

**AGENDA MANAGEMENT SHEET**

**Name of Committee** Cabinet

**Date of Committee** 28 January 2010

**Report Title** Voluntary Sector and Day Services Review  
Outcome Recommendations

**Summary** This report outlines the conclusions of a strategic review of day services and low level voluntary sector support for older people and younger adults with physical disabilities and seeks approval for remodelling services to meet the agenda of Putting People first whilst making efficiency savings.

**For further information please contact:** Julie Humphries  
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**Would the recommended decision be contrary to the Budget and Policy Framework?** No.

**Background papers** None.

**CONSULTATION ALREADY UNDERTAKEN:-** Details to be specified

- Other Committees  .....
- Local Member(s)  Not Applicable
- Other Elected Members  Councillor L Caborn, Councillor R Dodd, Councillor F McCarney, Councillor T May
- Cabinet Member  Councillor C Hayfield
- Chief Executive  .....
- Legal  Alison Hallworth, Adult and Community Team Leader
- Finance  Chris Norton, Strategic Finance Manager
- Other Chief Officers  .....
- District Councils  .....

- Health Authority  .....
- Police  .....
- Other Bodies/Individuals  Janet Purcell, Cabinet Manager

**FINAL DECISION YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

- Further consideration by this Committee  .....
- To Council  .....
- To Cabinet  .....
- To an O & S Committee  .....
- To an Area Committee  .....
- Further Consultation  .....

## Cabinet – 28 January 2010

### Voluntary Sector and Day Services Review Outcome Recommendations

#### Report of the Strategic Director of Adult, Health and Community Services

##### Recommendations

1. That Cabinet agrees the actions detailed in sections 5 and 6 of this report, together with timescales and necessary actions.
2. That Cabinet agrees the process and timescales for introducing the new model of day opportunities and specialist services for Warwickshire, as detailed in section 8 of this report.
3. That Cabinet considers the potential of the proposals to meet the £400,000 savings target and for longer-term savings plans as set out in section 5 of the report.

#### 1. Background Summary

- 1.1 Warwickshire County Council has the opportunity to provide better and more relevant sustainable services within the existing cost envelope and the opportunity to deliver necessary key financial savings in doing so. This report highlights how this can be achieved for Day Care and Low Level Services.
- 1.2 In 2008 WCC Cabinet agreed a plan to examine the possibility of a re-configuration of services to provide sustainable cost effective provision for customers. One example of this is the development of the existing Home Care Service into a Re-ablement Service model.
- 1.3 In parallel with the Home Care model, a review of the Voluntary Sector and Day Care and Low Level Services has been undertaken and identified a more customer responsive delivery in this service area, at the same time providing substantial savings.
- 1.4 This report focuses on the actions necessary to achieve sustainable new day care and low level services including a requirement to find £400k savings while maintaining value for money. The review included day care provision, lunch clubs and low level services provided to older people or younger adults with physical/sensory disabilities. These services are currently provided both internally and externally through a range of providers, across the voluntary and independent sectors.

- 1.5 On 29<sup>th</sup> October 2009, the Adult, Health and Community Services Directorate Leadership Team (DLT) received a final report highlighting the outcome of the reviews and seeking endorsement of proposals in respect of decommissioning, re-commissioning and continuation of arrangements with providers.
- 1.6 At the same time a new model for delivering day opportunities for Warwickshire has been developed, which shifts our thinking from traditional approaches to day services to more flexible provision from a variety of service providers. This approach fits much closer to the personalisation agenda and enables customer's better choice, and freedom to access local services and information.

## **2. Introduction**

- 2.1 Warwickshire County Council provide around £4m worth of low level support and day care services through contracts with the voluntary and independent sector each year. Due to changes in the way in which we are seeking to provide and commission services primarily due to the introduction of Personalisation (Putting People First) the current range of provision available through this funding is unlikely to be fit for purpose for the future and/or could benefit from realignment to ensure that they continue to meet the needs and aspirations of the people who access them.

In order to assess the current range of provision and to identify areas in which the market needs to be enhanced through revised commissioning arrangements we have conducted value for money reviews of the services provided.

In addition to this, as part of the need to generate efficiencies in all areas of the services we provide or commission, these reviews were intended to secure savings in the region of £400K.

A timetable of activity for the complete value for money review is attached at appendix a.

- 2.2 Services included in the value for money reviews have been Day Care, Lunch Clubs and Low Level Provision for older people and younger adults with disabilities.

A specific and bespoke review framework and tool has been applied for the purpose of conducting these reviews which is based on a self-assessment and critical analysis by officers within the Strategic Commissioning and Performance management Division of AHCS. 107 arrangements were reviewed, and subject to scrutiny and follow up, prior to scoring from a value for money perspective. Local knowledge of staff within Local Commissioning teams also influenced the value for money scoring as has the views of users and carers of services through customer first.

- 2.3 On 1<sup>st</sup> October 2009 a panel comprising representatives from Strategic and Local Commissioning plus a customer representative scrutinised the results

of the reviewing process and invited further comment from team managers and other staff from within Older People and Physical Disability teams.

### **3. AH&CS Overview Panel for Service Reviews Results**

3.1 The panel observed several key points.

- There are difficulties accessing services that cater for higher levels of dementia and specifically where, due to the degenerative nature of the illness, people are having to move between services e.g. from low, through medium to high level services. Alignment with the joint strategic approach being developed for dementia services will, therefore, be crucial.
- The overall Warwickshire Care Services contract is currently being reviewed so issues around value for money will also be addressed through this process as day care is incorporated on several sites run by this provider.
- Lunch clubs currently operated by WRVS are subject to a separate review and linked to the current tender of the community meals service.
- People with moderate needs are sometimes counted as Fair Access to Care Services (FACS) eligible in BME services due to historical policy to encourage service take- up.
- Services operated by Age Concern to be considered as a whole.
- The review of services provided directly by the County Council is linked to Residential Care Home service reviews within the Care and Choice Accommodation Programme.
- Transport difficulties may be preventing people from accessing more appropriate services, especially in the more rural areas.
- Personal care may be being provided inappropriately e.g. by internal home care workers or unqualified staff.
- Unmet need may be present e.g. Gypsy and traveller communities and Irish population in Nuneaton and Bedworth.
- Services in Stratford District seem low given the size of the area and in spite of relative affluence.
- Services supported by AHCS in Rugby district are concentrated in the town of Rugby itself and do not provide cover for more rural areas.
- Providing value for money does not negate the need to test the market in line with Contract Standing Orders.
- High number of non-FACS customers are using services which are not costed appropriately by the provider and therefore the associated impact on funding received for FACS eligible customers is being diluted.

### **4. Directorate Leadership Team Consultation**

4.1 The Adult, Health and Community Services Directorate Leadership Team received a report on 29 October 2009, and agreed for the arrangements below to be decommissioned, dependent on Cabinet approval.

## 5. Potential Savings accrued as part of the Value for Money Service Reviews

- 5.1 Cabinet are asked to note that if the approach detailed in this report is not endorsed, it will be essential to quickly establish alternative savings proposals to balance the budget.
- 5.2 It is anticipated that the overall savings target of £400k might be achieved subject to member approval, no significant undue delays due to consultation requirements and the ability to release staff to focus on this work. The estimated figures are as follows:

Service Area	Potential Saving
WCC HC Day Care	£40,000
BME Services	£77,730
PD & SI Services	£141,636
OP MH	£107,917
Spot Contracts	£7,793
Age Concern	£16,123
Other Low Level Services	£54,851
<b>Total</b>	<b>£446,050</b>

- 5.3 The above is what we can save now but these are the first savings from Day Care and Voluntary Organisations in the medium term financial plan. By 2013-2014 the proposed savings plan anticipates £1.24m total savings from day services and voluntary sector organisations for all client groups and more work will be done to see where this will come from.

## 6. Cabinet Decisions Required to Achieve Potential Savings from Service Reviews

- 6.1 Warwickshire County Council Day Care run by Home Care staff are decommissioned as this is not core business of Home Care Services, potential saving £40,000 2010-2011.
- 6.2 All BME services should be decommissioned and remodelled, as there is inequity across Warwickshire in service provision. £50k will be made available during 2010-2011 for 13 BME groups to bid for 'one-off' funds to help them become self sufficient. Plus a new multi-cultural service will be tendered during 2010-2011. There will be a potential saving of £77,730 in 2010-2011 from this service area. This will involve stopping current payments to existing BME groups who would be able to bid against the £50k. Potential savings during 2010/11 may be reduced pending Cabinet decision, timescales for the bidding and tendering processes and further consultation.
- 6.3 Warwickshire County Council Day Services and Warwickshire Care Services Day Care Services should be reviewed and rationalised alongside residential contracts. Occupancy levels to be increased by targeting contracted services first as there are vacancies within some of these arrangements. Discussions with Warwickshire Care Services are already progressing. No initial savings

have been identified in 2010-2011.

- 6.4 Warwickshire County Council and external Physical Disability and Sensory Impairment Services to be decommissioned and remodelled using new day opportunity 'hub' model (see section 7) and 2010-2011 tendered specialist day care services. It is anticipated that those customers currently receiving services will be reviewed and offered a range of services including individual budgets, direct payments and specialist day care. Potential saving in 2010-2011 of £142k may be reduced pending Cabinet decision, timescales for tendering and further consultation.
- 6.5 Older People Mental Health Services to be re-configured and 2010-2011 tendered in line with the National Dementia Strategy. The new approach will follow all other service areas and be operated from Day Opportunities 'hub' model (section 7) with explicit specialist services being available as appropriate. Potential Savings in 2010-2011 of £108k may be reduced pending Cabinet decision, timescales for tendering and further consultation.
- 6.6 There will be no savings during 2010-2011 from the Lunch Club budget as we wish to support lunch clubs in becoming self sufficient. We have developed a lunch club guidance document for those wishing to bid for support funding to establish their self sufficient status during 2010-2011. There will be a projected budget saving of £31,191 in 2011-2012.
- To achieve the re-configuration of Lunch Clubs these services will be decommissioned from 1<sup>st</sup> April 2010. During the lunch club transformation period, meal provision will be available from the new community meals provider who commences on the 1<sup>st</sup> April 2010.
- 6.7 Day Care spot purchased places to be used as last resort using vacancies within existing contracted services. Potential savings for 2010-2011 of £8k, and potential savings for 2011-2012 of £16k.
- 6.8 Age Concern low level support services are decommissioned, remodelled and re-tendered as appropriate and necessary. The budget is ring fenced to assist with budget flexibility in terms of all other changes recommended within this review. That this ring fenced budget assists with the future requirements of those who will require a joint review between the reviewing team and the PHILLIS team who may still require services under the FAC eligibility criteria. Potential Savings of £16k in 2010-2011 may be reduced pending Cabinet decision, timescales for tendering and further consultation.
- 6.9 Other low level services to be decommissioned in line with the new model of day opportunities utilising community hubs. Potential Savings of £54k in 2010-2011 may be reduced pending Cabinet decision, timescales for tendering and further consultation.
- 6.10 Other Day Care Places to be remodelled, with new specifications and pricing structures and re-tender during 2011. Potential Saving of £52k in 2011-2012.

## 7. Summary of Savings and Bidding / Tendering Timescales

7.1 The chart below summarises the outline timetable for achieving savings from each service area:

Service Area	Est Service Costs	2010-2011 Savings	2010-2011 Bidding Process	2010-2011 Hub costs	IB's Budgets	Tendered services 2010-2011	Review Tender Services 2011-2012	2011-2012 savings
WCC-Home Care provided Day Care	£88,220	£40,000	-	£20,000	£28,220	-	-	-
BME Groups	£327,730	£77,730	£50,000	£50,000	-	£150,000	-	-
WCC & WCS Day Care	£716,185	£0.00	-	=	-	-	£716,185	Unknown
PD & SI	£746,262	£141,636	-	£30,000	£200,000	£300,000	-	-
OPMH	£729,173	£107,917	-	-	-	£621,256	-	-
Lunch Clubs	£31,191	£0.,00	£31,191	-	-	-	-	£31,191
Spot Purchase	£77,928	£7,793	-	-	-	-	£54,549	£15,586
Age Concern Low Level Services	£161,232	£16,123	-	-	£72,555	£72,555	=	=
Other Low Level Services	£54,851	£54,851	-	-	-	-	-	-
Other Day Care	£128,589	£0.00	=	=	=		£76,589	£52,000
Totals	£3,061,361	£446,050	£129,411	£100,000	£300,775	£1,143,811	£847,323	£98,777

## 8. Putting People First: The Development of a new Warwickshire Day Opportunities and Specialist Services Model of Personalised Services

8.1 In parallel with the service reviews, public consultation was carried out and desktop research undertaken to establish how other authorities are meeting the personalisation agenda. The research evidence has helped with shaping our new approach in Warwickshire of creating community hubs for day opportunities and specialist day care for those with substantial or critical needs.

8.2 The development of community hubs will enable the whole population to effectively access good quality advice and information, which will help those living in local Warwickshire communities to remain independent. The hubs will provide a local focus for advice, information and guidance from a range of providers and will include both funded and non-funded services. These hubs will be co-ordinated by specialists with knowledge and experience of Mental Health, Dementia, Physical Disability and Sensory Impairment, Multi-Cultural Awareness, Preventative and Low Level Services.

8.3 The community hubs could be located in existing resources such as libraries or schools. Use of mobile libraries and other existing schemes could work

well in providing outreach services in rural communities.

- 8.4 The new Day Opportunities and Specialist Services Model for Warwickshire are being developed.

## **9. Next Steps**

- 9.1 Subject to member approval detailed implementation plans with timelines and resource implications will be produced for each component project.
- 9.2 An overarching risk assessment has been completed but this will be complemented with specific assessments as required with input from corporate risk colleagues.

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January 2010

### Timetable of Value for Money Service Reviews 2009.

The work completed or commenced in relation to the review programme to date is presented in highlight format below:

**Jan/Feb 2009** - A Value for Money Service Review Toolkit was created, which incorporates a self-assessment tool for completion by providers, a scoring system for use by reviewing officers and a decommissioning/service reshaping tool for use in further assessing services considered to be providing poor value for money to ensure that as a commissioner we are ready to decommission these services.

**March 2009** - A timetable highlighting the programme of work and associated timescales was prepared in consultation with WCAVA, who also agreed to provide support to those completing the self-assessment element of the tool.

**March 2009** - A Joint Event with WCAVA took place to launch the toolkit, advise providers of the process for the reviews with timescales for completing each element. All of the effected organisations were invited to attend this event and given information to encourage their attendance.

**March 2009** – The review tool was subjected to an EIA assessment and a report created to address issues raised.

**April 2009** – The self-assessment element of the service review tool was distributed to all organisations for completion by the end of the month. As agreed previously WCAVA provided support to organisations when issues and questions were raised around the requirements of the tool.

**April - June 2009** - Consultation process commenced to seek the views of Warwickshire citizens in relation to future service provision around day opportunities. This will inform the development of future service models and will be considered during the decision making process related to decommissioning.

**May 2009** - Completed returns were received from the majority of the organisations but difficulties with the electronic systems, lack of accurate contact details and unwillingness to participate in the case of some providers meant that the deadline date had to be extended.

**May 2009**- Additional internal information was requested on contract monitoring, complaints, compliments, safeguarding and operational issues to be built into the scoring system. This approach ensures triangulation of information provided through the self assessment.

**June – July 2009**- Commissioning and Business Improvement Officers undertook the review and scoring of individual services based on the information provided through self-assessment and other data sources such as contract monitoring.

**July 2009** - Points of clarity arising from the Service Review Support Sessions have established that the Toolkit needed to be enhanced due to other finance factors arising from the reviews such as some organisations receiving additional funding from other pots e.g.: Transport Funding; Property grants in kind etc

**July 2009** – The decommissioning and reshaping tool has been revised based on the findings of the review process and feedback from review officers to ensure that it is fit for purpose.

**July 2009** – Arrangements for locality panels to assess recommendations from reviewing officers in relation to decommissioning of services agreed through the Steering Group and initial arrangements for panel sessions made.

**August 2009** – Initial assessment of the potential services to be decommissioned and associated savings undertaken. In summary the reviews **identified 16 organisations that are potentially not providing appropriate value for money, the total value of the contracts associated with these organisations is £222,874**. In addition 15 organisations did not respond to our request to be involved in this process and as a result are also currently allocated as being listed to be decommissioned; these services have a value of **£31,202** giving a total potential pot of **£254, 076** in savings from this particular process. It is important to note that some of the organisations do not have a central contract and are funded direct through Local Commissioning, the value of these arrangements has not been quantified and as a result are not included in the savings value listed above (it is anticipated that savings from these would be small).

**August 2009** – **Additional savings mapping undertaken to identify savings generated within this sector outside of the current formal review process. These savings, which total £330,000**, are made up of reviews completed in mental health services (**£273,000**), contract terminations (**£52,000**) and contract value reductions (**£5,000**).

**August 2009** – A risk register in relation to the implementation of the outcomes from the review process has been developed. Initial risks highlighted relate to the timescales involved in decommissioning a contracted service and issues around Elected Member engagement and involvement with individual providers.

**September 2009 - Strategic Commissioning officers to:**

- Undertake final clarity points highlighted as issues with providers, which will include additional Property & Transport information.
- Chase remaining organisations for their returns
- Attend awareness session on the decommissioning tool to enable staff to complete the final scoring
- Final decision making panels held on 1<sup>st</sup> October to validate the findings of the review process and recommend the organisations to be decommissioned
- Receive Report on Day Opportunities following 3 month consultation process and look at potential new service models for Warwickshire based on the outcomes

**October 2009 – Strategic Officers to:**

Report to be presented to DLT 29<sup>th</sup> October on recommendations of the VFM reviews together with recommendations.

**Early November 2009** - All organisations affected will be informed of the next stages in the review process.

**End November 2009** - draft Cabinet Paper seeking approval for approach and decision on the way forward

**December 2009** – DLT to receive Proposal on Warwickshire Day Opportunities & Specialist Day Services

**January 2010** – Cabinet report presented and Cabinet Decision on way forward sought

**February 2010:** All providers notified of decisions and time table for change including contract exemptions, decommissioning notice, remodelling etc.