubtedly saved money, though some would argue it could put more pressure on already beleaguered middle managers and front line staff as they now have to carry out these tasks themselves (in addition to their other duties and responsibilities). It is interesting to note that projects that reduce these costs do not feature very strongly in the LGA Projects. Where councils are looking to make savings in a lone directorate these tend to deliver thousands of pounds which only makes a small but still important contribution to the millions of pounds in savings that many places are looking to find from adult social care. Most of this level of saving is driven and delivered through corporate processes rather than a single directorate.

The use of modern technology features strongly in a number of savings programmes for councils. One of the common approaches is the electronic monitoring of home care workers which enables councils to monitor that visits to services users are being made and at the same time offers an easy way to accurately assess the invoices from providers, reducing the overall costs (though see note on lower costs leading to higher demand in 3.1).

One new area that has emerged in the last couple of years (and features in the North-Eastern group of Darlington, Redcar and Cleveland and Hartlepool within the LGA programme) is whether local authorities could come together to combine management and support functions in order to deliver services from a combined executive serving two or more authorities. The tri-borough model from West London (Westminster, Kensington and Chelsea and Hammersmith and Fulham) has set a precedent which other councils are examining with interest. The north-eastern model of councils combining their management can be compared with the alternative of merging local health and social care functions to run single services or groups of services.

New practices – a tri-borough model – Darlington, Hartlepool and Redcar and Cleveland

Three smaller local authorities in the North East have a project which is examining the possibility of bringing together the children's and the adults' social care functions (separately) under two Directorates for the three authorities. They have identified a minimum of £500,000 saving that could be achieved by combining management functions for the three councils. This gives them scope to reduce costs without directly impacting on front line services and giving smaller service areas the capacity to survive a further round of cost reductions.

8 Use of Resources in Adult Social Care – Department of Health 2009

9 This finding is contradicted in the recent Audit Commission Report – Reducing the cost of assessments and reviews – an adult social care briefing for councils. August 2012.

In the LGA programme the London Borough of Richmond, which already runs a good re-ablement service is looking to make further savings through combining its teams with the health teams who support hospital avoidance or hospital discharge services in the community. Finally there are some places where joint commissioning or joint procurement may assist with the reduction in the costs of a service where parties combine to deliver a single commission serving more than one party.

New practices – partnership with health to improve reablement – Richmond-upon-Thames

Richmond already have a good performing re-ablement service but they want it to improve further. They have started a project with health which looks to combine those local authority services that support hospital discharges and offers re-ablement with the health community services which look to avoid hospital admissions and support speedy discharges. They are looking to improve services which already perform well with this process of integration.

Personalisation and the challenges for self-funders.

There are a set of savings that appear within council's programmes which are intrinsically linked to their transformation towards personalisation. Some councils are expecting that as more people move towards personal budgets (and in particular Direct Payments) that packages of care will become more creative and cost less to deliver the care or support required. In a minority of cases it is reported that councils are actually using the personal budget to drive down the cost. These councils ensure that their local resource allocation system that converts a person's need for care into a set of services produces lower sums of money available to meet care needs than they had achieved through the traditional method (procuring services for people). It is too early to say whether this approach warrants any merit but there are obvious risks associated with the approach if people needing services can't get the required help within the resources made available to them. None of the main studies on personal budgets have indicated that savings will arise from this approach[10].

Associated with the move to personal budgets is a change in the way services might be provided and this has in particular impacted on council's views of 'day care' and its associated high cost 'transport'. Some councils are focusing their efforts on closing down or changing some parts of their day care service. In the LGA programme some councils' approach relies on savings arising from the fact that fewer older people are choosing day care as their preferred choice of service. They are also considering the future of this service for younger adults with learning disabilities. Again it is too early to draw any lessons from these approaches. There are risks associated with this as some councils in the past have found that a move from day care for some service users has

10 The IBSEN project – National evaluation of the Individual Budgets Pilot Projects – Personal Social Services Research Unit (PSSRU) 2008 (www.pssru.ac.uk)

led to more expensive alternatives being required to meet needs. One of the main reasons why day care costs can be seen to be high is that most people who attend a day centre also require transport to help them to get to the location of the service. This is a challenge that many councils are considering and again it will be interesting to report the outcome of their considerations and conclusions within this programme.

More councils have become aware of the needs of their citizens who at the outset have to fund their own care. Within this programme a number of councils (mostly in the south of England) will pay particular attention within this programme for those people who run out of their own resources when they are already in a care home and need the council to help pick up the on-going costs. They will consider the advice and support that people have when they make their original choice as well as exploring insurance options that might assist people in having continued funding if that is required.

Prevention

The final set of proposals that a couple of councils continue to explore is the notion of preventive services. The recent Government White Paper: ”Caring for our Future” does make it clear that as part of a shift to a more preventive approach to care and support, the Government will include a duty on local authorities to commission and provide preventive services in the draft Care and Support Bill. They also have indicated that they want local authorities to establish a care and support evidence library to act as a bank of best practice in prevention and early intervention. Stockton, Gateshead and Cumbria councils all have within their contribution to the LGA programme a set of investigations into what might deliver preventive services. This presents a real challenge as the current evidence base about what might constitute “prevention” is weak. Recent studies such as the POPPs report[11] have found it very hard to show any relationship between actions that might be taken by councils and their direct impact on demand for social care. It will be interesting to note whether the Public Health approach within local government will enable councils to target better health outcomes for the population which will reduce demand for social care.

21 Personal Social Services Research Unit for Department of Health 2010

Conclusion

This report has looked to capture the current state of thinking within the 57 councils who are participating within the LGA's Efficiency Programme. It is still early days in relation to this two-year programme. The following issues have emerged as key thinking from within councils (some of which has emerged as a direct result of the challenge posed by the consultancies employed to work on the programme).

1. Councils can learn from each other (with assistance and challenge from the consultancies) to perform at the level of best practice within the sector.
2. Councils are still looking to reduce the costs of care.
3. Councils are still seeking to reduce their transaction costs.
4. Councils are generally meeting the challenges of demographic growth in the population through a range of interventions which means the numbers of people who are receiving state-supported care and support are likely to continue to reduce (except for adults with learning difficulties).
5. Robust analysis of the data available to councils and comparing this with what is happening elsewhere can contribute to the learning from councils. Both London councils and the North Western councils are developing new sets of performance measures that might assist with this approach. This will be reported later in the programme.
6. The performance of individual workers appears to be a new approach emerging within this programme.
7. Open-Book accounting is an important development within procurement for the sector.
8. Getting the care pathway right for all citizens is a critical part of managing demand for social care. The initial response can often determine the long-term outcomes.
9. A stronger focus on commissioning and assessing for outcomes appears to offer some assistance to councils in looking to reduce their longer-term costs. Health and social care may come together with shared outcomes that will assist in this.

Professor John Bolton - October 2012

Councils in the LGA efficiency programme

Bradford	Total savings programme for Adult Social Care. Redesigned access and assessment arrangements linked to partnerships with the voluntary sector.	guy.vandinchele@bradford.gov.uk
Calderdale	Managing demand for social care through the way in which they are promoting independence.	mick.mellors@calderdale.gov.uk
Central Bedfordshire	Focus on reducing costs through better demand management.	nick.murley@centralbedfordshire.gov.uk
Cheshire East	The full savings programme. You would take particular note of the impact that you might have on self-funders who run out of money when in residential care.	dominic.oakeshott@cheshireeast.gov.uk
Cheshire West and Chester	Full savings programme	joe.riley@cheshirewestandchester.gov.uk
Coventry	Developing a care pathway that will promote independence and reduce demand for care for older people with attention paid to the use of assistive technology.	hannah.watts@coventry.gov.uk
Croydon	More cost effective ways of meeting the demographic challenges for adults with learning disabilities.	noel.mulvihill@croydon.gov.uk
Cumbria	The local approach to prevention and its impact on demand for state funded social care from older people.	nick.waterfield@cumbria.gov.uk
Durham	Ways in which the council can manage demand within social care	andrew.gilmore@durham.gov.uk paul.darby@durham.gov.uk
Enfield	Working jointly with health to deliver efficiency spend in the adult social care budget	bindi.nagra@enfield.gov.uk
Gateshead	Research project that demonstrated how effective processes and interventions could be developed to reduce the level of care packages.	michaellaing@gateshead.gov.uk
Hackney	Full savings programme	martin.calleya@hackney.gov.uk rob.blackstone@hackney.gov.uk

Hampshire	The savings that you will make from transport; day care; and telecare (though this might impact on both reduced spend on residential and domiciliary care). The challenges that you face from self-funders running out of money and would be interested in any solutions you find to this challenge.	kate.jones@hants.gov.uk
Hartlepool, Redcar and Cleveland and Darlington	Savings for adult social care that can be gained from working in a collaborative partnership with the other boroughs	deborah.spence@darlington.gov.uk
Havering, Barking and Dagenham and Redbridge	Savings to be gained from health and social care collaboration	julie.brown@havering.gov.uk
Hounslow	Full savings programme	charlotte.fitzgerald@hounslow.gov.uk
Kent	Full savings programme	laura.robinson@kent.gov.uk
Kingston	Full saving programme with a focus on savings to be gained from granular understanding of the performance of individual workers	simon.pearce@rbk.kingston.gov.uk
Lambeth	Savings to be achieved through streamlining the adult social care process, including the more efficient and targeted use of different staff skills and easier access to information and services	sfroud@lambeth.gov.uk, mfburton@lambeth.gov.uk
Lincolnshire	Focus on reducing costs through better demand management	david.laws@lincolnshire.gov.uk
Liverpool	Full savings programme	kath.wallace@liverpool.gov.uk
Luton	Managing demand for services for older people through re-ablement	roger.kirk@luton.gov.uk
Northumberland	Focus on the benefits of health and social care integration in delivering improved outcomes for older people (lower admissions to residential/domiciliary care)	neil.bradley@nct.nhs.uk
Peterborough	Total savings programme for adult social care	paul.stephenson@peterborough.gov.uk
Poole	The full savings programme with a special interest in the impact that you might have on reducing the demands of self-funders who run out of money.	s.haider@poole.gov.uk

Portsmouth	The full savings programme with a particular focus on the development of your ULO model for information and advice in diverting people away from state funded social care; your control over the Continuing Health Care Budget; the development of your work on re-ablement and the engagement of citizens in your processes.	robert.watt@portsmouthcc.gov.uk
Richmond	Efficiency savings for adult social care that might come from further integration with health services with respect to care of older people.	l.wild@richmond.gov.uk
Shropshire	Focus on examining ways of delivering more cost effective services to older people with a focus on the role of re-ablement. Reduce demand for domiciliary and residential care in line with national trends.	stephen.chandler@shropshire.gov.uk
Solihull	Impact of your interventions and solutions to reduce the number of older people entering residential care/domiciliary care examining the part that telecare will play within this.	fiona.mcgill@solihull.gov.uk
South Tyneside	Reducing demand for older people's services in particular admissions to residential care.	jane.robinson@southtyneside.gov.uk
Southend	Savings programme for older people with health	mikeboyle@southend.gov.uk
Staffordshire	Focuses on the potential impact of personal health budgets on Local Authority spend and to examine health and social care joint working in reducing spend.	claudia.brown@staffordshire.gov.uk
Stockport	The full savings programme with a particular interest in several potential developments including advice and information (FLAG); the use of personal budgets to find efficiencies; the role of the brokerage team and joint work with health on continuing health care.	sally.wilson@stockport.gov.uk

Stockton	Research project that demonstrated how effective preventive interventions could be developed	rob.papworth@stockton.gov.uk
Suffolk	Full savings programme	mel.cassedy@suffolk.gov.uk
Swindon	The full range of your savings programme with a particular interest in the impact of your "Demand Inquiry" and with a focus on reducing costs in learning disability services	cjwilson@swindon.gov.uk
Tameside	Full savings programme	martin.garnett@tameside.gov.uk
Torbay	Effectiveness of re-ablement for older people who had been receiving social care support for more than 6 months	john.bryant@nhs.net
Wakefield with Yorkshire and Humberside	Development of a regional model for open book accounting with providers of high cost residential care placements	idcampbell@wakefield.gov.uk
Waltham Forest	Full savings programme	duncan.pike@walthamforest.gov.uk
Warrington	Full savings programme	sreddy@warrington.gov.uk
Wiltshire	We agreed that the focus of your work within the "Helped to Live At Home" programme. We would explore the impact of your outcome based approach to commissioning, procurement and assessment and care management through its impact on demand for domiciliary and residential care for older people	james.cuthbert@wiltshire.gov.uk
Wirral	Total savings programme	christinebeyga@wirral.gov.uk davidbiddle@wirral.gov.uk
Wokingham, Windsor and Maidenhead, Bracknell Forest, Reading, West Berkshire and Slough	Delivering savings through collaboration across all of the six former Berkshire Authorities. The focus would be on shared procurement; the procurement and use of telecare; and the close work with Clinical Commissioning Groups. We noted that there did need to be sign-up and ownership of all six councils even though Wokingham were taking the lead for this project.	stuart.rowbotham@wokington.gov.uk

Note – the names of the contact officers have changed during the programme and this list was only up-to-date at the time of publication.

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