

Forward Plan reference number: (if applicable)

Report title: To bring the Shared Lives Service In House	
Report to: Cllr John Spence, Cabinet Member for Health and Adult Social Care	
Report author: Jessica Stewart, Head of Strategic Commissioning and Policy	
Date: 27 February 2020	For: Decision
Enquiries to: Jessica Stewart, Head of Adults Commissioning: Learning Disabilities and Autism – Jessica.stewart@essex.gov.uk	
County Divisions affected: All Essex	

1. Purpose of Report

- 1.1 The Shared Lives service provides the opportunity for adults with care and support needs to move in with, or regularly visit, an approved Shared Lives Carer, living as part of the household or sharing time during the day and/or for overnight breaks. The majority of current placements are long term placements for people with learning disability and/or autism.
- 1.2 The recommendations set out in this report will improve the current service and bring the Shared Lives service in Essex in-house. The new service will be developed to enable service growth and increase the client groups included within the service.

2. Recommendations

- 2.1 To agree that the Shared Lives Service in Essex should be delivered in-house.

3. Summary of issue

- 3.1 The Shared Lives service in Essex is currently externally commissioned and is being provided by MacIntyre with the current contract expiring on 30th November 2020. The current service supports 43 individuals and the Council pays a management fee of £81.27 per person per week and a total management fee of circa £182,000 per annum.
- 3.2 The population of people with Learning Disabilities and Autism in Essex is forecast to grow 10.8% by 2035. The Council aspires to ensure that people with Learning Disabilities and/or Autism can live as independently as possible and lead lives which are meaningful to them.
- 3.3 The Meaningful Lives Matters Programme (MLM), a programme within the Council which aims to transform the way services are delivered to Adults with a Learning Disability or Autism, underpins the delivery of the Shared Lives Service. The programme is based on a principle that many of the long-term solutions to people's care and support needs is with themselves and with their families, social networks and surrounding communities.

3.4 People should be able to live a life which is meaningful to them, whether they have a disability or not and the Council is committed to supporting adults to have a meaningful life.

3.5 This report recommends that the Shared Lives service is brought in-house and managed by the Learning Disabilities and Autism Countywide Enhanced Social Care Support Team within the Council. This is believed to be the best option because:

- The £4.2m Medium Term Resource Strategy (MTRS) savings target for Shared Lives, are to be generated by those with eligible needs using the Shared Lives service as an alternative to a supported living or residential placement which are more costly. Research indicates these savings can only be achieved if the Shared Lives service expands considerably. The research also shows that the majority and best performing Shared Lives services are directly provided by Local Authorities.
- The current service is suboptimal with only 43 people currently using the service as opposed to higher numbers in other local authorities that deliver the service in house. Current numbers have also not risen, and the service has not developed. Delivering the Shared Lives Service in house would enable the Council to grow the service and widen the offer to new client groups to give those people more meaningful lives and a family environment for them to belong to as well as reducing care costs. Research carried out by the Council has shown that shared lives services delivered in-house provide greater growth and development than externally run Shared Lives services due to:
 - Control over the service and development opportunities;
 - Greater integration between social work teams and shared lives workers;
 - Best practice shows in-house services achieve higher quantities of placements than external based services.
- The majority of Shared Lives services in England and Wales are delivered in house, and many externally commissioned services appear to be struggling with growth and development.
- A number of options have been considered (as set out in section 4) to enable the Council to:
 - Meet the Meaningful Lives Matter strategy to grow the service;
 - Expand the service in terms of numbers as well as supporting a number of different client groups such as older people, and those with mental health concerns and physical and sensory impairment;
 - Gain greater control over the service in terms of:
 - Growing the number of carers
 - Ensuring retention of carers through good quality support
 - Carers providing outcome and progression focused support
 - The Fees paid to Carers.
 - Develop a greater range of services such as short breaks and day opportunities;

- Achieve sustainability and best value by avoiding more expensive accommodation options;
- Integration with community teams so that Shared Lives is seen as a good first option for accommodation;
- Enable more individuals to have meaningful lives and gain independence;
- Link with health colleagues; and
- Achieve cost effectiveness and best value for the Council

Without changing the current service, the Council will struggle to achieve these outcomes.

4. Options

Option 1: In-sourced service (recommended option)

- 4.1 It is recommended that the Shared Lives service should be delivered by a new team under the Learning Disabilities and Autism Countywide Enhanced Social Care Support Team. The current management fee is £81.27 per person per week with 43 long term arrangements, so a current value of £182,000. This is included within the budget and will be transferred to the relevant service area to contribute to staff costs. The proposed service (including the new team structure with on-costs, overheads and training budget) will cost £1.7m for the four-year life of the MLM programme (£157,000 for the part year 2020/21 and the remainder across the three subsequent years) as per the table in paragraph 5.1.2 below. At year three, there will be a review of the success of the service, to determine if the service should continue in-house after the 4th year.
- 4.2 This option would give control over the service and development opportunities in addition to greater integration between social work teams and Shared Lives workers. Research undertaken by the Council also shows that in-house services achieve higher quantities of placements than external based services.
- 4.3 One possible risks to this option is the short term of stability of the service as existing staff TUPE to the Council. A robust business continuity plan will be developed and implemented to mitigate this
- 4.4 This option is recommended.

Option 2: Recommission the service externally

- 4.5 This option involves undertaking a procurement to commission the service with an external provider. This would involve engaging with the market to see how many providers would be interested in bidding for this service and then running a compliant procurement.
- 4.6 The Shared Lives service has been externally commissioned for several years and the number of long-term arrangements has remained static. Having benchmarked the Council's externally commissioned service with other Local Authorities research has found limited success in growth of externally sourced

services and the majority of Shared Lives Services are provided in house. For example, Lancashire County Council with a similar yet slightly higher population to Essex yet support 251 people with their in-house service, with an annual growth of 25 new shared lives placements in the last year as opposed to the Essex County Council's service supporting only 43 people with an annual growth of only 2 arrangements in the last year.

4.7 For the above reasons, this option is not recommended.

Option 3: Decommission the existing service

4.8 If the Council were to decommission the Shared Lives Service alternative accommodation would be required for the people living in the existing arrangements. Should it be determined that the individual would require a supported living or residential placement then this would be an additional average cost for care of circa £31,000 per annum per individual for those with Learning Disabilities.

4.9 It is likely that discontinuing current care arrangements and moving people who are settled in their homes to alternative accommodation would cause distress to those concerned as well as rehousing costs. Accordingly, this option is not recommended.

4.10 The MLM accommodation strategy seeks shared lives to be a default option and savings proposed in the 2020/21 MTRS are predicted on the growth of Shared Lives.

4.11 This option is not recommended.

5. Issues for consideration

There is a risk that the employment contracts for existing staff do not transfer to the Council and therefore a robust business continuity plan will be developed to ensure that the service can be delivered whilst longer term recruitment takes place.

5.1 Financial implications

5.1.1 The proposed in-house Shared Lives team will cost £1.7m over the four-year period to 2023/24. This is included in the draft MTRS as a pressure which is mitigated through the removal of the previous budget and additional savings.

5.1.2 The following table sets out the team structure and associated funding requirement detailing the stepped changes when additional Shared Lives officers are recruited.

Delivery of the Shared Lives Service in Essex

Job Title	£s Cost per officer	From 01/10/2020		Full year		Total
		2020/21	2021/22	2022/23	2023/24	
Shared Lives team manager	63,000	31,000	63,000	63,000	63,000	220,000
Shared Lives officers	49,000	74,000	247,000	346,000	445,000	1,112,000
Carer recruitment and comms officers	49,000	25,000	49,000	49,000	49,000	172,000
Shared lives support worker	28,000	14,000	28,000	28,000	28,000	98,000
Training/recruitment/events/membership to shared lives plus/cqc registration	25,000	13,000	25,000	25,000	25,000	88,000
Total		157,000	412,000	511,000	610,000	1,690,000

It is assumed that the additional Shared Lives officers, needed to manage the increasing caseload of Shared Lives clients, will be recruited in April each year.

5.1.3 Each Shared Lives placement secured will deliver an average cost avoidance for care of £31,000 from a supported living or residential placement that would have been commissioned in the absence of the Shared Lives Service, or a saving from services they were receiving previously. This cost avoidance will help fund the new team as well as deliver the savings within the draft MTRS.

£s Type of placement	Cost of placement avoided*	Cost of Shared Lives placement**	Saving per placement	Growth in placement numbers				Ongoing Full Year Effect
				Part Year 2020/21	2021/22	2022/23	2023/24	
Residential (non transitions)	76,000	33,000	-44,000	5	5	5	5	-219,000
Shared Lives vs Supported Living (non transitions)	56,000	33,000	-24,000	13	29	39	29	-684,000
Shared Lives vs Residential (transitions)	119,000	33,000	-86,000	2	2	2	2	-172,000
Shared Lives vs Supported Living (transitions)	67,000	33,000	-34,000	4	8	8	8	-274,000
Total				24	44	54	44	-1,349,000

* Based on weighted average of existing packages

** Based on average cost of current Shared Lives placements

Average Cost Avoidance	-£31,000
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5.1.4 The delivery of the savings shown in the table below are the gross figures required to deliver the draft MTRS savings as reflected in table 5.1.5. These savings are dependent on the growth of the Shared Lives service, the scale of which it is felt can only be achieved through an in-house provision.

Delivery of the Shared Lives Service in Essex

£s	Gross Savings			
	Part Year			
Type of placement	2020/21	2021/22	2022/23	2023/24
Residential (non transitions)	-109,000	-328,000	-546,000	-765,000
Shared Lives vs Supported Living (non transitions)	-159,000	-660,000	-1,463,000	-2,265,000
Shared Lives vs Residential (transitions)	-86,000	-258,000	-430,000	-603,000
Shared Lives vs Supported Living (transitions)	-69,000	-274,000	-549,000	-823,000
Total	-423,000	-1,520,000	-2,988,000	-4,456,000

It should be noted that the savings are modelled assuming that the Shared Lives placements will be secured across each financial year. Therefore, in year, each placement delivers a part year saving.

5.1.5 The table below shows how the gross savings combined with the additional cost of the in house team and the removal of the budget for the external service combine to reflect the draft MTRS savings.

£s	From 01/10/2020	Full year (cumulative)		
	2020/21	2021/22	2022/23	2023/24
Gross Savings	-580,000	-1,521,000	-2,988,000	-4,456,000
Cost of the In house team	314,000	413,000	512,000	611,000
Budget for external service	-108,000	-325,000	-325,000	-325,000
MTRS Savings	-374,000	-1,433,000	-2,801,000	-4,170,000

5.2 Legal implications

5.2.1 Under the Care Act 2014, the Council is obliged to provide care for Adults with eligible needs. One of the ways the Council may support these needs is the through the creation of a Shared Lives Scheme.

5.2.2 The operation of a Shared Lives Scheme is a Regulated Activity and therefore the Council will need to be registered with the Care Quality Commission (CQC) before the scheme becomes operational. Upon approval from the Cabinet Member, officers should commence work on becoming registered with the CQC in order that the scheme may be operational, and those currently supported under the externally commissioned service are able to transfer to the Council's service upon expiry of the current contract.

5.2.3 The staff employed by MacIntyre to deliver services to the Council are likely to have the right to transfer their employment from MacIntyre to the Council under

the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) (TUPE Regulations). Although some staff members may elect not to transfer and therefore there is a risk that there may not be enough staff to deliver the service.

5.2.4 The Shared Lives Carers delivering services under the current contract with MacIntyre are not employed by MacIntyre but are self employed individuals appointed on contracts for services with MacIntyre. The Shared Lives Carers may not, therefore, have the same rights of transfer as those employed by MacIntyre. The Council will need to work closely with the Shared Lives Carers if these contracts need to be transferred to the Council in order to provide this service such that those currently receiving support from the Shared Lives Services do not experience disruption to their services.

6. Equality and Diversity implications

6.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

6.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

6.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

7. List of appendices

- Shared Lives EqIA: 147517797

I approve the above recommendations set out above for the reasons set out in the report.	Date
Councillor John Spence, Cabinet Member for Health and Adult Social Care	13.03.20

In consultation with:

Delivery of the Shared Lives Service in Essex

Role	Date
Director, Finance and Technology (S151 Officer) Nicole Wood	06.03.20
Director, Legal and Assurance (Monitoring Officer) Katie Bray on behalf of Paul Turner	5.12.19