

North Northamptonshire Health and Wellbeing Board

29th November 2022

Report Title	Transforming NNC Adult Social Care Provider Services - Strategy and Case for Change
Report Author	David Watts, Executive Director of Adults, Communities and Wellbeing (DASS) Zakia Loughead, Assistant Director Safeguarding, Wellbeing and Provider Services

List of Appendices

Appendix A - Transforming NNC Adult Social Care Provider Services - Strategy and Case for Change v3.2

Appendix B - Equality Screening Assessment

1. Purpose of Report

- 1.1 To advise the Board of consultation on the proposed strategy for transforming in-house Adult Social Care Provider Services with people that use those services, presented to North Northants Executive 13th October 2022.
- 1.2 The proposed strategy will enable the North Northants Council (NNC) to deliver the highest quality assessment, re-ablement and enablement to support people to live their lives independently and be ambitious for their future.

2. Executive Summary

- 2.1 The report puts forward the necessary steps required for enabling significant improvement for both the workforce and the user outcomes within regulated services working conditions and the acceptable level of quality for users of these services.
- 2.2 Enablement, re-ablement and developing independence will be at the heart of our in-house regulated provider services approaches. This will require a change in focus, culture, and delivery, moving away from longer term provision, unless there is a need for a service that the wider care market is not able to deliver.
- 2.3 Investment in both the physical buildings, the terms, conditions, skills, and career potential of our staff is key to delivering high quality provider services and

retaining the best people to deliver better outcomes for people that have care and support needs in North Northamptonshire.

2.4 Efficient use of our resources and progression through re-ablement or enablement programs will ensure that more people have access to the right support, in the right place at the right time.

2.5 By moving the focus of our in-house provider services to core aims of promoting independence and re-ablement will also put the council in direct control of delivering these outcomes that are key in positively managing demand faced by adult social care services and contributing to the longer-term financial sustainability of the Council.

3. Recommendations

3.1 The Board are asked to note and endorse the approach for transformation of NNC Adult Social Care Provider Services.

4. Report Background

4.1 Please see the attached report presented to North Northants Executive.

5. Issues and Choices

5.1 Please see the attached report presented to North Northants Executive.

6. Implications (including financial implications)

6.1 Resources and Financial

Please see the attached report presented to North Northants Executive.

6.2 Legal

6.2 Please see the attached report presented to North Northants Executive.

6.3 Risk

6.3 Please see the attached report presented to North Northants Executive.

6.4 Consultation

6.4.1 Please see the attached report presented to North Northants Executive.

6.5 Consideration by Scrutiny

6.5.1 Please see the attached report presented to North Northants Executive.

6.6 Climate Impact

6.6.1 Please see the attached report presented to North Northants Executive.

6.7 **Community Impact**

6.7.1 Please see the attached report presented to North Northants Executive.

EXECUTIVE

13th October 2022

Report Title	Transforming NNC Adult Social Care Provider Services - Strategy and Case for Change
Report Author	David Watts, Executive Director of Adults, Communities and Wellbeing (DASS) Zakia Loughead, Assistant Director Safeguarding, Wellbeing and Provider Services
Lead Member	Cllr Helen Harrison, Executive Member for Adults, Health and Wellbeing

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	Not Applicable

List of Appendices

Appendix A - Transforming NNC Adult Social Care Provider Services - Strategy and Case for Change v3.2

Appendix B - Equality Screening Assessment

1. Purpose of Report

- 1.1 To seek Executive approval to consult on the proposed strategy for transforming in-house Adult Social Care Provider Services with people that use those services.

- 1.2 The proposed strategy will enable the Council to deliver the highest quality assessment, re-ablement and enablement to support people to live their lives independently and be ambitious for their future.

2. Executive Summary

- 2.1 It is recommended that the Executive endorse and approve the service to begin consultation on the transformation of Adult Social Care Provider Services.
- 2.2 The report puts forward the necessary steps required for enabling significant improvement for both the workforce and the user outcomes within regulated services working conditions and the acceptable level of quality for users of these services.
- 2.3 Enablement, re-ablement and developing independence will be at the heart of our in-house regulated provider services approaches. This will require a change in focus, culture, and delivery, moving away from longer term provision, unless there is a need for a service that the wider care market is not able to deliver.
- 2.4 Investment in both the physical buildings, the terms, conditions, skills, and career potential of our staff is key to delivering high quality provider services and retaining the best people to deliver better outcomes for people that have care and support needs in North Northamptonshire.
- 2.5 Efficient use of our resources and progression through re-ablement or enablement programmes will ensure that more people have access to the right support, in the right place at the right time.
- 2.6 By moving the focus of our in-house provider services to core aims of promoting independence and re-ablement will also put the council in direct control of delivering these outcomes that are key in positively managing demand faced by adult social care services and contributing to the longer-term financial sustainability of the Council.

3. Recommendations

- 3.1 It is recommended that the Executive:
 - a) Consider the strategy and case for change and approve the proposal recommended option 3 (set out in section 3.3 of this report), to consult with regular users of NNC CQC regulated provider services on the future proposed strategy and implications
 - b) Approve the request to engage with Unions and staff affected on the strategy, case for change and the four proposed phases of transformation
 - c) Delegate final decision making, following consultation, to the Executive Member for Adults, Health and Wellbeing, in Consultation with Executive Director for Adults, Communities and Wellbeing, to conclude the statutory consultation with people that use those services
 - d) Delegate the final decision, to the Executive Member for Adults, Health and Wellbeing, in Consultation with the Executive Director for Adults, Communities and Wellbeing, as to whether to implement the strategy and phased proposals and after that decision to enter into formal consultation with unions and affected staff

- e) Note that as part of phase 1 proposals that due diligence is being undertaken to consider and make recommendations to the Executive on the business case for running a Specialist Care Centre. It is anticipated that final proposals will be brought to the Executive for consideration at its meeting on 10th November 2022

3.2 Reason for recommendations:

- a) The main physical buildings involved in delivering two of the services were transferred to the council on vesting day having had insufficient investment necessary to develop the sites for the future.
- b) Investing in newer facilities will enable us to provide the environments for our staff to deliver better quality services & the right environments to maximise assessment, re-ablement, enablement and opportunities for independent living for people that use the services.
- c) The current facilities are in poor condition and require significant investment to return them to an acceptable level of quality, and even if that decision were made the buildings would need to be vacated for significant periods of time to enable the level of works required to be completed and would still struggle to achieve the desired outcomes for the services due to limitations within both sites.
- d) Our own staff had experienced impacts on their pay and reward growth over the last decade, and their training and development has been minimal within previous organisations.
- e) We have a finite budget within which to work with, which will require a phased approach to transforming ASC Provider Services over the coming three years and will focus initially on those Care Quality Commission (CQC) regulated services.
- f) There is a role for the local authority in delivering services that we struggle to get from the independent sector, or that with more direct control over there is the opportunity to significantly improve outcomes.
- g) It is beneficial for the local authority to retain some services to enable it to be a provider of last resort should that ever be required e.g., following provider failure.
- h) The people that use the services will get a clear understanding of the intended vision and strategy to invest in these services for the future and intended benefits to different stakeholders are explored in this report and the strategy and case for change.
- i) With a clear strategy, strong leadership, improved environments and investment in care and support staff, there should be a marked improvement in recruitment and retention. There should also be a demonstrable impact in areas of improvement required as identified in recent CQC inspection reports.

3.3 Alternative Options Considered:

Option 1 – Invest in existing services to make them fit for purpose and address all building issues to maximise capacity.

- All options considered require significant, prohibitive investment
- There is an inability to pay our staff the market rates, as we have a finite budget within which to work with
- We have difficulty in competing with other sectors
- There is also retention and recruitment difficulties in ASC Provider Services
- Residents that live in Beech Close or use Pine Lodge would have to vacate the buildings for the entire period of refurbishment
- Whilst improving the environment this would not achieve the optimum building environment for either of the building-based services due to constraints on working within the existing footprints and building designs
- For example, an options appraisal commissioned in March 2022 for the Beech Close site explored the following potential options, costs and timescales:

Option	Scope of works	Rooms/ units	Estimated project costs*	Duration
Current provision (do nothing)	42 Bedded residential care home (currently only 21 beds are used due to works required in other areas)	21 current 42 maximum	N/A	N/A
1a	Invest in existing property to make fit for purpose and address all existing building issues, reduce number of beds to provide en-suite facilities	24 ensuite	£6,070,000	33 months
1b	Invest in existing property to make fit for purpose, but with elements of new build to maximise the number of beds	33 ensuite	£7,480,000	35 months
2	Rebuild new residential home fit for purpose with en-suite facilities, and focused delivery for acute dementia beds	41 ensuite	£8,455,000	40 months
3	Rebuild Extra Care provision with individual flats on existing site	20 apartments	£7,515,000	40 months
4	Demolish the existing building to enable the sale of the site	0	£410,000	12 months

*Estimated project costs for each of the proposed option include Professional and Design fees, Planning costs and Employer Risk Allowances

Option 2 – Continue as currently (do nothing)

This option is not recommended, as this will:

- Continue to compound recruitment and retention issues experienced by the service
- Continued undesirable inspection outcomes of Regulated Services and possible closure
- Poor working conditions for our staff
- Poor outcomes for our users
- Poor quality of support
- Increasing building repair costs, including critical failure of certain aspects of the building-based services including hot water and heating.
- Uncertainty for staff
- Inability to control reablement delivery and outcomes

Option 3 – Consult on a new strategy for our in-house services and phased approach to transformation

This is the recommended option as it will:

- Ensure that there is a clear, strategy and vision for our in-house provider services that is clear to people that use those services and to staff that work in them.
- Fulfils a gap in the market and places our own services at the heart of maximising independence for people in North Northamptonshire
- Provides a generational change and investment in the direction of travel for our provider services, creating a fit for purpose offer with clear ambitions.
- Improve working conditions for our provider services staff
- Create strong foundations on which to evolve our provider services

4. Report Background

- 4.1 The strategy and case for change attached as appendix **(Appendix A)**, sets out an ambitious strategy for developing NNCs in-house Adult Social Care Services for the future. There are points where decisions must be made on strategy but also the conditions that may influence that strategy. Whilst external factors such as changing demand, advancement in reablement outcomes and government policy will always be considered, additional factors that must be considered. For us are the working and environmental conditions within our current services, and access to, and control of, our ability to directly impact on delivering the best possible reablement, enablement and independence services to people with care and support needs in North Northamptonshire.
- 4.2 In June 2022, bed-based care services, Beech Close and Pine Lodge, were inspected by CQC and rated requires improvement at both establishments for all domains. The ratings highlight the conditions of the environment but also the ability to recruit, train, retain and invest in our care staff.

- 4.3 There is a continued risk that CQC ratings will not improve or could become worse if bold steps are not taken. There has continued to be uncertainty for staff, because of multiple factors such as Local Government Reform (LGR) and history of outsourcing and bringing back in-house these services that has created instability. A strong clear strategy, for staff to understand, get behind and deliver will help them to understand the future of services but also plans to invest in them, their development and growth. As the strategy will lead to changes in some services, we must consult with people that use those services before making that decision, but it is important that we engage with the unions and our staff on the current thinking and ambitions for the services moving forward, prior to any formal consultation.
- 4.4 Many of the physical care assets have not been invested in and the costs and difficulties in making those assets fit for the future are prohibitive and unlikely to give the best return for any investment made. Whilst any improvement made would also require people to vacate those buildings whilst work is completed. Investing in newer facilities will enable us to provide the environments for our staff to deliver the best quality services.
- 4.5 Our own staff had experienced impacts on their pay and reward growth over the last decade, and their training and development has been minimal within previous organisations.
- 4.6 Retaining a workforce that can get behind the philosophy we want for provider services and significant improvement in physical space are two of the key factors at the heart of the CQC ratings for building based services such as Beech Close and Pine Lodge. Now, it is difficult to compete with other sectors that reward people better for work that carries less responsibility, less unsociable hours, and lower levels of stress.
- 4.7 The anticipated outcomes include providing a high-quality building that can be used flexibly to meet current needs around admission avoidance, assessment and reablement. This will also reduce the risk around the current physical environment in ASC Regulated Services impacting on CQC ratings.

5. Issues and Choices

- 5.1 The care market is under significant pressure in terms of recruitment and retention. The council is struggling to recruit staff to any of its ASC Regulated Services. It has been carrying several vacancies for a significant period as well the reliance on high volume of agency staff to maintain safe statutory levels of staff and impacts on quality of care delivered.
- 5.2 It would be favourable to support this strategy to transform ASC Provider Services in a significant way within the current financial envelope if possible. There is a strong evidence base for the rationale to invest in reablement services. Background reading, authored by John Bolton (2016, 2021) is referenced at section 8 of this report.

- 5.3 People that use services, their families and local councillors and MPs will wish to understand the explanation on why we cannot invest in our current locations for Regulated Services. We have undertaken several building surveys and sought external assessments of the costs and implications of undertaking such works.
- 5.4 This would require significant investment and service disruption that would not necessarily ensure better outcomes and address the current pressures in the services in the way that a bolder strategy would aim to achieve this. There are also other buildings in the ownership of the council that are currently used as care settings and available to be further developed and are in far better condition and more fit for purpose. Due to these being related to a previous Private Finance Initiative (PFI), due diligence is currently being undertaken to explore the possibilities and financial implications prior to making final recommendations to the Executive.
- 5.5 Breaches in regulation if not addressed satisfactorily and in a timely manner, could result in legal enforcement action taken by CQC.
- 5.6 There is also continued spend in the independent sector due to having insufficient reablement capacity that delivers our expected outcomes including length of stay and level of dependency on leaving the service that could be somewhat mitigated by redirecting some of our current resources towards this new strategy.

6. Next Steps

- 6.1 The indicative approach that would be used for each phase of the transformation is set out in the strategy and case for change on **page 19 of Appendix A**.
- 6.2 The phased approaches set out on **page 8 of Appendix A** do not need to be linear, and it may be possible to bring forward phases 2 and 3 if the strategy and phase 1 are implemented following consultation.

7. Implications (including financial implications)

7.1 Resources, Financial and Transformation

- 7.1.1 Various due diligence modelling exercises are underway to establish the financial implications of the proposed transformation, including:
- 7.1.2 Exploring the roles and responsibilities of care staff to take on a greater level of responsibility in re-abling and enabling people to live more independent lives across CQC regulated provider services. Exploring various delivery models, for a Specialist Care Centre, to advise Executive about any financial and anticipated outcomes for residents in North Northamptonshire because of those proposed models.
- 7.1.3 Modelling financial savings associated with having greater control over reablement activities that may offset the costs of implementing the proposed models.

7.2 Legal and Governance

7.2.1 Appropriate consultation with people that regularly use services on the proposed strategy and changes to services will be required as set out within this report to inform the decision of the Executive.

7.3 Relevant Policies and Plans

7.3.1 The strategy for the Transformation of NNC ASC Provider Services will deliver against the corporate vision and priorities including:

- enabling everyone to have the best opportunities and quality of life
- creating modern public services by providing efficient, effective, and affordable services which make a real difference to our local communities
- enabling people to lead active, fulfilled lives by enabling people to be healthier, more active, and promote independence
- ensuring services are of a high quality and standards meet statutory requirements with all professionals working together to shape and promote the safety of residents

7.4 Risk

7.4.1 There is a level of risk in operating a service in buildings that require significant investment.

7.4.2 Risks regarding recruitment and retention of staff further increase higher usage of agency staff meaning that delivery of high-quality services is more difficult without a core group of staff that understand the strategy and build relationships with each other to better deliver services.

7.4.3 Closure of residential/relocation of care homes may attract significant media attention regardless of the limitations of the current site and buildings for improvement.

7.4.4 Uncertainty for staff may arise because of proposed transformation in ASC Provider Services. Whilst we believe there will be roles for any staff within provider services, we are exploring rates of pay that would be commensurate with additional responsibilities. There are, therefore, implications for staff that whilst should be positive, may not always be the preferred outcome for those staff. These risks will be assessed as part of the consultation on the strategy and case for change.

7.4.5 Risk around CQC ratings becoming worse for ASC Regulated Services if the proposed recommendations are not approved.

7.5 Consultation

7.5.1 The executive paper is seeking permission to consult on the strategy, case for change and phases of transformation with people that use services and their

carers. Other key stakeholders will also be engaged with to inform the consultation.

- 7.5.2 Any staffing matters would not be formally consulted on until a final decision is made post consultation, however engagement with unions and staff will take place to discuss proposals and seek feedback

7.6 **Consideration by Executive Advisory Panel**

- 7.6.1 As part of the consultation period the Director will present the strategy and case for change to the Executive Advisory Panel for Health Wellbeing and Vulnerable People.

7.7 **Consideration by Scrutiny**

- 7.7.1 As part of the consultation period – details of the consultation will be shared with Scrutiny Commission who may wish to consider adding the strategy and proposed changes to their work plan.

7.8 **Equality Implications**

- 7.8.1 The Transformation of Provider Services strategy does not adversely affect any protected characteristics as part of the Equality Act 2010.
- 7.8.2 An Equality Screening Assessment has been undertaken and is attached as **Appendix B**. Further equalities assessments will be carried out if the final decision is to approve the strategy for adoption following consultation and permission to progress is agreed.

7.9 **Climate and Environment Impact**

- 7.9.1 There are no Climate Implications resulting directly from this report, however the two main buildings referenced in this report are poorly insulated and would require significant investment to bring up to standard to reduce the carbon footprint of the service. Alternatives being explored would be more efficient.

7.10 **Community Impact**

- 7.10.1 The Community Impact of the ASC Provider Services strategy seeks to evolve provider services to deliver better outcomes for our communities, in particular those people that use adult social care services
- 7.10.2 The strategy and proposed approach aim to improve the working conditions for our staff and aims to improve recruitment and retention, of which most recruitment to care roles happens near where services are delivered and therefore create employment opportunities for our communities.

7.11 Crime and Disorder Impact

7.11.1 There are no identified impacts on crime and disorder because of this report.

8 Background Papers

- 8.1 Bolton, J (2021) “Developing a capacity and demand model for out-of-hospital care – Learning from supporting seven health and care systems”, Local Government Association. Accessed 23.09.2022 [Developing a capacity and demand model for out-of-hospital care \(local.gov.uk\)](#)
- 8.2 Bolton, J (2016) “Predicting and managing demand and social care”, Local Government Association. Accessed 23.06.2022 [John Bolton Predicting and managing demand in social care-IPC discussion paper April 2016.pdf \(brookes.ac.uk\)](#)