

<b>Report to:</b>	<b>PROCUREMENT CABINET COMMITTEE</b>
<b>Report of:</b> <b>Date of Decision:</b>	<b>Strategic Director – Adults &amp; Communities Directorate</b> <b>21<sup>st</sup> May 2008</b>
<b>SUBJECT:</b>	<b>Full Business Case for the Adults and Communities Transformation Programme</b>
<b>Key Decision: Yes</b>	<b>Relevant Forward Plan Ref: 261996/2008</b>
<b>If not in the Forward Plan:</b> <b>(please "tick" box)</b>	<b>Complied with Rule 15</b> <input type="checkbox"/> <b>Complied with Rule 16</b> <input type="checkbox"/>
<b>Type of decision:</b>	<b>Executive</b>
<b>Relevant Cabinet Member(s):</b>	<b>Councillor Anderson</b>
<b>Relevant O&amp;S Chairmen:</b>	<b>Councillor Clark</b>
<b>Wards affected:</b>	<b>All</b>

**1. Purpose of report:**

- 1.1 To seek final approval of Procurement Cabinet on the Adults and Communities Transformation Full Business Case (FBC) as required by the Business Transformation Governance arrangements approved by Cabinet in May 2006 (see **Appendix**).
- 1.2 To obtain authority to deliver Phases 3-8 of the Transformation Programme for Adults and Communities Directorate.

**2. Decision(s) recommended:**

- 2.1 To approve the Adults and Communities Services Full Business Case and resources to enable the programme to deliver Phases 3-8.
- 2.2 To approve the Adults and Communities FBC, subject to remaining consultation with relevant Members.
- 2.3 To release the budget, of £37,566,000 to enable the Adults and Communities Transformation programme to proceed as detailed in the FBC, subject to the funding requirements receiving formal agreement from Cabinet at the meeting of 9<sup>th</sup> June or 23<sup>rd</sup> June 2008.
- 2.4 To note that further phases of the Programme will proceed via the appropriate work packages, under the authority of the Programme Board unless there is a material alteration to the business case; under such circumstances further authority to proceed will be sought from this Committee.

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### 3. Compliance Issues:

- 3.1 Are decision(s) consistent with the Council's Policies, Plans and Strategies focused on "Global City with a Local Heart"?  
The Full Business Case (FBC) sets out how the Adults and Communities Directorate Transformation Programme will contribute to the Council Plan and service strategies. One of the key stages in the development of the FBC was to ensure that the programme outcomes link directly to the business transformation outcomes and these align with the Council's corporate and service objectives.
- 3.2 Have relevant Ward and other Members / Officers been properly and meaningfully consulted on this report?  
The FBC has been approved by the Business Transformation Steering Group (BTSG) and the Programme Board, both of which have senior officer and Member representation including Housing and Constituencies, Children Young People and Families and Chief Executive. The Business Transformation Advisory Group (BTAG) endorses the approach to deriving benefits. The Elected Members who have been consulted include Councillors Paul Tilsley, Deputy Leader, Alan Rudge, Cabinet Member for Equalities & HR, Sue Anderson, Cabinet Member for A&C, Sir Albert Bore, Leader of the Opposition, Ian Ward and Steve Bedser from the Labour Group Office. All other Cabinet Members have been written to with an update of the FBC.
- 3.3 Are there any relevant legal powers, personnel, equalities, regeneration and other relevant implications?  
A Strategic Equalities Impact Assessment has been conducted for the FBC and is included within appendices of the FBC. Further equalities impact assessments have been planned throughout the next phase and will be required for all projects. The proposed change programme will have implications for staff through Adults and Communities services, including consultation, training and development, changes to job roles and locations and a planned reduction in staffing levels over the term of the business case. Unions have been consulted and are represented on the Programme Board.
- 3.4 How will decision(s) be carried out within existing finances and resources?  
The FBC is projecting a cost of £42.6m over the 10-year term, with projected benefits of £230m of which £168m is cashable. The Council's budget plan includes provision for the planned costs. Without action, the LSE work has shown significant risk to delivering Adults and Communities services within the projected resources of the Directorate.
- 3.5 Have the main Risk Management and Equality Impact Assessment Issues been considered or concluded and, if yes, what are they and how will they be carried forward to deliver the Council's objectives?  
A risk assessment and equality impact assessment are contained within the FBC and will be subject to on-going review. The key risk to the Adults and Communities Transformation Programme is that there will be delays in policy setting that could delay the programme. Also the need to secure and maintain sufficient commitment across the Council, at all levels, to deliver the change. The Adults and Communities Transformation Programme should enhance the Council's ability to respond effectively to the needs all citizens resident in Birmingham, improving access and key outcomes based on better use of customer knowledge. Furthermore, the continuation of Strategic Equalities Impact Assessments through to the detailed design phase will ensure that the programme continues to address the needs of different groups throughout the implementation of the programme. As part of the service delivery model safeguarding will be a design principle throughout to minimise any risk that vulnerable adults may face in their community.

- 3.6 How will this report help to inform, further improve or otherwise, help to deliver the Council's BEST initiative?  
The proposals within the FBC for the training and development of staff are closely integrated with the BEST initiative, so that the proposed change and investment will help achieve the BEST outcomes.

#### **4. Relevant background/chronology of key events:**

- 4.1 The FBC builds upon the Outline Business Case which was completed in September 2007. This follows the establishment of the transformation programme for Adults and Communities in April 2007.
- 4.2 The FBC details how the Adults and Communities Directorate plans to 'transform' over a ten-year period, reaching maturity in 2018; the need for change; the Future Operating and Service Delivery Model; associated benefits to the Council; and the approach to be taken.
- 4.3 The Programme is in response to the significant pressures upon the Council to 'transform' its operations. These pressures are coming from three main areas:
- *Citizens*: regardless of their eligibility for funding, want to experience independence, wellbeing 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, builds 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.
  - *Demographics (national and local)*: Including 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.
- 4.4 The FBC articulates the key principles of future Service Delivery Model for Adults and Communities, which will improve outcomes for all citizens. This will be achieved by maximising independence through more proactive/preventative approaches including enablement and use of innovative technologies; Enablement for everyone to prolong independence and minimize the cost of care; Self directed care with individualised provision; Greater choice, accountability and control; Access to services through channels which are suitable to preferences; An organisation built around citizen needs.
- 4.5 Safeguarding of vulnerable adults will be an integral design principle of the future programme of work to ensure the Council acts to protect vulnerable adults in the most appropriate manner.

#### **5. Evaluation of alternative option(s):**

Given the demographic changes taking place in Birmingham which is predicted to put greater demand on Adults and Communities, a range of options have been considered as part of the FBC process. These include seeking a substantial additional funding to meet demand and / or tightening of eligibility criteria to remain within current budget. These options are deemed not viable, potentially excluding many vulnerable people from services, and would have a negative impact on the Directorate performance rating as we are expected to meet the needs of all citizens.

<b>6. Reasons for Decision(s):</b>	
6.1	The FBC outlines the benefits that are both cashable and non cashable indicating how Adults and Communities can respond to the increasing demand it is expected to meet in the future. The future service delivery model will better meet the needs of all citizens and improve outcomes as people will be able to take greater control over self-directing their own care whilst promoting their independence.
6.1	FBC approval will enable the Adults and Communities Directorate to effectively move into the next phases of transformation, which will deliver better outcomes for citizens.

<b>Signatures (or relevant Cabinet Member(s) approval to adopt the Decisions recommended):</b>	
Chief Officer(s):	.....
Cabinet Member(s):	.....
Dated:	.....

<b>List of Background Documents used to compile this Report:</b>
Outline Business Case for the Adults and Communities Transformation Programme

<b>List of Appendices accompanying this Report (if any):</b>
Full Business Case - Adults and Communities Transformation Programme