

**Report to:** SINGLE COMMISSIONING BOARD

**Date:** 11 July 2017

**Reporting Member / Officer of Single Commissioning Board** Sandra Whitehead, Assistant Executive Director (Adult Services)

**Subject:** **ENGAGEMENT OF CONSULTANTS TO UNDERTAKE COST BENEFIT ANALYSIS OF ADULT SOCIAL CARE TRANSFORMATION PROPOSALS**

**Report Summary:** Given the additional £10.296 million funding made available to Tameside and the potential financial impact and risk across the system of such a significant transaction, detailed modelling of locality costs and benefits will be required. There is agreement that a thorough cost benefit analysis of the Adult Social Care Transformation Programme be undertaken to ascertain the programmes' contribution to ensuring outcomes are met. This report seeks permission to engage the Social Care Institute of Excellence (SCIE) to undertake this work without undertaking a formal procurement exercise.

**Recommendations:** That the Single Commissioning Board approves a waiver under Procurement Standing Order C5.3 and accepts the quotation of Social Care Institute for Excellence (SCIE) despite fewer than three quotations from suitably experienced firms being received.

**Financial Implications:**  
(Authorised by the statutory Section 151 Officer & Chief Finance Officer)

<b>Budget Allocation (if Investment Decision)</b>	The non recurrent single commission Care Together transition budget. This was an initial non recurrent pooled budget sum of £6.38 million.
<b>CCG or TMBC Budget Allocation</b>	Pooled resource of both organisations
<b>Integrated Commissioning Fund Section – S75, Aligned, In-Collaboration</b>	Section 75
<b>Decision Body – SCB, Executive Cabinet, CCG Governing Body</b>	Single Commissioning Board
<b>Value For Money Implications – e.g. Savings Deliverable, Expenditure Avoidance, Benchmark Comparisons</b>	These will be reported within the outcome of the commissioned project brief.
<b>Additional Comments</b>	
It is essential the commissioned brief does not exceed the maximum sum of £39,150 (excluding VAT).	

It is also essential that the associated cost benefits expected from the Adult Social Care Transformation Programme are realised and stringently monitored on an ongoing basis thereafter.

**Legal Implications:**

**(Authorised by the Borough Solicitor)**

The Council is obliged to follow its own procurement standing orders where there are exceptional circumstances to justify such a course of action and it will not contravene any legal obligation. The service sought to let the contract in accordance with Procurement Standing Order C5 by seeking quotations however due to the nature of the services and the timescales in which they are to be delivered only 1 quotation has been received. The quotation has been determined to meet the stated requirements. It would not be unreasonable or unlawful to accept this quotation.

**How do proposals align with Health & Wellbeing Strategy?**

The proposals and strategic direction are consistent and aligned.

**How do proposals align with Locality Plan?**

The proposals and strategic direction are consistent and aligned.

**How do proposals align with the Commissioning Strategy?**

The Commissioning Strategy is based on improving healthy life expectancy, reducing inequalities, improving health and social care outcomes and delivering financial sustainability. The Care Together Programme, of which Adult Social Care is an integral part, supports all of these objectives.

**Recommendations / views of the Professional Reference Group:**

The report has not been presented to PRG.

**Public and Patient Implications:**

None caused by the CBA

**Quality Implications:**

None caused by the CBA

**How do the proposals help to reduce health inequalities?**

None caused by the CBA

**What are the Equality and Diversity implications?**

It is not anticipated that there are any equality and diversity issues with this proposal.

**What are the safeguarding implications?**

There are no anticipated safeguarding issues. Where safeguarding concerns arise as a result of the actions or inactions of the provider and their staff, or concerns are raised by staff members or other professionals or members of the public, the Safeguarding Policy will be followed.

**What are the Information Governance implications?**

None

**Has a privacy impact assessment been conducted?**

No

**Risk Management:**

In line with best practice and Programme Management Office standards, robust risk registers will be developed, regularly maintained and reviewed.

**Access to Information :**

The background papers relating to this report can be inspected by contacting:

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## **1. BACKGROUND**

- 1.1 The Chancellor of the Exchequer presented his Spring Budget on 8 March 2017. The Budget included an additional £2bn of funding for Adult Social Care to be made available to local authorities over the period 2017-18 to 2019-20. For Tameside this equates to a total of £10.296 million through to 2019-20.
- 1.2 A report was presented to the Single Commissioning Board on 25 May 2017 to seek agreement for the proposals for how Adult Services proposed to invest this additional funding allocated by government to improve outcomes and quality across adult social care, looking to support the whole health and social care economy to function effectively across the programme of transformation. A series of projects were recommended, in relation of priority areas of backlog, unmet need, business as usual and transformation that this funding could be used to address.
- 1.3 These plans are currently undergoing a locality wide governance process applying programme management techniques to gain a better understanding of the proposals, any risks, costs and performance monitoring. The projects are at varying degrees of development at present.
- 1.4 Simultaneously, there is a parallel process to consider the transfer of Adult Social Care into the Integrated Care FT, which is planned to be delivered in April 2018. This process is also considering the transfer of services, functions and staff from the Single Commissioning Function into the ICFT, utilising phased implementation.
- 1.5 To consider if this is viable and sustainable, NHS Improvement (NHSI) will undertake a detailed risk assessment of the proposed transfer to the ICFT. Detailed financial and legal due diligence, and a comprehensive business case process are significant aspects of the process, which are currently being worked up across the locality.

## **2. COST BENEFIT ANALYSIS (CBA)**

- 2.1 The financial impact and risk across the system of such a significant transaction will require detailed modelling of locality costs and benefits.
- 2.2 NHSI will have an enhanced focus on the financial planning of the proposed transaction in order to formulate a judgement on the decision to transfer, and are aware of the financial gap for the locality of approximately £70m if we 'do nothing'.
- 2.3 The key principles of the Care Together Programme are such that this gap is a locality gap as partner organisations work together to deliver the findings of the CPT report, collaborating and integrating delivery to ensure improved outcomes for local people.
- 2.4 It follows then that a cost benefit analysis of the Adult Social Care Transformation Programme be undertaken to ascertain the programmes' contribution to ensuring outcomes are met. It is clear, and should be noted, that the additional ASC funding has not been provided to ensure financial savings; however, this does not mean that there are not benefits to the system in doing so.
- 2.5 In undertaking this cost benefit analysis, it also contributes to the information required by NHSI for the transactional business case process. The timescale for the delivery of the Outline Business Case is by August 2017. Therefore, there is urgency to be able to deliver some high level CBA impacts to include as part of this process, alongside other wider CBA processes in relation to the locality financial gap of £70m.

2.6 The difficulty in conducting the cost benefit analysis in-house are as follows:

- Capacity of staff and specialist skills to model and analyse information in the required level of detail;
- Uncertainty in developing, agreeing and applying robust assumptions to new transformation plans which have not been delivered before, and therefore there is not the richness of learning from previous improvements to utilise. In addition, there is a significant amount of change in the system happening simultaneously at scale and pace, and hence it is difficult to attribute any changes to individual interventions.

2.7 The original GM CBA process concentrated efforts on acute activity, growth assumptions and potential benefits to the ICFT. However, due to tight timescales, articulating the impact of these schemes on the out of hospital / community development was not able to be conducted.

2.8 This proposed and specific CBA exercise would be a good starting point to unpick that, as the Adult Social Care projects will support the process of quality assurance, support to remain at home, and asset based approaches.

### **3. GREATER MANCHESTER ADULT SOCIAL CARE TRANSFORMATION PROGRAMME**

3.1 Tameside's ASC Transformation Programme complements the wider Greater Manchester programme and where appropriate, for example a single set of quality standards and commissioning frameworks, and specialist commissioning for high cost care Adult Services will fully engage with the Greater Manchester programme.

3.2 As a complement to the Greater Manchester Health and Social Care Partnership transformation programme Greater Manchester Association of Directors of Adult Social Services has agreed and is developing four key priorities:

- Care at Home;
- Residential and Nursing Care;
- Learning Disabilities;
- Support for Carers.

3.3 It is important that new and additional work should not be created, and Tameside has contributed significantly already to multiple GM requests for information and continues to engage with GM for any opportunities to be more involved in any pilots or test cases.

3.4 These organisations therefore, already have Tameside data to baseline and analyse. It would be advantageous, both in time and costs to consider working with one of these to be able to ensure full alignment with the GM perspective.

### **4. DETAILS OF PROPOSED CONTRACTUAL ARRANGEMENTS**

4.1 The Council is looking to award a two month contract. The contract is expected to commence as soon as possible following consideration of this report.

### **5. APPROACH USED**

5.1 The Council's Procurement Standing Orders require the lead officer to use The Chest to get at least three quotations from suitably experienced firms that can meet the Council's needs.

- 5.2 Given the circumstances outlined in section 3 above, on this occasion three organisations were approached directly. All three organisations – Oxford Brookes, the New Economy and SCIE – have the requisite track record and expertise to undertake the cost benefit analysis, with the latter two fully engaged supporting GM on the detailed review and modelling of Adult Social Care across these priority areas.

## **6. RESPONSE**

- 6.1 No response was received from Oxford Brookes.
- 6.2 The New Economy explained that they do not have the capacity currently to take on more work.
- 6.3 SCIE provided a detailed, fully costed proposal (see **Appendix 1**) the details of which SCB has been briefed on.

## **7. CONTRACT VALUE**

- 7.1 Based on the specification and project brief provided to SCIE, they have quoted £39,150 (excluding VAT) to complete the project.
- 7.2 This would be the maximum price paid for the piece of work. Conversations will take place with SCIE if this proposal is approved to review this price based on the actual number of projects that require a CBA.

## **8. BACKGROUND INFORMATION ON PROVIDER**

- 8.1 The Social Care Institute for Excellence (SCIE) are an improvement support agency and an independent charity working with adults', families' and children's care and support services across the UK as well as related services such as health care and housing.
- 8.2 SCIE are currently involved in working with the GM Health and Social Care Partnership including preparing the baselining and best practice review and asset based strategy. This fits well with the requirements from this piece of work. The Director identified to lead this work, is now on the GM ASC Advisory Board so would ensure there is strong linkages where necessary with Greater Manchester plans.

## **9. RECOMMENDATION**

- 9.1 As stated at the front of this report.

# APPENDIX 1

## Review of Tameside Adult Social Care Transformation Proposals

### Introduction

We are delighted to have been asked to submit a proposal to review of draft proposals for the transformation of adult social care in Tameside.

As you are aware, SCIE has been supporting the Greater Manchester Adult Social Care (GM ASC) programme, including preparing the baselining and best practice review and asset based strategy, so is well placed to support you with this work. Ewan King, who would lead this work, is now on the GM ASC Advisory Board so would ensure there is strong read across and linkages where necessary with Greater Manchester plans.

### Our understanding of your needs

Tameside has established a social care reform programme with the aim of radically transforming adult services in order to deliver more person-centred, coproduced and high quality services to individuals, carers and families.

As part of this programme, Tameside will develop a number of transformation projects in relation to different areas of care and support delivery, including:

- Shared lives
- Community response service
- Dementia
- Carers
- Alternative housing options

It is anticipated that these projects, taken together, will bring about significant benefits to adult social care, but also the wider system, including better outcomes and cost savings over the longer term.

You require external support to:

1. **Conduct a review of the draft transformation projects to assess their fitness for purpose and potential to contribute to the transformations you require.** We will review each project in relation to a set of bespoke criteria that we will develop to reflect the unique local circumstances in Tameside, the emerging GM ASC Strategy, and national good practice. Based on what we find through the review, we will provide recommendations on the projects and how they could be enhanced, including bespoke solutions where appropriate.
2. **Conduct a Cost Benefit Analysis of each project to assess the potential savings of each project and the programme as a whole.** Tameside is aware that there is significant potential for these projects to avoid costs for the whole system, but it needs external support to identify and articulate these savings. We will review available data, taking into consideration that which has been captured by Tameside

and other local or national data sets. This review will inform the depth and breadth of the cost benefit analysis.

We understand that Tameside wants to use findings from the review and the CBA to form part of an Outline Business Case to NHSI. This business case is due by the end of July 2017.

## Suggested approach

### Planning meeting

We would meet with the leads for the Adults Transformation Programme as soon as is feasible to discuss the project in further detail and agree a programme of work. We would expect to use this meeting to:

- Agree the scope of the work, including the number of projects involved in the review
- Identify key contacts and sources of documentation
- Identify a schedule for the two workshops and participant lists
- Agree reporting and liaison arrangements.

In addition, we understand that you are keen to understand the opportunities available at Greater Manchester level, particularly around the wider work happening with the GM ASC programme. We can use the planning meeting to discuss this landscape and explore the potential role of Tameside within it in future.

### Review criteria

We would develop a set of criteria – which would be bespoke to Tameside – which would enable us to systematically assess each project. The criteria will include markers of good practice, which will differ slightly for each type of project, and local factors such as capacity and capability, investment, leadership and system alignment.

### Review

The review of the projects will involve a combination of in depth interviews with project leads and practitioners, and desk research of existing plans and documents, any relevant performance, demand and service utilisation data. Alongside the work locally, we will conduct a rapid review of relevant national, and regional, good practice in relation to the key projects.

This review will enable Tameside to understand where new models of care might be relevant and create an evidence base to inform the future commissioning of services.

## **Cost benefit analysis (CBA)**

We will design scope out and design a framework for conducting cost benefit analysis that will establish, as much as is feasible, high-level estimates of cost benefit for the different projects and for the programme as a whole. This framework will be based on a theories of change (ToC) approach (which should give them some clear indication of likely benefits), coupled with a rapid evidence review and the surfacing of likely costs/benefits; effects sizes, etc.

To do this, we will conduct interviews with a range of key staff (c.8 telephone interviews over the phone); review key documents (assuming c.10 documents); review and map their existing data; produce a draft ToC and test it with stakeholders; conduct a rapid evidence review to pull out relevant info to support the theory of change and economic analysis; produce a short output summarising the work.

### **Draft report**

We will produce a draft report setting out the findings from the review and CBA activities. This would set out at assessment of each project in relation to the review criteria and the associated projected cost and benefits of each (where the data allows this). This report would be produced to meet the deadline for the submission to NHS Improvement by late July 2017.

### **Review workshops**

We would propose running two workshops to test out the emerging findings from our review; the first with social care and wider health and housing leads, and the second with service users and carers.

Each workshop would run for half a day and be facilitated by a senior consultant from SCIE. At each workshop we would present the findings from our review and then conduct an option appraisal emerging project proposals against the review criteria, to ensure that each project is stress-tested in relation to a broad ranging of stakeholder views.

### **Final report**

We will produce a final full report of our work, drawing on the findings from the review, CBA and workshops. The report will set out a small number of specific recommendations on each of the proposals and on the programme as a whole. This final report will be delivered in August 2017.

## **Timings**

So that we can meet the deadlines set out in this proposal we suggest to the following timescales:

- 3 – 17 July – Scoping and set-up meeting, develop review criteria and review dates set for CBA and conduct review and CBA
- w/c 24 July – submit draft report to inform NHS Improvement business case
- 31 July – 14 August – complete review, CBA and host review workshops
- w/c 21 August – submit final report

## **Costs**

Indicative costs for this project are set out below.

Activity						EXPENSES	TOTAL	COSTS (£)
	£1,000	£850	£600	£450	£850		DAYS	COSTS (£)
<b>Planning</b>								
Planning Meeting		1.00		1.00		400	2.00	£ 1,750
Project plan				1.00			1.00	£ 450
Develop review criteria	0.50	0.50	1.00	1.00			3.00	£ 2,000
<b>Review</b>								
Interviews with stakeholders (20)		1.00	3.00	3.00		400	7.00	£ 4,450
Desk review		1.00	2.00	3.00			6.00	£ 3,450
Draft report	0.50	1.00	2.00	2.00			5.50	£ 3,500
<b>Cost Benefit Analysis</b>								
Interviews					10.00		10.00	£ 8,500
Theory of chance					4.00		4.00	£ 3,400
Modelling					4.00		4.00	£ 3,400
<b>Workshops</b>								
Design workshops		0.50					0.50	£ 450
Facilitate workshops (x2)	0.50	1.00		2.00		1,200	3.50	£ 3,500
<b>Final Report</b>								
Draft report		1.00	1.00	2.00			4.00	£ 2,400
Presentation to Board		1.00	1.00			400	2.00	£ 1,900
<b>Total Days</b>	1.50	8.00	10.00	15.00	18.00		52.50	£ 39,150
<b>Total Costs (Excluding VAT) Including Probon</b>	£ 1,500	£ 6,800	£ 6,000	£ 6,750	£ 15,300	£ 2,400		£ 38,750
<b>Total Costs (Including VAT @ 20%)</b>	£ 1,800	£ 8,160	£ 7,200	£ 8,100	£ 18,360	£ 2,880		£ 46,980

CVs