

Where can you get support?

Your Regional Improvement and Efficiency Partnership (RIEP) offers support and advice about all aspects of procurement best practice. The Joint Improvement Partnership (JIP) offers social care expertise to combine with the broader efficiency and procurement knowledge held by the RIEPs. All RIEPs are working closely with the JIP in their region and many have joint programmes of support for a wide range of improvement and efficiency issues including smarter procurement of adult social care. Contact your RIEP in the first instance using the numbers below.

The IDeA offers a range of support to Members and their authorities: www.idea.gov.uk

Care Services Efficiency Delivery (CSED) helps local authorities identify and develop more efficient ways to provide adult social care:
<http://www.dhcarenetworks.org.uk/csed/>

Sources

- 1 rehabilitation, intermediate care, respite care, short term care and long term care.
- 2 rehabilitation/re-enablement,intermediate home care, extra care housing services and live-in home care
- 3 adult placement, supported living, community support services, extra care housing
- 4 telecare, prescriptions and equipment store
- 5 Putting People First (Dec 2007): <http://www.lga.gov.uk/lga/core/page.do?pagelid=1649292>
- 6 'Use of Resources in Adult Social Care (Oct 2009): http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_107596



Regional Improvement and Efficiency Partnerships



Local Government Association



improvement and development agency

Top tips for all members on improving outcomes and ensuring services are cost effective through better commissioning of adult social care

6 Members' Guide ✓

As local government finances are squeezed during difficult economic times it will become even more important for local authorities to work together to save money and keep council tax down. This guide – one of a series of member guides on procurement – provides tips on how your authority can make savings through better commissioning of adult social care.

Commissioning adult

Did you know?

Local authorities spend some £18 billion each year on adult social care including £11.6 billion on external providers. Millions could be saved each year through more effective and collaborative commissioning including better procurement of services. Read on to find out how your authority could benefit.

social care

What is adult social care?

Adult social care includes *preventative services, assessment and care management, nursing and residential care homes¹, community services (home care², day care, meals), 're-ablement' to prevent hospital admission or enable continued independence, intermediate care (after a spell in hospital), supported and other accommodation³, individual budgets and direct payments to service users, safeguarding, and the provision of equipment and related areas⁴. Service users may include older people, adults with learning disabilities, or mental health issues, and with physical or sensory impairments.*

'Putting People First'⁵

Putting People First: A shared vision and commitment to the transformation of Adult Social Care' was published in December 2007. It sets out the shared aims and values, which will guide the transformation of adult social care. The 4 key elements of Putting People First are:

- Changes require co-production with users and carers and the development of **social capital** so that people can support themselves.
- There needs to be a focus on **choice and control** including developing self directed support.
- A good range of **universal services** is required to help people to maintain their independence. This includes information and advice services,
- In addition **early intervention** services are required to prevent needs escalating.

Why is commissioning important to members?

Local authorities are experiencing rapidly rising costs in adult social care. There is increased demand as a result of demographic changes, particularly an ageing population and increasing life expectancy for people with a range of different needs. The impact of the recession and inequalities in health also cause financial pressures.

Local authorities are under pressure to reduce expenditure on, and the cost of, adult social care. At the same time services users and carers expect high quality services. Members need to understand how services can be improved and how they can be delivered more efficiently.

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The Local Government Association is the national voice for more than 400 local authorities in England and Wales. The LGA group comprises the LGA and five partner organisations which work together to support, promote and improve local government.



Social care policy has changed and Putting People First requires new approaches to assessment and service delivery putting the service user in the driving seat. This will have implications for existing services.

With good commissioning you are more likely to be efficient, make the best use of your resources and achieve the best outcomes possible for service users and carers.

What are the key issues in commissioning adult social care?

Commissioning presents many challenges. The following elements are vital for successful commissioning:

- **Shifting to an outcomes focus.** In the past people talked about commissioning *services*. Instead it is important to focus on a particular population or client group and the *outcomes* you want to achieve. You can then plan and procure services which assist you to achieve the outcomes you want.
- **Getting the baseline information.** To commission well you need to make use of all the information available including consulting service users and carers on their views, information on needs which will be included as part of the Joint Strategic Needs Analysis (JSNA) and information on patterns of spend and costs. You will need to match information on costs with activity data and make use of information on performance and quality. Finally, information on the social care market in your area is vital baseline information.
- **Understanding the importance of the planning stage.** Once you have collected all the baseline information you need to make use of this in planning future services. This is likely to involve shaping services or re-designing services to meet needs and improve outcomes as well as developing plans for developing and managing the market.
- **Getting a good range of prevention and early intervention services.** This will involve making plans to, over time, shift resources from high cost services into lower cost services which can prevent the need for more expensive intensive services.
- **Commissioning in partnership** and involving users and carers and service providers.

Why focus on improving the commissioning of adult social care services?

Commissioning involves:

- Consulting, identifying the needs to be met and the desired outcomes
- Planning how best to meet those needs and achieve better outcomes
- Procuring high quality and cost effective services
- Monitoring service delivery to ensure outcomes are being achieved.

Through improved commissioning you will:

- Achieve better outcomes for service users, carers and families
- Make sure services are designed and shaped to meet the needs of service users and carers
- Make the best use of the resources available
- Keep an ongoing check on the quality and impact of services. Making sure you are using your resources well.

If you align your commissioning arrangements with others and jointly commission or pool resources you can reduce duplication, achieve some economies of scale and harness purchasing power.

In the East of England, local authorities have developed a regional standard for contracting social care and housing support (Supporting People) across the region covering standard documents and processes, terms and conditions of contracts, service specifications and quality and performance schedules for care homes. The project is sponsored by the **Association of Directors of Adult Social Services (ADASS)** Eastern Region and funded by **Improvement East, Supporting People East Regional Group** and the **Thames Gateway**. It has resulted in better co-ordinated approaches to the market and identifying opportunities for lead contracting – where a single authority takes on contracting responsibilities for a service on behalf of the region or neighbouring

What is best commissioning practice?

“Use of Resources in Adult Social Care” published by the Department of Health⁶ contains examples of how local authorities are ensuring value for money and developing cost effective, early intervention services. It also highlights how an excellent local authority will manage its resources including:

- Being clear about how resources have been allocated between different client groups
- Understanding the pattern of spend and costs of services
- Ensuring a good supply of services at an affordable cost
- Having a balance of services available, with not more than 40% of the adult social care budget being spent on residential care (or a plan to reach this target)
- Working in partnership with the PCT
- Achieving efficiencies through a system focused on early intervention, prevention and re-ablement
- Moving towards the personalisation of services in a measured way, with a Resource Allocation System (RAS) or a similar mechanism
- Procuring services in an effective way including having robust monitoring systems
- Working with other local authority departments and agencies to harness activities and resources.

Improvement and Efficiency South East (IESE) is working with the **East Midlands** and **West Midlands RIEPs** to develop the Care Funding Calculator. This tool supports local authorities and Primary Care Trusts (PCTs) in managing the costs of residential care and supported living for adults with learning disabilities and enables them to challenge providers to produce the best cost. The tool is now being used with other user groups including Mental Health, Physical Disabilities and Sensory Impairment. It provides a comprehensive breakdown of both the individual package of care and the accommodation related costs and enables care commissioners to strike a fair and sustainable deal for the required service. Further benefits include services more directly linked to the needs of individuals and clearer contractual arrangements which a number of providers have welcomed. A web-based version of the tool will be available for use by service users and their carers where individualised budgets are being used to purchase such care.

Similar fair pricing tools are available from the other RIEPs. For further information about the Care Funding Calculator specifically, please see: <http://www.southeastiep.gov.uk/categories/adult-social-care-and-services-for-children/projects/care-funding-calculator>

Checklist - These questions are relevant to adult social care portfolio holders, members involved in scrutinising adult social care, and members interested in finding out how social care commissioning works in their authority. They are organised around five commissioning themes.

- ✓ Is there a **commissioning framework** which sets out the definition of commissioning and the steps involved in each stage of the commissioning process? Does this include information on how and when council members are involved?
- ✓ Do we know about **expenditure and costs**? This includes understanding the pattern of spend between client groups and the unit costs of services. Do we know the highest cost services and the comparative costs of in-house and external provision?
- ✓ Are we **working collaboratively** with key commissioning partners at local and regional level? Are we working collaboratively with our Regional Improvement and Efficiency Partnership, our Joint Improvement Partnership and wider public sector partners to ensure best practice? Is all of our commissioning and procurement well executed in terms of EU and UK procurement standards? Are we jointly commissioning, funding and procuring with others? What do we plan for the future?
- ✓ Is there a **prevention and early intervention commissioning strategy** for adult social care? This might be included as part of a commissioning strategy for a specific client group.
- ✓ Do the plans for implementing ‘Putting People First’ and self directed support include an analysis and risk assessment of the **implications for future commissioning and procurement arrangements**? Do the implementation plans include market development and management?

Top tip

“Use of Resources in Adult Social Care” published by the Department of Health advises local authorities to be aware if a high percentage of their spend is on residential care and they have no plans to reduce this as this will mean they:

- have less room to deliver efficiencies;
- have less opportunity to decommission or change the shape of their services
- are likely to face uncertain prospects about their financial stability over the medium term.