

Combined Assurance

Status Report Adult Care



Date: July 2013

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Introduction

This is an updated combined assurance report following the development of the combined assurance map first reported in October 2012.

We have again worked with management to show what assurances the Council currently has on the areas of the business that matter most – highlighting where there may be potential assurance ‘unknowns or gaps’.

We gathered and analysed assurance information in a control environment that:

- takes what we have been told on trust, and
- encourages accountability with those responsible for managing the service.

Our aim is to give Senior Management and the Audit Committee an insight on assurances across all critical activities and key risks, making recommendations where we believe assurance needs to be stronger.

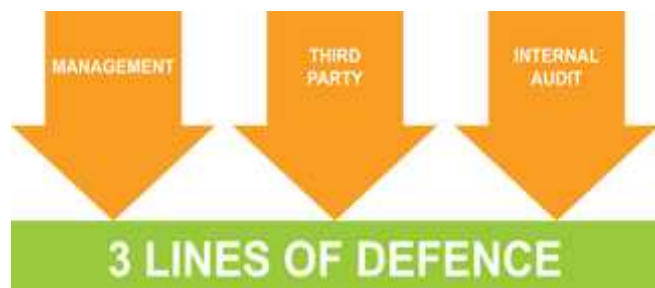
Scope

We gathered information on our:

- **critical systems** – those areas identified by senior management as having a significant impact on the successful delivery of our priorities or whose failure could result in significant damage to our reputation, financial loss or impact on people.
- **due diligence activities** – those that support the running of the Council and ensure compliance with policies.
- **key risks** – found on our strategic risk register or associated with major new business strategy / change.
- **key projects** – supporting corporate priorities / activities.

Methodology

We have developed a combined assurance model which shows assurances across the entire Council, not just those from Internal Audit. We leverage assurance information from your ‘business as usual’ operations. Using the ‘3 lines of defence’ concept:



Our approach includes a critical review or assessment on the level of confidence the Board can have on its service delivery arrangements, management of risks, operation of controls and performance.

We did this by:

- Speaking to senior and operational managers who have the day to day responsibility for managing and controlling their service activities.
- Working with corporate functions and using other third party inspections to provide information on performance, successful delivery and organisational learning.
- Using the outcome of Internal Audit work to provide independent insight and assurance opinions.
- We used a Red (low), Amber (medium) and Green (high) rating to help us assess the level of assurance confidence in place.
- The overall assurance opinion is based on the assessment and judgement of senior management. Internal audit has helped co-ordinate these and provided some challenge **but** as accountability rests with the Senior Manager we used their overall assurance opinion.

Key Messages



The scale and pace of change in Adult Care is pronounced and unlikely to change in the medium term. Notwithstanding the transformation required our primary purpose is to work with the most vulnerable adults in our communities, to help them achieve more, stay at home and keep them safe from abuse. We understand the value of working together with the people who need our advice and support, their families, their wider community, statutory partners and organisations providing support. The resources we have including our people and money will be directed to achieving this.’ Our 5 priorities for 2013/14 are:

1. A balanced budget out-turn
2. Improved performance
3. Integration with Health
4. Established plans for the delivery of key elements of Adult Care transformation
5. A set of quality indicators

We have also strengthened our programme management arrangements to help ensure all developments and changes are successfully managed.

Safeguarding Adults is being placed on a similar statutory footing to that which exists for Children. The work to safeguard vulnerable adults is evolving quickly and is expected to be given more policy direction once the Care and Support Bill becomes enacted (currently before Parliament). The pre-existing Safeguarding Adult Board is chaired by an independent person and has commenced a programme to strengthen its assurance and governance framework.

The overall position for Adult Care has improved since October as can be seen from the two figures below. However, continued vigilance is required to ensure momentum is maintained.

Figure 1 - October 2012

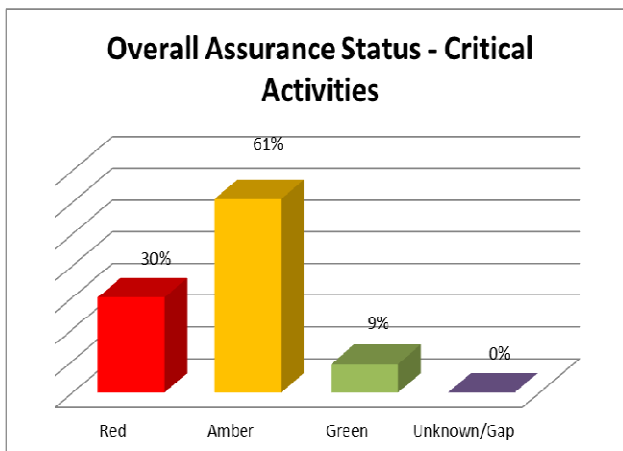
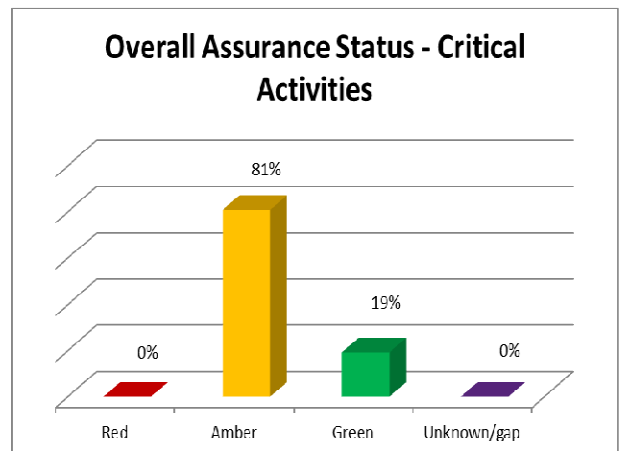


Figure 2 - July 2013



Key Messages

What our customers say?

Overall customer feedback is positive with people surveyed by Touchstone stating they were confident in the work we do (80%) and that they felt their needs were met (80%). Many customers were overall very pleased with the service and the help that they have been offered from Adult Care. A review of touchstone is currently underway, with the intention to extend the sample size to include people who have been receiving services over a longer period of time.

Adult Care have also recently commissioned Age UK to undertake a regular independent face to face survey to gather information about people's experience of adult care.

Complaints are reported to Adult Scrutiny Committee on a quarterly basis as part of a report of customer satisfaction. The total number of complaints received in 2012/13 was 252, which is a significant decrease compared to 2011/12 where 396 were received. The highest number of complaints concern disagreement with policy or decision. Adult Care have introduced a mandatory feedback that identifies lessons learned and action taken as a result of complaints

Moving forward

Adult Care continues to face a substantial change programme grouped here into 3 headings. Each has relevance to the 5 priorities identified.

1. A Transformation Programme for all major projects. This programme has developed a new blueprint for the department which is currently under discussion as part of health and social care reform.
2. Integration with Health – reflecting the national policy context for Adult Care with NHS partners in Lincolnshire.
3. Adult Care performance and quality improvement.

Several developments are taking place to enhance the safeguarding work for adults (examples are):

- A dedicated training plan for improving practice across all agencies is being organised for 2013/14 and 2014/15.
- Improved assurance and governance framework.
- The introduction of joint policy and procedures based upon best practice elsewhere
- Increased resources to support the work of the Safeguarding Adult Board

Critical Systems

The current social care system is not meeting the needs of practitioners or management and is inflexible to the changing needs of social care. A corporate programme, CMPP, has begun the procurement of a replacement care management system for adults, childrens and public health. The requirements for a new system have been specified and adults are working closely with the corporate programme to redefine the customer journey.

A specialist financial system for Adult Social Care is currently provided by the Abacus application. The system was upgraded in December 2012 to enable faster processing of direct payments and more robust financial information. The upgrade has been successful. Activity is now monitored regularly by the Departmental Performance Board (DPB).

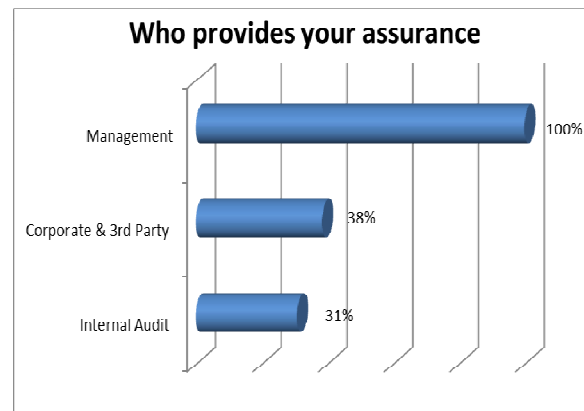
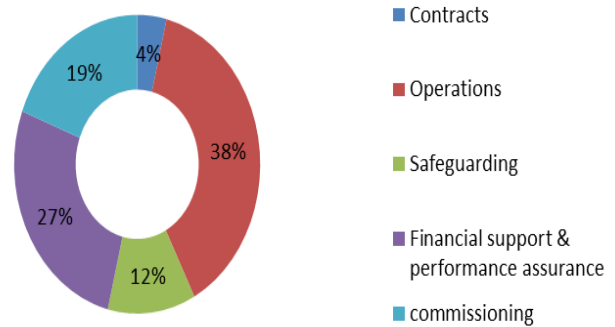
Whilst improvements to systems/software helps, ASC recognises that data quality is itself in need of both improvement and regular checks. Recording practice is a key area of focus across adult care, with the development of Operational Scorecards for key service areas which include data quality analysis. This provides a regular opportunity to assess improvements to data quality and identify problem areas. A suite of reports have also been created for managers and supervisors to generate exception reports on missing or incorrect data.

Performance continues to improve in a number of critical areas including:

- 100% of people who are eligible for a personal budget now receive one
- Annual review activity for 2013/13 exceeded 80% compared to the 11/12 outturn of 48%. Performance to the end of May 2013 is ahead of target
- Improvements in brokering of homecare with 96.5% of home support provided within 7 days
- Our in-house reablement service continues to improve outcomes for people, increasing the proportion of people successfully reabled from 34.5% in 2011/12 to 48.6% in May 2013.



Adult Social Care - Distribution of Assurance



Our assurance arrangements are working effectively. Management have provided assurance on all of the critical systems and key risks. They have provided a realistic picture to enable Board oversight and monitoring of improvement action and change.

The Service works well with the Council's Corporate Functions and Internal Audit who provide independent challenge and insight. Recommended improvements resulting from Internal Audit work are monitored and tracked through the Audit Committee.

The pace of implementation of recommendations which would result in improved assurances has been affected by transformation programmes.

Operations

The service remains under pressure due to increased activity and the implementation of the personalisation agenda, however, the risks and challenges have been identified by management and are being addressed.

Older People / Physical Disability

Improvements have continued across these teams. Key areas of performance improvement include:

- 100% of eligible service users are now being offered and/or receiving a personal budget
- Review rates have increased from below 50% in 2011/12 to over 81% in 2012/13

Staffing structures and teams have continued to be monitored. It is recognised that it is an ongoing process to reshape the service to continue to meet customer demands. We are also introducing measures to improve the quality of care management. Recent changes include the introduction of quality standards for Practitioners, case file audits, and obtaining face to face service user feedback through joint working with Age UK.

Discussions continue to take place regarding the future delivery arrangements of the Lincolnshire Assessment and Reablement Service (LARS). The Integrated Pathway project in the East of the County is proving to be successful and we plan to roll this out across the County by Winter this year. Performance is measured in terms of service user outcomes on leaving reablement. Improvements have been made to the numbers of people requiring no further services, or being readmitted to hospital.

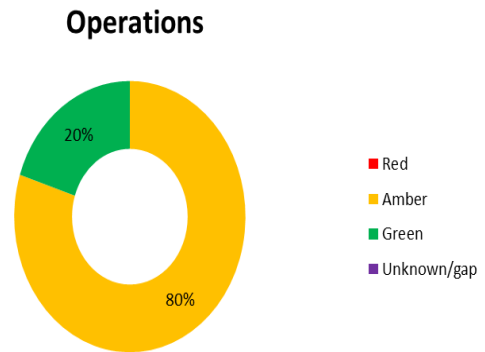
Learning Disability

An Assistant Director has now been appointed and will be responsible for the learning disability and mental health services. This will be on an integrated basis with NHS Commissioners across Lincolnshire.

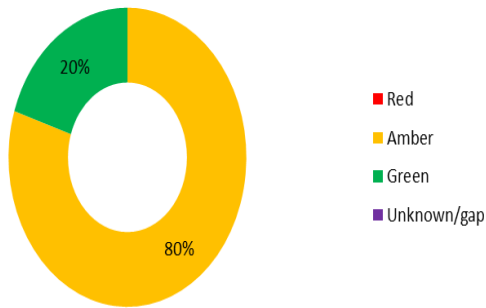
Performance has continued to improve across the service. Over 90% of LD reassessments were undertaken by the end of 2012/13 – this is the highest rate that the team have ever achieved. The LD overspend is also reducing. Monthly meetings take place with finance colleagues to continually monitor the situation.

The team continues to work well with service users being transitioned from Children's service. Practitioners work with service users and their families early to make the transition as smooth as possible. Further work is required to ensure that the team are aware of all transition cases – it is anticipated that further improvements will be made once the new care management system is introduced.

The assurance status has improved since the last report as anticipated, and there are no longer any 'red' areas on the map. Further work is required to ensure this trend continues.



Commissioning



Commissioning

Significant work has been undertaken within Adult Care to reprofile commissioning processes and activity within the department. This has resulted in a renewed approach to commissioning through the Policy and Development Team, taking a more organised approach to strategy development through a dedicated Policy Team that feeds into a Service Development Team who translate strategy into services. Project Management methodology is used. This ordered approach has seen activity managed more effectively.

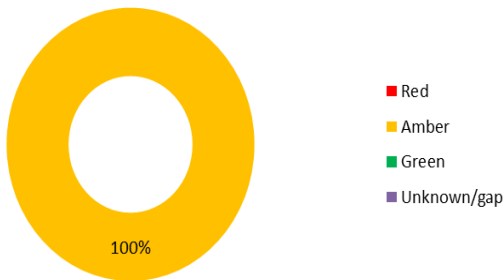
We have been working closely with colleagues around developing and implementing the Commissioning Council Programme, and are trialling a number of documents and approaches on behalf of the Programme within the directorate commissioning activity.

We continue to develop relationships with the market and have taken a number of co-productive and partnership approaches to service development to build on the ongoing provider forums and relationship management.

The current assurance status demonstrates the level of change within how we undertake our commissioning function, even if it does not successfully demonstrate progress. However, progress has been made and the systems that are in place and are being developed – alongside the corporate programme – will result in increased assurance in the future.

We work closely with colleagues in Procurement Lincs to ensure the supply of services from independent providers is secure and operating at an appropriate level of quality. The quality assurance function of Adult Care has also been strengthened to facilitate this and further improvements to quality assurance are expected by Autumn 2013.

Safeguarding



Safeguarding

We have appointed a new Independent Chair of the Adult Safeguarding Board.

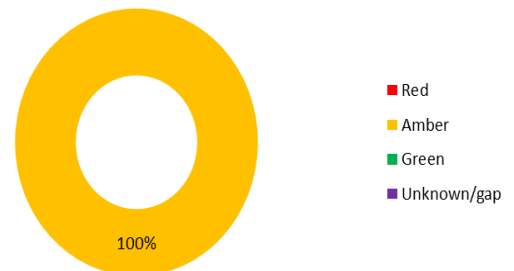
The Chair has agreed a plan with the Director to strengthen business support and performance management, which will be progressed through 2013. In addition, substantial funds have been allocated to workforce development to enhance practices in 2013/14 and 2014/15.

Contracts

Procurement Lincs manages the Contracting function on behalf of Adult Care. It has been very active in driving forward improvements in contract management and relationships with the independent and third sector. Good progress has been made in a number of key areas including:

- Implementation and acceptance by the majority of providers on the Residential Care Framework
- Pro-active work to support the development of the Firefly (electronic contract management system) with the majority (97% plus) of contracts placed on the Firefly Contracts Register
- Further development of Firefly is under way to include central storage of intelligence and contract and quality compliance data
- Contract Management Framework went live in July 2013 and further development work is on-going to ensure continuous improvement of Contract & Quality monitoring of Adult Care providers.
- Significant work has been undertaken to strengthen contract compliance in ASC. Contract officers have worked with the Quality Assurance and Safeguarding teams to develop a robust Contract Management protocol which sets out roles and responsibilities for staff involved in contract management/monitoring. Standard operating procedures support the process. ASC Contract officers are going through a comprehensive training programme which should be complete by the end of August.
- Positive engagement with the Third Sector, Voluntary & Community Groups to encourage greater inclusion of Small to Medium sized Enterprises(SME's), Social Enterprises and local voluntary organisations. This could open up further best value care services in the community and provide guidance and support for future contracting opportunities in Lincolnshire

Contracts



Financial Support, IT systems and Performance

The Performance Framework is overseen and reported on monthly to the Departmental Performance Board which includes the Portfolio Holder and, reported on quarterly to Adult Scrutiny Committee. The report has been refreshed for 2013/14 to focus on the critical success factors for Adult Care. It covers 7 key areas, prevention, reablement, personalisation, operational, organisational, customer feedback, carers, interface with health and safeguarding. We continue to make progress with personalisation, with 100% of people eligible for a personal budget receiving one. The number of people choosing to manage their own care through a direct payment continues to increase.

Direct Payments continue to take longer to process than the target set, however, improvements have been made and there is no longer a significant backlog.

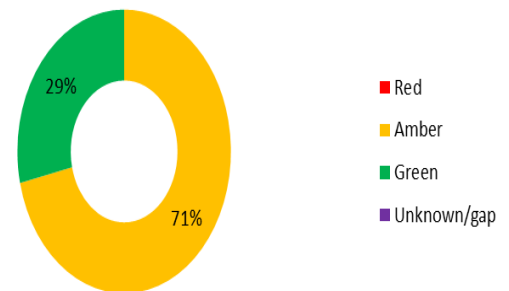
Pressure remains on the number of admissions to residential care for older people and indications early in the year suggest that there will be a budget pressure as a result.

Our reablement service continues to show improved outcomes for people, of particular note are the outcomes from the pilot in the East of the County, where currently over 50% of people are successfully reabled.

The service has an £12.712m savings programme this year, followed by savings targets of £12.754m in 2014/15. The savings are reported monthly to the Departmental Performance Board. The dedicated Programme Unit for Adult Care oversees all key projects to ensure they are tracked, monitored and any savings validated.

Overall the service is projecting a balanced budget for 13/14, this is dependent on the use of Department of Health funding. However there is a level of uncertainty beyond 2015/16 as a result of the Chancellor of the Exchequer's Spending Review which was published on 26th June 2013. That announcement detailed additional funding for social care and health services of £3.8bn over the next two years to assist in preparing for the effects of the Dilnot Report and the care and support Bill along with future integration of social care and health. It is not clear at this time how much of this funding will come to the Council directly. Work continues on the transformation programme to fundamentally reconfigure the services over the coming years. This is a Strategic Risk for the Council and is being managed accordingly.

Financial Support, IT systems & Performance



Suggested Next Steps:

Adult Care has already begun a journey of change - since 2010. The justification for this requirement for change to our historic ways of working has been due to rising consumer expectations, national policy, demographic changes, and local finance to name but a few. The timeline for the particular set of changes detailed in this report cover the period 2013-2015. In simple terms, much has been done but there is much yet to achieve. In conjunction with these changes Adult Care has become much less able to determine its own destiny as it becomes more closely aligned to the NHS and, interdependent with other parts of the County Council – notably but not exclusively Public Health.

For the people working in the service, they will require a change in skills and attitudes. For the organisational shape and processes used today, they require fundamental change. The scale of the proposals should not be under-estimated and yet the level of organisational learning for such change is not strong, partners are not in a stable environment and money is tight. However, there is always a good reason for not doing anything and failure to thrive has its own consequences. We know that substantial change must come and we are better masters of our own destiny.

To help make difficult choices, and yet the optimal ones, a set of decision-making criteria is recommended. These criteria, or principles, are stated here because they should influence the mind of the reader before knowledge about the detail and the different options are understood.

The five principles set out for the Adult Care Directorate Change Programme are that:

1. Any development will maintain or improve the customer experience
2. In developing new ways of working, reducing transaction and operating costs will be central
3. Appropriate services will be integrated with those commissioned by the NHS
4. Technology will be exploited to increase productivity and improve the customer's experience, whether the service is directly provided by the council or by a third party supplier
5. Developments will reflect the strategic commissioning council ethos and Lincolnshire centric solutions

Adult Care expects to spend within budget in 2013/14 though this is partly dependent upon use of Department of Health (DoH) transfer funding of £7M. For 2014/15 there is an estimated pressure of £10m - £12m. This pressure may be partially offset by the news that there should be additional DoH investment of £200m (Lincolnshire £2.8m) in 2014/15 'to ensure that closer integration between health and social care can start immediately, as an upfront investment in new systems and ways of working that will benefit both services'. Adult Care's budget pressure in 2014/15 results largely due to the savings target of £12.811m currently set for the service coupled with the demographic pressures being experienced.

Future years' budgets are heavily impacted by the additional cost implications of 'Dilnot' and the Care & Support Bill. Current estimates are that additional costs of £8.75m will be incurred in 2016/17, with increases of £22.4m by 2019/20, and £37m by 2025/26. The increase results from a mix of the 'cap' on service user contributions, changes to means testing arrangements, impacts on self-funders, and the impact of demography and in particular increasing life expectancy.

The Spending Review announced by the Chancellor on 26 June highlighted investment from the DoH of £3.8bn in 2015/16 to improve adult social care and join with health services. Our estimations are that Lincolnshire should receive approximately £53m of this funding. The funding includes the current DoH allocation of £12m and is expected to address a range of funding pressures upon Adult Care. More detail will be available in a DoH consultation document expected in Autumn 2013.

What is clear is that Adult Care has two funding streams: the County Council and DoH funding which can no longer be considered as either 'one-off' or, free-to-use. Given the scale of increase to DoH funding for Adult Care (as indicated in the Chancellors statement on 26 June) the Council can expect a level of interest from NHS colleagues in this fund that previously did not exist and confirms the NHS in Lincolnshire as a strategic partner of the Council. This is a national phenomenon.

The Internal Audit Plan for 2013 / 14 includes the following activity:

- Customer Finance and Direct Payments Team
- Brokerage
- Organisational Learning and Follow up
- Quality Assurance
- Performance and Productivity Management
- Reablement
- Review of a key project
- Review of the Transformation Programme
- Proactive support on governance, risk and internal control
- Care Management Partnership Programme

Strategic Risks



The significance of the issues facing Adult Care is reflected in the Council’s Strategic Risk Register. The risk rating reflects a natural disposition to caution given the nature of the people being served and the scale of the budget pressures. Outlined below is

Safeguarding Adults

LCC needs to update our Information technology to ensure that we systematically capture our approach to quality and safeguarding so that we are assured that information flows in a seamless way. This need should be met as a result of the investment expected for IT in the next 2 years, combined with the enhancement of a current contract management system.

Market Supply to Meet Eligible Needs

In the last 12 months ASC has sought to examine and better understand the Adult Social Care Market across the County. We have published our Market Position Statement to share our understanding of the market with providers, and to highlight areas of pressure and demand. We have developed substantial mapping systems that allow us to view the market position interactively, and we continue to grow this facility, finding ways to share the resources more widely. We continue to work with providers to fill gaps in provision and guide development and change, doing this through provider forums, and by building and maintain relationships.

It is important that we engage at a strategic level with the independent and third sector and we have now established a productive relationship with Lincolnshire Care Association, the body representing the majority of care providers in Lincolnshire, we also have a good dialogue with Community Lincs. We have been asked by both organisations to address their annual conferences which is a good opportunity for the Council to strengthen engagement across the whole sector.

Comparatively speaking the residential care sector is more stable – notably as a result of having agreed 3 year funding. Attention has now been concentrated on future funding and quality for the home care sector and is a priority in the coming months.

Council’s highest rated Strategic Risks for this area of the business

Safeguarding Adults

Market supply to meet eligible needs

Funding and maintaining financial resilience

Integration with Health

Funding and Maintaining Financial Resilience

Adult Care produced a balanced budget at the end of 2012/13 and expects to do so again at the end of this financial year.

A dedicated Programme Unit has been established within Adult Care to ensure projects receive the necessary support to succeed.

Financial reports are provided to the Departmental Performance Board and to the Adult Scrutiny Committee regularly. Each responsible budget holder is held to account for their areas of spend routinely through 1-1 meetings.

Integration with Health

At both a national and local level integration between Adult Care and the NHS in Lincolnshire has become a priority. We are at the early stages in planning and can expect further discussions in due course.

Strategic Risks - Assurance Map as at 31st March 2013		OWNER	RISK APPETITE	 CURRENT RISK SCORE	 TARGET RISK SCORE	DIRECTION OF TRAVEL	Management Assurance Status (Full & Substantial = 'Green', Limited = 'Amber', No = 'Red')	Corporate Functions & Third Party	Internal Audit	OVERALL ASSURANCE STATUS	COMMENTS
										RAG Rating for level of assurance Red (R)/Amber (A)/Green (G)	
Promoting Community Wellbeing & Resilience											
Safeguard adults	Glen Garrod	Cautious (Regulatory standing & legal compliance) - recognised may need to change the ways things are done but will be tightly controlled)			Improving	A	A	A	A	Direction of travel improving but limited assurance. Still some work to do with developing suitable controls. Sources of future IA Assurance (2013-14): ~ Quality Assurance ~ Case Management & Referrals	
Adults adequacy of market supply to meet eligible needs	Glen Garrod	Cautious (Regulatory standing & legal compliance) - recognised may need to change the ways things are done but will be tightly controlled)			Improving	A	G	A	A	Limited assurance as still work to do with developing controls Sources of future IA Assurance: ~ Brokerage	
ASC not able to live within budget / Not balancing the service requirements to match available budget	Glen Garrod	Cautious (Regulatory standing & legal compliance) - recognised may need to change the ways things are done but will be tightly controlled)			Improving	A	A	A	A	The direction of travel is improving at the moment for this risk. The balance of budgets have been achieved and therefore this has moved to a 1,1. Sources of future IA Assurance: ~ Transformation Programme	
Integration with Health	Glen Garrod	Details to be confirmed									