Revised Full Business Case for the Adults and Communities Transformation Programme

Purpose
The purpose of this document is to present the revised benefit case for the business transformation of the Adults and Communities service having completed Logical Design. In addition, this document provides the detailed information to enable members to make an informed decision on continuing to support Adults and Communities.
By signing this document the signatories below are confirming their acceptance of the detail contained within this document.

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CHANGE HISTORY

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1.4	28/11/2008	Initial Draft	Mark Slater
2.0	14/1/2009	Revised benefits built in	Alex Burton
2.1	15/1/2009	Added summary of changes	Mark Slater
2.2	16/01/2009	Proof reading and amendment	Ian Thomson
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2.8	23/01/2009	Final edits to incorporate comments from Steve Wise	Mark Slater
2.8B	5/02/2009	Adjustment to 2009/10 benefit target	Alex Burton
2.9	16/03/2009	Revised executive summary to address Cllrs. Comments	Mark Slater
2.10	14/04/2009	Revised 2nd paragraph of Executive Summary as per Steve wise text	Mark Slater
2.11	20/05/2009	Revised to clarify alignment with A&C budget after discussion with A&C finance	Mark Slater

Contents

LIST OF TABLES

LIST OF FIGURES

1. Executive Summary

This revised Full Business Case builds upon the Full Business Case, presented in April 2008, for the Transformation of the Adults and Communities Directorate.

The Full Business Case outlined the pressures on the Council to transform its Adult Social Care service and the underlying position has not changed. Demographic projections show that demand for services will increase at a time when the scope to increase resources available for Adult Social Care is unlikely to keep pace with the demand. Coupled with this, citizens are seeking well being and dignity through greater control of their own care. National policies also drive the objective of greater choice and control for citizens among other outcomes relating to for example personal dignity and respect, freedom from harassment and discrimination, and improved health and quality of life. These outcomes are reflected in the City Councils plans. This move to an agenda based on citizen rights and outcomes, coupled with the increased demand for services at a time of constraint on the public purse provides a strong evidence base for transforming the way the City Council delivers Adult Social Care for the citizens of Birmingham.

This continuation of that work within this document allows for the expansion and analysis of initial OBC concepts, the development of the required 'models' to articulate the 'transformed' service and the appraisal of the financial impact to the Council from the implementation of the programme.

The revised FBC has been structured to present the following story:

- Introduction and background to the programme;
- The **Drivers for Change** created by the demographic predictions and the associated financial and budgetary pressures and changing customer expectations;
- The transformation vision which sets out the **Future Operating Model (FOM)** which articulates the span of capabilities required by the entire Directorate, and the **Service Delivery Model (SDM)** which articulates the flow of citizen activities within the new access channels and team structures required to meet demand;
- The **Delivery Approach**, which outlines the Programme Scope and Plan for the delivery of the projects required for the transformation; and
- The **Business Case,** including the anticipated costs and benefits associated with the Programme.

The key sections that have been revised in this document are the **Delivery Approach** and the **Business Case**.

1.1 The Drivers for Change

There are significant pressures upon the Council to 'transform' its operations. These pressures are coming from three main areas:

Citizens: regardless of their eligibility for funding, citizens want to experience independence, well-being and dignity through greater control over their care and support and getting the right services at the right time rather than relying on intervention at the point of crisis;

Workforce: *'Putting People First: A shared vision and commitment to the transformation of Adult Social Care',* and *'Local Authority Circular: Transforming Social Care'* released in 2007 and 2008 respectively, build upon the White Paper by setting out the desired shared values, aims and objectives which the Government proposes will be required to guide the transformation of adult social care; and

Demographics (national and local): Projections of a 34% rise in over 85s in next 20 years. The ADSS 2004 review of Learning Disabilities predicted an increase in LD of 11% by 2011 and 17% by 2027.

Faced with these drivers for change, the Directorate has a number of options:

1. Maintain current budget – Raise eligibility criteria and provide services to only critical service users and disregard self funders;
2. Fund the demographic projections – BCC projection suggests an additional £290m funding requirement over ten years. This does not include projections for asylum seekers, "other adult services" and service strategy, which account for £50m of the current budget. Work by the LSE assumes a higher starting budget, includes these elements, and results in an additional tenyear funding requirement of £500m. A direct comparison with the BCC projections is not possible, but the LSE work does suggest additional funding will be required; or
3. Transformation – Increase capability to meet growing demand by up to 50%, improving services to self funders and increasing community capacity. This will result in an estimated saving of £230m against the BCC demographic projections. This will still require an increase in year on year funding to maintain current levels of services.

It is therefore clear that there is a compelling case for transforming the Directorate in order to ensure the predicted scenario of higher costs of care for a smaller number of higher need citizens does not materialise.

1.2 Transformation

The transformed vision for the Directorate is built upon 2 models:

- The Future Operating Model; and
- The Service Delivery Model.

The Future Operating Model was presented as part of the Outline Business Case (OBC) and outlines the key components (strategic, managerial and operational) required from the Directorate in order to respond to the predicted challenges.

Incorporated within this model was a requirement to transform the way the Directorate delivers services to citizens and engages with them. This new approach is articulated by the Service Delivery Model.

The transformed Service Delivery Model introduces;

- The identification of citizen vulnerability and assistance through predictive modelling;
- The capability of self care through a web enabled access;
- Initial support through a telephony based service;
- A level of brokered support;
- A specialist team supporting those citizens with high needs and high risk; and
- The presumption is that self directed care is available at every level.

The model is predicated on an assertive approach to enablement and rehabilitation. The model therefore seeks to 'shift' citizens upwards into the self care channel through rehabilitation and enablement.

1.3 How we will deliver transformation

In order to deliver transformation we will:

- Use greater choice and personalisation of services to drive out the inefficiency that is inbuilt within some of our current models of care. For example, current day care carries high fixed costs for very inflexible services;
- Use self assessment and greater information about services to influence the way that the citizen spends their own money on social care. It is probable the market will gravitate to high cost/revenue provision like residential care. We will need to open other choices for self funders that in turn widen access to more services for all;
- Develop approaches to using information intelligently to make proactive offers to citizens. For example using customer insight we can identify citizens who are providing informal care for their relatives and ensure that they are aware of the range of support services available. We want to start to be proactive rather than a service that is reactive to people at points of crisis;
- Have to ensure that enablement approaches are used to reduce the costs that the individual or the city is paying for care by maximising the ability of the citizen to care for themselves. This can be achieved by initiatives such as making greater use of enablement in home care to improve functioning at home. Our use of intermediate care in the new care centres needs to show evidence of improved functioning for citizens and a reduced demand for high cost care; and
- Have to encourage a more proactive approach to assistive technology so that we can improve the support to people at home and provide the reassurance to their carer. For example, citizens using new technology at home can adapt these systems to increase the care support available them and to include vital monitoring data for health and social care needs.

These routes to transformational change are, in some cases, untested and the lack of a significant evidence base reflects that we have never lived in a society with more people of older than working age. The impact that this has on our economy as a city and on the need for greater capacity for communities and citizens to be involved in their own care is profound.

The scale and nature of this change has risks. The LSE's analysis shows the significant risk from a standstill position where demand will soon rapidly outstrip the resources available. There are major risks to the Council from the impact of choice and self directed care upon the "provider" services that it runs. The Council also faces growing discontent from self funders about the financial burden imposed upon them combined with a lack of significant support services.

1.4 Outcomes from transformation

The transformation is designed to provide the following outcomes for the citizens and staff of the Council:

- Citizens have control of their care;
- Preventative activities ensure citizens remain independent for longer;
- Predictive activities ensure citizens and targeted communities remain independent for longer;
- Citizens are better able to manage their own care through advice and advocacy reducing numbers requiring specialist services;
- Citizens have access to quality information in order to make informed decisions about their care;
- Citizens can self assess in order to identify their needs as they perceive them;

- Increase in the choice of services and providers for citizen;
- Swifter access to services for citizens;
- Enhanced skills for care workers and associated staff;
- Increased joint operational synergies between Health and A&C;
- Increase in range of diverse workforce skills and competencies**;** and
- Care workers are able to focus on implementing individualised services.

1.5 The Delivery Approach

In order to deliver the transformed Directorate, an initial three year programme of work will be undertaken.

The programme of work has been divided into the themes below:

- Service Delivery Model – prediction, prevention, enabling support and self-directed care; and
- The remainder of the FOM – develop services, commissioning and internal capability.

Having completed the Logical Design and taking into account the outcome of national and local pilots we have revised our approach to individual project delivery as we have been able to shift the emphasis from proofs of concept to benefits delivery. This has not materially affected the scope of the programme or the benefits profile. The individual projects can be classified as follows:

Cross Cutting Projects: are the enablers for the delivery of the Future Operating Model and lay down the environment upon which the transformation projects will be built;

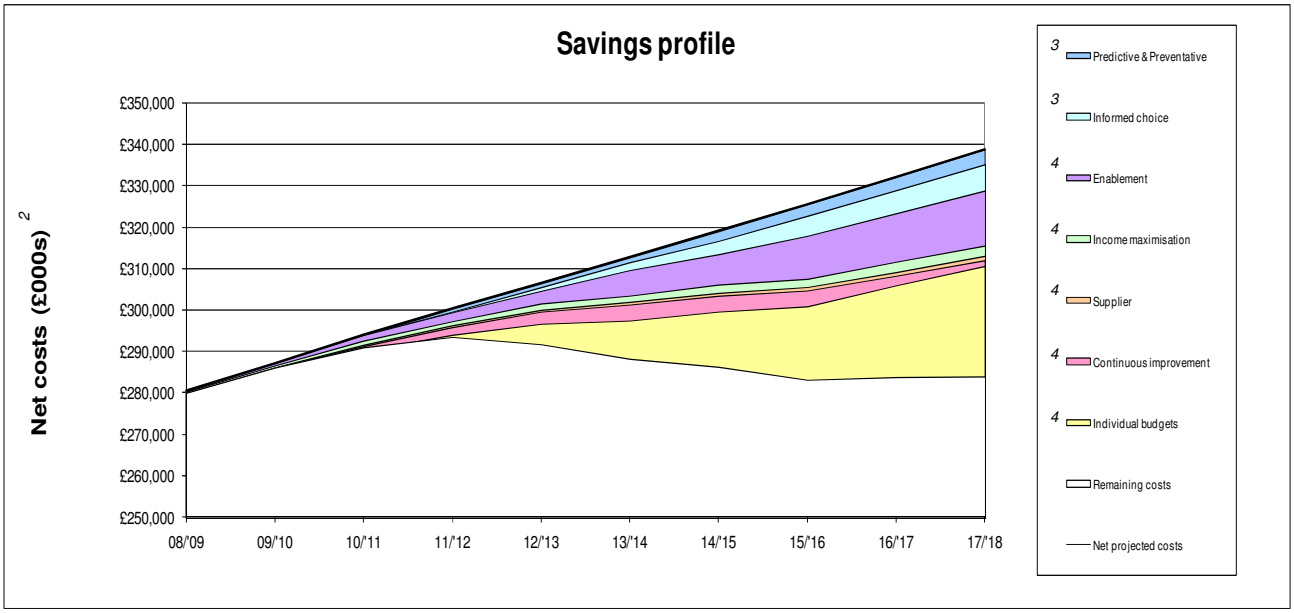
Delivery Projects: The projects covered by this grouping have been themed to indicate which area of the Future Operating Model they contribute to and form the core of the Programme being the projects that deliver the operational changes and benefits; and

Proof of Concept (PoC): PoC is a tool that can be used either to confirm the level of benefit that can be delivered by a project or where roll-out of a solution has to be phased due to impact or complexity.

1.6 The Business Case:

The Programme includes initiatives to reduce the demand for services, decrease costs and exploit the additional sources of income and funding.

Because there is little empirical data to establish benefits, a set of models have been developed to project these benefits, which have been signed off by the management of the Directorate. The figure below shows the profile of these potential benefits over a period of ten years against a top line projected cost relative to the demographic projection outlined earlier in this document.



Note 1: Approved budget for 2008/9 is £280.5m
Note 2: All costs are net after consideration of income
Note 3: Non-cashable benefit
Note 4: Cashable benefit

Figure 1: Savings profile

The ten year programme affordability projection is shown below based upon the savings profile above, the costs estimated for the three year programme and ongoing maintenance of the revised service.

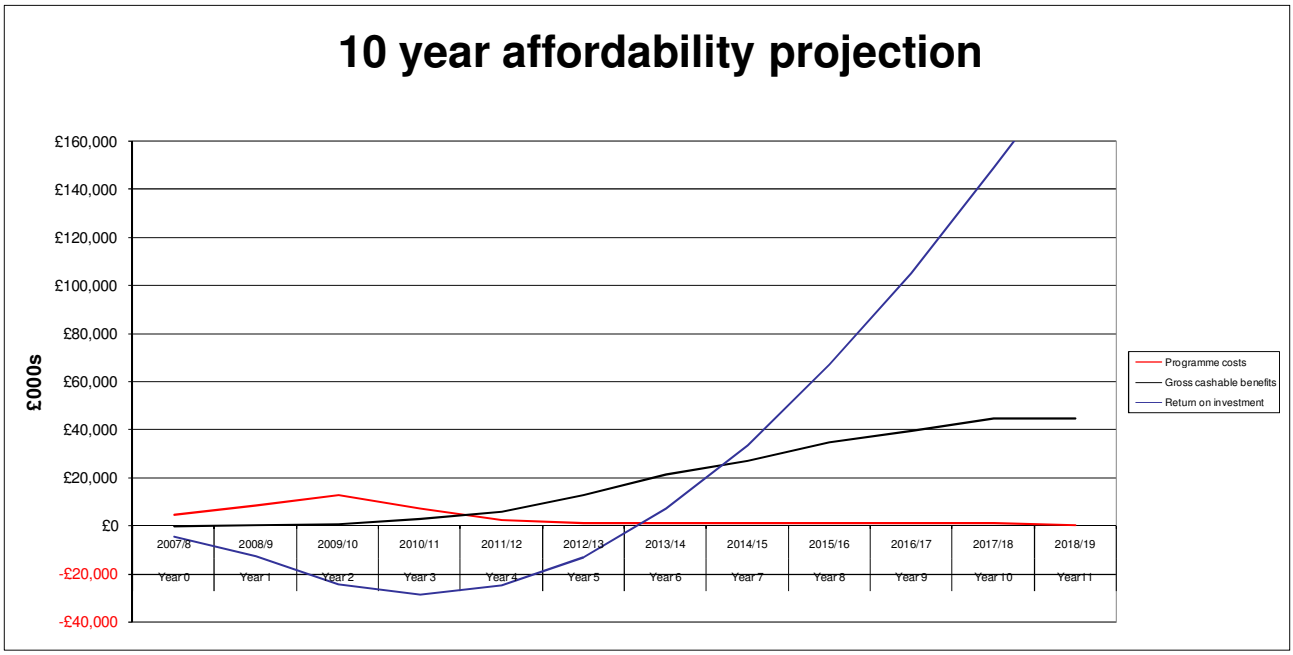


Figure 2: Ten year affordability projection

The transformation programme is based upon a strong business case showing a financial pay back during year six.

We are seeking approval of this Revised Full Business Case, which will put Adults and Communities into a major transformation programme that will need to be aggressively pursued.

In delivering this programme the Council will be seen as implementing a cutting edge transformation programme putting Birmingham in a position to shape the CSR 2011/2012.

2. Introduction and Summary

2.1 Purpose of the document

The purpose of this document is to present the revised Full Business Case (FBC) (Phase Three of the Transformation Programme) for transforming the Adults and Communities Directorate (the Directorate) over a ten year period, reaching maturity in 2018.

This document builds upon the Outline Business Case (OBC) from Phase One of the Programme, and as such, should be read as a continuation of the principles established in that document.

This document will present:

- The background to the Transformation Programme (para 2.3);
- The need for change (para 3.2);
- The transformed directorate, including the Future Operating Model (FOM) and the Service Delivery Model (SDM)(section 4);
- The associated benefits to the Council (para 4.9);
- The approach to be taken in delivering the transformation programme (section 5); and
- The business case (section 6).

2.2 Summary of the Adults and Communities Transformation Programme

The Directorate Management Team (DMT) developed the following vision for the Directorate during the OBC:

'We exist to assure the quality of life for the citizens of Birmingham today, tomorrow and always'

Reforming the Directorate to achieve personalisation for all citizens will require a huge cultural, transformational and transactional change in all parts of the local health and social care system. The challenge will be to translate the vision contained in the OBC into practical change on the ground to make a real difference to the way individuals engage with services and support and, in so doing, make a real difference to their lives. It will also mean changes in how professionals engage and work to support people's needs.

Transformation for the Directorate must deliver:

- 3% cashable efficiency savings assumed for 2008/9- 2010/11;
- A plan for greater individual control and choice – a different relationship between the Council and its citizens;
- A resource analysis on getting the best outcomes from the spend of citizen and Council; and
- A cutting edge transformation programme putting Birmingham in a position to shape the CSR 2011/2012.

The aim of the programme is to "maximise the quality of life outcomes for the minimum cost" (public or private £).

To achieve this aim the transformed Directorate must strive to provide a tailored service blending the following key ingredients:

- State funded care;
- Informal care;
- Self purchased care; and
- Community based capabilities.

2.3 Background

The Transformation Programme was established in April 2007 and completed Phase One in September 2007 with the sign off of the OBC.

The OBC sets out, at a high level, the scope for change, the FOM for the Directorate, a proposed programme delivery option and plan, associated costs and benefits, risks and dependencies.

The FBC took the principles and 'case for change' established by the OBC and built upon them in order to deliver a detailed case for the transformation of the Directorate.

Dependencies with existing and future transformation programmes were also been identified as part of the production of the FBC. Important communication links have been established with other programmes in order to promote meaningful dialogue on the ownership and responsibility agreements surrounding benefits linked to such dependencies.

During the FBC process, the DMT were involved in the design and development of the Service Delivery Model and business case.

We have now completed the Logical Design, the first stage of Phase Three (Common Design), and are in a position to revise the FBC with more detailed information from Logical Design and data from the outcome of national and local pilots.

3. Imperative for Change

3.1 Introduction

The purpose of this section of the document is to set the scene as to the imperative for change which underpins the necessity and desire to transform Adults and Communities services in Birmingham.

This will involve presenting the:

- Customer requirements (para 3.2.1);
- Citizens' imperative for change (para 3.2.2);
- Efficiency and demographic imperative for change (para 3.2.3); and
- Workforce imperative for change (para 3.2.4).

3.2 Need for Change

There are multiple internal and external factors which create the imperative for change within the Adults and Communities Directorate.

3.2.1 Customer requirements

Building upon the consultation undertaken as part of the OBC, further desk-top research was carried out for the FBC identifying additional needs, wants and preference statements for a variety of customer groups, with the purpose of identifying their requirements from the transformed Directorate.

A range of customer groups were identified as having a call upon the Directorate over the next three, five or ten year timeframe. Table 1 shows the customer groups who formed the priority group for the initial phase of transformation ("The three year customer groups").

The Three Year Customer Groups			
Citizens	**Regulators**	**Referrers**	**Decision Makers**
Carers for adults	**CSCI/ Care Quality Commission**	**Carers for adults as Referrers**	**Chief Executive's Directorate**
Citizens currently using services		**Citizens currently using services as Referrers**	**Resource and Support Directorate**
Citizens who will use funded services in the future		**Family and friends as Referrers**	**Department of Health**
Citizens who will self fund in the future		**Professional Referrers**	**Service Birmingham**
Hard to reach groups			

Table 1: Customer groups

Following the prioritisation of the customer groups, the customer requirements were derived by analysing relevant source documentation containing different customer group needs, wants and preference statements. This enabled information to be collated into themes which formed prioritised Customer Requirements (see product 4: Customer Requirements), for the purpose of ensuring that the Directorate customer requirements are woven into the planning and programme design process for the Transformation Programme going forward.

The customer requirements for the initial phase of transformation are as follows:

- Access to affordable, convenient and reliable transport;
- Being able to manage my own resources and affairs;
- Being able to mix, meet and be with other people;
- Being heard and having a voice;
- Being recognised as an individual;
- Being responsible for myself;
- Being supported to fulfil my caring role;
- Being treated with respect;
- Care and support which is tailored for me;
- Choice and control;

- Communication and information is responsive to my personal preference;
- Equitable provision for all;
- Feeling good about myself;
- Safeguarding;
- Feeling well;
- Having choice and access to good quality accommodation;
- Making best use of my resources and maximising my income;
- My needs are proactively and effectively understood and supported;
- Opportunities for personal development;
- Proactive and effective service responses; and
- Well coordinated care.

Table 2 below outlines the strategic partners which the Directorate will need to engage with to deliver the transformed services, as well as market shaping partners in order influence the whole social care market.

Strategic Partners			
Chief Executive's Directorate	**Resource and Support Directorate**	**Service Birmingham**	**Housing Directorate**
Department of Health	**Private Sector Providers**	**Public Sector Providers**	**Voluntary & 3rd Sector Providers**
PCT (commissioning)	**Joint Commissioning**	**Birmingham Strategic Partnership**	**Investors**
Market Shaping Partners			
Private Sector Providers	**Public Sector Providers**	**Voluntary & 3rd Sector Providers**	**Investors**

Table 2: Strategic partners

3.2.2 The Citizens' imperative for change

People are living longer, communities are becoming more diverse and citizens have higher expectations of the services they receive. Citizens, regardless of their eligibility for funding, want to experience independence, well-being and dignity through greater control over their care and support and getting the right services at the right time rather than relying on intervention at the point of crisis.

The present customer experience, both at the national and local levels, shows a picture whereby a significant number of those requiring some form of social care (and their families and carers) cannot navigate their way around the system or have been blocked at various points along the way from getting what they need or are entitled to. These challenges are compounded in the cases of citizens who fund their own care and those citizens who do not have financial resources but do not meet the criteria for support. These citizens are left to navigate the system without any professional input, often at a time of change and considerable personal upheaval.

3.2.3 The Efficiency and Demand imperative for change

There is an increasing pressure on the Directorate to deliver better outcomes with fewer resources. The resultant need for greater efficiency is driven by a number of factors:

3.2.3.1 Financing

The Comprehensive Spending Review (CSR) has allocated the Council 1.5% of growth plus 3% efficiency gains p.a. for the next three years.

This therefore requires the Council to deliver 3% cashable gains per annum.

3.2.3.2 Demographics

During 2007 the London School of Economics (LSE) undertook a 'Birmingham Strategic Resource Analysis' (see LSE report). This study established a context for this document, as it outlined the need for change. Although the modelling supporting this document is not the same as that carried out by the LSE, and as such direct comparisons cannot be made, the two approaches are broadly in line. The output of the LSE work is however more pessimistic than the current modelling and the extent to which this is real adds to the imperative for change. LSE anticipate the following significant pressures on the future affordability and costs of social care within Birmingham:

- The needs distribution in terms of 'Activities of Daily Living' (ADL) of citizens in Birmingham over the age of 65 was significantly higher in 2007 than the England average;

- Office of National Statistics projections of Birmingham population growth (baseline 2007) suggest numbers of older people will grow at a much slower rate than the England case. Projections show a 34% rise in over 85s in next 20 years (half the England total growth rate). This may be due to expected net migration of older people out of cities (most likely those who can afford to fund their own care);

- The Association of Directorates of Social Services (ADSS) 2004 review of Learning Disabilities (LD) predicted an increase in LD of 11% by 2011 and 17% by 2027;

- The LSE study included Mental Health (MH) and Physical Disabilities (PD) 20 – 64 age cohort, however it is acknowledged that LD, PD and MH categories are more difficult to predict as they are more susceptible to factors such as immigration and random accident rates than older people studies which are based upon more predictable inputs and outputs; and

- Without limits, demographic demand pressures would increase expenditure by 2.7% p.a. in real terms to 2017 from the baseline £140m net public spend in 2007. Without transforming the Directorate, expenditure limits would need to be introduced and would be achieved through tightening of the eligibility criteria. The current thresholds of 100% of substantial and critical to would need to change to:
    - 70% of people in substantial band and all in critical (for a 2% expenditure limit); and
    - 10% of substantial and all in critical (for a 1% expenditure limit).

As a consequence of changing the eligibility criteria from substantial and critical to just critical, there would be a marked reduction in supported community-based care recipients (and hours of care) and an increase in unmet personal care need.

Therefore, if the Directorate does not transform, there would be a reduction in the number of citizens supported by the Council. For those that would remain eligible to receive funded care and support, it will continue to be focussed on intervention at the point of crisis as opposed to a more holistic, proactive and preventative model centred on improved well-being whilst for the increasing number of citizens who will have to fund their own care, advice and support in obtaining and managing their care provision and independent review of the services would be limited or non-existent.

3.2.3.3 ***Projected change in expenditure***

As figure 3 overleaf shows, the base net public expenditure is £140m for 2007. However, spending is set to increase:

- In next ten years (from 2007) by 30%; and
- In next 20 years by 63%, rising to nearly £229m.

The base year private expenditure is £129m, the bulk of which is in the care home sector. As with the public expenditure, private contributions are also set to increase substantially:

- Increase in tenyears: 26%; and
- Increase in 20 years: 78%.

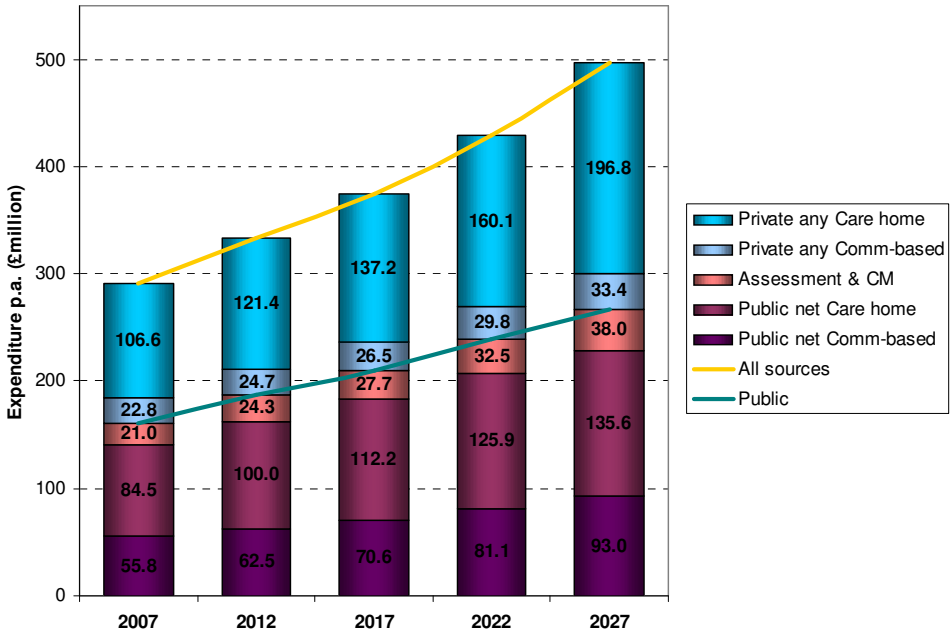


Figure 3: Changing need, wealth and unit cost assumptions – effects on projected net public expenditure in the future- real terms expenditure (2007 prices).

3.2.3.4 Total expenditure

With base case assumptions, the rate of growth of net public spend increases slowly through time with total expenditure showing an increasing rate of growth.

The proportion of total spend paid out-of-pocket increases from 48.0% to 50.2%. This includes

- Charges on Council supported care;
- Top-up payments on Council supported care; and
- Private purchase of care services.

This demographic pressure presents the Directorate and the Council with three choices:

1) Maintain current budget – Raise eligibility criteria and provide services to only critical service users and disregard self funders;
2) Fund the demographic projections – BCC projection suggests an additional £290m funding requirement over ten years. This does not include projections for asylum seekers, "other adult services" and service strategy, which account for £50m of the current budget. Work by the LSE assumes a higher starting budget, includes these elements, and results in an additional 1ten year funding requirement of £500m. A direct comparison with the BCC projections is not possible, but the LSE work does suggest additional funding will be required; or
3) Transformation – Increase capability to meet growing demand by up to 50%, improving services to self funders and increasing community capacity. This will result in an estimated saving of £230m against the BCC demographic projections. This will still require an increase in year on year funding to maintain current levels of services.

3.2.4 The Workforce imperative for change

The move towards increased choice and control for citizens using adult social care services began more than ten years ago with the legislative introduction of Direct Payments in 1996. Since then, both policy and practice have moved towards choice and personalisation of services. The 2006 White Paper *'Our health, our care, our say'* set out the Government's vision to reform and improve community services through a genuine focus on prevention, independence, well-being and choice. *'Putting People First: A shared vision and commitment to the transformation of Adult Social Care',* and *'Local Authority Circular: Transforming Social Care'* released in 2007 and 2008 respectively, build upon the White Paper by setting out the desired shared values, aims and objectives which the Government proposes will be required to guide the transformation of adult social care.

The transformation agenda will influence and guide the changes required of the workforce in order to meet the challenges of the transformation. New models of care: moving from containment to enablement; outcome based assessments rather than needs and risk assessments; and placing services around the citizen rather than attaching services to the citizen mean that established practices, regimes and cultural ways of working will need to be broken down to meet the demands of the Community.

The Local Strategic Partnerships and new methods of working to support enablement and prevention work means cross-organisation and inter-departmental working will be a critical and required change of working practices to deliver personalised and outcome based services. The Community will also play a major role in the working arrangements. Also, the imminent introduction of the Comprehensive Area Assessment (CAA) introduces new Key Lines of Enquiry (KLOE) under the Use of Resource element of the CAA against which the Council will be assessed.

The 2007 *Local Government Workforce Strategy* outlines five strategic priorities:

1. Organisational development – effectively building workforce support for new structures and new ways of working to deliver citizen-focused and efficient services, in partnership;
2. Leadership and management development – building visionary and ambitious leadership which makes the best use of both the political and managerial role, operating in a partnership context;
3. Skill development – with partners, developing employees' skills and knowledge, in an innovative, high performance, multi-agency context;
4. Recruitment and retention – with partners, taking action to address: key future occupational skill shortages; promote jobs and careers; identify, develop and motivate talent; and address diversity issues; and
5. Pay and rewards – modernising pay systems to reflect new structures, new priorities and new ways of working and to reinforce high performance, including encouraging a total rewards approach.

There is a clear expectation for a range of process reengineering, capability building activities required to design the entire system, including work to:

- Change the social care system away from the traditional service provision with its emphasis on inputs and processes towards a more flexible, efficient approach which delivers the outcomes people want and need and promotes their independence, well-being and dignity;
- Create a strategic shift in resources and culture from intervention at the point of crisis towards early intervention focused on promoting independence and improved well-being in line with the needs of the local population, reaching out to those at risk of poor outcomes;

- Ensure that citizens are much more involved in the design, commissioning and evaluation of services and how their needs are met. This choice and control should extend to individuals in every setting and at every stage, ranging from advocacy and advice services, prevention and self-management to complex situations where solutions are developed in partnership with professionals;
- Remodel systems and processes so they are not only efficient and equitable but also recognise the ability of individuals to identify cost effective, personalised solutions through wider community networks and innovation;
- Join up services to provide easy to recognise access points and care pathways, which coordinate or facilitate partner organisations to meet the needs of individuals. Systems should be put in place to identify hard to reach people and strategies developed to meet their needs;
- Raise the skills of the workforce to deliver the new system, through strengthening commissioning capability, promoting new ways of working and new types of worker and remodelling the social care workforce; and
- Develop leadership at all levels of local government and communities to enable this change to happen.

3.3 Summary

The Directorate is faced with a range of internally driven and externally imposed challenges which require it to fundamentally change the way it engages and delivers services to its citizens. Based upon the consultation, research, evidence and forecasting carried out, the 'do nothing' option is not viable. In order to meet the Customer Requirements established in para 3.2.1, the citizen expectation of choice and personalised budgets, and avoid the demographic and budgetary pressures which would force the Directorate to concentrate solely upon critical need citizens in the near future, the Directorate must transform its entire operations and services.

Nationally it is recognised that transformation on this scale is challenging, requiring a strategic shift. Putting People First, the concordant published in December 2007, established a set of shared aims and values between those agencies involved in the regulation, provision and use Health and Social Care services. These aims and values form the foundation for transformation in the Directorate Vision and Strategy and, in turn, the FOM and the Programme Delivery Options developed during the FBC. The FBC therefore is not a case for change. Challenging demographic factors, budgetary pressure and changing community needs have forced the case. The FBC articulates how the Directorate proposes to rise to the challenges over the next three, five and ten years.

The necessary transformational requirements are presented in the next chapter.

4. Transformation

4.1 Introduction

The purpose of this section of the document is to set out the transformational vision for the Directorate.

This will involve presenting the:

- Future Operating Model (FOM) for the Directorate (para 4.2);
- Future Service Delivery Model (SDM) including the purpose of the model, an overview of the model and narrative to support the principles (para 4.5); and
- Benefits to be delivered by the SDM.

4.2 Ten Year Future Operating Model

The FOM presents an holistic view of all the functional and strategic elements required to meet the future needs of adult social care in Birmingham. It defines the model for the Directorate that will be in place by 2018. Inspired and driven by the DMT's vision for the Directorate, the FOM outlines the blueprint for the future success of the Directorate as it moves forward. The FOM is constructed around the development of key roles and capabilities that the Directorate needs to have in order to deliver the outcomes expected by the citizens of Birmingham. Moving to this new way of working will require clear communication of new roles and responsibilities within the new Directorate, often supported by investment in training and recruitment.

The FOM sets out the composition and operation of the entire Directorate that will deliver the desired outcomes and, ultimately, the Vision.

Further detail of the Services and Customer Interaction elements of the FOM are provided through the SDM, para 4.5. It should be noted therefore that the FOM represents the functions of the entire Directorate, including the strategic functions, whilst the SDM focuses upon the services and customer elements as represented by figure 4.

4.2.1 Design Principles

The design principles for the FOM outlined below articulate the core requirement for the sustained delivery of the model over a number of years. In developing these principles due consideration has been given to factors both internal and external to the Directorate and central to the citizen.

- The FOM will enable the Directorate to adopt a market shaping role for the overall provision of adult social care across Birmingham;
- The Directorate will provide leadership and direction to the social care economy;
- The SDM will be based on giving choice, control and accountability to citizens;
- The Directorate will have in-built flexibility to enable it to respond to changing requirements from citizens and partners over the long term;
- The FOM will allow the Directorate to meet any statutory duties;

- The Directorates operations will contribute to citizens outcomes in partnership with other providers;
- Service provision will be individualised to meet the specific needs of a citizen;
- The Directorate will continuously improve services over time;
- Business Support functions must be aligned to support organisational delivery; and
- The organisation will be built around citizen needs, not internal structures.

4.2.2 The Future Operating Model

The operating model shown below in figure 4 presents an holistic view of the future of adult social care in Birmingham.

The FOM is represented as an 'organisational system'. It comprises six key parts that are dependent and inter-dependent on each other and the whole. The Directorate model is presented below showing the holistic components of the organisation:

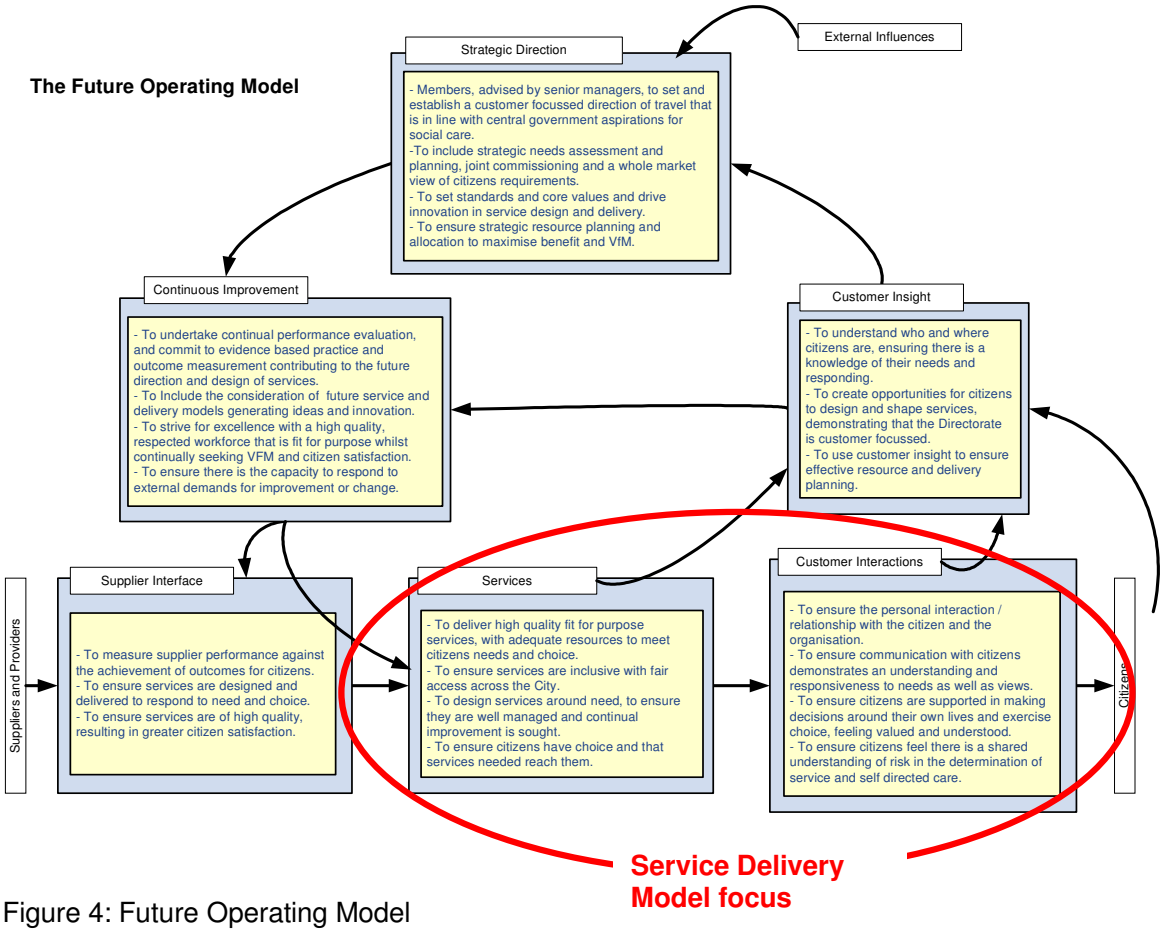


Figure 4: Future Operating Model

4.2.3 Organisation Roles

There are nine organisational roles that sit across the FOM. These roles are the core interdependent functions that make the system work. Figure 5 shows the Directorate as an organisation with key roles identified and mapped against the system as a whole. Although these roles are anchored in one area of the organisational system they will inevitably impact on the whole system. These represent the structured approach to designing the FOM and become the location of capabilities.

The roles are as follows:

- Shaping the place and the market;
- Providing leadership and direction to the social care economy;
- Managing continuous improvement;
- Assessing strategic need;
- Assuring the quality of services and delivery of outcomes;
- Attracting and managing resources effectively;
- Delivering services (internal and external);
- Safeguarding vulnerable citizens; and
- Empowering citizens to make informed choices.

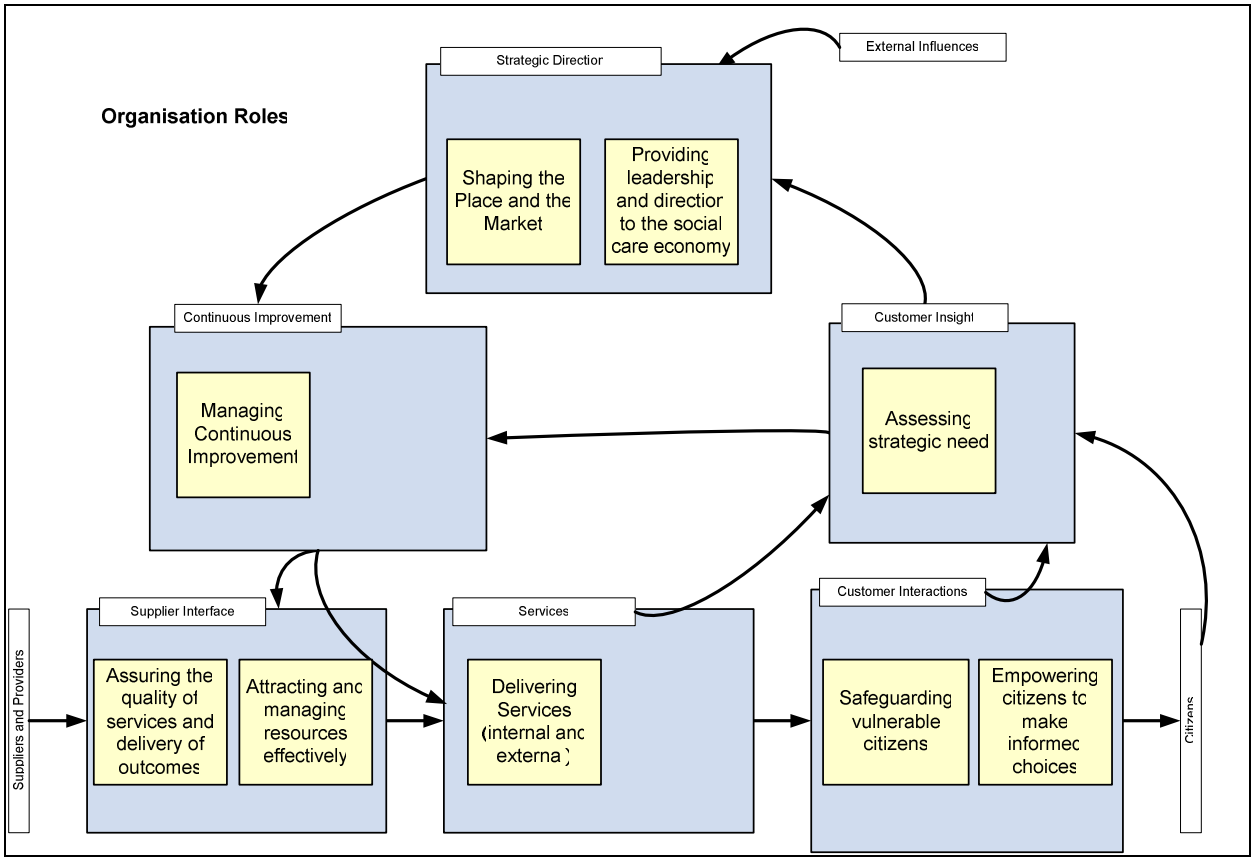


Figure 5: Roles within the FOM.

4.3 Outcomes

Turning the FOM into a reality will result in outcomes being delivered to citizens in terms of independence, well being and choice.

The Directorate has determined and detailed a series of outcomes which will be delivered by the FOM. The outcomes outlined below have been constructed at a level to ensure there is recognition and inclusion of all the necessary drivers, for example the Department of Health's White Paper 'Our health, our care, our say' and the Councils five corporate strategic objectives.

- Citizens have control of their care;
- Preventative activities ensure citizens remain independent for longer;
- Predictive activities ensure citizens and targeted communities remain independent for longer;
- Citizens are better able to manage their own care through advice and advocacy reducing numbers requiring specialist services;
- Citizens have access to quality information in order to make informed decisions about their care;
- Citizens can self assess in order to identify their needs as they perceive them;
- Increase in choice of services and providers for citizen;
- Swifter access to services for citizens;
- Enhanced skills for care workers and associated staff;
- Increased joint operational synergies between Health and the Directorate;
- Increase in range of diverse workforce skills and competencies; and
- Care workers are able to focus on implementing individualised services.

4.4 Measures of Success

In order to ensure that the FOM delivers the desired outcomes it will be necessary to measure success across a range of criteria. The full measures of success criteria are available in product 5: Measures of Success, and summarised below:

- Authentic partnerships with corporate directorates, local NHS, other statutory agencies, third and private sector providers, users and carers and the wider local community;
- Agreed and shared outcomes ensuring citizens, irrespective of potential funding stream, need, illness or disability, are supported;
- Development and ownership with local partners of a Joint Strategic Needs Assessment (JSNA);
- Shaping the market to meet the personalised agenda whilst balancing investment in prevention, early intervention/re-ablement and providing intensive care and support for those with high-level complex needs;
- Locally agreed approach, which informs the Sustainable Community Strategy, utilising all relevant community resources especially the voluntary sector so that prevention, early intervention and enablement become the norm;
- Supporting citizens to remain in their own homes for as long as possible with the alleviation of loneliness and isolation as much as possible;
- Establishing a universal information, advice and advocacy service for people needing services and their carers irrespective of their eligibility for public funding;
- Sufficient availability of personal advocates in the absence of a carer or in circumstances where citizens require support to articulate their needs and/or utilise the budget allocated to them;

- Implementation of a framework for proportionate contact and social care needs assessment to deliver more effective, joined-up processes with increased emphasis on self-assessment;
- Person centred planning and self directed care will be mainstreamed and define individually tailored support packages;
- Ensure budgets for everyone eligible for publicly funded adult social care support other than in circumstances where people require emergency access to provision;
- Effective and established mechanism to enable citizens to make supported decisions built on appropriate safeguarding arrangements; and
- Market development and stimulation strategy, which outlines actions identified to deliver the necessary changes.

4.5 The Service Delivery Model

Building upon the FOM, the Service Delivery Model (SDM) expands into further detail the component parts of the FOM around Services and Customer Interactions. The full SDM is presented as a 'flow' of activities, events and functions held in Appendix 1. The narrative to support this flow is presented below in para 4.6.

4.5.1 Current Service Delivery Model

The current Service Delivery Model is shown below.

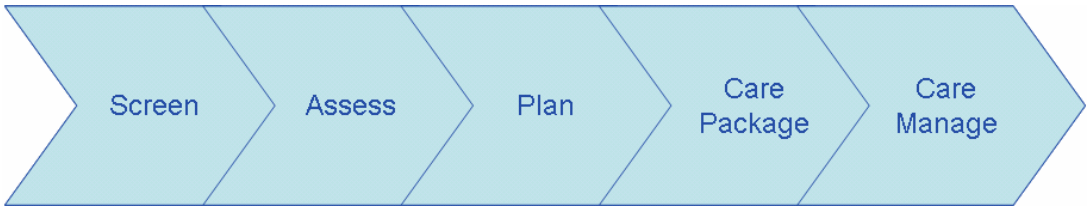


Figure 6: Current Service Delivery Model.

Citizens are screened for assessment then assessed for eligibility. Those who are eligible for care are provided with a care package based upon their presented need. This process is managed by a qualified social worker.

The Directorate is one of the four strategic directorates of the Council. The Directorate provides services to 30,000 citizens in Birmingham, it employs approximately 6,500 staff and its budget in 2007/08 was £249m.

The Directorate is currently structured around four service areas:

- Older Adults;
- Vulnerable Adults;
- Policy Strategy and Commissioning; and
- Finance & Resources.

For the 2007 Annual Performance Assessment undertaken by the Commission for Social Care Inspection (CSCI), the Directorate was given an overall rating of 2 stars. The Directorate was judged as having a 'good' contribution to the delivery of outcomes to citizens, whilst being judged as having a promising capacity to improve. The initiation of the Business Transformation Programme was highlighted by CSCI as a key strength and as such has contributed towards CSCI's judgement of an organisation with promising capacity to improve.

The following work was completed as part of the As-Is review of the organisation, this information can be found in product 9: Adults & Communities organisation and services:

- Production of organisation charts detailing the current structure of the organisation and the numbers of staff in the current cohort (including headcount, numbers of full-time equivalents and numbers of vacancies);
- Summarisation of budget, actual expenditure, performance data and activity data for the financial years 2006/07 and 2007/08; and
- Compilation of services available to citizens including a brief description.

4.5.2 Reason for a new Service Delivery Model

The Directorate has set about a transformation programme to deliver change through reforming the provision of services, increasing the depth and extent of integration with both statutory and non-statutory providers and reconfiguring access to services for users and carers through personalised care models.

The national agenda sets out a policy framework that encourages a vision for adult services to be outcome led and placing more emphasis on prevention and early intervention. As well as the user/ carer and partnerships, the policy and vision, by implication, demands the modernisation of the workforce. The challenge for the Directorate is to modernise, decentralising controls and reconfiguring services to support independence, choice and well-being, whilst remaining accountable for safeguarding those who are most vulnerable within society.

4.5.3 Self Directed Care

The SDM is based on a Self Directed Care approach that still provides appropriate levels of support throughout the customer journey as required by the citizen regardless of their funding mechanisms. Through information provision and advocacy, citizens and their carers will be able to exercise choice in the care to meet their needs, the provider of that care and how their care package is managed and by whom. The SDM will also ensure that citizens share the risk and responsibility for managing their own lives whilst ensuring that there is sufficient safeguarding in place to protect them and support them. Providing them with good information and advocacy will enable citizens to make informed decisions about their care needs and enablement will ensure they remain independent for longer. With citizens taking more responsibility for managing their own care this will free up the time of social care practitioners to focus on those citizens with more complex or more demanding needs.

Self Directed Care and Individual Budgets will allow citizens to maintain control over their own life and the care they require in order to do that. The citizen's choice of service and service provider remains their own whilst at the same time the SDM allows citizens to make use of varying degrees of support as and when they require it.

The SDM will allow the same freedom of choice to all citizens and ensures that there is support available to citizens to give those with higher degrees of need or more complex requirements the equal opportunity to manage their own care and make their own decisions. The safeguarding measures through the customer journey ensure that a citizen can lead as independent a life as possible with the security of knowing that their progress will be monitored and supported.

4.5.4 The New Service Delivery Model

The new SDM is constructed around 2 axes:

- The activities representing the care pathway; and
- The access channels and supporting capabilities available to the citizen.

4.5.4.1 The new care pathway

The new care pathway is made up of the following activities:

1. Pre-emptive (prevention and prediction): The SDM includes greater focus on prevention activities designed to deliver the wider well-being agenda and by making best use of information to run targeted early interventions. The intention for many citizens will be to prevent or defer the need for more costly intensive support and therefore promoting the quality of life of citizens and their engagement in their community;
2. Assess: Citizens will be able to complete their own assessment with support where required. As part of the self assessment process citizens will get an early indication of the level of resources for their need, which will assist with planning the support. The individual budget, however, will be verified at a later stage;
3. Plan: Planning will involve facilitating the citizen to plan their support to achieve the outcomes they want. It will build on the citizen's networks available in the Community and considers the roles family / carers may play. Information on services will be available to assist in the decision making process as well as the ability to arrange purchase of services on-line. Different levels of help with planning, depending on personal circumstances and preferences, will be available from Council staff, independent support brokers, existing service providers, advocacy organisations, or peer support;
4. Implement: Individualised budgets will be available to all citizens who are eligible for funding and will initially be calculated through a resource allocation system as part of the self assessment process. Individual budgets will provide an upfront, transparent allocation made up of multiple funding streams including the citizens' own resources, different benefits, possibly NHS monies, and including other sources such as Supporting People. By pulling all of these together the Directorate will be able to work with citizens to design a care plan that meets their needs. Crucially this will remove traditional rigid boundaries between services as the citizen will set out an holistic view of their requirements and the approach to meeting those needs; and
5. Review: The review process will centre on how well the outcomes set out in the support plan have been achieved, and what has been learnt along the way. This will be a process undertaken as a partnership between the person and the reviewer. The review process will also become more targeted and proportionate to need, identifying those with greater risks to independence or well-being and undertaking more active monitoring and support. The monitoring of care packages will become more efficient with greater use of technologies with the ability to flag areas of concern where outcomes are not being met.

4.5.4.2 The new Access Channels and supporting capabilities

The delivery of the new pathway is through a range of access channels with supporting capabilities:

- Self care;
- Level 1 support;
- Level 2 support; and
- Specialist support.

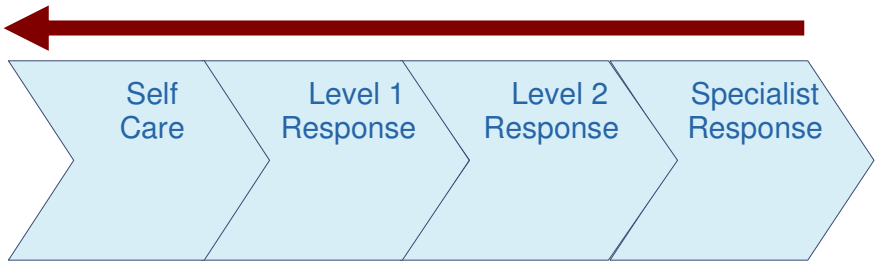


Figure 7: SDM capabilities

These access channels and supporting capabilities are described further below:

1. Self care: The SDM introduces the online capability (access channel) which allows citizens to manage and direct their own care services without recourse to social care practitioners;
2. Level 1 support: The SDM supports citizens through the online process through a contact centre support facility, where questions can be answered and support provided in completing forms or answering questions;
3. Level 2 support: The SDM provides the capability for an additional support layer to citizens, which can be provided through an external advocacy or brokerage role through a 3rd party or through the Directorate. This level of assistance can be either telephone based or face to face; and
4. Specialist Support: The SDM continues to provide support for citizens with high needs and risk through fully qualified social worker input.

The model provides the capability, through 'channel shift' to allow a greater number of citizens to manage their own care with reduced 'Care Professional' input by operating as close to the self care channel as possible given their care needs and risks. This channel shift aims to create capacity within the Specialist Support care teams to support more citizens with 'specialist' needs and risks

A high level representation of the SDM is shown below in figure 8, representing the two axes and the intended direction of channel shift. The full detailed SDM is held in Appendix 1.

The significant feature of this new model of care is that it shifts the emphasis of care being provided to a few adults to a new model based on a universal approach. The Council will have to maximise its customer insight into all adult groups and ensure that its whole capacity is brought to bear on better information, earlier engagement and appropriate universal services aimed at a different population mix.

A key part of this universal approach will be to ensure that the Council is engaging with people much earlier about decisions they make using their resources which influence their future care. This then extends right through into shaping and influencing expensive self-financed care packages. However, without earlier engagement significant sums money identified by the LSE survey in Birmingham will largely enter a residential model of care which in itself poses significant financial risks to the City Council. Given the size and influence of the expenditure identified on private residential care it is easy to see how market shaping in the future may not be determined by Local Authority commissioning should it remain solely focused on those of highest need and lowest means.

This greater emphasis on a universal approach will have significant practical implications. The Council needs to identify in the design stage how it will use information and customer insight tools

and how it will ensure that it changes its approach to giving people information to be more linked to life stages than to the receipt of particular services.

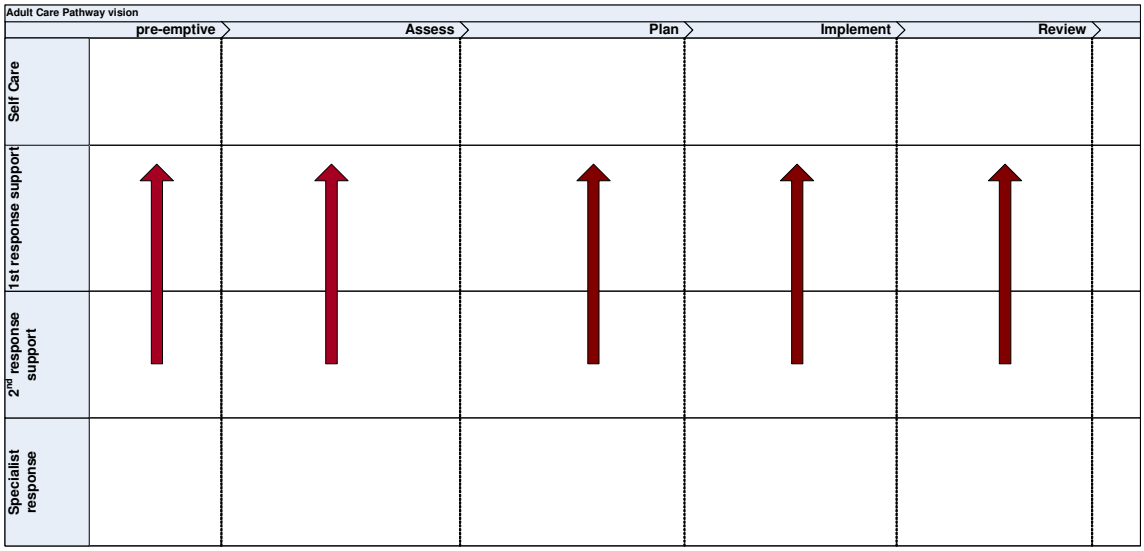


Figure 8: Service Delivery Model

4.5.5 Market Placing and Shaping

The FOM has determined that programme design options include activities to shape and build the provider market and the directory of services available. This will provide a wider choice of services and providers from which these services can be obtained. By driving the market and improving choice and competition it is anticipated that it will generate savings in the cost of service provision.

In order to provide the choice of providers and services envisaged by the SDM there will need to be significant stimulation and shaping of the provider market. The Programme has a number of activities defined within it to do this including working with PCT's and the 3rd Sector to develop partnerships and provider relationships.

Through the use of Individual Budgets and the policy governing them, the Directorate will maximise the contribution that a citizen makes to their own care. Additionally, by careful shaping of the market and the services provided, income can be generated from other sources (e.g. State benefits, Disability Living Allowance (DLA), Health benefits) to offset the cost of care. By encouraging competition and setting standards within the market place, the cost of care should fall whilst the standard and quality of care is controlled and improved.

With the implementation of Individual Budgets, market shaping and income maximisation the Directorate will be able to ensure and demonstrate value for money. The continuous improvement activity within the Programme will seek to monitor the performance and efficiency of the Directorate, service providers and the outcome of care plans to ensure that where necessary changes are made to improve the service provision and value for money for the citizens of Birmingham.

4.6 SDM narrative

4.6.1 What does the SDM represent?

The SDM held in Appendix 1 presents the high level process through which a citizen, in the future, would interact with contact points and professionals associated with delivery of personalised adult care services.

The model does not attempt to show how each domain within the present Directorate will operate, but rather represents a high level model which walks through the components of the new Adult Care environment. Detail design underpinning the model will be developed during the Common design stage of the programme.

4.6.2 Is this just a representation of how Birmingham City Council Adults and Communities will work?

The Council will have to achieve a shift whereby it concentrates on all people who are requiring social care and how they can best meet their needs. This will require a focus upon community and individual capacity and capability.

This is an expansion of demand upon the Service which has historically coped by working in a rationed and controlled environment. This approach will only be possible if the individual is enabled to play a greater role in directing the care that they require. This will, in time, allow citizens to define the way in which they use council, health and third sector services.

The model does not presuppose at any stage that the Council will be the sole agency engaged in delivery of personalised adult care services and self directed support.

4.6.3 How far into the future does the SDM represent?

The overarching principles and structures of the SDM will be in place within a three year period. It is then envisaged that this will grow to transform the entire service within a ten year period.

4.6.4 What are the principles of the model?

The model has been developed around the principles of:

- Effectively meet all statutory duties within an outcomes framework throughout the citizen journey;
- Maximising independence through proactive/preventative approaches including enablement and use of innovative technologies;
- Enablement for everyone to prolong citizen independence and minimise the cost to the state and individual;
- Self directed care with individualised provision
- Citizens will have greater choice, accountability and control;
- Citizens accessing services through channels which are suitable to their preferences and their lifestyles;
- An organisation built around citizen needs, not internal structures;

- The Directorate providing leadership in the health and social care economy, contributing to achievement of citizen outcomes delivered through partnerships; and
- The Directorate making a major contribution to sustainable communities.

4.6.5 What does 'effectively meets all the statutory duties within and outcomes framework' mean?

The SDM recognises that the Directorate has a number of duties around assessment and reviewing adult needs and is the lead agency with a statutory responsibility for the investigation of abuse and protection of vulnerable adults. The SDM recognises the role of safeguarding within preventative services and the need to ensure that the development of access points is based on an understanding of who and where vulnerable citizens are, and that systems, processes and staff development create and put in place measures to ensure safeguarding.

The SDM is designed to allow citizens to choose how they interact with adult care services from a variety of channels e.g. through web technology, phone contact and for people with a higher level of need through face to face support. Self directed care must both help individuals achieve the outcomes that they choose and allow the Council to fulfil its statutory responsibilities. The interactions between these can be complex, given the right of adults with full mental capacity to make decisions .This will require sophisticated processes and staff skills that allow individuals to give full consideration to risk and how that can be reduced. The system needs to build the confidence of citizens to engage with the Council in reaching these decisions.

The model introduces a new layer of proactive / preventative activities which take place before assessment and planning activities which will be designed to offer a new layer of safeguarding and opportunity to minimise risk of exposure to increasing future needs. Safeguarding is intrinsic within each stage of a citizen's journey through the process, and a repeated 'preventative' check which ensures that any factors or risks identified in any earlier activity are maintained and the citizen does not regress into a higher risk category. Identification of safeguarding issues may trigger the citizen moving on to a greater level of support.

4.6.6 What does 'maximising independence through proactive/ preventative approach including enablement and use of innovative technological solutions' mean?

The SDM focuses upon prevention, early intervention and enablement. There will be a greater emphasis on working with citizens and enabling them to maximise their independence and then determine their needs and how to meet these needs with maximum independence and choice.

Enablement will be both a design principle which underpins the SDM and a range of services available to support citizens to develop or rebuild skills and confidence necessary for every day living. Services will encourage citizens who have lost their skills for daily living, to re-learn them (or to acquire new skills), to build up their confidence and to enable them to be as independent as possible within their own homes. The overall objectives are to help citizens to remain living at home, to achieve maximum independence, to prevent hospital admissions (or re-admissions) and, when appropriate, to reduce the level of care needed. Enablement will bring in best use of technologies to assist citizens in daily living, keep people safe in their own home and promote their independence.

Enablement has a hard edge – there is a continual requirement to ensure that the costs of care packages (regardless of how they are paid for) are minimised in order to get the best use out of scarce resources. Enablement will also help drive some of the market shaping – for example it should lead to self funders considering home based support rather than residential options.

Enablement/prevention checks throughout the SDM will ensure that there is ongoing monitoring and review of citizens and that their needs are being met, and in turn, outcomes being realised at all stages along the pathway. These checks may result in additional or alternative solutions being recommended to the citizen if their needs have changed or are not being met. Interventions required may be in the form of an intensive enablement support package, longer term preventative measures or some other change to the individual care plan.

4.6.7 How does 'Citizens will have greater choice, accountability and control' work?

The SDM is based on the principle that all citizens of Birmingham should have access to information and support to maintain their independence and well-being. Where a need for support is identified it will be planned against outcomes so that services are arranged in a way that gives the citizen ultimate choice and control rather than selection from a narrow group of traditional services. Dependent on a citizen's situation and capability they can choose to take on greater accountability to manage their own care package. For those with a low / medium level of need it is envisaged that citizens will be able to self navigate their way through IT based information systems; or be directed to access support through contact centre based signposting.

4.6.8 What does "citizens accessing services through channels which are suitable to them and their lifestyle' mean?

How citizens interface with the Directorate will transform with communication preferences taken into account for all adults. This will mean harnessing best use of technologies through all stages of the SDM, ranging from self navigation via the Internet to intelligent tools that support specialist, trained staff to engage with people with sensory impairments or learning disabilities. The SDM accommodates all relevant access channels including self service, phone, face to face and outbound SMS functionality (text messaging).

4.6.9 What does an 'organisation built around citizen need, not internal structures' look like?

The underlying principle of self-directed care is the move to a system where adults are facilitated to take greater control of their lives and are enabled to make decisions and manage their own risks. Citizens will be central to assessing their own needs, deciding how best those needs can be met, and tailoring support to meet these individual needs. Self directed care aims to offer people the optimum control and personalisation of their planning and support, whatever their willingness to take on the responsibility for its delivery. The processes within the model will ensure citizens are central to the design of their service, which they can then choose to manage in a variety of ways to suit their willingness and capacity to be supported by people / professionals and the use IT systems where applicable. Self directed care develops a culture and the tools to enable individual citizens and their supporters to be involved in their assessments and to allow them to make the decisions as to how care is provided within available resources. The Directorate will be an enabler supporting the Citizen to achieve this principle.

The model seeks to provide services to citizens in a way which is not directed by existing or planned internal structures and services, but according to the needs of all citizens. It is a fundamental change that personalises how the Directorate interfaces with citizens through using the most effective channels regardless of their communication requirements, community grouping or needs. Throughout the self directed care process, citizens are enabled by the Directorate to lead in the building of their own plans and networks, to remain as independent as possible and in control of their own care arrangements. The Directorate will develop new capabilities to ensure citizens are empowered to make choices about services with relevant and timely information. Citizens will be entitled to access intermediate care / enablement which will be multiagency provided services

where appropriate and will offer support to people to plan and organise their care regardless of their financial status.

4.6.10 What does 'the Directorate providing leadership in the health and social care economy, contributing to the achievement of citizens outcomes delivered through partnerships' mean?

The Directorate must change to meet the new leadership challenges posed by the demographic change facing the city. It needs to take partners with it in new ways of working and the different values that the model is based upon.

The Directorate will require the active support of many partners if it is to offer citizens a comprehensive approach to meeting outcomes.

4.6.11 How does this model enable the Directorate to transform and respond to future demands?

There is a recognised challenge, both nationally and locally, to respond to changing legislation, demographics and budget pressures. The SDM therefore has to be flexible enough to respond to these pressures whilst allowing greater responsiveness to the citizen with existing resources.

In order to manage this likely scenario, the SDM is designed to support self directed care for all citizens, and in doing so empower citizens to have maximum control over their life.

The model is based on 'channel shifts' upwards, introducing processes of support which allow for a greater number of citizens to be managed through earlier resolution whilst balancing their needs and risks.

4.7 Services within the scope of the Service Delivery Model

Over the course of the programme all services currently provided by the Directorate will be reviewed to assess:

- The preferred sources of services i.e. insourced, open market, third sector;
- The current contractual arrangements in place for the provision of external services;
- The expected need for provision of services;
- The capability of the external market to provide services;
- The economic case for service provision; and
- A schedule for sourcing of services from the external market.

The transition of services under the Programme is likely to be undertaken on the following basis:

- Years one to three – Transition of services of low complexity or where there is a readily available external market for service provision to enable effective use of individual budgets and comprehensive enablement services;
- Years three to five – Services where markets for provision has to be developed or where existing contractual arrangements for provision are such that it is economically and legally viable to exit existing arrangements and contract alternatively for supply. This will support roll-out of self-selection of services/self-directed care; and
- Years five to ten - Services where existing contractual commitments require the contract to be run to its conclusion and an economic case cannot made for exiting the contract e.g. Residential Care.

In the cases of years five to ten, it should be noted that, whilst the existing supply contract should be honoured, preparations can still be undertaken to ensure readiness of the supply market when the existing contracts terminate.

4.8 Incorporating existing transformation activity (In Flight Projects)

Prior to the OBC and FBC, the Directorate had already embarked on a range of transformational activities. The FBC aligned the existing transformation programmes and projects to the FOM.

In total, 12 projects were considered by DMT against the strategic model, the outcome being that five projects were classed as Business as Usual and the remaining seven were required to complete Project Charters to elicit costs, benefits and alignment to the strategic model.

The projects form part of the range of activities identified in years one to three, and will be subject to common design, bringing further alignment to the FOM.

4.9 Benefits to be derived from the FOM (incl SDM)

The benefits anticipated to be derived from the FOM (including the SDM) are assessed across a 10 year horizon against the three year programme. There are eight 'Benefit Themes', four related to cost avoidance and four related to cashable savings. These are explained in further detail in para 6.2

The programme of work (explained further in para 5.5) has been divided into the themes below to show the mapping between projects, benefits and areas of the FOM:

- Service Delivery Model – Prediction and Prevention, Enabling Support, Self-Directed Care; and
- The remainder of the FOM – Develop Services, Commissioning, Internal Capability.

The identified benefits arising from the introduction of the FOM and SDM are outlined below.

4.9.1 Customer Benefits

A number of qualitative benefits have been identified that specifically relate to the well-being of citizens. These benefits are delivered over time by various projects and support the outcomes originally identified in the OBC:

- Citizens have control of their care;
- Preventative activities ensure citizens remain independent for longer;
- Predictive activities ensure citizens and targeted communities remain independent for longer;
- Citizens are better able to manage their own care through advice and advocacy, thus reducing numbers falling though to high and critical care needs;
- Citizens have access to quality information in order to make informed decisions about their care;
- Citizens can self assess in order to identify their needs as they perceive them;
- Increase in choice of services and providers for service users; and
- Swifter access to services for core client group.

4.9.2 Workforce Benefits

There are also a number of qualitative benefits that have been identified that specifically relate to care workers. These benefits are delivered over time by various projects and support the outcomes originally identified in the OBC:

- Enhanced skills for care workers and associated staff;
- Increased joint operational synergies between Health and the Directorate;
- Increase in range of diverse workforce skills and competencies; and

- Care workers are able to focus more on their core role and handle more of the highest need cases.

4.10 Summary

The transformation for the Directorate will be based around two main constructs:

- The Future Operating Model; including
- A new Service Delivery Model.

The FOM represents the dynamics and relations between all the elements (strategic and operational) required for a transformed Directorate, and the SDM focuses upon the new care pathway bringing into effect the concept of self directed care for all citizens regardless of their eligibility for care.

The SDM introduces a stratified response to the care pathway through distinct access channels. By supporting citizens in the correct way and at the right time, it is anticipated that there will be a successful 'channel shift' upwards, in favour of more self directed care bringing with it associated cost benefits.

By introducing the revised FOM and SDM, the proposed benefits are:

- Citizens have control of their care;
- Preventative activities ensure citizens remain independent for longer;
- Predictive activities ensure citizens and targeted communities remain independent for longer;
- Citizens are better able to manage their own care through advice and advocacy, thus reducing numbers falling though to high and critical care needs;
- Citizens have access to quality information in order to make informed decisions about their care;
- Citizens can self assess in order to identify their needs as they perceive them;
- Increase in choice of services and providers for service users;
- Swifter access to services for core client group;
- Enhanced skills for care workers and associated staff;
- Increased joint operational synergies between Health and the Directorate;
- Increase in range of diverse workforce skills and competencies;
- Care workers are able to focus more on their core role and handle more of the highest need cases.

5. Delivery Approach

5.1 Introduction

The purpose of this section of the document is to outline the how the FOM and SDM introduced in the previous chapter will be delivered in light of the work carried out during Logical Design..

This will involve presenting the:

- Scope of the Programme of activities to deliver the FOM (incl the SDM) (para 5.3);
- Interdependencies with other programmes (para 5.4);
- Programme Structure (para 5.5);
- Programme Governance and Board structure (para 5.7);
- Costs attached to the Programme (para 5.10);
- Risks associated with the Programme (para 5.12); and
- Business Case for the Programme (chapter 6).

5.2 Objectives

The programme of work required to deliver the transformation has to be aligned with the outcomes set out in the table at para 4.3. Measurement of delivery of these outcomes is largely based on customer views of the services provided to them. This being the case, it is essential that the Programme is structured around initial and ongoing customer insight and feedback. Such mechanisms are an intrinsic part of the design, pervading all elements of the FOM and SDM.

The programme delivery option detailed below and further expanded in Appendix 2 has been structured to enable initial customer insight to inform a common design phase for the programme, thereby ensuring alignment with citizens' wishes, desires and expectations.

5.3 Programme Delivery Scope

The SDM defined to address the requirements of the Directorate presents a process by which the Self-Directed Care agenda can be delivered.

In addressing the transformational requirements of the Adults and Communities Transformation Programme it is necessary to address not only the process itself, but to identify and plan for change in organisational structures, policies and strategies that form the foundation upon which the programme will be built. If these areas are not addressed the Programme becomes merely an implementation of a different way of doing the same job as at present and the opportunity to truly transform service delivery will be missed. The vision that "We assist to assure the quality of life of the citizens of Birmingham today, tomorrow and always" must be a mantra that runs through all decisions made during the course of the Programme.

The programme of work required to deliver the processes identified by the FOM have been assessed, along with those elements that lay the foundations for true transformation in the areas of:

- Strategy;
- Performance;
- Process;
- Culture;
- Organisation;
- ICT; and
- Property.

When considering the work packages required to deliver the SDM, a number of options were taken into account. These options took into consideration the scope of the selected SDM and its context in the overall FOM. The options analysis also took into account projects that are currently under way or being defined within the Directorate as a whole.

Where applicable, or where project dependencies dictate, these projects have been included in the overall implementation scope of the Programme.

Within the confines of project dependencies, the Programme has been structured to enable implementation of elements of the transformed process in order to enable benefits realisation as early as possible. Early projects have also been structured to deliver proof of concept results within a timescale that allows the project to be rolled out or excluded from the Programme. The impact of removing a project from the portfolio following an unsuccessful proof of concept will be managed by the Programme Management Office (PMO).

5.4 Associated Initiatives

Any programme that is the size and complexity of this programme will contain a number of interrelationships and interdependencies. Dependencies will determine, to some extent, the order in which projects must be undertaken to deliver the Programme. Dependencies may also exist where common components are required to deliver a number of projects e.g. a rules engine will be used at all stages of the Programme, from assessment, through service selection, review and, ultimately, prediction of care requirements. The portfolio of projects and the programme of work to deliver them has been influenced by these dependencies.

Table 3 overleaf summarises the dependencies within the Programme and between the Programme and other initiatives. It should be noted that dependencies may not relate to delivery of a project in its entirety but that a dependency may relate to specific delivery channel, certain groups of customers, etc.

The dependencies defined relate to the development transformation projects and their interrelationships with each other and current Council technology and other projects. All projects will have dependencies on one or all of the cross-cutting projects.

The tables below identify the dependencies that exist between the projects that make up the initial tranche of delivery of the overall Programme:

5.4.1 Supplier and Shaping the Place Project Dependencies

Dependencies	*Project/Programme/Service*	*Summary/Impact*	*Management Strategy*
Informed Choice deliverables	Informed choice	Failure to develop processes and methods for supporting citizens to make informed choices then the success of this project will not be realised	This will need to be managed through project governance Subject to initial scoping of all the projects some realignment may be necessary to ensure gaps and overlaps are addressed
Specification of predictive analysis tools	Prediction and Prevention Project	This project envisages that Birmingham will need to combine its Prediction/Prevention analysis tool alongside self assessment, RAS tools. Failure to do so may result in disparate and unlinked intelligence systems which will be critical to develop a commissioning tool of sufficient quality	This will need to be managed through project governance Subject to initial scoping of all the projects some realignment may be necessary to ensure gaps and overlaps are addressed
Development of a base line customer pathway to deliver individual budgets	Individual Budgets	This project will need to specify the future commissioning and provider pathway and supplier management framework. This cannot be done without first reviewing the Customer pathway and agreeing and initial draft risk vs. choice policy	
Full, multi-channel operation of self-directed care is dependent upon the following: Availability of Private/ third sector relationships to enable brokerage	Private, Third sector, Neighbour groupings enablers and suppliers and all projects	The success of Personalisation is solely dependent on market place management and the development of new services. The delivery of individual Budgets will not be possible without market	This project specifies opening dialogue with enablers and service providers The design of the commissioning pathway and provider frameworks

Dependencies	***Project/Programme/Service***	***Summary/Impact***	***Management Strategy***
and advocacy services to be created, thereby releasing professional social workers to manage customer care Self-directed care is dependent upon the supplier market responding to the required changes		development	will be more successful if this is co-produced at an early stage
Development of Universal services	All Projects, corporate centre	Development and investment of universal services is dependent on other Corporate / external providers of these services	This will require all projects to work to a common set of definitions and extensive discussions with stakeholders to determine how investment can be made
Review Information	Prediction and Prevention Individual Budgets	This project is dependent on info arising from Service Users reviews – which is delivered through prediction / prevention and potentially IB	Design authority will need to ensure review tools are " information " compliant
Performance Management	Performance Management Project	Performance management / measurement is essential in gaining feedback from people about existing suppliers and gaps in market. We need to ensure the scope of Performance Management project and this one are clearly defined and linked.	Design Authority need to ensure the scope of Performance Management project and supplier are clearly defined and linked.

5.4.2 Prediction and Prevention Project Dependencies

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
Approach to predictive analysis	Enablement Project	The approach to the development of predictive analysis must be consistent with the development requirements for enablement services to ensure that prediction provides the information required by the project to enable it to refine its offerings going forward	Ensure that approaches and strategies are clearly articulated and that there is consultation with the Enablement project team during development of prediction approach
	Suppliers Project	The approach to the development of predictive analysis must be consistent with the development requirements for strategic and operational commissioning to ensure that prediction provides the information required by the project to enable it to predict immediate and future needs to refine its offerings going forward	Ensure that approaches and strategies are clearly articulated and that there is consultation with the Suppliers project team during development of prediction approach
Defining data requirements	Individualised Budgets Project	Ensure that the data captured during the processing of Individualised Budgets is of sufficient scope and quality to enable predictive analysis to provide as accurate a result as possible to inform other projects	Work with the IB project team during development of data input and storage mechanism to enable an assessment of applicability to be made during design of prediction capabilities
	Income Maximisation Project	Ensure that the data captured during the processing of financial assessment is of sufficient scope and	Work with the IM project team during development of data input and storage mechanism to

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
		quality to enable predictive analysis to provide as accurate a result as possible to inform other projects	enable an assessment of applicability to be made during design of prediction capabilities
	Informed Choice Project	Ensure that the data captured during the processing of service selection under the Informed Choice project is of sufficient scope and quality to enable predictive analysis to provide as accurate a result as possible to inform other projects	Work with the IC project team during development of data input and storage mechanism to enable an assessment of applicability to be made during design of prediction capabilities
	Supplier Project	Ensure that the predictive analysis tools to be developed will provide the analyses required by the Suppliers project to enable operational and strategic commissioning decisions to be reached on an ongoing basis	Work closely with the Suppliers project during definition of the data and technology requirements for prediction to ensure that requirements are met
	Enablement Project	Ensure that the predictive analysis tools to be developed will provide the analyses required by the Enablement project to enable enablement service provision decisions to be reached on an ongoing basis	Work closely with the Enablement project during definition of the data and technology requirements for prediction to ensure that requirements are met

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
Definition of services	Enablement Project	Ensure that there is clear understanding of the definition of Enablement as opposed to Prevention to ensure that there is no duplication of effort in the development of services	Ensure early definition of terms and clear definition of lines of demarcation between Enablement and Prevention
Partnership working	Links with the Wellbeing Agenda	Ensure that the development of predictive and prevention services align with the aims and objectives of the Wellbeing Agenda	Check Wellbeing requirements during development of all framework and approach documents

5.4.3 Income Maximisation Project Dependencies

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
The Fairer Charging Team are currently located in Chief Executives Directorate accommodation cost currently paid for as part of a service level agreement	Working for the Future	The promised termination of this service level agreement may require relocation	Liase with Corporate Accommodation to find suitable accommodation for the team
Amendments to the Carefirst IT system to support changes to the Fairer Charging policy	Carefirst- Change Management	Inability to implement policy changes	Liase with Carefirst Change Management to facility the necessary Carefirst amendments
Which programme takes the benefits for benefit maximisation	CustomerFirst	Any benefit take up work that the Fairer Charging Team undertake may not be counted towards the Adults & Communities Transformation Programme	To manage this at transformation program level
Clear guidance required on what the charging policy is to be for Individual Budgets	Adults & Communities- Individual Budgets	Failure to incorporate individual budget requirements within physical design	Liase with Individual Budget Project
Impact of Prediction & Prevention as well as Enablement on the number of people requiring long term care packages	Adults & Communities- Prevention & Prediction and Enablement	Fewer staff may be required for financial assessment once these projects go live	Liase with the relevant projects
Decisions on charging around Enablement and Prevention and Prediction	Adults & Communities- Prevention & Prediction and Enablement	More staff may be required for financial assessment once these projects go live	Liase with the relevant projects

5.4.4 Enablement Project Dependencies

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
How customers access the re-enablement service needs to fit with the care pathway	Referral and assessment part of the service	Routes in to and out of the service need to be clear	Targeted work stream membership
Brokerage	Supply, and Informed Choice projects	Services offered to customers need to encourage enablement	Project manager liaison
How customers use their IBs	Individual Budget project	Affects how customers acquire support/services following re-enablement	Project milestones
Defining ICT requirements for enablement	Crosscutting IT	Data and forms that others will need	Liaise with IT specialists at the appropriate time in the project plan
IT and information	Crosscutting IT	Information about re-enablement available through a service catalogue	Not in scope but need to liaise
Financial assessment	Income Maximisation	How financial assessment and tools impact on access to re-enablement	Project manager liaison
Prevention and prediction aspects to enablement	Prediction and Prevention	Enablement as a strategy will be preventative as will re-enablement as a service. Predictive work will generate referrals for the re-enablement service.	Project manager liaison
Ensuring future commissioning needs fit with the Directorate's commissioning strategy	Shaping the Place	The future shape of enablement could include the need to commission services from suppliers	Project manager liaison

5.4.5 Individualised Budgets Project Dependencies

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
Management information & systems (tools)	Supplier project Informed choice project	Downstream Data capture and analysis dependency	Liaise with respective project managers to ensure data capture and analysis strategies are aligned and fit for purpose.
Development of brokerage options	Supplier project	Upstream Brokerage model & available options need to be identified for April go live	Agree milestones with supplier project manager
Development of service catalogue	Service catalogue project	Upstream Costed service catalogue needs to be available for April in teams going live	Agree milestones with service catalogue project manager
Enablement rollout plan	Enablement project	Two way Enablement rollout plan may impact on capacity of teams who are asked to deliver individual budgets	Liaise with enablement project manager to ensure roll out plans are complimentary
Financial assessment process and tools	Income maximisation	Upstream Individual budgets project requires revised financial assessment process.	Agree milestones for process development with Income maximisation PM.
Policy decision re enablement and resulting roll out .	Enablement	Upstream The model for reablement could impact on the service user flow into long term care which may impact on uptake numbers	Liaise with project manager and address target for individual budgets if necessary (an impact is identified)

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
Commissioning	Supplier	Two way The development and activities of the commissioning function are key to ensuring customer are able to buy products with their individual budgets. The information for IB project must also inform the shape and direction of the function.	Agree milestones with project manager for essential deliverables.
Policy	Policy cross cutting workstream	Upstream The policy worksream should inform the individual budgets project of an national/ local policy changes.	Agree strategy for liaising with cross cutting workstreams
Charging policy	Cross cutting policy workstream Income maximisation	Downstream The individual budgets workstream will define a fit for purpose charging policy for individual budgets. This will be taken through by policy and implemented by income maximisation	Agree milestones and liaise with these workstream throughout implementation

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
Performance management framework	Performance management	Upstream Definition of performance management framework will impact the extent of activities required to deliver performance monitoring of the initial implementation	Agree milestones and liaise with these workstream throughout implementation
ICT requirements	Cross cutting IT project	Two way Individual budgets project should define the business requirements need for implementing the individual budgets. The individual budgets project is then dependant on the IT workstream to develop and interim and long term solution	Milestones defined in plan for IT development

5.4.6 Informed Choice Project Dependencies

Dependencies	**Project/Programme/Service**	**Summary/Impact**	**Management Strategy**
Customer insight	Customer First Programme	Customer First dependent on IC Project to capture information from citizens. IC dependent Customer First to develop the infrastructure to	Contained within content workstream and as part of stakeholder activity to ensure consistency of design and implementation of web enabled access.

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
Customer trends	Customer First.	Project has to capture the information from citizens around what they want, need and wanted but couldn't get, and what they think of providers performance.	Customer First and the Shaping the Place project have a dependency on Informed Choice.
Assessment	Individual Budget project	IB project to define processes for assessment and support planning/brokerage in order for the IC project to formulate the enabler teams.	Taken forward into Policy workstream to define the enabler teams (assessment, support planning, brokerage)
Market development	Suppliers project	Full, multi-channel operation of self-directed care is dependent availability of Private/ third sector relationships to enable brokerage and advocacy services to be created, thereby releasing professional social workers to manage customer care	*This project specifies opening dialogue with enablers and service providers* *The design of the commissioning pathway and provider frameworks will be more successful if this is co-produced at an early stage*
Choice and risk determination	Suppliers project	What choice the citizen is allowed.	Suppliers project dependent on IC to establish Policy parameters
Contract payment mechanisms	Suppliers project	How the citizen can pay for goods or services. What are the implications for self funders	IC project dependent on Suppliers project to establish payment options.

Dependencies	Project/Programme/Service	Summary/Impact	Management Strategy
Supplier identification	Suppliers project	Project needs to identify types of suppliers, services offered and the nature of the relationship	This will need to be done both by Informed Choice and Shaping the Place.
Supplier Performance	Supplier savings	Informed choice extends to providing customers with online immediate 'star ratings and for the customer to feedback' on suppliers.	Shaping the Place will define how providers will be monitored and managed, but Informed Choice will enable the capture of citizen data that will feed into the assessment of suppliers performance.
System Capability	EIM. The project will need to ensure that the development of the solution is future proofed	Need to ensure migration into future BCC systems.	These are planned but yet to be implemented. Will link to the Technical Workstream of the Informed choice project.
System Priorities	IT Audit Policy	This will lead to conflicting priorities The catalogue will be potentially used by a range of stakeholders for differing purposes	Stakeholder's analysis to be undertaken to determine areas of interested.

5.5 Programme Structure

As stated in para 5.3 above, the programme must be structured to deliver the self-directed care agenda for the Council. This must be undertaken in the context of the desired outcomes, and in the overall context of the FOM and with the aim of delivering cashable and non-cashable benefits as early as possible in the life-cycle of the Programme.

5.5.1 Structuring the Programme for delivery

The following sections of this document define the outcome requirements of each component part of the FOM in both logical and physical terms

To apply structure to the types of projects involved in delivery of the programme the following groups of projects have been defined:

5.5.1.1 Cross Cutting Projects

In order to make the programme transformational and to align it with the vision for service delivery it will be necessary to define new ways of working aligned to the requirements of both the Council and the community of customers it serves.

The Cross Cutting projects lay down the environment in which the transformation projects will be built. By implementing these projects the Council can ensure that delivery of the selected SDM meets the objectives and outcomes of the FOM. These projects will address policy and information requirements upon which delivery of the SDM projects are dependent. In addition, projects that provide a capability across the programme have been included in this grouping e.g. implementation of rules-based processing to enable self-service and brokerage.

As the SDM is essentially a process solution to the implementation of Self-Directed Care, the transformational agenda of the Directorate must be inherent in all aspects of design and delivery of the revised service. It will therefore be necessary to define the Council's strategy to align it to its objectives in a changing demographic and cost environment.

If the Council is to change its emphasis, from a reactive provider of prescribed services in response to citizens care requirements, to an organisation that focuses on the outcomes its citizens wish to achieve, allied to an ability to predict and prevent referrals for care it must understand the market to which it is providing service. The Council must also define its role in the supply chain of care between citizens and providers of care. A strong foundation is essential to the effective delivery of the programme and sets the rules upon which each subsequent service delivery function will be built e.g. without a clear policy on the Council's role in the process of contracting and supply of services to citizens, the market shaping and supplier recruitment process cannot be aligned to the requirements of the programme.

There are therefore a number of components that need to be addressed during the foundation stage of the Programme:

- Customer Insight

  If the Council is to align its future services, and therefore its supply chain, to the needs of citizens it will be necessary to listen to the views of citizens and potential citizens of the service. This is achieved through surveys of citizens views on both qualitative and quantitative perspectives.

  Customer insight should form the basis of the exercise to shape the market of care providers to the current and future requirements. Customer insight should also be taken into account when designing processes to deliver the transformation agenda. This focus on citizens' expectations will contribute to delivery of transformation when the change and transition management surrounding changes of process are developed and delivered.

- Outcomes Based Service Delivery

  The service delivery function of the Council will change from one in which qualified social workers determine a package of care based upon assessed care need to one based upon a citizen's stated required outcomes from the service. The focus of the role of the care practitioner will therefore change i.e. less time will be spent working with and helping customers through the process of assessment and more will be spent ensuring that the services that are delivered are meeting the citizen's needs.

  By basing assessment of need on outcomes there will be a need to align care supply to achievement of those outcomes and to review the effectiveness of that care in achieving the outcomes.

  This requires the creation of a framework covering the operation of an outcomes based approach at all points in the continuum of care.

- Commissioning

  The implementation of individual budgets, an increase in the level of self-funded citizens, self-direction and outcomes based care provision and review will require a different approach to the interaction of the citizens with the care supply/services market.

  The Council wishes to transform its role in the supply chain, from ordering of services to payment of suppliers, to provide the citizens with more autonomy. This can be achieved by a combination of self-direction by a citizen themselves or via a third party on a brokerage basis.

  The Council also wishes to transform its role from one of a provider of care itself to one of an enabler for care provision to customers via an expanded care services market.

  This change requires the definition of internal policies and strategies to enable this shift in emphasis. These policies will be defined in the context of internal and external priorities identified through customer insight surveys and internal discussion.

  The outputs form this activity will be material to the design of processes and physical delivery mechanisms developed during the common design phase of the Programme.

- Baselining the Organisation

  Effective transformation of an organisation requires more than the imposition of new processes and methods of working. The people working in the organisation must be carried along with the transformation in an effective and planned way. To enable this transition it is necessary to know who is affected, at what time, and in what way by the implementation of the transformed organisation. Data concerning the roles of individuals will be gathered during the Programme..

  The output from this activity enables the Programme to determine who will be affected by changes in process aligned to the FOM and to identify individuals whose roles will change as a result of implementation. This enables more accurate identification of cashable and non-cashable benefits and feeds information to the HR transition element of the project e.g. training needs analysis, training plans, role redefinitions and redundancies.

  The project will be the first phase in embedding a continuous improvement ethos in the Service leading to a more streamlined Directorate, better aligned to the needs of its citizens, the Market and the Council.

5.5.1.2 Delivery Projects

In order to ensure that the delivery of the Programme is aligned with the outcomes desired by the Council, the planning of programme delivery has been aligned with the outcomes and also with the requirements of the FOM. In doing so, a number of "themes" were identified and the individual components for delivery have been aligned with them. These themes are:

- Prediction – implementing business intelligence capabilities that enable the Council to accurately predict the needs of citizens before they require care services. This is an area of concentration of health and private health insurers, used to reduce the numbers of citizens who require long term care by "catching them early" and introducing preventative care measures. Prediction will feed into the prevention processes with the aim of improving citizens' long term health and wellbeing, thereby reducing, removing or delaying the need for care provision by the Council. Integration with health records will increase the predictive capability;
- Prevention – targeting of communities and citizens with services designed to meet a possible future need with the aim of preventing future long-term care. This theme covers one long term aim of the transformation to become a more proactive provider of services thereby reducing the requirement for expensive long-term care packages. This project will first be delivered on a PoC basis to prove that benefits can be accrued from delivery of prevention services;
- Enabling support – again, this theme is aimed at reducing the need for long-term or residential care by citizens. Enablement provides a package of care for the first six weeks from assessment of need. This package may include physiotherapy, occupational therapy, assistive technologies, etc. to help a customer to maintain independence e.g. after a hip replacement;
- Informed Choice – the cornerstone of the transformation agenda, self-directed support provides the citizen with greater control of the care they require to meet their needs. Choice of routes to identification of service requirements, selection of suppliers and services and methods of payment will be offered. As well as retaining the ability in-house to help customers to assess their needs and to select services to meet them, development of third party brokerage services will provide support to citizens who cannot serve themselves. This

will reduce the workload on professional social workers at the assessment stage and will release them to meet the care needs of a growing demographic population;

- Commissioning (shaping the place) – creating the supply infrastructure to support self-direction, changing needs and a larger population. The market of care services will be changed by the introduction of individual budgets, an increase in self-funding citizens and their ability to choose from a wider range of services under the self-direction agenda. The market must be shaped to ensure that those needs can be met. New processes for ordering of goods and services and payment for them will be required. The market must be aware of these changes and must be able to react to them. There is also a need to work more closely with delivery partners such as PCT's to deliver integrated services to address social care and medical need. In the longer term, third sector organisations will be encouraged to participate as brokers or advocates as well as service providers. This will also enable creation of new services in line with the transformation agenda e.g. Telehealth, a service which provides support to citizens in their own homes, thereby reducing placements in residential homes;
- Income maximisation- making sure that customers are aware of, and have access to all sources of funding available to them. The aim is to maximise the amount of money a customer has to spend on services thereby reducing their dependence on Council funding for services to meet their needs;
- Self-Directed Support (including Individualised Budgets) – providing citizens with individually calculated and allocated budgets that enable them to make their own choices with regard to the services they buy. This project will also provide means of self-assessment and will introduce new mechanism for resource allocation under a single Resource Allocation System (RAS); and
- Internal capability – development of appropriate spans of control, management systems, including a culture of continuous improvement and review is required to support and maintain transformation. Reviews of funding sources, both directly to the Council, or via third party and third sector involvement, may deliver financial benefit to the Council. This work could lead to the development of a funding options framework to evaluate and maximise different funding options for categories of individual circumstance and requirements. The process of case review will also be transformed to enable variable periods between review of citizens cases. This review process will focus on achievement of outcomes set by citizens at assessment. This will encompass citizen and supplier feedback, thereby contributing to the quality of life and wellbeing aims of the transformation. The projects delivered under this theme are critical to the establishment of a framework for service delivery and for monitoring of outcomes, aligned to performance management regimes to be established in the Directorate.

It should be noted that, whilst the process described by the model appears linear it is, in fact, a continuum from prediction of requirement through assessment of requirement, design for delivery, delivery and review. Ongoing review will provide data to support more effective prediction of requirement, and so, through another cycle. Review will also form an integral part of the performance management regime to be encompassed on the programme development plan.

The Transformation Programme is required to deliver a changed organisation and operation over a period of ten years. The Programme must, however, deliver the majority of the change required to implement the FOM in a shorter timescale. Figure 9 overleaf indicates those projects which should be carried out within a one to three, three to five and five to ten year timeline. This diagram identifies each project within each of the themes identified above to align them with the new operating model:

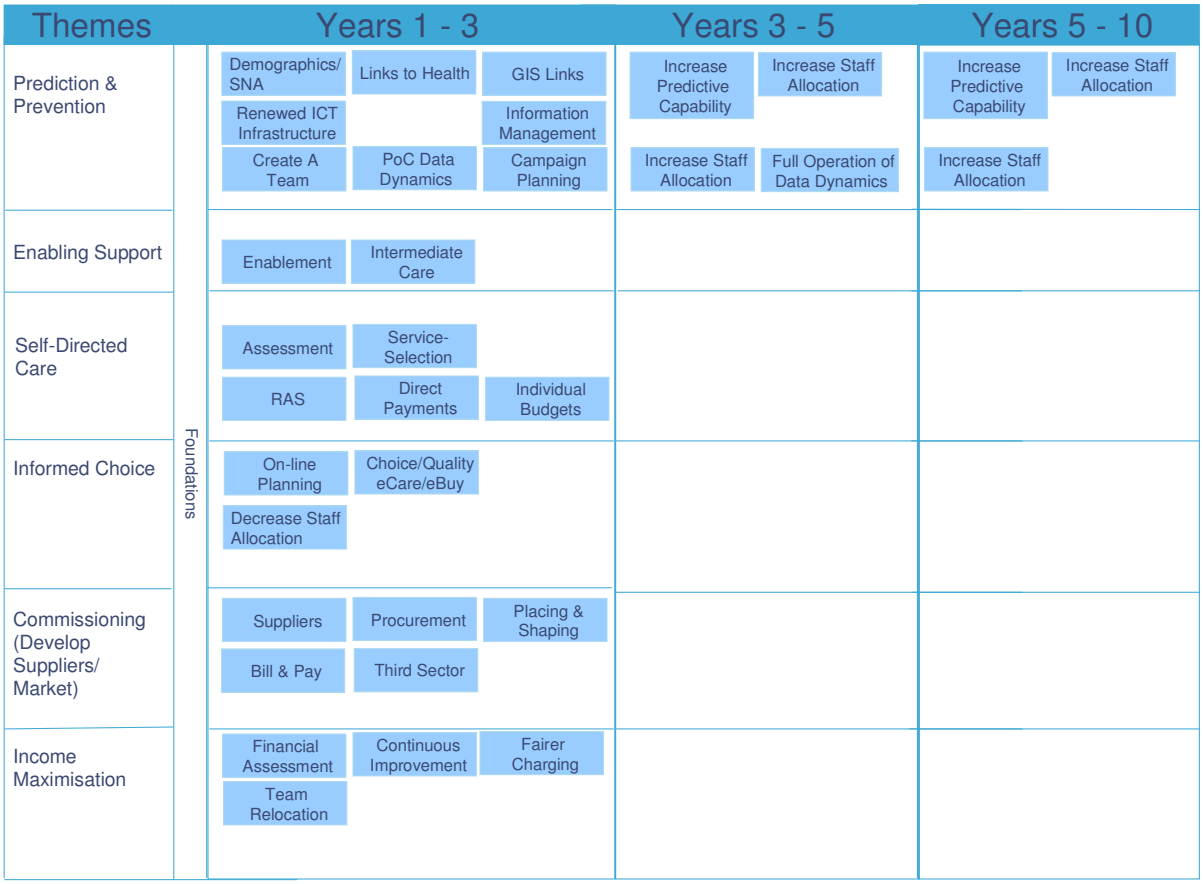


Figure 9: Scope of the programme.

Descriptions of each project are provided at Appendix 2.

5.5.1.3 Proof of Concept

When defining the delivery timescales for each project, it may be decided to implement a proof of concept phase. Proof of concept is tool that can be used in either of two cases:

- Where the benefits to be delivered by implementation of a new process, technology system, policy, etc. is unclear e.g. there is a theoretical saving to be created but until the concept is tried out, the scale of benefit cannot be judged; or
- The benefits can be articulated but it is not practical to roll the project out across the Directorate in one tranche. It may therefore be decided to deliver in phases.

The need to carry out a proof of concept phase will be considered in each detailed project plan.

5.5.2 Alignment with Inspection Requirements

The Commission for Social Care Inspection has presented a report outlining a number of improvements it would like to see in the operation of the Directorate. Figure 11 below shows the alignment of these recommendations with the Programme.

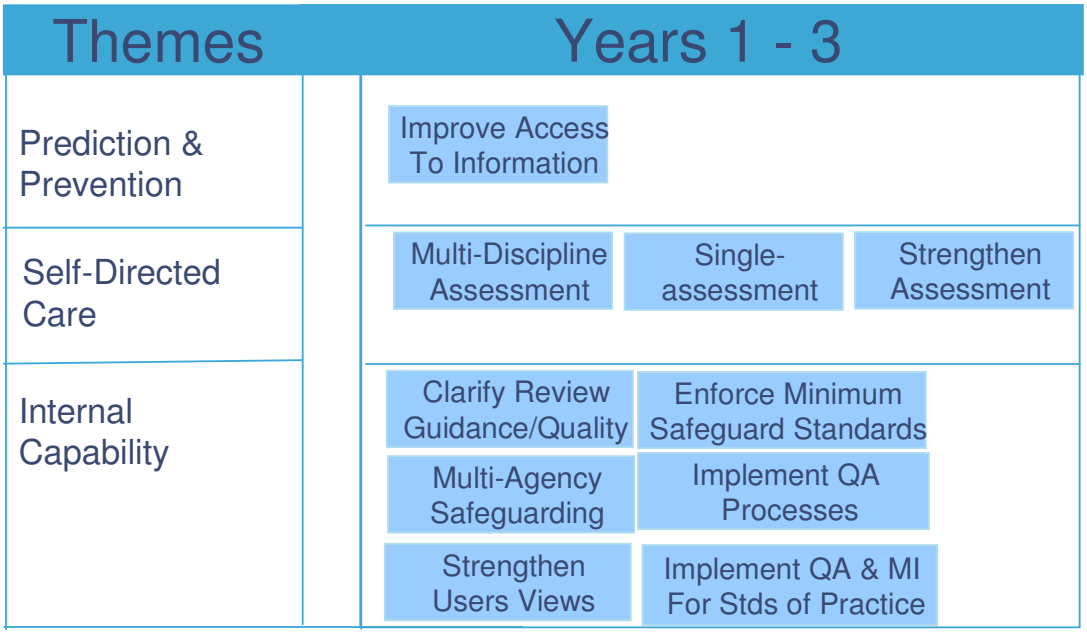


Figure 10: Alignment with inspection requirements.

5.6 Stakeholders and Communication

The transformation of the Directorate will require significant change across all the stakeholder groups. Imperative to successful change is communications.

A list of key stakeholders and their needs are detailed in product 6: Stakeholder and Communications Plan.

The communications strategy (Product 25: Communications Strategy and Stakeholder Engagement) looks at the approach required to educate, embed and drive transformation amongst key stakeholders. It is presented in three parts:

- A vision plan to be printed double-sided and laminated for use with senior level personnel. This gives a top-level summary of the communications approach for the next three years and aims to show how communications objectives align with the vision and priorities of the Directorate ;
- A discussion document outlining key areas for consideration over the next three years – this provides supporting detail to work in conjunction with the vision plan and features a high-level plan showing phased activity over the longer term highlighting in particular where resources and attention need to be directed; and
- A stakeholder engagement plan for briefing and securing 'buy in' from stakeholders on the planned approach and solution in the run up to FBC submission.

5.7 Governance

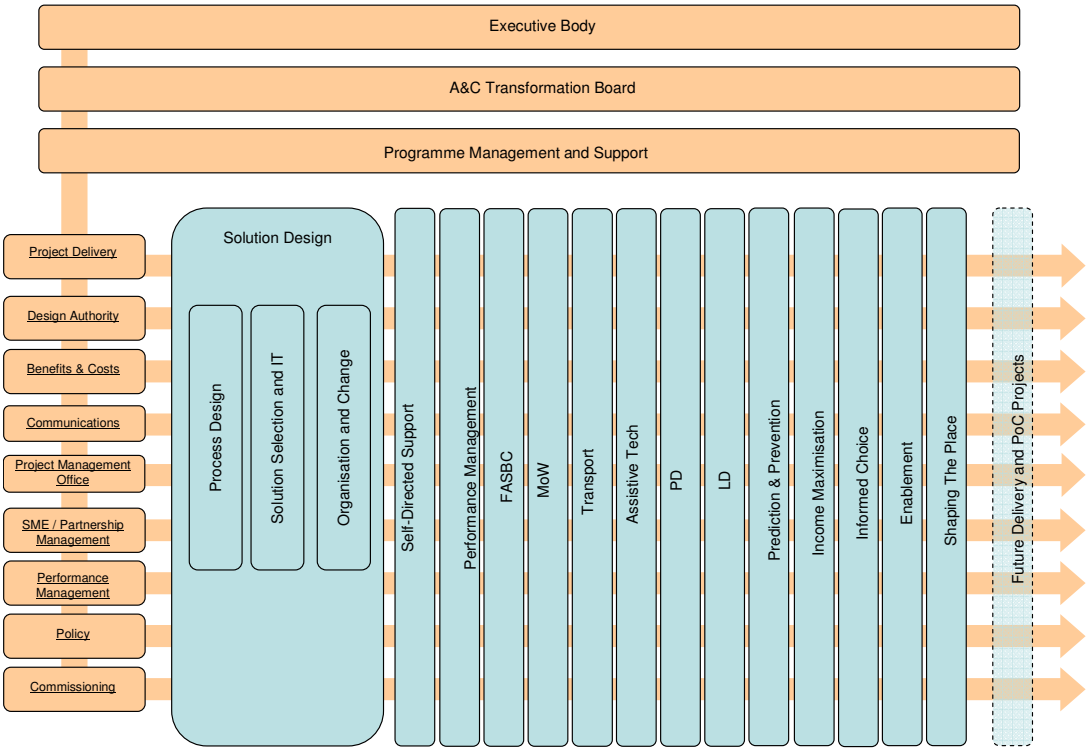


Figure 11: Governance structure

5.7.1 Transformation Board Members

The Transformation Board will consist of:-

- Cabinet Portfolio member;
- Adults and Communities DMT;
- Senior stakeholders;
    - Housing;
    - Corporate Transformation;
    - Children's and Young People;
    - Customer First;
    - Service Birmingham;
- Senior Overview and Scrutiny representatives; and
- Union representatives.

5.7.2 Transformation Board responsibilities

The overall responsibility of the Business Transformation Programme Board is to:

- Determine the outcomes to be achieved by the programme;
- Ensure that all outcomes are measurable;
- Ensure that all outcomes are "transformational" and in line with corporate objectives;
- Determine and be responsible for the delivery of the programme;
- Commission specific projects to achieve the Programme;
- Work with other Programme Boards to ensure the most effective delivery of corporate objectives;
- Provide the Programme Mandate and investment decision (including cost benefit analysis);
- Provide visible leadership and commitment to the programme;
- Create an environment in which the programme can thrive;
- Approve the programme progress against the strategic objectives and through programme gateways;
- Endorse, advise and support the Programme Sponsor; and
- Ensure and confirm successful delivery and sign off at the closure of projects contained within the programme.

5.7.3 Governance Timings

The Executive body will be scheduled to meet at least bi-monthly, with the Programme Board also scheduled to meet bi monthly before the Executive body meets.

The project Steering Groups will be scheduled to meet on a monthly basis, with project team meetings happening weekly.

5.7.4 Governance Reporting

The Project Team will maintain the risk logs, workstream plans, Stage reports, technical docs etc.

Each Project Manager (PM) will provide the Project Steering Group with a PM report outlining progress of Project against plan, budget, risk log and future plans.

The Programme Manager will produce the programme report to the Board outlining progress of Programme against plan, budget, risk log and future plans.

5.8 Benefits Realisation

The FOM implies a number of changes, with associated benefits, to the Directorate and the services it offers. A portfolio plan has been drawn up which defines a benefit realisation plan. It should be noted that while the projects in the portfolio enable the benefits, realisation depends on the determination of the Directorate to achieve the benefits, supported by the Benefits Management Team.

Table 3 below summarises the relative timing of benefit realisation, together with the projects that will be enabling them:

Benefit area	Programme theme	Enabling projects and dependencies	Timing of benefit enablement and realisation
Predictive & prevention demand reduction	Understanding future Needs	Assistive technology ESCR single assessment Customer insight Proactive intervention team Interim preventative care	Prediction will be enabled from year 4 by ESCR single assessment, while customer insight will further impact the benefit realised later. There is also a dependency on the enablement, preventative and SDC initiatives. Prevention will be enabled by the proactive intervention team and interim preventative care, with a dependency on the enablement, predictive and SDC initiatives. There is also a dependency on assistive technology, particularly in younger adults.
Informed citizen decision making and management of own care demand reduction	Understanding future Needs	Self planning Customer First	This benefit is enabled in year 4 by self planning. At the same time there is a dependency on the other initiatives of enablement, prediction and prevention.
Enablement demand reduction	Supporting the citizen	Intermediate care and the PCTs	This process is already being piloted and so the impact on demand will be immediate, continued by an enablement project within the portfolio. There is a dependency on intermediate care and the PCTs. There is also a dependency on the other demand reducing initiatives; the predictive, preventative and SDC components.
Citizen contributions income maximisation	Supporting the citizen	National funding sources including the DLA, state benefits and health benefits	This is a strategy/policy that is already being implemented and so benefits could be realised immediately.
Individual budgets	Supporting the citizen Shaping the place	Older Adults pilot Individual budgets policy Self service Market shaping	This is enabled by the individual budgets policy and there is a live pilot in Older Adults. Realisation support is provided by market shaping.
Supplier savings	Shaping the place	Self Service Market shaping	Market shaping will not begin until year 3, when it will be enabled by self service.
Continuous improvement	Supporting the citizen	Electronic assessment Self managed care Customer First and EPM	Enabled by the implementation of the various elements of the self assessment component of the solution. The first of these elements will be put in place by electronic assessment in year 2.

Table 3: Benefits realisation.

5.9 Programme Plan

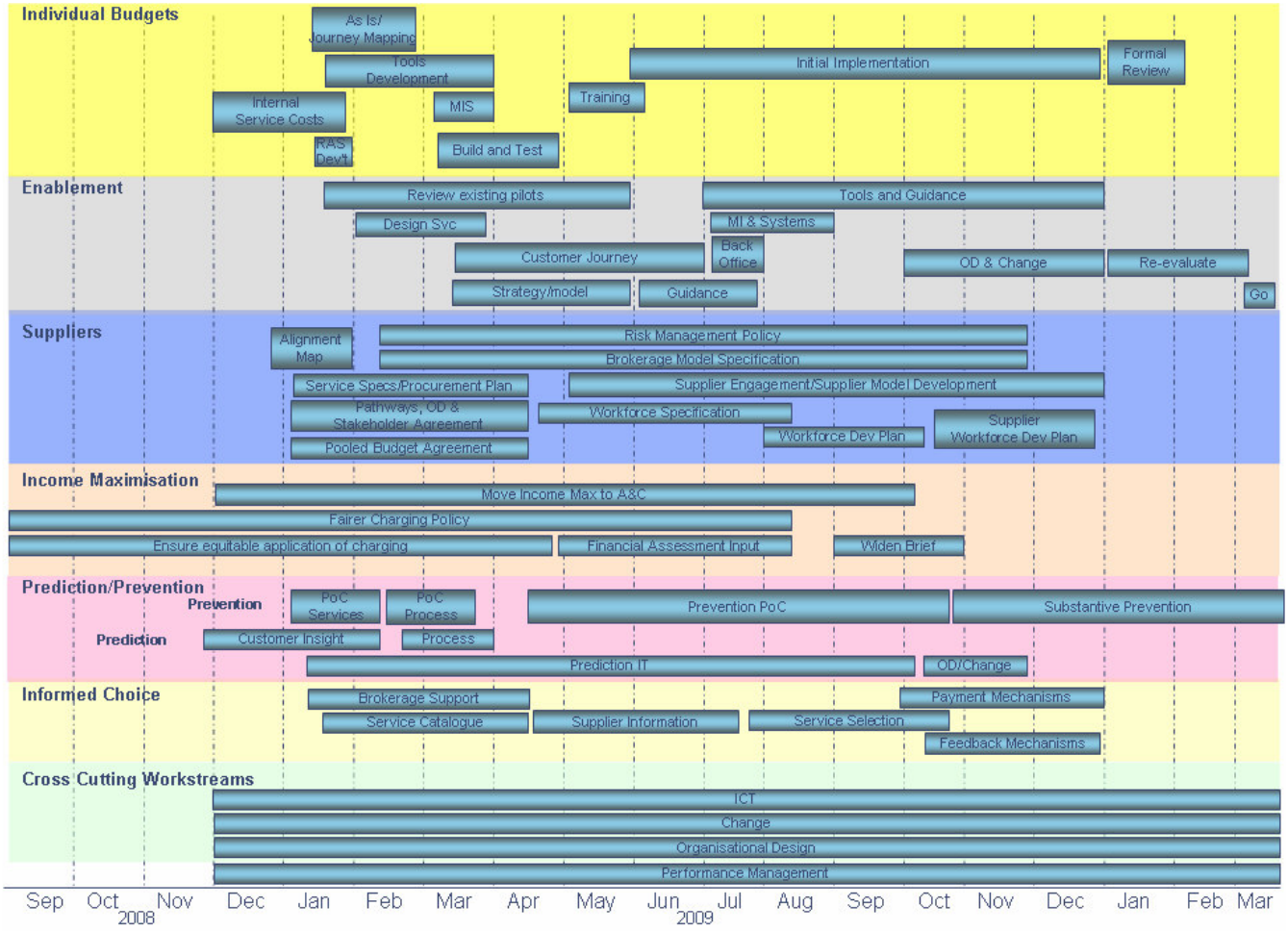


Figure 12: Programme plan

A further detailed programme plan is held in Appendix 2.

5.10 Lifecycle Cost

£000s	Year 0 2007/8	Year 1 2008/9	Year 2 2009/10	Year 3 2010/11	Year 4 2011/12	Year 5 2012/13	Year 6 2013/14	Year 7 2014/15	Year 8 2015/16	Year 9 2016/17	Year 10 2017/18	Year11 2018/19	TOTAL
OBC and FBC	£4,436	£466											**£4,902**
Programme Management		£1,511	£1,323	£1,329	£377	£0	£0	£0	£0	£0	£0	£0	**£4,540**
Policy and Strategy		£1,401	£274	£107	£16	£0	£0	£0	£0	£0	£0	£0	**£1,798**
Activity Baselining		£1,321	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	**£1,321**
Continuous improvement		£0	£0	£0	£664	£915	£915	£911	£915	£915	£915	£230	**£6,378**
Common Design		£1,733	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	**£1,733**
Rules Processing		£559	£634	£152	£0	£0	£0	£0	£0	£0	£0	£0	**£1,345**
Commissioning		£0	£1,393	£0	£0	£0	£0	£0	£0	£0	£0	£0	**£1,393**
Develop Services		£0	£15	£0	£0	£0	£0	£0	£0	£0	£0	£0	**£15**
Internal Capacity		£0	£133	£16	£0	£0	£0	£0	£0	£0	£0	£0	**£150**
Performance Management		£0	£763	£1,154	£627	£0	£0	£0	£0	£0	£0	£0	**£2,544**
Prevention		£0	£401	£0	£0	£0	£0	£0	£0	£0	£0	£0	**£401**
Self Directed Care		£0	£2,306	£351	£0	£0	£0	£0	£0	£0	£0	£0	**£2,656**
Service Selection		£0	£901	£375	£301	£0	£0	£0	£0	£0	£0	£0	**£1,577**
Proof of Concept		£0	£1,423	£442	£0	£0	£0	£0	£0	£0	£0	£0	**£1,865**
Defined Projects		£553	£222	£222	£222	£222	£222	£222	£222	£222	£222	£0	**£2,549**
Software / Hardware		£0	£2,000	£2,000	£0	£0	£0	£0	£0	£0	£0	£0	**£4,000**
Other		£1,100	£1,100	£1,100	£0	£0	£0	£0	£0	£0	£0	£0	**£3,300**
TOTAL	**£4,436**	**£8,643**	**£12,889**	**£7,248**	**£2,207**	**£1,136**	**£1,136**	**£1,133**	**£1,136**	**£1,136**	**£1,136**	**£230**	**£42,468**

Note 1: Year 0 start date of 1st July 2007, subsequent years are BCC financial years, April 1st to March 31st.

Table 4: Programme lifecycle costs.

5.11 Resource Summary

Days	Year 1 2008/9	Year 2 2009/10	Year 3 2010/11	Year 4 2011/12	Year 5 2012/13	Year 6 2013/14	Year 7 2014/15	Year 8 2015/16	Year 9 2016/17	Year 10 2017/18	Year11 2018/19	TOTAL
BCC	5,673	4,932	1,340	2,702	3,132	3,132	3,120	3,132	3,132	3,132	776	**34,204**
External	3,694	6,630	2,248	801	0	0	0	0	0	0	0	**13,373**
Insourced	425	703	430	59	0	0	0	0	0	0	0	**1,618**
Secondee	0	417	250	44	0	0	0	0	0	0	0	**710**
Secondee/Insourced	527	418	801	308	0	0	0	0	0	0	0	**2,055**
TOTAL	**10,320**	**13,099**	**5,070**	**3,913**	**3,132**	**3,132**	**3,120**	**3,132**	**3,132**	**3,132**	**776**	**51,960**

Note 1: Year 1 start date of 1st July 2008, subsequent years are BCC financial years, April 1st to March 31st.

Table 5: Resource summary.

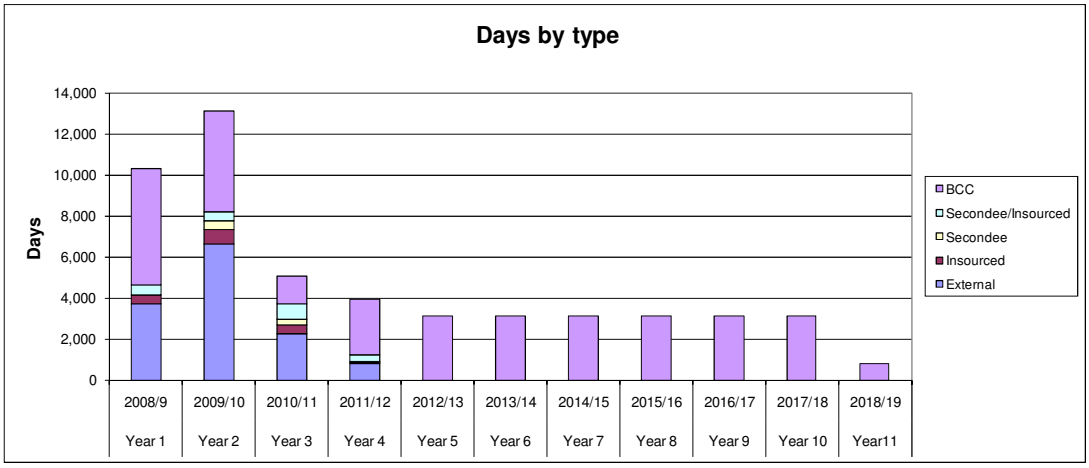


Figure 13: Resource days by type.

5.12 Risks

Within the Programme portfolio each project will maintain its own risk register which will be integrated at the programme level by the Programme Management Office.

At this stage a number of programme level risks have been identified:

Risk	Probability	Management
Unmet demand needs to be monitored as it would raised the top line projection, with consequent movement of the bottom line away from a neutral budget position	M	Benefit targets would need to be stretched as a corrective action
Benefits in FBC compromised by other project / programmes within BCC	L	Manage dependencies and report accordingly
Without a properly implemented performance management structure, with clearly defined roles and responsibilities, monitoring and reporting of benefits realisation will be impossible	H	Get the performance management project started immediately
Technology solutions will be too expensive to derive benefits	M	Alternative methods of delivery will be evaluated within the remit of each project
There is a risk that changes to	L	Build flexibility into the build of

Risk	Probability	Management
core operational systems will impact on delivery		individual components to minimise effect of change
There is a risk that staff will not react well to the changes	M	Continuous communication with staff seeking feedback. Management buy-in and championing of changes is essential. DMT will reassess approach to change management.
There is a risk that the Programme will not be able to realise the benefits of partnership working.	M	To ensure that the Prgramme is actively socialised with the Health and Wellbeing Partnership Board

Table 6: Risks

6. Business Case

6.1 Introduction

The purpose of this section of the document is to summarise the financial costs and benefits of the Transformation Programme.

This will involve presenting the:

- Initiatives on which the business case is built (para 6.2.1 and 6.2.2);
- Savings profile predicted for the directorate (para 6.2.1);
- Benefits ratio and Returns on Investment profile (para 6.2.3);
- Affordability projection (para 6.2.3).

The full cost benefits case is detailed in product 37: Cost Benefit Case. This is summarised below.

6.2 Business Case

The net budget for the Directorate is £280.5m. Applying ONS demographic projections to this budget suggest that by 2018 this budget would need to be closer to £339m, and even then it is doubtful that the same level and quality of service could be offered.

A number of initiatives to address this problem have been modelled in the business case. The initiatives can be divided into two groups:

- Cost avoidance through prediction and prevention; and
- Income maximisation and individualised budgets.

6.2.1 Cost avoidance

One element of the business case sets out to avoid costs by reducing demand for services, particularly the higher cost services. These cost avoidance initiatives include:

- The establishment of predictive and preventative teams; and
- A new self service access channel, which will help citizens make informed decisions up front that prevent them falling through to the higher cost end of the care continuum.

The business case suggests that over 10 years £15.2m of demand can be avoided by the establishment of a predictive team, with subsequent preventative initiatives, and a further £23.4m of demand can be avoided with the help of the new self service access channel. The total cost avoidance benefit is therefore £38.6m over the next 10 years.

6.2.2 Income maximisation and individualised budgets

The second element of the business case presents cashable benefits. It is believed that £54.7m of cost can be saved through enablement services, and £15.8m has been modelled for an income maximisation initiative. A further £94.5m has been modelled for the introduction of individual budgets in conjunction with policy decisions by the Directorate, supported by various elements of the SDM.

A fine balancing act will be required by the Directorate to ensure that their policy decisions are not undermined by an unfavourable economic imperative for citizens, taking into account the state of the marketplace at the time of policy making. Market shaping initiatives will therefore go hand in

hand with the introduction of individual budgets. In addition they will in themselves deliver £4.6m of cashable benefit. Finally the self service access channel will allow social workers to focus more on their core job and reduce the demand for administrative activities and support. A cashable benefit of £21.6m has been modelled in this case. The total cashable benefit is therefore £191.2m over the next ten years.

6.2.3 Benefit Analysis

The Programme includes initiatives to reduce the demand for services, decrease costs and exploit the additional sources of income and funding.

Table 7 below shows the benefits to be accrued through the Programme, split between those associated with cost avoidance and those with financial cashables.

Benefit area	Map to Logical Design	Enabling projects and dependencies	Hypothesis	Assumptions	Benefit type	10 year gross benefit £000s
Predictive & prevention demand reduction	Understanding future Needs	Assistive technology ESCR single assessment Customer insight Proactive intervention team Interim preventative care	Demand will be reduced by a small percentage as a result of predictive data analysis and identification of high risk groups followed up by related preventative initiatives	Straight line projection of demand reduction from year 4 to 2% (residential care) and 1% (community care) by year 10	**Cost avoidance**	£15,155
Informed citizen decision making and management of own care demand reduction	Understanding future Needs	Self planning Customer First	Demand for residential and community based care will be reduced as a result of citizens being better informed of their choices by the new social care portal. As a result they will be able to take charge of their care needs and make decisions up front that avoid them falling through to the high cost end of Council provided care	Straight line projection of demand reduction from year 4 to 5%, moderated by a shift from residential care into community based care, where demand will consequently actually increase by 1%	**Cost avoidance**	£23,444
Enablement demand reduction	Supporting the citizen	Intermediate care and the PCTs	Cost savings will be achieved, particularly among those requiring high end care, by a small percentage as a result of the new enablement process	Straight line projection of cost savings to 30%, in OA community care only, by year 10	**Financial cashable**	£54,655
Citizen contributions income maximisation	Supporting the citizen	National funding sources including the DLA, state benefits and health benefits	An effective increase in the contribution of citizens to their own care costs will be possible, either from an increase in their means tested contribution, charging for services mechanisms, or additional grant and funding sources	Straight line projection of additional contributions to 5% by year 10	**Financial cashable**	£15,823
Individual budgets	Supporting the citizen Shaping the	Older Adults pilot Individual	All citizens will take up an individual budget, governed by related policy decisions that set the level of funding	Uptake of 100% by year 4 in community care, and year 5 in residential care. Saving ramping up to 35%	**Financial cashable**	£94,538

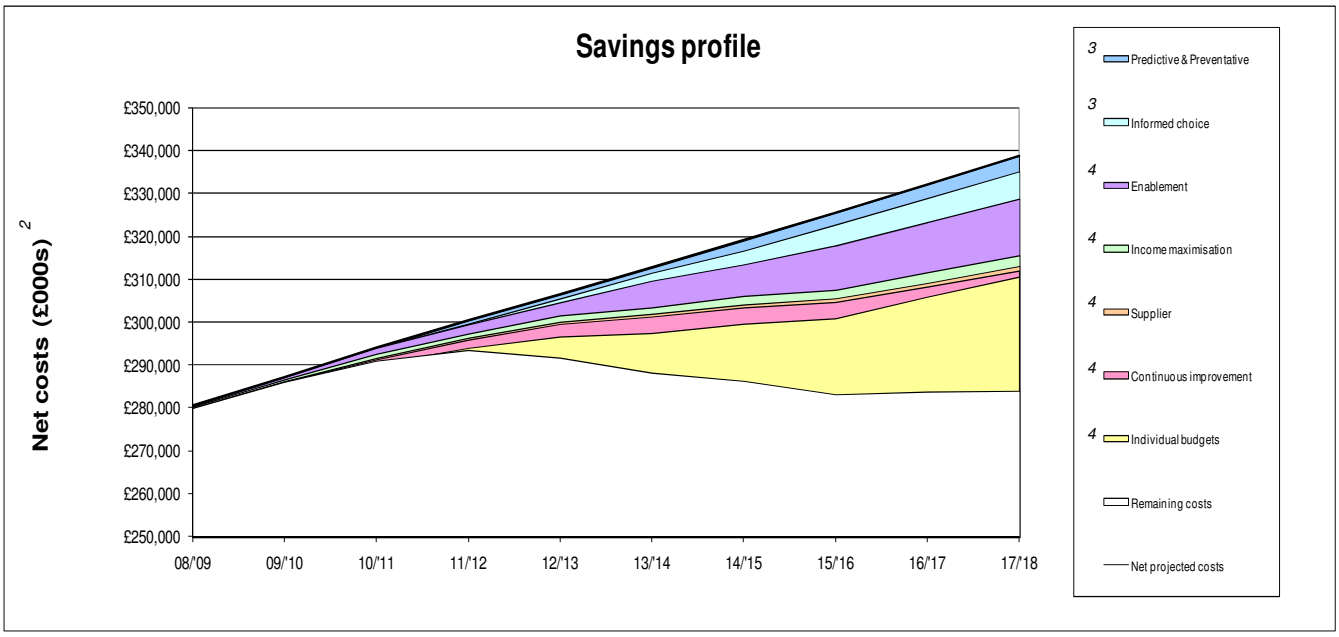
	place	budgets policy Self service Market shaping	that citizens then receive, and supported by market shaping activities. This initiative must be balanced with a consideration of the quality of life and safe guarding responsibilities	by year 10 for YA. Costs expected to immediately increase by 10% for OA		
Supplier savings	Shaping the place	Self Service Market shaping	Additional supplier savings on contracts not directly related to individual budgets	Straight line projection of supplier savings from year 3 to 5% by year 10	**Financial cashable**	£4,590
Continuous improvement	Supporting the citizen	Electronic assessment Self managed care Customer First and EPM	Up to 10% savings will be possible in Assessment and Care Management as a result of the implementation of the various elements of front end of the solution	Ramp up to 10% saving between years 2 and 6, falling back to 3% by year 10 as savings eroded by continued demographic pressures	**Financial cashable**	£21,402

Table 7: Efficiency analysis.

6.2.4 Savings Profile

For the original FBC a model was developed to project these benefits. In the revised FBC the model has been updated to take advantage of the latest data and learning from national and local pilots and then further tested with DMT and subject matter experts. The figure below shows the profile of these potential benefits over a period of ten years against a top line projected cost relative to the demographic projection outlined earlier in the document.

The savings profile is shown diagrammatically in figure 14 below.



Note 1: Approved budget for 2008/9 is £280.5m
Note 2: All costs are net after consideration of income
Note 3: Non-cashable benefit
Note 4: Cashable benefit

Figure 14: Savings profile

		08/'09	09/'10	10/'11	11/'12	12/'13	13/'14	14/'15	15/'16	16/'17	17/'18
Net projected costs	Starting point based on net costs, after subtraction of user based income	£280,468	£287,140	£293,989	£300,455	£306,551	£312,794	£319,115	£325,596	£332,192	£338,861
Demand reduction											
Prediction and Prevention	Net projected costs after implemented	£280,468	£287,140	£293,989	£299,670	£305,548	£311,565	£316,703	£322,780	£328,955	£335,187
Informed citizen decision making and management of own care	Net projected costs after implemented	£280,468	£287,140	£293,989	£299,442	£304,608	£309,617	£313,430	£317,847	£323,280	£328,740
Enablement	Net projected costs after implemented	£280,361	£287,060	£292,430	£297,425	£301,688	£303,573	£306,243	£307,666	£311,763	£315,698
Income maximisation	Net projected costs after implemented	£279,964	£286,524	£291,348	£296,340	£300,061	£301,957	£304,114	£305,562	£309,137	£313,077
Supplier	Net projected costs after implemented	£279,964	£286,524	£291,108	£295,985	£299,700	£301,406	£303,553	£304,801	£308,362	£312,092
Continuous improvement	Net projected costs after implemented	£279,964	£286,163	£289,996	£294,089	£296,752	£297,552	£299,712	£300,979	£306,020	£310,699
Individual budgets	Net projected costs after implemented	£279,964	£286,374	£290,647	£293,425	£291,659	£288,174	£286,261	£283,139	£283,792	£283,953
TOTAL NET SAVING		**£504**	**£766**	**£3,342**	**£7,030**	**£14,892**	**£24,620**	**£32,853**	**£42,457**	**£48,400**	**£54,908**

Table 8: Savings Profile Data

The table above details the data used to produce Figure 14, the first line, net projected costs, is the top line of the benefits wedge and represents the expected demand due to the increasing demographics. The penultimate line, individual budgets, is the bottom line of the benefits wedge and represents the budget that will be required after transformation. That budget more of less remains neutral over the next ten years and as such the savings made by transformation are intended to be reinvested within service to meet the increased demand over the next ten years. All figures are in £000s.

6.2.5 Net Financial Effect

If all of these benefits can be fully realised the net budget for the Directorate will essentially remain neutral over the next ten years. However, realising these benefits is expected to cost £42m. The business case models much of this cost (22m) to occur in the first two years of the Programme. In the early stages of the Programme various proof of concept projects (para 5.5.1.4) will establish with greater certainty the full extent of the benefits that may be realised. The Programme then continues with delivery projects in the third year, costing £7m, giving way to continuous improvement in the remaining years of the Programme (costing £1.1m a year). When the modelling of benefits and costs are compared the predicted return on investment is expected to fall in 2013, the sixth year of the programme.

£000s	**Year 0 2007/8**	**Year 1 2008/9**	**Year 2 2009/10**	**Year 3 2010/11**	**Year 4 2011/12**	**Year 5 2012/13**	**Year 6 2013/14**	**Year 7 2014/15**	**Year 8 2015/16**	**Year 9 2016/17**	**Year 10 2017/18**	**Year11 2018/19**	**TOTAL**
3 year programme plan	£4,436	£8,643	£12,889	£7,248	£2,207	£1,136	£1,136	£1,133	£1,136	£1,136	£1,136	£230	**£42,468**
Gross cashable benefits	£0	£504	£767	£3,343	£6,017	£12,949	£21,443	£27,169	£34,708	£39,488	£44,787	£44,787	**£235,962**
Cumulative benefit ratio	0%	4%	6%	14%	30%	64%	119%	186%	267%	356%	453%	556%	**556%**
Return on investment	-£4,436	-£12,575	-£24,697	-£28,298	-£24,793	-£12,980	£7,326	£33,362	£66,934	£105,286	£148,937	£193,494	

Table 9: Summary of programme costs and benefits

Note 1: Benefits start post FBC sign off from 1st July 2008, subsequent years are BCC financial years, April 1st to March 31st

Note 2: The programme costs are supported by a MSP plan and Excel cost model

Note 3: The programme costs include no contingency as a time and materials charging mechanism has been assumed, and are based on Schedule 7 rates, with no further indexation

Note 4: The programme costs include £4m for IT integration and £3.3m for accommodation, based on half the CST estimates, as suggested by the TDU, and expenses of £1.4m

Note 5: The benefits are supported by an Excel model, the outputs of which are the benefit cards

Note 6: Beyond the costs and benefits presented here it may be necessary to invest in a new core IT system at the point where the existing technology no longer adequately supports the solution. Additional transformational costs may also be required to extend the benefits to fully close the demand gap created by the demographic pressures Birmingham Adults are facing over the next ten years

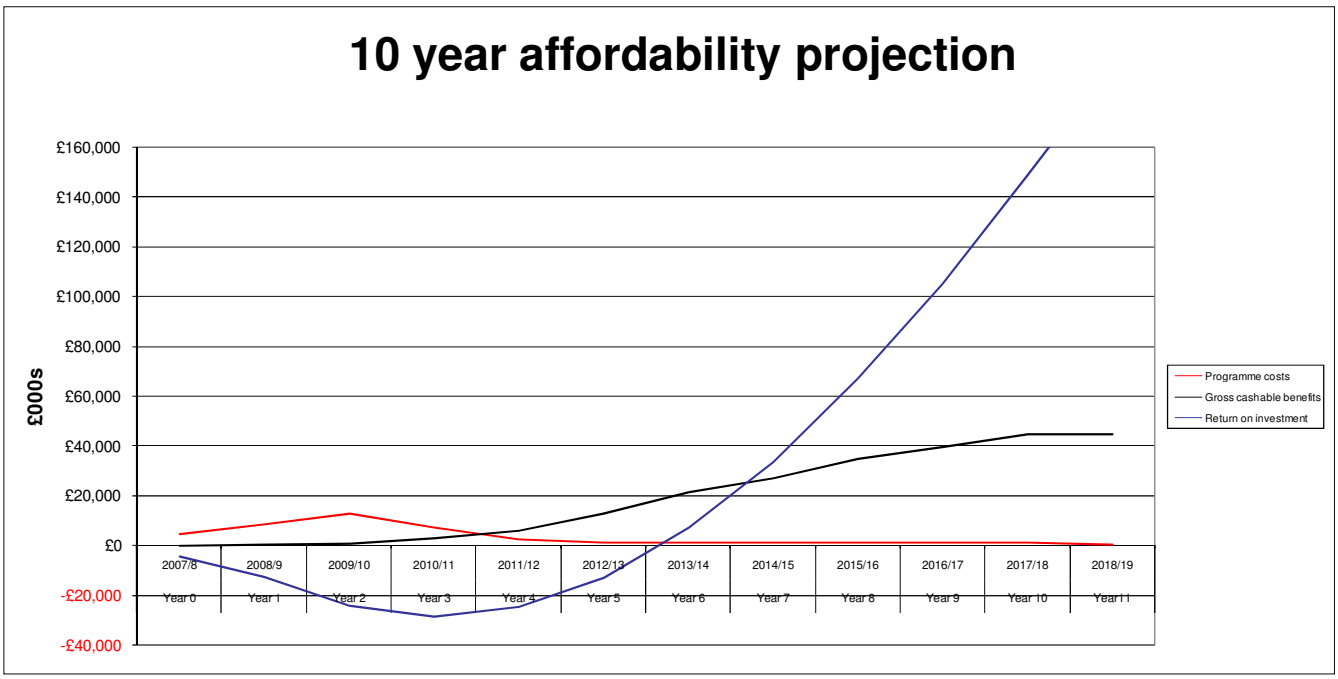


Figure 15: Ten year affordability projection

6.3 Summary

The research showed that the Directorate projected budget is going to be outstripped by the demographic demand indicated by ONS figures. This means that it is likely that the Directorate will soon only be able to offer critical care.

The FOM represents various initiatives to address this problem. This includes initiatives to reduce the demand for services, initiatives to decrease cost, and initiatives to exploit additional sources of income and funding.

In turn an attempt has been made to model the potential benefits associated with these initiatives. The basis of the modelling is to project current financial and volumetric data, based on the ONS figures, and compare this with the expected costs after implementation of the solution, thus defining the potential savings.

It should be noted that there is very little empirical data on which to base the modelling. Instead, hypotheses have been postulated based on assumed projections of the potential change.

To answer the questions as to whether the hypotheses are legitimate and the assumed projections are likely, proof of concept projects will be initiated in the first three to six months of the next phase of the Programme.

As shown throughout the document the Transformation Programme is based upon a strong business case showing a financial pay back during year six.

We are seeking approval of this Full Business Case, which will put Adults and Communities into a major transformation programme that will need to be aggressively pursued.

In delivering this Programme the Council will be seen as implementing a cutting edge transformation programme putting Birmingham in a position to shape the CSR 2011/2012.

Appendices

The table below lists all the appendices to the FBC. The key appendices are attached to this document.

Appendix	Title	Location
1	Full Business Case v1.3	Sharepoint Library
2	Delivery Project Service Initiation Documents	Sharepoint Library
3	Benefits Management Strategy	Sharepoint Library
4	Logical Design	Sharepoint Library
5	Revisions to the FBC benefit model	Attached
6	Demographics explained	Attached