

* Name of proposal/policy	Purchasing and Placements	* Budget number	16-001-07
* Service area responsible	Adult Social Care	* Cabinet meeting date	13 th December 2016
* Name of completing officer	Finlay Flett	* Approved by Director / Assistant Director	Anna Earnshaw
* Version	1.2	* Date	6 TH February 2017

PART A

* Section 1a: Description of proposal under consideration/development	* Section 1b: Is this new or existing? Does it link to current provision?
<p>Reduce purchasing and placement costs across Adult Social Care Services by establishing a dedicated brokerage function which will manage all placements and service provision. This new function will be drawn together, within existing resources, as an output of the related “Staffing and Effective Structure” project. The creation of a brokerage function will allow improved specialisation by:</p> <p>(1) separating the tasks of establishing and managing care service placements from the tasks of care management; and</p>	<p>At present, the work in finding and negotiating placements is included in the role of the care manager. The proposal will separate these functions and establish a dedicated professionalised team tasked with undertaking these roles, thus allowing care managers to focus on the central aspects of their duties.</p> <p>The new service area will be created, within existing staffing resources, as part of the linked “Staffing and Effective Structure” project by bringing together roles from the current care management, procurement, administrative and commissioning service areas.</p>

<p>(2) establishing a professionalised team equipped with the necessary skills and experience to negotiate both contracts and individual placements with service providers.</p> <p>This will improve value for money by proactive market management and maximising the use of the available family and community-based resources in meeting eligible care needs.</p> <p>In additional we will be looking to undertake some key strategic market engagements and procurements to change the way that we deliver outcomes, incentivise providers and purchase services. In particular we will be looking at the Home Care Market, Carers services, Residential Care purchasing, our PFI Specialist Care Centres and Day Care service provision.</p> <p>During 2017/18 we also expect to go live with the new Adults e-market service initially providing advice and information but utilising the new portal and register services for future placements towards the last two quarters of 2017/18.</p>	<p>There were already a number of procurements due in 2016/17 but we will be building on research into best practice and models of commissioning that have worked in other authorities to ensure we get more effective services and better outcomes at the right costs.</p> <p>The e-market place (previously known as Breeze-e) was already part of NCC's plans but this is the first time it has been included as a specific solution for ASC.</p>
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*** Section 2: How does this align with the Council Plan/ corporate priorities/ partnership strategies and plans/ Next Generation Council?**

Delivers increased wellbeing and/or safeguarding by ensuring that...	✓
People of all ages are safe, protected from harm and able to live happy, healthy and independent lives in our communities	✓
People have the information and support they need to make healthy choices and achieve wellbeing	✓
People achieve economic prosperity, in a healthy, low carbon economy which gives access to jobs, training and skills development	
Communities thrive in a pleasant and resilient environment, with robust transport and communications infrastructure	✓
Resources are utilised effectively and efficiently, in coordination with partners and providers	✓
Does it align with any NCC/ partnership strategies and plans? (if so, please list below)	
ASC Business Plan; Next Generation Council; Better Care Fund Plan; Sustainability and Transformation Plan	

Does it support the transformation into a Next Generation Council? (if so, please explain below)

Yes. The improved care management and brokerage functions planned will make the federated NASS (Northamptonshire Adult Social Services) arm more financially sustainable by securing best value for money. The brokerage will also link with NCC Core's strategic commissioning function, assisting in strategic market shaping and allowing improved long-term strategic decision-making.

The use of the e-market tool will help more people to help themselves and allow service users, families and carers to access a wider choice of approved suppliers.

*** Section 3: If this relates to a statutory duty, please give details of the relevant legislation below:**

The Care Act 2014 requires the authority to meet eligible care and support needs. The Act allows authorities to consider available resources in making decisions about meeting needs and can choose care provision options which offer improved value for money, as long as the assessed needs continue to be met.

Section 4: Have other alternatives been considered?

The status quo has been considered, whereby care managers also have responsibility for identifying and negotiating with providers for care service support and provision. However, this leaves the responsibility for dealing with providers in the remit of staff for whom this is not necessarily an area in which they have any expertise. It is considered that separating the care management and placement brokerage functions will improve specialisation in both areas and improve both service provision and overall value for money. This was also the conclusion of an external review of ASC which also provided the foundations for the new TOM design.

The option of including brokerage in the remit of NCC Core Strategic Commissioning has been considered but this level of operational provision brokerage would not be appropriate for a strategic function. It is proposed, however, that the brokerage maintains close relationships with the strategic team in order that appropriate strategic market shaping and contracting can be undertaken, further improving value for money over time.

The use of the existing Council website and other market products have been considered for the e-market place. The progression of the contract and Joint Venture Company with Grass Roots (following their deletion as our chosen partner earlier this year) is considered a better option as it builds on our shared expertise, will attract their investment and will provide a platform for growth by selling services to other authorities.

* Section 5: Financial / resource implications

a) Costs (e.g. invest to save)

POTENTIAL INVESTMENT ITEMS

- Procurement project and market expertise
- Project management
- PFI expertise from Place PFI team
- Capital investment for E-market place (already included in the Capital Plan)
- Third Party resource
 - Brokerage programme management and design
 - Joint investment case Learning Disability – Pooled Health Budgets
 - Joint investment case Mental Health – Pooled Health Budgets

b) Staffing implications

This project has no specific staffing implications, as staffing issues are covered in the separate “Staffing and Effective Structure” work stream.

c) Savings

Total proposed savings:- £12,020,000 in 2017-18.

Section 6: Has a similar initiative/proposal been implemented elsewhere? What were the benefits or risks? Are there lessons that can be learned?

The model of separating care management from placement brokerage has been implemented successfully in other authorities. This has been best achieved when the provision of individual placements is within the context of a diverse, well-understood and well-managed local provider economy where the local authority has sound contracting arrangements with a range of providers. These lessons are being taken on board as the brokerage develops, supported by both internal and external expertise.

The proposed strategic contracts are based on best practice and lessons learnt in other authorities.

The e-market solution has been implemented in other authorities but they do not contain the specific ways of managing personal budgets and spend in the way envisaged at NCC.

THIS SECTION HAS REPLACED THE EQUALITY IMPACT ASSESSMENT FORM AND MUST BE COMPLETED TO DEMONSTRATE COMPLIANCE WITH THE EQUALITY DUTY

*** Section 7: Who will be affected by this proposal? (this may be service user data, or be based on a particular geographical area or more general population data depending on the proposal)**
Include demographic information where this is available e.g. breakdown by gender, age, ethnicity, disability etc. BIPI can support with the provision of data.
You may include staff, partner organisations and any other stakeholders who might be affected by the proposal.

Data Source (include link where published) and summary of what it tells us for example “X number of people use this service, X are male, Y are female etc.”

Why is this relevant to the proposal?

Service user profile linked to Northamptonshire profile

Primary Support Reason	Number
Physical Disability Support	6,794
Mental Health Support	295
Learning Disability Support	3,534
Social Support: Substance Misuse Support	4
Sensory Support	76
Support with Memory & Cognition	3,567
Social Support: Support for Social Isolation/Other	360
Total	14,630

Age	Number
Age 18 to 64	5,250
Age 65 and over	10,531
Total	15,781

Northamptonshire is one of the UK’s fastest growing counties and as a result, more of the population of the county will be over 65. Out of all of our geographical neighbours, it is only Milton Keynes that is expected to

	<p>see faster growth in the numbers of older people. 16.6% of Northamptonshire's residents are aged 65 and above, 2% more than 5 years ago.</p> <p>Projections of the numbers of older ASC clients in the future show an increase from 7,602 clients in 2011 to 9,369 in 2021.</p> <p>Services must be provided in a framework which acknowledges current population patterns and anticipated trends.</p>
<p>Service users who may be digitally excluded</p>	<p>Go On UK15 estimate that 23% of UK adults don't possess the skills to be able to fully exploit the advantages of modern technology. They have produced a Map of Digital Isolation, this is shown in Figure 6, the darker colours represent an increased likelihood of digital isolation (being unable to do simple things like send a Facebook message, apply for a job online, pay bills with an app, or check what day the bins are collected on their local council website).</p> <p>For all areas of Northamptonshire, the likelihood of digital exclusion is rated as medium, with most areas falling into the centre of the spectrum. Digital exclusion is considered less likely in Northampton and South Northamptonshire, however Go On UK still rates the risk as medium. Digital isolation is not confined to areas with little or slow internet access, but also includes the necessary skills to take advantage of the internet and technology.</p> <p>The introduction of Breeze-e will provide on line service and advice information and the ability to request, purchase and track services electronically. Not all service users will have access to IT.</p>

* Section 8: Based on the above information, will this proposal have an impact on the following? ✓ the relevant box for each line and then expand on the reasons why in Section 9				
	Positive	Negative	Neutral	Unsure
<u>Age</u>			✓	
<u>Disability</u>			✓	
<u>Gender reassignment</u>			✓	
<u>Marriage and civil partnership</u>			✓	
<u>Pregnancy and Maternity</u>			✓	
<u>Race</u>			✓	
<u>Religion or Belief (or No Belief)</u>			✓	
<u>Sex</u>			✓	
<u>Sexual orientation</u>			✓	

* Section 9: Initial impact	
* Section 9a: From your analysis in section 8 above, please explain the positive implications	
N/A	
* Section 9b: From your analysis above, please explain why you have categorised any implications as neutral	
This work should have a neutral impact on the protected categories because it should not impact upon whether or not their needs are fully met, as such, only upon the value for money which is to be achieved in how these needs are met. The Care Act will continue to require that the authority assesses and meets needs but the flexibility provided within the Act will allow value for money to be improved.	
* Section 9c: From your analysis above, please explain the negative implications	* Section 9d: What actions have you identified to mitigate any negative implications?
N/A	N/A
* Section 9e: From your analysis above, please explain the areas where you are unsure of the impact	* Section 9f: What actions have you identified to fill gaps in information?
N/A	N/A

* Section 10: Internal considerations: are there any implications for the following?		
	✓ or X	If there are any implications, please explain them here and identify any actions you may need to take as a result
Staff	✓	Impact managed under the “Staffing and Effective Structure” project.
Financial (NCC)	X	No additional impact is foreseen
Legal	X	No additional impact is foreseen
NCC Policy	X	No additional impact is foreseen
Performance	✓	Changes made under this work will require robust evaluation in order to determine whether these approaches are effective. It is likely that additional performance monitoring, probably linked to a new suite of indicators, will be required for this.
Data quality / information security	✓	Robust evaluation will require high quality data at the individual level. This should not place additional burdens in these areas but operating practice in handling data will need to be monitored in order to ensure ongoing compliance with corporate and legal standards.
IT	X	No additional impact is foreseen
Strategic assets	X	No additional impact is foreseen
LGSS / federated bodies	✓	There will be a need to have support from LGSS for the programme of work and Finance will benefit from the use of virtual budgets in the e-market place
Procurement	✓	Procurement will need to support the development of the strategic options
Project support	X	There will be a need to have support from LGSS for the programme of work
Other (if appropriate)	X	

*** Section 11: External considerations: are there any implications for the following?**

	✓ or X	If there are any implications, please explain them here and identify any actions you may need to take as a result
Community impact	✓	The intention is to deliver improved value for money so, ultimately, positive community impact. However, as with ongoing service delivery, care will need to be taken in delivery in order to ensure that all sectors of the community are able to access services.
Impact on the consumer (e.g. communication needs, access, rurality, complaints)	✓	As noted, changes to service delivery need to be well understood and clearly communicated to customers in order to ensure that they are not perceived badly and result in appeals/complaints. As with current services, the context of provision in a predominantly rural county need to be taken into account in order that specific needs continue to be met appropriately.
Reputation	✓	Changes in service delivery patterns and to the provider marketplace will require clear understanding and effective communication to avoid the perception that these changes are equated with service cuts in the minds of customers and the wider public.
Political	✓	See the comment on “Reputation”. The changes will need to be clearly understood and widely advocated.
Partners	✓	The changes proposed have the potential to impact providers in the Community and Voluntary Sectors, and upon partners in the other NCC federated companies, i.e. Children’s (at point of customer transition) and First for Wellbeing (changes in emphasis and evaluation related to prevention) so early involvement, common understanding and positive communication will be needed as the projects develop.
Human Rights	X	No impact is foreseen
Health impact – individual	X	No impact is foreseen
Health impact – wider community	X	No impact is foreseen
Economic impact - individual	X	No impact is foreseen
Economic impact – wider community	X	No impact is foreseen
Community Safety impact	X	No impact is foreseen
Environmental impact	X	No impact is foreseen

Consultation	✓	See comments in other sections regarding the requirements for consultation and communication.
Other (if appropriate)	X	No other impact is foreseen

Based on the impacts and considerations above, please identify the RAG status

RAG Status	Overall RAG	Time	Proposal Delivery	Cash Saving	Risk	Issue	Dependency
	Amber	Green	Amber	Amber	Green	Green	Green

* Section 12a: What are the risks associated with NOT implementing the proposal? (tick if applicable)	✓	* Section 12b: What actions have you identified to mitigate the risks? Will anything in the current arrangements need to be changed to acknowledge this risk? Is implementing the proposal the only way to mitigate the risks?
Non-compliance with legislation or NCC policy	✓	The authority is expected to achieve best value for money in its work. Not making the proposed changes will result in services not having the capability to deliver this when selecting provision options.
Financial	✓	The lack of brokerage expertise in care management is likely to result in increased costs over time due to an inability to respond appropriately to inflationary pressures from providers. Client debt may increase in the absence of solutions to manage client top up payments more effectively and there will be a cost to recovering underspends in personal budgets.
Change in performance/ data quality/ information security	✓	Not implementing this proposal is likely to lead to an under-developed provider market due to the lack of appropriate market shaping expertise in care management. Over time, this is likely to have a negative impact on performance due to care managers being unable to source appropriate placements at the appropriate time at a cost which represents good value for money to the authority and customer.
Reputational/ Political	✓	The authority is expected to achieve best value on behalf of the customer and the wider community.

Increase in complaints and/ or legal challenge		This is not one of the drivers for implementing this proposal.
Other		No other issues considered relevant.

*** Section 13: Budget Delivery Programme Highlight Report information – total amount allocated to savings proposal 2017-18 through to 2020-2021; profiled budget; 2017-18 action plan extended savings narrative; cost code information**

Total amount allocated to savings proposal 2017-18	
2017-18 (£000)	12,020

Impact of saving within the budget profile			
Q1	Q2	Q3	Q4
3,005	3,005	3,005	3,005

	Milestone	Owner	By when
1	Brokerage established with interim staffing	ALL	Jan 2017
2	Brokerage channelling all placements for all services	MILESTONES	Apr 2017
3	Review and renegotiation of block contracts	OWNED	
4	Review of spot purchase arrangements	BY	
5	Implementation of staffing restructure	ADULT SOCIAL CARE	
6		SMT	
7		MEMBERS	

Cost code	
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*** Section 14: Do you need to undertake further work (e.g. consultation, further proposal development, further equality analysis) based on the impact and actions identified above? If yes, set this out below and then carry out the work and complete Part B:**

This proposal will form part of the overall budget consultation process. Any feedback received (as well as any further intelligence gathered in the course of developing the project) will inform a final analysis of the impact of the proposal which will be considered by Cabinet and Council in February when taking a final decision on the budget. The EqIA will be updated accordingly.

PART B

Section 15: Consultation, follow up data and information gathered from actions identified above

	What does this information tell us?
This proposal formed part of the overall budget consultation process.	We didn't receive any comments specifically on this proposal. However, there were general comments made regarding the proposals for Adult Social Care and concerns raised about how budget savings might impact upon the service that older people and people with disabilities receive and their outcomes.

Section 16: Final impact analysis (taking the findings from Part B into account) – including review date if required

The final equality impact analysis is neutral for all groups. The legal duty placed upon the authority will ensure that needs are met and this proposal will allow us to achieve better value for money in meeting outcomes.