

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	4 January 2024
<b>Subject:</b>	Sefton New Directions		
<b>Report of:</b>	Executive Director of Adult Social Care and Health	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Adult Social Care		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No, Appendix A is NOT FOR PUBLICATION by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. The Public Interest Test has been applied and favours the information being treated as exempt.		

### Summary:

Sefton New Directions is a wholly owned Council company. The purpose of this report is to report to Cabinet the initial outcome of the services review of the company.

### Recommendation(s):

Cabinet is recommended to consider the contents of this report and:

- (1) Note that the Sefton New Directions services review was completed within a shorter time period than originally agreed and planned, in order to meet the Council budget setting time framework and as a result actions and proposals being recommended from the services review will need to be delivered during a future twelve-month change and review programme which will commence in January 2024;
- (2) Note that in order for Sefton New Directions services to be affordable, viable, sustainable and provide quality services, a significant transformation programme of work will be required across both health and social care partners, with a stronger focus on the role of community partners within the review of services, which will be delivered in the design of 18 new service specifications;
- (3) Approve the recommendation that decisions on the transformation programme and any associated recommendations and decisions arising from the outcome of the programme are delegated to the Executive Director of Adult Social Care and Health in consultation with the Cabinet Member – Adult Social Care; and
- (4) Note that further reports will be submitted to Cabinet to provide updates on the transformation work and implemented decisions.

## **Reasons for the Recommendation(s):**

To report on the initial outcome of the review of Sefton New Directions and to outline the next steps relating to the required transformation work.

## **Alternative Options Considered and Rejected:** (including any Risk Implications)

There are no alternative options to be considered, given that it was previously agreed that the findings of the review would be reported back to Cabinet and that the outcomes of the review result in recommendations for consideration by Cabinet.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

Sefton New Directions are funded through a block contract with the Council of an annual value of £7.9m plus additional funding for ad-hoc contracts which is £0.9m. The contract was established in 2007.

The transformation programme, which will be co-designed, will ensure that the cost of service delivery is contained within the available budget set by the Council.

All key financial issues in relation to the company and potential future contractual and commissioning arrangements are included within Appendix A.

### **(B) Capital Costs**

The Council does continue to fund some of the reactive and planned maintenance costs associated with most of the buildings from which Sefton New Directions deliver services from, as these remain in the ownership of the Council.

All key capital costs issues are included within Appendix A.

## **Implications of the Proposals:**

### **Resource Implications (Financial, IT, Staffing and Assets):**

Any resource implications to take forward the outcomes of the review and proposed next steps will be addressed.

### **Legal Implications:**

Sefton New Directions operate services that support the Council's legal duties and obligations under the Care Act 2014, pertaining to the delivery of services to Residents of Sefton, who from a Care Act assessment and review of need, require these important services.

Sefton New Directors also support the Council through a trusted partners role and responsibility, meaning they support with Care Act assessment and review activity, working closely with the Council's adult social care Staff.

**Equality Implications:**

There are no equality implications directly from this report, however equality implications and duties were reflected in the review conducted and will continue to be reflected in the ongoing work to implement the findings and recommendations from the review.

Further work to complete Equality impact assessment is being undertaken by Sefton New Direction and will follow as part of the development of a programme of change and improvement including the development of 18 service specifications.

**Impact on Children and Young People: No**

**Climate Emergency Implications:**

The recommendations within this report will

Have a positive impact	No
Have a neutral impact	Yes
Have a negative impact	No
The Author has undertaken the Climate Emergency training for report authors	Yes

There will not be any positive or negative impacts relating to the recommendations in this report.

**Contribution to the Council’s Core Purpose:**

Protect the most vulnerable:

The review provided an independent review on adult social care services provided for those who are most vulnerable within the borough.

Sefton New Directions are a Provider contracted to deliver care and support services to vulnerable people in order to meet their assessed care and support needs.

Facilitate confident and resilient communities:

Supporting communities and ensuring the adoption of a strength-based approach was a key aspect of the review.

Commission, broker and provide core services:

The Council has a contractual arrangement with Sefton New Directions and the review informs how Sefton New Directions will support the Council to deliver its strategic objectives and future commissioning intentions.

Place – leadership and influencer:

Drivers of change and reform:

The Review process is a key part of the regional sector led improvement programme and is an important part of planning for inspection.
Facilitate sustainable economic prosperity:
Greater income for social investment:
Cleaner Greener

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD7424/23) and the Chief Legal and Democratic Officer (LD5624/23) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations

Consultation and engagement with Sefton New Directions has taken place throughout the 12-week duration of the review and with respect to the formulation of this report.

Further work to engage with people who access, and use services is planned to take place in November and December, however Sefton New Direction undertake robust Customer Satisfaction surveys, that showcase a high level of customer satisfaction.

## Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting.

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## Appendices:

Appendix A – Executive summary of review.

## Background Papers:

There are no background papers available for inspection.

## 1. Introduction/Background

- 1.1 Sefton New Directions (SND) was set up as a wholly owned company by the Council in 2007, as a private company limited by shares. Under procurement law the company is regarded as a Teckal Company which means that the Council can make direct awards of contracts to the company without going through a procurement process. In turn the company is bound by the Public Contract Regulations. Teckal rules are also clear that SND forms part of the adult social care department, delivering important Care Act 2014 services.
- 1.2 The Council's Constitution provides that Cabinet has authority to manage and safeguard any shareholding the Council owns in a company.
- 1.3 As 100% shareholder in the company there are matters reserved for the Council to decide upon, for example, to make any material change to the nature of the business.
- 1.4 In 2019, a Partnering Charter was agreed which outlines how the Council and ND will work together to provide quality services to local people. With respect to the New Directions 2022-25 Strategic Business Plan and 2021/22 Finance Plan, this was submitted by Adult Social Care to Cabinet on 23<sup>rd</sup> June 2022.
- 1.5 Since 2007 New Directions deliver on behalf of the Council, important care services, that come under the Care Act 2014 supporting adults aged 18+ with a range of care and support needs, these services include:
  - Four Day Services (Community Hubs)
  - Reablement Service
  - Crisis Response Services
  - Four Care Homes (including Residential and Enabling Support)
  - Four Supported Living schemes (People with a Tenancy Agreement with a Landlord)
  - Trusted Assessors Support (who complete functional assessments that support people to live and age well in Sefton)
  - Shared Lives (People living with shared lives carers)
  - Respite/Short-term/Intermediate Care Beds (Supporting discharge to assessment pathways)
  - Mental Health Recovery Services (Supporting people home, after a period of enablement and recovery)
- 1.6 It should be noted that governance arrangements were set out under an Article of Association at the point of inception 2007, subject to be monitored and reviewed thereafter. These were reviewed and updated in 2020 in consultation with the Shareholder at which point it was agreed further monitoring and reviews would take place.
- 1.7 On the 6<sup>th</sup> March 2023, the Council's Executive Director of Adult Social Care (DASS), set out in writing the requirement that New Directions would be subject to a significant review of services.
- 1.8 The key elements of the review were jointly agreed with by all partners at the start of the process and formalised through agreement of the high-level plan with the SND Board in July 2023.

- 1.9 A report was also submitted to Cabinet in July 2023 setting out the draft high-level plan for the review and to highlight key concerns regarding the viability and sustainability of SND.

## **2. Key Elements of the Review**

- 3.1. The main purpose of the review was to look at the case for change and recommendations that follow, including the preferred way forward and options which optimise value for money, assess sustainability, affordability and which demonstrates that the proposed options presented through service specification of change, are viable for delivery both over the next twelve month but also longer-term.

## **4. Findings of the Review**

- 4.1. An executive summary of the findings of the review are within Appendix A.
- 4.2. The review has identified that both the Council and SND board have agreed there needs to be improved governance between both parties to strengthen the strategic approach. This partnership 'resetting' will be based on equity, co-production, evidence-based decision making and support local strategies such as early help and prevention.
- 4.3. SND remains in a position to have an essential role in supporting the Council and Health Partners with the delivery of key strategic objectives as outlined in the Council's Market Position Statement and Market Sustainability Plan and other strategies such as the joint Intermediate Care Strategy and Sefton Place Plan.
- 4.4. The review has identified that in order to deliver the above, then a significant programme of transformation needs to be undertaken over the next 12 months, to align both commissioning requirements of the Council with available resource to fund the company as its single shareholder.
- 4.5. A key element of this transformation programme will the delivery of an initially developed Workforce Strategy, which will be updated by the work of the transformation programme.

## **5. Next Steps / Recommendations**

- 5.1. It is proposed that from January 2024 onwards a twelve-month transformation programme is implemented to take forward the findings of the review.
- 5.2. Cabinet is asked to approve the recommendation that decisions on the transformation programme and any associated recommendations and decisions arising from the outcome of the programme are delegated to the Executive Director of Adult Social Care and Health in consultation with the Cabinet Member – Adult Social Care.

5.3. Further reports will be submitted to Cabinet to provide updates on the transformation work and implemented decisions.