

Adult Social Care Committee

Item No.....

Report title:	Promoting Independence: Adult Social Care target demand model
Date of meeting:	05 September 2016
Responsible Chief Officer:	Catherine Underwood, Acting Executive Director of Adult Social Services

Strategic impact

Promoting Independence sets out the authority's intention to create sustainable adult social care by enabling individuals to retain their independence therefore reducing or delaying the need for formal care services. Norfolk County Council is committed to deliver savings of £50m savings in Adult Social Care by 2019. The majority of this saving will come from reducing demand for formal care services whilst ensuring people's needs are met and that the authority's responsibilities under the Care Act are met.

Executive summary

Norfolk County Council has recognised the need for a new approach to savings to deliver £50m savings in adult social care by 18/19 and the Promoting Independence strategy has set out an approach focused on retaining and restoring independence to prevent and reduce reliance on formal care services. Adult Social Services have been working with iMPower Consulting Ltd to create a target demand model in order to set the programme and plan for delivering this transformation.

The paper outlines:

- a) A 'baseline' demand model, showing current volumes throughout the adult social care system
- b) A current system that allocates over 80% of spending on formal care services
- c) A strategy, and implementation plan, that is addressing the necessary areas and that will deliver savings and benefits, but that will fall short of current budget targets
- d) Opportunities around improved approaches around key intervention points within the system, and through improved culture and practice amongst staff and partners

The paper then outlines proposals for a refocused transformation programme with enhancements to current plans and additional interventions in line with the Promoting Independence strategy.

The paper also explains the development, as part of this work, of a tool that will enable members and officers to evaluate the impact of individual and collected interventions on demand for services and costs.

Finally, the paper sets out how the findings and data tool will be used to arrive at a final target demand model as part of the service and budget planning process throughout the Autumn.

Recommendations:

The Committee is asked to:

- a) Note and comment upon the work to review the existing plans to transform services and to propose next steps**
- b) Agree to the further development of the target demand model as part of the annual Service and Budget Planning process, with updates and proposals presented throughout the Autumn ahead of the budget being set in January and February**

1 Background

1.1 Service and Budget Planning discussions (see for example 'Adult Social Care Financial Monitoring Report – Period 4' elsewhere on this agenda), alongside analyses of the drivers of the demand for Adult Care Services (see 'Pressures on future Adult Care services' presented at the July Committee), have outlined in detail the significant ongoing budget pressures facing the Committee as it plans for the future. Given demographic pressures, low unit costs in most areas, and a generally lean workforce, it is the consistent conclusion of these analyses that the required budget reductions can only be delivered by significantly reducing overall demand for Adult Social Care services by:

- a) Improving the advice and 'signposting' available when people contact Adult Social Care so that people can make good decisions that help them remain independent
- b) Improving preventative services that either address lower level needs effectively, or help people to quickly get back on their feet after a crisis, without the need for long-term formal care
- c) Supporting community and personal resilience and availability of a broader range of community-based support options as an alternative to formal care
- d) Commissioning or providing good quality, cost-effective, personalised and integrated support for those people that still require formal care

This reflects approaches being taken by authorities across the county.

1.2 As outlined in the Director's Update at the July Committee meeting, in order to plan to put in place actions and interventions that deliver the above, it is vital that we fully analyse the current model of social care in Norfolk – by which we mean the range of interventions and settings commissioned or provided by the council for people with care needs. In particular it is important to know:

- a) What the overall adult social care model looks like, and how it works
- b) How many people are in each part of the model, or move between parts of it
- c) How much each part of the model costs, and what the unit costs are at each stage
- d) What is driving current demand within the model, and what changes to the model might mean in terms of numbers of people and costs

1.3 To this end the Council has worked with the specialist social care consultancy iMPower to develop a demand model to help us understand the scale and nature of the changes that we need to make to deliver the required savings by 2019.

We have focused on the following activities:

- a) Using the last three full reporting years of activity and financial data to build a 'baseline' demand model reflecting existing practice in order to provide a wider understanding of current demand pressures and costs
- b) Reviewing existing change programmes and practice to provide challenge and assurance that they are realistic and able to deliver performance and financial requirements, using the demand model to simulate the impact of existing change programmes
- c) Developing a target demand model that will model the potential volume shift, its impact on financial requirements, provide advice about the benefits and risks associated with changes in different areas of the model, including their potential knock-on effects elsewhere, assess where gaps in activity are, and confirm the priority areas for change and transformation
- d) Defining the interventions, work-streams or projects required to deliver the target model, developing a high level implementation plan (with accompanying performance metrics) and developing a high level implementation plans and team level performance metrics for the most significant and high priority changes

2. Review of existing model of care and intervention plans

2.1 The following summarise the key findings in our review of our existing care model in Norfolk and the plans for transformation and delivery of associated savings:

- a) Norfolk's adult social care model is most easily understood, and can most clearly be analysed, in terms of an end-to-end care pathway. The pathway and the associated volumes of people service are presented in Appendix A
- b) The area with the highest volume of service activity (the 'front door') accounts for just 1.4% of spend, and the area with the lowest volumes of people served (formal care –nursing, residential, home and day care, personal budgets etc.) accounts for 82% of spend. This this is presented in more detail in Appendix B
- c) Budget pressures will grow. iMPOWER's analysis of current pressures has tested and reflects those calculated by the council (see Appendix C)
- d) The principles and projects within the Promoting Independence project are the right areas of focus and the right approaches and evidence from other authorities suggests that they could generate significant financial benefits and improved outcomes for people. In addition the value of improvements to social care practice through strength-based approaches is confirmed
- e) However, current interventions and practice will not close all of the budget gap, and significant additional activities and continued changes to practice will be needed to deliver the required savings and to maximise the benefits for people with care and support needs
- f) Developing an enhanced and financially sustainable model for social care will require improvements at some key 'intervention points' within the system when it is possible to influence demand for services (these are outlined in Appendix D)
- g) It is vital that the council focuses on reducing demand in the service areas that would deliver the most significant impact both for financial balance whilst retaining outcomes: residential and nursing care for all age adults; home support for all age adults; direct payments for all age adults; day support for people aged 18-64 and supported living for people aged 18-64
- h) Reducing demand in these areas will require significant changes in volumes throughout the system. Whilst work continues to ascertain the exact volume changes required it is likely that these will require an approximately stable volume of contacts, increases to volumes in areas of early help and reablement, and

significant reductions in the number of front door contacts going on to assessments, and thereafter further reductions in the number of those assessments going on to formal care

- i) That to deliver these reductions will require a significant change in the social care 'culture' as well as in its actions. Changes should recognise that individuals' decisions about their care may be influenced by their families, carers, friends and health professionals and that changes require a different approach to outcomes with partners and working with a range of stakeholders as well as people with care and support needs to better understand how people might access preventative services that go on to reduce social care needs
- j) Even given these findings, and the following recommendations, closing the gap will be very challenging. In particular it will be difficult to achieve the savings within the timescale required given that changes – and in particular those requiring cultural and behavioural change amongst partners, changes to the private and community sector care market and to the culture of service – will take some time to implement for full impact

2.2 The following summarises the key recommendations:

- a) A revised Adult Social Services change programme to focus on activity and changes that create the change in demand
- b) A focus on activities to include provisions to reduce demand through a range of intervention points, behaviour and culture change amongst staff and partners, commissioning to alter the mix of services and improved carer support to avoid carer breakdown
- c) Adherence to a delivery programme with adequately resourced change management activities, and the close monitoring of an agreed set of financial and performance metrics

2.3 The following highlight some important further considerations as we plan to implement plans to meeting savings targets:

- a) Any benefits introduced in year will only accrue around half a year's savings given the time taken to implement changes
- b) Whilst initial savings attributable to savings that reduce demand appear small, benefits 'build' over time - for example if 60 fewer people enter a service in year 1 then by the end of year 2 this could be 120 and 180 by year three
- c) Lower numbers of older people in residential care usually means reduced income as well as reduced expenditure – so net savings are lower than they may initially appear

3. Next steps – completing the Target Demand Model

- 3.1 In addition to the review and recommendations highlighted, iMPower have also worked with officers to develop a data tool that will allow the council to evaluate the potential impact of different strategies on service user numbers and expenditure. Using real cost and service volume data, this tool will help us to calculate the likely impact of percentage changes in service volumes (both within and between care settings) on expenditure over time. The key components of the tool are outlined in Appendix E.

- 3.2 The tool will now be used, alongside the findings presented above and any additional evidence, to allow members and officers to continue to assess the impact of the developing Promoting Independence strategy, and of service and budget planning proposals developed through the annual budget cycle throughout the Autumn. As such the target demand model will be developed and finalised as part of the budget setting process.
- 3.3 In the meantime the next stages of the Promoting Independence delivery programme are being developed. An initial review of the findings and of current opportunities, undertaken as part of a workshop with iMPOWER, have highlighted areas for further focus:
- a) The Adult Social Care 'front door' and information and advice
 - b) The transition process from Children's Services into care services for younger adults
 - c) Carers support, and identifying and supporting carers of people at risk of requiring formal care
 - d) Developing our support to people with a learning disability to ensure opportunities to promote independence are developed
 - e) Focused support to cultural and behavioural change
- 3.4 In addition actions that can be progressed immediately, have been identified in:
- a) Improving the use of Care Arranging Services to ensure all services consistently provide value for money
 - b) Evaluating the value and impact of small packages of formal care – where informal or community-delivered options might provide better support and value for money
 - c) Continued development and application of the strength-based approaches to social work practice
 - d) The more flexible use of social work capacity and capability – moving assessment and reassessment capacity to where there are short-term shortfalls in capacity, or where the change to a strength-based approach to practice requires practical coaching from high performing staff and 'champions'

4. Recommendations

- 4.1 The Committee is asked to:
- a) Note and comment upon the findings and recommendations of the review of the Promoting Independence programme
 - b) Agree to the implementation of the target demand model as part of the annual Service and Budget Planning process, with updates and proposals presented throughout the autumn ahead of the budget being set in January and February

5. Financial implications

- 5.1 As an integral part of the 2016-19 budget setting process, this report, and the process of developing a target demand model, has clear financial implications. As such this report has been prepared alongside the Committee's Finance Monitoring, and Service & Budget Planning processes.

- 5.2 Any investment required as a result of proposals that are developed in response to this report (for example, for investment in delivery capacity) will be presented alongside business cases as part of regular budget planning activities.

6. Issues, risks and innovations

- 6.1 The report, in reviewing the context for the delivery of Adult Social Care in Norfolk, directly addresses the main issues and risks facing services as they plan to deliver significant savings.
- 6.2 Furthermore it is clear that innovative approaches will be needed to deliver very testing savings targets, and the paper sets out clear requirements to learn from best practice elsewhere as the council plans to make step-change reductions in demand for formal care services.

Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

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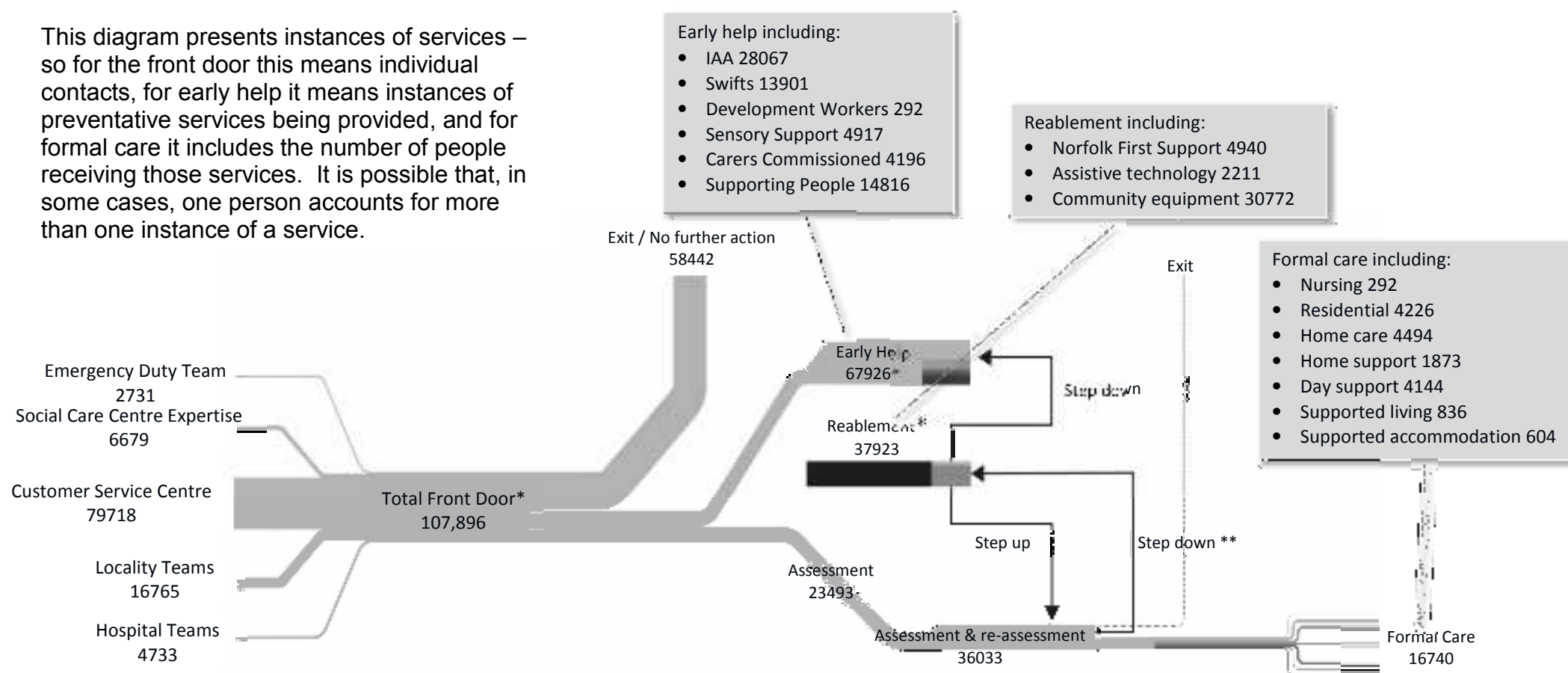
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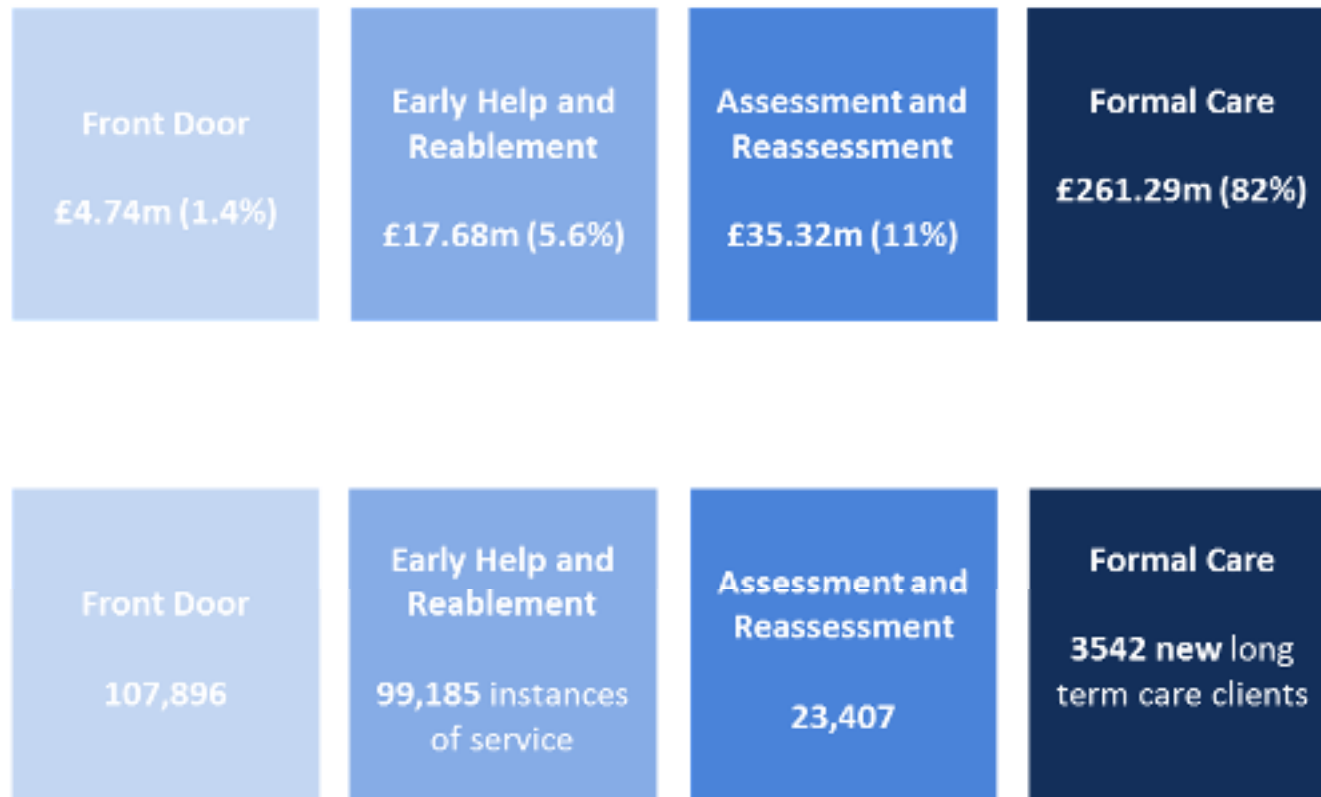
Summarised baseline demand model – key service volumes April 2015 to March 2016

This diagram presents instances of services – so for the front door this means individual contacts, for early help it means instances of preventative services being provided, and for formal care it includes the number of people receiving those services. It is possible that, in some cases, one person accounts for more than one instance of a service.



* NOTE: some reablement referrals do not come through the 'front door', so the totals for Exits, Early Help, Reablement and Assessments do not sum to the total of front door activities

ASC Cost and Demand Summary



How future demand is expected to increase in Norfolk

Using a variety of sources of information we have been able to apply a year on year projection of demand at each stage of the customer journey. This shows us how we anticipate demand to change if we were to change none of our current practice.



Volumes sources and factors include:

- include Poppi and Pansi demographic data
- DoLS
- Independent Living Fund
- Relative wealth (assume no change)

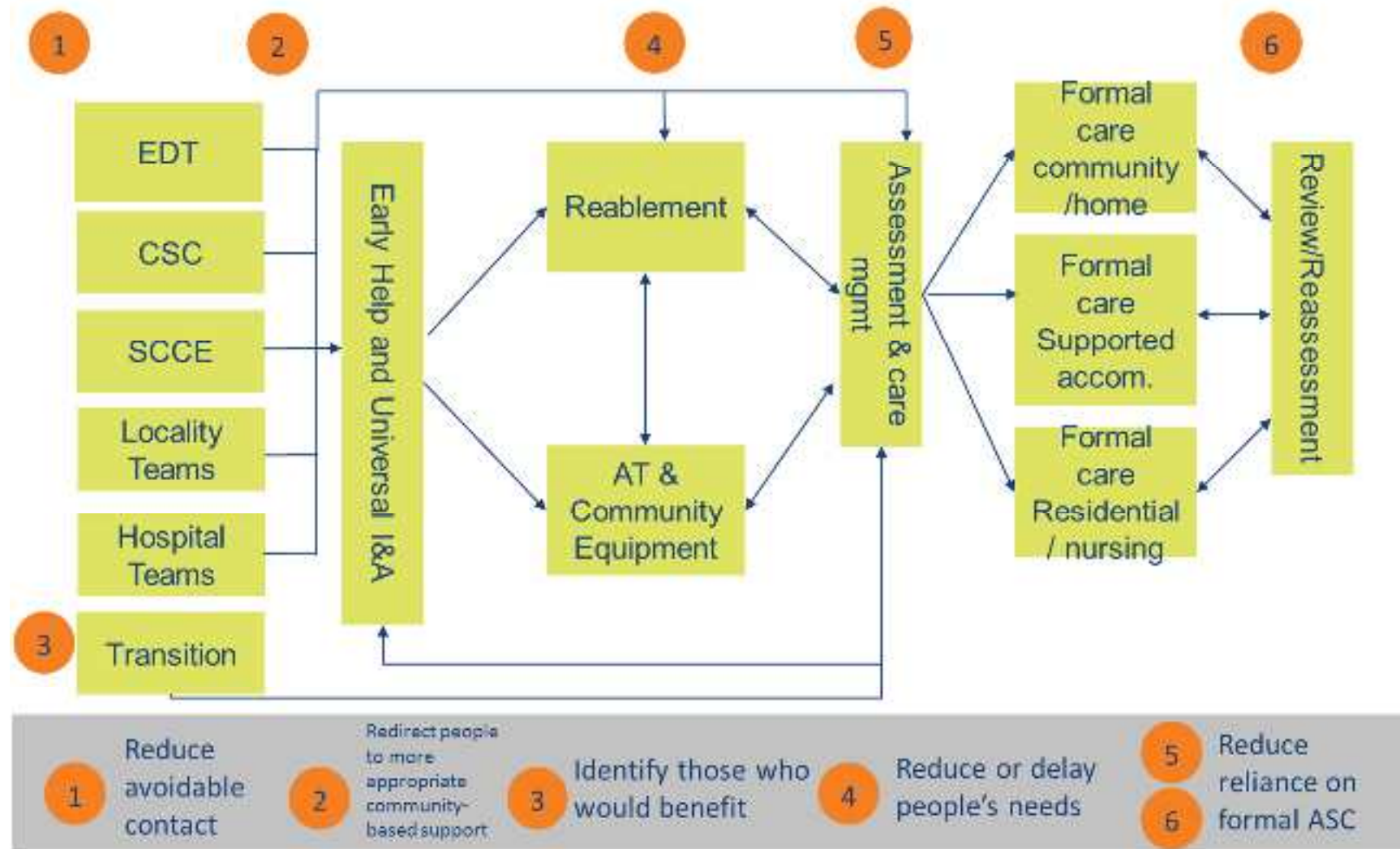
Cost factors include:

- General inflation
- National Living Wage
- Home Care Contract minimum price

We have assumed an even spread across services/teams



Intervention points are the places in the customer journey where we can influence demand

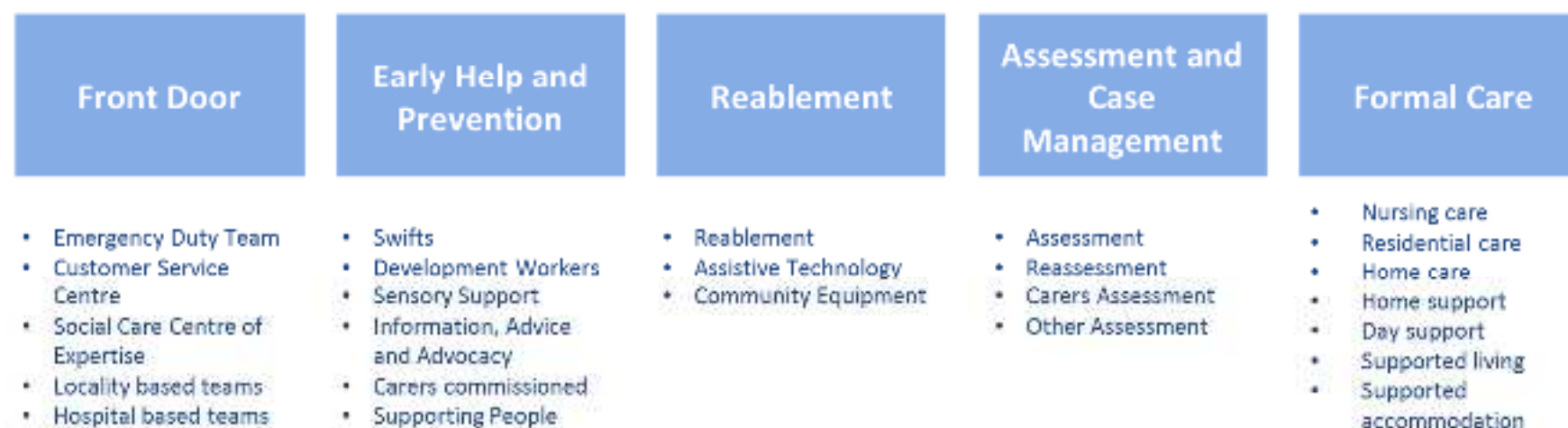


The Target Demand Model

The core tool of the Target Demand Model is the Cost and Demand spreadsheet. The spreadsheet contains multiple data worksheets to represent each step of the customer journey.

The way that data is captured in Care First means that it is not easily possible to undertake flow analysis based on individual customer journeys to understand how demand flows through the system, but there is sufficient data available to represent overarching cost and demand through the process.

The diagram below aligns the structure of the TDM to the stages of the customer journey:



Supporting data is captured in the baseline data tab of the sheet. The cost and demand spreadsheet will have the capability to generate scenario charts as different options are modelled.